



Retail Marijuana Regulations

City Council Study Session September 18, 2020

Agenda

- Background
- Current Licensing
- Revenue
- Current Zoning Regulations
- Examples
- Discussion



Commerce
CITY



Background



Background-State

- In 2000, Colorado voters passed Amendment 20 which created an affirmative defense to the criminal charge of marijuana possession/use for medical marijuana patients and primary caregivers.
- In 2010, the Colorado Legislature adopted the Colorado Medical Marijuana Code which:
 - Restricted the number of patients a primary caregiver could serve
 - Created a licensing scheme for medical marijuana businesses
 - Permitted local jurisdictions to prohibit medical marijuana businesses within their jurisdictions
- In 2012, Colorado voters approved Amendment 64, which:
 - Legalized for personal use/possession of up to an ounce of marijuana for anyone 21+ years.
 - Created four new marijuana businesses:
 - Retail marijuana store (sells retail marijuana to consumers)
 - Marijuana cultivation facility (grows retail marijuana)
 - Marijuana Products Manufacturing Facility (makes RMJ edibles)
 - Marijuana Testing Facility
 - Permitted local jurisdictions to opt out of the licensing scheme.
- In 2013, the Colorado Legislature adopted the Retail Marijuana Code, which established the State Licensing Authority, set state fees, and outlined the state licensing procedures for RMJ businesses.

Background-City

- In 2012, the Commerce City LDC was amended to allow medical marijuana businesses and primary caregivers within the City.
- In addition, the city's municipal code was amended to implement a local licensing program for medical marijuana businesses.



Background-City

- In 2012, Amendment 64 was approved by the citizens of Commerce City 57%/43% and passed in 28 of 32 precincts.
- In 2013, City Council enacts a moratorium on RMJ businesses.
- In 2014, City Council extends moratorium for another year.
- In 2015, City Council passes Ordinances #2048 and #2050, which created the existing licensing structure and land use regulations in place.

Background - City

- Ordinances 2048 and 2050 included:
 - Types of businesses to regulate
 - Where in the City they should be located
 - What approval model should be used
 - Any limitation on numbers of these businesses
 - Operational standards
 - Prohibitions





Current Licensing

A decorative horizontal dotted line in a light blue color spans the width of the slide. It features two solid blue dots: one at the end of the first line segment and another at the start of the second line segment.

Current Conditions-Licensure

- **35 licenses held**
 - 3 of 35 Conditional (pending C.O. or inspection)
 - 16 infused product manufacturers
 - 11 dispensaries
 - 8 cultivations
- **1 application received, tentative hearing scheduled**



Current Process-Licensure

Phase	
Letter of Intent	<ul style="list-style-type: none">• Meeting with involved departments to set expectations
Application	<ul style="list-style-type: none">• State & Local submittal
Public Hearing	<ul style="list-style-type: none">• Neighborhood Desires• Character and qualifications of applicant to hold license
Inspections	<ul style="list-style-type: none">• Building, Fire, PD

Retail Store Current List

Name of Retail Business	Address
Tastebudz, LLC	5433 Quebec Street
Starbuds Commerce City	5844 Dahlia Street
Liv Well VIII	5846 Dahlia Street
CGFR	5301 Vasquez Units 1 & 2
Loud	5385 Quebec Street
Front Range Botanicals, LLC	5715 Fairfax
Silver Stem Fine Cannabis	5725 Quebec St Unit 105
Canna City	7150 Hwy 85



Revenue



Revenue on Marijuana

	2018	2019	Two-Year Total
Sales Tax	\$471,195.89	\$672,935.67	\$1,144,131.56
Retail Excise Tax	\$283,517.82	\$254,994.59	\$538,512.41
Penalty and Interest	\$13,673.04	\$1,906.21	\$15,579.25
Revenue	\$768,386.75	\$929,836.47	\$1,698,223.22



Current Zoning Regulations

Current Regulations

- Retail stores allowed in all industrial zone (I-1, I-1S, I-2, and I-3 districts and C-3 (regional commercial district)).
- PUD districts are individualized (most do not allow retail marijuana uses)



Current Regulations

Separation Requirements:

- No retail marijuana business 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 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



Commerce
CITY

Community Comparison

Retail Store Separation- August 2020

CITY	Residential Zone District	Mobile Home	Church/ Religious Institution	Educational Facility	Child Care Facility	Alcohol or Drug Treatment Facility	Group Home	Like-to-Like Business	Halfway House/ Correctional Facility	Hospital	Recreation Center	Public Park
Aurora	0	0	0	1000	0	500	0	0	0	500	0	0
Boulder	0	0	0	1000	1000	1000	0	500 for more than 3	0	0	0	0
Carbondale	0	0	0	500	500	500	0	400	0	0	0	0
Commerce City	500	500	0	1000	1000	1000	1000	0	1000	0	1000	1000
Denver	0	0	0	1000	1000	1000	0	1000	0	0	0	0
Durango	0	0	0	1000	1000	1000	0	0	0	0	0	250
Edgewater	0	0	0	500	0	0	0	0	0	0	0	0
Fort Collins	500	500	500	1000	500	500	500	1000	500	0	500	1000
Glendale	0	0	0	1000	1000	0	0	1000	0	0	0	1000
Glenwood Springs	0	0	0	500	0	0	0	900	0	0	0	0
Gunnison	50	50	0	1000	1000	1000	50	0	0	0	0	0
Lafayette	500	500	0	1000	500	1000	500	500	0	1000	0	0
Longmont	250	250	0	1000	0	0	250	0	0	0	0	0
Louisville	0	0	0	1000	0	0	0	1500	0	0	0	0
Northglenn	200	200	0	1000	500	0	200	2640	1000	0	500	500
Pueblo	300	300	0	1000	0	500	300	0	0	500	0	0
Steamboat Springs	0	0	0	1000	1000	0	0	0	0	0	0	1000
Thornton	0	0	0	1000	500	500	0	1500	0	0	0	0
Wheat Ridge	0	0	0	1000	1000	1000	0	3960	0	0	1000	1000



Commerce
CITY

Role of CD with Marijuana Uses

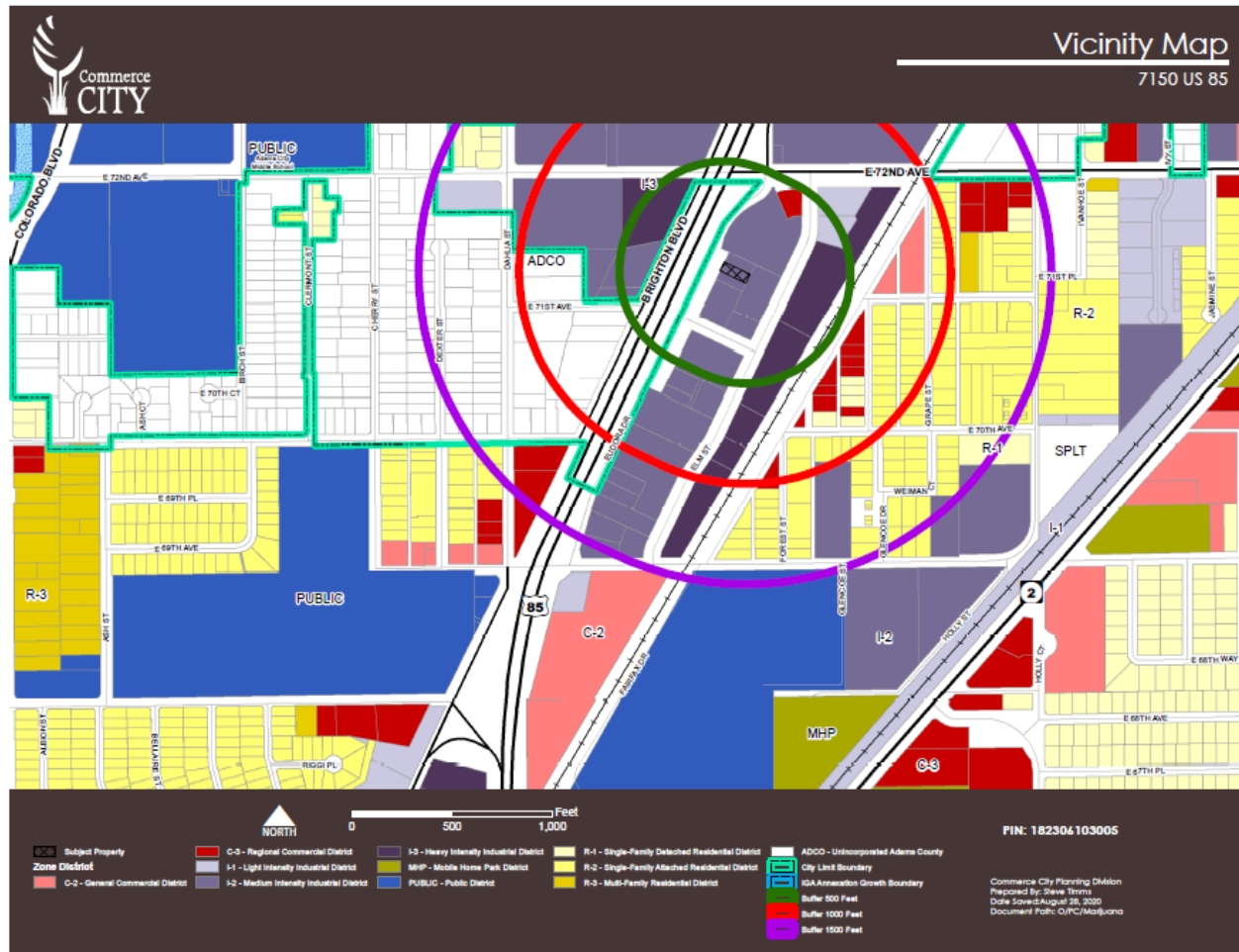
- Planning will perform a zoning verification for any proposed marijuana use. If allowed, the applicant will include the verification in their overall application to the City Clerk.
- The actual licensing application, review, analysis, hearing, notification etc. is all handled through City Clerk's office.
- CD is only involved in the building permit side (new building or tenant improvement)

Location Analysis

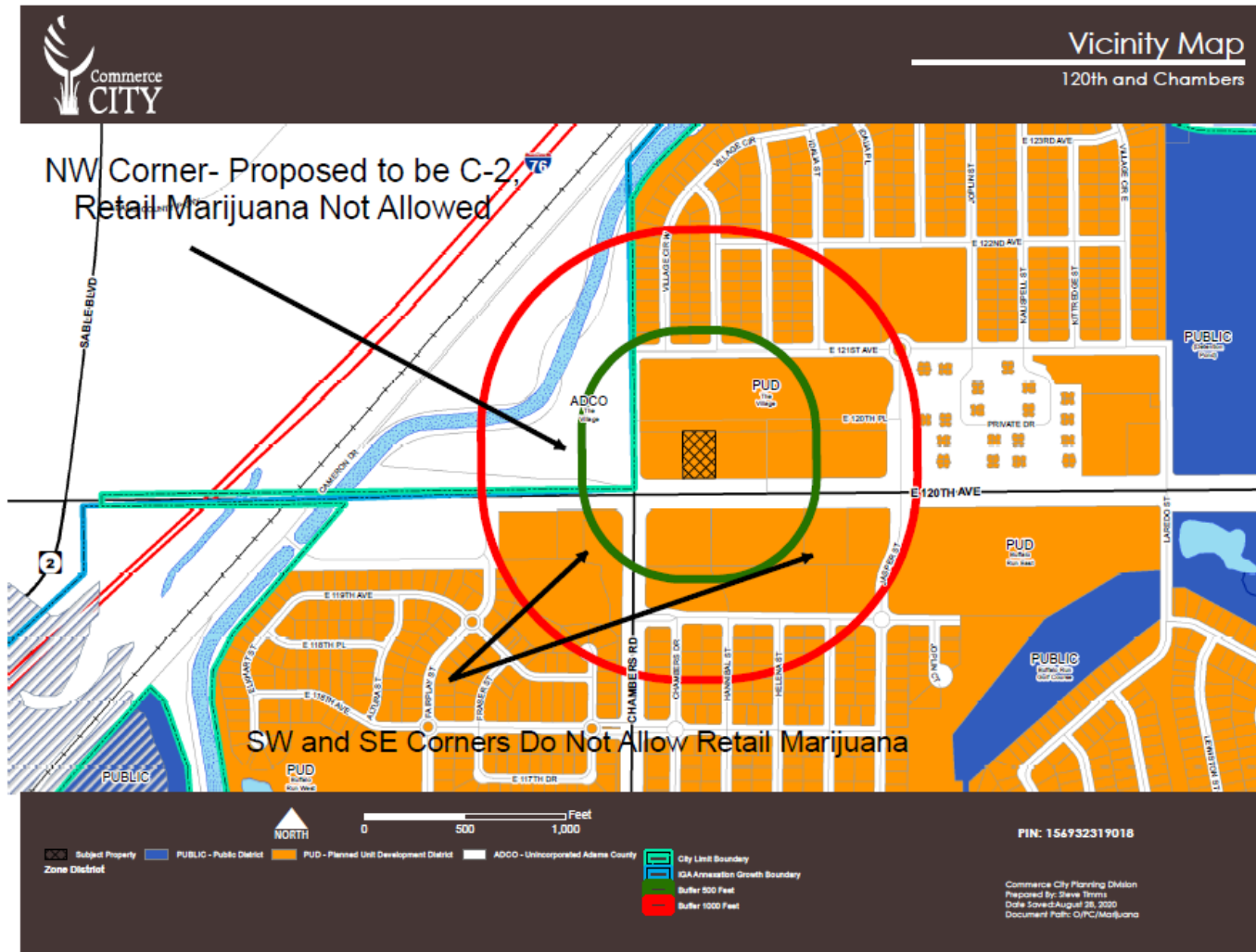
- Staff analyzed the existing **commercial zones** within the City – very few opportunities for retail marijuana exist.
- Key takeaway: Residential separation is a challenge to make commercial properties work. The City has long narrow commercial areas that back to, or are extremely close to residential uses.



Examples- Highway 85



Examples- 120th/Chambers





Questions and Discussion

City Council Study Session