

1 **BY AUTHORITY**

2 ORDINANCE NO. _____
3 SERIES OF 2022

COUNCIL BILL NO. CB22-0960
COMMITTEE OF REFERENCE:

4 BUSINESS, ARTS, WORKFORCE & AVIATION SERVICES

5 **A BILL**

6 **For an ordinance amending Article V of Chapter 6 and Article II of Chapter 32 of**
7 **the Denver Revised Municipal Code to amend provisions relating to marijuana**
8 **transporter and delivery provisions, marijuana business fees, and providing for**
9 **clarifying changes.**

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

11 **Section 1.** Article V of Chapter 6 shall be amended by adding the language underlined and
12 deleting the language stricken, to read as follows:

13 **Sec. 6-210. – Marijuana delivery permits.**

14 ~~(a) *Marijuana Delivery* – authorized.~~ Beginning July 1, 2021, local marijuana delivery permits
15 ~~may be issued to a medical or retail marijuana store or a medical or retail marijuana transporter in~~
16 ~~order to deliver regulated marijuana to private residences of customers and patients, subject to the~~
17 ~~provisions the Colorado Marijuana Code and the provisions of this section.~~ Subject to the provisions
18 of this article and the provisions of the Colorado Marijuana Code, local marijuana delivery permits
19 may be issued to a:

20 (1) Medical marijuana store to accept orders for delivery of regulated marijuana to
21 patients at a private residence by a medical marijuana transporter with a valid delivery permit; or

22 (2) Retail marijuana store to accept orders for delivery of regulated marijuana to
23 consumers at a private residence by a retail marijuana transporter with a valid delivery permit; or

24 (3) Medical marijuana transporter who qualifies as a social equity applicant as defined
25 in this article to contract with a medical marijuana store with a valid delivery permit to deliver
26 regulated marijuana to private residence of patients; or

27 (4) Retail marijuana transporter who qualifies as a social equity applicant as defined
28 in this article to contract with a retail marijuana store with a valid delivery permit to deliver regulated
29 marijuana to private residence of consumers.

30 (b) *Delivery permit restrictions.* ~~The following restrictions shall be placed on marijuana~~
31 ~~delivery permits issued pursuant to this article V:~~

32 ~~(1) Prior to July 1, 2024, Only medical or retail marijuana transporters who qualify as~~
33 ~~a social equity applicant as defined in this article and hold a valid license and a delivery permit~~
34 ~~issued pursuant to this article V may deliver regulated marijuana to private residences of customers~~

1 and patients, subject to the provisions the Colorado Marijuana Code.

2 ~~(2) On and after July 1, 2024, all medical and retail marijuana transporters and medical~~
3 ~~and retail marijuana stores holding a valid license and a delivery permit issued pursuant to this~~
4 ~~article V may deliver regulated marijuana to private residences of customers and patients, subject~~
5 ~~to the provisions the Colorado Marijuana Code.~~

6 **Sec. 6-219. - Transfers of ownership.**

7 (c) Delivery permits held by transporter licensees. Delivery permits associated with a
8 transporter license are only transferrable to a person who qualifies as a social equity applicant as
9 defined in this article. Any delivery permit associated with a transporter license that is transferred to
10 a person who is not a social equity applicant shall be deemed null and void, together with all the
11 privileges associated with it.

12 ~~(e)~~ (d) Application requirements. All applications to transfer ownership of a local medical or
13 retail marijuana business license shall be made in the manner provided by the director. In addition
14 to information required by chapter 32 of this Code, the application shall contain any supplemental
15 materials the director deems necessary to implement or enforce this article V and the Colorado
16 Marijuana Code.

17 ~~(d)~~ (e) Corresponding state license. The director shall not approve an application to transfer
18 ownership of a local medical or retail license unless the applicant produces written documentation
19 from the state licensing authority approving the same transfer of ownership of the corresponding
20 state license recorded upon the face of the local license.

21 ~~(e)~~ (f) Common ownership. If one (1) or more licenses share the same licensed premises, an
22 application to transfer ownership of any one of the licenses shall not be approved if the transfer
23 would result in that license no longer having common ownership with the licenses sharing the same
24 licensed premises.

25 ~~(f)~~ (g) Effect of transfers on proximity and location restrictions. The transfer of ownership of
26 a medical or retail marijuana business license shall not affect any exemption that the licensed
27 premises may enjoy from proximity or location restrictions set forth in this article V.

28 **Sec. 6-223. - Causes for denial.**

29 (a) In addition to the grounds set forth in the Colorado Marijuana Code and chapter 32 of this
30 Code, any application submitted pursuant to this article V shall be denied if:

31 (2) The Director determines after review of the entire record, that the applicant or
32 licensee has failed to prove by a preponderance of the evidence that the reasonable requirements
33 of the neighborhood and the desires of the adult inhabitants therein support the issuance of a

1 medical or retail marijuana store license;

2 (10) The applicant or licensee has a license history that does not warrant the
3 confidence of the Director that the applicant or licensee will operate lawfully based on prior violated
4 violations or ~~has failed failures~~ to comply with any applicable regulatory or administrative provisions
5 of state or local laws regulating marijuana, or rules and regulations adopted pursuant thereto; or

6 **Sec. 6-224. - Unlawful acts.**

7 (e) ~~Prior to January 1, 2024, i~~ It shall be unlawful for any person to deliver regulated marijuana
8 within the city without first obtaining a the required medical or retail marijuana transporter license
9 from the department and a corresponding delivery permit. ~~On and after January 1, 2024, it shall be~~
10 ~~unlawful for any person to deliver regulated marijuana within the city without first obtaining a medical~~
11 ~~or retail marijuana transporter license from the department and corresponding marijuana delivery~~
12 ~~permit or medical or retail marijuana store license from the department and corresponding marijuana~~
13 ~~delivery permit.~~

14 **Section 2.** Amend Article 2 of Chapter 32 by adding the language underlined and deleting
15 the language stricken, to read as follows:

16 **Sec. 32-92. – Cannabis Licensing.**

17 (a) Application and license fees for medical marijuana businesses and medical marijuana off-
18 premises storage facilities shall be as follows:

19 (3) Annual license fee for medical marijuana businesses, excluding medical marijuana
20 transporters:

21 a. Social equity applicants\$1,500.00

22 b. Non-social equity applicants3,000.00

23 (4) Annual license fee for medical marijuana transporters:

24 a. Social equity applicants \$200.00. The annual license fee shall be waived
25 upon initial application for a new license

26 b. Non-social equity applicants3,000.00

27 ~~(4)~~ (5) Annual license fee for medical marijuana off-premises storage facility:

28 a. Social equity applicants\$250.00. The annual license fee shall be waived
29 upon initial application for a new license

30 b. Non-social equity applicants500.00

31 ~~(5)~~ (6) Criminal background check feeactual costs

32 ~~(6)~~ (7) Transfer of ownership fee\$250.00, plus actual cost of background check

33 ~~(7)~~ (8) Change of location fees:

- 1 a. Medical marijuana stores\$1,500.00
- 2 b. All other medical marijuana business licenses1,000.00
- 3 ~~(8)~~ (9) Modification of premises\$300.00
- 4 (b) Application and license fees for retail marijuana businesses and retail marijuana off-
- 5 premises storage facilities shall be as follows:
- 6 (2) Application fee for retail marijuana off-premises storage facility:
- 7 a. Social equity applicants ~~(The annual license fee shall be waived upon~~
- 8 ~~application for a new license)~~\$0.00
- 9 b. Non-social equity applicants500.00
- 10 (3) Annual license fee for retail marijuana businesses, excluding retail marijuana
- 11 transporters:
- 12 a. Social equity applicants ~~(The annual license fee shall be waived upon~~
- 13 ~~application for a new license)~~\$2,500.00. The annual license fee shall be waived upon initial
- 14 application for a new license
- 15 b. Non-social equity applicants5,000.00
- 16 (4) Annual license fee for marijuana hospitality business and retail marijuana
- 17 hospitality and sales business\$2,000.00
- 18 (5) Annual license fee for retail marijuana transporters
- 19 a. Social equity applicants \$200.00. The annual license fee shall be waived
- 20 upon initial application for a new license
- 21 b. Non-social equity applicants 5,000.00
- 22 ~~(5)~~ (6) Annual license fee for retail marijuana off-premises storage facility:
- 23 a. Social equity applicants\$250.00. The annual license fee shall be waived
- 24 upon initial application for a new license
- 25 b. Non-social equity applicants500.00
- 26 ~~(6)~~ (7) Criminal background check feeactual costs
- 27 ~~(7)~~ (8) Transfer of ownership fee\$ 250.00, plus actual cost of background check
- 28 ~~(8)~~ (9) Change of location fees:
- 29 a. Retail marijuana stores, marijuana hospitality businesses, and retail
- 30 marijuana hospitality and sales businesses\$1,500.00
- 31 b. All other retail marijuana business licenses1,000.00
- 32 ~~(9)~~ (10) Modification of premises\$300.00
- 33 (c) Application and license fees for marijuana delivery permits shall be as follows:

- 1 (1) Application fee for marijuana delivery permits:-..... \$25.00
- 2 a. Social equity applicants \$0.
- 3 b. Non-social equity applicants 500.00.
- 4 (2) License fee for marijuana delivery permits~~\$2,000.00~~ 25.00.
- 5 (5) Fee for adding a motor vehicle(s) after initial permitting\$25.00 per vehicle.

6 COMMITTEE APPROVAL DATE: August 31, 2022
 7 MAYOR-COUNCIL DATE: September 6, 2022 by Consent
 8 PASSED BY THE COUNCIL: _____ September 19, 2022

9 _____ - PRESIDENT
 10 APPROVED: _____ - MAYOR Sep 20, 2022

11 ATTEST: _____ - CLERK AND RECORDER,
 12 EX-OFFICIO CLERK OF THE
 13 CITY AND COUNTY OF DENVER

14 NOTICE PUBLISHED IN THE DAILY JOURNAL: _____;

15 PREPARED BY: Reginald Nubine, Assistant City Attorney, and Genevieve St. Leger, Assistant
 16 City Attorney DATE: September 8, 2022

17 Pursuant to section 13-9, D.R.M.C., this proposed ordinance has been reviewed by the office of the
 18 City Attorney. We find no irregularity as to form, and have no legal objection to the proposed
 19 ordinance. The proposed ordinance is not submitted to the City Council for approval pursuant to §
 20 3.2.6 of the Charter.

21 Kristin Bronson, Denver City Attorney

22 BY: Anshul Bagga, Assistant City Attorney DATE: Sep 8, 2022