

**TOWN OF KEYSTONE
ORDINANCE NO. 2025-O-08**

**AN ORDINANCE OF THE TOWN COUNCIL OF THE TOWN OF
KEYSTONE, COLORADO, AMENDING THE TOWN LIQUOR CODE
AND ORDINANCE 2024-O-03 AND ALLOWING FOR ADMINISTRATIVE
APPROVAL OF CERTAIN APPLICATIONS**

WHEREAS, the Town of Keystone (“Town” or “Keystone”) is a home rule municipal corporation created pursuant to Article XX of the Colorado Constitution; and

WHEREAS, pursuant to § 31-15-501, C.R.S., municipalities have the power to license, regulate, and tax businesses within the limits of the Town; and

WHEREAS, pursuant to Title 44, Articles 3 and 4, C.R.S., the Town has the authority to establish a local liquor licensing authority; and

WHEREAS, on April 9, 2024, Town Council adopted Ordinance 2024-O-03 regulating the licensing of distribution and sale of alcoholic beverages and adopting the Town Liquor Code; and

WHEREAS, in May 2024, the Colorado General Assembly adopted SB 24-231, Alcohol Beverage Liquor Advisory Group Recommendations, which no longer mandates a public hearing on new liquor license applications and allows for administrative approval; and

WHEREAS, the Town Council desires to amend Ordinance 2024-O-03 to allow for administrative approval of liquor license applications and provide discretion to set a public hearing on certain applications.

**THE TOWN COUNCIL OF THE TOWN OF KEYSTONE, COLORADO,
ORDAINS:**

Section 1. The foregoing recitals are hereby affirmed and incorporated herein by this reference as findings of the Town Council.

Section 2. Repeal and Replace Paragraph B of Ordinance 2024-O-03 to provide for administrative approval of new liquor license applications. Paragraph B of Ordinance 2024-O-03 is repealed and replaced with the following to allow for administrative approval:

B. Designation of Town Council as Liquor Licensing Authority; duties of Town Clerk.

- (a) The Liquor and Fermented Malt Beverage Licensing Authority for the Town is the Town Council and shall be known as the "Liquor Licensing Authority" or "Authority."
- (b) The Town Clerk shall assist the Liquor Licensing Authority by receiving all applications, coordinating with other Town officers and departments when relevant, scheduling public hearings required and exercising his or her discretion in forwarding renewals, change of ownership, change of officers, directors and stockholders, change of trade name, modification of premises, special event permits and change of manager matters to the Liquor Licensing Authority.
- (c) The Town Clerk is hereby vested with authority to administratively review and approve applications for liquor licenses.
 - (1) New liquor licenses. The Town Clerk is authorized to administratively review and approve an application for issuance of a new liquor license. In considering whether to schedule a public hearing on a new liquor license application as permitted under Section B(c)(3), the Town Clerk will consider factors such as the presence of opposition to the application or any other matters that may warrant further public review. If three or more written statements of opposition are submitted by members of the public, a public hearing shall be required prior to the issuance of the license. For purposes of this process, the term "new liquor licenses" includes changes of location and changes of ownership. Following the administrative approval of any new liquor license, the Town Clerk or the Town Manager shall provide either a written or oral report to Town Council summarizing the approval.
 - (2) Renewals. The Town Clerk is authorized to administratively review and approve an application for the renewal of any previously approved liquor license where, after reasonable investigation by the Town Clerk and consultation by the Town Clerk with other appropriate administrative and law enforcement personnel, all of the following circumstances are found to exist:
 - a. The applicant has timely and properly submitted a complete license renewal application and tendered all required fees in accordance with this Chapter and the provisions of Title 44 C.R.S;
 - b. The applicant's license is in good standing with the Town and the State, and no violation of law has occurred during the previous year;
 - c. To the knowledge of the Town Clerk, there is no pending or proposed criminal or legal investigation or charges against the applicant or the licensed premises; and
 - d. There is no other information known by the Town Clerk that would cause the Town Clerk, in the Town Clerk's reasonable belief, to believe that some

violation of applicable law has occurred or that the license should not be renewed.

- (3) Notwithstanding any authority delegated to the Town Clerk for the administrative approval of applications under this Section, the Town Clerk may, at the Town Clerk's discretion, refer any licensing decision authorized herein to the Authority if, in the Town Clerk's opinion, the matter should be presented to the Authority.

Section 3. Repeal and Replace Paragraph G of Ordinance 2024-O-03 to provide for administrative approval of liquor license applications. Paragraph G of Ordinance 2024-O-03 is repealed and replaced with the following to allow for administrative approval:

G. Application and hearing procedure.

Upon receipt of a complete application, if the Town Clerk sets the application for a public hearing, the Town Clerk shall notify the Liquor Licensing Authority at its next meeting of the filing of the application, set a hearing date and give notice of the hearing according to the requirements of Section 44-3-311, C.R.S. This procedure applies to hearings scheduled for new licenses applications and applications for a change of location.

Section 4. Repeal and Replace Paragraph H of Ordinance 2024-O-03 to provide for administrative approval of liquor license applications. Paragraph H of Ordinance 2024-O-03 is repealed and replaced with the following to allow for administrative approval:

H. Preliminary investigation; findings.

- (a) The Town Clerk shall, on behalf of the Liquor Licensing Authority, investigate the following except for renewal or transfer of ownership:
 - (1) Whether any of the prohibitions contained in Section 44-3-301(12) or 44-3-313, C.R.S., apply to the applicant.
 - (2) The number and type of outlets of a nature similar to the applicant's within one (1) mile in any direction of the proposed location.
- (b) The Town Clerk may request that law enforcement, on behalf of the Liquor Licensing Authority, investigate the following:
 - (1) All pertinent matters affecting the qualifications of the applicant for the conduct of the type of business proposed.
 - (2) Any financial interests, including notes, mortgages, leases, etc., in other licenses.
 - (3) The applicant's criminal records, if any, including all partners, principals or stockholders holding over ten percent (10%) of the outstanding and issued stock.
 - (4) Other matters as the Liquor Licensing Authority shall direct.

- (c) A written report setting out the results of the investigations performed by the Town Clerk and law enforcement shall be prepared and mailed by certified mail, return receipt requested by the Town Clerk to the applicant and, upon request, to other interested parties, as defined by Section 44-3-311(5)(a) or 44-3-312(a), C.R.S., not less than five (5) days prior to the date of the hearing, if scheduled, upon the application. The original report may be filed as a public record in the Town Clerk's office.

Section 5. Repeal and Replace Paragraph L of Ordinance 2024-O-03 to provide for administrative approval of liquor license applications. Paragraph L of Ordinance 2024-O-03 is repealed and replaced with the following to allow for administrative approval:

L. Change of location.

- (a) Before the location of a licensee is changed, the licensee shall submit an application, on forms provided by the State Licensing Authority and the Town, to the Town Clerk for such change. An application fee, as provided in Paragraph F of these regulations, shall accompany the application.
- (b) All applications for a change in the location of a licensee shall be filed with the Town Clerk and shall be subject to requirements for a new liquor license, except that the character of the applicant shall not be considered.
- (c) If the Town Clerk sets the application for a public hearing, the scheduling and notice of the hearing on a change of location shall be as provided in Section 44-3-311, C.R.S.

Section 6. Repeal and Replace Paragraph M of Ordinance 2024-O-03 to provide for administrative approval of liquor license applications. Paragraph M of Ordinance 2024-O-03 is repealed and replaced with the following to allow for administrative approval:

M. Change of ownership.

- (a) All applicants for the issuance of a license by reason of transfer of ownership of the business or of possession of the licensed premises pursuant to 44-3-303(1)(c) shall file, with the Town Clerk, an application on forms provided by the State Licensing Authority and by the Town. The application form shall be accompanied by application fees and license fees as provided in Paragraph F of these regulations.
- (b) The Town Clerk shall request that law enforcement conduct an investigation of the character of the applicant, including, when applicable, the principals, partners, officers, directors and shareholders holding over ten percent (10%) of the issued and outstanding stock.

- (c) Upon review of the report from law enforcement and the requirements of Section 44-3-307, C.R.S., and 1 CCR 203-2, rule 47-302, the Town Clerk may approve the application for transfer of ownership without setting the matter for a public hearing.
- (d) If, after review of the report from the law enforcement and the requirements of Section 44-3-307, C.R.S., and 1 CCR 203-2, rule 47-302, the Town Clerk determines that a public hearing is appropriate, the Town Clerk will schedule the application for a public hearing before the Liquor Licensing Authority. The Town Clerk shall provide notice of the hearing pursuant to Section 44-3-303(1)(c)(III), C.R.S. The Liquor Licensing Authority shall consider only the requirements of Section 44-3-307, C.R.S., and 1 CCR 203-2, rule 47-302, and the applicant shall not be required to submit information, except as it concerns those requirements.
- (e) A temporary permit may be issued to an applicant pending approval by the Liquor Licensing Authority of a change in ownership pursuant to Section 44-3-303(5), C.R.S.

Section 7. Severability. Should any one or more sections or provisions of this Ordinance be judicially determined invalid or unenforceable, such judgment shall not affect, impair, or invalidate the remaining provisions of this Ordinance, the intention being that the various sections and provisions are severable.

Section 8. Codification. This ordinance may be codified and numbered for purposes of codification without the need for further approval by the Town Council.

Section 9. Effective Date. This ordinance shall take effect and be enforced thirty (30) days after final publication.

INTRODUCED, READ AND PASSED AS AN ORDINANCE, ON FIRST READING, AND SCHEDULED FOR PUBLIC HEARING ON _____, AT A REGULAR MEETING OF THE TOWN COUNCIL OF THE TOWN OF KEYSTONE, COLORADO, THIS

_____ DAY OF _____, 2025.

Kenneth D. Riley, Mayor

ATTEST:

Town Clerk

APPROVED AS TO FORM:

Town Attorney

READ, PASSED AND ADOPTED WITH A ROLL CALL VOTE OF ____ IN FAVOR AND ____ OPPOSED ON SECOND READING, AT A REGULAR MEETING OF THE TOWN COUNCIL OF THE TOWN OF KEYSTONE, COLORADO, THIS _____ DAY OF _____, 2025.

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Kenneth D. Riley, Mayor

ATTEST:

Town Clerk

APPROVED AS TO FORM:

Town Attorney