



Marijuana Licensing

February 27, 2017 Study Session
Presented by City Clerk Laura Bauer

Purpose

- To determine council's philosophy relative to the industry after one year of licensing relative to the following topics:
 - Hearings
 - Compliance
 - Caps
 - Setbacks and buffers



Background

- 2012: City allows medical marijuana licensing
- 2013: City places moratorium on recreational marijuana
- 2015: City lifts moratorium on recreational marijuana and creates a licensing structure

c3gov.com/marijuana



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Background

- Location Restrictions

- No marijuana business or primary caregiver within 1,000 feet of:
 - Any public or private educational institution or school, excluding post-secondary institutions
 - Any state licensed child care facility
 - Any alcohol or drug rehabilitation facility
 - Any group home
 - Any halfway house or correctional facility
 - Any city-owned public park or city-owned recreation center, although the term park shall exclude any trail
- Retail stores and medical marijuana centers cannot be located within 500 feet of any property zoned mixed use (with residential entitlement), residential or agricultural
- All other marijuana business and primary caregivers cannot be located within 1,000 feet of any property within city zone mixed use (with residential entitlement), residential or agricultural

Current Conditions - Licensure

- **24 total applications processed**
 - 3 applications denied
 - 6 applications withdrawn
 - 15 applications approved
 - 11 infused product manufacturers
 - 2 dispensaries
 - 2 cultivation
- **10 of the 24 processed are operational**
 - 5 pending certificate of occupancy and security inspection

Current Conditions - Compliance

Compliance Phases	Occurrence
Application Process	<ul style="list-style-type: none">• Thorough background checks• Burden on local, not state government
Complaint-driven	<ul style="list-style-type: none">• Received through web, email and phone• 2015-2016: 5 complaints received
Self-Reporting	<ul style="list-style-type: none">• Licensed premises• Corporate structure changes
Inspections	<ul style="list-style-type: none">• Time of licensure and renewal

License Type Comparison

City	Retail Marijuana Store	Retail Marijuana Cultivation Facility	Retail Marijuana Products Manufacturer	Medical Marijuana Center	Medical Marijuana Infused Product Manufacturer	Optional Premises Cultivation Operation
Aurora	Y	Y	y	N	N	N
Boulder	Y	Y	Y	Y	Y	Y
Breckenridge	Y	Y	Y	Y	Y	Y
Commerce City	Y	Y	Y	Y	Y	Y
Denver	Y	Y	Y	Y	Y	Y
Edgewater	Y	Y	Y	Y	Y	Y
Ft. Collins	Y	Y	Y	Y	Y	Y
Louisville	Y	N	Y	Y	Y	N
Northglenn	Y	Y	Y	Y	Y	Y
Pueblo	Y	Y	Y	N	N	N
Wheat Ridge	Y	Y	Y	Y	Y	Y

Compliance/Process Comparison

City	Application Public Hearing	Renewal Public Hearings	License Caps	Odor Zero Tolerance
Aurora	N	N	Y	Y
Boulder	N	N	N	Y
Breckenridge	Y	N	Y	Y
Commerce City	Y	Y	N	Y
Denver	Y stores only	N	Y	N
Edgewater	Y	N	Y	N
Ft. Collins	N	N	Y	Y
Louisville	Y	N	Y	?
Northglenn	Y	Y	N	Y
Pueblo	Y	N	Y stores only	N
Wheat Ridge	N	N	Y	Y

Current conditions

Revenues & Expenses

	2015	2016	Two-Year Total
Sales Tax	0.00	62,036.66	62,036.66
Retail Excise Tax	0.00	77,921.11	77,921.11
State Special Tax	0.00	15,277.55	15,277.55
Licensing Fees	88,500.00	208,200.00	296,700.00
Licensing Expenses	0.00	12,821.46	12,821.46
Licensing Refunds	0.00	74,000.00	74,000.00
Net Revenue	88,500.00	302,256.78	390,756.78

Proactive process improvements

- Police conduct security inspection within 10 business days of issuing the C.O.
- IGA with Tri-County Health for annual food/beverage infused products inspections within the next 30 days
- South Adams County Fire and community development seeking an ordinance amendment to allow for two inspections per year



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Question

- Confirm council philosophy relative to marijuana licensing in the city relative to the following:
 - Hearings
 - Compliance
 - Caps
 - Setbacks and buffers



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