



January 2016

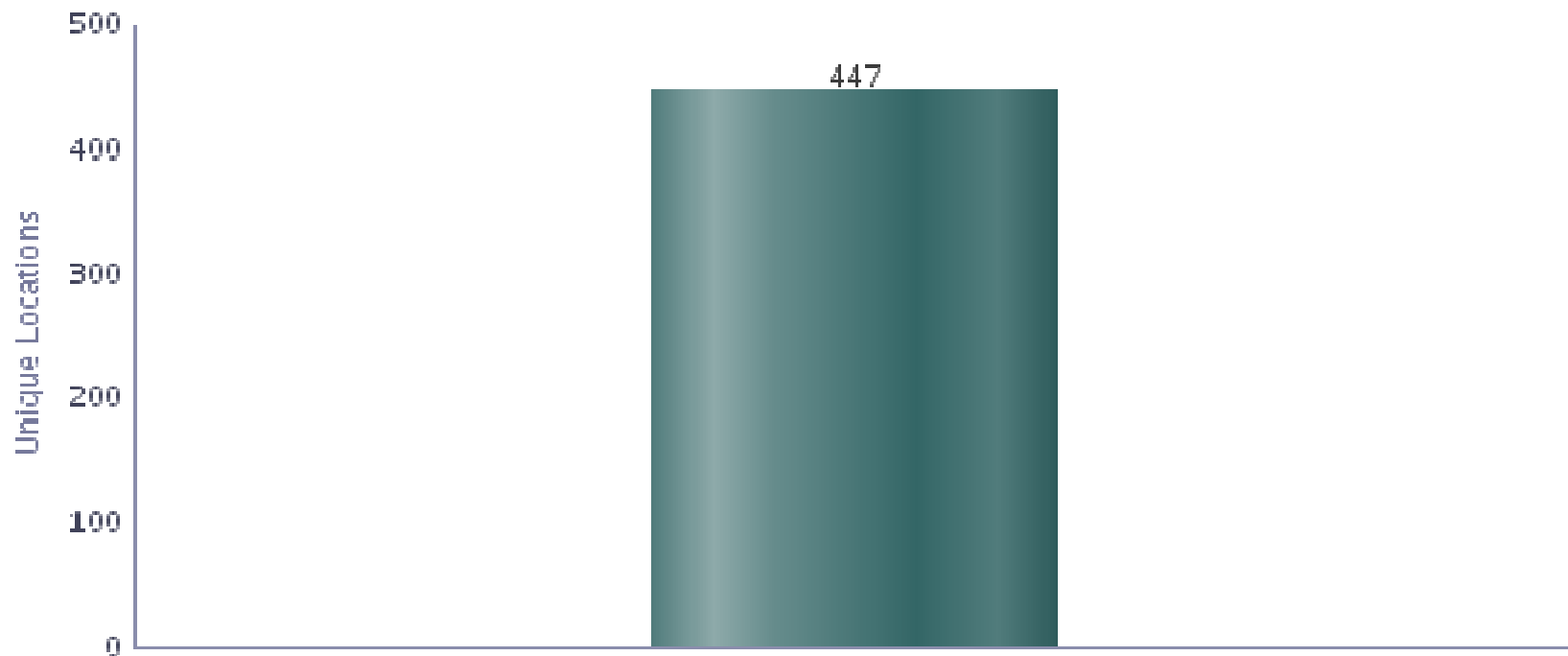
Marijuana Licensing Omnibus

Denver Excise & Licenses

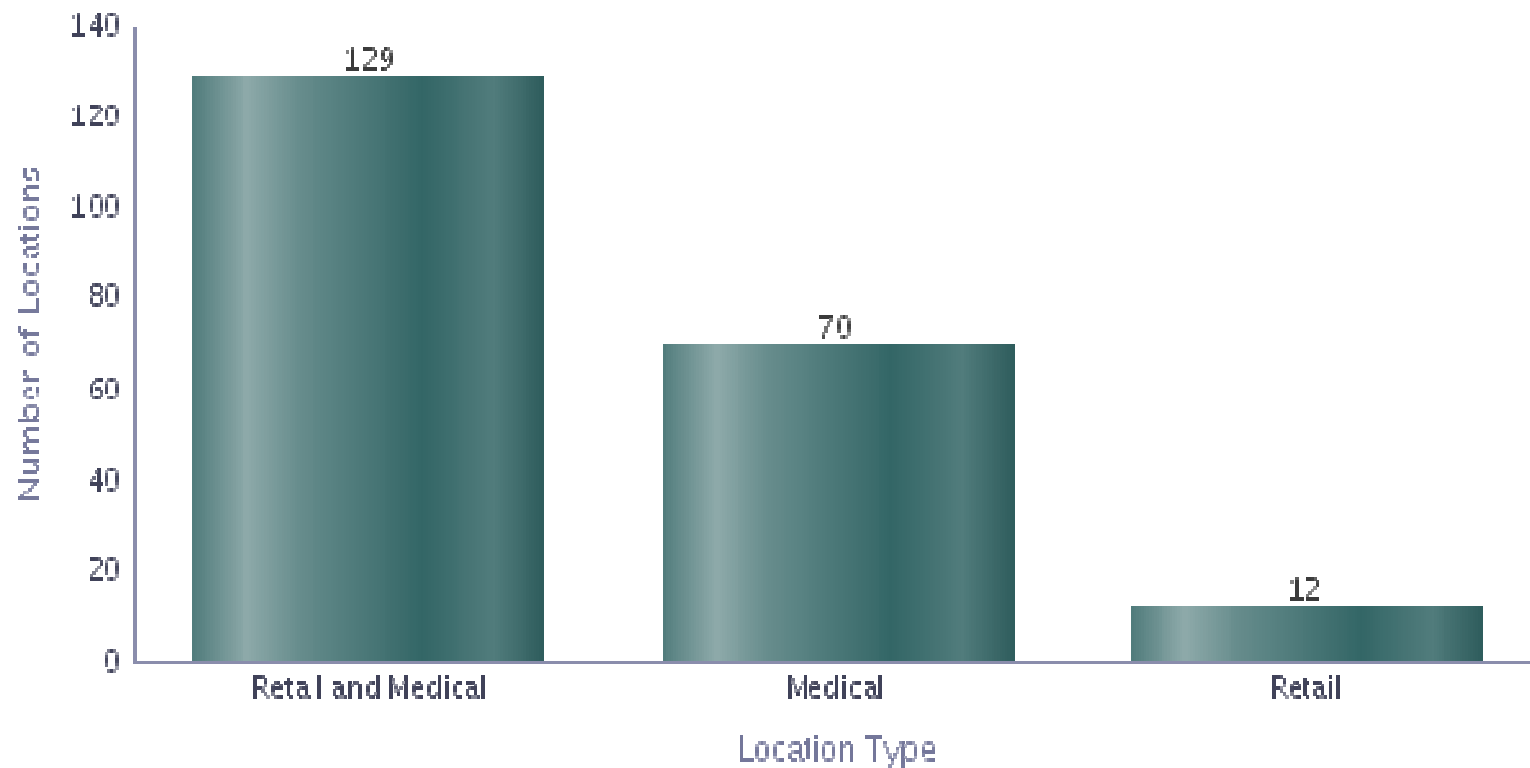
1,014 MJ licenses by type

License Type	Retail Marijuana	Medical Marijuana
Cultivation Facility (Grow)	199	358
Store / Center	133	195
Marijuana Infused Product (MIP)	39	82
Testing Facility	8	0
Total	379	635

Current Number of Distinct MJ Facility Locations



Distinct Retail Store and Medical Center Locations



MJ Licensing Ordinances rest in 4 separate part of the DRMC:

- *General Licensing (Chapter 32)
- *Medical Dispensary Code
- *Medical MJ Code (Chapter 24)
- *Retail MJ Code (Chapter 6)

Repeal the Medical Dispensary Code

Repeal the entire Medical Marijuana Dispensary Code since it was replaced by the Medical Marijuana Code (24-401)

- Sec. 24-503 Previous dispensary licenses. Any medical marijuana dispensary license previously issued by the director under the authority of article XI of this [chapter 24](#) shall expire and shall be of no further force and effect as of July 1, 2012, or the date of final action on state and local license applications under the CMMC, whichever occurs first.

Hours of Operation the same as Retail

Codifies Medical Hours as 8am-7pm

- Both the Medical Dispensary Code and the Retail Code establish hours of operation.
- However, hours of operation for Medical Centers previously referred to state statute and regulation. This change clarifies the hours in ordinance.

Consistent Proximity Measurements

- **Medical** - Change method of measurement from direct pedestrian access to straight line for all prohibited locations, to be consistent with Retail.
- **Retail and Medical** - Change the points of measurement for alcohol and drug treatment facilities to be from the property line of the treatment facility to the actual building of the Store.

Establish a Medical Testing Facility license

Adds a section allowing the licensing of Medical Marijuana Testing Facilities in appropriate zone districts.

- Mirrors the creation of a medical testing facility license at the State level.
- A local medical marijuana testing facility license may be issued in any zone district where the land use denominated "laboratory, research, development and technological services" is allowed by the zoning code.

Cease Sales on an Expired License

If a completed renewal application is not filed by the expiration date listed on the license, the business is required to cease operations until the license is active.

- Current process allows for sales to occur without an active license.
- Liquor stores are currently required to cease operations (sales) if they pass their expiration date for renewal.
- "Operations" defined as "to manufacture, sell, serve, give away, distribute, transfer, transport or otherwise remove marijuana from the licensed premises or allow adults over the age of 21 to enter the licensed premises of any retail MJ store."

Public Hearings for Transfers of Location

- *Codifies existing practice for retail marijuana stores by adding language requiring “needs and desires” public hearing for transfers of location.*
- *Adds “needs and desires” public hearing requirement for medical marijuana center transfer of locations – same as retail stores.*

Public Hearings for Renewals

Allows the Director discretion to require a public hearing upon renewal under certain circumstances.

Tethering State & Local Licenses

Tether State and Local Licenses in Transfer of Ownership. The director shall not approve an application for a transfer of ownership of a local license unless the applicant produces written documentation from the state approving the transfer of ownership of the state license.

Disciplinary Action Standards

- *Restrict transfers of ownership if the licenses are subject to disciplinary action by the state or local licensing authority.*
- *The Director may enter a summary suspension order for immediate suspension of a license if the Director finds probable cause that a licensee has engaged in a deliberate and willful violation of any applicable law or regulation or that public health, safety or welfare requires immediate action*

Production Management Changes

Restrict licensed premises to one retail cultivation license and prevent the sale of a local license that was tied to a surrendered state license.

- Mirrors the production management changes at the State, set to take effect on November 30th.

Defines Continuous Operations

Defines which locations are given "grandfathering" rights to proximity requirements. Evidence that continuous operation was broken could include the stoppage of marijuana sales, the ownership of the building for another purpose, or the absence of a state license at that location.

- “Continuous Operations” means continuous sales without interruption and compliance with state and local laws. *“Prima facie”* evidence operations are NOT continuous includes:
 - Stoppage of sales for longer than 90 days
 - Location is owned or leased for anything OTHER than the sale of marijuana
 - Location’s license is expired, surrendered, transferred, revoked, etc., by the state or local license authority

Deadline: Licensed, but not Operating

A license may be suspended or revoked if it is determined that the licensed premises have been inactive or unoccupied by the licensee for at least one year.

- This proposal mirrors the state statute which allows the MED to revoke inactive licenses.

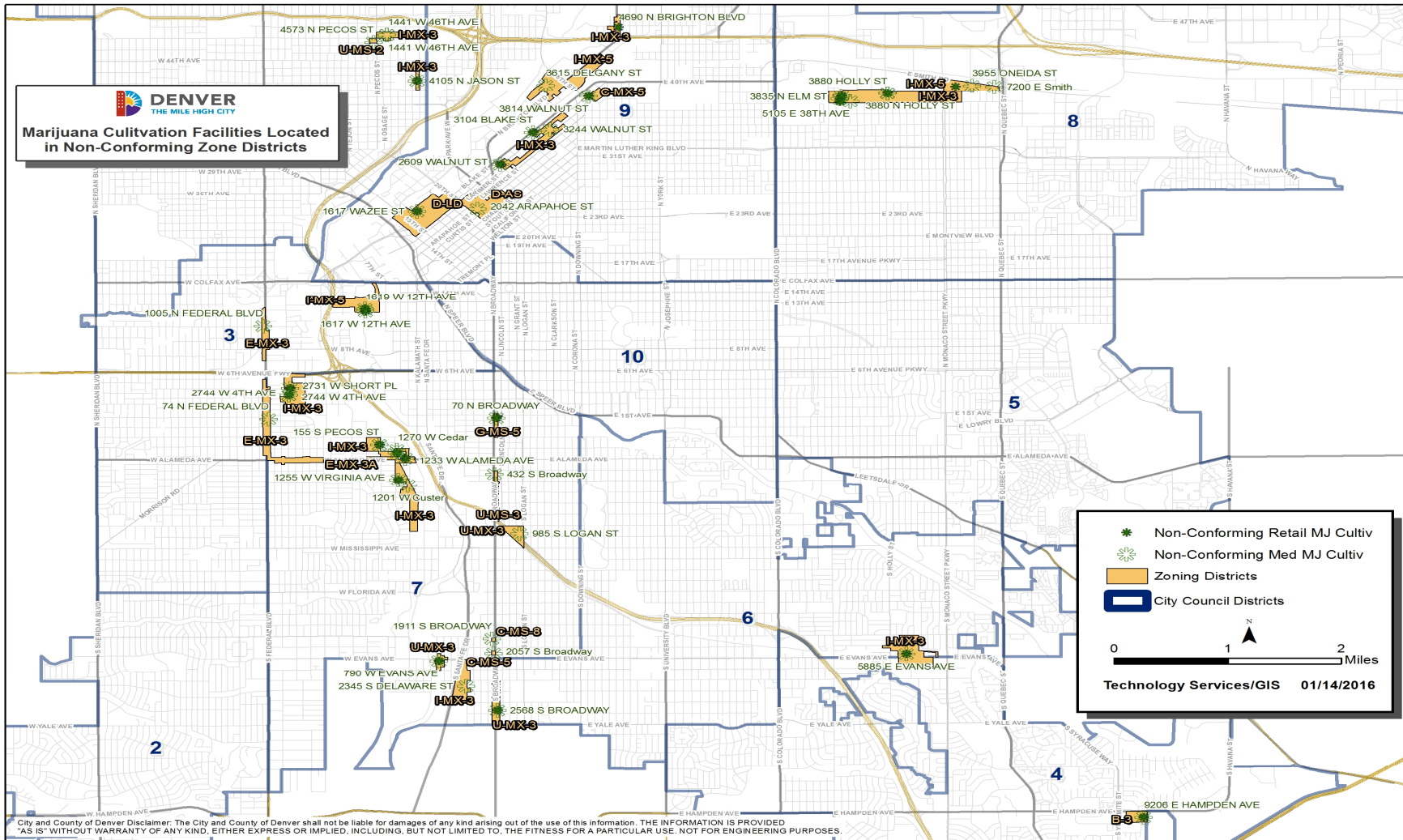
Amend restrictions on non-conforming cultivation facilities within certain non-conforming zone districts.

- Repeal **automatic** renewal hearing requirement for cultivation facilities operating as non-conforming use:
 - ❖ EXL currently conducts appx 100 hearings per year
 - ❖ Since 2014, only 1 hearing conducted with a party in opposition to renewal.
 - ❖ Still preserve tools and resources to allow for renewal hearing upon request from community
- Removes limitations on transfers of ownership.
- Removes limitation on transfers of licenses.



DENVER
THE MILE HIGH CITY

Non-Conforming Grow Facilities Map



License Application Expiration

Licensing application must be completed within 1 year of the date that the application is filed.

- Director may grant licenses for applications pending more than 1 year if the applicant can show good cause.
- Currently, there are 46 pending marijuana license applications that are 18 months or older and 127 for “liquor type” applications.
- Requirement is being added to medical, retail and the overall licensing ordinance (Chapter 32)

Miscellaneous minor administrative changes

The changes proposed here are all administrative in nature. They consist of removing obsolete language or typos, making the retail and medical codes consistent with one another or codifying existing processes.

Sections 24-502 and 6-201. Defined Terms (#15)

- Add definitions contained in MED regulations
- Add definition of “school” (medical only)

Section 24-503. Effective date; applicability (#16)

- Repeal the dispensary transition language allowing operation without a license prior to July 1, 2014.
- Add processing to the list of business activities prohibited without both licenses.

Section 24-504 and 6-205. Relationship to Colorado Medical/Retail Marijuana Code; other laws. (#17)

- Add specific reference to Chapter 32 to existing language which states that in the event of a conflict between state and local law, the more restrictive provision shall apply.

Miscellaneous minor administrative changes, continued

Sections 24-507 and 6-210. Licensing requirements-Provisions applicable to all licenses (#18)

- Clarify that applications must include any supplemental material that the director requires under this Article.

Section 24-508. Licensing requirements-Medical marijuana centers (#19)

- Reconcile the language in grandfathering for zone districts with all of the other grandfathering provisions.

Sections 24-508 and 6-211. Licensing requirements-Medical marijuana centers/Retail marijuana stores (#20)

- Add language requiring that a sign located on the licensed premises is only exempt from advertising restrictions if it is “fixed.”
- Add language clarifying that the definition of “advertising” includes promotion of medical and retail marijuana-infused product.

Miscellaneous minor administrative changes, continued

Sections 24-513 and 6-218. Term of licenses; renewals (#21)

- Add language stating that renewal is subject to additional restrictions that the Director provides under this Article.

Section 24-514. Disciplinary actions; sanctions; penalties (#22)

- Incorporate changes to reconcile the medical marijuana disciplinary procedures with retail.

Sections 24-515 and 6-220. Rules and Regulations (#23)

- Add new section specifically allowing the Director to promulgate rules and regulations.

Section 6-204. Local Licensing Authority (#24)

- Repeal provision relating to the state's failure to act

Section 6-212. Public Hearing Requirement

- A public hearing shall be scheduled not less than 60 days from the date of the application.