

1 BY AUTHORITY

2 ORDINANCE NO. \_\_\_\_\_  
3 SERIES OF 2016  
4 **AS AMENDED 04-18-16**

COUNCIL BILL NO. CB16-0291  
COMMITTEE OF REFERENCE:  
Special Issues: Marijuana Moratorium

5  
6 A BILL  
7

8 For an ordinance concerning the licensing of marijuana businesses, amending the  
9 Denver Retail Marijuana Code, Article V of Chapter 6, D.R.M.C. and the Denver  
10 Medical Marijuana Code, Art. XII of Chapter 24, D.R.M.C. by capping the total number  
11 of licensed locations where marijuana cultivation and sales may be permitted in the  
12 city, adopting new procedures for the issuance of retail marijuana cultivation and sales  
13 licenses, prohibiting the issuance of new medical marijuana cultivation and sales  
14 licenses, and adopting other related amendments.  
15

16 **WHEREAS**, the City and County of Denver has heretofore allowed licensed medical  
17 marijuana businesses to operate in the city pursuant to the Colorado Medical Marijuana Code, Article  
18 43.3 of Title 12, C.R.S., notwithstanding the authority set forth in the state code to completely ban  
19 such business as provided in section 12-43.3-106, C.R.S.; and

20 **WHEREAS**, pursuant to the Colorado Medical Marijuana Code, sec. 12-43.3-301 (2)(b),  
21 C.R.S., and pursuant to the city's own home rule authority, the city may impose additional restrictions  
22 and requirements on licensing over and above those set forth in the state code; and

23 **WHEREAS**, the City Council has determined that it is appropriate to prohibit the issuance of  
24 additional licenses for medical marijuana cultivation and sales businesses within the city primarily  
25 due to the fact that the number of registered patients who are lawfully authorized to purchase medical  
26 marijuana has remained static for several years, both in Denver and statewide; and

27 **WHEREAS**, the City and County of Denver has heretofore allowed licensed retail marijuana  
28 businesses to operate in the city pursuant to the Colorado Retail Marijuana Code, Article 43.4 of  
29 Title 12, C.R.S., notwithstanding the authority set forth in the state law to completely ban such  
30 businesses as provided in art. XVIII, sec. 16(5)(f) of the Colorado Constitution; and

31 **WHEREAS**, pursuant to the Colorado Retail Marijuana Code, sec. 12-43.4-309, C.R.S., and  
32 pursuant to the city's own home rule authority, the city may impose additional restrictions and  
33 requirements on licensing over and above those set forth in the state code; and

34 **WHEREAS**, Denver has experienced a rapid expansion in the number of licensed marijuana  
35 businesses since 2010 and the city has heretofore licensed, by far, the largest number of licensed  
36 marijuana businesses in comparison to any other local jurisdiction in the state; and

37 **WHEREAS**, the City Council has determined that a cap on further expansion of the total

1 number of licensed locations for marijuana cultivation and sales, a reasonable procedure for allowing  
2 new entrants to apply for retail licensing under the cap in the future, and additional restrictions on  
3 the location of marijuana cultivation near residential zone districts and schools is necessary in the  
4 interest of public health, safety and the general welfare.

5  
6 **NOW, THEREFORE, BE IT ENACTED BY THE COUNCIL OF THE CITY AND COUNTY OF**  
7 **DENVER:**

8  
9 **Section 1.** That Section 6-201 D.R.M.C. shall be amended by deleting the language  
10 stricken and adding the language underlined, to read as follows:

11  
12 **Sec. 6-201. - Defined terms.**

13 The definitions set forth in subsection 16(2) of article XVIII of the Colorado  
14 Constitution as well as the Colorado Retail Marijuana Code, § 12-43.4-103, C.R.S.,  
15 as amended, and rules adopted pursuant thereto, shall apply equally to this article V.  
16 In addition, the following terms shall have the meanings respectively assigned to  
17 them:

- 18 (1) *Alcohol or drug treatment facility* means any facility located within a medical  
19 office or hospital, as these terms are defined by the zoning code, with the primary  
20 purpose of counseling or providing medical services to patients who suffer from  
21 addictions to alcohol or drugs.
- 22  
23 (2) Cap on marijuana cultivation locations means a maximum of three hundred and  
24 eleven (311) distinct locations in the city where a medical marijuana optional  
25 premises cultivation facility, a retail marijuana cultivation facility, or both may be  
26 licensed; or such lesser number as may be determined by the director pursuant  
27 to section 6-203 (b) by calculating the total number of locations in the city:
- 28  
29 (a) Where one or more licensed premises existed pursuant to a medical marijuana  
30 optional premises license, a retail marijuana cultivation facility license, or both, as  
31 of May 1, 2016, and
- 32  
33 (b) Where any licensed premises was approved by the director after May 1, 2016 as  
34 the result of an application for new licensing that was pending on May 1, 2016 for  
35 a medical marijuana optional premises cultivation license, a retail marijuana  
36 cultivation license, or both, in a location where such licenses did not previously  
37 exist.
- 38  
39  
40 (3) Cap on marijuana sales locations means a maximum of two hundred and twenty-  
41 six (226) distinct locations in the city where a medical marijuana center, a retail

1 marijuana store, or both may be licensed; or such lesser number as may be  
2 determined by the director pursuant to section 6-203 (b) by calculating the total  
3 number of locations in the city:

4  
5 (a) Where a licensed premises existed for a medical marijuana center, a retail  
6 marijuana store, or both, as of May 1, 2016; and

7  
8 (b) Where any licensed premises was approved by the director after May 1, 2016 as  
9 the result of an application for new licensing that was pending on May 1, 2016 for  
10 a medical marijuana center, a retail marijuana store, or both, in a location where  
11 such licenses did not previously exist.

12  
13  
14 ~~(2)~~ (4) *Child care establishment* means any child care establishment as defined by  
15 and regulated under [chapter 11](#) of the City Code.

16  
17 ~~(3)~~ (5) *Colorado Retail Marijuana Code* or *CRMC* means Article 43.4 of Title 12 of the  
18 Colorado Revised Statutes, as amended.

19  
20 (6) *Cumulative cap on marijuana cultivation and sales locations* means a maximum  
21 of four hundred and sixty-seven (467) distinct locations in the city where one or any  
22 combination of the following may be licensed in the same location: medical  
23 marijuana center, retail marijuana store, medical marijuana optional premises  
24 cultivation facility, retail marijuana cultivation facility; or such lesser number as may  
25 be determined by the director pursuant to section 6-203 (b) by calculating the total  
26 number of locations in the city:

27  
28 (a) Where a licensed premises existed for a medical marijuana center, retail  
29 marijuana store, medical marijuana optional premises cultivation facility, retail  
30 marijuana cultivation facility, or any combination of these, as of May 1, 2016; and

31  
32 (b) Where any licensed premises was approved by the director after May 1, 2016 as  
33 the result of an application for new licensing that was pending on May 1, 2016 for  
34 a medical marijuana center, retail marijuana store, medical marijuana optional  
35 premises cultivation facility, retail marijuana cultivation facility, or any combination  
36 of these, in a location where such licenses did not previously exist.

37  
38  
39 ~~(4)~~ (7) *Department* means the Denver Department of Excise and Licenses.

40  
41 ~~(5)~~ (8) *Director* means the director of the Denver Department of Excise and  
42 Licenses.

43  
44 (9) *Location* means a particular parcel of land that is identified by a distinct street

1 address assigned by the city in accordance with Article IV of Chapter 49. To the  
2 extent the parcel consists of separately described “units,” “suites,” “rooms” or other  
3 similar descriptor, the parcel shall nevertheless be counted as one location for the  
4 purpose of calculating the cap on marijuana sales locations, the cap on marijuana  
5 cultivation locations, and the cumulative cap on marijuana cultivation and sales  
6 locations, as provided in section 6-203, and for the purpose of administering the laws  
7 related to change of location as provided in sections 6-217 and 24-512.

8  
9 ~~(6)~~ (10) *School* means a public or private preschool or a public or private elementary,  
10 middle, junior high, or high school.

11  
12 (11) *Statistical neighborhood* means the geographical neighborhood boundaries  
13 established by the City and County of Denver in 1970 in conjunction with the  
14 Community Renewal Program, consisting of combinations of census tracts to which  
15 the city has assigned geographic place names corresponding to commonly used  
16 names of subdivisions and historical parts of the City

17  
18  
19 **Section 2.** That Section 6-203, D.R.M.C., shall be repealed and reenacted by deleting  
20 the language stricken and adding the language underlined to read as follows:  
21

22 **~~Sec. 6-203. – Transition provision.~~**

23 ~~(a) Prior to May 1, 2016, no retail marijuana store, retail marijuana cultivation facility,~~  
24 ~~or retail marijuana products manufacturer shall be licensed or otherwise permitted in~~  
25 ~~the city unless:~~

26  
27 ~~(1) The applicant for licensing of a retail marijuana establishment was, as of October~~  
28 ~~1, 2013, operating in good standing a medical marijuana center, a medical marijuana~~  
29 ~~optional premises cultivation operation, or a medical marijuana-infused products~~  
30 ~~manufacturing operation; the applicant is, as of the time of application for a local~~  
31 ~~license under this article V, currently licensed under both the Colorado Medical~~  
32 ~~Marijuana Code and the Denver Medical Marijuana Code; and the applicant~~  
33 ~~proposes to surrender the existing medical marijuana licenses upon receipt of a retail~~  
34 ~~marijuana license, thereby entirely converting an existing medical marijuana~~  
35 ~~establishment into a retail marijuana establishment; or~~

36  
37 ~~(2) The applicant for licensing of a retail marijuana establishment was, as of October~~  
38 ~~1, 2013, operating in good standing a medical marijuana center, a medical marijuana~~  
39 ~~optional premises cultivation operation, or a medical marijuana-infused products~~  
40 ~~manufacturing operation; the applicant is, as of the time of application for a local~~  
41 ~~license under this article V, currently licensed under both the Colorado Medical~~  
42 ~~Marijuana Code and the Denver Medical Marijuana Code; and the applicant~~  
43 ~~proposes to retain the existing medical marijuana license while locating a retail~~  
44 ~~marijuana establishment under common ownership at the same location to the extent~~  
45 ~~allowed by the Colorado Retail Marijuana Code and applicable state rules and~~  
46 ~~regulations.~~

1  
2 ~~(b) Prior to May 1, 2016, any person who obtains a transfer of ownership of the state~~  
3 ~~and local licenses for a medical marijuana business that was operating in good~~  
4 ~~standing as of October 1, 2013 and is duly licensed under both the Colorado Medical~~  
5 ~~Marijuana Code and the Denver Medical Marijuana Code may qualify for licensing as~~  
6 ~~a retail marijuana establishment in the city as allowed by subsection (a) of this~~  
7 ~~section.~~

8  
9 ~~(c) Prior to May 1, 2016, any person who obtains a change of location of the state~~  
10 ~~and local licenses for a medical marijuana business that was operating in good~~  
11 ~~standing as of October 1, 2013 and is duly licensed under both the Colorado Medical~~  
12 ~~Marijuana Code and the Denver Medical Marijuana Code may qualify for licensing as~~  
13 ~~a retail marijuana establishment in the new location as allowed by subsection (a) of~~  
14 ~~this section; provided, however, no change of location of a medical marijuana center~~  
15 ~~license with the intent to apply for licensing as a retail marijuana store in the new~~  
16 ~~location shall be approved unless and until a public hearing is conducted in~~  
17 ~~accordance with [section 6-212](#) and the director has determined that the applicant~~  
18 ~~qualifies for licensing of a retail marijuana store in the new location. For any~~  
19 ~~application involving transfer of location of an existing medical marijuana center and~~  
20 ~~conversion to or co-location of a retail marijuana store at the new location, good~~  
21 ~~cause for denial of the retail marijuana store license shall include, in addition to the~~  
22 ~~factors set forth in [section 6-212](#), evidence that the medical marijuana center was~~  
23 ~~operated in a manner that adversely affected the public health, welfare, or safety of~~  
24 ~~the immediate neighborhood in which the center was previously located.~~

25  
26 ~~(d) On and after May 1, 2016, unless otherwise provided by law, any person who~~  
27 ~~otherwise qualifies for licensing under applicable state and city laws may apply for~~  
28 ~~licensing of a retail marijuana establishment in the city, regardless of whether or not~~  
29 ~~the applicant is the owner of an existing medical marijuana business in the city.~~

30  
31 ~~(e) On and after October 1, 2013, state and local licensing of retail marijuana testing~~  
32 ~~facilities shall be permitted in the city, regardless of whether or not a medical~~  
33 ~~marijuana testing facility previously existed in the location that is proposed for~~  
34 ~~licensing.~~

35  
36  
37 **Sec. 6-203. City-wide cap on certain retail marijuana licenses; annual open**  
38 **application process.**

39  
40 (a) Effective May 1, 2016, the issuance of any new retail marijuana store license or any new  
41 retail marijuana cultivation facility license in the city shall be subject to the cap on  
42 marijuana sales locations and the cap on marijuana cultivation locations respectively, as  
43 well as the cumulative cap on marijuana cultivation and sales locations, to be  
44 administered by the director in accordance with this section.

45  
46 (b) The director shall calculate and publish the cap on marijuana sales locations, the cap on  
47 marijuana cultivation locations, and the cumulative cap on marijuana cultivation and  
48 sales locations as soon as possible after a determination is made by the director on all

1 applications for new licenses that were pending on May 1, 2016. The director's  
2 calculation of the caps shall be considered dispositive and shall not be subject to appeal.  
3

4 (c) Beginning in 2017 and continuing once in each calendar year thereafter, the director  
5 shall administer an open application process for new retail store licenses and new retail  
6 marijuana cultivation facility licenses, to the extent the total number of then-current  
7 licensed locations in either category in the city falls below the cap on marijuana sales  
8 locations and the cap on marijuana cultivation locations respectively, and only if the  
9 cumulative number of then-current licensed locations for any combination of marijuana  
10 cultivation or sales licenses falls below the cumulative cap on marijuana cultivation and  
11 sales locations. The annual open application process shall be subject to the following  
12 requirements:  
13

14 (1) In advance of the open application process, the director shall determine and publish  
15 the total number of available locations in the city for retail marijuana stores and retail  
16 marijuana cultivation facilities under the respective caps. The director's  
17 determination of the number of available locations shall be considered dispositive  
18 and not be subject to appeal. To the extent the director determines any capacity for  
19 licensing of up to thirty (30) available locations falling below the cap on marijuana  
20 cultivation locations, the director is authorized to issue new cultivation licenses in  
21 accordance with the procedures set forth in this section in a number not to exceed  
22 one-half of the number of cultivation locations falling below the cap, which shall be  
23 deemed the "number of available locations" for cultivation licensing as that term is  
24 used in this section. To the extent the director determines capacity for licensing in  
25 excess of thirty (30) available locations falling below the cap on marijuana cultivation  
26 locations, the director is authorized to issue new cultivation licenses in a number  
27 equal to the number of available locations in excess of thirty (30) falling below the  
28 cap.  
29

30 (2) Eligibility for licensing under the annual open application process shall be determined  
31 by a blind lottery. Prior to the blind lottery, the director shall prequalify persons  
32 wishing to enter the lottery in accordance with the following requirements:  
33

- 34 a. The entrant shall submit proof of prior approval by the state licensing authority for  
35 the retail marijuana establishment in question, to the extent required by state law.  
36  
37 b. The entrant shall submit a complete application for local licensing in accordance  
38 with the requirements of this article V along with all applicable fees, which shall be  
39 subject to refund if the entrant is not selected in the blind lottery.  
40  
41 c. The entrant shall submit proof that the entrant has or will have lawful possession  
42 of the premises proposed for the marijuana establishment, which proof may  
43 consist of: a deed, a lease, a real estate contract contingent upon successful  
44 licensing, or a letter of intent by the owner of the premises indicating an intent to  
45 lease the premises to the entrant contingent upon successful licensing.  
46  
47 d. The location proposed for licensing by the entrant shall comply with all applicable  
48 city zoning laws and the location restrictions set forth in this article V.  
49

- 1 e. The entrant shall submit, to the satisfaction of the director, proof of financial  
2 capability to open and operate the retail marijuana establishment for which the  
3 entrant is seeking to apply. Standards for proof of financial capability shall be  
4 determined by the director and adopted by rule or regulation.  
5  
6 f. In addition to complying with any other state or city requirement related to good  
7 character and criminal background, any person proposed to have an ownership  
8 interest in the license shall not have committed in the preceding year any  
9 marijuana licensing violation affecting public safety, as defined in the rules and  
10 regulations of the state licensing authority, or received any suspension or  
11 revocation of any other state or local marijuana business license in the preceding  
12 year.  
13  
14 g. The entrant and the application otherwise complies with any and all qualification  
15 standards set forth in state and city laws or regulations.  
16

17 (3) A separate lottery drawing shall occur for entrants seeking to apply for retail  
18 marijuana store licenses and retail marijuana cultivation facility licenses. The director  
19 shall conduct the lottery drawings in a public setting, with all entrants in the lottery  
20 advised of the date and time of the lottery in advance and afforded the opportunity to  
21 attend and witness the drawing. The names of all entrants in each lottery shall be  
22 drawn and assigned a number in the order they are drawn from first to last. The  
23 entrants who are first drawn in a number equal to the number of available locations  
24 under the cap on marijuana sales locations or the cap on marijuana cultivation  
25 locations shall be afforded first opportunity to proceed with the licensing process. If  
26 any of these entrants fail to pursue licensing, or if the director denies the entrant's  
27 application, then other entrants in the lottery, based on the order in which their name  
28 was selected, will be afforded the opportunity to proceed with the licensing process.  
29 In no event shall an entrant or applicant be allowed to transfer the application to any  
30 other person during the annual open application process.  
31

32 (4) Selection of an entrant in the lottery shall not be construed to create any right or  
33 entitlement to ultimate license approval by the city, and entrants selected in the  
34 lottery shall remain subject to all other requirements of this article V before a license  
35 may be approved including, by way of example, the public hearing requirements set  
36 forth in section 6-212 for retail marijuana stores.  
37

38 (5) The director may adopt additional rules and regulations governing the annual open  
39 application process.  
40

41 (6) Prior to the first annual open application process administered by the director  
42 under this section, the director shall determine the number of licensed  
43 locations where medical marijuana centers, retail marijuana stores, or both,  
44 exist in each statistical neighborhood of the city. Likewise, the director shall  
45 determine the number of licensed locations where medical marijuana optional  
46 premises cultivation facilities, retail marijuana cultivation facilities, or both,  
47 exist in each statistical neighborhood of the city. The director shall then  
48 identify the five statistical neighborhoods where the highest number of  
49 licensed marijuana sales locations exist, and the five statistical neighborhoods

1 where the highest number of licensed marijuana cultivation locations exist.  
2 The statistical neighborhoods thus identified by the director shall be  
3 considered neighborhoods of undue concentration of marijuana business  
4 licensing, and shall be prohibited from further licensing as a part of the annual  
5 open application process for the year in question. To the extent there is a tie  
6 in the number of licensed locations among two or more statistical  
7 neighborhoods with the fifth most licensed locations, then all such  
8 neighborhoods shall be treated as neighborhoods of undue licensing and shall  
9 be prohibited from further licensing as part of the annual open application  
10 process. Entry into the lottery for a retail marijuana store license shall be  
11 denied for any applicant proposing to locate a retail marijuana store in any  
12 statistical neighborhood determined by the director to be a neighborhood of  
13 undue concentration based upon the current number of locations of medical  
14 marijuana centers, retail marijuana stores, or both, in the statistical  
15 neighborhood. Entry into the lottery for a retail marijuana cultivation facility  
16 license shall be denied for any applicant proposing to locate a retail marijuana  
17 cultivation facility in any statistical neighborhood determined by the director to  
18 be a neighborhood of undue concentration based upon the current number of  
19 locations of medical marijuana optional premises cultivation facilities, retail  
20 marijuana **stores cultivation facilities**, or both, in the statistical  
21 neighborhood. Upon the completion of the first annual open application  
22 process, the director shall report to the council regarding the implementation of  
23 this subsection, along with a recommendation about whether or not to  
24 continue to restrict licensing in identified statistical neighborhoods in future  
25 open application processes.  
26

27  
28 **Section 3.** That Section 6-209, D.R.M.C. shall be amended by deleting the language  
29 stricken and adding the language underlined, to read as follows:  
30

31 **Sec. 6-209. - Screening and response to state license applications.**

32 (a) Upon receipt of notice from the state licensing authority of any application for a  
33 license under the Colorado Retail Marijuana Code, the director shall:

34  
35 ~~(1) For all applications received prior to May 1, 2016, determine whether the~~  
36 ~~applicant qualifies for licensing as an existing medical marijuana business in the city,~~  
37 ~~to the extent allowed by [section 6-203](#). If the director makes an initial determination~~  
38 ~~that the applicant does not qualify for licensing prior to May 1, 2016, the director~~  
39 ~~shall, no later than forty five (45) days from the date the application was originally~~  
40 ~~received by the state licensing authority, notify the state licensing authority and the~~  
41 ~~applicant for state licensing in writing that the application is disapproved by the city.~~  
42 ~~The failure of the director to make such a determination upon the initial review of a~~  
43 ~~state license application shall not preclude the director from later determining that the~~  
44 ~~applicant does not qualify for licensing prior to May, 2016 as provided in [section 6-](#)~~  
45 ~~[203](#), and disapprove the issuance of a state or city license on this basis.~~

46  
47 ~~(2)~~ (1) Determine, in consultation with the manager of the department of community



1 planning and development, whether or not the location proposed for licensing  
2 complies with any and all zoning and land use laws of the city, and any and all  
3 restrictions on location of retail marijuana establishments set forth in this article V. If  
4 the director makes an initial determination that the proposed license would be in  
5 violation of any zoning law or other restriction on location set forth in city laws, the  
6 director shall, no later than forty-five (45) days from the date the application was  
7 originally received by the state licensing authority, notify the state licensing authority  
8 and the applicant for state licensing in writing that the application is disapproved by  
9 the city. The failure of the director to make such a determination upon the initial  
10 review of a state license application shall not preclude the director from later  
11 determining that the proposed license is in violation of city zoning laws or any other  
12 restriction on location set forth in city laws, and disapprove the issuance of a state or  
13 city license on this basis.

14  
15 ~~(3)~~ (2) For any application that is not disapproved as provided in paragraphs (1) or  
16 ~~(2)~~ of this subsection (a), the director shall notify the state licensing authority and the  
17 applicant for state licensing in writing that the city's further consideration of the  
18 application is subject to a local licensing process, and that the city's ultimate decision  
19 to approve or disapprove the issuance of the state license in Denver is subject to the  
20 completion of the local licensing process as set forth in this article V, after which the  
21 city will notify the state licensing authority in writing of whether or not the retail  
22 marijuana establishment proposed in the application has or has not been approved  
23 by the city.

24  
25  
26 **Section 4.** That the introductory sentence of Section 6-211, D.R.M.C. shall be amended by  
27 adding the language underlined to read as follows:  
28

29 **Sec. 6-211. - Licensing requirements—Retail marijuana stores.**

30 Effective May 1, 2016, the director shall not receive or act upon any application  
31 for a retail marijuana store license except through the annual open application  
32 process set forth in Section 6-203. The director may, however, receive and act upon  
33 an application to co-locate a retail marijuana store with an existing medical marijuana  
34 center as provided in subsection (e) of this section. The following requirements shall  
35 apply to the issuance of any local license for a retail marijuana store:  
36  
37

38 **Section 5.** That the introductory sentence to Section 6-214, D.R.M.C. shall be amended by  
39 adding the language underlined, and that a new subsection (d) shall be added to the section, to  
40 read as follows:  
41

42 **Sec. 6-214. - Licensing requirements—Retail marijuana cultivation facility.**  
43

44 Effective May 1, 2016, the director shall not receive or act upon any

1 application for a retail marijuana cultivation facility license except through the annual  
2 open application process set forth in Section 6-203. The director may, however,  
3 receive and act upon an application to co-locate a retail marijuana cultivation facility  
4 license with one or more existing medical marijuana optional premises cultivation  
5 licenses or retail marijuana cultivation facility license as provided in subsection (b) of  
6 this section, subject to the limitations set forth in subsection (c) but regardless of the  
7 limitations set forth in subsection (d) of this section. In addition to the requirements  
8 set forth in the Colorado Retail Marijuana Code and any rules or regulations adopted  
9 pursuant thereto, the following requirements shall apply to the issuance of any local  
10 license for a retail marijuana cultivation license:

11 (d) Prohibited locations. Effective May 1, 2016, no retail marijuana cultivation facility  
12 license shall be issued for the following locations:

- 13
- 14 (1) Within one thousand (1,000) feet of any school, with the distance computed by  
15 direct measurement in a straight line from the nearest property line of the land used  
16 for school to the nearest portion of the building in which the retail marijuana  
17 cultivation facility is located.
- 18
- 19 (2) Within one thousand (1,000) feet of any residential district as defined in the Denver  
20 Zoning Code or former Chapter 59, with the distance computed by direct  
21 measurement in a straight line from the nearest property line of any property in the  
22 residential district to the nearest portion of the building in which the retail marijuana  
23 cultivation facility is located.
- 24

25 **Section 6.** That Section 6-217, D.R.M.C., shall be amended by adding a new  
26 subsection (d) and (e) as underlined, to read as follows:

27 **Sec. 6-217. - Change of location; modification of premises.**

28 (a) Change of location of any license or any modification of the licensed premises shall  
29 be governed by the standards and procedures set forth in the Colorado Retail Marijuana  
30 Code, this article V, and any regulations adopted pursuant thereto, and the director shall  
31 administer applications to change location or modify premises in the same manner as the  
32 state licensing authority administers changes of location and modification of premises for  
33 state licenses. Any proposed modification and any new location to which an existing  
34 licensed business is transferred shall fully comply with the spacing requirements and the  
35 requirements for conformance with current zoning as set forth this article V.

36

37 (b) Upon receipt of an application for change of location of a retail marijuana store, the  
38 director shall schedule a public hearing in accordance with the requirements of [section 6-](#)  
39 [212](#) and shall issue written findings for the new location.

40

41 (c) Corresponding state license. Upon receipt of any application for change of location,  
42 the director shall not issue a license to the proposed new location unless the applicant  
43 produces written documentation from the state approving the same change of location of  
44 the corresponding state license recorded upon the face of the local license.

1 (d) Effective May 1, 2016, in the case of a retail marijuana store that is co-located  
2 with a medical marijuana center or with any retail marijuana cultivation facility or  
3 medical marijuana optional premises cultivation business at the same location, a  
4 change of location for the retail marijuana store shall not be approved by the director  
5 unless:

6 (1) The associated medical marijuana center and any retail marijuana cultivation  
7 facility or medical marijuana optional premises cultivation facility at the same location  
8 likewise changes to the same new location, or

9 (2) The license for the medical marijuana center or any retail marijuana cultivation  
10 facility or medical marijuana optional premises cultivation facility at the former  
11 location is surrendered.

12 (e) Effective May 1, 2016, in the case of a retail marijuana cultivation facility that is  
13 co-located with any other retail marijuana cultivation facility, any medical marijuana  
14 optional premises cultivation business, any retail marijuana store, or any medical  
15 marijuana center at the same location, any change in location of the retail marijuana  
16 cultivation facility shall not be approved by the director unless:  
17

18 (1) All other marijuana cultivation or sales licenses at the prior location likewise  
19 change to the same new location; or

20  
21 (2) All other marijuana cultivation or sales licenses at the prior location are  
22 surrendered; or.

23  
24 (3) The retail marijuana cultivation facility is proposed for change to a location  
25 where medical marijuana optional premises cultivation licenses or other retail  
26 marijuana cultivation facility licenses currently exist at the new location, subject to the  
27 limitations set forth in section 6-214 (c).

28  
29 **Section 7.** That Section 24-503.5 shall be repealed by deleting the language  
30 stricken:

31 **~~Sec. 24-503.5. -- Temporary moratorium.~~**

32 ~~(a) The issuance of new medical marijuana business licenses for medical marijuana~~  
33 ~~centers, medical marijuana optional premises cultivation operations, and medical~~  
34 ~~marijuana-infused products manufacturing operations shall be and hereby is limited~~  
35 ~~by the following moratorium:~~

36  
37 ~~(1) The moratorium shall be in effect beginning January 1, 2016;~~

38  
39 ~~(2) The moratorium shall end on May 1, 2016;~~  
40

1 ~~(3) During the period of the moratorium, under no circumstances shall the director~~  
2 ~~receive any new application for a medical marijuana establishment described in this~~  
3 ~~subsection (a).~~

4  
5 ~~(b) This moratorium shall not apply to any new license applications for a medical~~  
6 ~~marijuana establishment described in subsection (a) which have been submitted to~~  
7 ~~the city in complete form, with any required fees paid, prior to January 1, 2016.~~

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9  
10 **Section 8.** That Section 24-506, D.R.M.C. shall be amended by adding the language  
11 underlined, to read as follows:  
12

13 **Sec. 24-506. - Classes of licensing authorized.**

14 For the purpose of regulating the cultivation, manufacture, distribution, offering  
15 for sale, and sale of medical marijuana, the director in the director's discretion, upon  
16 application in the prescribed form made to the director, may issue and grant to the  
17 applicant a local license from any of the following classes, subject to the provisions  
18 and restrictions provided in this article XII and the Colorado Medical Marijuana Code:

- 19 (a) Medical marijuana center license; provided, however, that effective May 1, 2016  
20 the director shall not receive or act upon any application for a new medical  
21 marijuana center license;  
22  
23 (b) Optional premises cultivation license; provided, however, that effective May 1,  
24 2016 the director shall not receive or act upon any application for a new medical  
25 marijuana optional premises cultivation license;  
26  
27 (c) Medical marijuana-infused products manufacturing license;  
28  
29 (d) Medical marijuana testing facility license.  
30  
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32 **Section 9.** That the opening sentence of Section 24-508 shall be amended by  
33 adding the language underlined, to read as follows:  
34  
35

36 **Sec. 24-508. - Licensing requirements—Medical marijuana centers.**

37 Effective May 1, 2016, the director shall not receive or act upon any application  
38 for a new medical marijuana center license. In addition to the requirements set forth  
39 in the CMMC, the following requirements shall apply to the issuance of any local  
40 license for a medical marijuana center for which application was made prior to  
41 January 1, 2016 and issuance of the license occurred on or after May 1, 2016, and to  
42 any licenses for a medical marijuana center issued prior to May 1, 2016:  
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**Section 10.** That the opening sentence of Section 24-510, D.R.M.C. shall be amended by adding the language underlined, to read as follows:

**Sec. 24-510. - Licensing requirements—Optional premises cultivation licenses.**

Effective May 1, 2016, the director shall not receive or act upon any application for a new medical marijuana optional premises cultivation license. In addition to the requirements set forth in the CMMC, the following requirements shall apply to the issuance of any local license for an optional premises cultivation license for which application was made prior to January 1, 2016 and issuance of the license occurred on or after May 1, 2016, and to any licenses for a medical marijuana optional premises cultivation license issued prior to May 1, 2016:

**Section 11.** That Section 24-512, D.R.M.C. shall be amended by adding a new subsection (d), (e) and (f) as underlined, to read as follows:

**Sec. 24-512. - Change of location; modification of premises.**

(a) Change of location of any license or any modification of the licensed premises shall be governed by the standards and procedures set forth in the Colorado Medical Marijuana Code, this article XII and any regulations adopted pursuant thereto. Any proposed modification and any new location to which an existing licensed business is transferred shall fully comply with the spacing requirements and the requirements for conformance with current zoning as set forth in sections [24-508](#), [24-509](#), or [24-510](#) of this article XII.

(b) Upon receipt of an application for change of location of a medical marijuana center, the director shall schedule a public hearing in accordance with the requirements of [section 24-508.5](#) and shall issue written findings for the new location.

(c) Corresponding state license. Upon receipt of any application for change of location of a local license, the director shall not issue a license to the proposed new location unless the applicant produces written documentation from the state approving the same change of location of the corresponding state license recorded upon the face of the local license.

(d) Effective May 1, 2016, in the case of a medical marijuana center that is co-located with a retail marijuana store or with any medical marijuana optional premises cultivation facility or retail marijuana cultivation facility at the same location, a change of location for the medical marijuana center shall not be approved by the director unless:

(1) The associated retail marijuana store and any medical marijuana optional premises cultivation facility or retail marijuana cultivation facility at the same location

1 likewise changes to the same new location, or

2 (2) The license for the retail marijuana store and any medical marijuana optional  
3 premises cultivation facility or retail marijuana cultivation facility at the prior location is  
4 surrendered.

5 (e) Effective May 1, 2016, in the case of a medical marijuana optional premises  
6 cultivation license that is co-located with any other optional premises cultivation  
7 licenses, any retail marijuana cultivation facility, or both at the same location, any  
8 change in location of the medical marijuana optional premises cultivation license  
9 shall not be approved by the director unless:

10  
11 (1) All other medical marijuana optional premises cultivation licenses, retail  
12 marijuana cultivation facility licenses, medical marijuana centers or retail marijuana  
13 stores at the prior location likewise change to the same new location; or

14  
15 (2) All other medical marijuana optional premises cultivation licenses, retail  
16 marijuana cultivation facility licenses, medical marijuana center licenses, or retail  
17 marijuana store licenses at the prior location are surrendered; or

18  
19 (3) The medical marijuana optional premises cultivation license is proposed for  
20 change to a location where other medical marijuana optional premises cultivation  
21 licenses, retail marijuana cultivation facility licenses, or both currently exist at the new  
22 location.

23  
24 (f) *Prohibited locations.* Effective May 1, 2016, no medical marijuana optional  
25 premises cultivation license shall be permitted to change to the following locations:

26  
27 (1) Within one thousand (1,000) feet of any school, with the distance computed by  
28 direct measurement in a straight line from the nearest property line of the land used for  
29 school to the nearest portion of the building in which the retail marijuana cultivation facility  
30 is located; or

31  
32 (2) Within one thousand (1,000) feet of any residential district as defined in the Denver  
33 Zoning Code or former Chapter 59, with the distance computed by direct measurement in  
34 a straight line from the nearest property line of any property in the residential district to the  
35 nearest portion of the building in which the retail marijuana cultivation facility is located.

36  
37 **Section 12.** That section 12-96 (b), D.R.M.C. shall be amended by adding the  
38 language underlined, to read as follows:

39  
40 **Sec. 12-96. - Notification.**

41  
42 (b) The following agencies of the city shall be responsible for the following  
43 notification:  
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1

<p>Proposed Action</p> <p><u>Application for any type of new business license under the Denver Medical Marijuana Code or the Denver Retail Marijuana Code, in any location in an I-A or I-B industrial zone district as defined by the Denver Zoning Code, or any proposal to change the location of an existing marijuana business license to a new location in such zone districts</u></p>	<p>Responsible City Agency for Notification</p> <p><u>Excise and Licenses</u></p>
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3           **Section 13.** This ordinance shall be effective May 1, 2016. Any and all applications  
4 for new licensing or for change of location of an existing license pending on May 1, 2016  
5 shall be regulated and processed in accordance with the laws in effect on the date the  
6 application was originally submitted, except as modified by the adoption of Ordinance No.  
7 912, Series of 2015 and the notification provisions required by section 12-96(b), as  
8 amended by this ordinance.

9           **Section 14.** That section 6-210, D.R.M.C. shall be amended by adding the language  
10 underlined, to read as follows:

11 **Sec. 6-210. – Licensing requirements – provisions applicable to all licenses.**

12 **(b) Application forms and supplemental materials. All applications for local licensing shall**  
13 **be made upon forms provided by the director and shall include such supplemental**  
14 **materials as required by this article V, the Colorado Retail Marijuana Code and rules**  
15 **adopted pursuant thereto, including by way of example: proof of possession of the licensed**  
16 **premises, disclosures related to ownership of the proposed business, fingerprints of the**  
17 **applicants, building plans, floor plans designating the proposed licensed premises outlined**  
18 **in red, ~~and~~ security plans, and a community engagement plan that includes, at minimum,**  
19 **the following information:**

20 **(1) The name, telephone number, and email address of the person affiliated with the**  
21 **applicant who is responsible for neighborhood outreach and engagement;**

22 **(2) The names of all Registered Neighborhood Organizations whose boundaries encompass**  
23 **the location of the proposed licensed premises, and a statement that the applicant shall**

- 1 contact the Registered Neighborhood Organizations prior to commencing operations;  
2 (3) An outreach plan to contact and engage residents and businesses in the local  
3 neighborhoods where any license is located;  
4 (4) A detailed description of any plan to create positive impacts in the neighborhoods where  
5 the licensed premises are located, which may include by way of example, participation in  
6 community service, volunteer service, and active promotion of any local neighborhood  
7 plans;  
8 (5) Written policies and procedures to timely address any concerns or complaints  
9 expressed by residents and businesses within the neighborhood surrounding the licensed  
10 premises.  
11 (6) Written policies and procedures designed to promote and encourage full participation in  
12 the regulated marijuana industry by people from communities that have previously been  
13 disproportionately harmed by marijuana prohibition and enforcement in order to positively  
14 impact those communities.

15 To the extent any of the foregoing supplemental materials have been included with the  
16 applicant's state license application and forwarded to the city by the state licensing  
17 authority, the director may rely upon the information forwarded from the state without  
18 requiring resubmittal of the same materials in conjunction with the local license application.  
19 The director may, at the director's discretion, require additional documentation associated  
20 with the application, including additional requirements for any community engagement  
21 plan, as may be necessary to enforce the requirements of the Colorado Retail Marijuana  
22 Code and this article V.

23 On page 15, line 11, add a new Section 15 to the Council Bill and renumber succeeding  
24 sections accordingly:

25 Section 15. That section 6-218, D.R.M.C. shall be amended by adding a new  
26 subsection (f) underlined, to read as follows:

27 (f) All applications for renewal of any license shall include a community engagement plan  
28 as required in section 6-210.  
29  
30  
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2 COMMITTEE APPROVAL DATE: April 4, 2016.

3 MAYOR-COUNCIL DATE: N/A

4 PASSED BY THE COUNCIL \_\_\_\_\_ 2016

5 \_\_\_\_\_ - PRESIDENT

6 APPROVED: \_\_\_\_\_ - MAYOR \_\_\_\_\_ 2016

7 ATTEST: \_\_\_\_\_ - CLERK AND RECORDER,  
8 EX-OFFICIO CLERK OF THE  
9 CITY AND COUNTY OF DENVER

10  
11 NOTICE PUBLISHED IN THE DAILY JOURNAL \_\_\_\_\_ 2016; \_\_\_\_\_ 2016

12  
13 PREPARED BY: David W. Broadwell, Asst. City Attorney; DATE: April 12, 2016

14  
15 Pursuant to section 13-12, D.R.M.C., this proposed ordinance has been reviewed by the office of  
16 the City Attorney. We find no irregularity as to form, and have no legal objection to the proposed  
17 ordinance. The proposed ordinance **is not** submitted to the City Council for approval pursuant to §  
18 3.2.6 of the Charter.

19  
20 D. Scott Martinez, City Attorney

21  
22 BY: \_\_\_\_\_, Assistant City Attorney

23  
24 DATE: \_\_\_\_\_