



**COLORADO**  
Department of Local Affairs  
Division of Local Government

VCUST # 14143

AD026 EFT

GBMJ

October 17, 2019

The Honorable Michael Hancock, Mayor  
Denver, City and County  
1437 Bannock Street  
Denver, CO 80204

**RE: GBMJ #20-016 Denver, City and County - Grant Award and Next Steps**

Dear Mayor Hancock:

The Colorado Department of Local Affairs has reviewed your application for the Gray and Black Market Marijuana Enforcement Grant Program. As DOLA's Executive Director, I am pleased to inform you that I have approved this recommendation for funding. Your application and DOLA's award letter serves as your contract with the State. Grantees of these funds do not require any additional contracts. By opting in to this grant program, you are eligible to receive an award in the amount of \$1,469,062.69 for expenses related to investigations and prosecutions of unlicensed marijuana cultivation and/or distribution operations. Of this amount \$49,771.23 must be spent by June 30, 2020 and the balance of the grant \$1,419,291.46 will close on June 30, 2021.

By submitting your application you have agreed to the following:

- Grant funds will only be spent on costs associated with the investigation and prosecution (including large-scale operations, organized crime, and operations that divert marijuana outside of Colorado) of unlicensed marijuana cultivation or distribution operations conducted in violation of state law. Recipient counties and municipalities who spend any grant funds outside of this statutory intent understand that any such funds must be returned to the Department of Local Affairs and agree to do so within 30 days of identification of improper fund use.
- Recipient counties and municipalities must provide DOLA with quarterly itemized reports on how grant funds were spent in that quarter.
- Recipient counties and municipalities will be randomly selected for detailed monitoring of grant fund expenditures. Supporting documentation for grant fund expenditures must be provided promptly to DOLA, if requested, to conduct necessary monitoring. DOLA or the State reserves the right to initiate detailed monitoring or auditing of any recipient county or municipality at its sole discretion.
- Recipient counties agree to cooperate with and make grant funds available to District Attorneys for costs associated with prosecution of unlicensed marijuana cultivation or distribution operations conducted in violation of state law.
- Program Staff will annually conduct monitoring of a random selection of approximately 30% of all participating grantees. Monitoring may be onsite or by desk review and will include verification of quarterly reports using receipts and other financial documentation as provided by the grantee. The review shall provide assurance that the information self-reported by eligible entities is accurate and complete, and identify unallowable or questionable expenditures for follow-up. When concerns are noted during the review process, documentation to verify the eligible entities' expenditures or



accounting practices shall be provided to DOLA. Funds spent outside of the statutory intent must be returned to DOLA within 30 days of identification of improper use.

- Recipient counties and municipalities acknowledge that, if NO grant funds are spent in any given state fiscal year, they may not receive grant funds in the following year. Due to appropriation limitations in statute, ANY grant funds not spent by the specific spend-by date(s) above must be returned to the Department of Local Affairs.

Next Steps:

- You will make a single request for your full award amount.
- Payment requests will be made using DOLA's online portal system with the attached "Advance Payment Request" form, and must be submitted within 90 days after the performance start date of this signed grant award letter.
- Please complete and return the W-9 (required), unless previously submitted on a prior Gray & Black Market Marijuana Enforcement grant, and the EFT form (optional) included in this packet to the addresses indicated on the forms as soon as possible.

These grant funds will come from state marijuana tax proceeds that may cause you to go to an election to receive and spend these funds. Please confer with your appropriate staff to determine if such an election is necessary.

Thank you for your interest in the Gray and Black Market Marijuana Enforcement Grant Program. Please contact Ella Bowman at (303) 864-7896 if you have any questions.

Sincerely,



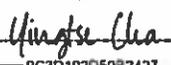
Rick M. Garcia  
Executive Director

cc: Jeannie Springer, Denver Police Dept.  
Clay Brown, DOLA Regional Manager  
Ella Bowman, DOLA Grants Administrator

In accordance with §24-30-202 C.R.S., this Grant is not valid until signed and dated below by the State Controller or an authorized delegate.

STATE CONTROLLER  
Robert Jaros, CPA, MBA, JD

DocuSigned by:



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By: Yingtse Cha, Controller Delegate  
Department of Local Affairs

Effective Date: 12/3/2019 | 3:22 PM MST

CMS# 147894



**FY20 GBMJ Grant**  
**City and County of Denver (Denver Police Department)**  
**BUDGET DETAIL WORKSHEET**

<b>A. PERSONNEL</b>		Type of Unit	# Hours	Wages	Project Total
Det OT	Hours	1392.514	\$	77.73	\$ 108,240
Sgt. OT	Hours	321.456	\$	84.18	\$ 27,060
GBMJ DA	Hours	2080	\$	55.00	\$ 114,400
GBMJ DA Investigator	Hours	2080	\$	39.00	\$ 81,120
<b>Total Personnel</b>					<b>\$ 330,820</b>
<b>B. FRINGE BENEFITS</b>		Base	Percent of Salary		Project Total
GBMJ DA	\$	114,400	37%		\$ 42,328
GBMJ DA Investigator	\$	81,120	37%		\$ 30,014
<b>Total Fringe Benefits</b>					<b>\$ 72,342</b>
<b>C. TRAVEL</b>					Project Total
Travel to attend/deliver trainings					\$ 30,000
<b>Total Travel</b>					<b>\$ 30,000</b>
<b>D. EQUIPMENT</b>		Unit Cost			Project Total
Crime Lab					\$ 219,900.00
DPD					\$ 761,000.00
<b>Total Equipment</b>					<b>\$ 980,900</b>
<b>E. SUPPLIES</b>					Project Total
Crime Lab Supplies					\$ 5,000.00
<b>Total supplies Costs</b>					<b>\$ 5,000.00</b>
<b>F. CONSTRUCTION</b>					Project Total
					\$ -
<b>Total construction Costs</b>					<b>\$ -</b>
<b>G. CONSULTANTS/CONTRACTS</b>					Project Total
					\$ -
<b>Total Contracts</b>					<b>\$ -</b>
<b>H. OTHER COSTS</b>					Project Total
PE/PI					\$ 50,000
Phone Tracking					\$ 30,000
<b>Total Other Costs</b>					<b>\$ 50,000</b>
<b>Total Direct Costs</b>					
<b>I. INDIRECT COSTS</b>					Project Total
					\$ -
<b>Total Indirect Costs</b>					<b>\$ -</b>
<b>TOTAL PROJECT REQUEST</b>					<b>\$ 1,469,063</b>