

Social Consumption Advisory Committee (SCAC) Mtg. 6

**Meeting 6: April 6, 2017
9-11:30am**

1. Introductions

2. Review/Summary of Comments from Meeting 5:

- Public Hearings, including standards for denial and revocation
- Designated Consumption Area - Special Event Permits

3. Discussion Topics:

- Summary of the Proposed Rules and Regulations
 - The table below summarizes the proposed rules and regulations, which are still in the drafting phase. This is not the detailed language that will be used in the draft nor in the final rules and regulations to be adopted.
 - Changes to the proposed rules and regulations should be expected as the draft receives additional feedback from the SCAC and as it goes through the public input process.
 - The table below also includes a high-level, short-hand explanation of the policy for some of the proposed rules and regulations, but is not a complete analysis of all the pros and cons associated with each rule or regulation.
- Next Steps: Public Hearing, Rules Adoption

4. Public Comment

Social Consumption Advisory Committee (SCAC) Mtg. 6

Initiated Ordinance	Proposed Rules and Regulations	Policy Explanation
Sec. 6-300. Purpose and Intent.	<ul style="list-style-type: none"> No additions 	
Sec 6-301 Defined Terms	<ul style="list-style-type: none"> "Applicant" means a person who has applied for a cannabis consumption permit. "Cannabis Consumption Business Permit" (CCBP) means an annual permit issued by the Director to an individual(s) or entity allowing for the consumption of marijuana in a designated consumption area located inside of or adjacent to a licensed premise or other business. "Cannabis Consumption Special Event Permit" (CCSEP) means a permit issued by the Director to an individual(s) or entity allowing for the consumption of marijuana in a designated consumption area temporarily located: (i) on or adjacent to a licensed premise or other business, or (ii) not located on or adjacent to a licensed premise or other business. "Child care establishment" means any child care establishment as defined by and regulated under chapter 11 of the Code and licensed as such under applicable state and local law. 	<ul style="list-style-type: none"> Terms were added to be consistent with other city ordinance terminology and for clarification and consistency when the term is used in a separate section of the Rules and Regulations. Annual and Special Event Cannabis Consumption Permits were separated to allow for tailoring rules and regulations to each.

Social Consumption Advisory Committee (SCAC) Mtg. 6

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	<ul style="list-style-type: none"> • “Day” means calendar day unless expressly stated otherwise. • “Designated Area” means the Department’s designation on a map of an area around the proposed or permitted location. • “Licensed marijuana establishment” means a “Medical marijuana center,” “Medical Marijuana-infused products manufacturer,” “Optional premises cultivation operation,” and “Medical marijuana transporter” as those terms are defined in C.R.S. § 12-43.3-104, as amended, or any “Retail marijuana establishment” or “Retail Marijuana Transporter” as those terms are defined in C.R.S. § 12-43.4-103, as amended. • “Place where children congregate” means schools and child care establishments, as defined herein, playgrounds, and other places intended for use primarily by persons under 18 years of age. • “Permit” shall mean a Cannabis Consumption Business Permit (CCBP) or Cannabis Consumption Special Event Permit (CCSEP). • “Public Place” shall mean a place to which the public or a substantial number of the public have access 	<ul style="list-style-type: none"> • Modified definition of a place where children congregate to not include “a place where persons under the age of 18 gather for regularly scheduled educational and recreational programs” • Public Place defined consistently with current

Social Consumption Advisory Committee (SCAC) Mtg. 6

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	<p>without restriction, and includes, but is not limited to, streets and highways, transportation facilities, schools, places of amusement, parks, playgrounds, and the common areas of public and private buildings or facilities.</p> <ul style="list-style-type: none"> • “Rules” means these Rules and Regulations Governing CCBP Applications and CCSEP Applications. • “School” means a public or private preschool or a public or private elementary, middle, junior high, or high school. • “Waste” means any marijuana product which remains on the CCBP or CCSEP premises which has been left, abandoned, or otherwise not consumed. 	<p>ordinance while incorporating “restriction” language from propose state law and current case law.</p> <p><i>*Language included in the rules and regulations may change based on final language developed in the 2017 State of Colorado legislative session.</i></p>
<p>Sec. 6-302. Cannabis consumption permit; designated consumption areas.</p>	<ul style="list-style-type: none"> • A Cannabis Consumption Special Event Permit may not be issued to any applicant for more than ten (10) days in one (1) calendar year. 	<ul style="list-style-type: none"> • This language is to harmonize with other special event permits issued by Excise and Licenses for standardization, consistency and ease of administration. (See DRMC Section 6-64 for Special Event Liquor Permits).
<p>Sec. 6-303. Qualifications for licensure - Community Support requirement.</p>	<ul style="list-style-type: none"> • No additions 	

Social Consumption Advisory Committee (SCAC) Mtg. 6

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Sec. 6-304. Evidence of Community Support	<ul style="list-style-type: none"> No additions 	
Sec. 6-305. Time limits for cannabis consumption	<ul style="list-style-type: none"> No additions 	
Sec. 6-306. Possession of Premises	<ul style="list-style-type: none"> No additions 	
Sec. 6-307. Required; overlapping licenses or permits	<ul style="list-style-type: none"> No additions 	
Sec. 308. Application	<ul style="list-style-type: none"> Added: A Cannabis Consumption Permit shall only be issued for a designated consumption area (DCA) that: <ul style="list-style-type: none"> ✓ Is not accessible to the general public or a substantial number of the public ✓ Is restricted to ages 21 years and older ✓ Is not visible to the public from a public place ✓ Has constant monitoring at the entrance for 21+ ✓ Requires patrons to sign a waiver Added: An application shall include a detailed description and supporting evidence that the DCA complies with the Colorado Clean Indoor Air Act (CCIA). 	<ul style="list-style-type: none"> Requirement to have a separate entrance for the DCA's not required. Requirement to restrict DCA to members only not required. Ordinance requires compliance with the CCIA. This rule requires an explanation of how an applicant plans to comply with the CCIA.

Social Consumption Advisory Committee (SCAC) Mtg. 6

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	<ul style="list-style-type: none"> • Added: A security plan for controlling and monitoring potential criminal activity at the premises • Added: <u>documented operations plan and employee training</u> on how employees will prevent over-intoxication, underage access, <u>driving under the influence of cannabis</u> and the <u>illegal distribution of marijuana and marijuana products</u>. • Added: A marijuana waste plan which shall include a detailed description of how employees will dispose of any waste produced on the DCA premises. • Added: An Odor Control Plan in compliance with D.R.M.C Chapter 4 and Rules and Regulations promulgated therein. • Added: Ventilation plans required if indoor vaping permitted • Added: All Cannabis Consumption Special Event Permit applications must include a description of the event and cannot be issued for a Special Event with a Special Event Liquor Permit. 	<ul style="list-style-type: none"> • Video recording system for all areas of DCA not required • The initiated ordinance operations plan required a plan to prevent underage persons from entering the DCA and an employee training manual and policy addressing issues related to the consumption of both alcohol and cannabis and strategies for identifying and responding to the over-intoxication of consumers. • Per DOR Colorado Liquor Rules, marijuana consumption cannot occur on a liquor-licensed premise. • The effects of dual consumption are not fully known but some research indicates that

Social Consumption Advisory Committee (SCAC) Mtg. 6

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	<ul style="list-style-type: none"> • Added: A Permit issued for a Cannabis Consumption Business or a Cannabis Consumption Special Event to a specific entity, organization, or person at a specified location is <u>non-transferable</u>. Such permit is not valid at any other location nor may any other person, entity or organization exercise the privilege of the permit. • Added: Any applicant for a CCBP or a CCSEP shall obtain any and all necessary permits, licenses and other regulatory approvals from the other affected city departments and agencies prior to the issuance of a permit. 	<p>combining alcohol and marijuana is likely to result in greater impairment than either one alone.</p> <ul style="list-style-type: none"> • This language is to harmonize with other permits/licenses issued by Excise and Licenses for standardization, consistency and ease of administration. <i>(See DRMC Section 6-64 for Special Event Liquor Permits).</i> • Inspections may be required per other City ordinances and regulations. This language was included to notify the applicants of that requirement. • No liability or insurance or bonds required.
<p>Sec. 6-309 Unlawful Acts (e) It shall be unlawful for any person to possess more than one ounce of cannabis at any time within a designated consumption area, unless a greater amount is permitted by state law</p>	<ul style="list-style-type: none"> • Added: Unlawful for any person to possess more than one ounce of cannabis at any time within a designated area, regardless if the marijuana is medical or recreational. • Added: Unlawful to allow butane torches or dabbing within a DCA 	<ul style="list-style-type: none"> • Minimizes the opportunities for distributing for remuneration to limit the amount of marijuana to a “useable” amount. • <i>*Guidance from the SCAC regarding this language will be</i>

Social Consumption Advisory Committee (SCAC) Mtg. 6

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	<ul style="list-style-type: none"> • Added: Unlawful to permit or otherwise allow the consumption of alcohol within a DCA. • Added: Unlawful for permittee to allow the <u>cultivation, manufacturing, storage</u> or sale or distribution for remuneration of marijuana or marijuana products within the DCA. • Added: It shall be It shall be unlawful for any owner, manager, or employee to consume marijuana or marijuana products while working within the DCA. 	<p><i>discussed at the April, 6 SCAC meeting</i></p> <ul style="list-style-type: none"> • Per DOR Colorado Liquor Rules, marijuana consumption cannot occur on a liquor-licensed premise. • The effects of dual consumption are not fully known but some research indicates that combining alcohol and marijuana is likely to result in greater impairment than either one alone. • Language was modified to allow for processing and “sharing” without remuneration. • To prevent the intoxication of employees working at the DCA’s and allow them to more effectively perform their job duties, including enforcing the operations plan and the community requirement sand to maintain the safety of the DCA and the activities occurring

Social Consumption Advisory Committee (SCAC) Mtg. 6

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	<ul style="list-style-type: none"> • Added: Unlawful to advertise marijuana consumption anywhere in the city where the advertisement is visible to members of the public from any street, sidewalk, park or other Public Place. 	<p>the DCA. It is a nationwide best practice for servers of alcohol not to consume while working.</p> <ul style="list-style-type: none"> • This language is utilized to harmonize with other advertising restrictions marijuana business licenses issued by Excise and Licenses for standardization, consistency and ease of administration. <i>(See DRMC Section 6-211 for Retail Marijuana Stores).</i>
<p>Sec. 6-310 Operational requirements - Provisions applicable to all permittees</p>	<ul style="list-style-type: none"> • Added: Require businesses to have a standard sign/placard (to be developed) • Added: A Permittee shall employ door security personnel during all hours of operation. Door security personnel must verify <u>all patrons</u> entering the DCA are over the age of 21 years by verifying the age of the patron through a legal form of identification. 	<ul style="list-style-type: none"> • Provides potential customers with awareness of the DCA. • To prevent underage use, universal carding is becoming the norm. Many states and municipalities already require universal carding for purchasing age-restricted items such as alcohol, cigarettes and lottery tickets. A standardized approach is straight-forward for employees and does not have an increased cost on the business.

Social Consumption Advisory Committee (SCAC) Mtg. 6

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	<ul style="list-style-type: none"> • Added: Permittees shall not dispose of waste in an unsecured waste receptacle not in possession and control of the Permittee. • Added: No advertising material that is misleading, deceptive, or false or designed to appeal to minors. 	<ul style="list-style-type: none"> • Permittees will not be required to utilize an ID scanner. • Minimizes the possibility of youth under the age of 21 from inadvertently obtaining marijuana or marijuana product. Also addresses issues around edibles that may be unmarked and dumpster diving. • This language is utilized to harmonize with other advertising restrictions for marijuana business licenses issued by Excise and Licenses for standardization, consistency and ease of administration. <i>(See DRMC Section 6-211 for Retail Marijuana Stores).</i>
<p>Sec. 6-311. Zoning, location, and setback requirements (a) A designated consumption area may not be located or operated within one thousand (1,000) feet of any school, with the distance computed by direct measurement in a straight line</p>	<ul style="list-style-type: none"> • Added: DCA cannot be located within 1,000 feet of childcare establishments and drug/alcohol. 	<ul style="list-style-type: none"> • This language is utilized to harmonize with other advertising restrictions marijuana business licenses issued by Excise and Licenses for standardization, consistency and ease of administration.

Social Consumption Advisory Committee (SCAC) Mtg. 6

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<p>from the nearest portion of the building, structure, or enclosure in which the designated consumption area is located</p>	<ul style="list-style-type: none"> • Added: A CCSEP cannot be within 1,000 feet of another Special Event that has a liquor license. • Added: Cannabis Consumption Business Permits and Cannabis Consumption Special Event Permits will not be allowed on public property. • Added: Cannabis Consumption Business Permits and Cannabis Consumption Special Event Permits cannot be located within 1,000 feet of city-owned recreation center and outdoor pools. • Added: Cannabis Consumption Business Permits and Cannabis Consumption Special Event permits cannot be located at the same business or event where a liquor license exists. 	<p><i>(See DRMC Section 6-211 for Retail Marijuana Stores).</i></p> <ul style="list-style-type: none"> • Adapts a “clear zone” approach utilized in other jurisdictions to effectively manage special events and to address dual consumption concerns. • A DCA requires possession of the premises or permission from the property owner to use the premises for cannabis consumption. • Per request of Denver Parks and Recreation on March 30, 2017 • Per DOR Colorado Liquor Rules, marijuana consumption cannot occur on a liquor-licensed premise. • The effects of dual consumption are not fully known but some research indicates that

Social Consumption Advisory Committee (SCAC) Mtg. 6

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	<ul style="list-style-type: none"> • Added: Any outdoor DCA must be located at least 500 feet from any residential district as defined by the Denver Zoning Code. 	<p>combining alcohol and marijuana is likely to result in greater impairment than either one alone.</p> <ul style="list-style-type: none"> • <i>*This proposed rule was not discussed with the SCAC. It is still a proposal and will be discussed at the April 6 SCAC meeting.</i> • Did not add restrictions of 1,000 feet from places where children congregate.
Sec. 6-312. Term of permit; renewals	<ul style="list-style-type: none"> • No additions 	
Sec. 6-313. Expansion, enlargement or modification of designated consumption areas	<ul style="list-style-type: none"> • No additions 	
Sec. 6-314. Permits as licenses - Enforcement	<ul style="list-style-type: none"> • No additions 	
Sec. 6-315. Fees	<ul style="list-style-type: none"> • No additions 	
Sec. 6-316. Rules and Regulations	<ul style="list-style-type: none"> • Added: Inspections <ol style="list-style-type: none"> 1. Inspectors and investigators of all city agencies shall be permitted to have access to the 	<ul style="list-style-type: none"> • Inspections may be required per other City ordinances and regulations. This language was

Social Consumption Advisory Committee (SCAC) Mtg. 6

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	<p>Designated Consumption Area at all times, in the course of their duties.</p> <ol style="list-style-type: none"> 2. Any refusal on the part of any Permittee, or any officer, agent or employee thereof, to submit to or permit such investigation, visitation or inspection, or any hindrance thereof by any person shall constitute a violation hereof. 3. A Permittee must maintain the information required in these Rules in a format that is readily understood by a reasonably prudent business person. A Permittee must provide on-demand access to on-premises records during normal business hours or hours of apparent operation, and must provide access to off-premises records within three business days following a request from the Department. <ul style="list-style-type: none"> • Added: Public Hearing Requirement <ol style="list-style-type: none"> 1. Cannabis Consumption Business Permits will have a public hearing scheduled upon receipt of the application. 2. Cannabis Consumption Special Event Permits will have a public hearing scheduled upon receipt of 10 signatures from interested parties. 	<p>included to notify the applicants of that requirement.</p> <ul style="list-style-type: none"> • Public hearings will provide the community an opportunity for input and to address conflicting neighborhood organizations providing community support. • This language is utilized to harmonize with other public hearings conducted by Excise and Licenses for standardization, consistency

Social Consumption Advisory Committee (SCAC) Mtg. 6

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	<ul style="list-style-type: none"> • Added: Standards for Denial: A Cannabis Consumption Business Permit or a Cannabis Consumption Special Event Permit may be denied if: <ol style="list-style-type: none"> 1. The Director determines that the premises are public without restriction. 2. The Director determines the permit lacks evidence of community support. 3. The Director determines applicant is unable to establish a need or desire or is unable to address concerns about public, health, welfare or safety. 4. The Director determines the applicant fails to establish all of the qualifications for the permit or if the application is incomplete. 5. The Director determines the applicant is not in full compliance with state and local laws. 	<p>and ease of administration. <i>(See DRMC Section 6-212 for Retail Marijuana Stores and DRMC Section 6-64 for Special Event Liquor Permits).</i></p> <ul style="list-style-type: none"> • This language is utilized to harmonize with other public hearing standards for marijuana business licenses issued by Excise and Licenses for standardization, consistency and ease of administration. <i>(See DRMC Section 6-212 for Retail Marijuana Stores).</i> • The standards of denial will not include if the permit may frustrate the comprehensive plan or the neighborhood plan.
<p>Sec. 6-317. Duties of City Council</p>	<ul style="list-style-type: none"> • No additions 	
<p>Sec. 6-318. Self-executing, severability, and conflicting provisions</p>	<ul style="list-style-type: none"> • No additions 	

Social Consumption Advisory Committee (SCAC) Mtg. 6

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Sec. 6-319. Sunset	<ul style="list-style-type: none"> No additions 	
Sec. 38-175. Possession of consumption of marijuana	<ul style="list-style-type: none"> No additions 	
Sec. 32-22. Revocation	<ul style="list-style-type: none"> Added: Standards for revocation-Per Chapter 32, all licenses allow for a revocation by the Director after an investigation and a show-cause hearing at which the permittee shall be afforded an opportunity to be heard. 	
Sec. 6-206. Unlawful Acts	<ul style="list-style-type: none"> No additions 	
Sec. 6-35. Disorderly behavior; report by licensee	<ul style="list-style-type: none"> No additions 	
Sec. 37-50. Definitions	<ul style="list-style-type: none"> No additions 	