Marijuana Business Licensing
Medical Marijuana Legalized
• In November 2000, Coloradans passed Amendment 20 allowing the cultivation, distribution, sale and possession of medical marijuana.

Medical Marijuana Stores Open
• However it wasn’t until 2009, when the number of businesses increased overnight after the Federal Government issued the “Cole Memo” stating that prosecuting states with medical marijuana would be their lowest priority.
• This prompted the State and the City to develop their Medical Marijuana Codes.

Retail Marijuana Legalized
• In 2012, Amendment 64 passed statewide allowing for cities to opt into allow the sales of retail marijuana. We had 6 weeks to put in a licensing & regulatory system (from passage in November to January 1st 2014).
A64 gave authority for cities and counties to opt-out of retail marijuana licensing entirely.

<table>
<thead>
<tr>
<th>Colorado Local Jurisdiction Status</th>
<th>Total Jurisdictions</th>
<th>Percent of State</th>
</tr>
</thead>
<tbody>
<tr>
<td>Medical and Retail MJ Banned</td>
<td>222</td>
<td>69%</td>
</tr>
<tr>
<td>Medical MJ Licenses Only</td>
<td>21</td>
<td>7%</td>
</tr>
<tr>
<td>Retail MJ Licenses Only</td>
<td>9</td>
<td>3%</td>
</tr>
<tr>
<td>Medical and Retail Licenses</td>
<td>70</td>
<td>21%</td>
</tr>
<tr>
<td><strong>TOTAL</strong></td>
<td><strong>322</strong></td>
<td></td>
</tr>
</tbody>
</table>
Denver has 7 types of marijuana licenses located in 2 separate municipal codes:

1. Medical Centers
2. Medical On Premises Cultivation (OPCs or Grows)
3. Medical Manufacturer of Infused Products (MIPS or Kitchens)
4. Retail Stores
5. Retail On Premises Cultivation (OPCs or Grows)
6. Retail Manufacturer of Infused Products
7. Retail Testing Facilities
There are **1013** marijuana business licenses, operating out of **439** unique locations.

- Some locations have several licenses and license types at one location
License Amendments & Applications

- NEW APPLICATIONS: 237
- TRANSFER OF LOCATION: 167
- MODIFICATION OF PREMISE: 203
- TRANSFER OF OWNERSHIP: 199
Licensing – what we require

- Application
- Zone Use Permit
- Lease or deed
- Stamped Floor Plan
- Burglar Alarm Permit & Monitoring Contract
- Security Plan
- City & State Sales Tax License (stores only)
- Proximity Map (stores only)
- Distance Waiver (stores only)
- Valid ID for Each Owner
- Inspections*
• Co-locate Medical (18+) and Retail (21+)
• Proximity Restrictions, stores cannot be within 1000’ of:
  • Schools
  • Child Care Centers & Home Day Care
  • Medical Drug Treatment Facilities
  • Another Store
  • Zoning Restrictions
• Public Hearings for new Retail Store Licenses and for Transfers of Location.

• Have held over 150 public hearings for retail stores
  
  – For locations operating as medical, evidence that the licensed premises have been previously operated in a manner that adversely affects the public health, welfare, or safety of the immediate neighborhood.
  
  – Evidence that the issuance of the license will adversely impact the health, welfare or public safety of the neighborhood in which the retail marijuana store is proposed to be located.
• Community and business owner agree to conditions on a business license.
  – Lighting, parking, trash collection times, having doors to establishment closed.
Operationally – how impacted?

- 1000 new licenses/renewals year.
- 500-600 changes to licenses year.
- Dozens of public hearings.
- Hundreds of new Inspections.
- Public Records Requests
- Added new Counter Technicians to help absorb the increase workload
- Added 2 new Inspectors
- Records Manager
- Lean Process Improvements
• Continually improve the applications.
• Off-Counter Assistance.
• Able to respond to public records requests.
• Use data to make staffing decisions
  – Can staff up for when the bulk of renewals come in
Technology is our friend

• Open data / New licensing system Accela enabled us to digitize records making them available to anyone in the City.
• 1 official record for each license.

• Able to respond to public records requests.
• Reporting
Lessons Learned - Audits

• Shoring up business practices.
• Implementing a cash handling policy.
• Security improvements.
• PII protections.
• Training with hearing officers.

• Policies & procedures for marijuana applications.
• Standardizing inspection criteria.
• Be in sync with the state (if there is a state license)
Lessons Learned - Licensing

• DO NOT ACCEPT INCOMPLETE APPLICATIONS!
• Applications expire after 1 year
• Data integrity (especially with the State)
• Continual Staff Training
• Updated Website
• Industry Bulletins
• Constant communication with other stakeholders: Council, neighborhood groups
• Provide data: maps of locations, all hearings...
Public Hearing required for all New RMJ Licenses
- Limited Question of will this license have a negative impact on the health, welfare and public safety of the Designated Area
- Applicant + 3 witnesses, with opportunity to testify en masse
- ±21 & resides in or is the owner or manager of a business in the designated area
- Benefit of Community Outreach and GNAs
- Adding needs and desires inquiry in 2016
• Continue to provide open data to the community
• Off Premises Storage Facility Applications?
• Operator’s Licenses?
• Pot Clubs
• Needs & Desires Hearings?
• Adapt to what’s next!
Thank You!

Questions?