

Food Establishment Change of Ownership

How to Obtain a New License to Operate a Retail Food Establishment

A license to operate a retail food establishment (RFE) is required to serve or sell food or drink to the public in Colorado. RFE licenses are <u>not</u> transferable. Therefore, the new or prospective owner of an existing RFE is required to obtain a new license in the name of the new owner prior to serving or selling food or drink to the public.

Adams County Health Department (ACHD) has implemented the following procedures to facilitate the lawful licensure of existing RFE's:

Ownership of the RFE has not yet changed:

- Contact your local ACHD office (see locations and phone numbers below) to schedule a "site evaluation" inspection.
- An Environmental Health Specialist (EHS) will inspect the RFE by appointment and provide you with a list of structural and equipment violations that must be corrected for approval of an application for a new RFE license.
- The fee for this inspection is the greater of \$75 or the actual cost of the inspection, calculated at a rate of \$60 per hour.
- Possession of this list prior to the purchase or lease of the RFE enables a prospective buyer to incorporate it into negotiations for purchase or lease of the RFE, important if the list contains items that are costly to correct.
- Correction of all items cited on the list, payment of RFE license and inspection fees, and a State of Colorado Department of Revenue Sales Tax License in the name of the new owner, allows approval of an application for a valid RFE license in the name of the new owner.

Ownership of the RFE has already changed:

- Contact your local ACHD office (see locations and phone numbers below) to schedule a "change-of-ownership" (COO) inspection.
- An EHS will inspect the RFE by appointment and will provide the new owner with a list of structural and equipment violations that must be corrected for approval of an application for a new RFE license.
- The fee for a COO inspection and subsequent follow-up inspections is the greater of \$75.00 or the actual cost of the inspections, calculated at a rate of \$60 per hour.

- If the RFE is operating, the owner will be served with a "Notice of Violation" for serving or selling food to the public without a RFE license, and unlawful act (§25-4-161-(b) punishable by a civil penalty of \$250 to \$1000 (§25-4-1611(1)). However, the new owner of the RFE may avoid legal action by fulfilling the following requirements in a timely manner:
- All violations cited on the COO inspection list must be corrected within 14 days of the inspection.
- Correction of all violations cited on the list, payment of the RFE license and all COO inspection fees, and a State of Colorado Department of Revenue Sales Tax License in the name of the new owner, will allow approval of an application for a valid RFE license in the name of the new owner.

NOTE: Changes made in the RFE since initial approval to operate may necessitate a plan review and approval. Contact your nearest TCHD office for details.

• Required for individuals and sole proprietors only.



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