Sec. 6-209. – Marijuana store licenses

(3) Beginning October 1, 2021, medical and retail marijuana stores shall install and use a safe in a limited access area, which shall be incorporated into the building structure or securely attached thereto, for overnight storage of all processed cannabis and cash. For marijuana-infused products that must be kept refrigerated or frozen, the establishment may lock the refrigerated container or freezer, so long as the appliance is affixed to the building structure. The director may approve security devices such as vaults and strong rooms that are functionally equivalent to safes. Medical and retail marijuana stores may submit a security plan made in the manner provided by the director. If the security plan is approved, the medical or retail marijuana store shall be exempt from this rule. The security plan shall contain a description of the licensee’s implemented practices and structural security measures of the licensed premises to mitigate burglary and theft of regulated marijuana, which shall include, but is not limited to:

a. Utilizing a security guard;
b. Monitored video surveillance;
c. Adequate outdoor lighting;
d. Removing visible regulated marijuana from the sales floor during nonbusiness hours;
e. Utilizing steel, deadbolt ingress and egress doors;
f. Utilizing steel security shutters over windows during nonbusiness hours;
g. Keeping a safe in a separate room from the sales floor within the limited access area; and
h. Storing excess cash in a securely attached safe.

(4) Medical and retail marijuana stores shall not provide walk-up or drive-up window service or curbside pickup. All transactions must occur within a licensed premises. A medical or retail marijuana store may provide for walk-up or drive-up window service or curbside service pursuant to, and in compliance with, an emergency rule promulgated by the state or licensing authority.
[EXTERNAL] Cannabis Delivery/ Consumption

Chris Iversen <civersen222@gmail.com>
Tue 12/8/2020 9:24 AM
To: MarijuanaInfo <MarijuanaInfo@denvergov.org>

Hello,

Just wanted to provide my comments in regards to the new bill under consideration. I am very much in support of both delivery and expanded social use. I live directly across the street from a dispensary so I most likely will not use the service but I don't see why it shouldn't be allowed. I've been able to order cocktails from bars, bottles of liquor from liquor stores etc. all without a hitch or risk the products would fall into a child's hands. It's often more restrictive in terms of ID checking when getting alcohol delivered in my experience. This will also help our struggling workers again employment, more delivery jobs are a good thing especially given Covid.

As far as social use is concerned, I think we can objectively say the current rules are too restrictive and have been a compete failure. I have traveled many times to Amsterdam and can say first hand the coffeeshops are really a great thing and I would love to see my hometown become Amsterdam west. We already have a much more rigorous regulation scheme in place when compared to the Netherlands for production, I have to think there's a way to allow for this. And not in some extremely restrictive manner, people need to walk in and be able to buy weed and smoke it there. Not buy it and walk somewhere 2 miles away where no one can see them, or God forbid have to smell it. We live in Denver, Marijuana is legal here, and people need to start dealing with it like we do alcohol. I want to be able to smoke Marijuana in an establishment, or on their designated patio. There are already regulations and legal remedies for neighbors to pursue enforcement for things such as smell etc.

In summation, please take existing examples such as the Netherlands for consumption and California into consideration as there are proven ways that work to solve these problems. We need to be much less restrictive and pull back if needed instead of the too restrictive approaches that we have tried. Thank you for your time.

Chris
January 14, 2021

Ashley Kilroy
Co-Chair Denver Marijuana Licensing Work Group
Executive Director of Excises and Licenses
Department of Excise and Licenses

Molly Duplechian
Co-Chair Denver Marijuana Licensing Work Group
Deputy Director of Policy
Department of Excise and Licenses

To Ms. Kilroy and Ms. Duplechian,

To begin, I wanted to take a moment and thank you and your staff for the hard work put into this process. I recognize the difficulty of balancing diverse perspectives and appreciate your willingness to allow further comments and recommendations. This communication highlights three areas of concern related to Denver’s Marijuana Hospitality and Marijuana Hospitality and Sales draft ordinances: 1) marijuana advertising and promotion, 2) density of marijuana businesses in the City and 3) ensuring the creation of a robust licensing framework.

Marijuana Advertising and Promotion

First, the strong stance in the draft related to marijuana product advertising and promotion will positively impact Denver’s residents, youth and visitors. As you are aware, decades of research related to age-restricted products, including tobacco and alcohol, demonstrates that exposure to advertising and promotion of age restricted products is associated with decreased perceptions of risk and increased use among young people.\(^1\)\(^2\)\(^3\)\(^4\) Washington state research indicates that regular exposure to marijuana advertising on storefronts, billboards, retailer websites, swag, and other locations increased the likelihood of adolescents using marijuana.\(^5\) To this point, sponsorship messages and consumer goods with advertising logos and messages on them will also lead to further youth normalization of marijuana use, and decreased youth perception of marijuana risk.:

- A great deal of research has shown that branded merchandise, including, but not limited to, t-shirts, sunglasses, or hats can be directly linked to higher use of tobacco and alcohol by teens; In 1998, many states Attorneys General and numerous tobacco companies entered into a Master Settlement Agreement (MSA). One of the hallmark outcomes of the MSA is the comprehensive prohibition for tobacco companies related to advertising, promotion and sponsorship.\(^6\)

\(^2\) W.S. Choi, J.S. Ahluwalia, K.J. Harris, K. Okuyemi Progression to established smoking: the influence of tobacco marketing
• The federal district court case of Commonwealth Brands, Inc. v. U.S. determined that a prohibition on branded merchandise is constitutional, and narrowly tailored to meet the goal of reducing youth use. It cited evidence that youth obtained branded merchandise that had been distributed at adult-only venues and consequently, “there is no way to limit the distribution of these items to adults only.”

• The above evidence supports the recommendation for Denver Licensing and Excise to remove section 6-224 (3) and (4) from the current hospitality draft ordinance that reads in part, “advertising which is purely incidental to sponsorship ship of a charitable event” or “apparel, consumer goods or paraphernalia.”

• Inclusion of this language in the City’s hospitality ordinance will greatly increase the exposure of Denver’s youth—creating a result that is contrary to the intent of strong advertising and promotion restrictions. Best practice for protecting youth is a comprehensive ban on advertising, including branded merchandise and sponsorships to truly minimize harms for youth, including youth normalization of marijuana in Denver.

Density of Marijuana Businesses in Denver

The second area of concern in the hospitality draft relates to marijuana business density; specifically, the removal of the current density cap except in the five most saturated neighborhoods. To roll back the location cap as proposed would likely increase access to and availability of marijuana for youth. Marijuana dispensary density has been linked to increased youth use—with 16% of 11th graders reporting marijuana use in areas with less dispensary density compared to 24.3% of the same age group reporting use in more retail-dense areas.

Historically, a lack of regulation has led to a proliferation of tobacco and alcohol outlets in underserved neighborhoods and has contributed to structural inequities. It is vital that we learn from these mistakes and “get it right from the start” with marijuana regulation. A recent study indicates that higher marijuana dispensary density in states with legal cannabis laws was associated with a higher likelihood of youth ages 14-18 experimenting with cannabis vaping and edibles. Regulating the density of age-restricted businesses can significantly impact public health in a positive way.

• It is critically important that the City does not allow an over saturation of marijuana businesses in Denver’s neighborhoods. The City should NOT remove the cap on marijuana cultivation and store locations.

• The desire to promote local ownership of marijuana businesses is understandable, however the location cap is an entirely separate issue from community ownership considerations.

• The cap should remain in place to combat neighborhood inequities and youth use; it does not perpetuate these issues. Leaving in the location cap will protect public health. The City should find a more appropriate avenue to address community ownership.

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8 Ibid.
Ensuring a Robust Local Licensing Framework - Enforcement

Third, establishing a local licensing framework is a proven approach to regulate the exchange of age-restricted products. Marijuana use, cultivation, transport and sales are no different in this regard. Effective regulation of where marijuana products are used, cultivated or sold should begin by ensuring that persons who are under-age are not permitted access into these locations.

- Page 4 line 14, (10) and page 9, line 16, (9) of the draft hospitality ordinance states that marijuana hospitality businesses and a marijuana hospitality and sales businesses “…shall not allow any person under the age of twenty-one (21) into the licensed premises.” Unfortunately, there is no language in the hospitality draft that defines how this requirement will be accomplished.

- A best practice recommendation is to add language to the City’s ordinance that requires verification of the government issued photographic identification of any person attempting to enter the licensed premises.

These regulations should be reinforced with inspections and compliance checks throughout the term of the license.
- For clarity, compliance checks differ from inspections in that compliance checks involve utilizing persons who are under-aged to attempt to enter and/or attempt to purchase age-restricted products.

- An evidence-based recommendation is to conduct compliance checks of all licensees at least twice per year.

- To increase public health, an additional evidence-based recommendation would be to add language to ensure that all penalties for violations count towards suspension or revocation of the license rather than a fine in lieu of suspension or revocation. This provision would need to be added to the draft policy.

- For reference, tobacco retail outlets who repeatedly violate the Denver City code related to tobacco sales are subject to tobacco retail license suspension or revocation.

Please consider the Center for Public Health Practice a resource and partner in your efforts as you continue your work on marijuana hospitality establishment licensing in Denver. Thank you for your time in reading this letter.

Sincerely,

Erin Bertoli  
Program Director  
Public Health Policy Technical Assistance & Training
[EXTERNAL] Draft MMJ Legislation Feedback

David Goddard <dgoddard@pioneerinterests.com>

Mon 12/14/2020 12:10 PM
To: MarijuanaInfo <MarijuanaInfo@denvergov.org>

Hello -

Please see below my comments regarding the proposed changes to legislation. I would love to be able to speak during the Q&A / public comment section of the meeting if possible? I will be attending both events.

Thank you!

**Question: Definition of Social Equity Applicant:**

I am in favor of legislation that supports disproportionately impacted individuals (DII) and provides opportunities to social equity applicants. In my view, those individuals that should be defined as DII are those living in a specific Disproportionately impacted Areas (DIA) meaning an area of residential zoning that is below the national poverty line. A DIA could also be constituted as an area that has a higher-than-average homicide rate, or higher than average drug conviction rate for schedule I narcotics.

A social equity applicant could also include individuals that have received a cannabis drug conviction. This should Not include those individuals whose family has a conviction. However, a prospective social equity applicant should only be eligible to own a license if in fact 100% of the ownership of the license is owned by a social equity applicant or a group of social equity applicants.

Via the state’s incubator & accelerator program, operations and CAPEX loans should be provided to those groups on a first come first serve basis using a portion of tax revenue collected from the City and the State. It is critical that viable social equity applicants are not just used as ‘fronts’ or patsies for Multi-state operators or existing license holders to secure additional licenses.

Social equity licenses awarded should be required to be owned 100% for a period of 6-years by social equity applicants or DII’s. Licenses would be revoked if ownership were to transfer to non-social equity applicants prior to 6-years.

**Question: Remove the cap on marijuana cultivation and store locations and maintain the prohibition on new store and cultivation locations in top five neighborhoods of undue concentration.**

I do not agree with lifting the cap on marijuana cultivation and store locations in the city of Denver. There are enough dispensaries & cultivation facilities serving the greater Denver area and those dispensaries provide the service needed to its residents. Furthermore, this proposed action does not provide any support to the small business owners that have struggled over the past 10-years to build a sustainable and compliant business. I believe in lieu of lifting the cap altogether, an additional allowance of 25% incremental licenses should be issued to qualified social equity candidates for retail and cultivation licenses.
Social equity licenses issued should only be issued to individuals or groups where 100% of the ownership is qualified as a Social Equity Applicant. This way, you avoid non-social equity groups from using Social Equity Applicants as fronts for their own license gains.

**Question: Store, cultivation, infused product manufacturer, hospitality, and hospitality and sales licenses exclusively available to Social Equity Applicants for six years**

I agree that any new store and cultivation licenses issued should only be issued to individuals or groups where 100% of the ownership is held by a Social Equity Applicant. The current proposal requires only 51% of ownership be held by a Social Equity Applicant. This structure of 51% is prone to financial abuse by non-Social Equity Co-applicants whereby 99% of the economics of a business can be controlled by the 49% non-social equity co-applicant.

Infused product manufacturer, hospitality, and hospitality and sales licenses should not be issued exclusively to social equity applicants but should be issued with a cap. 25% of each of the different Infused product manufacturer, hospitality, and hospitality and sales licenses should be reserved exclusively for social equity applicants and groups of 100% wholly owned social equity applicant groups. This affords opportunity for individuals as well as social equity applicants.

**Question: Transporter licenses and transporter delivery permits exclusively available to Social Equity Applicants for three years**

I do not agree that transporter licenses & transporter delivery permits should be exclusively available to social equity applicants. There should be a limited number of licenses issued for Denver and 25% of those licenses should be held exclusively for Social Equity Applicants. The number of transporter licenses should be determined by taking the total number of dispensaries and multiplying by 1.25.

This will ensure that there are an ample number of transporters and transporter delivery permits available to properly service Denvers patients and customers. It will also ensure the lowest prices, best service, least likelihood of targeting for burglary, and optimal tax proceeds for the city and state.

**Question: Stores required to use Denver-licensed transporters to conduct deliveries for three years**

All Denver based dispensaries should only be able to use Denver licensed transporters in perpetuity. However, the number of transporter licenses should be 1.25x the number of dispensaries and 25% of those licenses should be reserved exclusively for 100% owned Social Equity Applicant individuals or groups.

**Question: Additional comments on Denver’s proposed marijuana equity program**

We are bold proponents of Denvers proposed social equity program. However, it cannot be completely at the expense of Denvers existing small business community which includes existing social equity, woman, minority, and native Colorado & Denver owners.

The primary concern here is that social equity ownership structures can be manipulated to the benefit of non-social equity co-applicants (49% owners). These non-social equity co-applicants can use Intellectual Property royalty agreements, management services, high rates of interest on debt, pre-
requisite expenses, artificially high inter-company transfer prices, required purchasing agreements, and pre-established below market value buyout agreements to strip Social Equity Applicants of all economic ownership of the business. Several of these instruments can be left out of legal operating agreements which would prevent Denver Excise & Licensing from properly vetting the validity of these partnerships.

The issue is that Social Equity Applicant at a minimum 51% ownership threshold poses the risk that a Multi-State Operator (MSO) uses a Social Equity Applicant as a Patsy to secure a license then strips all economic value out of the business for 6-years. After 6-years, using an EBITDA multiple to establish market value, the MSO will buyout the business for pennies on the dollar as profits will be immaterial since the MSO has stripped the business of all its profit. This would be legal as the profits were being sucked out via the aforementioned financial instruments and the MSO co-applicant would have the right to buyout the Social Equity applicant at fair market value.

Instead, I propose Denver should issue an additional 25% more licenses (50), exclusively to 100% owned and controlled by Social Equity Applicants. Furthermore, the City along with the State should provide a 6-year low-interest loan capped at $500,000.00 paid via tax revenue generated from the industries 25.91% sales tax in Denver. These loans would represent 0.85% of the total tax revenue collected since January 2014 by Denver Excise and Licensing and an estimated 11% of total tax revenue collected by Denver Excise & Licensing in 2020. If the loan goes unpaid and into default the license could be revoked by Denver Excise and Licensing and sold to social equity or non-social equity applicants via a lottery for $500,000.00 + SOFR+1%.

This structure will ensure that those social equity applicants who wish to enter the industry not only receive a license, but they also receive the financial support, the guidance, and opportunity needed to succeed. This will further ensure that licenses end up with viable and deserving social equity applicants and not MSO’s looking to undercut the hard-fought value built by local business owners over the last 10-years.

**Question: Security and vehicle requirements**

I believe that vehicle security should match that of a dispensary to avoid break-ins and diversion of product outside of the legal operating system into the black market. Vehicle requirements should include transit or smaller vans with no rear windows or shatter proof vinyl applied. GPS tracking should be required and 360 degree 24/hr battery operated surveillance with 40-days of playback. Weekly backups should be required to the cloud. The cab and storage area should be secured via cage and only accessed via key code. Each vehicle should have a panic button that is tied directly to 911 and creates an open Mic whereby all dialogue is being recorded and transmitted to the police. Security should be reviewed & audited for each vehicle annually by Denver Excise and Licensing to ensure compliance.

**Question: Preventing Diversion to youth**

Ensuring ample delivery vehicle security and ensuring that each delivery recipient has a valid driver’s license. All drivers should use a digital scanning ID device. All recipients at the delivery should be identified to be over the age of 21 to ensure that one individual is not buying product for a group of underage individuals.

**Question: Additional comments on Denver’s proposed marijuana delivery program**

https://outlook.office365.com/mail/MarijuanaInfo@denvergov.org/search/id/AAQkADZiMjBIzTkxLTEOTQTNGU4Y51hZjIxLWNkODQ5YzA3MGFmMg
Only dispensaries and transporters licensed in Denver should be able to deliver to individuals or residents in Denver.

**Question: Hospitality and mobile hospitality**

I am in favor of hospitality and mobile hospitality programs in Denver. I believe that licenses should be capped and 25% of those licenses are reserved exclusively for Social Equity Applicants and 100% owned and controlled Social Equity Applicant Groups.

**Question: Hospitality and sales**

I am in favor of hospitality and sales and believe the limits proposed by the commission are optimal.

**Question: Methods of Consumption at hospitality businesses**

I agree with the commissions proposal for methods of consumption at hospitality businesses. I disagree with the commissions view that butane lighters should be banned. 99% of standard lighters are fueled by butane (bic lighter for instance). Butane is a common light hydrocarbon gas that poses minimal threat when consumed or leaked in small proportions. Most businesses use butane to light candles and other various burning devices. Also, restaurants use propane or butane torches to char food regularly. I would propose that butane lighters not be banned.

**Question: Fees**

I do not disagree with the commissions proposal to increase fees. However, I believe that the commission should institute a standard CPI inflation index and increase fees at that rate vs. a round $25, $50, or $100 which is effectively arbitrary. This way, business owners can plan and expect with no surprise what fee rates will be the following year or 5-years out.

**Question: Proximity and location restrictions**

I do not disagree with the commissions proposal for proximity and location restrictions

**Question: Advertising**

I disagree with the commissions proposal for advertising. Denver does not prohibit the advertising of alcohol, tobacco, or other consumption products that require you to be of adult age. At this juncture, why should cannabis not be afforded the same opportunities and rights to advertise as those other consumption products. I believe that Cannabis companies should be able to advertise through out of home mediums.

**Question: Hours of operation**

I agree with the commissions proposal to extend hours in Denver from 8am to 12am.
I appreciate the hard work and effort of the commission and commend them for putting together a thoughtful proposal. I reiterate that proposed Social Equity Inclusions should not be at the detriment of small business owners many of which are Social Equity, woman, minorities, and Denver natives. The cap should be amended to allow for 25% more dispensary and cultivation licenses reserved exclusively for 100% owned and controlled social equity applicants or social equity applicant groups (100% of group members must qualify as a social equity applicant). Small business loans should be provided upwards of $500,000.00 at low interest payable in 5-years utilizing the 25.91% sales tax and fees collected by Denver. This represents approximately 11% of 1-years collections and 0.85% of tax collected in the last 6-years by Denver. Loans that are unpaid or go into default can be revoked and sold to social equity or non-social equity applicants via a lottery for $500,000.00 +SOFR +1%. This structure will prevent abuse of the social equity structure to benefit non-social equity co-applicants and preserve the decades worth of blood, sweat, and tears given by small business owners in Denver.

David Goddard
CFO - Pioneer Interests
720-275-3353
[EXTERNAL] Marijuana smoking in public spaces

Denis M. Murray <achildstreehouse@aol.com>
Wed 1/6/2021 11:40 AM
To: MarijuanaInfo <MarijuanaInfo@denvergov.org>
To Whom It Will Concern:

As a nonprofit organization that deals with the effects of cancer on families and as a citizen I want to express my opposition to the ordinances being considered that allow marijuana smoking in public places.

For consistency and enforcement, smoke-free policies in public places and workplaces should apply to tobacco and marijuana alike whether vaped or smoked. Allowing marijuana smoking in places where smoking is now prohibited undermines Colorado laws that protect the public from exposure to secondhand tobacco smoke and the will of Colorado voters.

Thank you,

Denis
Denis M. Murray, Executive Director
The Children's Treehouse Foundation
www.childrenstreehousefdn.org
(303) 322-1202

Fred Bender <FredericBenderArtist@msn.com>
Mon 1/4/2021 4:38 PM

To: MarijuanaInfo <MarijuanaInfo@denvergov.org>

Just as I refused to patronize restaurants that allowed tobacco smoke, when that was legal, I'll avoid all restaurants that allow Marijuana smoke and vaping. I want to taste and smell my food without olfactory assault from others.

Sent from my T-Mobile 4G LTE Device
Get Outlook for Android
Re: Proposed social consumption ordinance in Denver

January 15, 2021

The Colorado Group to Alleviate Smoking Pollution (GASP) is opposed to the proposed regulations that would allow marijuana smoking or vaping inside social hospitality establishments. We know that secondhand tobacco, marijuana, or vape smoke emit cancer-causing and toxic chemicals that can cause disease and death. Permitting it will create a new unprotect class of workers as well as harm the public or others that have to enter the establishments to deliver goods or maintain them. We believe it violates the clause in Amendment 64 that does not permit marijuana consumption that is conducted openly and publicly or in a manner that endangers others.

We know from experience that smoking and nonsmoking sections in restaurants, bars, or airlines never worked. Even when those areas were totally enclosed, smoke still drifted into the “nonsmoking areas.”

Ventilation cannot isolate all the toxic chemicals emitted from tobacco or marijuana smoke, which can drift into adjoining spaces through gaps in plumbing fixtures, outlets, plaster cracks, and other unsealed openings. A recent study found that electronic smoking-device chemicals traveled from a vape shop into adjoining businesses and settled on surfaces, forming a residue that included nitrosamines, which are known to cause cancer. The American Society for Heating, Refrigeration, and Air Conditioning Engineers (ASHRAE) stated in 2015 that for indoor air quality to be acceptable, it must be “completely free from secondhand smoke, secondhand marijuana smoke, and emissions from electronic smoking devices.”

While there is no safe exposure to secondhand smoke according to the surgeon general, GASP does not oppose allowing marijuana smoking or vaping in outdoor settings that are at least 25 feet away from any building as required by the Colorado Clean Indoor Air Act, and as long as it is not visible as required by law. GASP does not oppose the use of marijuana products indoors or outdoors that are an alternative to smoking or vaping marijuana including infused beverages, edibles, lozenges, inhalers, tinctures, vaginal and rectal suppositories, and nasal sprays; and that are regulated to limit the impact of impaired driving.

The Group to Alleviate Smoking Pollution (GASP of Colorado) is a 501-C-3 statewide nonprofit organization working to eliminate secondhand smoke from the air we breathe at work, in public places, and in multunit housing. GASP’s primary concerns with the public’s exposure to marijuana smoking or vaping are in regards to the chemical and particulate emissions and their public health impact. Nobody should have to breathe secondhand marijuana smoke or vapors against their will at work, in public, or where they live.

Pete Bialick, President
Re: [EXTERNAL] Following back up

Borchers, Abbey - EXL Policy Analyst <Abbey.Borchers@denvergov.org>
Tue 2021-02-09 3:07 PM
To: Borchers, Abbey - EXL Policy Analyst <Abbey.Borchers@denvergov.org>
From: Henny Lasley <henny@smartcolorado.org>
Sent: Sunday, February 7, 2021 2:01 PM
To: Duplechian, Molly S. - EXL Deputy Director of Policy <Molly.Duplechian@denvergov.org>
Cc: Julie Dreifaldt <julie@smartcolorado.org>
Subject: [EXTERNAL] Following back up

Hi Molly:

Thank you for reaching out on feedback on the ordinance. We've checked with our teams and these are the items that are the most important to protect Denver's youth:

1. Retain the density cap. Additional marijuana businesses increase the opportunity for access and availability. We know from studies that these increases lead to decreased perception of risk among youth. Youth who are more heavily exposed to marijuana are more likely to use the substance.
2. Maintain the advertising and promotion limitations. These are critical to address youth perceptions and exposure. Thank you for your leadership on this issue. This provides balance to a very expansive policy being proposed.
3. The enforcement and compliance for these new licenses doesn't appear to be outlined in the bill. Can this be included?
4. Maintain the 10:00pm closing for dispensaries. This falls under the same reasons stated above regarding access and availability.

I think I mentioned we have had one on one calls with several members of city council. Happy to share some of the feedback via phone if that would be helpful.

We are grateful for our continued relationship and thank you for striking the important balance. I am attaching a graph we prepared that I know you have seen regarding youth use from the state Healthy Kids survey.

Talk soon and thanks!

Henny Lasley
Co-Founder and Executive Director
(720)350-5366

www.smartcolorado.org
www.thcphotos.org
www.notthesamepot.org
Fwd: [BULK] [EXTERNAL] Comments on New Marijuana Ordinances

Kilroy, Ashley R. - EXL Dir Excise And Lic <Ashley.Kilroy@denvergov.org>

Tue 2021-01-12 7:15 AM

To: Duplechian, Molly S. - EXL Deputy Director of Policy <Molly.Duplechian@denvergov.org>; Rogers, Erica N. - EXL Policy Analyst <Erica.Rogers@denvergov.org>; Pena, Joseph - EXL CA2308 Administrator II <Joey.Pena@denvergov.org>; Borchers, Abbey - EXL Policy Analyst <Abbey.Borchers@denvergov.org>; Escudero, Eric - EXL Marketing and Communications Manager <Eric.Escudero@denvergov.org>; Nubine, Reginald D. - CAO Associate Assistant City Attorney <Reginald.Nubine@denvergov.org>

Sent from my iPhone

Begin forwarded message:

From: E J Lorimer <ejlorimer@aol.com>
Date: January 11, 2021 at 11:37:56 PM EST
To: dencc - City Council <dencc@denvergov.org>, MarijuanaInfo <MarijuanaInfo@denvergov.org>, "Kilroy, Ashley R. - EXL Dir Excise And Lic" <Ashley.Kilroy@denvergov.org>
Cc: heidi.wohlwend@no-smoke.org, "Hancock, Michael B. - MO Mayor" <Michael.Hancock@denvergov.org>
Subject: [BULK] [EXTERNAL] Comments on New Marijuana Ordinances
Reply-To: E J Lorimer <ejlorimer@aol.com>

Denver City Council
Marijuana Excise & Licensing
Mayor Michael Hancock

I agree in full with ANR's comments below and I'd like to add some of my own. I also ask you to vote "NO" on this until it is written in a more thoughtful and responsible manner.

Who Originated Requested Ordinances?
Who originated these ordinance changes for home delivery and mobile hospitality? What groups advocated for them? Who REALLY benefits financially from this?
Denver's marijuana tax revenues disbursement has been a long-time mystery to most of us. These ordinances clearly state the revenues will go to Social Equity Applicants, so how does this benefit the whole of the City?

Your Goals
Your stated goals are at odds with one another:

- Ensure the health, safety and well-being of our city and yet Denver spent the past couple or three decades to create a smoke-
free city because of the dangers of second-hand smoke. Marijuana smoke is as harmful as cigarette smoke or vaping.

- **Meet the needs of residents, businesses, and visitors** – since when did our City goals include providing marijuana to residents, businesses and visitors as a "need"? Recreational marijuana is not an essential need.
- **Consider what thoughtful and responsible implementation looks like** – and yet you indicate evaluation and monitoring is to be done by communities and no City regulatory oversight – that is not “thoughtful and responsible implementation.”

The primary goal is reducing barriers to entry to one specified class and rewarding those who broke known laws in the past. Just because records are now expunged of former marijuana charges, it doesn’t mean laws were not broken in the past and I don’t agree we “owe” this group special jobs and grants.

**Discrimination in Licensing**
It is unclear how you can say Exclusive Social Equity Applications" (SEA) for licensing when that very phrase is contradictory to itself and is automatically discriminatory, and discriminatory for multiple years. (As are the associated reduced fees for entry to SEA's).

While E&L has indicated the communities are to evaluate and monitor so that doesn't add a layer to this effort with City, there is an effort layered in to evaluate the SEA's and the financial programs explained in the presentation. None of the revenues from this new ordinance are earmarked for city improvements - just the SEA benefits.

**Sustainability**
*Align with state laws & rules as much as possible, including opting into the exemption from the Colorado Clean Indoor Act for the smoking & vaping of marijuana indoors*  
Please explain why this is a good idea to opt out of the Colorado Clean Indoor Act? What does "as much as possible" mean? Clean air used to be valued in Colorado. Very disappointing to "get clean" and now plan to foul the air again.

**Burden of Oversight**
There seems to be no regulatory oversight for compliance other than leaving it to "communities and RNO's" to see something, say something and E&L reviews in three to six years. This is a blatant dangerous disregard to public safety to expect communities to be accountable for evaluation and monitoring, and what's worse is that it sets up opportunities for misuse and abuse citywide. This is a burden on communities --we shouldn't pay taxes to do the city job!

**Multiple Deliveries to One Address**
There are no realistic preventions related to how many deliveries from separate MJ stores per day might be made to a single address.
Here's why: Your tracking looks at what has already happened and it is very unclear how it prevents multiple deliveries to one address within a 24-hour timeframe in real time. So, tracking is an after-the-fact issue that also specifies no penalties to either the stores or the persons receiving the drugs too many times in a single day in real time or possibly in future. Stores can always claim "we didn't know" as an excuse and the resident will be excused with a hand slap "maybe." Oversight is missing.

**Mobile Hospitality**

- *Maintain current proximity restrictions set up for Designated Consumption Areas licenses* – How would you prevent mobile units being augmented to stationary locations -- say they go around the block if police are called to avoid being in "wrong spots"; especially considering that the City is leaving it to communities to evaluate and monitor this?
- How will drivers of mobile units be protected from second-hand smoke...what provisions in the ordinance provide for their safety and does this tax cover their health insurance? If yes, that's discriminatory to others who can't get health insurance and are unable to participate.
- What type of licenses are needed by the drivers to carry people, and is there a duty to notify authorities if some of those partiers get very high and then jump into cars after their mobile experiences? Who is actually liable - the provider or the user? How is this monitored? Liquor licensees have rules-it appears none are in place here. Help me understand that please.
- If mobile units park outside of bars and then move down the street to another bar can “guests” hop out and drink at a bar and get back to the mobile hospitality MJ version?
- Can mobile hospitality park anywhere for the 30-minute limit that is deemed a public street? If so, how does this provide safety in a residential neighborhood or near a school? And who monitors ventilation and air quality where these units are roaming, parking?

**Other**

- Denver has a choice in opting to follow State adoptions or not – this is not a demand from the State. I recognize this is just about money, not need of product but this is poorly written as is and I hope City will rethink this more.
- Why are we adding traffic in a city that is constantly pushing residents to stop driving? Delivery to homes, mobile hospitality adds traffic and pollution and probably add noise if delivery is done on motorcycles. Again, the City contradicts clean air, pollution, reduced traffic - I don't get it - except someone makes money and reverses all the other goals of the city to do it.
- Fake ID's are rampant in Denver
- There would be no way to know if delivery people accept cash tips or not—they’re sure not going to report them. Who monitors whether they are stoned or not while delivering? Who is liable if they cause an accident?
HARD WON SMOKEFREE WORKPLACE PROTECTIONS ARE BEING THREATENED IN THE CITY OF DENVER. PLEASE SPEAK UP NOW!

-----Original Message-----
From: Americans for Nonsmokers' Rights <heidi.wohlwend@no-smoke.org>
To: Jane Lorimer <ejlorimer@aol.com>
Sent: Mon, Jan 11, 2021 4:00 pm
Subject: Action needed this week. Send your message to Denver now.

When I look at Denver management, I see nothing but silos of groups working to their own ends and no one looking at the good of the whole city. This is very frustrating to me and has been for years. It’s worse now than I have ever seen it. Please City Council, vote NO on this. It's not ready for the public as written --it contradicts its own goals.

Sincerely,
E. Jane Lorimer
Denver – District 5

There is no mention of THC potency in home delivered product, just ounces. And, BTW a clever delivery person can skim a tiny bit of every delivery and resell or keep that on the side.

The rich get richer here. Marijuana companies will make more money

How do MJ stores report the taxes earned on home delivery versus in-store sales? How are they recorded? Tracking seems blurred here.

Who “owns” the mobile units – are there size restrictions on these units or can a person with an SUV holding 5 passengers or a small van that hold 8 offer this service – how is anyone safe from the drivers of the small units?
Denver is currently soliciting community feedback regarding new draft marijuana ordinances. The city unfortunately wants to weaken local smokefree workplace and public place protections by “opting in” to a recent exemption in the Colorado Clean Indoor Act to allow the smoking & vaping of marijuana indoors.

ENTER COMMENTS NOW THROUGH FRI JAN 15

Please provide your comments via the city’s online form through Friday, January 15 at 5:00 pm. In regards to secondhand smoke exposure, you can insert comments on the “Hospitality” page (the fourth page down) and then email to city staff.

Sample talking points:

These proposed ordinances would increase exposure to secondhand smoke in Denver by exempting hospitality establishments from the Colorado Clean Indoor Air Act

- **Denver should not weaken local smokefree workplace protections.** Allowing smoking/vaping of marijuana indoors would remove public health protections on a measure that was highly supported and put in place to protect the health of the public and employees. Colorado’s local and state smokefree laws should protect public health, not Big Tobacco and commercial marijuana industry profits. **Secondhand smoke (SHS) from marijuana has many of the same chemicals as smoke from tobacco, including those linked to lung cancer.**

- Secondhand marijuana smoke exposure **impairs blood vessel function.** One minute of exposure to marijuana SHS substantially impairs endothelial function in rats for at least 90 minutes, considerably longer than comparable impairment by
tobacco SHS. The findings in rats suggest that SHS can exert similar adverse cardiovascular effects regardless of whether it is from tobacco or marijuana.

- **An August 2018 study** indicates that particle concentrations from dabbing and vaporizing marijuana can create levels of **indoor air pollution that are hazardous to human health**, in the absence of combustion. Fine particulate exposure at these concentrations can cause cardiovascular and respiratory disease.

- Allowing marijuana smoking and vaping indoors will create a **newly unprotected class of workers**. If marijuana smoking is brought indoors, employees working in the marijuana industry will be exposed to secondhand smoke at a much higher rate than the general public and will suffer the negative health effects of that exposure. No one in Denver should have to get sick breathing at work or sacrifice their health for a paycheck.

- **Ventilation systems do not address the health hazards of secondhand smoke** and are not a substitute for clean smokefree air. The American Society of Heating, Refrigerating, and Air-Conditioning Engineers (ASHRAE) certify there is no safe level of exposure to secondhand smoke, including secondhand marijuana smoke. No ventilation system will remove smoke to protect people.

For more information, see our factsheet on the health hazards of secondhand marijuana smoke.

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Alerts like this one take time and funds. Even $10 can help us keep fighting for smokefree air!

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**Americans for Nonsmokers' Rights**

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Unsubscribe
[EXTERNAL] Marijuana Legislation

Winston Downs Community Association <info@winstondowns.org>

Tue 1/12/2021 2:26 PM

To: dencc - City Council <dencc@denvergov.org>; Sawyer, Amanda - CC Member District 5 Denver City Council <Amanda.Sawyer@denvergov.org>; Kilroy, Ashley R. - EXL Dir Excise And Lic <Ashley.Kilroy@denvergov.org>; MarijuanaInfo <MarijuanaInfo@denvergov.org>

Cc: Marsha Badanes <baddrc@gmail.com>; Jacquie Marks <jtrose55@gmail.com>; joanna <joannamilewski@msn.com>; Tim Rooney <Tim_Rooney@comcast.net>; Margot Gilbert Frank <gilbert_frank@msn.com>

Re Stakeholder Feedback Sessions Announced December 2020

Although we are aware that a stakeholders’ group convened by Excise & Licenses met over the past few months, residents are just now hearing about these proposed changes. An email sent by E&L just before the holidays — Dec. 22, 2020 — invited some members of the community to view a presentation Jan. 6.

Comments were required to be submitted by Jan. 15, 2021 which was not only less than 30 days but also included a series of December holidays.

We feel this was not adequate time to have our neighborhood be informed and to participate. For that reason, we request E&L feedback deadline be pushed forward to at least February 25 so that neighborhoods have reasonable time to weigh in with comments.

Jane Lorimer, VP
Winston Downs Community Association
RNO with City of Denver

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Stay safe
Winston Downs Community Association
TO: Ashley Kilroy, Director Excise & Licenses  
Molly Duplechian, Deputy Director of Policy  
Erica Rogers, Policy Analyst  
Abbey Borchers, Policy Analyst  
Denver City Council  
Mayor Michael Hancock

FROM: Jane Lorimer, Denver Resident

Comments regarding proposed marijuana legislation due by January 15, 2021

Please consider the following comments and concerns with the policy as written and presented.

While I see several meetings were held, the only notice I received was December 22, 2020 for a presentation made January 6, 2021 with comments due January 15. I have concerns about who and how public engagement was enacted. It is very minimal and provided very short time to absorb the contents of the proposed DRAFT. Please advise when other RNO notices were sent to RNO leaders. I’ve been on that list for about 10 years now.

The Cannabis Work Group shows only ONE neighborhood resident from Montbello and 11 members (47%) of the committee are connected to pro-cannabis organization and six (6) (26%) are City of Denver employees. I object to the make up of the working group as not having enough residents. I should have thought a representative from Denver Inter-Neighborhood Cooperation would have been invited, at minimum.

While I can understand a request for medical marijuana delivery, I see no “needs or desires” for recreational marijuana delivery by residential neighborhoods.

Adding vehicles to our Denver roadways is contradictory to Vision Zero, the war on cars Denver has waged for several years. It seems only County preferred vehicles are to be on streets which is exclusionary in concept to the taxpayers who support your salaries.

During the January 6 presentation, Molly confirmed citizen oversight is the main way to evaluate and monitor, thus putting the burden of managing this expansive program on the backs of taxpayers who can barely get remedy for other issues via 311 and we also are diluting 911 options. Who is liable?

Sec. 6-206. – City-wide moratorium on certain medical marijuana business licenses; licenses reserved for social equity applications – sunset.
(b) Licenses to be reserved for social equity applicants – exceptions; sunset. The director shall only issue new medical and retail marijuana business licenses to social equity applicants except that the director may issue a new retail or medical marijuana business license to a social equity applicant or a non-social equity applicant in the following instances:
(1) The applicant is applying for a medical or retail marijuana testing facility license or a marijuana research and development license;
(2) The applicant is applying for a retail marijuana business license that will be co10 located with a medical marijuana business of the same type in compliance with this article V; or
(3) The applicant is proposing to convert a medical marijuana business to a retail marijuana business of the same type at the same location in compliance with this article V. (c) Sunset of social equity exclusivity. Subsection (b) of this section shall be repealed effective July 1, 2027.

**Concern**
- Reporting at sunset is too late and should be reviewed annually at minimum.

**Sec. 6-204. – Defined terms.**

(13) **Neighborhood of undue concentration of marijuana store locations means** the five statistical neighborhoods where the highest number of licensed medical and retail marijuana store locations exist, as calculated no more than 90 days after the effective date of this article V for 28 2021, and by December 31 of each year thereafter. To the extent there is a tie between two (2) or more statistical neighborhoods with the statistical neighborhood having the fifth most licensed locations, then all such neighborhoods shall be treated as neighborhoods of undue concentration of marijuana store locations.

**Concern**
- The City defines 78 statistical neighborhoods, when in fact there are well over 100 registered neighborhood organizations within the City (excluding the overlaps) so some neighborhoods being lumped in within the 78 arbitrarily mapped statistical neighborhoods may or may not be fairly judged in terms of “too many” or “not enough” licensed outlets.
- No one answered the question: What are those five neighborhoods?

(19) **Social equity applicant** (SEA) means a person who is or has one or more beneficial owners who hold, or collectively hold, an ownership percentage of at least fifty-one percent, each of whom satisfy the following criteria: a. Is a Colorado resident; b. Has not been the beneficial owner of a license subject to disciplinary or legal action from the state licensing authority or the department resulting in the revocation of any marijuana business license issued by the department or the state licensing authority; c. Has demonstrated at least one of the following: i. The applicant has resided for at least fifteen (15) years between the years 1980 and 2010 in a census tract designated by the Colorado Office of Economic Development and International Trade as an opportunity zone or designated by the state licensing authority as a disproportionate impacted area; ii. The applicant or the applicant’s parent, legal guardian, sibling, spouse, child, or minor in their guardianship was arrested for a marijuana offense, convicted of a marijuana offense, or subject to civil asset forfeiture related to a marijuana investigation; iii. The applicant’s household income in the year prior to application did not exceed an amount determined by the state licensing authority. (20) Statistical neighborhood means the geographical neighborhood boundaries established by the City and County of Denver in 1970 in conjunction with the Community Renewal Program.

**Concerns**
- If an ownership or collective ownership is at least 51% wouldn’t they already be earning more than poverty level and aren’t those “barriers” described, not?
- Who will employ Transporters? Are they free agents and if yes, who is liable for them?
- Do the 51% majority owner groups have to reside in Denver?
- You are giving SEA to only THE applicant and granting of that license includes consideration of any immediate family member of someone who “was harmed by” prior drug laws. That’s stretching the SEA to family and generational levels as a form of reparation for crimes committed. I object to that precedence and if records are being expunged anyway, what barriers would still exist to other jobs? Confusing.
Sec. 6-208. Provisions applicable to all licenses.

Background checks. Prior to the issuance of any local license, the director may make a finding and determination as to the applicant’s compliance with section 44-10-307, C.R.S., as amended. In so doing, the director may incorporate any findings previously made by the state licensing authority and consider whether convictions, including solely marijuana convictions, pose a threat to the regulation or control of marijuana. The director shall not be required to perform a criminal background check if the state licensing authority has already performed a criminal background check on the applicant.

Concern
- Does the State do background checks as thoroughly as City? If not equal, then people who should not be licensed can potentially slip through the cracks.

Sec. 6-209. - Marijuana store licenses.

Concerns
- Hours of operations from 8:00am-10:00pm is sufficient. I oppose longer hours.
- I have already expressed concerns about single store sales to a consumer could become multiple store sales to one consumer, which precludes personnel reasonably knowing that one consumer received multiple deliveries or accomplished purchases at multiple stores within the one-day operational hours.
- To be even reasonably workable, it would require electronic tracking to connect in real time among all store operators which could, in fact, present a financial barrier to entry. This was not well thought out.

CONSUMPTION HOURS
A marijuana hospitality business licensee shall not permit the use or consumption of regulated marijuana between the hours of 2:00 a.m. and 7:00 a.m. daily.
A marijuana hospitality business licensee shall not permit the use or consumption of marijuana by a patron who displays any visible signs of intoxication

Concern
- Hours of operations leave only five (5) hours not in operations. This seems excessive and seems to promote cannabis use for 80% of any given day.
- The visible signs of intoxication are subjective. How will this really be monitored – there are those who are visibly intoxicated from drinking too much, so how does this differ?

MOBILE
A marijuana hospitality business licensee shall not permit the consumption of marijuana on the mobile premises if the motor vehicle is stopped, standing, or parked for more than 30 minutes.
The proximity restrictions identified in this subsection (d) shall not apply to marijuana hospitality business licenses with a mobile premise.

Concern
- Glaring loophole is the mobile premise can go around the block and come back every 30 minutes and put that in to route plans.
- It provides perhaps unintentionally multiple mobile premises can locate side by side, switch sides every 30 minutes and be legal.
• Can they leave the county? If yes, they could find a space in a County next door and come back and forth across the county line.

Other
• The draft indicates delivery can be paid in any format and tips are not allowed. This means delivery people may be dealing with cash which opens other discussions about their safety in terms of being robbed for product or money. And, who would know if they took cash tips? Unless you set yourselves for quality checks and entrapment, you won’t know.
• The draft exempts consumption premises from the indoor clean air act so who will be liable for any health issues that staff suffer?
• Who measures the air quality of the mobile premise units? Who protects the drivers from second hand smoke? Does it include all drivers and servers or just social equity personnel?
• Monies gained from SEA licenses and taxes from Home delivery go only to transporters’ funding. That seems grossly inequitable to the city’s needs.
• Where are the dollars from cannabis sales going now?

If I, as a lay person with no legal training, can see the loopholes and future issues, I would ask that City Council see these concerns with clear eyes as well. This is a legal nightmare waiting to unfold.

I suggest Council ask E&L to come back with a better plan. I know it will happen but this is not well-thought out and should not be passed as another experiment for Denver and indeed not with citizens being burdened with evaluation and monitoring.

Jane Lorimer
District 5 Resident of Denver
[EXTERNAL] Marijuana Legislation

E J Lorimer <ejlorimer@aol.com>
Fri 1/15/2021 4:47 PM
To: dencc - City Council <dencc@denvergov.org>; MarijuanaInfo <MarijuanaInfo@denvergov.org>

Another comment
Who protects mobile premise drivers from second hand smoke? How is it written into code?
Who protects staff working in structured consumption places from second hand smoke? How is it written into code other than vague terms?

If a tour bus or especially van is in use by same driver for several hours, they can also get high depending on potency of cannabis smoked
If staff is in a contained space and for several hours, they can test positive for THC in blood stream. If they work two jobs and non cannabis job requires random or regular testing - they are cooked

https://www.drugabuse.gov/publications/research-reports/marijuana/what-are-effects-secondhand-exposure-to-marijuana-smoke

Who is accountable to present the risks on the job to job holders and applicants and shouldn't that be written into code?

I'm not against marijuana in total, but I am against "easier access" for other than medical purpose and going against clean air acts that took decades to put into practice. And, I am against not including a broader working group into the document building process.

Jane Lorimer
Denver
[EXTERNAL] Marijuana in public: No

JAY NEWMAN <jaynew99@comcast.net>
Tue 1/5/2021 5:15 PM
To: MarijuanaInfo <MarijuanaInfo@denvergov.org>
Because of secondhand smoke, I am opposed to marijuana in public places.

Jay R. Newman
[EXTERNAL] Denver Delivery and Hospitality Issue

JENNIFER YATES <BrianJennifer49@msn.com>
Thu 1/14/2021 5:38 AM
To: MarijuanaInfo <MarijuanaInfo@denvergov.org>

Good morning,

Thank you for allowing comment on the marijuana delivery and hospitality issue. It is always important to put the needs of our children and community before the wants of any industry.

Please consider when a person has a conviction for marijuana possession, there are instances when the conviction was a plea deal from a greater charge. Does the change include violence? Does the charge include possession/distribution or otherwise involve someone under 21?

Acknowledged is the fact that there are communities that have a disproportionate amount of marijuana access. By removing the cap you would be allowing additional communities to become saturated with marijuana establishments. The separation of establishments by only 1000ft adds to the ability for specific communities to be targeted by the industry. A quarter mile separation would be an additional safety measure for these communities. This should also be incorporated into any new marijuana license.

The presentation stated that neighborhood leaders would be notified and who in turn would communicate with neighbors. What about those neighbors without a neighborhood leader, those in close proximity to the establishment that may be out of the “neighborhood”, or those leaders who neglect to communicate? The city should be responsible for notifying every neighbor within a 5000ft radius because it does affect them due to potential noise, odor, traffic, and drugged driving offences.

The state of Colorado, Denver, and many surrounding cities have made huge accomplishments in protecting all citizens from the harms of secondhand smoke and vapor. Allowing marijuana establishments to opt out of the Colorado Clean Indoor Act would set those accomplishments back decades. Additionally, you would be putting in harm those whose employment is contingent on constant and ongoing exposure to these potentially harmful toxins, just because they need a paycheck.

A Marijuana establishment should not be allowed to co-mingle with a Retail Food Establishment in any fashion. The possibility of THC ingestion by a RFE customer should not be an acceptable risk.

Edibles and similar products should not be allowed at a hospitality site when you consider it usually takes anywhere from 45 minutes to two hours to begin feeling the effects of an edible product. The effects last 6 to 8 hours, and generally peak at about 3 hours.

How will the state prevent drugged driving when a patron has to leave the establishment?

ALL catastrophic accidents, child social services calls, and violent arrests, must include a toxicology report and data collection to insure we understand the impacts of social marijuana consumption.
Advertising restrictions must be strictly enforced. There are advertisements all over the city if you drive around and look. Unfortunately, we cannot control unlicensed business at this point, but we must strictly enforce licensed business and ensure they have no connection/enabling other types of business to advertise. If we truly want to protect our kids, we would find a way to control and limit marijuana advertising by all businesses.

While there is agreement that any new positions within the industry could be used to even out equality, delivery in general is a very risky proposition. Will delivery vans be required or allowed to have exterior markings? Delivery vehicles should not be allowed to advertise marijuana in any way. If they must be marked maybe it is with the small THC symbol used to identify edibles.

Why is surveillance only required at the front of the vehicle? If a driver has a van or similar vehicle the inventory, movement, and transfer is product is likely to happen at the back of the vehicle.

If IDs can be scanned, there should be a download available to verify to the DMV database that confirms deliveries were made to valid customers. This would help prevent transfer of product to minors and diversion to the black market. Even if done at the end of the day or week, establishments could be penalized if found to be over x number.

How do you enforce no cash tips? Trust but verify!

Delivery hours do not need to be expanded to 12:00AM. Current availability 14 hours per day should give the responsible user plenty of time to re-supply.

Retail Sales Limits
1 ounce marijuana | 8 grams marijuana concentrate | marijuana products containing 800 mg THC
1/8th of an ounce is equal to 3.5g. An “eighth” will make 10 joints of 0.35g each (35mg of THC) or 7 joints of 0.5g (50mg of THC). ½ ounce will supply a person with one ‘big’ joint a day for a month. At that rate, they would be using ½ ounce per month (4/8ths of an ounce), which contains 50mg THC in a 10% strain. This would be 100mg per day if the strain was 20% and would be almost 150mg per day if the strain was 28%.

Based on the above information from http://www.med-can.com/thc-dosing-in-medical-marijuana/
A1-ouncee delivery would be enough supply for 2 months. This seems excessive.

Medical Sales Limits -Should be limited like pharmaceuticals
2 ounces marijuana | 40 grams marijuana concentrate | marijuana products containing 20,000 mg THC
A typical single dose of THC may be considered to be 5mg to 10mg.[1] An average daily dose of all cannabinoids totaled may be considered to be 30 mg to 90 mg per day, and would include both THC and CBD. (30 to 90 mg per day total cannabinoids means a range of “15mg THC plus 15mg CBD” to “45mg THC plus 45mg CBD”). Thus, the average daily dose of only THC might be 15mg to 45mg per patient per day. [2] Doses of over 45 mg per day are not recommended according to the source data. Doses of THC greater than 54 mg per day were noted to cause signs and symptoms of overdose/poisoning. These consisted of acute intoxication produced CB1 agonism-type reactions including dizziness, hallucinations, delusions, paranoia, tachycardia or bradycardia with hypotension.[3]

It is estimated that a dose of THC 10 mg has a similar effect as 60 mg of Codeine and equivalent to two tablets of Tylenol #3 with Codeine. [4]

Based on the above information from http://www.med-can.com/thc-dosing-in-medical-marijuana/
The allowable 20,000mg THC is more than a month's worth of dosing for 6 users. A care provider should be checking on their dependents and not need more than a couple weeks worth of supply. This could also make them a target for illegal actions, potentially causing harm to them and others.

Thank you for your consideration,
Jennifer Yates - Mother of 3
[EXTERNAL] smoke free policies for marijuana and tobacco

Jennifer Wieczorek <jennifer.j.wieczorek@gmail.com>
Wed 1/6/2021 6:55 PM
To: MarijuanaInfo <MarijuanaInfo@denvergov.org>

Thanks for the opportunity to provide input. As a home owner and an employee working in Denver please do not allow workers to get involuntary exposed to marijuana smoke. They should have the same smoke free protections as all workers and patrons.

For consistency and enforcement, smoke-free policies in public places and workplaces should apply to tobacco or marijuana whether vaped or smoked. Allowing marijuana smoking in places where smoking is now prohibited undermines Colorado laws that protect the public from exposure to secondhand tobacco smoke and could pave the way for the return of tobacco smoking in restaurants, bars, public places, or work places. It may violate the section of Amendment 64 that says that nothing in the law shall "permit consumption that is conducted openly and publicly or in a manner that endangers others."

Thank you,
Jennifer W. Moreland

Sent from my iPhone
Written Comment Form for Feedback on Draft Marijuana Legislation

Name: Jessica Scardina, Vicente Sederberg, LLP

Please use the fields below to provide feedback on the draft legislation presented at stakeholder feedback sessions on December 15 and December 17. The draft legislation and slides explaining the proposed changes are available on the Marijuana Laws, Rules, and Regulations website. Please submit written comments to marijuanainfo@denvergov.org by January 4, 2021 at 5:00 p.m.

Equity

Definition of Social Equity Applicant

Remove the cap on marijuana cultivation and store locations and maintain the prohibition on new store and cultivation locations in top five neighborhoods of undue concentration.

Store, cultivation, infused product manufacturer, hospitality, and hospitality and sales licenses exclusively available to Social Equity Applicants for six years

• Are delivery permits being classified as licenses? DRMC secs. 6-206(b)(2) & (10) appear to classify these permits as licenses.
Transporter licenses and transporter delivery permits exclusively available to Social Equity Applicants for three years

• Are delivery permits being classified as licenses? DRMC secs. 6-206(b)(2) & (10) appear to classify these permits as licenses. However, DRMC sec. 6-206(b) does not include the 7/1/2024 exemptions for transporters and stores to apply for delivery permits contained in 6-210(b) (1) & (2). All ”licenses” are limited to social equity applicants until 2027, but 6-210(b) and 6-224(e) appear to contain an allowance for existing stores and transporters to obtain delivery permits in 2024. If the intent is to allow existing transporters and stores to apply for delivery permits in 2024, DRMC sec. 6-206(b) should contain this same exemption or 6-210(b) should include language that states: “notwithstanding the prohibitions in 6-206” or other similar language so it is clear that transporters and stores can apply in 2024 despite the restrictions in 6-206.

• Is there a process by which existing transporters that qualify as social equity applicants can obtain a delivery permit?

• Existing transporters are not allowed to deliver, which undercuts the purpose of this license without greatly benefiting social equity applicants. Transporters are marijuana licensees with the most experience conducting safe, compliant transport of marijuana and marijuana products. There is a limited number of existing transporters in Denver (5 medical transporters and 7 retail transporters), so social equity applicants presumably would not be edged out of the new delivery program by allowing existing transporters to deliver. As contrast, Aurora’s delivery ordinance limits new transporter + delivery permits to social equity applicants, but allows its existing stores to deliver. Aurora also noted in their work group sessions that, although they do not have any transporter licensees in the city, they would have permitted these existing transporter licensees to obtain delivery permits since they want to support Aurora businesses.

Stores required to use Denver-licensed transporters to conduct deliveries for three years

• I suggest including provisions allowing existing Denver transporters to obtain delivery permits. This would expand the delivery program (which is in the interest of public health and safety) without materially hampering social equity transporters’ opportunities.

Additional comments on Denver’s proposed marijuana equity program
Delivery

Security and vehicle requirements

Preventing diversion to youth

Additional comments on Denver’s proposed marijuana delivery program
Hospitality and mobile hospitality

• As was demonstrated by i-300, these proposed setbacks will make the hospitality program very restrictive. As with i-300, it will be nearly impossible to find a compliant location for a hospitality business. As discussed in the ordinance working groups, one of the goals of the new ordinance should be to move marijuana companies out of communities of color (“saturated areas”) and more centrally into the city. Central areas are also more appropriate for retail sales and hospitality business uses (such as bars). In order to accomplish this, the setbacks should be loosened, not made more restrictive, so that there are more areas in the city where marijuana businesses can go. I appreciate that setbacks from drug/alcohol rehab centers, rec centers, and pools will be measured building to building, and agree this is a step in the right direction, but adding two more disqualifying facility types to the setback list unnecessarily restricts the program when we should be looking to expand potential locations.

Hospitality and sales

• Since i-300 is being repealed in full, it appears there will no longer be an avenue for obtaining temporary special event permits for consumption venues. I suggest including some type of temporary event permit for consumption venues.
• DRMC sec. 6-217(e)(1) provides that hospitality businesses cannot be licensed at one or more of the following locations: The licensed premises of another medical or retail marijuana business license. The marijuana hospitality business and other marijuana business shall provide separate ingress and egress to each licensed premises.

“Location” is defined as “a structure(s) or building(s) identified by a distinct street address assigned by the city in accordance with article IV of chapter 49 of this Code. To the extent the structure(s) or building(s) consists of separately described “units,” “suites,” “rooms,” “buildings,” or other similar subdivisions, the structure(s) or building(s) shall nevertheless be counted as one (1) location.” This broad definition of “location” could cover the entire building where the marijuana business is located, even if EXL intends to allow hospitality businesses to be located proximate to one another. I suggest including an exemption in the definition of “location” that notes the definition does not apply to hospitality businesses.

• The above-noted concern also transfers to alcohol-licensed establishments. Because “location” is so broadly defined, it could cover the licensed premises of both marijuana businesses and alcohol businesses, even if 6-217(e)(1) is only intended to prohibit licensure at the licensed premises of these facilities.

Methods of consumption at hospitality businesses

• Does the restriction on LPGs include lighters? If smoking is permitted, patrons should be permitted to use regular butane lighters.
Other Changes

Fees

Proximity and location restrictions

Advertising
Comments on other changes

• Sec. 6-209(d)(6)(b) - will Denver be issuing new hearing policies and procedures incorporating these changes?
• Secs. 6-219(a) & (b) – “All medical marijuana or retail marijuana businesses, except medical and retail marijuana transporter licenses, shall be transferable from one person to another upon approval by the director.” The MED allows partial changes of ownership for transporters, so state and local law should be aligned on this point.
[EXTERNAL] Timely Decisions about the Safety of Denver Neighborhoods are Being Made NOW

Karen Fisher <kfisher5149@msn.com>

Mon 1/11/2021 9:14 PM

To: MarijuanaInfo <MarijuanaInfo@denvergov.org>

Dear Ashley Kilroy,

Dear Director Kilroy,

I understand the City of Denver is taking comments around the proposed marijuana delivery and marijuana hospitality programs. First and foremost, I want to thank you and the Denver officials for proposing that social consumption clubs and locations must be located, at a minimum, 1,000 feet from a school, preschool, day care center, outdoor city pools or drug/alcohol treatment centers and recommending that no outdoor billboard advertising be allowed. These safeguards will help protect kids in Denver from the normalization of legalized and massively commercialized marijuana.

I would like to recommend the following additional regulations be incorporated for marijuana hospitality and social consumption:

- Maintain marijuana dispensary hours of operation until 10pm instead of allowing an increase to midnight
- Prohibit sale of marijuana edibles due to delayed impairment impacts and unacceptable drugged driving risks
- Reduce sale limits of marijuana products allowed to be sold to a reasonable serving unit—-to minimize negative impacts, including excess marijuana diversion to youth
- Limit outlet density and the number of licenses issued to avoid neighborhood over-saturation and correlated inequities and negative impacts
- Require full disclosure of violations by licensees of underage admission and the mandatory reporting of adverse health and safety events that occur

I would ask the following regulations be implemented around marijuana delivery:

- A mandatory tracking system be created to track deliveries from multiple sources to deter the creation of black-market distribution to youth
- No tipping to drivers (cash or electronic)
- Limit sales amounts to minimize diversion to youth, amount of product and cash that can be transferred with each delivery to minimize crime and other safety considerations

Thank you for your service and for taking the time to look out for our most precious resource, our kids!

Centennial

Sincerely,
Karen Fisher
13783 E Caley Dr
Centennial, CO 80111
January 15, 2021

City and County of Denver
Attn: Ashley Kilroy, Executive Director of Excise and Licenses

Dear Director Kilroy,

I understand the City of Denver is taking comments concerning the proposed marijuana delivery and marijuana hospitality programs. Thank you and Denver officials for proposing that social consumption clubs and locations must be located, at a minimum, 1,000 feet from a school, preschool, day care center, outdoor city pools or drug/alcohol treatment centers and recommending that no outdoor billboard advertising be allowed.

We would like to join other advocates in recommending the following additional regulations be adopted for marijuana hospitality and social consumption:

- Maintain marijuana dispensary hours of operation until 10pm instead of allowing an increase to midnight
- Prohibit sale of marijuana edibles due to delayed impairment impacts and unacceptable drugged driving risks
- Reduce sale limits of marijuana products to better reflect reasonable consumption
- Limit outlet density and the number of licenses issued to avoid neighborhood oversaturation and correlated inequities and negative impacts
- Require full disclosure of violations by licensees of underage admission and the mandatory reporting of adverse health and safety events that occur

We also would ask that the following regulations be implemented around marijuana delivery:

- A mandatory tracking system be created to track deliveries from multiple sources to deter the creation of black-market distribution to youth
- No tipping to drivers (cash or electronic)
- Limit sales amounts to minimize diversion to youth, amount of product and cash that can be transferred with each delivery to minimize crime and other safety considerations

These safeguards will help protect kids in Denver from the normalization of legalized and commercialized marijuana.

John D. Faught  
Executive Director of Public Policy  
p. 303.864.5304 c. 303.884.7611 f 303.864.5302
Written Comment Form for Feedback on Draft Marijuana Legislation

Name:

Please use the fields below to provide feedback on the draft legislation presented at stakeholder feedback sessions on December 15 and December 17. The draft legislation and slides explaining the proposed changes are available on the Marijuana Laws, Rules, and Regulations website. Please submit written comments to marijuanainfo@denvergov.org by January 4, 2021 at 5:00 p.m.

Equity

Definition of Social Equity Applicant

Remove the cap on marijuana cultivation and store locations and maintain the prohibition on new store and cultivation locations in top five neighborhoods of undue concentration.

Store, cultivation, infused product manufacturer, hospitality, and hospitality and sales licenses exclusively available to Social Equity Applicants for six years.
Transporter licenses and transporter delivery permits exclusively available to Social Equity Applicants for three years

Stores required to use Denver-licensed transporters to conduct deliveries for three years

Additional comments on Denver’s proposed marijuana equity program
Delivery

Security and vehicle requirements

Preventing diversion to youth
This is really important and it seems like an easy loophole for youth to access these products. There should be licensing that also checks compliance of delivery drivers to verify the identity and age of those they are delivering to, including in the company of minors (such as how liquor stores don't sell to anyone if they have someone underage with them).

Additional comments on Denver’s proposed marijuana delivery program
Hospitality

Hospitality and mobile hospitality

Methods of consumption at hospitality businesses

I believe very potent products should not be consumed at a hospitality establishment (only in a private home) because of safety concerns of customers traveling home (such as driving under the influence). It is too difficult to ensure that they will choose a safe method of travel, so better to not allow such high potency use in a public place that they then have to leave.
Other Changes

Fees

Proximity and location restrictions
These should not be located near schools, playgrounds or rec centers/youth-oriented facilities. 500-1000 feet away ideally so that marketing, access and exposure are reduced.

Advertising
Marketing should not be aimed toward or appeal to minors, even indirectly like using very young-looking models. They should not be placed in areas that are frequented by minors.
Hours of operation

Comments on other changes
[EXTERNAL] Marijuana Smoking in Public

Laura Hix <supernovala67@gmail.com>

Mon 1/4/2021 3:45 PM

To: MarijuanaInfo <MarijuanaInfo@denvergov.org>

Dear Ma’am or Sir:

As a Pediatric Physician Assistant in Denver, I strongly object to the smoking of Marijuana, or any other products, in public. There are obvious health risks when any kind of smoke is inhaled. People can smoke in their own homes.

The last thing I want is to go out to dinner and come home smelling like a dead skunk. Please do not allow this intrusive and unnecessary drug in public spaces.

Thank you,

Laura Hix, MS, PA-C
Written Comment on Proposed Marijuana Rules

Lindsay Aronson <lindsayg@silverstemcannabis.com>

Mon 1/11/2021 9:43 AM
To: MarijuanaInfo <MarijuanaInfo@denvergov.org>

Good morning,

Please see below a written comment on Denver’ proposed marijuana rules:

Smaller stores rely on maintaining extensive inventory on the sales floor to compete and have taken proactive security measures to protect the public health, safety and welfare. Some of these security measures include:
1. At least two points of separation between any property entrance and the sales floor where the products are kept overnight. Points of separation in this case are commercial-grade steel doors and frames with commercial hardware and anti-burglary devices, such as window security bars, latch covers and door closers.
2. Live video monitoring and exterior loudspeakers to engage would-be perpetrators. Our live monitoring service has already deterred four burglaries in less than 11 months at our metro area stores. The service also helps identify false alarms.
3. Alarm systems include door/window sensors, motion detectors and vibration sensors. Vibration and glass sensors detect intrusions attempts which do not involve break in attempts through the exterior doors.
4. Exterior motion detection lights.

Ever since we started utilizing all of the measures listed above simultaneously, we have not had a single successful break in.

Requiring licensees to remove all stock from the sales floor will be very labor intensive and will significantly limit the number of products a licensee may keep in inventory, therefore placing them at a competitive disadvantage, while not necessarily increasing the security measures at a given location. Please consider modifying the language for the “safe/vault rule” to include waivers for licensees who go above and beyond the current security requirements by implementing some of the measures described above.

Thank you

--

Lindsay Aronson
Director of Licensing and Compliance
Silver Stem Fine Cannabis

c: +1 817 709 6394
a: 1082 W Littleton Blvd. Littleton, CO, 80120
w: silverstemcannabis.com
Please consider the environment prior to printing this email.

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February 26, 2021

Denver Dept. of Excise & Licensing
Draft Omnibus Bill Comments
Local Product of Colorado Recreational & Medical Dispensary
419 W. 13th Avenue, Denver CO 80204

Local Product of Colorado is a Medical & Recreational Dispensary that has been in operation since 2009 with 12 employees and is proud to be located in the Golden Triangle neighborhood of Denver.

We continue to be very concerned about the practicality of installing a secure safe large enough to store our entire inventory on an overnight basis. Our usable space is approximately 1,000 square feet so this proposed provision would place an undue burden for small stores such as ours. Additionally, it is very difficult to remove the entire inventory from the various displays every night only to then place it back on the shelves in the morning.

We take the security and safety of our store very seriously as evidenced by the various security measures we have installed including: bars on all windows, reinforced doors, video cameras, alarms, glass breaks, motion sensors and keypad locks. We are happy to report that we have not had one burglary since installation years ago.

Small businesses (with very limited space) such as Local Product should have a waiver process to comply with the proposed safe requirements and the ability to work individually with the Department to secure their facility and products overnight in a “vault or strong room” safe equivalency in buildings that would make a large safe impractical and at times impossible.

In conjunction with our small working space waiver request, we recommend the following definition of “Strong Room” to provide some certainty for businesses like Local Product in the Defined Terms (Sec. 6-204) section of the bill: “Strong Room – a room capable of being secured in such a manner to prevent rapid penetration by an individual through the use of ordinary force or common hand tools.”

We are also confused as to how a business would comply with the provision on frozen or refrigerated products. How could we “affix” a refrigerator or freezer to the building structure – bolts or screws into the wall or floor? That does not seem practical (P.9, lines 1-2).
Lastly, we are concerned about any provision that is stricter than the current alcohol license renewal process. In particular, the language on P.28 - lines 17-20 (Sec. 32-11 Issuance or Denial) and P. 31 – lines 4-7 (Sec. 32-22 Revocation). Does this mean a licensee could get their annual license denied or revoked on a minor and easily fixed Fire Code Violation? If not, we request this language provide more clarity as to the process.

Thank you for the opportunity to contribute to this important policy discussion.

Best,

Christopher Votoupal  
Principal  
vga@chrisvotoupal.com  
(m) 720.254.4592  
https://chrisvotoupal.com
January 13, 2021

Denver Dept. of Excise & Licensing
Draft Omnibus Bill Comments
On behalf of Local Product of Colorado Recreational & Medical Dispensary
419 W. 13th Avenue, Denver CO 80204

Local Product of Colorado is a Medical & Recreational Dispensary that has been in operation since 2009 with 12 employees and is proud to be located in the Golden Triangle neighborhood of Denver.

Listed below are our concerns/comments regarding proposed language in the draft Omnibus Bill.

• P. 7 lines 31-33 - We are very concerned about the practicality of installing a secure safe large enough to store our entire inventory on an overnight basis. Our usable space is approximately 1,000 square feet so this proposed provision would place an undue burden for small stores such as ours. Additionally, it is very difficult to remove all the product from the various displays every night only to then place it back on the shelves in the morning. We take the security and safety of our store very seriously as evidenced by the various security measures we have installed including: bars on all windows, reinforced doors, video cameras, alarms, glass breaks, motion sensors and keypad locks.

• P. 19 starting at line 22, subsection (e) Renewal Hearing – This proposed language complicates an already comprehensive license renewal process and could put at risk our business based on a solitary complaint from a neighbor or entity that recently moved in close proximity to our store that has been at our location for 12 years. We take considerable pride in being an active and responsible neighbor in the Golden Triangle neighborhood. More importantly, there is already a robust license renewal process in place and we strongly feel that this proposed language goes too far and could unnecessarily complicate the process and place at risk legitimate businesses across Denver.

It also appears that this language is stronger than for license renewals for comparable sectors such as businesses that serve alcohol. Amendment 64 was passed by the voters of Colorado to regulate marijuana similar to alcohol. Therefore our license renewal pathway and “needs and desires” hearing process should not be more stringent than for an alcohol related license renewal.
Votoupal Government Affairs

Thank you for the opportunity to contribute to this important policy dialogue.

Best,

Christopher Votoupal
Principal
vga@chrisvotoupal.com
(m) 720.254.4592
https://chrisvotoupal.com
Timely Decisions about the Safety of Denver Neighborhoods are Being Made NOW

Lori Bailey <lori.l.bailey@adams12.org>
Mon 1/11/2021 3:57 PM
To: MarijuanaInfo <MarijuanaInfo@denvergov.org>

Dear Ashley Kilroy,

Dear Director Kilroy,

I understand the City of Denver is taking comments around the proposed marijuana delivery and marijuana hospitality programs. First and foremost, I want to thank you and the Denver officials for proposing that social consumption clubs and locations must be located, at a minimum, 1,000 feet from a school, preschool, day care center, outdoor city pools or drug/ alcohol treatment centers and recommending that no outdoor billboard advertising be allowed. These safeguards will help protect kids in Denver from the normalization of legalized and massively commercialized marijuana.

I would like to recommend the following additional regulations be incorporated for marijuana hospitality and social consumption:

- Maintain marijuana dispensary hours of operation until 10pm instead of allowing an increase to midnight
- Prohibit sale of marijuana edibles due to delayed impairment impacts and unacceptable drugged driving risks
- Reduce sale limits of marijuana products allowed to be sold to a reasonable serving unit--to minimize negative impacts, including excess marijuana diversion to youth
- Limit outlet density and the number of licenses issued to avoid neighborhood over-saturation and correlated inequities and negative impacts
- Require full disclosure of violations by licensees of underage admission and the mandatory reporting of adverse health and safety events that occur

I would ask the following regulations be implemented around marijuana delivery:

- A mandatory tracking system be created to track deliveries from multiple sources to deter the creation of black-market distribution to youth
- No tipping to drivers (cash or electronic)
- Limit sales amounts to minimize diversion to youth, amount of product and cash that can be transferred with each delivery to minimize crime and other safety considerations

Thank you for your service and for taking the time to look out for our most precious resource, our kids!

Sincerely,
Lori Bailey
1500 E 128th Ave
Thornton, CO 80224
[EXTERNAL] Removal of odors is a more difficult subject than you might think. You can remove the odor but leave the toxins in the air. Most air cleaners will remove the particulates but not the VOCs. If you use air fresheners they will only mask the od...

Mark Lawrence <tigertom25ab@gmail.com>
Fri 1/15/2021 2:41 AM
To: MarijuanaInfo <MarijuanaInfo@denvergov.org>

I foresee the setup of these marijuana smoking areas are going to be expensive. With the Covid epidemic there will be an increased cost and there will be difficulty in getting this plan off the ground. There are going to be a lot of things to think about when the plan is set in motion. It might be better to start this after the Covid 19 epidemic is over. I forgot to mention the staff that oversees this. They will have to have some kind of protection as well in this situation. Booths are your best bet with air removal. The other thing is you will need releases for all patrons. This setup could have a potential costly admission due to everything that has to be done to safeguard the public and the staff. I still think it is a good idea but it could be very costly to consumers with all the preparations, salaries, electricity, insurance, rent, etc.

Mark Lawrence
[BULK] [EXTERNAL] Feedback on Draft MMJ Legislation

Matthew Shifrin <matthew@pioneerinterests.com>
Mon 12/14/2020 11:23 AM
To: MarijuanaInfo <MarijuanaInfo@denvergov.org>

Hello -

Please see below my comments regarding the proposed changes to legislation. I would love to be able to speak during the Q&A / public comment section of the meeting if possible? I will be attending both events.

Thanks

**Question: Definition of Social Equity Applicant:**

I am in favor of legislation that supports disproportionately impacted individuals (DII) and provides opportunities to social equity applicants. In my view, those individuals that should be defined as DII are those living in a specific Disproportionately impacted Areas (DIA) meaning an area of residential zoning that is below the national poverty line. A DIA could also be constituted as an area that has a higher-than-average homicide rate, or higher than average drug conviction rate for schedule I narcotics.

A social equity applicant could also include individuals that have received a cannabis drug conviction. This should Not include those individuals whose family has a conviction. However, a prospective social equity applicant should only be eligible to own a license if in fact 100% of the ownership of the license is owned by a social equity applicant or a group of social equity applicants.

Via the state’s incubator & accelerator program, operations and CAPEX loans should be provided to those groups on a first come first serve basis using a portion of tax revenue collected from the City and the State. It is critical that viable social equity applicants are not just used as ‘fronts’ or patsies for Multi-state operators or existing license holders to secure additional licenses.

Social equity licenses awarded should be required to be owned 100% for a period of 6-years by social equity applicants or DII’s. Licenses would be revoked if ownership were to transfer to non-social equity applicants prior to 6-years.

**Question: Remove the cap on marijuana cultivation and store locations and maintain the prohibition on new store and cultivation locations in top five neighborhoods of undue concentration.**

I do not agree with lifting the cap on marijuana cultivation and store locations in the city of Denver. There are enough dispensaries & cultivation facilities serving the greater Denver area and those dispensaries provide the service needed to its residents. Furthermore, this proposed action does not provide any support to the small business owners that have struggled over the past 10-years to build a sustainable and compliant business. I believe in lieu of lifting the cap altogether, an additional allowance of 25% incremental licenses should be issued to qualified social equity candidates for retail and cultivation licenses.
Social equity licenses issued should only be issued to individuals or groups where 100% of the ownership is qualified as a Social Equity Applicant. This way, you avoid non-social equity groups from using Social Equity Applicants as fronts for their own license gains.

**Question: Store, cultivation, infused product manufacturer, hospitality, and hospitality and sales licenses exclusively available to Social Equity Applicants for six years**

I agree that any new store and cultivation licenses issued should only be issued to individuals or groups where 100% of the ownership is held by a Social Equity Applicant. The current proposal requires only 51% of ownership be held by a Social Equity Applicant. This structure of 51% is prone to financial abuse by non-Social Equity Co-applicants whereby 99% of the economics of a business can be controlled by the 49% non-social equity co-applicant.

Infused product manufacturer, hospitality, and hospitality and sales licenses should not be issued exclusively to social equity applicants but should be issued with a cap. 25% of each of the different Infused product manufacturer, hospitality, and hospitality and sales licenses should be reserved exclusively for social equity applicants and groups of 100% wholly owned social equity applicant groups. This affords opportunity for individuals as well as social equity applicants.

**Question: Transporter licenses and transporter delivery permits exclusively available to Social Equity Applicants for three years**

I do not agree that transporter licenses & transporter delivery permits should be exclusively available to social equity applicants. There should be a limited number of licenses issued for Denver and 25% of those licenses should be held exclusively for Social Equity Applicants. The number of transporter licenses should be determined by taking the total number of dispensaries and multiplying by 1.25.

This will ensure that there are an ample number of transporters and transporter delivery permits available to properly service Denver's patients and customers. It will also ensure the lowest prices, best service, least likelihood of targeting for burglary, and optimal tax proceeds for the city and state.

**Question: Stores required to use Denver-licensed transporters to conduct deliveries for three years**

All Denver based dispensaries should only be able to use Denver licensed transporters in perpetuity. However, the number of transporter licenses should be 1.25x the number of dispensaries and 25% of those licenses should be reserved exclusively for 100% owned Social Equity Applicant individuals or groups.

**Question: Additional comments on Denver's proposed marijuana equity program**

We are bold proponents of Denver's proposed social equity program. However, it cannot be completely at the expense of Denver's existing small business community which includes existing social equity, woman, minority, and native Colorado & Denver owners.

The primary concern here is that social equity ownership structures can be manipulated to the benefit of non-social equity co-applicants (49% owners). These non-social equity co-applicants can use...
Intellectual Property royalty agreements, management services, high rates of interest on debt, prerequisite expenses, artificially high inter-company transfer prices, required purchasing agreements, and pre-established below market value buyout agreements to strip Social Equity Applicants of all economic ownership of the business. Several of these instruments can be left out of legal operating agreements which would prevent Denver Excise & Licensing from properly vetting the validity of these partnerships.

The issue is that Social Equity Applicant at a minimum 51% ownership threshold poses the risk that a Multi-State Operator (MSO) uses a Social Equity Applicant as a Patsy to secure a license then strips all economic value out of the business for 6-years. After 6-years, using an EBITDA multiple to establish market value, the MSO will buyout the business for pennies on the dollar as profits will be immaterial since the MSO has stripped the business of all its profit. This would be legal as the profits were being sucked out via the aforementioned financial instruments and the MSO co-applicant would have the right to buyout the Social Equity applicant at fair market value.

Instead, I propose Denver should issue an additional 25% more licenses (50), exclusively to 100% owned and controlled by Social Equity Applicants. Furthermore, the City along with the State should provide a 6-year low-interest loan capped at $500,000.00 paid via tax revenue generated from the industries 25.91% sales tax in Denver. These loans would represent 0.85% of the total tax revenue collected since January 2014 by Denver Excise and Licensing and an estimated 11% of total tax revenue collected by Denver Excise & Licensing in 2020. If the loan goes unpaid and into default the license could be revoked by Denver Excise and Licensing and sold to social equity or non-social equity applicants via a lottery for $500,000.00 + SOFR+1%.

This structure will ensure that those social equity applicants who wish to enter the industry not only receive a license, but they also receive the financial support, the guidance, and opportunity needed to succeed. This will further ensure that licenses end up with viable and deserving social equity applicants and not MSO’s looking to undercut the hard-fought value built by local business owners over the last 10-years.

**Question: Security and vehicle requirements**

I believe that vehicle security should match that of a dispensary to avoid break-ins and diversion of product outside of the legal operating system into the black market. Vehicle requirements should include transit or smaller vans with no rear windows or shatter proof vinyl applied. GPS tracking should be required and 360 degree 24/hr battery operated surveillance with 40-days of playback. Weekly backups should be required to the cloud. The cab and storage area should be secured via cage and only accessed via key code. Each vehicle should have a panic button that is tied directly to 911 and creates an open Mic whereby all dialogue is being recorded and transmitted to the police. Security should be reviewed & audited for each vehicle annually by Denver Excise and Licensing to ensure compliance.

**Question: Preventing Diversion to youth**

Ensuring ample delivery vehicle security and ensuring that each delivery recipient has a valid driver’s license. All drivers should use a digital scanning ID device. All recipients at the delivery should be identified to be over the age of 21 to ensure that one individual is not buying product for a group of underage individuals.
Question: Additional comments on Denver’s proposed marijuana delivery program

Only dispensaries and transporters licensed in Denver should be able to deliver to individuals or residents in Denver.

Question: Hospitality and mobile hospitality

I am in favor of hospitality and mobile hospitality programs in Denver. I believe that licenses should be capped and 25% of those licenses are reserved exclusively for Social Equity Applicants and 100% owned and controlled Social Equity Applicant Groups.

Question: Hospitality and sales

I am in favor of hospitality and sales and believe the limits proposed by the commission are optimal.

Question: Methods of Consumption at hospitality businesses

I agree with the commission’s proposal for methods of consumption at hospitality businesses. I disagree with the commission’s view that butane lighters should be banned. 99% of standard lighters are fueled by butane (bic lighter for instance). Butane is a common light hydrocarbon gas that poses minimal threat when consumed or leaked in small proportions. Most businesses use butane to light candles and other various burning devices. Also, restaurants use propane or butane torches to char food regularly. I would propose that butane lighters not be banned.

Question: Fees

I do not disagree with the commission’s proposal to increase fees. However, I believe that the commission should institute a standard CPI inflation index and increase fees at that rate vs. a round $25, $50, or $100 which is effectively arbitrary. This way, business owners can plan and expect with no surprise what fee rates will be the following year or 5-years out.

Question: Proximity and location restrictions

I do not disagree with the commission’s proposal for proximity and location restrictions

Question: Advertising

I disagree with the commission’s proposal for advertising. Denver does not prohibit the advertising of alcohol, tobacco, or other consumption products that require you to be of adult age. At this juncture, why should cannabis not be afforded the same opportunities and rights to advertise as those other consumption products. I believe that Cannabis companies should be able to advertise through out of home mediums.

Question: Hours of operation

I agree with the commission’s proposal to extend hours in Denver from 8am to 12am.

Question: Comments on other changes
I appreciate the hard work and effort of the commission and commend them for putting together a thoughtful proposal. I reiterate that proposed Social Equity Inclusions should not be at the detriment of small business owners many of which are Social Equity, woman, minorities, and Denver natives. The cap should be amended to allow for 25% more dispensary and cultivation licenses reserved exclusively for 100% owned and controlled social equity applicants or social equity applicant groups (100% of group members must qualify as a social equity applicant). Small business loans should be provided upwards of $500,000.00 at low interest payable in 5-years utilizing the 25.91% sales tax and fees collected by Denver. This represents approximately 11% of 1-years collections and 0.85% of tax collected in the last 6-years by Denver. Loans that are unpaid or go into default can be revoked and sold to social equity or non-social equity applicants via a lottery for $500,000.00 +SOFR +1%. This structure will prevent abuse of the social equity structure to benefit non-social equity co-applicants and preserve the decades worth of blood, sweat, and tears given by small business owners in Denver.

Matt Shifrin
Chief Executive Officer
201-290-2140
matthew@pioneerinterests.com
www.pioneerinterests.com
Buy the ticket. Take the ride. – HST

---------- Forwarded message ----------
From: Hamp Jenny <jhamp@lovaco.com>
Date: Monday, December 14 2020 at 10:57 AM MST
Subject: Fwd: Upcoming Events
To: Matthew Shifrin <matthew@pioneerinterests.com>

---------- Forwarded message ----------
From: Denver Marijuana Info <marijuanainfo@mailchimp.denvergov.org>
Date: Mon, Dec 14, 2020, 8:24 AM
Subject: Upcoming Events
To: <jhamp@lovaco.com>
December 14, 2020

Dear Stakeholders,

Denver’s Office of Marijuana Policy and Department of Excise and Licenses would like to remind you of several events happening this week.

Feedback Sessions on Denver’s Draft Marijuana Legislation

Denver’s Office of Marijuana Policy and Department of Excise and Licenses are hosting two stakeholder feedback sessions on Tuesday, December 15 and Thursday, December 17 to present draft legislation that will make changes to the marijuana licensing code including marijuana delivery, hospitality, social equity, and other changes.

Stakeholder Feedback Session #1: Community Stakeholder Feedback Session

- Tuesday, December 15 from 2:00 – 4:30 p.m.
- Join the session on Zoom
- Access the presentation on our website

Stakeholder Feedback Session #2: Marijuana Industry Stakeholder Feedback Session

- Thursday, December 17 from 9:00 – 11:30 a.m.
- Join the session on Zoom
- Access the presentation materials on our website

If you have questions or comments about these feedback sessions, please email us at MarijuanaInfo@denvergov.org.

DORA Town Hall on Wednesday, December 16

Co-hosted by the Colorado Department of Regulatory Agencies (DORA), the Marijuana Enforcement Division (MED), and the Colorado Department of Agriculture (CDA), this virtual Town Hall will focus on banking, financial services, insurance, and economic development for cannabis businesses. The Town Hall will take place on Wednesday, December 16 from 10:00 a.m. to 12:30 p.m.

Please see the Town Hall invitation for all important information, including the registration link. You must register ahead of the Town Hall to receive the GoToWebinar link. Please direct any questions about this event to the Marijuana Enforcement Division.

BCEI Cannabis Social Equity Holiday Recognition Event on Monday, December 14
Hosted by the Black Cannabis Equity Initiative, this virtual holiday networking and information event will recognize and honor individuals and organizations advancing social equity in cannabis, including Denver’s Department of Excise and Licenses. This event will take place on Monday, December 14 from 3:30 p.m. to 6:00 p.m.

Click here to join the Zoom meeting. Please direct any questions about this event to John Bailey.

Thank you,

Department of Excise and Licenses, Office of Marijuana Policy

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You are receiving this email because you are affiliated with a licensed marijuana business or the regulation of the marijuana industry in the City and County of Denver.

Our mailing address is:
City and County of Denver
201 W. Colfax Ave.
Denver, CO 80202

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Support
● Extended Hours to midnight
● 90 day window to submit renewal applications.
● Change in renewal language. THANK YOU

Concerns (descending in order from most important to least)
1. Request to split delivery and omnibus.
   a. We recognize delivery as a robust opportunity for social equity ownership and believe it deserves consideration separate from the Omnibus, similarly to the Hospitality Bill.
2. Delivery Loophole Page 16 Row 25
   a. This allows an Amazon type model which will wipe out brick and mortars. Is this what Denver wants?
3. Licenses can be denied due to “restraining competition.” Page 22 row 28.
   a. This is extremely concerning. Any application includes renewals. Does this exist for other industries in Denver? Some consolidation is inevitable. This will effect everyone including SE applicants.
4. Allow walk-throughs, drive-throughs, and “curbside.” Page 9 Row 5
   a. Liquor stores are allowed to do this. State requires an MOP approval already, which should eliminate any public safety issues. This does not align with Denver’s goal of aligning state and local code.
5. Align advertising rules to state code
   a. If not, please re-introduce “consideration” and “Direct” language to the code. Advertising deemed as unlawful
6. Social Impact - Would like written assurances that social impact plan results will not be evaluated as a condition for renewal and will be protected from CORA requests as proprietary information. Page 21 Row 10, Page 7 Row 35
   a. Concerned about granularity, proprietary info, and the city’s ability to fairly evaluate. We want plans to be aspirational but this may have the opposite effect.
7. Delivery permits for existing stores
   a. Denver should follow the Aurora model - if a business uses a transporter, it must be a social equity transporter. Delivery is a PERMIT on an existing license, not a separate license type.
8. Existing licensees should be able to participate in social consumption.
a. I-300 was citizen initiated and intended for businesses to be able to participate in models such as tasting rooms. Since it is being repealed and replaced with the state law, it is important that the voter's intent be preserved in the new model.

9. 1,000 feet from each hospitality/social consumption license is unnecessary and reduces opportunities for social equity applicants.
Denver Ordinance Feedback

Supportive
- Extended Hours
- 90 day renewal window

Concerns
1. No stakeholdering was done on omnibus bill concepts. *Request to split delivery and omnibus.*
2. Requesting more time.
   a. Members are still trying to understand everything in here.
   b. Holidays and the lack of a redline are making this difficult to understand all of the ramifications.

- 6-209d Renewal hearings is a HUGE concern
- Continued prohibition on advertising is offensive.
- We would like to see a prearranged set of metrics for the EXL Directors report in 2023.
- 6-209 Waiver for small stores that are pre-existing?
- Publicity of social impact plans is concerning. Some of this is proprietary
- Allow cash tips
- 6-209 b 1-3 is this calculation the same for alcohol? .
- Reduce number of undue concentration neighborhoods
- Social equity licenses should not be transferable unless to another SE licensee.
- Fees waived completely for SE applicants.
- 1,000 feet from each hospitality license is unnecessary.
- Would like assurances that Social Equity plan will not be evaluated as a condition for renewal. If it is to be evaluated as a condition for renewal MIG would like to see stakeholdering on the rubric.
[EXTERNAL] Committee considering allowing marijuana vaping or smoking in licensed public places in Denver

Mollie Newman <inthevault@yahoo.com>
Tue 1/5/2021 2:15 PM
To: MarijuanaInfo <MarijuanaInfo@denvergov.org>

I have nothing against marijuana but it should be smoked IN PRIVATE, not in public places. Secondhand smoke of any kind is dangerous, unpleasant, and unwelcome.

Mollie Newman
303-941-2016
inthevault@yahoo.com
[EXTERNAL] Public Comment on Proposed Marijuana Ordinance for Social Equity

Nadav Aschner <nadav@therodmanlawgroup.com>
Fri 1/15/2021 4:03 PM
To: MarijuanaInfo <MarijuanaInfo@denvergov.org>
Good afternoon,

Please allow this email to serve as my public comments for proposed revisions and/or clarification to the draft marijuana Social Equity ordinance that overhauls what is currently known as Article V of Chapter 6 of the Denver Revised Municipal Code. I am providing these comments on behalf a number of industry stakeholders whom I represent.

1. Section 6-211(a)(1) permits marijuana cultivation facilities to transport marijuana in an outdoor portion of a limited access area so long as “the outdoor portion [of the limited access area] complies with state and local laws and regulations applicable to outdoor limited access areas for medical and retail marijuana cultivation facilities.” This language is vague and ambiguous, as state regulations for outdoor cultivation generally contemplate a myriad of outdoor cultivation activities, rather than simple transport of marijuana between, for example, non-contiguous buildings that sit on the same licensed premises. I am seeking clarification on whether or not Denver will require the same heightened security measures that the state requires for an outdoor cultivation facility, when Denver does not permit outdoor cultivation.

2. Language similar to Section 6-220(f)(3) should be included in Section 6-220(e). The language in (f)(3) is less prohibitive, and a failure to have Sections 6-220(e) and (f) mirror each other will create confusion among industry stakeholders.

3. Section 6-222(e) requires clarification, as it suggests broad agency discretion to deny license renewals. Section 6-222(e)(2) and (3) appear to provide that a frustrated, or anti-industry RNO can force an established business to recanvass the neighborhood yearly, and if the results of a neighborhood needs and desires review are not as favorable to the licensee as when it first obtained a license, the City will deny the renewal. This creates a massive burden on industry stakeholders. The standard thee licensing authority is to rely on in order to deny a renewal is unclear. Does an established business face the risk of loss of its business license simply because the City has approved other dispensaries in the designated neighborhood?

4. Similarly, Section 6-222(4)(a), (b), and (c) also provide for a subjective analysis undertaken by City agencies. Who determines that the existence of a cultivation facility has frustrated the implementation of the City's comprehensive plan or a neighborhood plan, or negatively impacts nearby properties, etc.?

Please feel free to contact me if you'd like additional feedback or clarification on this email.

Thanks,

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Nadav Aschner
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Special Note to Client(s): If you or your organization is a client of this firm and this electronic mail message is directed to you, please DO NOT FORWARD this transmission to any other party. Strict confidentiality is necessary with respect to our communications in order to maintain applicable privileges.
Sec. 6-209. – Marijuana store licenses

(3) Beginning October 1, 2021, medical and retail marijuana stores shall install and use a safe in a limited access area, which shall be incorporated into the building structure or securely attached thereto, for overnight storage of all processed cannabis and cash. For marijuana-infused products that must be kept refrigerated or frozen, the establishment may lock the refrigerated container or freezer, so long as the appliance is affixed to the building structure. The director may approve security devices such as vaults and strong rooms that are functionally equivalent to safes. Medical and retail marijuana stores may submit a security plan made in the manner provided by the director. If the security plan is approved, the medical or retail marijuana store shall be exempt from this rule. The security plan shall contain a description of the licensee’s implemented practices and structural security measures of the licensed premises to mitigate burglary and theft of regulated marijuana, which shall include, but is not limited to:

a. Utilizing a security guard;

b. Monitored video surveillance;

c. Adequate outdoor lighting;

d. Removing visible regulated marijuana from the sales floor during nonbusiness hours;

e. Utilizing steel, deadbolt ingress and egress doors;

f. Utilizing steel security shutters over windows during nonbusiness hours;

 g. Keeping a safe in a separate room from the sales floor within the limited access area; and

h. Storing excess cash in a securely attached safe.

(4) Medical and retail marijuana stores shall not provide walk-up or drive-up window service or curbside pickup. All transactions must occur within a licensed premises. A medical or retail marijuana store may provide for walk-up or drive-up window service or curbside service pursuant to, and in compliance with, an emergency rule promulgated by the state or licensing authority.
[EXTERNAL] Cannabis Delivery/ Consumption

Chris Iversen <civersen222@gmail.com>
Tue 12/8/2020 9:24 AM
To: MarijuanaInfo <MarijuanaInfo@denvergov.org>

Hello,

Just wanted to provide my comments in regards to the new bill under consideration. I am very much in support of both delivery and expanded social use. I live directly across the street from a dispensary so I most likely will not use the service but I don’t see why it shouldn’t be allowed. I’ve been able to order cocktails from bars, bottles of liquor from liquor stores etc. all without a hitch or risk the products would fall into a child’s hands. It’s often more restrictive in terms of ID checking when getting alcohol delivered in my experience. This will also help our struggling workers again employment, more delivery jobs are a good thing especially given Covid.

As far as social use is concerned, I think we can objectively say the current rules are too restrictive and have been a compete failure. I have traveled many times to Amsterdam and can say first hand the coffeeshops are really a great thing and I would love to see my hometown become Amsterdam west. We already have a much more rigorous regulation scheme in place when compared to the Netherlands for production, I have to think there's a way to allow for this. And not in some extremely restrictive manner, people need to walk in and be able to buy weed and smoke it there. Not buy it and walk somewhere 2 miles away where no one can see them, or God forbid have to smell it. We live in Denver, Marijuana is legal here, and people need to start dealing with it like we do alcohol. I want to be able to smoke Marijuana in an establishment, or on their designated patio. There are already regulations and legal remedies for neighbors to pursue enforcement for things such as smell etc.

In summation, please take existing examples such as the Netherlands for consumption and California into consideration as there are proven ways that work to solve these problems. We need to be much less restrictive and pull back if needed instead of the too restrictive approaches that we have tried. Thank you for your time.

Chris
January 14, 2021

Ashley Kilroy
Co-Chair Denver Marijuana Licensing Work Group
Executive Director of Excises and Licenses
Department of Excise and Licenses

Molly Duplechian
Co-Chair Denver Marijuana Licensing Work Group
Deputy Director of Policy
Department of Excise and Licenses

To Ms. Kilroy and Ms. Duplechian,

To begin, I wanted to take a moment and thank you and your staff for the hard work put into this process. I recognize the difficulty of balancing diverse perspectives and appreciate your willingness to allow further comments and recommendations. This communication highlights three areas of concern related to Denver’s Marijuana Hospitality and Marijuana Hospitality and Sales draft ordinances: 1) marijuana advertising and promotion, 2) density of marijuana businesses in the City and 3) ensuring the creation of a robust licensing framework.

Marijuana Advertising and Promotion

First, the strong stance in the draft related to marijuana product advertising and promotion will positively impact Denver’s residents, youth and visitors. As you are aware, decades of research related to age-restricted products, including tobacco and alcohol, demonstrates that exposure to advertising and promotion of age restricted products is associated with decreased perceptions of risk and increased use among young people. \(^1\)\(^2\)\(^3\)\(^4\) Washington state research indicates that regular exposure to marijuana advertising on storefronts, billboards, retailer websites, swag, and other locations increased the likelihood of adolescents using marijuana. \(^5\) To this point, sponsorship messages and consumer goods with advertising logos and messages on them will also lead to further youth normalization of marijuana use, and decreased youth perception of marijuana risk.

- A great deal of research has shown that branded merchandise, including, but not limited to, t-shirts, sunglasses, or hats can be directly linked to higher use of tobacco and alcohol by teens; In 1998, many states Attorneys General and numerous tobacco companies entered into a Master Settlement Agreement (MSA). One of the hallmark outcomes of the MSA is the comprehensive prohibition for tobacco companies related to advertising, promotion and sponsorship. \(^6\).

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2. W.S. Choi, J.S. Ahluwalia, K.J. Harris, K. Okuyemi. Progression to established smoking: the influence of tobacco marketing
The federal district court case of Commonwealth Brands, Inc. v. U.S. determined that a prohibition on branded merchandise is constitutional, and narrowly tailored to meet the goal of reducing youth use. It cited evidence that youth obtained branded merchandise that had been distributed at adult-only venues and consequently, “there is no way to limit the distribution of these items to adults only.”

The above evidence supports the recommendation for Denver Licensing and Excise to remove section 6-224 (3) and (4) from the current hospitality draft ordinance that reads in part, “advertising which is purely incidental to sponsorship ship of a charitable event” or “apparel, consumer goods or paraphernalia.”

Inclusion of this language in the City’s hospitality ordinance will greatly increase the exposure of Denver’s youth—creating a result that is contrary to the intent of strong advertising and promotion restrictions. Best practice for protecting youth is a comprehensive ban on advertising, including branded merchandise and sponsorships to truly minimize harms for youth, including youth normalization of marijuana in Denver.

### Density of Marijuana Businesses in Denver

The second area of concern in the hospitality draft relates to marijuana business density; specifically, the removal of the current density cap except in the five most saturated neighborhoods. To roll back the location cap as proposed would likely increase access to and availability of marijuana for youth. Marijuana dispensary density has been linked to increased youth use—with 16% of 11th graders reporting marijuana use in areas with less dispensary density compared to 24.3% of the same age group reporting use in more retail-dense areas.

Historically, a lack of regulation has led to a proliferation of tobacco and alcohol outlets in underserved neighborhoods and has contributed to structural inequities. It is vital that we learn from these mistakes and “get it right from the start” with marijuana regulation. A recent study indicates that higher marijuana dispensary density in states with legal cannabis laws was associated with a higher likelihood of youth ages 14-18 experimenting with cannabis vaping and edibles. Regulating the density of age-restricted businesses can significantly impact public health in a positive way.

- It is critically important that the City does not allow an over saturation of marijuana businesses in Denver’s neighborhoods. The City should NOT remove the cap on marijuana cultivation and store locations.
- The desire to promote local ownership of marijuana businesses is understandable, however the location cap is an entirely separate issue from community ownership considerations.
- The cap should remain in place to combat neighborhood inequities and youth use; it does not perpetuate these issues. Leaving in the location cap will protect public health. The City should find a more appropriate avenue to address community ownership.

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8 Ibid.
Ensuring a Robust Local Licensing Framework - Enforcement

Third, establishing a local licensing framework is a proven approach to regulate the exchange of age-restricted products. Marijuana use, cultivation, transport and sales are no different in this regard. Effective regulation of where marijuana products are used, cultivated or sold should begin by ensuring that persons who are under-age are not permitted access into these locations.

- Page 4 line 14, (10) and page 9, line 16, (9) of the draft hospitality ordinance states that marijuana hospitality businesses and a marijuana hospitality and sales businesses “…shall not allow any person under the age of twenty-one (21) into the licensed premises.” Unfortunately, there is no language in the hospitality draft that defines how this requirement will be accomplished.

- A best practice recommendation is to add language to the City’s ordinance that requires verification of the government issued photographic identification of any person attempting to enter the licensed premises.

These regulations should be reinforced with inspections and compliance checks throughout the term of the license.

- For clarity, compliance checks differ from inspections in that compliance checks involve utilizing persons who are under-aged to attempt to enter and/or attempt to purchase age-restricted products.

- An evidence-based recommendation is to conduct compliance checks of all licensees at least twice per year.

- To increase public health, an additional evidence-based recommendation would be to add language to ensure that all penalties for violations count towards suspension or revocation of the license rather than a fine in lieu of suspension or revocation. This provision would need to be added to the draft policy.

- For reference, tobacco retail outlets who repeatedly violate the Denver City code related to tobacco sales are subject to tobacco retail license suspension or revocation.

Please consider the Center for Public Health Practice a resource and partner in your efforts as you continue your work on marijuana hospitality establishment licensing in Denver. Thank you for your time in reading this letter.

Sincerely,

Erin Bertoli
Program Director
Public Health Policy Technical Assistance & Training
FW: [EXTERNAL] Draft MMJ Legislation Feedback

MarijuanaInfo <MarijuanaInfo@denvergov.org>

Mon 2020-12-14 2:37 PM

To: Borchers, Abbey - EXL Policy Analyst <Abbey.Borchers@denvergov.org>

Hey Abbey,

This one seems to be the same as the public comment that Matthew Shifrin sent over? They are both from the same company, so it might be redundant, but figured I'd forward it along too!

Thanks,

[Image: Denver, The Mile High City]

From: David Goddard <dgoddard@pioneerinterests.com>
Sent: Monday, December 14, 2020 12:10 PM
To: MarijuanaInfo <MarijuanaInfo@denvergov.org>
Subject: [EXTERNAL] Draft MMJ Legislation Feedback

Hello -

Please see below my comments regarding the proposed changes to legislation. I would love to be able to speak during the Q&A / public comment section of the meeting if possible? I will be attending both events.

Thank you!

**Question: Definition of Social Equity Applicant:**

I am in favor of legislation that supports disproportionately impacted individuals (DII) and provides opportunities to social equity applicants. In my view, those individuals that should be defined as DII are those living in a specific Disproportionately impacted Areas (DIA) meaning an area of residential zoning that is below the national poverty line. A DIA could also be constituted as an area that has a higher-than-average homicide rate, or higher than average drug conviction rate for schedule I narcotics.

A social equity applicant could also include individuals that have received a cannabis drug conviction. This should Not include those individuals whose family has a conviction. However, a prospective social equity applicant should only be eligible to own a license if in fact 100% of the ownership of the license is owned by a social equity applicant or a group of social equity applicants.

Via the state’s incubator & accelerator program, operations and CAPEX loans should be provided to those groups on a first come first serve basis using a portion of tax revenue collected from the City and the State. It is critical that viable social equity applicants are not just used as ‘fronts’ or patsies for Multi-state operators or existing license holders to secure additional licenses.

Social equity licenses awarded should be required to be owned 100% for a period of 6-years by social equity applicants or DII’s. Licenses would be revoked if ownership were to transfer to non-social equity applicants prior
to 6-years.

**Question: Remove the cap on marijuana cultivation and store locations and maintain the prohibition on new store and cultivation locations in top five neighborhoods of undue concentration.**

I do not agree with lifting the cap on marijuana cultivation and store locations in the city of Denver. There are enough dispensaries & cultivation facilities serving the greater Denver area and those dispensaries provide the service needed to its residents. Furthermore, this proposed action does not provide any support to the small business owners that have struggled over the past 10-years to build a sustainable and compliant business. I believe in lieu of lifting the cap altogether, an additional allowance of 25% incremental licenses should be issued to qualified social equity candidates for retail and cultivation licenses.

Social equity licenses issued should only be issued to individuals or groups where 100% of the ownership is qualified as a Social Equity Applicant. This way, you avoid non-social equity groups from using Social Equity Applicants as fronts for their own license gains.

**Question: Store, cultivation, infused product manufacturer, hospitality, and hospitality and sales licenses exclusively available to Social Equity Applicants for six years**

I agree that any new store and cultivation licenses issued should only be issued to individuals or groups where 100% of the ownership is held by a Social Equity Applicant. The current proposal requires only 51% of ownership be held by a Social Equity Applicant. This structure of 51% is prone to financial abuse by non-Social Equity Co-applicants whereby 99% of the economics of a business can be controlled by the 49% non-social equity co-applicant.

Infused product manufacturer, hospitality, and hospitality and sales licenses should not be issued exclusively to social equity applicants but should be issued with a cap. 25% of each of the different Infused product manufacturer, hospitality, and hospitality and sales licenses should be reserved exclusively for social equity applicants and groups of 100% wholly owned social equity applicant groups. This affords opportunity for individuals as well as social equity applicants.

**Question: Transporter licenses and transporter delivery permits exclusively available to Social Equity Applicants for three years**

I do not agree that transporter licenses & transporter delivery permits should be exclusively available to social equity applicants. There should be a limited number of licenses issued for Denver and 25% of those licenses should be held exclusively for Social Equity Applicants. The number of transporter licenses should be determined by taking the total number of dispensaries and multiplying by 1.25.

This will ensure that there are an ample number of transporters and transporter delivery permits available to properly service Denvers patients and customers. It will also ensure the lowest prices, best service, least likelihood of targeting for burglary, and optimal tax proceeds for the city and state.

**Question: Stores required to use Denver-licensed transporters to conduct deliveries for three years**

All Denver based dispensaries should only be able to use Denver licensed transporters in perpetuity. However, the number of transporter licenses should be 1.25x the number of dispensaries and 25% of those licenses should be reserved exclusively for 100% owned Social Equity Applicant individuals or groups.

**Question: Additional comments on Denver’s proposed marijuana equity program**

We are bold proponents of Denvers proposed social equity program. However, it cannot be completely at the expense of Denvers existing small business community which includes existing social equity, woman, minority, and
native Colorado & Denver owners.

The primary concern here is that social equity ownership structures can be manipulated to the benefit of non-social equity co-applicants (49% owners). These non-social equity co-applicants can use Intellectual Property royalty agreements, management services, high rates of interest on debt, pre-requisite expenses, artificially high inter-company transfer prices, required purchasing agreements, and pre-established below market value buyout agreements to strip Social Equity Applicants of all economic ownership of the business. Several of these instruments can be left out of legal operating agreements which would prevent Denver Excise & Licensing from properly vetting the validity of these partnerships.

The issue is that Social Equity Applicant at a minimum 51% ownership threshold poses the risk that a Multi-State Operator (MSO) uses a Social Equity Applicant as a Patsy to secure a license then strips all economic value out of the business for 6-years. After 6-years, using an EBITDA multiple to establish market value, the MSO will buyout the business for pennies on the dollar as profits will be immaterial since the MSO has stripped the business of all its profit. This would be legal as the profits were being sucked out via the aforementioned financial instruments and the MSO co-applicant would have the right to buyout the Social Equity applicant at fair market value.

Instead, I propose Denver should issue an additional 25% more licenses (50), exclusively to 100% owned and controlled by Social Equity Applicants. Furthermore, the City along with the State should provide a 6-year low-interest loan capped at $500,000.00 paid via tax revenue generated from the industries 25.91% sales tax in Denver. These loans would represent 0.85% of the total tax revenue collected since January 2014 by Denver Excise and Licensing and an estimated 11% of total tax revenue collected by Denver Excise & Licensing in 2020. If the loan goes unpaid and into default the license could be revoked by Denver Excise and Licensing and sold to social equity or non-social equity applicants via a lottery for $500,000.00 + SOFR+1%

This structure will ensure that those social equity applicants who wish to enter the industry not only receive a license, but they also receive the financial support, the guidance, and opportunity needed to succeed. This will further ensure that licenses end up with viable and deserving social equity applicants and not MSO’s looking to undercut the hard-fought value built by local business owners over the last 10-years.

**Question: Security and vehicle requirements**

I believe that vehicle security should match that of a dispensary to avoid break-ins and diversion of product outside of the legal operating system into the black market. Vehicle requirements should include transit or smaller vans with no rear windows or shatter proof vinyl applied. GPS tracking should be required and 360 degree 24/hr battery operated surveillance with 40-days of playback. Weekly backups should be required to the cloud. The cab and storage area should be secured via cage and only accessed via key code. Each vehicle should have a panic button that is tied directly to 911 and creates an open Mic whereby all dialogue is being recorded and transmitted to the police. Security should be reviewed & audited for each vehicle annually by Denver Excise and Licensing to ensure compliance.

**Question: Preventing Diversion to youth**

Ensuring ample delivery vehicle security and ensuring that each delivery recipient has a valid driver’s license. All drivers should use a digital scanning ID device. All recipients at the delivery should be identified to be over the age of 21 to ensure that one individual is not buying product for a group of underage individuals.

**Question: Additional comments on Denver’s proposed marijuana delivery program**

Only dispensaries and transporters licensed in Denver should be able to deliver to individuals or residents in Denver.

**Question: Hospitality and mobile hospitality**
I am in favor of hospitality and mobile hospitality programs in Denver. I believe that licenses should be capped and 25% of those licenses are reserved exclusively for Social Equity Applicants and 100% owned and controlled Social Equity Applicant Groups.

**Question: Hospitality and sales**

I am in favor of hospitality and sales and believe the limits proposed by the commission are optimal.

**Question: Methods of Consumption at hospitality businesses**

I agree with the commission's proposal for methods of consumption at hospitality businesses. I disagree with the commission's view that butane lighters should be banned. 99% of standard lighters are fueled by butane (bic lighter for instance). Butane is a common light hydrocarbon gas that poses minimal threat when consumed or leaked in small proportions. Most businesses use butane to light candles and other various burning devices. Also, restaurants use propane or butane torches to char food regularly. I would propose that butane lighters not be banned.

**Question: Fees**

I do not disagree with the commission's proposal to increase fees. However, I believe that the commission should institute a standard CPI inflation index and increase fees at that rate vs. a round $25, $50, or $100 which is effectively arbitrary. This way, business owners can plan and expect with no surprise what fee rates will be the following year or 5-years out.

**Question: Proximity and location restrictions**

I do not disagree with the commission's proposal for proximity and location restrictions.

**Question: Advertising**

I disagree with the commission's proposal for advertising. Denver does not prohibit the advertising of alcohol, tobacco, or other consumption products that require you to be of adult age. At this juncture, why should cannabis not be afforded the same opportunities and rights to advertise as those other consumption products. I believe that Cannabis companies should be able to advertise through out of home mediums.

**Question: Hours of operation**

I agree with the commission's proposal to extend hours in Denver from 8am to 12am.

**Question: Comments on other changes**

I appreciate the hard work and effort of the commission and commend them for putting together a thoughtful proposal. I reiterate that proposed Social Equity Inclusions should not be at the detriment of small business owners many of which are Social Equity, woman, minorities, and Denver natives. The cap should be amended to allow for 25% more dispensary and cultivation licenses reserved exclusively for 100% owned and controlled social equity applicants or social equity applicant groups (100% of group members must qualify as a social equity applicant). Small business loans should be provided upwards of $500,000.00 at low interest payable in 5-years utilizing the 25.91% sales tax and fees collected by Denver. This represents approximately 11% of 1-years collections and 0.85% of tax collected in the last 6-years by Denver. Loans that are unpaid or go into default can be revoked and sold to social equity or non-social equity applicants via a lottery for $500,000.00 +SOFR +1%. This structure will prevent abuse of the social equity structure to benefit non-social equity co-applicants and preserve the decades worth of blood, sweat, and tears given by small business owners in Denver.
David Goddard  
CFO - Pioneer Interests  
720-275-3353
[EXTERNAL] Marijuana smoking in public spaces

Denis M. Murray <achildtreehouse@aol.com>
Wed 1/6/2021 11:40 AM
To: MarijuanaInfo <MarijuanaInfo@denvergov.org>
To Whom It Will Concern:

As a nonprofit organization that deals with the effects of cancer on families and as a citizen I want to express my opposition to the ordinances being considered that allow marijuana smoking in public places.

For consistency and enforcement, smoke-free policies in public places and workplaces should apply to tobacco and marijuana alike whether vaped or smoked. Allowing marijuana smoking in places where smoking is now prohibited undermines Colorado laws that protect the public from exposure to secondhand tobacco smoke and the will of Colorado voters.

Thank you,

Denis
Denis M. Murray, Executive Director
The Children's Treehouse Foundation
www.childrenstreehousefdn.org
(303) 322-1202

Fred Bender  <FredericBenderArtist@msn.com>
Mon 1/4/2021 4:38 PM
To: MarijuanaInfo <MarijuanaInfo@denvergov.org>
Just as I refused to patronize restaurants that allowed tobacco smoke, when that was legal, it'll avoid all restaurants that allow Marijuana smoke and vaping. I want to taste and smell my food without olefactory assault from others.

Sent from my T-Mobile 4G LTE Device
Get Outlook for Android
January 15, 2021

Re: Proposed social consumption ordinance in Denver

The Colorado Group to Alleviate Smoking Pollution (GASP) is opposed to the proposed regulations that would allow marijuana smoking or vaping inside social hospitality establishments. We know that secondhand tobacco, marijuana, or vape smoke emit cancer-causing and toxic chemicals that can cause disease and death. Permitting it will create a new unprotected class of workers as well as harm the public or others that have to enter the establishments to deliver goods or maintain them. We believe it violates the clause in Amendment 64 that does not permit marijuana consumption that is conducted openly and publicly or in a manner that endangers others.

We know from experience that smoking and nonsmoking sections in restaurants, bars, or airlines never worked. Even when those areas were totally enclosed, smoke still drifted into the “nonsmoking areas.”

Ventilation cannot isolate all the toxic chemicals emitted from tobacco or marijuana smoke, which can drift into adjoining spaces through gaps in plumbing fixtures, outlets, plaster cracks, and other unsealed openings. A recent study found that electronic smoking-device chemicals traveled from a vape shop into adjoining businesses and settled on surfaces, forming a residue that included nitrosamines, which are known to cause cancer. The American Society for Heating, Refrigeration, and Air Conditioning Engineers (ASHRAE) stated in 2015 that for indoor air quality to be acceptable, it must be “completely free from secondhand smoke, secondhand marijuana smoke, and emissions from electronic smoking devices.”

While there is no safe exposure to secondhand smoke according to the surgeon general, GASP does not oppose allowing marijuana smoking or vaping in outdoor settings that are at least 25 feet away from any building as required by the Colorado Clean Indoor Air Act, and as long as it is not visible as required by law. GASP does not oppose the use of marijuana products indoors or outdoors that are an alternative to smoking or vaping marijuana including infused beverages, edibles, lozenges, inhalers, tinctures, vaginal and rectal suppositories, and nasal sprays; and that are regulated to limit the impact of impaired driving.

The Group to Alleviate Smoking Pollution (GASP of Colorado) is a 501-C-3 statewide nonprofit organization working to eliminate secondhand smoke from the air we breathe at work, in public places, and in multiunit housing. GASP’s primary concerns with the public’s exposure to marijuana smoking or vaping are in regards to the chemical and particulate emissions and their public health impact. Nobody should have to breathe secondhand marijuana smoke or vapors against their will at work, in public, or where they live.

Pete Bialick, President
Re: [EXTERNAL] Following back up

Borchers, Abbey - EXL Policy Analyst <Abbey.Borchers@denvergov.org>
Tue 2021-02-09 3:07 PM
To: Borchers, Abbey - EXL Policy Analyst <Abbey.Borchers@denvergov.org>
From: Henny Lasley <henny@smartcolorado.org>
Sent: Sunday, February 7, 2021 2:01 PM
To: Duplechian, Molly S. - EXL Deputy Director of Policy <Molly.Duplechian@denvergov.org>
Cc: Julie Dreifaldt <julie@smartcolorado.org>
Subject: [EXTERNAL] Following back up

Hi Molly:

Thank you for reaching out on feedback on the ordinance. We've checked with our teams and these are the items that are the most important to protect Denver's youth:

1. Retain the density cap. Additional marijuana businesses increase the opportunity for access and availability. We know from studies that these increases lead to decreased perception of risk among youth. Youth who are more heavily exposed to marijuana are more likely to use the substance.
2. Maintain the advertising and promotion limitations. These are critical to address youth perceptions and exposure. Thank you for your leadership on this issue. This provides balance to a very expansive policy being proposed.
3. The enforcement and compliance for these new licenses doesn't appear to be outlined in the bill. Can this be included?
4. Maintain the 10:00pm closing for dispensaries. This falls under the same reasons stated above regarding access and availability.

I think I mentioned we have had one on one calls with several members of city council. Happy to share some of the feedback via phone if that would be helpful.

We are grateful for our continued relationship and thank you for striking the important balance. I am attaching a graph we prepared that I know you have seen regarding youth use from the state Healthy Kids survey.

Talk soon and thanks!

Henny Lasley
Co-Founder and Executive Director
(720)350-5366

www.smartcolorado.org
www.thcphotos.org
www.nothesamepot.org
Fwd: [BULK] [EXTERNAL] Comments on New Marijuana Ordinances

Kilroy, Ashley R. - EXL Dir Excise And Lic <Ashley.Kilroy@denvergov.org>
Tue 2021-01-12 7:15 AM
To: Duplechian, Molly S. - EXL Deputy Director of Policy <Molly.Duplechian@denvergov.org>; Rogers, Erica N. - EXL Policy Analyst <Erica.Rogers@denvergov.org>; Pena, Joseph - EXL CA2308 Administrator II <Joey.Pena@denvergov.org>; Borchers, Abbey - EXL Policy Analyst <Abbey.Borchers@denvergov.org>; Escudero, Eric - EXL Marketing and Communications Manager <Eric.Escudero@denvergov.org>; Nubine, Reginald D. - CAO Associate Assistant City Attorney <Reginald.Nubine@denvergov.org>

Sent from my iPhone

Begin forwarded message:

From: E J Lorimer <ejlorimer@aol.com>
Date: January 11, 2021 at 11:37:56 PM EST
To: dencc - City Council <dencc@denvergov.org>, MarijuanaInfo <MarijuanaInfo@denvergov.org>, "Kilroy, Ashley R. - EXL Dir Excise And Lic" <Ashley.Kilroy@denvergov.org>
Cc: heidi.wohlwend@no-smoke.org, "Hancock, Michael B. - MO Mayor" <Michael.Hancock@denvergov.org>
Subject: [BULK] [EXTERNAL] Comments on New Marijuana Ordinances
Reply-To: E J Lorimer <ejlorimer@aol.com>

Denver City Council
Marijuana Excise & Licensing
Mayor Michael Hancock

I agree in full with ANR's comments below and I'd like to add some of my own. I also ask you to vote "NO" on this until it is written in a more thoughtful and responsible manner.

Who Originated Requested Ordinances?
Who originated these ordinance changes for home delivery and mobile hospitality? What groups advocated for them? Who REALLY benefits financially from this?
Denver's marijuana tax revenues disbursement has been a long-time mystery to most of us. These ordinances clearly state the revenues will go to Social Equity Applicants, so how does this benefit the whole of the City?

Your Goals
Your stated goals are at odds with one another:
- Ensure the health, safety and well-being of our city and yet Denver spent the past couple or three decades to create a smoke-
free city because of the dangers of second-hand smoke. Marijuana smoke is as harmful as cigarette smoke or vaping.

- *Meet the needs of residents, businesses, and visitors* – since when did our City goals include providing marijuana to residents, businesses and visitors as a "need"? Recreational marijuana is not an essential need.

- *Consider what thoughtful and responsible implementation looks like* – and yet you indicate evaluation and monitoring is to be done by communities and no City regulatory oversight – that is not “thoughtful and responsible implementation.”

The primary goal is reducing barriers to entry to one specified class and rewarding those who broke known laws in the past. Just because records are now expunged of former marijuana charges, it doesn’t mean laws were not broken in the past and I don’t agree we “owe” this group special jobs and grants.

**Discrimination in Licensing**

It is unclear how you can say Exclusive *Social Equity Applications*" (SEA) for licensing when that very phrase is contradictory to itself and is automatically discriminatory, and discriminatory for multiple years. (As are the associated reduced fees for entry to SEA's).

While E&L has indicated the communities are to evaluate and monitor so that doesn't add a layer to this effort with City, there is an effort layered in to evaluate the SEA's and the financial programs explained in the presentation. None of the revenues from this new ordinance are earmarked for city improvements - just the SEA benefits.

**Sustainability**

*Alignment with state laws & rules as much as possible, including opting into the exemption from the Colorado Clean Indoor Act for the smoking & vaping of marijuana indoors*

Please explain why this is a good idea to opt out of the Colorado Clean Indoor Act? What does "as much as possible" mean? Clean air used to be valued in Colorado. Very disappointing to "get clean" and now plan to foul the air again.

**Burden of Oversight**

There seems to be no regulatory oversight for compliance other than leaving it to "communities and RNO's" to see something, say something and E&L reviews in three to six years. This is a blatant dangerous disregard to public safety to expect communities to be accountable for evaluation and monitoring, and what's worse is that it sets up opportunities for misuse and abuse citywide. This is a burden on communities --we shouldn't pay taxes to do the city job!

**Multiple Deliveries to One Address**

There are no realistic preventions related to how many deliveries from separate MJ stores per day might be made to a single address.
Here's why: Your tracking looks at what has already happened and it is very unclear how it prevents multiple deliveries to one address within a 24-hour timeframe in real time. So, tracking is an after-the-fact issue that also specifies no penalties to either the stores or the persons receiving the drugs too many times in a single day in real time or possibly in future. Stores can always claim "we didn't know" as an excuse and the resident will be excused with a hand slap "maybe." Oversight is missing.

**Mobile Hospitality**

- *Maintain current proximity restrictions set up for Designated Consumption Areas licenses* – How would you prevent mobile units being augmented to stationary locations -- say they go around the block if police are called to avoid being in "wrong spots"; especially considering that the City is leaving it to communities to evaluate and monitor this?
- How will drivers of mobile units be protected from second-hand smoke...what provisions in the ordinance provide for their safety and does this tax cover their health insurance? If yes, that's discriminatory to others who can't get health insurance and are unable to participate.
- What type of licenses are needed by the drivers to carry people, and is there a duty to notify authorities if some of those partiers get very high and then jump into cars after their mobile experiences? Who is actually liable - the provider or the user? How is this monitored? Liquor licensees have rules-it appears none are in place here. Help me understand that please.
- If mobile units park outside of bars and then move down the street to another bar can “guests” hop out and drink at a bar and get back to the mobile hospitality MJ version?
- Can mobile hospitality park anywhere for the 30-minute limit that is deemed a public street? If so, how does this provide safety in a residential neighborhood or near a school? And who monitors ventilation and air quality where these units are roaming, parking?

**Other**

- Denver has a choice in opting to follow State adoptions or not – this is not a demand from the State. I recognize this is just about money, not need of product but this is poorly written as is and I hope City will rethink this more.
- Why are we adding traffic in a city that is constantly pushing residents to stop driving? Delivery to homes, mobile hospitality adds traffic and pollution and probably add noise if delivery is done on motorcycles. Again, the City contradicts clean air, pollution, reduced traffic - I don't get it - except someone makes money and reverses all the other goals of the city to do it.
- Fake ID's are rampant in Denver
- There would be no way to know if delivery people accept cash tips or not—they’re sure not going to report them. Who monitors whether they are stoned or not while delivering? Who is liable if they cause an accident?
• There is no mention of THC potency in home delivered product, just ounces. And, BTW a clever delivery person can skim a tiny bit of every delivery and resell or keep that on the side.
• The rich get richer here. Marijuana companies will make more money
• How do MJ stores report the taxes earned on home delivery versus in-store sales? How are they recorded? Tracking seems blurred here.
• Who “owns” the mobile units – are there size restrictions on these units or can a person with an SUV holding 5 passengers or a small van that hold 8 offer this service – how is anyone safe from the drivers of the small units?

When I look at Denver management, I see nothing but silos of groups working to their own ends and no one looking at the good of the whole city. This is very frustrating to me and has been for years. It’s worse now than I have ever seen it. Please City Council, vote NO on this. It’s not ready for the public as written --it contradicts its own goals.

Sincerely,
E. Jane Lorimer
Denver – District 5

-----Original Message-----
From: Americans for Nonsmokers' Rights <heidi.wohlwend@no-smoke.org>
To: Jane Lorimer <ejlorimer@aol.com>
Sent: Mon, Jan 11, 2021 4:00 pm
Subject: Action needed this week. Send your message to Denver now.

HARD WON SMOKEFREE WORKPLACE PROTECTIONS ARE BEING THREATENED IN THE CITY OF DENVER. PLEASE SPEAK UP NOW!
Denver is currently soliciting community feedback regarding new draft marijuana ordinances. The city unfortunately wants to weaken local smokefree workplace and public place protections by “opting in” to a recent exemption in the Colorado Clean Indoor Act to allow the smoking & vaping of marijuana indoors.

ENTER COMMENTS NOW THROUGH FRI JAN 15

Please provide your comments via the city's online form through Friday, January 15 at 5:00 pm. In regards to secondhand smoke exposure, you can insert comments on the “Hospitality” page (the fourth page down) and then email to city staff.

Sample talking points:

These proposed ordinances would increase exposure to secondhand smoke in Denver by exempting hospitality establishments from the Colorado Clean Indoor Air Act

- **Denver should not weaken local smokefree workplace protections.** Allowing smoking/vaping of marijuana indoors would remove public health protections on a measure that was highly supported and put in place to protect the health of the public and employees. Colorado’s local and state smokefree laws should protect public health, not Big Tobacco and commercial marijuana industry profits. **Secondhand smoke (SHS) from marijuana has many of the same chemicals as smoke from tobacco, including those linked to lung cancer.**

- Secondhand marijuana smoke exposure **impairs blood vessel function.** One minute of exposure to marijuana SHS substantially impairs endothelial function in rats for at least 90 minutes, considerably longer than comparable impairment by
tobacco SHS. The findings in rats suggest that SHS can exert similar adverse cardiovascular effects regardless of whether it is from tobacco or marijuana.

- **An August 2018 study** indicates that particle concentrations from dabbing and vaporizing marijuana can create levels of indoor air pollution that are hazardous to human health, in the absence of combustion. Fine particulate exposure at these concentrations can cause cardiovascular and respiratory disease.

- Allowing marijuana smoking and vaping indoors will create a newly unprotected class of workers. If marijuana smoking is brought indoors, employees working in the marijuana industry will be exposed to secondhand smoke at a much higher rate than the general public and will suffer the negative health effects of that exposure. No one in Denver should have to get sick breathing at work or sacrifice their health for a paycheck.

- **Ventilation systems do not address the health hazards of secondhand smoke** and are not a substitute for clean smokefree air. The American Society of Heating, Refrigerating, and Air-Conditioning Engineers (ASHRAE) certify there is no safe level of exposure to secondhand smoke, including secondhand marijuana smoke. No ventilation system will remove smoke to protect people.

For more information, see our factsheet on the health hazards of secondhand marijuana smoke.

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Americans for Nonsmokers' Rights

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[EXTERNAL] Marijuana Legislation

Winston Downs Community Association <info@winstondowns.org>

Tue 1/12/2021 2:26 PM

To: dencc - City Council <dencc@denvergov.org>; Sawyer, Amanda - CC Member District 5 Denver City Council <Amanda.Sawyer@denvergov.org>; Kilroy, Ashley R. - EXL Dir Excise And Lic <Ashley.Kilroy@denvergov.org>; MarijuanaInfo <MarijuanaInfo@denvergov.org>
Cc: Marsha Badanes <baddrc@gmail.com>; Jacquie Marks <jtrose55@gmail.com>; joanna <joannamilewski@msn.com>; Tim Rooney <Tim_Rooney@comcast.net>; Margot Gilbert Frank <gilbert_frank@msn.com>

Re Stakeholder Feedback Sessions Announced December 2020

Although we are aware that a stakeholders’ group convened by Excise & Licenses met over the past few months, residents are just now hearing about these proposed changes. An email sent by E&L just before the holidays — Dec. 22, 2020 — invited some members of the community to view a presentation Jan. 6.

Comments were required to be submitted by Jan. 15, 2021 which was not only less than 30 days but also included a series of December holidays.

We feel this was not adequate time to have our neighborhood be informed and to participate. For that reason, we request E&L feedback deadline be pushed forward to at least February 25 so that neighborhoods have reasonable time to weigh in with comments.

Jane Lorimer, VP
Winston Downs Community Association
RNO with City of Denver

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Stay safe
Winston Downs Community Association
TO: Ashley Kilroy, Director Excise & Licenses
Molly Duplechian, Deputy Director of Policy
Erica Rogers, Policy Analyst
Abbey Borchers, Policy Analyst
Denver City Council
Mayor Michael Hancock

FROM: Jane Lorimer, Denver Resident

Comments regarding proposed marijuana legislation due by January 15, 2021

Please consider the following comments and concerns with the policy as written and presented.

While I see several meetings were held, the only notice I received was December 22, 2020 for a presentation made January 6, 2021 with comments due January 15. I have concerns about who and how public engagement was enacted. It is very minimal and provided very short time to absorb the contents of the proposed DRAFT. Please advise when other RNO notices were sent to RNO leaders. I’ve been on that list for about 10 years now.

The Cannabis Work Group shows only ONE neighborhood resident from Montbello and 11 members (47%) of the committee are connected to pro-cannabis organization and six (6) (26%) are City of Denver employees. I object to the make up of the working group as not having enough residents. I should have thought a representative from Denver Inter-Neighborhood Cooperation would have been invited, at minimum.

While I can understand a request for medical marijuana delivery, I see no “needs or desires” for recreational marijuana delivery by residential neighborhoods.

Adding vehicles to our Denver roadways is contradictory to Vision Zero, the war on cars Denver has waged for several years. It seems only County preferred vehicles are to be on streets which is exclusionary in concept to the taxpayers who support your salaries.

During the January 6 presentation, Molly confirmed citizen oversight is the main way to evaluate and monitor, thus putting the burden of managing this expansive program on the backs of taxpayers who can barely get remedy for other issues via 311 and we also are diluting 911 options. Who is liable?

Sec. 6-206. – City-wide moratorium on certain medical marijuana business licenses; licenses reserved for social equity applications – sunset.
(b) Licenses to be reserved for social equity applicants – exceptions; sunset. The director shall only issue new medical and retail marijuana business licenses to social equity applicants except that the director may issue a new retail or medical marijuana business license to a social equity applicant or a non-social equity applicant in the following instances:
(1) The applicant is applying for a medical or retail marijuana testing facility license or a marijuana research and development license;
(2) The applicant is applying for a retail marijuana business license that will be co10 located with a medical marijuana business of the same type in compliance with this article V; or
(3) The applicant is proposing to convert a medical marijuana business to a retail marijuana business of the same type at the same location in compliance with this article V. (c) Sunset of social equity exclusivity. Subsection (b) of this section shall be repealed effective July 1, 2027.

Concern
- Reporting at sunset is too late and should be reviewed annually at minimum.

Sec. 6-204. – Defined terms.

(13) **Neighborhood of undue concentration of marijuana store locations means** the five statistical neighborhoods where the highest number of licensed medical and retail marijuana store locations exist, as calculated no more than 90 days after the effective date of this article V for 28 2021, and by December 31 of each year thereafter. To the extent there is a tie between two (2) or more statistical neighborhoods with the statistical neighborhood having the fifth most licensed locations, then all such neighborhoods shall be treated as neighborhoods of undue concentration of marijuana store locations.

Concern
- The City defines 78 statistical neighborhoods, when in fact there are well over 100 registered neighborhood organizations within the City (excluding the overlaps) so some neighborhoods being lumped in within the 78 arbitrarily mapped statistical neighborhoods may or may not be fairly judged in terms of “too many” or “not enough” licensed outlets.
- No one answered the question: What are those five neighborhoods?

(19) **Social equity applicant (SEA)** means a person who is or has one or more beneficial owners who hold, or collectively hold, an ownership percentage of at least fifty-one percent, each of whom satisfy the following criteria: a. Is a Colorado resident; b. Has not been the beneficial owner of a license subject to disciplinary or legal action from the state licensing authority or the department resulting in the revocation of any marijuana business license issued by the department or the state licensing authority; c. Has demonstrated at least one of the following: i. The applicant has resided for at least fifteen (15) years between the years 1980 and 2010 in a census tract designated by the Colorado Office of Economic Development and International Trade as an opportunity zone or designated by the state licensing authority as a disproportionate impacted area; ii. The applicant or the applicant’s parent, legal guardian, sibling, spouse, child, or minor in their guardianship was arrested for a marijuana offense, convicted of a marijuana offense, or was subject to civil asset forfeiture related to a marijuana investigation; iii. The applicant’s household income in the year prior to application did not exceed an amount determined by the state licensing authority. (20) **Statistical neighborhood** means the geographical neighborhood boundaries established by the City and County of Denver in 1970 in conjunction with the Community Renewal Program.

Concerns
- If an ownership or collective ownership is at least 51% wouldn’t they already be earning more than poverty level and aren't those “barriers” described, not?
- Who will employ Transporters? Are they free agents and if yes, who is liable for them?
- Do the 51% majority owner groups have to reside in Denver?
- You are giving SEA to only THE applicant and granting of that license includes consideration of any immediate family member of someone who “was harmed by” prior drug laws. That’s stretching the SEA to family and generational levels as a form of reparation for crimes committed. I object to that precedence and if records are being expunged anyway, what barriers would still exist to other jobs? Confusing.
Sec. 6-208. Provisions applicable to all licenses.

Background checks. Prior to the issuance of any local license, the director may make a finding and determination as to the applicant’s compliance with section 44-10-307, C.R.S., as amended. In so doing, the director may incorporate any findings previously made by the state licensing authority and consider whether convictions, including solely marijuana convictions, pose a threat to the regulation or control of marijuana. The director shall not be required to perform a criminal background check if the state licensing authority has already performed a criminal background check on the applicant.

Concern
- Does the State do background checks as thoroughly as City? If not equal, then people who should not be licensed can potentially slip through the cracks.

Sec. 6-209. - Marijuana store licenses.

Concerns
- Hours of operations from 8:00am-10:00pm is sufficient. I oppose longer hours.
- I have already expressed concerns about single store sales to a consumer could become multiple store sales to one consumer, which precludes personnel reasonably knowing that one consumer received multiple deliveries or accomplished purchases at multiple stores within the one-day operational hours.
- To be even reasonably workable, it would require electronic tracking to connect in real time among all store operators which could, in fact, present a financial barrier to entry. This was not well thought out.

CONSUMPTION HOURS

A marijuana hospitality business licensee shall not permit the use or consumption of regulated marijuana between the hours of 2:00 a.m. and 7:00 a.m. daily.

A marijuana hospitality business licensee shall not permit the use or consumption of marijuana by a patron who displays any visible signs of intoxication.

Concern
- Hours of operations leave only five (5) hours not in operations. This seems excessive and seems to promote cannabis use for 80% of any given day.
- The visible signs of intoxication are subjective. How will this really be monitored – there are those who are visibly intoxicated from drinking too much, so how does this differ?

MOBILE

A marijuana hospitality business licensee shall not permit the consumption of marijuana on the mobile premises if the motor vehicle is stopped, standing, or parked for more than 30 minutes.

The proximity restrictions identified in this subsection (d) shall not apply to marijuana hospitality business licenses with a mobile premise.

Concern
- Glaring loophole is the mobile premise can go around the block and come back every 30 minutes and put that in to route plans.
- It provides perhaps unintentionally multiple mobile premises can locate side by side, switch sides every 30 minutes and be legal.
• Can they leave the county? If yes, they could find a space in a County next door and come back and forth across the county line.

Other
• The draft indicates delivery can be paid in any format and tips are not allowed. This means delivery people may be dealing with cash which opens other discussions about their safety in terms of being robbed for product or money. And, who would know if they took cash tips? Unless you set yourselves for quality checks and entrapment, you won’t know.
• The draft exempts consumption premises from the indoor clean air act so who will be liable for any health issues that staff suffer?
• Who measures the air quality of the mobile premise units? Who protects the drivers from second hand smoke? Does it include all drivers and servers or just social equity personnel?
• Monies gained from SEA licenses and taxes from Home delivery go only to transporters’ funding. That seems grossly inequitable to the city’s needs.
• Where are the dollars from cannabis sales going now?

If I, as a lay person with no legal training, can see the loopholes and future issues, I would ask that City Council see these concerns with clear eyes as well. This is a legal nightmare waiting to unfold.

I suggest Council ask E&L to come back with a better plan. I know it will happen but this is not well-thought out and should not be passed as another experiment for Denver and indeed not with citizens being burdened with evaluation and monitoring.

Jane Lorimer
District 5 Resident of Denver
Another comment
Who protects mobile premise drivers from second hand smoke? How is it written into code?
Who protects staff working in structured consumption places from second hand smoke? How is it written into code other than vague terms?

If a tour bus or especially van is in use by same driver for several hours, they can also get high depending on potency of cannabis smoked
If staff is in a contained space and for several hours, they can test positive for THC in blood stream. If they work two jobs and non cannabis job requires random or regular testing - they are cooked

https://www.drugabuse.gov/publications/research-reports/marijuana/what-are-effects-secondhand-exposure-to-marijuana-smoke

Who is accountable to present the risks on the job to job holders and applicants and shouldn't that be written into code?

I'm not against marijuana in total, but I am against "easier access" for other than medical purpose and going against clean air acts that took decades to put into practice. And, I am against not including a broader working group into the document building process.

Jane Lorimer
Denver
[EXTERNAL] Marijuana in public: No

JAY NEWMAN <jaynew99@comcast.net>
Tue 1/5/2021 5:15 PM
To: MarijuanaInfo <MarijuanaInfo@denvergov.org>
Because of secondhand smoke, I am opposed to marijuana in public places.

Jay R. Newman
[EXTERNAL] Denver Delivery and Hospitality Issue

JENNIFER YATES <BrianJennifer49@msn.com>
Thu 1/14/2021 5:38 AM
To: MarijuanaInfo <MarijuanaInfo@denvergov.org>

Good morning,

Thank you for allowing comment on the marijuana delivery and hospitality issue. It is always important to put the needs of our children and community before the wants of any industry.

Please consider when a person has a conviction for marijuana possession, there are instances when the conviction was a plea deal from a greater charge. Does the change include violence? Does the charge include possession/distribution or otherwise involve someone under 21?

Acknowledged is the fact that there are communities that have a disproportionate amount of marijuana access. By removing the cap you would be allowing additional communities to become saturated with marijuana establishments. The separation of establishments by only 1000ft adds to the ability for specific communities to be targeted by the industry. A quarter mile separation would be an additional safety measure for these communities. This should also be incorporated into any new marijuana license.

The presentation stated that neighborhood leaders would be notified and who in turn would communicate with neighbors. What about those neighbors without a neighborhood leader, those in close proximity to the establishment that may be out of the “neighborhood”, or those leaders who neglect to communicate? The city should be responsible for notifying every neighbor within a 5000ft radius because it does affect them due to potential noise, odor, traffic, and drugged driving offences.

The state of Colorado, Denver, and many surrounding cities have made huge accomplishments in protecting all citizens from the harms of secondhand smoke and vapor. Allowing marijuana establishments to opt out of the Colorado Clean Indoor Act would set those accomplishments back decades. Additionally, you would be putting in harm those whose employment is contingent on constant and ongoing exposure to these potentially harmful toxins, just because they need a paycheck.

A Marijuana establishment should not be allowed to co-mingle with a Retail Food Establishment in any fashion. The possibility of THC ingestion by a RFE customer should not be an acceptable risk.

Edibles and similar products should not be allowed at a hospitality site when you consider it usually takes anywhere from 45 minutes to two hours to begin feeling the effects of an edible product. The effects last 6 to 8 hours, and generally peak at about 3 hours. How will the state prevent drugged driving when a patron has to leave the establishment?

ALL catastrophic accidents, child social services calls, and violent arrests, must include a toxicology report and data collection to insure we understand the impacts of social marijuana consumption.
Advertising restrictions must be strictly enforced. There are advertisements all over the city if you drive around and look. Unfortunately, we cannot control unlicensed business at this point, but we must strictly enforce licensed business and ensure they have no connection/enabling other types of business to advertise. If we truly want to protect our kids, we would find a way to control and limit marijuana advertising by all businesses.

While there is agreement that any new positions within the industry could be used to even out equality, delivery in general is a very risky proposition. Will delivery vans be required or allowed to have exterior markings? Delivery vehicles should not be allowed to advertise marijuana in any way. If they must be marked maybe it is with the small THC symbol used to identify edibles. Why is surveillance only required at the front of the vehicle? If a driver has a van or similar vehicle the inventory, movement, and transfer is product is likely to happen at the back of the vehicle.

If IDs can be scanned, there should be a download available to verify to the DMV database that confirms deliveries were made to valid customers. This would help prevent transfer of product to minors and diversion to the black market. Even if done at the end of the day or week, establishments could be penalized if found to be over x number.

How do you enforce no cash tips? Trust but verify!

Delivery hours do not need to be expanded to 12:00AM. Current availability 14 hours per day should give the responsible user plenty of time to re-supply.

Retail Sales Limits
1 ounce marijuana | 8 grams marijuana concentrate | marijuana products containing 800 mg THC
1/8th of an ounce is equal to 3.5g. An “eighth” will make 10 joints of 0.35g each (35mg of THC) or 7 joints of 0.5g (50mg of THC). ½ ounce will supply a person with one ‘big’ joint a day for a month. At that rate, they would be using ½ ounce per month (4/8ths of an ounce), which contains 50mg THC in a 10% strain. This would be 100mg per day if the strain was 20% and would be almost 150mg per day if the strain was 28%.

A1-ouncee delivery would be enough supply for 2 months. This seems excessive.

Medical Sales Limits - Should be limited like pharmaceuticals
2 ounces marijuana | 40 grams marijuana concentrate | marijuana products containing 20,000 mg THC
A typical single dose of THC may be considered to be 5mg to 10mg.[1] An average daily dose of all cannabinoids totaled may be considered to be 30 mg to 90 mg per day, and would include both THC and CBD. (30 to 90 mg per day total cannabinoids means a range of “15mg THC plus 15mg CBD” to “45mg THC plus 45mg CBD”). Thus, the average daily dose of only THC might be 15mg to 45mg per patient per day. [2] Doses of over 45 mg per day are not recommended according to the source data. Doses of THC greater than 54 mg per day were noted to cause signs and symptoms of overdose/poisoning. These consisted of acute intoxication produced CB1 agonism-type reactions including dizziness, hallucinations, delusions, paranoia, tachycardia or bradycardia with hypotension.[3]
It is estimated that a dose of THC 10 mg has a similar effect as 60 mg of Codeine and equivalent to two tablets of Tylenol #3 with Codeine. [4]

The allowable 20,000mg THC is more than a month's worth of dosing for 6 users. A care provider should be checking on their dependents and not need more than a couple weeks worth of supply. This could also make them a target for illegal actions, potentially causing harm to them and others.

Thank you for your consideration,
Jennifer Yates -Mother of 3
[EXTERNAL] smoke free policies for marijuana and tobacco

Jennifer Wieczorek <jennifer.j.wieczorek@gmail.com>
Wed 1/6/2021 6:55 PM
To: MarijuanaInfo <MarijuanaInfo@denvergov.org>

Thanks for the opportunity to provide input. As a home owner and an employee working in Denver please do not allow workers to get involuntary exposed to marijuana smoke. They should have the same smoke free protections as all workers and patrons.

For consistency and enforcement, smoke-free policies in public places and workplaces should apply to tobacco or marijuana whether vaped or smoked. Allowing marijuana smoking in places where smoking is now prohibited undermines Colorado laws that protect the public from exposure to secondhand tobacco smoke and could pave the way for the return of tobacco smoking in restaurants, bars, public places, or work places. It may violate the section of Amendment 64 that says that nothing in the law shall "permit consumption that is conducted openly and publicly or in a manner that endangers others."

Thank you,
Jennifer W. Moreland

Sent from my iPhone
Written Comment Form for Feedback on Draft Marijuana Legislation

Name: Jessica Scardina, Vicente Sederberg, LLP

Please use the fields below to provide feedback on the draft legislation presented at stakeholder feedback sessions on December 15 and December 17. The draft legislation and slides explaining the proposed changes are available on the Marijuana Laws, Rules, and Regulations website. Please submit written comments to marijuanainfo@denvergov.org by January 4, 2021 at 5:00 p.m.

Equity

Definition of Social Equity Applicant

Remove the cap on marijuana cultivation and store locations and maintain the prohibition on new store and cultivation locations in top five neighborhoods of undue concentration.

Store, cultivation, infused product manufacturer, hospitality, and hospitality and sales licenses exclusively available to Social Equity Applicants for six years

• Are delivery permits being classified as licenses? DRMC secs. 6-206(b)(2) & (10) appear to classify these permits as licenses.
Transporter licenses and transporter delivery permits exclusively available to Social Equity Applicants for three years

• Are delivery permits being classified as licenses? DRMC secs. 6-206(b)(2) & (10) appear to classify these permits as licenses. However, DRMC sec. 6-206(b) does not include the 7/1/2024 exemptions for transporters and stores to apply for delivery permits contained in 6-210(b)(1) & (2). All "licenses" are limited to social equity applicants until 2027, but 6-210(b) and 6-224(e) appear to contain an allowance for existing stores and transporters to obtain delivery permits in 2024. If the intent is to allow existing transporters and stores to apply for delivery permits in 2024, DRMC sec. 6-206(b) should contain this same exemption or 6-210(b) should include language that states: “notwithstanding the prohibitions in 6-206” or other similar language so it is clear that transporters and stores can apply in 2024 despite the restrictions in 6-206.
• Is there a process by which existing transporters that qualify as social equity applicants can obtain a delivery permit?
• Existing transporters are not allowed to deliver, which undercuts the purpose of this license without greatly benefiting social equity applicants. Transporters are marijuana licensees with the most experience conducting safe, compliant transport of marijuana and marijuana products. There is a limited number of existing transporters in Denver (5 medical transporters and 7 retail transporters), so social equity applicants presumably would not be edged out of the new delivery program by allowing existing transporters to deliver. As contrast, Aurora’s delivery ordinance limits new transporter + delivery permits to social equity applicants, but allows its existing stores to deliver. Aurora also noted in their work group sessions that, although they do not have any transporter licensees in the city, they would have permitted these existing transporter licensees to obtain delivery permits since they want to support Aurora businesses.

Stores required to use Denver-licensed transporters to conduct deliveries for three years

• I suggest including provisions allowing existing Denver transporters to obtain delivery permits. This would expand the delivery program (which is in the interest of public health and safety) without materially hampering social equity transporters’ opportunities.

Additional comments on Denver’s proposed marijuana equity program
Delivery

Security and vehicle requirements

Preventing diversion to youth

Additional comments on Denver’s proposed marijuana delivery program
Hospitality

Hospitality and mobile hospitality

• As was demonstrated by i-300, these proposed setbacks will make the hospitality program very restrictive. As with i-300, it will be nearly impossible to find a compliant location for a hospitality business. As discussed in the ordinance working groups, one of the goals of the new ordinance should be to move marijuana companies out of communities of color ("saturated areas") and more centrally into the city. Central areas are also more appropriate for retail sales and hospitality business uses (such as bars). In order to accomplish this, the setbacks should be loosened, not made more restrictive, so that there are more areas in the city where marijuana businesses can go. I appreciate that setbacks from drug/alcohol rehab centers, rec centers, and pools will be measured building to building, and agree this is a step in the right direction, but adding two more disqualifying facility types to the setback list unnecessarily restricts the program when we should be looking to expand potential locations.

Hospitality and sales

• Since i-300 is being repealed in full, it appears there will no longer be an avenue for obtaining temporary special event permits for consumption venues. I suggest including some type of temporary event permit for consumption venues.

• DRMC sec. 6-217(e)(1) provides that hospitality businesses cannot be licensed at one or more of the following locations: The licensed premises of another medical or retail marijuana business license. The marijuana hospitality business and other marijuana business shall provide separate ingress and egress to each licensed premises.

“Location” is defined as “a structure(s) or building(s) identified by a distinct street address assigned by the city in accordance with article IV of chapter 49 of this Code. To the extent the structure(s) or building(s) consists of separately described “units,” “suites,” “rooms,” “buildings,” or other similar subdivisions, the structure(s) or building(s) shall nevertheless be counted as one (1) location.” This broad definition of “location” could cover the entire building where the marijuana business is located, even if EXL intends to allow hospitality businesses to be located proximate to one another. I suggest including an exemption in the definition of “location” that notes the definition does not apply to hospitality businesses.

• The above-noted concern also transfers to alcohol-licensed establishments. Because “location” is so broadly defined, it could cover the licensed premises of both marijuana businesses and alcohol businesses, even if 6-217(e)(1) is only intended to prohibit licensure at the licensed premises of these facilities.

Methods of consumption at hospitality businesses

• Does the restriction on LPGs include lighters? If smoking is permitted, patrons should be permitted to use regular butane lighters.
Other Changes

Fees

Proximity and location restrictions

Advertising
• Sec. 6-209(d)(6)(b) - will Denver be issuing new hearing policies and procedures incorporating these changes?
• Secs. 6-219(a) & (b) – “All medical marijuana or retail marijuana businesses, except medical and retail marijuana transporter licenses, shall be transferable from one person to another upon approval by the director.” The MED allows partial changes of ownership for transporters, so state and local law should be aligned on this point.
Timely Decisions about the Safety of Denver Neighborhoods are Being Made NOW

Karen Fisher <kfisher5149@msn.com>
Mon 1/11/2021 9:14 PM
To: MarijuanaInfo <MarijuanaInfo@denvergov.org>

Dear Ashley Kilroy,

Dear Director Kilroy,

I understand the City of Denver is taking comments around the proposed marijuana delivery and marijuana hospitality programs. First and foremost, I want to thank you and the Denver officials for proposing that social consumption clubs and locations must be located, at a minimum, 1,000 feet from a school, preschool, day care center, outdoor city pools or drug/ alcohol treatment centers and recommending that no outdoor billboard advertising be allowed. These safeguards will help protect kids in Denver from the normalization of legalized and massively commercialized marijuana.

I would like to recommend the following additional regulations be incorporated for marijuana hospitality and social consumption:

- Maintain marijuana dispensary hours of operation until 10pm instead of allowing an increase to midnight
- Prohibit sale of marijuana edibles due to delayed impairment impacts and unacceptable drugged driving risks
- Reduce sale limits of marijuana products allowed to be sold to a reasonable serving unit--to minimize negative impacts, including excess marijuana diversion to youth
- Limit outlet density and the number of licenses issued to avoid neighborhood over-saturation and correlated inequities and negative impacts
- Require full disclosure of violations by licensees of underage admission and the mandatory reporting of adverse health and safety events that occur

I would ask the the following regulations be implemented around marijuana delivery:

- A mandatory tracking system be created to track deliveries from multiple sources to deter the creation of black-market distribution to youth
- No tipping to drivers (cash or electronic)
- Limit sales amounts to minimize diversion to youth, amount of product and cash that can be transferred with each delivery to minimize crime and other safety considerations

Thank you for your service and for taking the time to look out for our most precious resource, our kids!

Centennial

Sincerely,
Karen Fisher
13783 E Caley Dr
Centennial, CO 80111
January 15, 2021

City and County of Denver
Attn: Ashley Kilroy, Executive Director of Excise and Licenses

Dear Director Kilroy,

I understand the City of Denver is taking comments concerning the proposed marijuana delivery and marijuana hospitality programs. Thank you and Denver officials for proposing that social consumption clubs and locations must be located, at a minimum, 1,000 feet from a school, preschool, day care center, outdoor city pools or drug/alcohol treatment centers and recommending that no outdoor billboard advertising be allowed.

We would like to join other advocates in recommending the following additional regulations be adopted for marijuana hospitality and social consumption:

- Maintain marijuana dispensary hours of operation until 10pm instead of allowing an increase to midnight
- Prohibit sale of marijuana edibles due to delayed impairment impacts and unacceptable drugged driving risks
- Reduce sale limits of marijuana products to better reflect reasonable consumption
- Limit outlet density and the number of licenses issued to avoid neighborhood over-saturation and correlated inequities and negative impacts
- Require full disclosure of violations by licensees of underage admission and the mandatory reporting of adverse health and safety events that occur

We also would ask that the following regulations be implemented around marijuana delivery:

- A mandatory tracking system be created to track deliveries from multiple sources to deter the creation of black-market distribution to youth
- No tipping to drivers (cash or electronic)
- Limit sales amounts to minimize diversion to youth, amount of product and cash that can be transferred with each delivery to minimize crime and other safety considerations

These safeguards will help protect kids in Denver from the normalization of legalized and commercialized marijuana.

John D. Faught
Executive Director of Public Policy
p. 303.864.5304 c. 303.884.7611 f 303.864.5302
Written Comment Form for Feedback on Draft Marijuana Legislation

Name:

Please use the fields below to provide feedback on the draft legislation presented at stakeholder feedback sessions on December 15 and December 17. The draft legislation and slides explaining the proposed changes are available on the Marijuana Laws, Rules, and Regulations website. Please submit written comments to marijuanainfo@denvergov.org by January 4, 2021 at 5:00 p.m.

Equity

Definition of Social Equity Applicant

Remove the cap on marijuana cultivation and store locations and maintain the prohibition on new store and cultivation locations in top five neighborhoods of undue concentration.

Store, cultivation, infused product manufacturer, hospitality, and hospitality and sales licenses exclusively available to Social Equity Applicants for six years.
Transporter licenses and transporter delivery permits exclusively available to Social Equity Applicants for three years

Stores required to use Denver-licensed transporters to conduct deliveries for three years

Additional comments on Denver’s proposed marijuana equity program
Delivery

Security and vehicle requirements

Preventing diversion to youth
This is really important and it seems like an easy loophole for youth to access these products. There should be licensing that also checks compliance of delivery drivers to verify the identity and age of those they are delivering to, including in the company of minors (such as how liquor stores don't sell to anyone if they have someone underage with them).

Additional comments on Denver’s proposed marijuana delivery program
Hospitality

Hospitality and mobile hospitality

Hospitality and sales

Methods of consumption at hospitality businesses

I believe very potent products should not be consumed at a hospitality establishment (only in a private home) because of safety concerns of customers traveling home (such as driving under the influence). It is too difficult to ensure that they will choose a safe method of travel, so better to not allow such high potency use in a public place that they then have to leave.
Other Changes

Fees

Proximity and location restrictions
These should not be located near schools, playgrounds or rec centers/youth-oriented facilities. 500-1000 feet away ideally so that marketing, access and exposure are reduced.

Advertising
Marketing should not be aimed toward or appeal to minors, even indirectly like using very young-looking models. They should not be placed in areas that are frequented by minors.
Hours of operation

Comments on other changes
[EXTERNAL] Marijuana Smoking in Public

Laura Hix <supernovala67@gmail.com>
Mon 1/4/2021 3:45 PM
To: MarijuanaInfo <MarijuanaInfo@denvergov.org>

Dear Ma’am or Sir:

As a Pediatric Physician Assistant in Denver, I strongly object to the smoking of Marijuana, or any other products, in public. There are obvious health risks when any kind of smoke is inhaled. People can smoke in their own homes.

The last thing I want is to go out to dinner and come home smelling like a dead skunk. Please do not allow this intrusive and unnecessary drug in public spaces.

Thank you,

Laura Hix, MS, PA-C
Written Comment on Proposed Marijuana Rules

Lindsay Aronson <lindsayg@silverstemcannabis.com>
Mon 1/11/2021 9:43 AM
To: MarijuanaInfo <MarijuanaInfo@denvergov.org>

Good morning,
Please see below a written comment on Denver’ proposed marijuana rules:

Smaller stores rely on maintaining extensive inventory on the sales floor to compete and have taken proactive security measures to protect the public health, safety and welfare. Some of these security measures include:
1. At least two points of separation between any property entrance and the sales floor where the products are kept overnight. Points of separation in this case are commercial-grade steel doors and frames with commercial hardware and anti-burglary devices, such as window security bars, latch covers and door closers.
2. Live video monitoring and exterior loudspeakers to engage would-be perpetrators. Our live monitoring service has already deterred four burglaries in less than 11 months at our metro area stores. The service also helps identify false alarms.
3. Alarm systems include door/window sensors, motion detectors and vibration sensors. Vibration and glass sensors detect intrusions attempts which do not involve break in attempts through the exterior doors.
4. Exterior motion detection lights.

Ever since we started utilizing all of the measures listed above simultaneously, we have not had a single successful break in.

Requiring licensees to remove all stock from the sales floor will be very labor intensive and will significantly limit the number of products a licensee may keep in inventory, therefore placing them at a competitive disadvantage, while not necessarily increasing the security measures at a given location. Please consider modifying the language for the "safe/vault rule" to include waivers for licensees who go above and beyond the current security requirements by implementing some of the measures described above.

Thank you

--

Lindsay Aronson
Director of Licensing and Compliance
Silver Stem Fine Cannabis
c: + 1 817 709 6394
a: 1082 W Littleton Blvd. Littleton, CO, 80120
w: silverstemcannabis.com
Votoupal Government Affairs

January 13, 2021

Denver Dept. of Excise & Licensing
Draft Omnibus Bill Comments
On behalf of Local Product of Colorado Recreational & Medical Dispensary
419 W. 13th Avenue, Denver CO 80204

Local Product of Colorado is a Medical & Recreational Dispensary that has been in operation since 2009 with 12 employees and is proud to be located in the Golden Triangle neighborhood of Denver.

Listed below are our concerns/comments regarding proposed language in the draft Omnibus Bill.

• P. 7 lines 31-33 - We are very concerned about the practicality of installing a secure safe large enough to store our entire inventory on an overnight basis. Our usable space is approximately 1,000 square feet so this proposed provision would place an undue burden for small stores such as ours. Additionally, it is very difficult to remove all the product from the various displays every night only to then place it back on the shelves in the morning. We take the security and safety of our store very seriously as evidenced by the various security measures we have installed including: bars on all windows, reinforced doors, video cameras, alarms, glass breaks, motion sensors and keypad locks.

• P. 19 starting at line 22, subsection (e) Renewal Hearing – This proposed language complicates an already comprehensive license renewal process and could put at risk our business based on a solitary complaint from a neighbor or entity that recently moved in close proximity to our store that has been at our location for 12 years. We take considerable pride in being an active and responsible neighbor in the Golden Triangle neighborhood. More importantly, there is already a robust license renewal process in place and we strongly feel that this proposed language goes too far and could unnecessarily complicate the process and place at risk legitimate businesses across Denver.

It also appears that this language is stronger than for license renewals for comparable sectors such as businesses that serve alcohol. Amendment 64 was passed by the voters of Colorado to regulate marijuana similar to alcohol. Therefore our license renewal pathway and “needs and desires” hearing process should not be more stringent than for an alcohol related license renewal.
Votoupal Government Affairs

Thank you for the opportunity to contribute to this important policy dialogue.

Best,

Christopher Votoupal
Principal
vga@chrisvotoupal.com
(m) 720.254.4592
https://chrisvotoupal.com
[EXTERNAL] Timely Decisions about the Safety of Denver Neighborhoods are Being Made NOW

Lori Bailey <lori.l.bailey@adams12.org>
Mon 1/11/2021 3:57 PM
To: MarijuanaInfo <MarijuanaInfo@denvergov.org>
Dear Ashley Kilroy,

Dear Director Kilroy,

I understand the City of Denver is taking comments around the proposed marijuana delivery and marijuana hospitality programs. First and foremost, I want to thank you and the Denver officials for proposing that social consumption clubs and locations must be located, at a minimum, 1,000 feet from a school, preschool, day care center, outdoor city pools or drug/alcohol treatment centers and recommending that no outdoor billboard advertising be allowed. These safeguards will help protect kids in Denver from the normalization of legalized and massively commercialized marijuana.

I would like to recommend the following additional regulations be incorporated for marijuana hospitality and social consumption:

- Maintain marijuana dispensary hours of operation until 10pm instead of allowing an increase to midnight
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- Require full disclosure of violations by licensees of underage admission and the mandatory reporting of adverse health and safety events that occur

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- A mandatory tracking system be created to track deliveries from multiple sources to deter the creation of black-market distribution to youth
- No tipping to drivers (cash or electronic)
- Limit sales amounts to minimize diversion to youth, amount of product and cash that can be transferred with each delivery to minimize crime and other safety considerations

Thank you for your service and for taking the time to look out for our most precious resource, our kids!

Sincerely,
Lori Bailey
1500 E 128th Ave
Thornton, CO 80224
[EXTERNAL] Removal of odors is a more difficult subject than you might think. You can remove the odor but leave the toxins in the air. Most air cleaners will remove the particulates but not the VOCs. If you use air fresheners they will only mask the od...

Mark Lawrence <tigertom25ab@gmail.com>
Fri 1/15/2021 2:41 AM
To: MarijuanaInfo <MarijuanaInfo@denvergov.org>

I foresee the setup of these marijuana smoking areas are going to be expensive. With the Covid epidemic there will be an increased cost and there will be difficulty in getting this plan off the ground. There are going to be a lot of things to think about when the plan is set in motion. It might be better to start this after the Covid 19 epidemic is over. I forgot to mention the staff that oversees this. They will have to have some kind of protection as well in this situation. Booths are your best bet with air removal. The other thing is you will need releases for all patrons. This setup could have a potential costly admission due to everything that has to be done to safeguard the public and the staff. I still think it is a good idea but it could be very costly to consumers with all the preparations, salaries, electricity, insurance, rent, etc.

Mark Lawrence
[BULK] [EXTERNAL] Feedback on Draft MMJ Legislation

Matthew Shifrin <matthew@pioneerinterests.com>
Mon 12/14/2020 11:23 AM
To: MarijuanaInfo <MarijuanaInfo@denvergov.org>

Hello -

Please see below my comments regarding the proposed changes to legislation. I would love to be able to speak during the Q&A / public comment section of the meeting if possible? I will be attending both events.

Thanks

**Question: Definition of Social Equity Applicant:**

I am in favor of legislation that supports disproportionately impacted individuals (DII) and provides opportunities to social equity applicants. In my view, those individuals that should be defined as DII are those living in a specific Disproportionately impacted Areas (DIA) meaning an area of residential zoning that is below the national poverty line. A DIA could also be constituted as an area that has a higher-than-average homicide rate, or higher than average drug conviction rate for schedule I narcotics.

A social equity applicant could also include individuals that have received a cannabis drug conviction. This should Not include those individuals whose family has a conviction. However, a prospective social equity applicant should only be eligible to own a license if in fact 100% of the ownership of the license is owned by a social equity applicant or a group of social equity applicants.

Via the state’s incubator & accelerator program, operations and CAPEX loans should be provided to those groups on a first come first serve basis using a portion of tax revenue collected from the City and the State. It is critical that viable social equity applicants are not just used as ‘fronts’ or patsies for Multi-state operators or existing license holders to secure additional licenses.

Social equity licenses awarded should be required to be owned 100% for a period of 6-years by social equity applicants or DII’s. Licenses would be revoked if ownership were to transfer to non-social equity applicants prior to 6-years.

**Question: Remove the cap on marijuana cultivation and store locations and maintain the prohibition on new store and cultivation locations in top five neighborhoods of undue concentration.**

I do not agree with lifting the cap on marijuana cultivation and store locations in the city of Denver. There are enough dispensaries & cultivation facilities serving the greater Denver area and those dispensaries provide the service needed to its residents. Furthermore, this proposed action does not provide any support to the small business owners that have struggled over the past 10-years to build a sustainable and compliant business. I believe in lieu of lifting the cap altogether, an additional allowance of 25% incremental licenses should be issued to qualified social equity candidates for retail and cultivation licenses.
Social equity licenses issued should only be issued to individuals or groups where 100% of the ownership is qualified as a Social Equity Applicant. This way, you avoid non-social equity groups from using Social Equity Applicants as fronts for their own license gains.

**Question: Store, cultivation, infused product manufacturer, hospitality, and hospitality and sales licenses exclusively available to Social Equity Applicants for six years**

I agree that any new store and cultivation licenses issued should only be issued to individuals or groups where 100% of the ownership is held by a Social Equity Applicant. The current proposal requires only 51% of ownership be held by a Social Equity Applicant. This structure of 51% is prone to financial abuse by non-Social Equity Co-applicants whereby 99% of the economics of a business can be controlled by the 49% non-social equity co-applicant.

Infused product manufacturer, hospitality, and hospitality and sales licenses should not be issued exclusively to social equity applicants but should be issued with a cap. 25% of each of the different Infused product manufacturer, hospitality, and hospitality and sales licenses should be reserved exclusively for social equity applicants and groups of 100% wholly owned social equity applicant groups. This affords opportunity for individuals as well as social equity applicants.

**Question: Transporter licenses and transporter delivery permits exclusively available to Social Equity Applicants for three years**

I do not agree that transporter licenses & transporter delivery permits should be exclusively available to social equity applicants. There should be a limited number of licenses issued for Denver and 25% of those licenses should be held exclusively for Social Equity Applicants. The number of transporter licenses should be determined by taking the total number of dispensaries and multiplying by 1.25.

This will ensure that there are an ample number of transporters and transporter delivery permits available to properly service Denvers patients and customers. It will also ensure the lowest prices, best service, least likelihood of targeting for burglary, and optimal tax proceeds for the city and state.

**Question: Stores required to use Denver-licensed transporters to conduct deliveries for three years**

All Denver based dispensaries should only be able to use Denver licensed transporters in perpetuity. However, the number of transporter licenses should be 1.25x the number of dispensaries and 25% of those licenses should be reserved exclusively for 100% owned Social Equity Applicant individuals or groups.

**Question: Additional comments on Denver’s proposed marijuana equity program**

We are bold proponents of Denvers proposed social equity program. However, it cannot be completely at the expense of Denvers existing small business community which includes existing social equity, woman, minority, and native Colorado & Denver owners.

The primary concern here is that social equity ownership structures can be manipulated to the benefit of non-social equity co-applicants (49% owners). These non-social equity co-applicants can use...
Intellectual Property royalty agreements, management services, high rates of interest on debt, pre-requisite expenses, artificially high inter-company transfer prices, required purchasing agreements, and pre-established below market value buyout agreements to strip Social Equity Applicants of all economic ownership of the business. Several of these instruments can be left out of legal operating agreements which would prevent Denver Excise & Licensing from properly vetting the validity of these partnerships.

The issue is that Social Equity Applicant at a minimum 51% ownership threshold poses the risk that a Multi-State Operator (MSO) uses a Social Equity Applicant as a Patsy to secure a license then strips all economic value out of the business for 6-years. After 6-years, using an EBITDA multiple to establish market value, the MSO will buyout the business for pennies on the dollar as profits will be immaterial since the MSO has stripped the business of all its profit. This would be legal as the profits were being sucked out via the aforementioned financial instruments and the MSO co-applicant would have the right to buyout the Social Equity applicant at fair market value.

Instead, I propose Denver should issue an additional 25% more licenses (50), exclusively to 100% owned and controlled by Social Equity Applicants. Furthermore, the City along with the State should provide a 6-year low-interest loan capped at $500,000.00 paid via tax revenue generated from the industries 25.91% sales tax in Denver. These loans would represent 0.85% of the total tax revenue collected since January 2014 by Denver Excise and Licensing and an estimated 11% of total tax revenue collected by Denver Excise & Licensing in 2020. If the loan goes unpaid and into default the license could be revoked by Denver Excise and Licensing and sold to social equity or non-social equity applicants via a lottery for $500,000.00 + SOFR+1%

This structure will ensure that those social equity applicants who wish to enter the industry not only receive a license, but they also receive the financial support, the guidance, and opportunity needed to succeed. This will further ensure that licenses end up with viable and deserving social equity applicants and not MSO’s looking to undercut the hard-fought value built by local business owners over the last 10-years.

**Question: Security and vehicle requirements**

I believe that vehicle security should match that of a dispensary to avoid break-ins and diversion of product outside of the legal operating system into the black market. Vehicle requirements should include transit or smaller vans with no rear windows or shatter proof vinyl applied. GPS tracking should be required and 360 degree 24/hr battery operated surveillance with 40-days of playback. Weekly backups should be required to the cloud. The cab and storage area should be secured via cage and only accessed via key code. Each vehicle should have a panic button that is tied directly to 911 and creates an open Mic whereby all dialogue is being recorded and transmitted to the police.

Security should be reviewed & audited for each vehicle annually by Denver Excise and Licensing to ensure compliance.

**Question: Preventing Diversion to youth**

Ensuring ample delivery vehicle security and ensuring that each delivery recipient has a valid driver’s license. All drivers should use a digital scanning ID device. All recipients at the delivery should be identified to be over the age of 21 to ensure that one individual is not buying product for a group of underage individuals.
Question: Additional comments on Denver’s proposed marijuana delivery program

Only dispensaries and transporters licensed in Denver should be able to deliver to individuals or residents in Denver.

Question: Hospitality and mobile hospitality

I am in favor of hospitality and mobile hospitality programs in Denver. I believe that licenses should be capped and 25% of those licenses are reserved exclusively for Social Equity Applicants and 100% owned and controlled Social Equity Applicant Groups.

Question: Hospitality and sales

I am in favor of hospitality and sales and believe the limits proposed by the commission are optimal.

Question: Methods of Consumption at hospitality businesses

I agree with the commissions proposal for methods of consumption at hospitality businesses. I disagree with the commissions view that butane lighters should be banned. 99% of standard lighters are fueled by butane (bic lighter for instance). Butane is a common light hydrocarbon gas that poses minimal threat when consumed or leaked in small proportions. Most businesses use butane to light candles and other various burning devices. Also, restaurants use propane or butane torches to char food regularly. I would propose that butane lighters not be banned.

Question: Fees

I do not disagree with the commissions proposal to increase fees. However, I believe that the commission should institute a standard CPI inflation index and increase fees at that rate vs. a round $25, $50, or $100 which is effectively arbitrary. This way, business owners can plan and expect with no surprise what fee rates will be the following year or 5-years out.

Question: Proximity and location restrictions

I do not disagree with the commissions proposal for proximity and location restrictions

Question: Advertising

I disagree with the commissions proposal for advertising. Denver does not prohibit the advertising of alcohol, tobacco, or other consumption products that require you to be of adult age. At this juncture, why should cannabis not be afforded the same opportunities and rights to advertise as those other consumption products. I believe that Cannabis companies should be able to advertise through out of home mediums.

Question: Hours of operation

I agree with the commissions proposal to extend hours in Denver from 8am to 12am.

Question: Comments on other changes
I appreciate the hard work and effort of the commission and commend them for putting together a thoughtful proposal. I reiterate that proposed Social Equity Inclusions should not be at the detriment of small business owners many of which are Social Equity, woman, minorities, and Denver natives. The cap should be amended to allow for 25% more dispensary and cultivation licenses reserved exclusively for 100% owned and controlled social equity applicants or social equity applicant groups (100% of group members must qualify as a social equity applicant). Small business loans should be provided upwards of $500,000.00 at low interest payable in 5-years utilizing the 25.91% sales tax and fees collected by Denver. This represents approximately 11% of 1-years collections and 0.85% of tax collected in the last 6-years by Denver. Loans that are unpaid or go into default can be revoked and sold to social equity or non-social equity applicants via a lottery for $500,000.00 +SOFR +1%. This structure will prevent abuse of the social equity structure to benefit non-social equity co-applicants and preserve the decades worth of blood, sweat, and tears given by small business owners in Denver.

Matt Shifrin

Chief Executive Officer

201-290-2140

matthew@pioneerinterests.com

www.pioneerinterests.com

Buy the ticket. Take the ride. – HST

---------- Forwarded message ----------
From: Hamp Jenny <jhamp@lovaco.com>
Date: Monday, December 14 2020 at 10:57 AM MST
Subject: Fwd: Upcoming Events
To: Matthew Shifrin <matthew@pioneerinterests.com>

---------- Forwarded message ----------
From: Denver Marijuana Info <marijuanainfo@mailchimp.denvergov.org>
Date: Mon, Dec 14, 2020, 8:24 AM
Subject: Upcoming Events
To: <jhamp@lovaco.com>

Reminder About Upcoming Events

Denver Marijuana Informational Bulletin

Reminder About Upcoming Events
December 14, 2020

Dear Stakeholders,

Denver’s Office of Marijuana Policy and Department of Excise and Licenses would like to remind you of several events happening this week.

Feedback Sessions on Denver’s Draft Marijuana Legislation

Denver’s Office of Marijuana Policy and Department of Excise and Licenses are hosting two stakeholder feedback sessions on Tuesday, December 15 and Thursday, December 17 to present draft legislation that will make changes to the marijuana licensing code including marijuana delivery, hospitality, social equity, and other changes.

Stakeholder Feedback Session #1: Community Stakeholder Feedback Session

- Tuesday, December 15 from 2:00 – 4:30 p.m.
- Join the session on Zoom
- Access the presentation on our website

Stakeholder Feedback Session #2: Marijuana Industry Stakeholder Feedback Session

- Thursday, December 17 from 9:00 – 11:30 a.m.
- Join the session on Zoom
- Access the presentation materials on our website

If you have questions or comments about these feedback sessions, please email us at MarijuanaInfo@denvergov.org.

DORA Town Hall on Wednesday, December 16

Co-hosted by the Colorado Department of Regulatory Agencies (DORA), the Marijuana Enforcement Division (MED), and the Colorado Department of Agriculture (CDA), this virtual Town Hall will focus on banking, financial services, insurance, and economic development for cannabis businesses. The Town Hall will take place on Wednesday, December 16 from 10:00 a.m. to 12:30 p.m.

Please see the Town Hall invitation for all important information, including the registration link. You must register ahead of the Town Hall to receive the GoToWebinar link. Please direct any questions about this event to the Marijuana Enforcement Division.

BCEI Cannabis Social Equity Holiday Recognition Event on Monday, December 14
Hosted by the Black Cannabis Equity Initiative, this virtual holiday networking and information event will recognize and honor individuals and organizations advancing social equity in cannabis, including Denver’s Department of Excise and Licenses. This event will take place on Monday, December 14 from 3:30 p.m. to 6:00 p.m.

Click [here](https://outlook.office365.com/mail/MarijuanaInfo@denvergov.org/inbox/id/AAQkADZiMjBlZTkxLTExOTQtNGU4YS1hZjIxLWNkODQ5YzA3MGRmMgA) to join the Zoom meeting. Please direct any questions about this event to [John Bailey](mailto:John.Bailey@denvergov.org).

Thank you,
Department of Excise and Licenses, Office of Marijuana Policy
Support
- Extended Hours to midnight
- 90 day window to submit renewal applications.
- Change in renewal language. THANK YOU

Concerns (descending in order from most important to least)

1. **Request to split delivery and omnibus.**
   a. We recognize delivery as a robust opportunity for social equity ownership and believe it deserves consideration separate from the Omnibus, similarly to the Hospitality Bill.

2. **Delivery Loophole** Page 16 Row 25
   a. This allows an Amazon type model which will wipe out brick and mortars. Is this what Denver wants?

3. **Licenses can be denied due to “restraining competition.”** Page 22 row 28.
   a. This is extremely concerning. Any application includes renewals. Does this exist for other industries in Denver? Some consolidation is inevitable. This will effect everyone including SE applicants.

4. **Allow walk-throughs, drive-throughs, and “curbside.”** Page 9 Row 5
   a. Liquor stores are allowed to do this. State requires an MOP approval already, which should eliminate any public safety issues. This does not align with Denver’s goal of aligning state and local code.

5. **Align advertising rules to state code**
   a. If not, please re-introduce “consideration” and “Direct” language to the code. Advertising deemed as unlawful

6. **Social Impact - Would like written assurances that social impact plan results will not be evaluated as a condition for renewal and will be protected from CORA requests as proprietary information.** Page 21 Row 10, Page 7 Row 35
   a. Concerned about granularity, proprietary info, and the city’s ability to fairly evaluate. We want plans to be aspirational but this may have the opposite effect.

7. **Delivery permits for existing stores**
   a. Denver should follow the Aurora model - if a business uses a transporter, it must be a social equity transporter. Delivery is a PERMIT on an existing license, not a separate license type.

8. **Existing licensees should be able to participate in social consumption.**
a. I-300 was citizen initiated and intended for businesses to be able to participate in models such as tasting rooms. Since it is being repealed and replaced with the state law, it is important that the voter's intent be preserved in the new model.

9. **1,000 feet from each hospitality/social consumption license** is unnecessary and reduces opportunities for social equity applicants.
Denver Ordinance Feedback

Supportive
- Extended Hours
- 90 day renewal window

Concerns
1. No stakeholdering was done on omnibus bill concepts. Request to split delivery and omnibus.
2. Requesting more time.
   a. Members are still trying to understand everything in here.
   b. Holidays and the lack of a redline are making this difficult to understand all of the ramifications.

- 6-209d Renewal hearings is a HUGE concern
- Continued prohibition on advertising is offensive.
- We would like to see a prearranged set of metrics for the EXL Directors report in 2023.
- 6-209 Waiver for small stores that are pre-existing?
- Publicity of social impact plans is concerning. Some of this is proprietary
- Allow cash tips
- 6-209 b 1-3 is this calculation the same for alcohol?
- Reduce number of undue concentration neighborhoods
- Social equity licenses should not be transferable unless to another SE licensee.
- Fees waived completely for SE applicants.
- 1,000 feet from each hospitality license is unnecessary.
- Would like assurances that Social Equity plan will not be evaluated as a condition for renewal. If it is to be evaluated as a condition for renewal MIG would like to see stakeholdering on the rubric.
[EXTERNAL] Committee considering allowing marijuana vaping or smoking in licensed public places in Denver

Mollie Newman <inthevault@yahoo.com>
Tue 1/5/2021 2:15 PM
To: MarijuanaInfo <MarijuanaInfo@denvergov.org>

I have nothing against marijuana but it should be smoked IN PRIVATE, not in public places. Secondhand smoke of any kind is dangerous, unpleasant, and unwelcome.

Mollie Newman
303-941-2016
inthevault@yahoo.com
[EXTERNAL] Public Comment on Proposed Marijuana Ordinance for Social Equity

Nadav Aschner <nadav@therodmanlawgroup.com>

Fri 1/15/2021 4:03 PM

To: MarijuanaInfo <MarijuanaInfo@denvergov.org>

Good afternoon,

Please allow this email to serve as my public comments for proposed revisions and/or clarification to the draft marijuana Social Equity ordinance that overhauls what is currently known as Article V of Chapter 6 of the Denver Revised Municipal Code. I am providing these comments on behalf a number of industry stakeholders whom I represent.

1. Section 6-211(a)(1) permits marijuana cultivation facilities to transport marijuana in an outdoor portion of a limited access area so long as “the outdoor portion [of the limited access area] complies with state and local laws and regulations applicable to outdoor limited access areas for medical and retail marijuana cultivation facilities.” This language is vague and ambiguous, as state regulations for outdoor cultivation generally contemplate a myriad of outdoor cultivation activities, rather than simple transport of marijuana between, for example, non-contiguous buildings that sit on the same licensed premises. I am seeking clarification on whether or not Denver will require the same heightened security measures that the state requires for an outdoor cultivation facility, when Denver does not permit outdoor cultivation.

2. Language similar to Section 6-220(f)(3) should be included in Section 6-220(e). The language in (f)(3) is less prohibitive, and a failure to have Sections 6-220(e) and (f) mirror each other will create confusion among industry stakeholders.

3. Section 6-222(e) requires clarification, as it suggests broad agency discretion to deny license renewals. Section 6-222(e)(2) and (3) appear to provide that a frustrated, or anti-industry RNO can force an established business to recanvass the neighborhood yearly, and if the results of a neighborhood needs and desires review are not as favorable to the licensee as when it first obtained a license, the City will deny the renewal. This creates a massive burden on industry stakeholders. The standard thee licensing authority is to rely on in order to deny a renewal is unclear. Does an established business face the risk of loss of its business license simply because the City has approved other dispensaries in the designated neighborhood?

4. Similarly, Section 6-222(4)(a), (b), and (c) also provide for a subjective analysis undertaken by City agencies. Who determines that the existence of a cultivation facility has frustrated the implementation of the City’s comprehensive plan or a neighborhood plan, or negatively impacts nearby properties, etc.?

Please feel free to contact me if you’d like additional feedback or clarification on this email.

Thanks,

--

Nadav Aschner
The Rodman Law Group, LLC
600 S. Cherry St., Ste. 835
Denver, CO 80246
Office: 720-663-0558
Direct: 720-588-0548
Fax: 720-663-0558
Blog

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Director Kilroy and Deputy Director Duplechain:

We thank you for your time so far explaining Denver’s approach to the proposed overhaul of the Denver Marijuana Code in the draft omnibus bill. As a cannabis operator with over 300 jobs and 19 licenses in the city of Denver, we have reviewed these changes and provided feedback to the topics below.

- **Advertising (p.2-3):** The draft proposes a rewrite of the definition of advertising that is significantly misaligned with the state definition and creates the potential for new violations.

- **Social Impact Plans (p.3):** The draft proposes to make public some proprietary information and makes demands upon a business related to the creation of a social impact plan for license renewal.

- **Prohibition on Window Service and Curbside Pickup (p.3-4):** The draft proposes an outright ban on window service and curbside pickup. This is significantly misaligned with the state rules and public health and safety orders, as well as punitive for businesses who have reasonably and responsibly adapted to the changing retail environment during the COVID19 pandemic.

- **Causes for Denial (p.4):** Denver has added an inappropriate consideration for monitoring the “competitive landscape” as a cause for denial of issuance or renewal of a license.
Advertising

The proposed advertising definition significantly deviates from the state Marijuana Code. Cannabis businesses in Denver should be allowed to advertise pursuant to state law and comparable to what other similar businesses in the City are permitted to do.

“Consideration”
The proposed Denver definition of advertising does not include the element of “consideration” in advertising which is included in the state law. The proposed definition instead says that advertising is the simple “act of drawing the public’s attention to...” a marijuana business.

State definition of advertising (Colorado Marijuana Rules Sec. 1-115):

“Advertising” means the act of providing consideration for the publication, dissemination, solicitation, or circulation, of visual, oral, or written communication, to directly induce any Person to patronize a particular Medical Regulated Marijuana Business or Retail Marijuana Business, or to purchase particular Regulated Marijuana. “Advertising” includes marketing, but does not include packaging and labeling, Consumer Education Materials, or Branding.”

Proposed Denver definition (Sec. 6-204):

“Advertise, advertising, or advertisement means the act of drawing the public's attention to a medical or retail marijuana business in order to promote the sale of cannabis by a medical or retail marijuana business in.”

By not aligning with the state definition and including “consideration,” the proposed definition covers a significantly larger scope of activity. The result of the rewrite means that actions that were not sanctioned by the marijuana business could still result in a violation for the business, in the event those actions had ‘drawn the public’s attention to the business.’

Removal of “Direct” Language

The city has proposed removing language that potentially leaves a business vulnerable to violating the advertising law unintentionally. Where under the current Denver code a business would need to directly hand something to a person in a public place, the proposed rules can create a violation simply for the presence of marketing materials in a public space, whether or not the business introduced it in the public space.

Between this and the lack of “consideration” as defined in the state code, licensees could potentially be responsible for violations as a result of the dissemination of materials with branding or logos that were not sanctioned by the business or came from other jurisdictions where they were lawfully distributed.
Proposed Denver language which removes “direct” language (Sec. 6-224(d)):

(d) Except as otherwise provided in this subsection (d), it shall be unlawful for any person to advertise regulated marijuana anywhere in the city where the advertisement is visible to members of the public from any street, sidewalk, park or other public place as defined in 38-175(b)(3), including advertising utilizing any of the following media: any billboard or other outdoor general advertising device as defined by the zoning code; any sign mounted on a vehicle, any hand-held or other portable sign; or any handbill, leaflet or flier **directly handed to any person** in a public place, left upon a motor vehicle, or posted upon any public or private property.

**Request**

Denver’s definition and rewrite of the advertising rules creates confusion, is a substantial misalignment with state law, and provides excessive burdens and potentially new violations for licensees. Denver should remove the proposed changes in their entirety and align with the state Marijuana Code.

**Social Impact Plans**

The Omnibus proposes to require social impact plans with specific information related to community engagement and corporate social responsibility for both new applicants and license renewals.

We are in alignment with the city of Denver on the importance of a social impact plan for our business. We take pride in the steps we already take and will strive to improve each year. However, we view these plans as an investment for our business and highly proprietary. We do not believe that these plans should be public nor should they be used in consideration of license renewal.

**Request**

We request that Section 6-207(1)(g) and 6-208(g) be stricken in entirety so that the proprietary information within a social impact plan remains confidential with the Department and are protected from CORA requests. We additionally request that the proposed new language in 6-222(2) be stricken from the paragraph, as any successes or challenges in implementing a social impact plan should not be a basis for consideration in a license renewal.

**Prohibition on Window Service and Curbside Pickup**

In response to overwhelming requests from industry, patients, and consumers, the state Marijuana Code has been revised to **permanently** allow window service for licensees. Licensees who can comply with a rigorous, comprehensive set of rules designed to
promote public health and safety and mitigate risk and also obtain local approval via a modification of premises are allowed to offer window service.

A Denver licensee who wants to operate a walk-up or drive-through service window must already pass fire, building, zoning, Public Health & Environment, and Excise & Licensing inspections. If legitimate concerns exist about drive-through or walk-up windows, the City already has the authority to reject this by denying the modification of premises. Denver should not institute a blanket prohibition on window and curbside service, particularly in a time when this model has tangible benefits to public health and safety. This is entirely out of Denver’s goal for alignment with statewide policy and public health and safety goals.

**Request**
The proposed language banning window service and curbside pickup should be removed in entirety. The City can address actual, specific concerns about window service through the modification of premises process and adopt standards in the state Marijuana Code which safely allow continuation of curbside sales throughout and “after” the pandemic.

**Causes for Denial**

We appreciate the adjustments made in Omnibus Version 2 to remove license density as criteria for a renewal hearing. However, this draft has added new language in 6-223(a)(4) that raises the same concerns.

This draft adds language that allows the City to decide that issuing or even renewing a license would “restrain competition” and is an inappropriate consideration for the City to be adding to license issuance and renewals.

The “competitive landscape” isn’t cited anywhere in the current local or state Marijuana Code as grounds for denial for issuance or renewal of a license. Like the density provision removed from the previous draft, this clause would allow a responsible operator in good standing with the City to be denied renewal without any evidence or probable cause. It could also prevent a new social equity applicant from obtaining or growing their business if they have interests in more than one license.

**Request**
The proposed section 6-223(a)(4) should be removed from the draft in entirety.
[EXTERNAL] Written Comments on Omnibus Ordinance Structure

Shannon Fender <shannon.fender@nativerootsdispensary.com>
Thu 1/7/2021 9:02 AM
To: MarijuanaInfo <MarijuanaInfo@denvergov.org>
Director Kilroy and EXL Staff:

Currently there are two draft ordinances proposed by the Department: 1) an omnibus ordinance (the “Omnibus”), which first proposes **both** to repeal and replace the entire regulatory and licensing structure and **in addition** proposes implementation of medical and retail marijuana home delivery permits by Denver businesses; and 2) an ordinance dealing with hospitality as a standalone bill.

After reviewing the Omnibus, we are requesting that the bill be split apart prior to Denver City Council (“Council”) consideration. The Department has described these changes in the draft Omnibus as primarily “technical.” We respectfully disagree. We believe that the draft Omnibus includes material changes to Denver’s regulatory and licensing environment that stands to create significant uncertainty and instability for existing licensees and future social equity licensees alike. The proposed changes not related to delivery should be addressed in a standalone bill, with delivery having its own bill in line with the manner in which the hospitality bill is proposed.

This will accomplish two things: first, it will allow the Council to consider delivery as the robust social equity ownership opportunity that it is; and second, it will provide clarity and transparency for licensees to address licensing and general regulatory changes that were largely not discussed during the Marijuana Licensing Work Group this summer.

Some of our areas of concern in the Omnibus unrelated to delivery include:

- **Advertising/Unlawful Acts** - The draft proposes significant changes that stand to impose dire legal consequences on licensees.
- **Conflict and Inconsistency with the Colorado Marijuana Code** - The draft proposes changes that create inconsistencies with state code that create compliance and regulatory confusion.
- **Renewal Hearings** - The draft proposes to introduce new criteria for renewal hearings which are subjective and inconsistent with the currently established marijuana regulations.
- **Hearing Procedures** - The draft proposes to decrease transparency of hearing procedure including removal of language which grants authority of public hearings to a Hearings Officer.

Prior to Council introduction, we would ask that the regulatory and licensing changes proposed be separated from the proposed delivery framework, so that these substantial issues can receive appropriate and thorough consideration.

Best regards,
Shannon

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**Shannon Fender**

*Director of Public Affairs*

(303) 250-0125
[EXTERNAL] Comments on proposed marijuana laws

Sharon Behl <peacepug2@hotmail.com>
Mon 1/4/2021 4:40 PM
To: MarijuanaInfo <MarijuanaInfo@denvergov.org>

I am against allowing public indoor use of any smoked or vaped product as it is harmful to public health. I would support establishments receiving a license to allow only outdoor use of marijuana.

Wait staff and unsuspecting restaurant patrons, including children, could be harmed by their exposure to second hand smoke.

We would not patronize a place where people are exhaling their smoke into our lungs.

Thank you!

Sharon Behl 01+ 303 638 9199
Memorandum

TO: Denver Department of Excise and Licenses
FROM: Henny Lasley, Executive Director, Smart Colorado
DATE: January 15, 2021
RE: Recommended safeguards for youth regarding marijuana commercialization

Thank you for the opportunity to provide recommendations regarding the proposed policy changes considering marijuana hospitality licenses, marijuana delivery and marijuana dispensary operations. After the first 2020 workgroup session, we recommended that the City not “opt in” to the marijuana hospitality model (Colorado HB19-1230) which gives municipalities the authority not to bring forward marijuana hospitality licenses. However, since the decision has been made to bring these new policies forward to Denver City Council, we support the proposed strict regulations to minimize the impacts. Smart Colorado focuses on policies that minimize the normalization of marijuana and the impacts of this on youth.

Smart Colorado supports EXL’s proposal that hospitality licenses be located, at a minimum, 1,000 feet from a school, preschool, day care center, outdoor city pools or drug/alcohol treatment centers. We also support the decision to not allow outdoor billboard advertising. These safeguards will help protect kids in Denver from the normalization of legalized and commercialized marijuana.

Smart Colorado recommends the following protections be considered:

- Maintain marijuana dispensary hours of operation closing time remain at 10pm instead of allowing an increase to midnight
• Prohibit the sale of marijuana edibles in hospitality locations to heed CDPHE’s warning of edible’s delayed impairment impacts and unacceptable drugged driving risks
• Reduce individual sales of permitted marijuana products in hospitality licenses to better align with a reasonable consumer consumption amounts
• Limit outlet density city-wide including limiting the number of licenses to consider oversaturation of any Denver neighborhood and correlated inequities and negative impacts
• Require full public disclosure of violations by businesses of underage admission to hospitality locations and mandatory reporting of any adverse health and safety events that occur

Smart Colorado recommends the following regulations be implemented for marijuana delivery:
• Tipping to drivers (cash or electronic) be prohibited to deter underage sales
• Limit sales amounts eligible for delivery to minimize diversion to youth
• Limit amount of product and cash that can be transferred with each delivery to minimize crime and require additional safety considerations
• Create a mandatory monitoring electronic platform to track deliveries from different companies to avoid unknowingly delivering to the same address that could result in the creation of a black market business sell to youth
• Require full public disclosure of violations by businesses of illegal underage delivery sales and enforcement of strict penalties

Thank you for selecting Smart Colorado as a member of the 2020 stakeholder group. We appreciate your continued priority of protecting kids from the harms of continued and expansive marijuana commercialization in Denver.

Please contact me if you have any additional questions.
Written Comment Form for Feedback on Draft Marijuana Legislation

Name: Susan Westhof (Denver resident)

Please use the fields below to provide feedback on the draft legislation presented at stakeholder feedback sessions on December 15 and December 17. The draft legislation and slides explaining the proposed changes are available on the Marijuana Laws, Rules, and Regulations website. Please submit written comments to marijuanainfo@denvergov.org by January 4, 2021 at 5:00 p.m.

Equity

Definition of Social Equity Applicant

Remove the cap on marijuana cultivation and store locations and maintain the prohibition on new store and cultivation locations in top five neighborhoods of undue concentration.

Store, cultivation, infused product manufacturer, hospitality, and hospitality and sales licenses exclusively available to Social Equity Applicants for six years.
Transporter licenses and transporter delivery permits exclusively available to Social Equity Applicants for three years

Stores required to use Denver-licensed transporters to conduct deliveries for three years

Additional comments on Denver’s proposed marijuana equity program
Preventing diversion to youth

I am concerned that the provisions put into place to prevent youth access to marijuana will not be effective. I think that it will be super easy for minors to get around - such as using a fake ID. What measures will be put in place other than scanning an ID to make sure that a delivery employee isn't selling to a minor? Or to make sure that someone isn't purchasing on behalf of a minor? Illegal sales to minors of other products happen even in retail environments, so I believe that delivery sales will be a major source of access to marijuana by youth. I do hope that there will be more consideration regarding how the delivery sales of marijuana will be monitored to ensure that marijuana won't be getting into the hands of youth.

Additional comments on Denver’s proposed marijuana delivery program
Hospitality

Methods of consumption at hospitality businesses

I think that allowing smoking/vaping of any substance in any public setting would be folly.

There is no safe level of exposure to any amount of secondhand smoke/vape - even for the person who is inhaling it. (https://www.cdc.gov/tobacco/data_statistics/fact_sheets/secondhand_smoke/health_effects/index.htm)

I am concerned for the health and safety of the staff/employees being exposed. Despite the fact that they have chosen to work in that setting, they have the right to breathe clean air while at work.

So much progress has been made to clear the air in public spaces, including businesses, and this will undermine the protections that have been put in place to protect Coloradans.

According to CDPHE, there is strong evidence that marijuana smoke, both firsthand and secondhand, contains many of the same cancer-causing chemicals as tobacco smoke - which is not healthy for lungs.

Research has found that some of the known carcinogens or toxins present in marijuana smoke include: acetaldehyde, ammonia, arsenic, benzene, cadmium, chromium, formaldehyde, hydrogen cyanide, isoprene, lead, mercury, nickel, and quinoline. (http://www.ncbi.nlm.nih.gov/pubmed/18062674)

Hospitality and mobile hospitality

Hospitality and sales

Edible sales should not be allowed in these establishments as they may impact one's ability to drive home safely because of delayed effects.
**Other Changes**

**Fees**

Proximity and location restrictions
Youth cannabis use can have negative impacts on the developing youth brain. It's critical that we protect youth from access and use of cannabis by reducing the density and saturation of stores in our community.

One study (https://pubmed.ncbi.nlm.nih.gov/26154479/) reported that the number of cannabis dispensaries within a community can be directly correlated with increased youth cannabis use.

Studies suggest that efforts to limit the number of cannabis outlets in a community may help to curb youth cannabis use.

We can look to tobacco and alcohol research when considering location of marijuana businesses. Research shows that businesses located close to schools may increase the risk of the use of the substances sold there among youth.

A study from the Rand Corporation found the following:
"Living near more medical marijuana dispensaries that had storefront signage was associated with a four- to six-times larger effect both on marijuana usage and on positive expectations about marijuana."

Advertising
It's important to limit the amount of exposure that youth have to seeing advertisements, messaging and sponsorships related to marijuana.

There has been much research related to age-restricted products, including tobacco and alcohol, indicating that exposure to advertising and promotion of age-restricted products is associated with decreased perceptions of risk and increased use among young people. Research specific to cannabis advertising has found that it can influence the perceptions of young people, normalizing use and decreasing perceptions of harm. (https://pubmed.ncbi.nlm.nih.gov/26154479/)

Banning advertising for marijuana products (including branded products and sponsorships) would be best practice to reduce youth normalization of marijuana.

Additionally, a study from the Rand Corporation found the following:
"Living near more medical marijuana dispensaries that had storefront signage was associated with a four- to six-times larger effect both on marijuana usage and on positive expectations about marijuana."
Hours of operation
There is no reason to extend the hours of marijuana hospitality establishments. They should close at 10pm and do not need to remain open until 12am.

Comments on other changes
I'm so disheartened by Denver's opting in to allow marijuana hospitality establishments. Despite the fact that these settings are intended to create spaces for legal consumption of marijuana, it's creating a culture that normalizes use of marijuana in our community. I understand that there must be a balance between personal adult freedoms and protecting youth, but at the end of the day, protecting our youth and remembering that promoting health, safety and wellness in our community should be the top priorities. I am a parent of a Denver Public Schools student, and my hope is that the city we chose to raise our child in will continue to make decisions that will encourage her to make positive and safe choices as she grows up. Please remember that our children are watching. Thank you.
MEMORANDUM

Date: January 4, 2021
To: Denver Department of Excise and Licenses
From: The Color of Cannabis, Emily Peña, Government Affairs
CC: The Color of Cannabis, Sarah Woodson, Executive Director
Re: Recommendations for Draft Omnibus Bill and Draft Bill To Enact Marijuana Hospitality Program

To the Denver Department of Excise and Licenses,

Thank you for taking the time to read our recommendations for the Draft Omnibus Bill and the Draft Bill to Enact Marijuana Hospitality Program.

The Color of Cannabis proposes the following recommendations to ensure a more equitable cannabis business in Denver:

- Neighborhoods of Undue Concentration of Marijuana Store locations should be reduced from the top five to the top three statistical neighborhoods
- Delivery permits should continue to be limited to social equity transporters exclusively
- Delivery drivers should be allowed to accept cash gratuity
- Transporter Licenses should be made transferable
- Social Equity licenses should not be made transferable to non-social equity applicants during the exclusivity period.
- The social equity designation, once given, should not require renewal on a yearly basis
- The definition of Liquid Petroleum Gas should exclude lighters
- The distance requirement from a childcare facility should be 500 ft as opposed to 1000 ft.
- The Reasonable Requirements of the Neighborhood and the Desires of the Adult Inhabitants should not be dispositive at the time of license renewal.
- The language “Desires of the Adult Inhabitants” should be removed from the ordinance.
- The Reasonable Requirements of the Neighborhood should be required to be memorialized in writing at the outset.

Neighborhood of Undue Concentration of Marijuana Store locations

Denver’s proposed ordinance defines a neighborhood of undue concentration of marijuana stores as one of the top five statistical neighborhoods where the highest number of licensed medical and retail marijuana store locations exist. This rule would prohibit new stores from opening in these locations.

The city’s goal of protecting communities from over-saturation of dispensaries is valid, but we believe there are less restrictive ways of accomplishing that goal. Each application for a new store location must undergo a thorough public hearing process. The director is empowered to deny an application—in any neighborhood—based on the number and availability of licenses in that area. The public hearing requirement eliminates the need for a blanket restriction and allows the question to be taken on a case by case basis.

Numbers alone do not tell the full story of the marijuana landscape in a community, nor do they reflect the actual will of the community. Dispensaries carry a stigma because of decades of cannabis
prohibition, but studies have shown that dispensaries may bring concrete benefits to their immediate communities without some previously feared risks:

- “Overall, our results suggest that dispensaries cause an overall reduction in crime in neighborhoods, with no evidence of spillovers to surrounding neighborhoods.” (https://norml.org/marijuana/fact-sheets/societal-impacts-of-cannabis-dispensaries-retailers)

- “Based on the 2013 and 2015 Healthy Kids Colorado Survey data, permitting recreational cannabis dispensaries in a community does not appear to change student cannabis use or perceptions towards cannabis.” (https://norml.org/marijuana/fact-sheets/societal-impacts-of-cannabis-dispensaries-retailers)

- “Using an event study approach, we find that the introduction of a new dispensary within a half-mile radius of a new home increases home prices by approximately 7.7 percent on average.” (https://norml.org/marijuana/fact-sheets/societal-impacts-of-cannabis-dispensaries-retailers)

Applicants are also required to develop and implement social impact plans that promise direct benefits to the immediate communities. Job creation is one major way a dispensary can help a community and, especially during a pandemic, this is a compelling consideration. The public hearing process would allow community members to weigh the pros and cons of allowing additional dispensaries for themselves.

Given the protections afforded by public comment, we propose that the definition of undue concentration be limited to the top three statistical neighborhoods, as opposed to the top five. The new definition would still insulate certain neighborhoods from additional marijuana stores while allowing other communities to decide on a case by case basis. Adjusting the definition would not leave communities without protections—it would instead empower them to voice their support or concerns. Because real estate remains one of the biggest barriers to entry for social equity applicants, opening up potential neighborhoods increases opportunities in the industry. Social equity candidates would have a lot to gain and the city would have little to lose.

We also believe that whether a neighborhood is one of undue concentration should not be considered during renewal. If the definition changes every year, this creates uncertainty about whether a licensee would be able to operate at the same location the following year. Whether a neighborhood is considered of undue concentration should only be considered at the outset during the application process, not during renewal, and that designation should remain with the license through its duration.

**Delivery Permit Restrictions**
The present draft ordinance limits the issuance of delivery permits to social equity transporters until July 1, 2024. After that date, any transporter or marijuana store may deliver in the city. The Color of Cannabis would like to voice its support for the city’s approach.

Social equity initiatives across the country are showing that it is not enough to remove barriers to entry, there is also a need for mechanisms that enable lasting success. Denver’s model envisions third-party social equity transporters shaping the marijuana delivery market in the city. Transporters would not be in direct competition with stores because they must work with dispensaries to deliver products.
Enacting an exclusivity period allows social equity transporters the time to build a sustainable business model and establish relationships with stores across the city. If stores are allowed to deliver at the outset, it would eliminate the incentive of building relationships with social equity transporters. It would also allow big business interests to move in. If the city does decide to reverse course and allow stores to deliver, we believe it should be limited to social equity stores alone.

**Delivery Drivers Accepting Gratuity**
The current draft omnibus bill prohibits marijuana delivery permittees from accepting cash gratuity. We recommend that this requirement be eliminated from the text of the ordinance or expanded to provide more clarity to stakeholders.

Cash gratuity is an industry standard in both the marijuana and food delivery industries, where budtenders and delivery drivers routinely accept gratuity from customers. Importantly, these employees depend on gratuity to make a living wage. Delivery drivers and vehicles are already subject to stringent security requirements, and in terms of security, accepting cash gratuity at the time of delivery is no different than accepting cash payment for products.

The language of this section is also troublesome because it does not provide clear guidance on the sanctions for accepting cash gratuity and thus creates a lot of uncertainty for employees and businesses. If the requirement is not eliminated, it should be expanded to include applicable penalties.

**Transporter License Transferability**
The current draft ordinance makes transporter licenses non-transferable. We believe this is too restrictive and that transporter licenses should be treated the same as other marijuana business licenses.

**Transferability of Social Equity License**
The current draft bill allows social equity licenses to be transferred to both non-social equity and social equity applicants. We believe this language opens the door to predatory behavior. Instead, we propose that social equity licenses be made not transferable to non-social equity applicants during the exclusivity period. That restriction may be lifted once the exclusivity period is over. Within the exclusivity period, we believe social equity applicants can transfer licenses among themselves.

**Social Equity Designation Renewal**
We would like clarification that at the renewal time it is the license itself and not the social equity designation that is up for renewal. Once social equity status is achieved at the time of application, we do not believe the qualification needs to be renewed every year and is a designation that remains with the applicant. This is particularly important for applicants who qualify under the income requirement. The current definition of a social equity candidate includes an income qualification, however, it does not note what happens if the applicant’s income increases at the time of license renewal.

**Liquified Petroleum Gas**
The current regulation includes a blanket restriction preventing a marijuana hospitality business licensee from allowing the use of liquified petroleum gas within a consumption area. We understand the city’s concern about large devices such as butane torches which might create a hazard, but under the current language, this would prevent the use of innocuous items like small lighters as well. Since smoking will be allowed in hospitality establishments, there needs to be a way to light marijuana products. We believe
altering the language of the ordinance to expressly exclude lighters from the definition would be sufficient to clarify this requirement.

**Childcare Proximity Restrictions**
The current proximity requirements prevent a hospitality establishment from opening within 1000 feet of a childcare establishment. We believe this requirement should be reduced to 500 feet. Unlike schools, childcare facilities are private entities and should be allowed to enter into their own arrangements with cannabis businesses. They should have the autonomy to decide whether to allow a marijuana business to open nearby.

Every applicant is required to submit a social impact plan and to obtain feedback from community stakeholders at the time of application. Allowing a marijuana business in the community may bring benefits that directly impact the childcare facility in question.

**Reasonable Requirements of the Neighborhood and the Desires of the Adult Inhabitants**
The present ordinance allows the director to consider the reasonable requirements of the neighborhood and desires of the adult inhabitants in its decision whether to approve or deny an application. In fact, the application will be denied if the applicant fails to prove by a preponderance of the evidence that the neighborhood and adult inhabitants support the issuance of the license. The bill also notes that the director may set a hearing on the renewal of the application if the reasonable requirements of the neighborhood and the desires of the adult inhabitants indicate the license should not be renewed.

We believe this requirement goes a step too far and gives the community too much power to shutter a business that is otherwise operating compliantly. This requirement could scare away potential investors and business owners because of the uncertainty that the license would not be renewed, even if everything is done correctly.

The neighborhood already has an opportunity to express its concerns at the outset, and formulating a successful social impact plan includes getting feedback and input from community members. In its current form, the applicant also needs to show benefits to the community by preponderance of the evidence at the outset or is subject to denial.

If the language stays in place, we believe it should be clear that this factor alone is not enough to deny renewal of the license when the business is otherwise operating compliantly. We also believe the burden of evidence should be higher than simple petitions or remonstrances. We recommend softening the language to note that the director may consider such evidence, but will make a determination based on the totality of the circumstances. It should be clear that community input alone is not sufficient to deny renewal of a license.

For the sake of due process, we also believe that the reasonable requirements of the neighborhood as expressed at the time of application should be memorialized in writing. Otherwise business owners will be chasing a moving target and be left with uncertainty at the time of renewal.

We also believe the phrase “desires of adult inhabitants” should be removed entirely while still keeping “reasonable requirements of the neighborhood.” This will ensure that the voice of the collective community will be heard as opposed to individuals who may be functioning as bad actors.
The Color of Cannabis would like to thank you for your continued support of initiatives that positively impact social equity candidates. We hope that you find value in our recommendations knowing that you share our vision of creating a successful and equitable cannabis industry in Denver.

Respectfully,
Emily Peña, Government Affairs
The Color of Cannabis
Written Comment Form for Feedback on Draft Marijuana Legislation

Name: The Green Solution, LLC

Please use the fields below to provide feedback on the draft legislation presented at stakeholder feedback sessions on December 15 and December 17. The draft legislation and slides explaining the proposed changes are available on the Marijuana Laws, Rules, and Regulations website. Please submit written comments to marijuanainfo@denvergov.org by January 4, 2021 at 5:00 p.m.

Equity

Definition of Social Equity Applicant

No comment.

Remove the cap on marijuana cultivation and store locations and maintain the prohibition on new store and cultivation locations in top five neighborhoods of undue concentration.

No comment.

Store, cultivation, infused product manufacturer, hospitality, and hospitality and sales licenses exclusively available to Social Equity Applicants for six years

Companies who currently hold product manufacturer licenses should be allowed to apply for additional product manufacturer license(s) if the additional license(s) will be commonly owned. This will allow current businesses to scale production and operate product manufacturer facilities in near proximity to one another. Scaling of production will be especially important if cannabis is legalized federally.
Transporter licenses and transporter delivery permits exclusively available to Social Equity Applicants for three years

No comment.

Stores required to use Denver-licensed transporters to conduct deliveries for three years

Companies currently holding store licenses should be able to obtain a permit for delivery to allow them to deliver their own product. This will allow operators to remain competitive and keep costs as low as possible, giving them a greater chance to remain in business and keep up with customer preferences. Delivery is a privilege granted by the state to store licensees and the city should not strip this privilege away from current store licensees by limiting who can receive the permit.

Additional comments on Denver’s proposed marijuana equity program

Licenses being renewed should not be called for a hearing unless the community has demonstrated that the store or facility has caused severe harm. A mere opinion that a cannabis store or facility should not be located in the neighborhood should not trigger a hearing. Instead, actual harm to the community should be shown before a hearing is noticed. For this reason, we request that section 6-222(e)(2) be stricken. Part (1) of that same section adequately protects the interest of the neighborhood.

Also, a store license should not be examined at hearing due to the number and availability of other stores in or near the neighborhood. This would apply a retroactive effect to a license that the City has previously granted. Actions taken by the City subsequent to the issuance of a license should not impact a license’s status. Existing licensees have made large investments into their businesses and licenses should not be revoked unless there is a demonstrated harm to the community or a history of non-compliance. This provision will not only unfairly impact current licensees, but it will raise serious concerns for any applicant wishing to invest and start a new business in the city. We ask that section 6-222(e)(3) be stricken.

Lastly, a cultivation facility license should not be revoked because it has frustrated the implementation of the city’s comprehensive plan or any adopted neighborhood plan applicable to the subject property. Assessing impact to the city’s comprehensive plan or neighborhood plan should be made at the issuance of a license, not at the renewal of a license. As explained above, current licensees will be in constant fear of losing their license and will be unlikely to further invest in the business. Such a regulatory environment quells investment due to increased and unpredictable risk.

Additionally, social impact plans should not be made public. The plans will most likely contain sensitive information regarding a company’s strategy to support the community and further social equity goals. This strategy is likely to be interwoven with the company’s branding and marketing strategies, thus hinting or even revealing trade secrets to the public and competitors.
Delivery

Security and vehicle requirements

No comment.

Preventing diversion to youth

No comment.

Additional comments on Denver’s proposed marijuana delivery program

We ask that the ordinance be amended to specifically state that drivers may keep an electronic record of receipts for delivered products.

Companies currently holding store or transporter licenses should be able to obtain a delivery permit. Existing stores need flexibility to transport their own product for delivery to consumers to remain competitive. Also, existing transporters will be severely disadvantaged by not being able to deliver product to consumers.

Additionally, delivery from marijuana off-premises storage facilities should not be allowed. Currently, state statute allows retail marijuana stores and transporters hired by the retail marijuana store to deliver marijuana directly from an off-premises storage facility. The current regulatory framework allows stores to warehouse regulated goods at an off-premises storage facility and operate a delivery business from that location without having to make substantial sales from the actual store. This creates the opportunity for operators who do not wish to invest in a brick-and-mortar store or the community to deliver to any jurisdiction that allows for it throughout the state.

Furthermore, cross-jurisdictional delivery should not be allowed. First, if delivery from off-premises storage facilities is not prohibited, operators could open a store with an off-site storage facility in another jurisdiction and then use the off-premises storage facility to deliver into the City without making substantial sales from the store itself. Second, allowing cross-jurisdictional delivery will cannibalize sales from stores located in the City, further burdening current licensees and eroding the City’s tax base.

Without policy modifications to prevent this from happening, the delivery model as drafted has the future potential to materially and detrimentally undermine over ten years of investment and job creation made by countless licensees and applicants. Allowing companies outside of the City to deliver within the city and to deliver from off-premises storage facilities would codify delivery as an unlevel playing field. We see a future of delivery dominated by companies playing by a different, less costly, set of rules than those established by the City, while detrimentally undermining existing and future brick-and-mortar stores in Denver.
Hospitality

Hospitality and mobile hospitality
No comment.

Hospitality and sales
No comment.

Methods of consumption at hospitality businesses
No comment.
Other Changes

Fees
No comment.

Proximity and location restrictions

We’d like the city to clarify that proposed sections 6-209(b), (c); 6-211(b), (c) and 6-12(b) regarding proximity and location restrictions for stores, cultivation facilities and product manufacturers are not applicable to current licensees and will not be applied at renewal.

Advertising

The proposed definition of “advertise, advertising, or advertisement” is very broad. “The act of drawing the public’s attention to a medical or retail marijuana business in order to promote the sale of cannabis” could include a multitude of different acts.

Marijuana businesses should be allowed to advertise in connection with acts done to furtherance social impact plans akin to sponsorship of an event. We suggest revising 6-224(d)(4) to “Advertising which is purely incidental to sponsorship of a charitable event by a medical or retail marijuana business or an event held in furtherance of goals listed in the medical or retail marijuana business’s social impact plan.”
Hours of operation

No comment.

Comments on other changes

Section 6-209(3):
Storing cannabis overnight in safe is not financially viable, especially when product needs to be kept refrigerated. A store’s entire inventory of regulated product will usually not fit in a safe and safes do not typically come with climate control akin to a refrigerator. We request that section 6-209(3) be revised to allow licensees to store product in a vault.

Additionally, if refrigerated product cannot be kept on the sales floor, licensees will incur the not insignificant expense of purchasing additional refrigerators and freezers for the limited access rea. We request that section 6-209(3) also be revised to allow product to stay overnight in a refrigerator or freezer as long as the refrigerator or freezer is affixed to the building structure, similar to the City of Aurora’s provision for overnight storage of cannabis.

Requested revisions to 6-209(3):
"Beginning July 1, 2021, medical and retail marijuana stores shall install and use a secure safe or vault in a limited access area, which shall be incorporated into the building structure or securely attached thereto, for overnight storage of cannabis and cash. For marijuana-infused products that must be kept refrigerated or frozen, the establishment may lock the refrigerated container or freezer so long as the appliance is affixed to the building structure."

Section 6-205(b):
Section 6-205 does not list retail marijuana products manufacturer licenses as a type of license class that may be issued by the director. Does the City intend to stop issuing retail marijuana product manufacturer licenses?

Section 6-211(a)(1):
We request additional clarification of the intention behind section 6-211(a)(2). What is meant by “transport”? That is, what specific types of activities does the City wish to be carried out within an outdoor cultivation limited access area? The security requirements applicable to outdoor limited access areas for cultivation facilities were put in place by the State primarily for cultivation facilities that cultivation outside of an enclosed structure. When cannabis is grown in an outdoor field, additional security requirements are essential to product public safety.

If this section wishes to impose outdoor cultivation facility requirements on the parking lot of an indoor cultivation facility only because the facility loads a truck in the parking lot instead of inside a building, it will put an undue burden on current licensees.

Any cultivation facility that doesn’t have a dock where trucks can enter the building to be loaded have to physically walked boxed product outside of the building to load a truck. Fencing a parking lot with a gate would impose an exorbitant expense and would require a fence variance. Lights or cameras on the gate may also vary variances. As such, this requirement may be in conflict with zoning ordinances.

6-221(a):
We request further clarification on what constitutes a “physical change, alteration, or modification of the license premises that materially or substantially alters the license premises or the usage of the licenses premises from the plans originally approved.” It will be extremely difficult for licensees to comply with this section without further clarification. We suggest that the City stay aligned with the State’s modification of premises requirements so that compliance is easier and to streamline licensing processes.
FW: [EXTERNAL] pot delivery

MarijuanaInfo <MarijuanaInfo@denvergov.org>
Mon 2021-01-04 12:33 PM
To: Borchers, Abbey - EXL Policy Analyst <Abbey.Borchers@denvergov.org>; Rogers, Erica N. - EXL Policy Analyst <Erica.Rogers@denvergov.org>
FYI in case you believe this should be included in public comment. Can one of you respond?

Regards,

Eric

----Original Message----
From: abqueencity@netzero.net <abqueencity@netzero.net>
Sent: Monday, January 4, 2021 11:52 AM
To: MarijuanaInfo <MarijuanaInfo@denvergov.org>
Subject: [EXTERNAL] pot delivery

my personal opinion.....common sense...
I am sure the delivery piece will be part of the conversation coming up. I believe strongly that to make it as easy as a phone call. text, email to have pot delivered to a customers door, is just inviting the youngsters of our community to laugh ( not from the hi ) but from the naive stupidity of the idea that pot is now not available to anyone, and everyone regardless of age etc.
To ask people to get out of their chair, show an id, and then receive ( if they are legal age ) is NOT asking much.......delivery becomes a joke to all.

make a wise, common sense decision to not further dummy down our kids.

yours truly, tom sundheim

"Green" for 35 Years
QUEEN CITY ARCHITECTURAL SALVAGE,INC.
4750 Brighton Blvd.
Denver, CO 80216
(303) 296-0925 phone
abqueencity@netzero.com

Sponsored by https://urldefense.com/v3/__https://www.newser.com/?utm_source=part&utm_medium=uol&utm_campaign=rss_taglines_more__;!!M87Ej6RJKlw!A9zOjf0oYx4-HrDH2UWEYNYQ16ZId60B077qhNcv0McI5TxSwMKpnCrqOHh_ZXVZ1QSYA$
What Pro-Trump Outlets Say About His Phone Call
https://urldefense.com/v3/__http://thirdpartyoffers.netzero.net/TGL3241/5ff363f89abd63f72ef3st03duc1__;!!M87Ej6RJklwIA9zOjf0oYx4-HrDH2UWEYNYQI16ZId608077qhNcv0Mcl5TxSwMKpnCrgOHh_ZUv4biONw6

This Country Just Saw Its First-Ever Population Drop
https://urldefense.com/v3/__http://thirdpartyoffers.netzero.net/TGL3241/5ff363f82e6e163f72ef3st03duc2__;!!M87Ej6RJklwIA9zOjf0oYx4-HrDH2UWEYNYQI16ZId608077qhNcv0Mcl5TxSwMKpnCrgOHh_ZVkr3dsFw6

Witness Saw Plane Emerge From Clouds, Then Fiery Crash
https://urldefense.com/v3/__http://thirdpartyoffers.netzero.net/TGL3241/5ff363f85401163f72ef3st03duc3__;!!M87Ej6RJklwIA9zOjf0oYx4-HrDH2UWEYNYQI16ZId608077qhNcv0Mcl5TxSwMKpnCrgOHh_ZUPf1mSIAS
To: Denver Department of Excise and Licenses  

From: VS Strategies  

Date: January 15, 2021  

Subject: Denver’s proposed omnibus ordinance  

Director of the Department of Excise and Licenses,  

We thank you for the hard work and community outreach processes you and your staff underwent to create new delivery and hospitality licenses, reconcile the city code with state rules, and increase opportunities in the cannabis space for disenfranchised communities.

We write today on behalf of our clients with public comments related to the Omnibus Ordinance.  

Section 1: Advertising - Sec. 6-204(1), 6-224(c) and (d)  

We understand the city has concerns about the public health impacts of marijuana advertising, and that Excise and Licenses (EXL) will not recommend alignment with state law. While we share the desire to protect youth, we hope that the city will consider how to narrowly tailor these restrictions to minimize their impact on commercial speech. The US Supreme Court has long held that commercial speech is protected under the First Amendment, and we should all endeavor to uphold the balance between individual rights and public health protections set forth by our constitution. In keeping with this balance, we are only asking for minor changes to EXL’s proposal around advertising at events.

There has been a long standing difference between state and Denver law that precedes the latest state change that Denver decided to not adopt. Denver’s ordinance is significantly more restrictive to licensees yet fails to provide even the same amount of youth protection as the state’s less restrictive policy.

State regulations permit marijuana businesses to advertise through event sponsorship, provided that at least 71.6% of the audience is reasonably expected to be 21 years of age. State law narrowly tailors this restriction to specifically address concerns about youth exposure to advertising and leverages long-standing standards to base it’s restriction.
In contrast, Denver only permits such advertising when it is “purely incidental to the sponsorship of a charitable event.” Denver’s ordinance is not narrowly tailored, failing to address youth attendance and, instead, conditioning permissibility on whether the advertising is “incidental” to the sponsorship and whether the event is considered “charitable.”

Denver restricts marijuana businesses commercial speech rights to mitigate risks to public health and to protect youth. The requirements for the advertisement to be “incidental” and the event to be “charitable” are not related to public health or youth at all, let alone narrowly tailored. Under Denver law, a marijuana business could sponsor a fundraiser for a youth softball league but not a concert that only permits persons 21 years or older to enter.

Further, the standards set forth in the Denver ordinance are so vague that they have a chilling effect on marijuana licensees. There is no clear meaning to the term “incidental” and therefore, licensees cannot accurately assess whether advertising in conjunction with an event would meet these standards. Further, there is no clear understanding of what makes an event charitable under the Denver Ordinances. In combination, these vague terms discourage licensees from sponsoring any events for fear that they unintentionally violate city law. This not only restrictions the rights of marijuana businesses but also suppresses charitable donations because licensees do not know when they can sponsor these events.

We request that Denver amend its proposed omnibus ordinance to mirror the state’s language on event sponsorships. By following the state’s language, Denver will better protect public health, better limit advertising that youth encounters, clarify compliance expectations for the industry, align it’s policy with constitutional jurisprudence, and clear barriers for the marijuana industry to support non-profit organizations.

**Section 2: Secure Safe - Sec. 6-209(a)(3)**

We have some concerns about EXL’s proposal for all marijuana businesses to have a safe and for all products to be stored in the safe overnight. This proposal imposes new requirements on existing businesses that did not plan for this expectation in their original design. While some operators already meet these expectations, some will need to make adjustments to their facilities and increase staff time to meet this new requirement. However, there are other operators that will not be able to meet the standard because their facilities were not designed with this expectation in mind.

Several years ago, the Colorado Marijuana Enforcement Division (MED) amended their security requirements for outdoor cultivation facilities. Similar to the situation in Denver, there were many existing facilities with security measures that provided to be effective for many years, despite failing to meet the specific standards newly created by the MED. The state bridged this gap by creating a waiver process, where operators could apply for a permanent exemption from the new standards by explaining their alternative measures for review by the regulatory agency.
We recommend that EXL follow this pathway, which has proven to be successful at the state level for a similar situation. We propose that the draft be amended to include the following waiver concept:

- The ordinance will create a waiver process that will allow licensees to apply for an exemption from this new standard
- The ordinance should detail some standards and, ideally, even provide examples of alternative measures that would be deemed sufficient
- The application will require the licensee to explain the alternative measures. EXL will then review and approve, deny, or ask for modifications

**Section 3: Cash Gratuity - Sec 6-210(c)(5)**

We understand that the intent behind the proposal to prohibit delivery drivers from receiving cash gratuities during a delivery is to protect those drivers. While we agree that this could help mitigate the risks of theft, we believe that the safety increase gained is not justified by the significant restriction on the earning potential for drivers.

Today, a budtender’s wages are significantly supplemented through tips, which can take an employee from $15 per hour to over $20 per hour. Gratuity can constitute 25% or more of these employees’ income in some cases. We can reasonably expect that delivery drivers will fall within a similar pay scale and that gratuity will likely also make up an impactful percentage of their income. For these people, gratuity isn’t just a nice thing to have - it’s rent, groceries, and gas for their car.

This issue really comes down to balancing the value of the outcomes. There is certainly value in reducing risk for theft and protecting public safety. This benefit needs to be weighed against the income reduction on drivers, who will have a much harder time making ends meet if the city restricts their income potential in this manner. We believe that the potential benefit to public safety is outweighed by the harm to delivery drivers. Therefore, we request EXL remove this restriction and monitor for whether public safety issues.
Director Kilroy and Deputy Director Duplechain:

We thank you for your time so far explaining Denver’s approach to the proposed overhaul of the Denver Marijuana Code in the draft omnibus bill. As a cannabis operator with over 300 jobs and 19 licenses in the city of Denver, we have reviewed these changes and provided feedback to the topics below.

- **Advertising (p.2-3):** The draft proposes a rewrite of the definition of advertising that is significantly misaligned with the state definition and creates the potential for new violations.

- **Social Impact Plans (p.3):** The draft proposes to make public some proprietary information and makes demands upon a business related to the creation of a social impact plan for license renewal.

- **Prohibition on Window Service and Curbside Pickup (p.3-4):** The draft proposes an outright ban on window service and curbside pickup. This is significantly misaligned with the state rules and public health and safety orders, as well as punitive for businesses who have reasonably and responsibly adapted to the changing retail environment during the COVID19 pandemic.

- **Causes for Denial (p.4):** Denver has added an inappropriate consideration for monitoring the “competitive landscape” as a cause for denial of issuance or renewal of a license.
Advertising

The proposed advertising definition significantly deviates from the state Marijuana Code. Cannabis businesses in Denver should be allowed to advertise pursuant to state law and comparable to what other similar businesses in the City are permitted to do.

“Consideration”

The proposed Denver definition of advertising does not include the element of “consideration” in advertising which is included in the state law. The proposed definition instead says that advertising is the simple “act of drawing the public’s attention to...” a marijuana business.

State definition of advertising (Colorado Marijuana Rules Sec. 1-115):

“Advertising” means **the act of providing consideration** for the publication, dissemination, solicitation, or circulation, of visual, oral, or written communication, to directly induce any Person to patronize a particular Medical Regulated Marijuana Business or Retail Marijuana Business, or to purchase particular Regulated Marijuana. “Advertising” includes marketing, but does not include packaging and labeling, Consumer Education Materials, or Branding.”

Proposed Denver definition (Sec. 6-204):

“Advertise, advertising, or advertisement means **the act of drawing the public's attention** to a medical or retail marijuana business in order to promote the sale of cannabis by a medical or retail marijuana business in.“

By not aligning with the state definition and including “consideration,” the proposed definition covers a significantly larger scope of activity. The result of the rewrite means that actions that were not sanctioned by the marijuana business could still result in a violation for the business, in the event those actions had ‘drawn the public’s attention to the business.’

Removal of “Direct” Language

The city has proposed removing language that potentially leaves a business vulnerable to violating the advertising law unintentionally. Where under the current Denver code a business would need to directly hand something to a person in a public place, the proposed rules can create a violation simply for the presence of marketing materials in a public space, whether or not the business introduced it in the public space.

Between this and the lack of “consideration” as defined in the state code, licensees could potentially be responsible for violations as a result of the dissemination of materials with branding or logos that were not sanctioned by the business or came from other jurisdictions where they were lawfully distributed.
Proposed Denver language which removes “direct” language (Sec. 6-224(d)):

(d) Except as otherwise provided in this subsection (d), it shall be unlawful for any person to advertise regulated marijuana anywhere in the city where the advertisement is visible to members of the public from any street, sidewalk, park or other public place as defined in 38-175(b)(3), including advertising utilizing any of the following media: any billboard or other outdoor general advertising device as defined by the zoning code; any sign mounted on a vehicle, any hand-held or other portable sign; or any handbill, leaflet or flier **directly handed to any person** in a public place, left upon a motor vehicle, or posted upon any public or private property.

**Request**

Denver’s definition and rewrite of the advertising rules creates confusion, is a substantial misalignment with state law, and provides excessive burdens and potentially new violations for licensees. Denver should remove the proposed changes in their entirety and align with the state Marijuana Code.

**Social Impact Plans**

The Omnibus proposes to require social impact plans with specific information related to community engagement and corporate social responsibility for both new applicants and license renewals.

We are in alignment with the city of Denver on the importance of a social impact plan for our business. We take pride in the steps we already take and will strive to improve each year. However, we view these plans as an investment for our business and highly proprietary. We do not believe that these plans should be public nor should they be used in consideration of license renewal.

**Request**

We request that Section 6-207(1)(g) and 6-208(g) be stricken in entirety so that the proprietary information within a social impact plan remains confidential with the Department and are protected from CORA requests. We additionally request that the proposed new language in 6-222(2) be stricken from the paragraph, as any successes or challenges in implementing a social impact plan should not be a basis for consideration in a license renewal.

**Prohibition on Window Service and Curbside Pickup**

In response to overwhelming requests from industry, patients, and consumers, the state Marijuana Code has been revised to **permanently** allow window service for licensees. Licensees who can comply with a rigorous, comprehensive set of rules designed to
promote public health and safety and mitigate risk and also obtain local approval via a modification of premises are allowed to offer window service.

A Denver licensee who wants to operate a walk-up or drive-through service window must already pass fire, building, zoning, Public Health & Environment, and Excise & Licensing inspections. If legitimate concerns exist about drive-through or walk-up windows, the City already has the authority to reject this by denying the modification of premises. Denver should not institute a blanket prohibition on window and curbside service, particularly in a time when this model has tangible benefits to public health and safety. This is entirely out of Denver’s goal for alignment with statewide policy and public health and safety goals.

**Request**
The proposed language banning window service and curbside pickup should be removed in entirety. The City can address actual, specific concerns about window service through the modification of premises process and adopt standards in the state Marijuana Code which safely allow continuation of curbside sales throughout and “after” the pandemic.

**Causes for Denial**

We appreciate the adjustments made in Omnibus Version 2 to remove license density as criteria for a renewal hearing. However, this draft has added new language in 6-223(a)(4) that raises the same concerns.

This draft adds language that allows the City to decide that issuing or even renewing a license would “restrain competition” and is an inappropriate consideration for the City to be adding to license issuance and renewals.

The “competitive landscape” isn’t cited anywhere in the current local or state Marijuana Code as grounds for denial for issuance or renewal of a license. Like the density provision removed from the previous draft, this clause would allow a responsible operator in good standing with the City to be denied renewal without any evidence or probable cause. It could also prevent a new social equity applicant from obtaining or growing their business if they have interests in more than one license.

**Request**
The proposed section 6-223(a)(4) should be removed from the draft in entirety.
[EXTERNAL] Written Comments on Omnibus Ordinance Structure

Shannon Fender <shannon.fender@nativerrootsdispensary.com>
Thu 1/7/2021 9:02 AM
To: MarijuanaInfo <MarijuanaInfo@denvergov.org>
Director Kilroy and EXL Staff:

Currently there are two draft ordinances proposed by the Department: 1) an omnibus ordinance (the “Omnibus”), which first proposes both to repeal and replace the entire regulatory and licensing structure and in addition proposes implementation of medical and retail marijuana home delivery permits by Denver businesses; and 2) an ordinance dealing with hospitality as a standalone bill.

After reviewing the Omnibus, we are requesting that the bill be split apart prior to Denver City Council (“Council”) consideration. The Department has described these changes in the draft Omnibus as primarily “technical.” We respectfully disagree. We believe that the draft Omnibus includes material changes to Denver’s regulatory and licensing environment that stands to create significant uncertainty and instability for existing licensees and future social equity licensees alike. The proposed changes not related to delivery should be addressed in a standalone bill, with delivery having its own bill in line with the manner in which the hospitality bill is proposed.

This will accomplish two things: first, it will allow the Council to consider delivery as the robust social equity ownership opportunity that it is; and second, it will provide clarity and transparency for licensees to address licensing and general regulatory changes that were largely not discussed during the Marijuana Licensing Work Group this summer.

Some of our areas of concern in the Omnibus unrelated to delivery include:

- Advertising/Unlawful Acts - The draft proposes significant changes that stand to impose dire legal consequences on licensees.
- Conflict and Inconsistency with the Colorado Marijuana Code - The draft proposes changes that create inconsistencies with state code that create compliance and regulatory confusion.
- Renewal Hearings - The draft proposes to introduce new criteria for renewal hearings which are subjective and inconsistent with the currently established marijuana regulations.
- Hearing Procedures - The draft proposes to decrease transparency of hearing procedure including removal of language which grants authority of public hearings to a Hearings Officer.

Prior to Council introduction, we would ask that the regulatory and licensing changes proposed be separated from the proposed delivery framework, so that these substantial issues can receive appropriate and thorough consideration.

Best regards,
Shannon

--

Shannon Fender
Director of Public Affairs
(303) 250-0125
[EXTERNAL] Comments on proposed marijuana laws

Sharon Behl <peacepug2@hotmail.com>
Mon 1/4/2021 4:40 PM
To: MarijuanaInfo <MarijuanaInfo@denvergov.org>

I am against allowing public indoor use of any smoked or vaped product as it is harmful to public health. I would support establishments receiving a license to allow only outdoor use of marijuana.

Wait staff and unsuspecting restaurant patrons, including children, could be harmed by their exposure to second hand smoke.

We would not patronize a place where people are exhaling their smoke into our lungs.

Thank you!

Sharon Behl 01+ 303 638 9199
Memorandum

TO: Denver Department of Excise and Licenses
FROM: Henny Lasley, Executive Director, Smart Colorado
DATE: January 15, 2021

RE: Recommended safeguards for youth regarding marijuana commercialization

Thank you for the opportunity to provide recommendations regarding the proposed policy changes considering marijuana hospitality licenses, marijuana delivery and marijuana dispensary operations. After the first 2020 workgroup session, we recommended that the City not “opt in” to the marijuana hospitality model (Colorado HB19-1230) which gives municipalities the authority not to bring forward marijuana hospitality licenses. However, since the decision has been made to bring these new policies forward to Denver City Council, we support the proposed strict regulations to minimize the impacts. Smart Colorado focuses on policies that minimize the normalization of marijuana and the impacts of this on youth.

Smart Colorado supports EXL’s proposal that hospitality licenses be located, at a minimum, 1,000 feet from a school, preschool, day care center, outdoor city pools or drug/alcohol treatment centers. We also support the decision to not allow outdoor billboard advertising. These safeguards will help protect kids in Denver from the normalization of legalized and commercialized marijuana.

**Smart Colorado recommends the following protections be considered:**

- Maintain marijuana dispensary hours of operation closing time remain at 10pm instead of allowing an increase to midnight
Memorandum
Page 2

- Prohibit the sale of marijuana edibles in hospitality locations to heed CDPHE’s warning of edible’s delayed impairment impacts and unacceptable drugged driving risks
- Reduce individual sales of permitted marijuana products in hospitality licenses to better align with a reasonable consumer consumption amounts
- Limit outlet density city-wide including limiting the number of licenses to consider oversaturation of any Denver neighborhood and correlated inequities and negative impacts
- Require full public disclosure of violations by businesses of underage admission to hospitality locations and mandatory reporting of any adverse health and safety events that occur

Smart Colorado recommends the following regulations be implemented for marijuana delivery:

- Tipping to drivers (cash or electronic) be prohibited to deter underage sales
- Limit sales amounts eligible for delivery to minimize diversion to youth
- Limit amount of product and cash that can be transferred with each delivery to minimize crime and require additional safety considerations
- Create a mandatory monitoring electronic platform to track deliveries from different companies to avoid unknowingly delivering to the same address that could result in the creation of a black market business sell to youth
- Require full public disclosure of violations by businesses of illegal underage delivery sales and enforcement of strict penalties

Thank you for selecting Smart Colorado as a member of the 2020 stakeholder group. We appreciate your continued priority of protecting kids from the harms of continued and expansive marijuana commercialization in Denver.

Please contact me if you have any additional questions.
Written Comment Form for Feedback on Draft Marijuana Legislation

Name: Susan Westhof (Denver resident)

Please use the fields below to provide feedback on the draft legislation presented at stakeholder feedback sessions on December 15 and December 17. The draft legislation and slides explaining the proposed changes are available on the Marijuana Laws, Rules, and Regulations website. Please submit written comments to marijuanainfo@denvergov.org by January 4, 2021 at 5:00 p.m.

Equity

Definition of Social Equity Applicant

Remove the cap on marijuana cultivation and store locations and maintain the prohibition on new store and cultivation locations in top five neighborhoods of undue concentration.

Store, cultivation, infused product manufacturer, hospitality, and hospitality and sales licenses exclusively available to Social Equity Applicants for six years.
Transporter licenses and transporter delivery permits exclusively available to Social Equity Applicants for three years

Stores required to use Denver-licensed transporters to conduct deliveries for three years

Additional comments on Denver’s proposed marijuana equity program
Delivery

Security and vehicle requirements

Preventing diversion to youth

I am concerned that the provisions put into place to prevent youth access to marijuana will not be effective. I think that it will be super easy for minors to get around - such as using a fake ID. What measures will be put in place other than scanning an ID to make sure that a delivery employee isn't selling to a minor? Or to make sure that someone isn't purchasing on behalf of a minor? Illegal sales to minors of other products happen even in retail environments, so I believe that delivery sales will be a major source of access to marijuana by youth. I do hope that there will be more consideration regarding how the delivery sales of marijuana will be monitored to ensure that marijuana won’t be getting into the hands of youth.

Additional comments on Denver’s proposed marijuana delivery program
Hospitality

Hospitality and mobile hospitality

Hospitality and sales

Edible sales should not be allowed in these establishments as they may impact one's ability to drive home safely because of delayed effects.

Methods of consumption at hospitality businesses

I think that allowing smoking/vaping of any substance in any public setting would be folly.

There is no safe level of exposure to any amount of secondhand smoke/vape - even for the person who is inhaling it. (https://www.cdc.gov/tobacco/data_statistics/fact_sheets/secondhand_smoke/health_effects/index.htm)

I am concerned for the health and safety of the staff/employees being exposed. Despite the fact that they have chosen to work in that setting, they have the right to breathe clean air while at work.

So much progress has been made to clear the air in public spaces, including businesses, and this will undermine the protections that have been put in place to protect Coloradans.

According to CDPHE, there is strong evidence that marijuana smoke, both firsthand and secondhand, contains many of the same cancer-causing chemicals as tobacco smoke - which is not healthy for lungs.

Research has found that some of the known carcinogens or toxins present in marijuana smoke include: acetaldehyde, ammonia, arsenic, benzene, cadmium, chromium, formaldehyde, hydrogen cyanide, isoprene, lead, mercury, nickel, and quinoline. (http://www.ncbi.nlm.nih.gov/pubmed/18062674)
Other Changes

Fees

Proximity and location restrictions
Youth cannabis use can have negative impacts on the developing youth brain. It’s critical that we protect youth from access and use of cannabis by reducing the density and saturation of stores in our community.

One study (https://pubmed.ncbi.nlm.nih.gov/26154479/) reported that the number of cannabis dispensaries within a community can be directly correlated with increased youth cannabis use.

Studies suggest that efforts to limit the number of cannabis outlets in a community may help to curb youth cannabis use.

We can look to tobacco and alcohol research when considering location of marijuana businesses. Research shows that businesses located close to schools may increase the risk of the use of the substances sold there among youth.

A study from the Rand Corporation found the following: "Living near more medical marijuana dispensaries that had storefront signage was associated with a four- to six-times larger effect both on marijuana usage and on positive expectations about marijuana." https://www.rand.org/news/press/2019/06/17.html

Advertising
It's important to limit the amount of exposure that youth have to seeing advertisements, messaging and sponsorships related to marijuana.

There has been much research related to age-restricted products, including tobacco and alcohol, indicating that exposure to advertising and promotion of age-restricted products is associated with decreased perceptions of risk and increased use among young people. Research specific to cannabis advertising has found that it can influence the perceptions of young people, normalizing use and decreasing perceptions of harm. (https://pubmed.ncbi.nlm.nih.gov/26154479/)

Banning advertising for marijuana products (including branded products and sponsorships) would be best practice to reduce youth normalization of marijuana.

Additionally, a study from the Rand Corporation found the following: "Living near more medical marijuana dispensaries that had storefront signage was associated with a four- to six-times larger effect both on marijuana usage and on positive expectations about marijuana." https://www.rand.org/news/press/2019/06/17.html
Hours of operation
There is no reason to extend the hours of marijuana hospitality establishments. They should close at 10pm and do not need to remain open until 12am.

Comments on other changes
I'm so disheartened by Denver's opting in to allow marijuana hospitality establishments. Despite the fact that these settings are intended to create spaces for legal consumption of marijuana, it's creating a culture that normalizes use of marijuana in our community. I understand that there must be a balance between personal adult freedoms and protecting youth, but at the end of the day, protecting our youth and remembering that promoting health, safety and wellness in our community should be the top priorities. I am a parent of a Denver Public Schools student, and my hope is that the city we chose to raise our child in will continue to make decisions that will encourage her to make positive and safe choices as she grows up. Please remember that our children are watching. Thank you.
MEMORANDUM

Date: January 4, 2021
To: Denver Department of Excise and Licenses
From: The Color of Cannabis, Emily Peña, Government Affairs
CC: The Color of Cannabis, Sarah Woodson, Executive Director
Re: Recommendations for Draft Omnibus Bill and Draft Bill To Enact Marijuana Hospitality Program

To the Denver Department of Excise and Licenses,

Thank you for taking the time to read our recommendations for the Draft Omnibus Bill and the Draft Bill to Enact Marijuana Hospitality Program.

The Color of Cannabis proposes the following recommendations to ensure a more equitable cannabis business in Denver:

- Neighborhoods of Undue Concentration of Marijuana Store locations should be reduced from the top five to the top three statistical neighborhoods
- Delivery permits should continue to be limited to social equity transporters exclusively
- Delivery drivers should be allowed to accept cash gratuity
- Transporter Licenses should be made transferable
- Social Equity licenses should not be made transferable to non-social equity applicants during the exclusivity period.
- The social equity designation, once given, should not require renewal on a yearly basis
- The definition of Liquid Petroleum Gas should exclude lighters
- The distance requirement from a childcare facility should be 500 ft as opposed to 1000 ft.
- The Reasonable Requirements of the Neighborhood and the Desires of the Adult Inhabitants should not be dispositive at the time of license renewal.
- The language “Desires of the Adult Inhabitants” should be removed from the ordinance.
- The Reasonable Requirements of the Neighborhood should be required to be memorialized in writing at the outset.

**Neighborhood of Undue Concentration of Marijuana Store locations**
Denver’s proposed ordinance defines a neighborhood of undue concentration of marijuana stores as one of the top five statistical neighborhoods where the highest number of licensed medical and retail marijuana store locations exist. This rule would prohibit new stores from opening in these locations.

The city’s goal of protecting communities from over-saturation of dispensaries is valid, but we believe there are less restrictive ways of accomplishing that goal. Each application for a new store location must undergo a thorough public hearing process. The director is empowered to deny an application—in any neighborhood—based on the number and availability of licenses in that area. The public hearing requirement eliminates the need for a blanket restriction and allows the question to be taken on a case by case basis.

Numbers alone do not tell the full story of the marijuana landscape in a community, nor do they reflect the actual will of the community. Dispensaries carry a stigma because of decades of cannabis
prohibition, but studies have shown that dispensaries may bring concrete benefits to their immediate communities without some previously feared risks:

- “Overall, our results suggest that dispensaries cause an overall reduction in crime in neighborhoods, with no evidence of spillovers to surrounding neighborhoods.” (https://norml.org/marijuana/fact-sheets/societal-impacts-of-cannabis-dispensaries-retailers)

- “Based on the 2013 and 2015 Healthy Kids Colorado Survey data, permitting recreational cannabis dispensaries in a community does not appear to change student cannabis use or perceptions towards cannabis.” (https://norml.org/marijuana/fact-sheets/societal-impacts-of-cannabis-dispensaries-retailers)

- “Using an event study approach, we find that the introduction of a new dispensary within a half-mile radius of a new home increases home prices by approximately 7.7 percent on average.” (https://norml.org/marijuana/fact-sheets/societal-impacts-of-cannabis-dispensaries-retailers)

Applicants are also required to develop and implement social impact plans that promise direct benefits to the immediate communities. Job creation is one major way a dispensary can help a community and, especially during a pandemic, this is a compelling consideration. The public hearing process would allow community members to weigh the pros and cons of allowing additional dispensaries for themselves.

Given the protections afforded by public comment, we propose that the definition of undue concentration be limited to the top three statistical neighborhoods, as opposed to the top five. The new definition would still insulate certain neighborhoods from additional marijuana stores while allowing other communities to decide on a case by case basis. Adjusting the definition would not leave communities without protections—it would instead empower them to voice their support or concerns. Because real estate remains one of the biggest barriers to entry for social equity applicants, opening up potential neighborhoods increases opportunities in the industry. Social equity candidates would have a lot to gain and the city would have little to lose.

We also believe that whether a neighborhood is one of undue concentration should not be considered during renewal. If the definition changes every year, this creates uncertainty about whether a licensee would be able to operate at the same location the following year. Whether a neighborhood is considered of undue concentration should only be considered at the outset during the application process, not during renewal, and that designation should remain with the license through its duration.

**Delivery Permit Restrictions**
The present draft ordinance limits the issuance of delivery permits to social equity transporters until July 1, 2024. After that date, any transporter or marijuana store may deliver in the city. The Color of Cannabis would like to voice its support for the city’s approach.

Social equity initiatives across the country are showing that it is not enough to remove barriers to entry, there is also a need for mechanisms that enable lasting success. Denver’s model envisions third-party social equity transporters shaping the marijuana delivery market in the city. Transporters would not be in direct competition with stores because they must work with dispensaries to deliver products.
Enacting an exclusivity period allows social equity transporters the time to build a sustainable business model and establish relationships with stores across the city. If stores are allowed to deliver at the outset, it would eliminate the incentive of building relationships with social equity transporters. It would also allow big business interests to move in. If the city does decide to reverse course and allow stores to deliver, we believe it should be limited to social equity stores alone.

**Delivery Drivers Accepting Gratuity**
The current draft omnibus bill prohibits marijuana delivery permittees from accepting cash gratuity. We recommend that this requirement be eliminated from the text of the ordinance or expanded to provide more clarity to stakeholders.

Cash gratuity is an industry standard in both the marijuana and food delivery industries, where budtenders and delivery drivers routinely accept gratuity from customers. Importantly, these employees depend on gratuity to make a living wage. Delivery drivers and vehicles are already subject to stringent security requirements, and in terms of security, accepting cash gratuity at the time of delivery is no different than accepting cash payment for products.

The language of this section is also troublesome because it does not provide clear guidance on the sanctions for accepting cash gratuity and thus creates a lot of uncertainty for employees and businesses. If the requirement is not eliminated, it should be expanded to include applicable penalties.

**Transporter License Transferability**
The current draft ordinance makes transporter licenses non-transferable. We believe this is too restrictive and that transporter licenses should be treated the same as other marijuana business licenses.

**Transferability of Social Equity License**
The current draft bill allows social equity licenses to be transferred to both non-social equity and social equity applicants. We believe this language opens the door to predatory behavior. Instead, we propose that social equity licenses be made not transferable to non-social equity applicants during the exclusivity period. That restriction may be lifted once the exclusivity period is over. Within the exclusivity period, we believe social equity applicants can transfer licenses among themselves.

**Social Equity Designation Renewal**
We would like clarification that at the renewal time it is the license itself and not the social equity designation that is up for renewal. Once social equity status is achieved at the time of application, we do not believe the qualification needs to be renewed every year and is a designation that remains with the applicant. This is particularly important for applicants who qualify under the income requirement. The current definition of a social equity candidate includes an income qualification, however, it does not note what happens if the applicant’s income increases at the time of license renewal.

**Liquified Petroleum Gas**
The current regulation includes a blanket restriction preventing a marijuana hospitality business licensee from allowing the use of liquified petroleum gas within a consumption area. We understand the city’s concern about large devices such as butane torches which might create a hazard, but under the current language, this would prevent the use of innocuous items like small lighters as well. Since smoking will be allowed in hospitality establishments, there needs to be a way to light marijuana products. We believe
altering the language of the ordinance to expressly exclude lighters from the definition would be sufficient to clarify this requirement.

**Childcare Proximity Restrictions**
The current proximity requirements prevent a hospitality establishment from opening within 1000 feet of a childcare establishment. We believe this requirement should be reduced to 500 feet. Unlike schools, childcare facilities are private entities and should be allowed to enter into their own arrangements with cannabis businesses. They should have the autonomy to decide whether to allow a marijuana business to open nearby.

Every applicant is required to submit a social impact plan and to obtain feedback from community stakeholders at the time of application. Allowing a marijuana business in the community may bring benefits that directly impact the childcare facility in question.

**Reasonable Requirements of the Neighborhood and the Desires of the Adult Inhabitants**
The present ordinance allows the director to consider the reasonable requirements of the neighborhood and desires of the adult inhabitants in its decision whether to approve or deny an application. In fact, the application will be denied if the applicant fails to prove by a preponderance of the evidence that the neighborhood and adult inhabitants support the issuance of the license. The bill also notes that the director may set a hearing on the renewal of the application if the reasonable requirements of the neighborhood and the desires of the adult inhabitants indicate the license should not be renewed.

We believe this requirement goes a step too far and gives the community too much power to shutter a business that is otherwise operating compliantly. This requirement could scare away potential investors and business owners because of the uncertainty that the license would not be renewed, even if everything is done correctly.

The neighborhood already has an opportunity to express its concerns at the outset, and formulating a successful social impact plan includes getting feedback and input from community members. In its current form, the applicant also needs to show benefits to the community by preponderance of the evidence at the outset or is subject to denial.

If the language stays in place, we believe it should be clear that this factor alone is not enough to deny renewal of the license when the business is otherwise operating compliantly. We also believe the burden of evidence should be higher than simple petitions or remonstrances. We recommend softening the language to note that the director may consider such evidence, but will make a determination based on the totality of the circumstances. It should be clear that community input alone is not sufficient to deny renewal of a license.

For the sake of due process, we also believe that the reasonable requirements of the neighborhood as expressed at the time of application should be memorialized in writing. Otherwise business owners will be chasing a moving target and be left with uncertainty at the time of renewal.

We also believe the phrase “desires of adult inhabitants” should be removed entirely while still keeping “reasonable requirements of the neighborhood.” This will ensure that the voice of the collective community will be heard as opposed to individuals who may be functioning as bad actors.
The Color of Cannabis would like to thank you for your continued support of initiatives that positively impact social equity candidates. We hope that you find value in our recommendations knowing that you share our vision of creating a successful and equitable cannabis industry in Denver.

Respectfully,
Emily Peña, Government Affairs
The Color of Cannabis
Written Comment Form for Feedback on Draft Marijuana Legislation

Name: The Green Solution, LLC

Please use the fields below to provide feedback on the draft legislation presented at stakeholder feedback sessions on December 15 and December 17. The draft legislation and slides explaining the proposed changes are available on the Marijuana Laws, Rules, and Regulations website. Please submit written comments to marijuanainfo@denvergov.org by January 4, 2021 at 5:00 p.m.

Equity

Definition of Social Equity Applicant

No comment.

Remove the cap on marijuana cultivation and store locations and maintain the prohibition on new store and cultivation locations in top five neighborhoods of undue concentration.

No comment.

Store, cultivation, infused product manufacturer, hospitality, and hospitality and sales licenses exclusively available to Social Equity Applicants for six years

Companies who currently hold product manufacturer licenses should be allowed to apply for additional product manufacturer license(s) if the additional license(s) will be commonly owned. This will allow current businesses to scale production and operate product manufacturer facilities in near proximity to one another. Scaling of production will be especially important if cannabis is legalized federally.
Transporter licenses and transporter delivery permits exclusively available to Social Equity Applicants for three years

No comment.

Stores required to use Denver-licensed transporters to conduct deliveries for three years

Companies currently holding store licenses should be able to obtain a permit for delivery to allow them to deliver their own product. This will allow operators to remain competitive and keep costs as low as possible, giving them a greater chance to remain in business and keep up with customer preferences. Delivery is a privilege granted by the state to store licensees and the city should not strip this privilege away from current store licensees by limiting who can receive the permit.

Additional comments on Denver’s proposed marijuana equity program

Licenses being renewed should not be called for a hearing unless the community has demonstrated that the store or facility has caused severe harm. A mere opinion that a cannabis store or facility should not be located in the neighborhood should not trigger a hearing. Instead, actual harm to the community should be shown before a hearing is noticed. For this reason, we request that section 6-222(e)(2) be stricken. Part (1) of that same section adequately protects the interest of the neighborhood.

Also, a store license should not be examined at hearing due to the number and availability of other stores in or near the neighborhood. This would apply a retroactive effect to a license that the City has previously granted. Actions taken by the City subsequent to the issuance of a license should not impact a license’s status. Existing licensees have made large investments into their businesses and licenses should not be revoked unless there is a demonstrated harm to the community or a history of non-compliance. This provision will not only unfairly impact current licensees, but it will raise serious concerns for any applicant wishing to invest and start a new business in the city. We ask that section 6-222(e)(3) be stricken.

Lastly, a cultivation facility license should not be revoked because it has frustrated the implementation of the city’s comprehensive plan or any adopted neighborhood plan applicable to the subject property. Assessing impact to the city’s comprehensive plan or neighborhood plan should be made at the issuance of a license, not at the renewal of a license. As explained above, current licensees will be in constant fear of losing their license and will be unlikely to further invest in the business. Such a regulatory environment quells investment due to increased and unpredictable risk.

Additionally, social impact plans should not be made public. The plans will most likely contain sensitive information regarding a company’s strategy to support the community and further social equity goals. This strategy is likely to be interwoven with the company’s branding and marketing strategies, thus hinting or even revealing trade secrets to the public and competitors.
Delivery

Security and vehicle requirements

No comment.

Preventing diversion to youth

No comment.

Additional comments on Denver’s proposed marijuana delivery program

We ask that the ordinance be amended to specifically state that drivers may keep an electronic record of receipts for delivered products. Companies currently holding store or transporter licenses should be able to obtain a delivery permit. Existing stores need flexibility to transport their own product for delivery to consumers to remain competitive. Also, existing transporters will be severely disadvantaged by not being able to deliver product to consumers.

Additionally, delivery from marijuana off-premises storage facilities should not be allowed. Currently, state statute allows retail marijuana stores and transporters hired by the retail marijuana store to deliver marijuana directly from an off-premises storage facility. The current regulatory framework allows stores to warehouse regulated goods at an off-premises storage facility and operate a delivery business from that location without having to make substantial sales from the actual store. This creates the opportunity for operators who do not wish to invest in a brick-and-mortar store or the community to deliver to any jurisdiction that allows for it throughout the state.

Furthermore, cross-jurisdictional delivery should not be allowed. First, if delivery from off-premises storage facilities is not prohibited, operators could open a store with an off-site storage facility in another jurisdiction and then use the off-premises storage facility to deliver into the City without making substantial sales from the store itself. Second, allowing cross-jurisdictional delivery will cannibalize sales from stores located in the City, further burdening current licensees and eroding the City’s tax base.

Without policy modifications to prevent this from happening, the delivery model as drafted has the future potential to materially and detrimentally undermine over ten years of investment and job creation made by countless licensees and applicants. Allowing companies outside of the City to deliver within the city and to deliver from off-premises storage facilities will codify delivery as an unlevel playing field. We see a future of delivery dominated by companies playing by a different, less costly, set of rules than those established by the City, while detrimentally undermining existing and future brick-and-mortar stores in Denver.
Hospitality

Hospitality and mobile hospitality
No comment.

Hospitality and sales
No comment.

Methods of consumption at hospitality businesses
No comment.
Other Changes

Fees

No comment.

Proximity and location restrictions

We’d like the city to clarify that proposed sections 6-209(b), (c); 6-211(b), (c) and 6-12(b) regarding proximity and location restrictions for stores, cultivation facilities and product manufacturers are not applicable to current licensees and will not be applied at renewal.

Advertising

The proposed definition of “advertise, advertising, or advertisement” is very broad. “The act of drawing the public’s attention to a medical or retail marijuana business in order to promote the sale of cannabis” could include a multitude of different acts.

Marijuana businesses should be allowed to advertise in connection with acts done to furtherance social impact plans akin to sponsorship of an event. We suggest revising 6-224(d)(4) to “Advertising which is purely incidental to sponsorship of a charitable event by a medical or retail marijuana business or an event held in furtherance of goals listed in the medical or retail marijuana business’s social impact plan.”
Hours of operation
No comment.

Comments on other changes

Section 6-209(3):
Storing cannabis overnight in safe is not financially viable, especially when product needs to be kept refrigerated. A store’s entire inventory of regulated product will usually not fit in a safe and safes do not typically come with climate control akin to a refrigerator. We request that section 6-209(3) be revised to allow licensees to store product in a vault.
Additionally, if refrigerated product cannot be kept on the sales floor, licensees will incur the not insignificant expense of purchasing additional refrigerators and freezers for the limited access area. We request that section 6-209(3) also be revised to allow product to stay overnight in a refrigerator or freezer as long as the refrigerator or freezer is affixed to the building structure, similar to the City of Aurora’s provision for overnight storage of cannabis.

Requested revisions to 6-209(3):
“Beginning July 1, 2021, medical and retail marijuana stores shall install and use a secure safe or vault in a limited access area, which shall be incorporated into the building structure or securely attached thereto, for overnight storage of cannabis and cash. For marijuana-infused products that must be kept refrigerated or frozen, the establishment may lock the refrigerated container or freezer so long as the appliance is affixed to the building structure.”

Section 6-205(b):
Section 6-205 does not list retail marijuana products manufacturer licenses as a type of license class that may be issued by the director. Does the City intend to stop issuing retail marijuana product manufacturer licenses?

Section 6-211(a)(1):
We request additional clarification of the intention behind section 6-211(a)(2). What is meant by “transport”? That is, what specific types of activities does the City wish to be carried out within an outdoor cultivation limited access area? The security requirements applicable to outdoor limited access areas for cultivation facilities were put in place by the State primarily for cultivation facilities that cultivation outside of an enclosed structure. When cannabis is grown in an outdoor field, additional security requirements are essential to product public safety.

If this section wishes to impose outdoor cultivation facility requirements on the parking lot of an indoor cultivation facility only because the facility loads a truck in the parking lot instead of inside a building, it will put an undue burden on current licensees.

Any cultivation facility that doesn’t have a dock where trucks can enter the building to be loaded have to physically walked boxed product outside of the building to load a truck. Fencing a parking lot with a gate would impose an exorbitant expense and would require a fence variance. Lights or cameras on the gate may also require variances. As such, this requirement may be in conflict with zoning ordinances.

6-221(a):
We request further clarification on what constitutes a “physical change, alteration, or modification of the license premises that materially or substantially alters the license premises or the usage of the licenses premises from the plans originally approved.” It will be extremely difficult for licensees to comply with this section without further clarification. We suggest that the City stay aligned with the State’s modification of premises requirements so that compliance is easier and to streamline licensing processes.
[EXTERNAL] pot delivery

abqueencity@netzero.net <abqueencity@netzero.net>
Mon 1/4/2021 11:53 AM
To: MarijuanaInfo <MarijuanaInfo@denvergov.org>

my personal opinion.....common sense...
I am sure the delivery piece will be part of the conversation coming up. I believe strongly that to make it as easy as a phone call. text, email to have pot delivered to a customers door, is just inviting the youngsters of our community to laugh ( not from the hi ) but from the naive stupidity of the idea that pot is now not available to anyone, and everyone regardless of age etc.
To ask people to get out of their chair, show an id, and then receive ( if they are legal age ) is NOT asking much.......delivery becomes a joke to all.

make a wise, common sense decision to not further dummy down our kids.

yours truly, tom sundheim

"Green" for 35 Years
QUEEN CITY ARCHITECTURAL SALVAGE,INC.
4750 Brighton Blvd.
Denver, CO 80216
(303) 296-0925 phone
abqueencity@netzero.com

Sponsored by https://urldefense.com/v3/__https://www.newser.com/?utm_source=part&utm_medium=uol&utm_campaign=rss_taglines_more__;!!M87Ej6RJKlw!A9zOjf0oYx4-HrDH2UWEYNYQI16Zld60B077qhNcv0Mcl5TxSwMKpnCrgOHa_ZXVZ1QSYA$

What Pro-Trump Outlets Say About His Phone Call
https://urldefense.com/v3/__http://thirdpartyoffers.netzero.net/TGL3241/5ff363f89abd63f72ef3st03duc1__;!!M87Ej6RJKlw!A9zOjf0oYx4-HrDH2UWEYNYQI16Zld60B077qhNcv0Mcl5TxSwMKpnCrgOHa_ZUv4biONw$

This Country Just Saw Its First-Ever Population Drop
https://urldefense.com/v3/__http://thirdpartyoffers.netzero.net/TGL3241/5ff363f82e6e163f72ef3st03duc2__;!!M87Ej6RJKlw!A9zOjf0oYx4-HrDH2UWEYNYQI16Zld60B077qhNcv0Mcl5TxSwMKpnCrgOHa_ZVkr3dsFw$

Witness Saw Plane Emerge From Clouds, Then Fiery Crash
https://urldefense.com/v3/__http://thirdpartyoffers.netzero.net/TGL3241/5ff363f85401163f72ef3st03duc3__;!!M87Ej6RJKlw!A9zOjf0oYx4-HrDH2UWEYNYQI16Zld60B077qhNcv0Mcl5TxSwMKpnCrgOHa_ZUPf1mSIA$
To: Denver Department of Excise and Licenses

From: VS Strategies

Date: January 15, 2021

Subject: Denver’s proposed omnibus ordinance

Director of the Department of Excise and Licenses,

We thank you for the hard work and community outreach processes you and your staff underwent to create new delivery and hospitality licenses, reconcile the city code with state rules, and increase opportunities in the cannabis space for disenfranchised communities.

We write today on behalf of our clients with public comments related to the Omnibus Ordinance.

Section 1: Advertising - Sec. 6-204(1), 6-224(c) and (d)

We understand the city has concerns about the public health impacts of marijuana advertising, and that Excise and Licenses (EXL) will not recommend alignment with state law. While we share the desire to protect youth, we hope that the city will consider how to narrowly tailor these restrictions to minimize their impact on commercial speech. The US Supreme Court has long held that commercial speech is protected under the First Amendment, and we should all endeavor to uphold the balance between individual rights and public health protections set forth by our constitution. In keeping with this balance, we are only asking for minor changes to EXL’s proposal around advertising at events.

There has been a long standing difference between state and Denver law that precedes the latest state change that Denver decided to not adopt. Denver’s ordinance is significantly more restrictive to licensees yet fails to provide even the same amount of youth protection as the state’s less restrictive policy.

State regulations permit marijuana businesses to advertise through event sponsorship, provided that at least 71.6% of the audience is reasonably expected to be 21 years of age. State law narrowly tailors this restriction to specifically address concerns about youth exposure to advertising and leverages long-standing standards to base it’s restriction.
In contrast, Denver only permits such advertising when it is “purely incidental to the sponsorship of a charitable event.” Denver’s ordinance is not narrowly tailored, failing to address youth attendance and, instead, conditioning permissibility on whether the advertising is “incidental” to the sponsorship and whether the event is considered “charitable.”

Denver restricts marijuana businesses commercial speech rights to mitigate risks to public health and to protect youth. The requirements for the advertisement to be “incidental” and the event to be “charitable” are not related to public health or youth at all, let alone narrowly tailored. Under Denver law, a marijuana business could sponsor a fundraiser for a youth softball league but not a concert that only permits persons 21 years or older to enter.

Further, the standards set forth in the Denver ordinance are so vague that they have a chilling effect on marijuana licensees. There is no clear meaning to the term “incidental” and therefore, licensees cannot accurately assess whether advertising in conjunction with an event would meet these standards. Further, there is no clear understanding of what makes an event charitable under the Denver Ordinances. In combination, these vague terms discourage licensees from sponsoring any events for fear that they unintentionally violate city law. This not only restrictions the rights of marijuana businesses but also suppresses charitable donations because licensees do not know when they can sponsor these events.

We request that Denver amend its proposed omnibus ordinance to mirror the state’s language on event sponsorships. By following the state’s language, Denver will better protect public health, better limit advertising that youth encounters, clarify compliance expectations for the industry, align it’s policy with constitutional jurisprudence, and clear barriers for the marijuana industry to support non-profit organizations.

**Section 2: Secure Safe - Sec. 6-209(a)(3)**

We have some concerns about EXL’s proposal for all marijuana businesses to have a safe and for all products to be stored in the safe overnight. This proposal imposes new requirements on existing businesses that did not plan for this expectation in their original design. While some operators already meet these expectations, some will need to make adjustments to their facilities and increase staff time to meet this new requirement. However, there are other operators that will not be able to meet the standard because their facilities were not designed with this expectation in mind.

Several years ago, the Colorado Marijuana Enforcement Division (MED) amended their security requirements for outdoor cultivation facilities. Similar to the situation in Denver, there were many existing facilities with security measures that provided to be effective for many years, despite failing to meet the specific standards newly created by the MED. The state bridged this gap by creating a waiver process, where operators could apply for a permanent exemption from the new standards by explaining their alternative measures for review by the regulatory agency.
We recommend that EXL follow this pathway, which has proven to be successful at the state level for a similar situation. We propose that the draft be amended to include the following waiver concept:

- The ordinance will create a waiver process that will allow licensees to apply for an exemption from this new standard
- The ordinance should detail some standards and, ideally, even provide examples of alternative measures that would be deemed sufficient
- The application will require the licensee to explain the alternative measures. EXL will then review and approve, deny, or ask for modifications

**Section 3: Cash Gratuity - Sec 6-210(c)(5)**

We understand that the intent behind the proposal to prohibit delivery drivers from receiving cash gratuities during a delivery is to protect those drivers. While we agree that this could help mitigate the risks of theft, we believe that the safety increase gained is not justified by the significant restriction on the earning potential for drivers.

Today, a budtender’s wages are significantly supplemented through tips, which can take an employee from $15 per hour to over $20 per hour. Gratuity can constitute 25% or more of these employees income in some cases. We can reasonably expect that delivery drivers will fall within a similar pay scale and that gratuity will likely also make up an impactful percentage of their income. For these people, gratuity isn’t just a nice thing to have - it's rent, groceries, and gas for their car.

This issue really comes down to balancing the value of the outcomes. There is certainly value in reducing risk for theft and protecting public safety. This benefit needs to be weighed against the income reduction on drivers, who will have a much harder time making ends meet if the city restricts their income potential in this manner. We believe that the potential benefit to public safety is outweighed by the harm to delivery drivers. Therefore, we request EXL remove this restriction and monitor for whether public safety issues.