

1 ; BY AUTHORITY

2 ORDINANCE NO. _____

COUNCIL BILL NO. CB15-0668

3 SERIES OF 2015

COMMITTEE OF REFERENCE:

4 AS AMENDED 10-12-15

Business Development

5 A BILL

6 **For An ordinance authorizing the Director of Excise and Licenses to issue**
7 **retail retail and medical marijuana store licenses to applicants without the**
8 **requirement of a tax bond.**

9 **BE IT ENACTED BY THE COUNCIL OF THE CITY AND COUNTY OF DENVER:**

10 **Section 1.** That subsection 6-211 of the Denver Revised Municipal Code be amended by
11 deleting the language stricken and adding the language underlined, as follows:

12 Section 6-21. Licensing Requirements---Retail marijuana stores:

13 The following requirements shall apply to the issuance of any local license for a retail
14 marijuana store:

15 ~~(a) Bond in the amount of twenty thousand dollars (\$20,000.00) with corporate surety~~
16 ~~thereon duly licensed to do business with the State of Colorado, approved as to form by~~
17 ~~the city attorney, and conditioned that the applicant shall report and pay all city sales and~~
18 ~~use taxes as provided by law. A corporate surety shall not be required to make~~
19 ~~payments to the city claiming under such bond until a final determination of failure to pay~~
20 ~~taxes due to the city has been made by the manager of finance or a court of competent~~
21 ~~jurisdiction. All bonds required pursuant to this subsection shall be renewed at such~~
22 ~~times as the bondholder's license is renewed. The Tax bond. Before the director issues~~
23 ~~a local license to an applicant for a retail marijuana store, the applicant shall procure and~~
24 ~~file with the city evidence of good and sufficient renewal may be accomplished through a~~
25 ~~continuation certificate issued by the surety.~~

26 ~~(b)~~(a) Area maps. All applications for retail marijuana store licensing submitted pursuant to
27 this article V shall include an area map drawn to scale indicating land uses of other
28 properties within a 1,000-foot radius of the property upon which the applicant is seeking
29 a license. The map shall depict the proximity to the property to any school or child care
30 establishment; to any other retail marijuana store; to any medical marijuana center, or to
31 any alcohol or drug treatment facility.

1 (e)(b) Prohibited locations. No retail marijuana store license shall be issued for the following
2 locations:

3 (1) In any residential zone district as defined by the zoning code of the city, in any MS-2,
4 MS-2x, MX-2, MX-2A or MX-2x zone district as defined by the zoning code of the city,
5 or in any location where retail sales are prohibited by the zoning code or by any
6 ordinance governing a planned unit development. The restriction against licensing a
7 retail marijuana store in any MS-2, MS-2x, MX-2, MX-2A or MX-2x zone district shall
8 not apply to any location where the director previously issued a medical marijuana
9 center license under article XII of chapter 24 and a licensed medical marijuana center
10 has existed in continuous operations at the subject location since the time of original
11 licensing.

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

16 (3) Within one thousand (1,000) feet of any other retail marijuana store or medical
17 marijuana center licensed under article XII of chapter 24, with the distance computed
18 by direct measurement in a straight line from the nearest portion of the building in
19 which one (1) store or center is located to the nearest portion of the building in which
20 the other store or center is located. This restriction shall not apply to any location
21 proposed for licensing as a retail marijuana store where the director previously issued
22 a medical marijuana center license under article XII of chapter 24 and a licensed
23 medical marijuana center has existed in continuous operations at the subject location
24 since the time of original licensing, nor shall this restriction be construed to prohibit
25 the licensing of a retail marijuana store under common ownership with and at the
26 same location as a licensed medical marijuana center.

27 (4) Within one thousand (1,000) feet of any child care establishment or alcohol or drug
28 treatment facility. The 1,000-foot distance shall be computed by direct measurement
29 in a straight line from the nearest property line of the land used for the child care
30 establishment or alcohol or drug treatment facility to the nearest portion of the

1 property upon which the retail marijuana store is proposed to be located. This
2 restriction shall not apply to any location where the director previously issued a
3 medical marijuana center license under article XII of chapter 24, and a licensed
4 medical marijuana center has existed in continuous operations at the subject location
5 since the time of original licensing.

6 ~~(d)~~(c) Off-site delivery of product by licensee prohibited. All sales and distribution of retail
7 marijuana by a licensed retail marijuana store shall occur only upon the licensed
8 premises, and the licensee shall be strictly prohibited from delivering retail marijuana to
9 any person at any other location.

10 ~~(e)~~(d) Signs and advertising.

11 (1) Any person or premises licensed as a retail marijuana store shall comply with all city
12 ordinances regulating signs and advertising. In addition, no licensed retail marijuana
13 store shall use any advertising material that is misleading, deceptive, or false, or that,
14 as evidenced either by the content of the advertising material or by the medium or the
15 manner in which the advertising is disseminated, is designed to appeal to minors.

16 (2) Except as otherwise provided in this subsection (2), it shall be unlawful for any
17 person licensed under this article or any other person to advertise any retail
18 marijuana or retail marijuana product anywhere in the city where the advertisement is
19 visible to members of the public from any street, sidewalk, park or other public place,
20 including advertising utilizing any of the following media: Any billboard or other
21 outdoor general advertising device as defined by the zoning code; any sign mounted
22 on a vehicle, any hand-held or other portable sign; or any handbill, leaflet or flier
23 directly handed to any person in a public place, left upon a motor vehicle, or posted
24 upon any public or private property without the consent of the property owner. The
25 prohibition set forth in this paragraph (2) shall not apply to:

26 a. Any sign located on the same zone lot as a retail marijuana store which
27 exists solely for the purpose of identifying the location of the retail
28 marijuana store and which otherwise complies with the Denver Zoning
29 Code and any other applicable city laws and regulations; or

1 b. Any advertisement contained within a newspaper, magazine, or other
2 periodical of general circulation within the city; or

3 c. Advertising which is purely incidental to sponsorship of a charitable event
4 by a retail marijuana store or a retail marijuana products manufacturer.

5 (3) For purposes of this subsection (e), the terms "advertise," "advertising" or
6 "advertisement" means the act of drawing the public's attention to a retail marijuana
7 store or retail marijuana products manufacturer in order to promote the sale of retail
8 marijuana by the store or the manufacturer.

9 ~~(f)~~(e) Co-location of retail marijuana store and medical marijuana center. A retail marijuana
10 store in common ownership with a medical marijuana center may be licensed in the
11 same location and may share the same licensed premises, to the extent allowed by the
12 CRMC and regulations promulgated by the Colorado Marijuana Enforcement Division.

13 **Section 2.** That subsection 24-508 of the Denver Revised Municipal Code be amended by
14 deleting the language stricken and adding the language underlined, as follows:

15 Section 24-508. Licensing Requirements---Retail marijuana centers:

16 In addition to the requirements set forth in the CMMC, the following requirements shall apply
17 to the issuance of any local license for a medical marijuana center:

18 ~~(a) Tax bond. Before the director issues a local license to an applicant for a medical~~
19 ~~marijuana center license, the applicant shall procure and file with the city evidence of~~
20 ~~good and sufficient bond in the amount of five thousand dollars (\$5,000.00) with~~
21 ~~corporate surety thereon duly licensed to do business with the State of Colorado,~~
22 ~~approved as to form by the city attorney, and conditioned that the applicant shall report~~
23 ~~and pay all city sales and use taxes as provided by law. A corporate surety shall not be~~
24 ~~required to make payments to the city claiming under such bond until a final~~
25 ~~determination of failure to pay taxes due to the city has been made by the manager of~~
26 ~~finance or a court of competent jurisdiction. All bonds required pursuant to this~~
27 ~~subsection shall be renewed at such times as the bondholder's license is renewed. The~~
28 ~~renewal may be accomplished through a continuation certificate issued by the surety.~~

1 ~~(b)~~(a) Area maps. All applications for medical marijuana center licensing submitted
2 pursuant to this article XII shall include an area map drawn to scale indicating land uses
3 of other properties within a 1,000-foot radius of the property upon which the applicant is
4 seeking a license. The map shall depict the proximity to the property to any school or
5 child care establishment; to any other medical marijuana center; to any alcohol or drug
6 treatment facility; or to any residential or U-MS-2x zone district.

7 ~~(c)~~(b) Prohibited locations. No medical marijuana center license shall be issued for the
8 following locations:

9 (1) In any residential zone district as defined by the zoning code of the city, in any MS-2,
10 MS-2x, MX-2, MX-2A or MX-2x zone district as defined by the zoning code of the city,
11 or in any location where retail sales are prohibited by the zoning code or by any
12 ordinance governing a planned unit development. The restriction against licensing a
13 medical marijuana center in any MS-2, MS-2x, MX-2, MX-2A or MX-2x zone district
14 shall not apply to any location where the director previously issued a medical
15 marijuana dispensary license under article XI of this chapter 24, a licensed medical
16 marijuana dispensary or center has existed in continuous operations at the subject
17 location since the time of original licensing.

18 (2) Within one thousand (1,000) feet of any school or child care establishment, with the
19 distance computed by direct measurement from the nearest property line of the land
20 used for school or child care purposes to the nearest portion of the building in which
21 the medical marijuana dispensary is located, using a route of direct pedestrian
22 access. This restriction shall not apply to any location where the director previously
23 issued a medical marijuana dispensary license under article XI of this chapter 24, a
24 licensed dispensary commenced operations at the subject location, and a licensed
25 medical marijuana dispensary or center has existed in continuous operations at the
26 subject location since the time of original licensing.

27 (3) Within one thousand (1,000) feet of any other medical marijuana center licensed
28 premises or of any premises licensed under article XI of this chapter 24, or any retail
29 marijuana store licensed under article V of chapter 6, with the distance computed by
30 direct measurement in a straight line from the nearest portion of the building in which

1 the center is proposed to be located to the nearest portion of the building in which the
2 other center or the retail marijuana store is located. This restriction shall not apply to
3 any location where the director previously issued a medical marijuana dispensary
4 license under article XI of this chapter 24, a licensed dispensary commenced
5 operations at the subject location, and a licensed medical marijuana dispensary or
6 center has existed in continuous operations at the subject location since the time of
7 original licensing.

8 (4) Within one thousand (1,000) feet of any alcohol or drug treatment facility. The 1,000-
9 foot distance shall be computed by direct measurement from the nearest property
10 line of the land used for alcohol or drug treatment facility purposes to the nearest
11 portion of the property upon which the medical marijuana center license is proposed
12 to be located, using a route of direct pedestrian access. This restriction shall not
13 apply to any location where the director previously issued a medical marijuana
14 dispensary license under article XI of this chapter 24, a licensed dispensary
15 commenced operations at the subject location, and a licensed medical marijuana
16 dispensary or center has existed in continuous operations at the subject location
17 since the time of original licensing.

18 (5) The spacing requirements set forth in paragraphs (2), (3) and (4) of this subsection
19 (c) shall be enforced in lieu of the spacing requirements set forth in the CMMC, § 12-
20 43.3-308 (1)(d)(I), C.R.S. as amended.

21 ~~(d)~~(c) Off-site delivery of product by licensee prohibited. All sales and distribution of medical
22 marijuana by a licensed medical marijuana center shall occur only upon the licensed
23 premises, and the licensee shall be strictly prohibited from delivering medical marijuana
24 to any person at any other location. Nothing herein shall preclude a primary care-giver
25 from purchasing medical marijuana on behalf of a patient at a licensed medical
26 marijuana center and delivering the medical marijuana to a homebound patient in
27 accordance with § 25-1.5-106 (7)(d) and (e), C.R.S., as amended.

28 ~~(e)~~(d) Signs and advertising.

29 (1) Any person or premises licensed as a medical marijuana center shall comply with all
30 city ordinances regulating signs and advertising. In addition, no licensed medical

1 marijuana center shall use any advertising material that is misleading, deceptive, or
2 false, or that, as evidenced either by the content of the advertising material or by the
3 medium or the manner in which the advertising is disseminated, is designed to
4 appeal to minors.

5 (2) Any person licensed as a medical marijuana center or a medical marijuana-infused
6 products manufacturer shall include in any advertisement for medical marijuana or
7 any medical marijuana-infused product the following language: "For registered
8 Colorado medical marijuana patients only." Provided, however, this language shall
9 not be required to be displayed upon any sign identifying a medical marijuana center,
10 as permitted by subparagraph (3)(i) of this subsection (e).

11 (3) Except as otherwise provided in this subsection (3), it shall be unlawful for any
12 person licensed under this article or any other person to advertise any medical
13 marijuana or medical marijuana-infused product anywhere in the city where the
14 advertisement is visible to members of the public from any street, sidewalk, park or
15 other public place, including advertising utilizing any of the following media: any
16 billboard or other outdoor general advertising device as defined by the zoning code;
17 any sign mounted on a vehicle, any hand-held or other portable sign; or any handbill,
18 leaflet or flier directly handed to any person in a public place, left upon a motor
19 vehicle, or posted upon any public or private property without the consent of the
20 property owner. The prohibition set forth in this paragraph (3) shall not apply to:

21 (i) Any sign located on the same zone lot as a medical marijuana center
22 which exists solely for the purpose of identifying the location of the
23 medical marijuana center and which otherwise complies with the
24 Denver Zoning Code and any other applicable city laws and
25 regulations; or

26 (ii) Any advertisement contained within a newspaper, magazine, or other
27 periodical of general circulation within the city; or

28 (iii) Advertising which is purely incidental to sponsorship of a charitable
29 event by a medical marijuana center or a medical marijuana-infused
30 products manufacturer.

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(4) For purposes of this subsection (e), the terms "advertise," "advertising" or "advertisement" means the act of drawing the public's attention to a medical marijuana center or medical marijuana infused products manufacturer in order to promote the sale of medical marijuana by the center or the manufacturer.

1 COMMITTEE APPROVAL DATE: September 24, 2015
2 MAYOR-COUNCIL DATE: September 29, 2015 by Consent
3 PASSED BY THE COUNCIL: _____, 2015
4 _____ - PRESIDENT
5 ATTEST: _____ - CLERK AND RECORDER,
6 EX-OFFICIO CLERK OF THE
7 CITY AND COUNTY OF DENVER
8 PREPARED BY: Daniel G. Douglas, Assistant City Attorney DATE: October 1, 2015
9 Pursuant to section 13-12, D.R.M.C., this proposed ordinance has been reviewed by the office of
10 the City Attorney. We find no irregularity as to form, and have no legal objection to the proposed
11 ordinance. The proposed ordinance is not submitted to the City Council for approval pursuant to §
12 3.2.6 of the Charter.
13 D. Scott Martinez, Denver City Attorney
14 BY: _____, Assistant City Attorney DATE: _____, 2015