

1 BY AUTHORITY

2 ORDINANCE NO. _____
3 SERIES OF 2010

COUNCIL BILL NO. CB10-0472
COMMITTEE OF REFERENCE:
4 SAFETY

5 A BILL

6 For an ordinance specifying July 1, 2010 as the last day for acceptance of applications
7 for medical marijuana dispensary licenses under Article XI of Chapter 24, D.R.M.C.

8 **WHEREAS**, pursuant to Ordinance No. 39, Series of 2010, codified at Article XI of Chapter 24,
9 D.R.M.C., the City and County of Denver adopted licensing regulations for medical marijuana
10 dispensaries.

11 **WHEREAS**, the Denver dispensary licensing ordinance was adopted in the absence of any
12 existing state regulation of medical marijuana dispensary licensing laws, with the understanding that,
13 in the event the state were to adopt statewide licensing laws, dispensaries in Denver would be subject
14 to such laws; and

15 **WHEREAS**, pursuant to HB 10-1284, codified at Article 43.3 of Title 12, C.R.S., the State of
16 Colorado has adopted a new dual state-local licensing system for medical marijuana dispensaries (to
17 be licensed as “medical marijuana centers”) and other medical marijuana-related businesses.

18 **WHEREAS**, the licensing requirements set forth in the new state law will not be fully
19 implemented until July 1, 2011; and

20 **WHEREAS**, section 12-43.3-103 (1)(a), C.R.S. indicates that, in order to be considered lawful
21 under the new state law between July 1, 2010 (the effective date of HB 10-1284) and July 1 2011, a
22 dispensary must have received a locally issued license or be in the process of applying for such a
23 licensed by July 1, 2010.

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

26 **Section 1.** That section 24-403, D.R.M.C. shall be amended by adding the language
27 underlined, to read as follows:

28 **Sec. 24-403. License Required.**
29

- 1 (a) On and after March, 1, 2010 and prior to July 1, 2011, it shall be unlawful for any person
2 to sell or otherwise distribute any marijuana for medical use in Denver without obtaining
3 a license to operate as a medical marijuana dispensary pursuant to the requirements of
4 this article. This licensing requirement shall apply regardless of whether or not a
5 medical marijuana dispensary has commenced operation prior to March 1, 2010. Any
6 medical marijuana dispensary that has commenced operation prior to March 1, 2010
7 and for which a license application has been filed pursuant to this article prior to that
8 date may continue in operation pending final action by the director on the application.
9 Any such preexisting medical marijuana dispensary that does not or cannot meet the
10 licensing requirements set forth in this article and therefore fails to obtain a license shall
11 be terminated immediately upon such denial.
12
- 13 (b) The license requirement set forth in this article shall be in addition to, and not in lieu of,
14 any other licensing and permitting requirements imposed by any other federal, state, or
15 city law including, by way of example, a retail sales tax license, a retail food
16 establishment license if applicable, any applicable zoning or building permit, and an
17 alarm system permit.
18
- 19 (c) Applications for medical marijuana dispensary licenses may be accepted by the director
20 pursuant to this Article until close of business on July 1, 2010. After July 1, 2010, no
21 further applications for medical marijuana dispensaries shall be accepted or acted upon
22 by the director pursuant to this article.
23
- 24 (d) Notwithstanding any other provision of this code to the contrary, any medical marijuana
25 dispensary license issued or renewed by the director pursuant to this article shall expire
26 no later than June 30, 2011. Upon the face of any license issued or renewed after July
27 1, 2010, the director shall include an advisement to the licensee that, in order to lawfully
28 continue operating a medical marijuana dispensary on and after July 1, 2011, the
29 licensee shall be required to apply, pay all fees and meet all qualifications for licensing
30 as a medical marijuana center under the requirements of Article 43.3 of Title 12, C.R.S.,
31 and any applicable city laws and regulations.
32

33 **Section 2.** That paragraph 24-407 (b)(1), D.R.M.C., shall be amended by adding the language
34 underlined, to read as follows:

35 **Sec. 24-407. Prohibited locations.**

36 (b) No medical marijuana dispensary license shall be issued for the following
37 locations:

38
39 (1) In any residential zone district as defined by the zoning code of the city as of March 1,
40 2010, or in any other location where retail sales are prohibited by the zoning code as of
41 March 1, 2010.

42 COMMITTEE APPROVAL DATE: June 2, 2010.

43 MAYOR-COUNCIL DATE: June 8, 2010.

44

1 PASSED BY THE COUNCIL: _____, 2010
2 _____ - PRESIDENT

3 APPROVED: _____ - MAYOR _____, 2010

4 ATTEST: _____ - CLERK AND RECORDER,
5 EX-OFFICIO CLERK OF THE
6 CITY AND COUNTY OF DENVER

7 NOTICE PUBLISHED IN THE DAILY JOURNAL: _____, 2010; _____, 2010

8 PREPARED BY: David W. Broadwell, Asst. City Attorney DATE: May 24, 2010

9 Pursuant to section 13-12, D.R.M.C., this proposed ordinance has been reviewed by the office of the
10 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 David R. Fine, City Attorney

14 BY: _____, Assistant City Attorney DATE: _____, 2010