

CITY OF CRAIG

ORDINANCE NO. 1170 (2025)

AN ORDINANCE OF THE CITY OF CRAIG AMENDING SECTION 5.10 ALCOHOL BEVERAGES, TO REFERENCE THE APPROPRIATE STATE STATUTES AND TO INCLUDE TRANSFER OF OWNERSHIP HEARING PROCEDURES.

WHEREAS, The City of Craig, Colorado (“City”) is a municipal corporation organized under the laws of the State of Colorado and vested with the authority to regulate and administer local liquor licensing within its jurisdiction; and

WHEREAS, the Colorado Liquor Code was moved from Title 12 to Title 44 of the Colorado Revised Statutes, effective October 1, 2018; and

WHEREAS, the Colorado Liquor Code provides for a transfer of ownership of a current liquor license; and

WHEREAS, the City of Craig has several liquor licenses that have been established that may request transfers of ownership; and

NOW THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF CRAIG, COLORADO, AS FOLLOWS:

Section 1. The forgoing recitals are incorporated as conclusions, facts, determinations, and findings by City Council.

Section 2. The definition of an Administrative Hearing Officer is added to Section 5.10.010 of the Craig Municipal Code.

Section 3. References to Title 12, Article 47 are removed from Chapter 5.10 – Alcohol Beverages and replaced as appropriate by Title 44 Articles 3, 4, and 5 C.R.S.

Section 4. Section 5.10.020 is updated to include the process of a modification of premises as part of the city clerk’s duties.

Section 5. Transfer of Ownership hearing procedures are added as Section 5.10.050 (F)

Section 6. Severability. The provisions of this Ordinance are severable and the invalidity of any section, phrase, clause, or portion of the ordinance as determined by a court of competent jurisdiction shall not affect the validity or effectiveness of the remained of the Ordinance.

Section 7. The City Council deems it appropriate to publish the title of this Ordinance, together with a summary of the Ordinance and with a statement that the text is available for public inspection and acquisition in the office of the City Clerk.

Section 8. This Ordinance is enacted pursuant to the City's authority to act under its police power to protect and preserve the general welfare of the City and its citizens.

Section 9. This Ordinance shall be effective immediately upon passage.

**READ, APPROVED, AND ORDERED PUBLISHED ON FIRST READING THIS
_____ DAY OF _____, 2025 BY THE CITY COUNCIL OF THE CITY
OF CRAIG, COLORADO.**

Chris Nichols, Mayor

Attest:

Katie Carmody, City Clerk

Votes in favor: _____

Votes opposed: _____

Votes abstained: _____

**READ, APPROVED, AND ORDERED PUBLISHED ON SECOND READING THIS
_____ DAY OF _____, 2025 BY THE CITY COUNCIL OF THE CITY
OF CRAIG, COLORADO.**

Chris Nichols, Mayor

Attest:

Katie Carmody, City Clerk

Votes in favor: _____
Votes opposed: _____
Votes abstained: _____

Chapter 5.10 Alcohol Beverages

Sections:

5.10.010 Definitions.

As used in this chapter, the following words and phrases shall have the following meanings, unless the context indicates otherwise:

Administrative Hearing Officer (AHO) means a person or persons to whom the Licensing Authority has delegated the authority to preside over administrative hearings.

Applicant means any person, partnership, corporation or other legal entity or affiliation who is applying for or has applied for a license or permit to sell malt, special malt, vinous or spirituous liquors or fermented malt beverages, but is not yet licensed as a licensee.

Employee means any employee of a licensee involved in the sale, dispensing or serving of malt, special malt, vinous or spirituous liquors or fermented malt beverages.

Good cause, for the purpose of refusing, denying, suspending or revoking a license, means:

1. The licensee or applicant has violated, does not meet or has failed to comply with any of the terms, conditions or provisions of this chapter or any rules and regulations promulgated pursuant to this chapter or Title ~~44~~12, Articles ~~3, 4, and 5~~47, C.R.S.;
2. The licensee or applicant has failed to comply with any special terms or conditions that were placed on its license in prior disciplinary hearings or arose in the context of potential disciplinary proceedings;
3. In the case of a new license, the applicant has not established the reasonable requirements of the neighborhood or the desires of its adult inhabitants as provided in Section 5.10.050; or
4. Evidence that the licensed premises have been operated in a manner that adversely affects the public health, welfare or safety of the immediate neighborhood in which the establishment is located, which evidence may include, but not be limited to, a continuing pattern of fights, violent activity or disorderly conduct.

License means an official grant of permission to sell fermented malt beverages, malt, special malt, vinous or spirituous liquors as evidenced by a city-issued form, license, permit, insignia or tag.

Licensed premises means the premises specified in an approved application for a license under this chapter which are owned or in the possession of the licensee within which such licensee is authorized to sell fermented malt beverages, malt, special malt, vinous or spirituous liquors at retail. It includes all lands, structures, equipment and appurtenances connected to or used in the licensed premises and also any personal property which is either affixed to or is otherwise used in connection with business conducted on the premises.

Local licensing authority or authority means the city council of the city of Craig.

Party-in-interest means:

1. The applicant;
2. An adult resident of the neighborhood under consideration;
3. The owner or manager of a business located within the neighborhood under consideration;

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4. The principal or representative of any school located within five hundred (500) feet of the premises under consideration;
 5. Any representative of a bona fide organized neighborhood group which encompasses part or all of the neighborhood under consideration; or
 6. Any member of the city staff, including but not limited to the city manager, the city attorney or the chief of police or representative thereof.

Training means attendance and completion of an educational liquor seminar that meets the Colorado Department of Revenue "Seller-Server Training Standards." (Ord. 979 §1, 2008; Ord. 928 §1, 2003)

5.10.020 City clerk duties.

The city clerk shall:

- A. Issue all licenses granted by the liquor licensing authority upon receipt of such fees as are required by law.
- B. Serve as the secretary of the liquor licensing authority.
- C. Process all license renewal applications, including late renewal applications, on behalf of the liquor licensing authority upon receipt of a completed application and such license fees as are required by law.
- D. Process all applications for temporary, special event and other permits on behalf of the liquor licensing authority.
- E. Process all change in corporate structure, trade name change, modification of premises changes, and corporate name change report forms on behalf of the liquor licensing authority upon receipt of a completed form and such license fees as are required by law.

(Ord. 979 §1, 2008; Ord. 928 §1, 2003)

5.10.030 Licensing authority duties.

The local licensing authority shall:

- A. Have the duty and authority to grant or refuse licenses for the possession, sale and offering for sale of malt, special malt, vinous or spirituous liquors and fermented malt beverages as provided by law, to conduct investigations as are required by law and to levy penalties against licensees in the manner provided by law;
- B. Have all the powers of the local licensing authority as set forth in Title 4412, Articles 46, 47 and 483, 4, and 5, C.R.S.;
- C. Have the authority to promulgate rules and regulations concerning the procedures for hearings before it and the presentation of evidence at hearings; to delegate such authority to an Administrative Hearing Officer (AHO); and to appoint an Administrative Hearing Officer (AHO) to hear all cases and render all Decisions with respect to all Transfer of Ownership and Show Cause Hearings.
- D. Have the power to require any applicant for a license to furnish any relevant information required by the authority.
- E. Have the authority to process applications for a special events permit, give approval or disapproval of such applications, issue approved special events permits and report such issued special events permits to the State Liquor License Enforcement Division in accordance with Article 5-48 of Title 4412, C.R.S.

(Ord. 1034 §2, 2014; Ord. 979 §1, 2008; Ord. 928 §1, 2003)

5.10.040 Hearings.

- A. All hearings before the authority shall be public and shall be conducted according to the rules and regulations promulgated by the authority.
- B. Except for an application for renewal or for the transfer of ownership, the authority shall post and publish notice not less than ten (10) days prior to hearings to be held on new license applications or change of location applications for the sale of malt, special malt, vinous or spirituous liquors and fermented malt beverages.

(Ord. 979 §1, 2008; Ord. 928 §1, 2003)

5.10.050 Hearings on new license/change of location applications/transfer of ownership.

- A. Applicants and all other parties-in-interest may appear in person or be represented by counsel. At any hearing held by the Authority for purposes of establishing the needs, desires and requirements of the neighborhood, only a party-in-interest and agents responsible for petition circulation shall be allowed to present evidence or testify.
- B. The Authority may limit the presentation of evidence tending to be repetitious or immaterial.
- C. As applicable, the applicant may introduce evidence with regard to the following:
 - 1. Information regarding the applicant's character, reputation and other matters relating to the personal qualifications of the applicant or any other person whose personal qualifications are relevant pursuant to law.
 - 2. The applicant's relevant financial and management associations and the relevant interests of other persons in the business.
 - 3. The type of building in which the business is to be conducted and the facilities which will be used by the applicant, including a floor plan of the proposed premises.
 - 4. The neighborhood affected by the application. There is a rebuttable presumption that the relevant neighborhood most likely to be affected by the applicant's proposed establishment is that area surrounding such establishment by six hundred (600) feet.
 - 5. The reasonable requirements of the neighborhood and the desires of its inhabitants for the type of license for which application is made.
 - a. Petitions favoring or opposing the license applied for may be presented at the hearing. Petitions may be circulated within the neighborhood affected by the application. Every person signing the petition shall sign only his or her own name, address and age or otherwise indicate that such person is at least of legal age to purchase or consume the malt, special malt, vinous or spirituous liquors or fermented malt beverages which are the subject of the license applied for.
 - b. Each petition shall contain a verified statement signed by the circulator of the petition indicating that the circulator personally witnessed each signature appearing on the petition.
 - 6. The proposed establishment meets the zoning and planning requirements of the city.
 - 7. Any other pertinent matters affecting the qualifications of the applicant and the location of the proposed premises.
- D. Any party-in-interest may introduce evidence with regard to any pertinent matter affecting the application.

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- E. The authority may make such independent investigation as it deems necessary or advisable in connection with any application for a license.
- F. Applicants requesting a transfer of ownership may appear in person or be represented by counsel at the transfer of ownership hearing held by the Administrative Hearing Officer. The applicant may introduce evidence with regard to the following:
1. Information regarding the applicant's character, reputation and other matters relating to the personal qualifications of the applicant or any other person whose personal qualifications are relevant pursuant to law.
 2. The applicant's relevant financial and management associations and the relevant interests of other persons in the business.
 3. Confirmation from each licensed wholesaler that has sold alcohol beverages to the transferor that the wholesaler has been paid in full for all alcohol beverages delivered to the transferor.
 4. The needs and desires of the neighborhood will be considered during a transfer of ownership hearing, however, the date that the original liquor license was granted will be used for determining party-in-interest as to the principal or representative of any school located within five hundred (500) feet of the premises under consideration.
 5. The city clerk may issue a temporary permit for not more than 100 days upon receipt of a transfer of an application for a temporary permit and the associated fees as provided in Section 5.12.020. If the application to transfer the license has not been granted or denied within the one hundred (100) day period and the transferee has demonstrated good cause, the city clerk may extend the validity of the permit for an additional period not to exceed sixty (60) days.

(Ord. 979 §1, 2008; Ord. 928 §1, 2003)

5.10.060 Show cause hearings.

- A. When matters are brought to the attention of the Authority which, if substantiated, constitute a violation of this chapter or of Title 4412, Articles 46, 47 or 483, 4, or 5, C.R.S., or the rules and regulations relating thereto, the Authority, by and through its duly appointed Administrative Hearing Officer, shall promptly notify the licensee, in writing, by mail or personal delivery, of the date and time established for a show cause hearing, at which time the licensee will be required to show cause why a penalty should not be levied if a violation is found.
- B. Such notice shall contain a brief description of the grounds for conducting the hearing. The hearing shall be held as soon as reasonably possible after notice has been mailed or delivered to the licensee.
- C. At the hearing, the city shall present matters into evidence, and the licensee shall have an opportunity to present evidence on the licensee's behalf and to comment upon the evidence. The Authority, by and through its duly appointed Administrative Hearing Officer (AHO) shall furnish the licensee its Decision in writing within seven (7) days following the hearing. In the event of suspension or revocation of the license, no portion of the annual license fee paid shall be refunded.
- D. Upon a finding of violation of any allegation after the show cause hearing, the Administrative Hearing Officer (AHO) shall determine appropriate penalty or sanctions within the range of possible penalties set forth in the state law as amended. All decisions of the AHO shall be final and binding, and there shall be no appeals therefrom, except to a Court of Law, as permitted by the laws of the state.

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- E. The sentencing guidelines for the city local licensing authority and its Administrative Hearing Officer (AHO) are hereby incorporated by reference.

(Ord. 979 §1, 2008; Ord. 928 §1, 2003)

5.10.070 Aggravating/mitigating factors for show cause hearings.

In all cases where a violation of the applicable state or local laws is found at a show cause hearing, the authority shall consider evidence and statements in mitigation and in aggravation of the violation prior to determining the appropriate penalty. Such evidence and statements may relate to and include, but not be limited to, the following factors:

- A. Seriousness of the violation;
- B. Corrective action taken by the licensee after the violation;
- C. Prior violations at the licensed premises by the licensee's employees and the effectiveness of prior corrective action;
- D. Whether the violation is part of a repeated course of conduct or is an isolated occurrence;
- E. Likelihood of recurrence;
- F. Length of time the license has been held by the licensee;
- G. Previous sanctions imposed against the licensee; and
- H. The quantity and quality of applicable training performed by the licensee prior to the violation. If the person charged with committing the offense under this chapter has not completed a Seller-Server Training course meeting the Seller-Server Training Standards of the Colorado Department of Revenue, as amended, before the date of the alleged violation the AHO shall impose a two-hundred-fifty-dollar fine on the license holder, in addition to any other penalties.
- I. Other factors making the situation with respect to the licensee or the licensed premises unique.

(Ord. 979 §1, 2008; Ord. 928 §1, 2003)