THE DENVER COLLABORATIVE APPROACH

LEADING THE WAY IN MUNICIPAL MARIJUANA MANAGEMENT

2019
I. INTRODUCTION

MARIJUANA IN THE MILE HIGH CITY

The first retail sales of recreational marijuana in the United States began in Denver on Jan. 1, 2014. Under Mayor Michael B. Hancock, Denver created a collaborative model of marijuana management and emerged as a global leader in marijuana regulation. Because the industry is developing and innovating so rapidly, and because the laws are changing and evolving at such a fast rate, Denver has embraced a management model that is quick, responsive and nimble.

Medical marijuana has been legal in Colorado since 2000, when voters approved Amendment 20. In November 2012, the voters of Colorado approved Amendment 64, which legalized retail marijuana. Since the passage of these amendments, the City and County of Denver has adopted ordinances to regulate, license and tax both medical and retail marijuana.
**WHERE ARE WE NOW?**

As legalization spreads across the United States, and as other countries debate and prepare for legalization, Denver remains squarely in focus. More than ever, the city is looked at to provide guidance on how it effectively implemented and continues to manage the first-of-its-kind sales and commercialization of voter-approved retail marijuana.

Through a far-reaching, collaborative approach, Denver’s Office of Marijuana Policy, housed in Denver’s Department of Excise and Licenses, supports and coordinates the work of dozens of city employees. The city’s dedicated team of experts manage a complex and ever-changing regulatory and licensing process. This work includes legislation to create, improve and clarify ordinances; management of education and health initiatives; coordination of enforcement efforts; and allocation of enough resources—all in concert with the industry and the community.

In 2017, Denver Excise and Licenses adopted rules and regulations that govern the issuance and enforcement of the city’s Cannabis Consumption Establishment and Cannabis Consumption Special Event permits. Initiative 300, which was approved by Denver voters in 2016, gives businesses the ability to apply for a permit to allow adult marijuana consumption in a designated area. Holding public meetings and listening to community input was key in creating rules that worked to protect the public’s health, safety and welfare. In 2018, the first ever social consumption licensed location opened in Denver.

Also, in 2018, Denver marked the fifth year of retail sales of marijuana and the fifth year of the Office of Marijuana Policy’s operation. The industry grew to more than 1,100 business licenses operating out of nearly 500 locations.

More recently, Denver has been developing a multi-pronged approach to ensure that communities that have been disproportionately impacted by the war on drugs can benefit from the legalization of marijuana. Mayor Hancock’s Cannabis Social Equity work involves exploring a variety of tactics including the continued use of marijuana tax revenue to support low and moderate-income neighborhoods, obtaining data related to the marijuana industry, vacating low-level marijuana convictions and identifying areas of need in workforce development, licensing, ownership, and entrepreneurship.

Denver continues its collaborative approach to marijuana management, remaining nimble and flexible to keep pace with the sustained growth of sales and innovation in the marijuana industry, while remaining in constant communication with the industry and residents to ensure balance among many competing interests.

### TIMELINE OF MARIJUANA SALES & MANAGEMENT IN COLORADO AND DENVER

<table>
<thead>
<tr>
<th>Year</th>
<th>Event</th>
</tr>
</thead>
<tbody>
<tr>
<td>2000</td>
<td>Colorado voters approve Amendment 20, allowing the use of medical marijuana.</td>
</tr>
<tr>
<td>2005</td>
<td>Denver voters approve an initiated ordinance to allow possession of up to 1 oz. of marijuana. (The initiative did not affect state law.)</td>
</tr>
<tr>
<td>2007</td>
<td>Denver voters approve an initiated ordinance making the enforcement of marijuana laws against private use and possession by adults the city’s “lowest law enforcement priority.”</td>
</tr>
<tr>
<td>2010</td>
<td>Led by City Council, Denver adopts the Medical Marijuana Code, an ordinance for the regulation and licensing of medical marijuana businesses.</td>
</tr>
<tr>
<td>2012</td>
<td>Colorado voters approve Amendment 64, decriminalizing adult possession of up to 1 ounce of marijuana and establishing a regulated and licensed commercial marijuana distribution system.</td>
</tr>
<tr>
<td>2013</td>
<td>Led by City Council, Denver adopted the Retail Marijuana Code, an ordinance for the regulation and licensing of retail marijuana businesses. Denver voters approve a 3.5% special sales tax on retail marijuana.</td>
</tr>
<tr>
<td>2014</td>
<td>Retail sales of marijuana begin in Denver.</td>
</tr>
<tr>
<td>2016</td>
<td>Denver voters approve Initiative 300, an ordinance that allows for the social use of marijuana in designated consumption areas.</td>
</tr>
<tr>
<td>2017</td>
<td>Denver adopts rules governing Marijuana Designated Consumption Areas.</td>
</tr>
<tr>
<td>2018</td>
<td>The first licensed Marijuana Consumption Establishment opens in Denver.</td>
</tr>
<tr>
<td>2019</td>
<td>Denver creates the Cannabis Equity and Social Justice project with “Turn Over a new Leaf” to clear low-level marijuana convictions.</td>
</tr>
</tbody>
</table>

Voter Results:
- Colorado 54%-46%; Denver 64%-36%
- Denver 54%-46%
- Denver 67%-33%
- Denver 57%-43%
- Denver 54%-46%
- Denver 54%-46%
DENVER’S MARIJUANA INDUSTRY

The City of Denver actively coordinates with its departments and agencies, business owners, residents, neighborhood groups, and industry representatives to ensure that it has a robust and effective regulatory system for the city’s marijuana industry.

There are currently fourteen types of marijuana business licenses issued by the City of Denver:

1. Medical/Retail Storefront
2. Medical/Retail Cultivation
3. Medical/Retail Infused Product Manufacturer (MIP)
4. Medical/Retail Testing Facility
5. Medical/Retail Transporter
6. Medical/Retail Off-premises Storage
7. Cannabis Consumption Establishment/Special Event

NUMBER OF ACTIVE LICENSED MARIJUANA BUSINESSES FROM JAN 2014 TO JAN 2019:

<table>
<thead>
<tr>
<th>PERIOD</th>
<th>MEDICAL LICENSES</th>
<th>RETAIL LICENSES</th>
<th>UNIQUE LOCATIONS</th>
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<tr>
<td>January 2014</td>
<td>731</td>
<td>270</td>
<td>455</td>
</tr>
<tr>
<td>January 2015</td>
<td>621</td>
<td>301</td>
<td>414</td>
</tr>
<tr>
<td>January 2016</td>
<td>657</td>
<td>392</td>
<td>454</td>
</tr>
<tr>
<td>January 2017</td>
<td>682</td>
<td>429</td>
<td>481</td>
</tr>
<tr>
<td>January 2018</td>
<td>671</td>
<td>478</td>
<td>492</td>
</tr>
<tr>
<td>January 2019</td>
<td>621</td>
<td>479</td>
<td>475</td>
</tr>
</tbody>
</table>

* The decrease from 2014 to 2015 happened in part because medical marijuana businesses that did not obtain both state and city licenses by July 1, 2014 were required to cease operations.
As of January 2019, the City had 3 active Medical Marijuana Transporter licenses and 3 active Retail Marijuana Transporter licenses.

Active Licenses for Retail Marijuana Infused Products Manufacturers increased 7% over the prior year, going from 83 in 2018 to 89 as of January 2019. Medical Marijuana Infused Products Manufacturers experienced a slight drop during that time frame, going from 97 in January 2018, to 93 as of January 2019.

Active licenses for both Medical and Retail Marijuana Testing Facility licenses decreased - from 6 in January 2018, to 5 in January 2019.

As of January 2019, the City had 2 active Cannabis Consumption licenses.
III. TAX, SALES, AND REVENUE

HOW IS MARIJUANA TAXED IN DENVER?

Medical marijuana is subject to standard state and local sales taxes:

Denver Standard Sales Tax*: 4.31%
State Standard Sales Tax: 2.90%
Medical Marijuana Sales Tax: 7.21%

* The Denver Preschool Fund directly receives .15% of the city’s 4.31% overall standard sales tax. In November 2018, four ballot initiatives were approved by the voters of Denver to increase the standard sales tax rate by a combined total of .66%. All four measures went into effect January 1, 2019 and included sales tax increases for Parks (.25%), Mental Health (.25%), College Affordability (.08%), and Healthy Food (.08%).

In November 2013, Denver voters approved adding a special sales tax on retail marijuana that could vary from 3.5% to 15.0%. The tax is in addition to the Denver standard sales tax and all other applicable state taxes. Since 7/1/17, retail marijuana has been exempt from the state standard sales tax, but is subject to both state and local special sales taxes:

Denver Standard Sales Tax*: 4.31%
Denver Special Sales Tax on Retail Marijuana**: 5.50%
State Special Sales Tax on Retail Marijuana***: 15.0%
Retail Marijuana Sales Tax: 24.81%

** The Denver Special Sales Tax can increase from 3.5% to 15% when authorized by City Council. In October 2018 there was an increase on the special sales tax from 3.5% to 5.5% to contribute funds towards the city’s affordable housing project.

*** Prior to 7/1/17, 15% of the State Special Sales Tax was shared with local jurisdictions. Since 7/1/17, 10% of the State Special Sales Tax has been shared with local jurisdictions.

MARIJUANA SALES

Denver: From 2017 to 2018, retail marijuana sales increased by 4%. Medical marijuana sales saw a decline of 25% over that same period.

Colorado: Retail marijuana sales increased by 11% from 2017 to 2018. Medical marijuana sales for the State declined by 20% from 2017 to 2018.

Note: 2014 and 2015 values for Colorado marijuana sales data published in previous reports have since been updated with current Treasury data.

<table>
<thead>
<tr>
<th>DENVER MARIJUANA SALES</th>
<th>2014</th>
<th>2015</th>
<th>2016</th>
<th>2017</th>
<th>2018</th>
</tr>
</thead>
<tbody>
<tr>
<td>RETAIL</td>
<td>$147.7M</td>
<td>$191.9M</td>
<td>$291.5M</td>
<td>$377.5M</td>
<td>$392.5M</td>
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<tr>
<td>MEDICAL</td>
<td>$180.1M</td>
<td>$191.4M</td>
<td>$212M</td>
<td>$206.4M</td>
<td>$155.5M</td>
</tr>
<tr>
<td>TOTAL</td>
<td>$327.8M</td>
<td>$410.7M</td>
<td>$503.5M</td>
<td>$583M</td>
<td>$548M</td>
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<tr>
<td>TOTAL YOY% CHANGE</td>
<td>-</td>
<td>25%</td>
<td>23%</td>
<td>16%</td>
<td>-6%</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>COLORADO MARIJUANA SALES</th>
<th>2014</th>
<th>2015</th>
<th>2016</th>
<th>2017</th>
<th>2018</th>
</tr>
</thead>
<tbody>
<tr>
<td>RETAIL</td>
<td>$303.2M</td>
<td>$577.5M</td>
<td>$861.6M</td>
<td>$109.1B</td>
<td>$121.4B</td>
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<tr>
<td>MEDICAL</td>
<td>$380.3M</td>
<td>$418.1M</td>
<td>$445.6M</td>
<td>$416.5M</td>
<td>$332.2M</td>
</tr>
<tr>
<td>TOTAL</td>
<td>$683.5M</td>
<td>$995.6M</td>
<td>$130.7B</td>
<td>$150.8B</td>
<td>$154.6B</td>
</tr>
<tr>
<td>TOTAL YOY% CHANGE</td>
<td>-</td>
<td>46%</td>
<td>31%</td>
<td>15%</td>
<td>3%</td>
</tr>
</tbody>
</table>

HOW MUCH OF COLORADO’S TOTAL MARIJUANA SALES COME FROM DENVER?

From 2014 – 2018, Denver’s portion of Colorado marijuana sales has declined by 13%, from 48.3% in 2014, to 35.5% in 2018. This indicates marijuana sales increased outside of the city at a higher rate than within the city during that period.
HOW MUCH REVENUE IS GENERATED IN DENVER FROM MARIJUANA?

Marijuana is helping to pay for the resources the city must put toward the robust regulation and enforcement involved with the responsible implementation of legalized marijuana.

However, it’s important to understand that marijuana revenue constituted only about 3.5% of the city’s general fund revenue in 2018.

• Overall – 2019 Revenue from Marijuana in Denver is expected to grow by 35%, partially due to the increases in the standard sales tax for retail and medical marijuana and the increase in the special sales tax for retail marijuana.

• 2018 revenue from Licensing Fees was up 13% over 2017.

• Medical Sales Tax revenue declined -24% from 2017 to 2018.

• Retail Sales Tax revenue increased 4% over 2017.

• Retail Special Tax revenue went up 4% over 2017.

**MARIJUANA REVENUE SOURCES FOR 2018 TOTAL: $46.8M**

Through the special sales tax revenue and state shareback funds, the city has funded marijuana regulation, enforcement, and education.

• These funds go into the city’s general fund and are allocated toward Denver’s immediate needs to responsibly regulate the marijuana industry, enforce the law, and educate the public about marijuana with a focus on youth.

• The licensing fees and retail standard sales tax collected go into the city’s general fund to pay for city services, as is the case with medical marijuana taxes collected.

• In October 2018, the special sales tax for retail marijuana increased by 2%, from 3.5% to 5.5%. This additional 2% will be dedicated to affordable housing programs and is projected to generate $9.3 million in 2019.

• Overall – 2018 Revenue from Marijuana in Denver was up about 5% over 2017 totals.

• State Shareback revenue was up about 6% between 2017 and 2018.
IV. BUDGET

WHAT DOES THE CITY DO WITH THAT REVENUE?

All of Denver’s marijuana-related revenue goes to the city’s general fund to pay for city services. The city first allocates the special retail sales tax and state shareback to fund the key areas of:

- Regulation
- Education
- Enforcement

Of the projected $22.8 million that can be appropriated for marijuana-specific spending in 2019, the city has budgeted **$8.8 million** in expenditures across city departments and agencies for regulation, enforcement, and education efforts.

Additionally, in 2019, $23.2 million from marijuana-related revenue was appropriated to add investments for deferred maintenance, affordable housing, and opioid intervention.

Finally, the standard sales tax received from retail and medical marijuana and the revenue from marijuana licensing fees ($31.2 million in 2018) is treated the same as the city’s other sales tax revenue sources (such as clothing and other goods) in that it goes into the general fund and is spread across the city for a variety of general operating needs (libraries, parks, recreation programs, street maintenance, auditors, attorneys, etc.).
Governments across the U.S. and the world are tackling – or are preparing for – the new and evolving challenges that come with the regulation of legalized marijuana. On the leading edge of this challenge, Denver is committed to ensuring that its regulations address both current and future issues.

Change continues in Denver and Colorado at a rapid pace and the collaborative approach enables the city to respond quickly and effectively to address issues as they arise.

Denver partners with city agencies, departments, institutional stakeholders, and the community to develop sensible policies which balance the needs of industry, consumers, families, and neighborhoods and preserve Denver’s quality of life, public health, and safety.

Under the leadership of Mayor Hancock, the city has adopted a collaborative model to manage marijuana, which includes multiple agencies working together to preserve, protect, and enhance Denver’s excellent quality of life. This work is grounded in the city’s priorities of marijuana management, including robust regulation, strict enforcement, and effective education.
Youth Prevention & Education

Denver once again committed millions of retail marijuana sales tax dollars to be distributed to youth-serving organizations by the city’s Offices of Children’s Affairs and Behavioral Health.

The “Healthy Lifestyles for Youth” funds administered by Children’s Affairs support quality afterschool and summer programs in over 50 organizations, supporting more than 10,000 youth.

• The funds leverage existing best practices and processes to enhance quality programs and promote pro-social activities to youth living in an environment with legalized marijuana.
• The funds utilize youth development programs as a place for early education and as a first step to preventing marijuana use.
• To help youth build the skills they need to make positive, healthy lifestyle choices, existing programs already using effective positive youth development and social-emotional learning strategies were provided additional funding to expand or enhance services.
• With that money Denver was also able to create a Marijuana Curriculum, designed to teach youth the different facts about marijuana and underage use. The curriculum is available at after school programs serving middle school students.

The Diversion Accountability and Behavioral Health funds administered by the Office of Behavioral Health provided eight programs with funds for the intervention, treatment, education and other alternatives for approximately 1,780 youth and young adults who have violated a city or state law or school code in 2018. The funds help:

• Create alternative consequences for unlawful marijuana use or possession.
• Prevent further involvement of youth and young adults in the justice system.
• Improve outcomes for youth through coordinated services.
• Reduce and address the potential harm of substance use.
• Promote sharing of best practices and other networking opportunities for youth serving professionals.

IN DECEMBER 2017, THE CITY AND COUNTY OF DENVER LAUNCHED THE HIGH COSTS CAMPAIGN FOR YOUTH AGES 12-17 to educate Denver youth about marijuana so they can make an informed decision not to use underage. The campaign is focused on providing facts and encourage peer to peer conversation.

• To date, the High Costs campaign has garnered over 147 million media impressions, or views, including a feature on CBS This Morning. A recent survey showed that 75 percent of teens aware of the High Costs campaign said that its messaging discouraged them from using marijuana.
• The campaign can be found online at TheHighCosts.com.

Information & Outreach

• Sponsored a Denver Police radio campaign educating listeners about Denver marijuana laws, responsible consumption and safe storage.
• Continued collaboration with the State of Colorado’s education campaigns and continued to serve on the state’s Marijuana Education Oversight Committee.
• Updated DenverGov.org/MarijuanaInfo website
  - Made various “Know the Law” updates and created a hub for all state and local laws and regulations.
• Attended community meetings of all stripes, including:
  - Registered Neighborhood Organization meetings
  - City Council district gatherings
  - Inter-Neighborhood Cooperative committee meetings
  - Other community meetings

MORE THAN ➔ $16 MILLION of marijuana revenue from 2014-2019 has been granted to these important programs to protect and educate our youth.
PUBLIC EDUCATION & COMMUNICATION CONTINUED

Collaboration & Communication

• Participated in Mayor Hancock’s quarterly Cabinet in the Community.
• Continued to present updates to the Downtown Denver Partnership, Visit Denver, the Denver Chamber of Commerce and other groups upon request.
• Continued conference calls with other states that have legalized marijuana.
• Continued to host information briefings for other jurisdictions, states and countries requesting information on how Denver regulates marijuana.
• Supported the “Policy and Practice Summit” sponsored by the Denver Afterschool Alliance.
• Met with neighborhood groups, SMART Colorado, nonprofits and other entities requesting information about marijuana.
• Coordinated with Denver Health on collecting data related to marijuana public health impacts.
• Continued to participate in the Denver Partnership for Youth Success working group.
• Created the Equity Governance Work Group and the Community Cannabis Equity and Social Justice Committee.

Industry Outreach

• Continued to educate the industry through regular Marijuana Informational Bulletins on new and changing regulations.
• Assisted as needed with other efforts including Denver Department of Public Health and Environment’s Cannabis Sustainability Newsletter and best practices manual.
• Held quarterly check-in meetings with the marijuana industry.
• Held special meetings, as needed, on educational topics or for input on policies, procedures and regulations.
  - Invited industry members to participate in the Community Cannabis Equity and Social Justice Committee.
  - Invited industry members periodically to attend internal meetings to brainstorm, report out, and provide an industry viewpoint.
• Attended industry association meetings of the Marijuana Industry Group, Cannabis Business Alliance, and Colorado Cannabis Chamber of Commerce.
• Attended industry-sponsored educational events, tours and briefings.
• Continued the Permitting Assistance Team to help businesses navigate social consumption rules and regulations.

Customer Service

• The city continues to develop and publish marijuana informational dashboards that live on the Denver Marijuana Info website.
• Analyzed 311 inquiries to identify frequently asked questions and provide answers.
• Created the option for scheduled appointments for marijuana licensing transactions.

Resource Analysis, Efficiency & Economic Impact

• Continued to ensure that marijuana funds are allocated effectively to different city departments.
• Participated in an Indirect Cost Analysis to identify and quantify the indirect costs of marijuana regulation and enforcement incurred throughout the city.
• Created a mechanism to obtain feedback from internal agencies regarding operational efficiencies, effectiveness of policies, and the quality of the decision-making model.
• In 2018, Denver hosted the fourth annual Marijuana Management Symposium to share information with regulators and policymakers from around the world.
• The three-day event had 367 attendees from 3 countries, 19 U.S. states, and the District of Columbia.
• The symposium has become the centerpiece of Denver’s collaboration with other governments, as the city has become a model for those who are adjusting to newly legalized marijuana or facing the possibility of future legalization.
  - The city is committed to exchanging information and best practices with others to contribute to the public good, build better communities, and develop common ground for the future.
• The 2019 Denver Marijuana Management Symposium will be held from October 1-3.

DENVER MARIJUANA MANAGEMENT SYMPOSIUM
THE LEADER IN CONSUMER HEALTH & SAFETY PROTECTION

- Denver’s Department of Public Health and Environment (DDPHE) took the lead globally to address consumer safety issues such as pesticide and mold contamination, evaluating ingredients lacking safety information used in smoking and vaping products, as well as underregulated ingestible hemp derived cannabidiol ingestible products sold for therapeutic or wellness purposes.
- In the absence of state and federal public health regulations and guidelines for marijuana products, the city stood in the gap, looking out for its residents and visitors as well as protecting consumer health and safety.
- Denver coordinated with other local and state agencies and the marijuana industry to identify potentially harmful marijuana products and place them on hold and/or recall them when necessary.
- Through its investigation process, Denver determined that some marijuana products were contaminated with unapproved pesticide residues, mold, and pests.
- Denver’s Department of Public Health and Environment has overseen more than 39 product recalls to date due to pesticide contamination, nonfood-grade ingredients, unclean equipment, and shelf stability issues.
- Denver created the Cannabis Health & Safety Advisory Committee
  - This committee is comprised of public health experts, scientists, marijuana industry professionals, and consumer advocates and is tasked with providing suggestions to Denver’s local public health department regarding health and safety issues associated with the production and consumption of cannabis products.

Odors
- The city continues to work with neighborhoods and the industry on controlling odors caused by marijuana cultivation and marijuana-infused product manufacturers.
- Denver’s nuisance odor ordinance includes a successful provision that requires all marijuana cultivation operations and marijuana-infused products manufacturers to develop, submit and implement an odor control plan approved by the city.
- DDPHE takes an active role in advising businesses on developing effective odor control plans to lessen the negative impacts on quality of life in Denver’s neighborhoods.

Sustainability
- The city educates business owners on the importance of actions and technologies that can be used to minimize the environmental impacts of operating a marijuana business.
- Denver’s Department of Public Health & Environment convenes the Cannabis Sustainability Work Group, an interdisciplinary stakeholder group that develops impartial sustainability education resources for the industry. These resources include educational events and the Cannabis Environmental Best Management Practices Guide, which covers an array of topics specifically designed for cannabis cultivation facilities and includes tips on topics like energy efficiency, water conservation and waste management.
- The city will also support the fourth annual Cannabis Sustainability Symposium in October 2019.
DENVER REMAINS COMMITTED

to robust regulation and strict enforcement of the laws around marijuana. The city continues its focus on education about the laws and regulations, seeking compliance ahead of enforcement.

Remaining consistent with its commitment to the voters and to the federal government, the city has a high level of focus on illegal marijuana activities outside the boundaries of amendments 20 and 64.

PATROLLING THE BOUNDARIES OF LAW

Since the legalization of recreational marijuana in 2012, the illegal production and sale of marijuana has continued in Denver. In the first few years, the city experienced a large increase in black market marijuana. Through increased enforcement and the utilization of a collaborative model between all city agencies, the City and County of Denver was able to mitigate many of the issues leading to the increase in black market marijuana. The Denver Police Department remains committed to enforcing all state and local laws pertaining to the illegal production and sale of marijuana.

WHAT DOES THE BLACK MARKET LOOK LIKE?

The market for Denver marijuana is very lucrative and extends across the United States. The market takes many forms:

- Internet sales (Craigslist, Facebook groups, etc.)
- Mid-level trading: Continuous market of people purchasing $5,000-$10,000 of Colorado marijuana and transporting/shipping it out of state for resale.
- Large criminal organizations

The city has intensified its focus on those who refuse to play by the rules with increased education and enforcement.

VI. ENFORCEMENT

ILLEGAL MARIJUANA PROCESSED BY THE DENVER POLICE DEPARTMENT (DPD) CRIME LAB:

- 2014: 9,504 LBS.
- 2015: 4,738 LBS.
- 2016: 8,868 LBS.
- 2017: 7,686 LBS.
- 2018: 6,127 LBS.

This data only reflects seizures processed through the Denver Police Department crime lab.

- DPD’s marijuana team has been involved in numerous operations where marijuana seized was processed by the Drug Enforcement Agency. Those numbers are not reflected here.
- For example, in 2013, DPD worked with federal agencies and seized more than 10,000 pounds, in one case alone, all of which was processed by the DEA.

POLICE OUTREACH

DPD has worked proactively with marijuana business owners to provide them with crime fighting tips.

- Best practices shared with and among marijuana businesses.
- In 2018, DPD continued the district outreach program which allows industry members to meet the commander and officers in their district.
- Continued to educate the industry with Crime Prevention Through Environmental Design (CPTED), which provides crime fighting and safety tips.
HOME GROWS
Denver residents can cultivate up to 6 plants per adult in a household and never more than 12 plants total. Additionally, Denver created a limitation of 36 plants on a non-residential zone lot. Over the last several years, the city has received many complaints of home growing that exceeds the legal plant count.

The city is addressing these issues with:
- Streamlined communication processes between police and city inspectors to help address complaints.
- Increased number of officers working to address illegal home grows.
- Developed an education campaign on home grow safety and how to spot illegal activity.

MARIJUANA CRIME & ARREST DATA

Total Marijuana Offenses
These are reported offenses to the Denver Police Department that, upon review, have a clear connection or relation to marijuana. Please contact the Denver Police Department if you have questions about the data reported in this section.

<table>
<thead>
<tr>
<th>YEAR</th>
<th>MARIJUANA CULTIVATION</th>
<th>MARIJUANA POSSESSION</th>
<th>MARIJUANA DISTRIBUTION</th>
<th>INDUSTRY RELATED CRIME*</th>
</tr>
</thead>
<tbody>
<tr>
<td>2014</td>
<td>19</td>
<td>356</td>
<td>65</td>
<td>175</td>
</tr>
<tr>
<td>2015</td>
<td>25</td>
<td>272</td>
<td>60</td>
<td>185</td>
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<tr>
<td>2016</td>
<td>43</td>
<td>189</td>
<td>67</td>
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<td>2017</td>
<td>52</td>
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<td>2018</td>
<td>59</td>
<td>142</td>
<td>71</td>
<td>200</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>YEAR</th>
<th>OTHER NON-INDUSTRY RELATED CRIME**</th>
<th>DUID MARIJUANA</th>
<th>TOTAL MARIJUANA OFFENSES</th>
<th>TOTAL CITYWIDE OFFENSES</th>
</tr>
</thead>
<tbody>
<tr>
<td>2014</td>
<td>107</td>
<td>66</td>
<td>788</td>
<td>61,276</td>
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<tr>
<td>2015</td>
<td>81</td>
<td>73</td>
<td>696</td>
<td>64,317</td>
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<td>2016</td>
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<td>65,368</td>
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<td>66,354</td>
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<tr>
<td>2018</td>
<td>24</td>
<td>92</td>
<td>568</td>
<td>66,023</td>
</tr>
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</table>

* Industry Related Crime entails reported criminal offenses where marijuana businesses were either the victim or the perpetrator of a crime. Approximately 77% of these crimes were burglaries or larcenies that occurred at licensed marijuana businesses.

** Other Non-Industry Related Crime entails reported criminal offenses that are not direct violations of marijuana law and do not have a clear connection to a licensed business, yet marijuana is believed to be the motive for the crime. For example, if someone is growing four marijuana plants in their garage for personal use, and someone breaks into the garage to steal the marijuana plants, that would be considered other non-industry related crime.

PUBLIC CONSUMPTION / MARIJUANA IN PUBLIC PARKS CITATIONS
Consuming marijuana openly and publicly or possessing marijuana in public parks continues to be unlawful. The Denver Police Department issues citations for these violations and upon admission or finding of guilt in court, the violator will pay a fine between $150 and $999. The number of citations issued each year remains relatively unchanged.

IMPAIRED DRIVING ARRESTS
Impaired driving creates a serious public safety hazard. Over the years, overall impaired driving arrests have been on the decline in Denver. This change can be attributed to several factors, including public education campaigns and the rising popularity of ride sharing services.

Marijuana-related DUID (driving under the influence of drugs) arrests have remained fairly consistent over the years, yet they remain a small portion of overall impaired driving arrests. It is important to note that the low volume of marijuana DUID arrests shown here is not indicative of the true frequency of impaired driving, but rather it reflects the difficulties of confirming marijuana-related impairment.