ORD 2016-0291
ORDINANCE NO. 16-0291
SERIES OF 2016
AS AMENDED 04-18-16

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

A BILL

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

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

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

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

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

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

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

WHEREAS, the City Council has determined that a cap on further expansion of the total
number of licensed locations for marijuana cultivation and sales, a reasonable procedure for allowing
new entrants to apply for retail licensing under the cap in the future, and additional restrictions on
the location of marijuana cultivation near residential zone districts and schools is necessary in the
interest of public health, safety and the general welfare.

NOW, THEREFORE, BE IT ENACTED BY THE COUNCIL OF THE CITY AND COUNTY OF
DENVER:

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

Sec. 6-201. - Defined terms.

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

(1) Alcohol or drug treatment facility means any facility located within a medical
office or hospital, as these terms are defined by the zoning code, with the primary
purpose of counseling or providing medical services to patients who suffer from
addictions to alcohol or drugs.

(2) Cap on marijuana cultivation locations means a maximum of three hundred and
eleven (311) distinct locations in the city where a medical marijuana optional
premises cultivation facility, a retail marijuana cultivation facility, or both may be
licensed; or such lesser number as may be determined by the director pursuant
to section 6-203 (b) by calculating the total number of locations in the city:

(a) Where one or more licensed premises existed pursuant to a medical marijuana
optional premises license, a retail marijuana cultivation facility license, or both, as
of May 1, 2016, and

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

(3) Cap on marijuana sales locations means a maximum of two hundred and twenty-
six (226) distinct locations in the city where a medical marijuana center, a retail
marijuana store, or both may be licensed; or such lesser number as may be
determined by the director pursuant to section 6-203 (b) by calculating the total
number of locations in the city:

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

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

(2) (4) Child care establishment means any child care establishment as defined by
and regulated under chapter 11 of the City Code.

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

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

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

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

(4) (7) Department means the Denver Department of Excise and Licenses.

(5) (8) Director means the director of the Denver Department of Excise and
Licenses.

(9) Location means a particular parcel of land that is identified by a distinct street
address assigned by the city in accordance with Article IV of Chapter 49. To the extent the parcel consists of separately described “units,” “suites,” “rooms” or other similar descriptor, the parcel shall nevertheless be counted as one location for the purpose of calculating the cap on marijuana sales locations, the cap on marijuana cultivation locations, and the cumulative cap on marijuana cultivation and sales locations, as provided in section 6-203, and for the purpose of administering the laws related to change of location as provided in sections 6-217 and 24-512.

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

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

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

Sec. 6-203. Transition provision.

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

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

(2) The applicant for licensing of a retail marijuana establishment was, as of October 1, 2013, operating in good standing a medical marijuana center, a medical marijuana optional premises cultivation operation, or a medical marijuana infused products manufacturing operation; the applicant is, as of the time of application for a local license under this article V, currently licensed under both the Colorado Medical Marijuana Code and the Denver Medical Marijuana Code; and the applicant proposes to retain the existing medical marijuana license while locating a retail marijuana establishment under common ownership at the same location to the extent allowed by the Colorado Retail Marijuana Code and applicable state rules and regulations.
(b) Prior to May 1, 2016, any person who obtains a transfer of ownership of the state and local licenses for a medical marijuana business that was operating in good standing as of October 1, 2013 and is duly licensed under both the Colorado Medical Marijuana Code and the Denver Medical Marijuana Code may qualify for licensing as a retail marijuana establishment in the city as allowed by subsection (a) of this section.

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

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

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

Sec. 6-203. City-wide cap on certain retail marijuana licenses; annual open application process.

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

(b) The director shall calculate and publish the cap on marijuana sales locations, the cap on marijuana cultivation locations, and the cumulative cap on marijuana cultivation and sales locations as soon as possible after a determination is made by the director on all applications for new licenses that were pending on May 1, 2016. The director's calculation of the caps shall be considered dispositive and shall not be subject to appeal.
(c) Beginning in 2017 and continuing once in each calendar year thereafter, the director shall administer an open application process for new retail store licenses and new retail marijuana cultivation facility licenses, to the extent the total number of then-current licensed locations in either category in the city falls below the cap on marijuana sales locations and the cap on marijuana cultivation locations respectively, and only if the cumulative number of then-current licensed locations for any combination of marijuana cultivation or sales licenses falls below the cumulative cap on marijuana cultivation and sales locations. The annual open application process shall be subject to the following requirements:

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

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

   a. The entrant shall submit proof of prior approval by the state licensing authority for the retail marijuana establishment in question, to the extent required by state law.

   b. The entrant shall submit a complete application for local licensing in accordance with the requirements of this article V along with all applicable fees, which shall be subject to refund if the entrant is not selected in the blind lottery.

   c. The entrant shall submit proof that the entrant has or will have lawful possession of the premises proposed for the marijuana establishment, which proof may consist of: a deed, a lease, a real estate contract contingent upon successful licensing, or a letter of intent by the owner of the premises indicating an intent to lease the premises to the entrant contingent upon successful licensing.

   d. The location proposed for licensing by the entrant shall comply with all applicable city zoning laws and the location restrictions set forth in this article V.

   e. The entrant shall submit, to the satisfaction of the director, proof of financial capability to open and operate the retail marijuana establishment for which the
entrant is seeking to apply. Standards for proof of financial capability shall be determined by the director and adopted by rule or regulation.

f. In addition to complying with any other state or city requirement related to good character and criminal background, any person proposed to have an ownership interest in the license shall not have committed in the preceding year any marijuana licensing violation affecting public safety, as defined in the rules and regulations of the state licensing authority, or received any suspension or revocation of any other state or local marijuana business license in the preceding year.

g. The entrant and the application otherwise complies with any and all qualification standards set forth in state and city laws or regulations.

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

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

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

(6) Prior to the first annual open application process administered by the director under this section, the director shall determine the number of licensed locations where medical marijuana centers, retail marijuana stores, or both, exist in each statistical neighborhood of the city. Likewise, the director shall determine the number of licensed locations where medical marijuana optional premises cultivation facilities, retail marijuana cultivation facilities, or both, exist in each statistical neighborhood of the city. The director shall then identify the five statistical neighborhoods where the highest number of licensed marijuana sales locations exist, and the five statistical neighborhoods where the highest number of licensed marijuana cultivation locations exist. The statistical neighborhoods thus identified by the director shall be
considered neighborhoods of undue concentration of marijuana business licensing, and shall be prohibited from further licensing as a part of the annual open application process for the year in question. To the extent there is a tie in the number of licensed locations among two or more statistical neighborhoods with the fifth most licensed locations, then all such neighborhoods shall be treated as neighborhoods of undue licensing and shall be prohibited from further licensing as part of the annual open application process. Entry into the lottery for a retail marijuana store license shall be denied for any applicant proposing to locate a retail marijuana store in any statistical neighborhood determined by the director to be a neighborhood of undue concentration based upon the current number of locations of medical marijuana centers, retail marijuana stores, or both, in the statistical neighborhood. Entry into the lottery for a retail marijuana cultivation facility license shall be denied for any applicant proposing to locate a retail marijuana cultivation facility in any statistical neighborhood determined by the director to be a neighborhood of undue concentration based upon the current number of locations of medical marijuana optional premises cultivation facilities, retail marijuana stores cultivation facilities, or both, in the statistical neighborhood. Upon the completion of the first annual open application process, the director shall report to the council regarding the implementation of this subsection, along with a recommendation about whether or not to continue to restrict licensing in identified statistical neighborhoods in future open application processes.

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

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

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

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

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

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

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

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

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

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

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

Effective May 1, 2016, the director shall not receive or act upon any
application for a retail marijuana cultivation facility license except through the annual
open application process set forth in Section 6-203. The director may, however,
receive and act upon an application to co-locate a retail marijuana cultivation facility
license with one or more existing medical marijuana optional premises cultivation
licenses or retail marijuana cultivation facility license as provided in subsection (b) of
this section, subject to the limitations set forth in subsection (c) but regardless of the
limitations set forth in subsection (d) of this section. In addition to the requirements
set forth in the Colorado Retail Marijuana Code and any rules or regulations adopted
pursuant thereto, the following requirements shall apply to the issuance of any local
license for a retail marijuana cultivation license:

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

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

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

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

Sec. 6-217. - 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 Retail Marijuana
Code, this article V, and any regulations adopted pursuant thereto, and the director shall
administer applications to change location or modify premises in the same manner as the
state licensing authority administers changes of location and modification of premises for
state licenses. 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 this article V.

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

(c) Corresponding state license. Upon receipt of any application for change of location,
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 retail marijuana store that is co-located
with a medical marijuana center or with any retail marijuana cultivation facility or
medical marijuana optional premises cultivation business at the same location, a change of location for the retail marijuana store shall not be approved by the director unless:

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

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

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

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

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

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

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

Sec. 24-503.5.--Temporary moratorium.

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

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

(2) The moratorium shall end on May 1, 2016;
(3) During the period of the moratorium, under no circumstances shall the director receive any new application for a medical marijuana establishment described in this subsection (a).

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

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

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

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

(a) Medical marijuana center license; provided, however, that effective May 1, 2016 the director shall not receive or act upon any application for a new medical marijuana center license;

(b) Optional premises cultivation license; provided, however, that effective May 1, 2016 the director shall not receive or act upon any application for a new medical marijuana optional premises cultivation license;

(c) Medical marijuana-infused products manufacturing license;

(d) Medical marijuana testing facility license.

Section 9. That the opening sentence of Section 24-508 shall be amended by adding the language underlined, to read as follows:

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

Effective May 1, 2016, the director shall not receive or act upon any application for a new medical marijuana center license. In addition to the requirements set forth in the CMMC, the following requirements shall apply to the issuance of any local license for a medical marijuana center 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 center issued prior to May 1, 2016:
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 likewise changes to the same new location, or
(2) The license for the retail marijuana store and any medical marijuana optional
premises cultivation facility or retail marijuana cultivation facility at the prior location is
surrendered.

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

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

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

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

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

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

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

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

Sec. 12-96. - Notification.

(b) The following agencies of the city shall be responsible for the following
notification:
Proposed Action

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.

Section 13. This ordinance shall be effective May 1, 2016. Any and all applications for new licensing or for change of location of an existing license pending on May 1, 2016 shall be regulated and processed in accordance with the laws in effect on the date the application was originally submitted, except as modified by the adoption of Ordinance No. 912, Series of 2015 and the notification provisions required by section 12-96(b), as amended by this ordinance.

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

Sec. 6-210. – Licensing requirements – provisions applicable to all licenses.
(b) Application forms and supplemental materials. All applications for local licensing shall be made upon forms provided by the director and shall include such supplemental materials as required by this article V, the Colorado Retail Marijuana Code and rules adopted pursuant thereto, including by way of example: proof of possession of the licensed premises, disclosures related to ownership of the proposed business, fingerprints of the applicants, building plans, floor plans designating the proposed licensed premises outlined in red, and security plans, and a community engagement plan that includes, at minimum, the following information:

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

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

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COMMITTEE APPROVAL DATE: April 4, 2016.

MAYOR-COUNCIL DATE: N/A

PASSED BY THE COUNCIL ___________________________ April 25 ___________________________ 2016

CHRISTOPHER J. HEDDERSON - PRESIDENT

APPROVED: ___________________________ - MAYOR April 26 ___________________________ 2016

ATTEST: ___________________________ - CLERK AND RECORDER,
EX-OFFICIO CLERK OF THE
CITY AND COUNTY OF DENVER

NOTICE PUBLISHED IN THE DAILY JOURNAL April 21 2016; April 28 2016

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

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

D. Scott Martinez, City Attorney

BY: ___________________________ , Assistant City Attorney

DATE: ___________________________
contact the Registered Neighborhood Organizations prior to commencing operations;

(3) An outreach plan to contact and engage residents and businesses in the local neighborhoods where any license is located;

(4) A detailed description of any plan to create positive impacts in the neighborhoods where the licensed premises are located, which may include by way of example, participation in community service, volunteer service, and active promotion of any local neighborhood plans;

(5) Written policies and procedures to timely address any concerns or complaints expressed by residents and businesses within the neighborhood surrounding the licensed premises.

(6) Written policies and procedures designed to promote and encourage full participation in the regulated marijuana industry by people from communities that have previously been disproportionately harmed by marijuana prohibition and enforcement in order to positively impact those communities.

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

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

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

(f) All applications for renewal of any license shall include a community engagement plan as required in section 6-210.