

BY AUTHORITY

ORDINANCE NO. _____
SERIES OF 2016

COUNCIL BILL NO. CB16-264
COMMITTEE OF REFERENCE:
Special Issues Marijuana Moratorium
Committee

A BILL

For an ordinance concerning the licensing of marijuana businesses, amending the Denver Retail Marijuana Code, Article V of Chapter 6, D.R.M.C. and the Denver Medical Marijuana Code, Art. XII of Chapter 24, D.R.M.C. by capping the total number of licensed locations where marijuana cultivation and sales may be permitted in the city, adopting new procedures for the issuance of retail marijuana cultivation and sales licenses, prohibiting the issuance of new medical marijuana cultivation and sales licenses, and adopted other related amendments.

WHEREAS, the City and County of Denver has heretofore allowed licensed medical marijuana businesses to operate in the city pursuant to the Colorado Medical Marijuana Code, Article 43.3 of Title 12, C.R.S., notwithstanding the authority set forth in the state code to completely ban such business as provided in section 12-43.3-106, C.R.S.; and

WHEREAS, pursuant to the Colorado Medical Marijuana Code, sec. 12-43.3-301 (2)(b), C.R.S., and pursuant to the city’s own home rule authority, the city may impose additional restrictions and requirements on licensing over and above those set forth in the state code; and

WHEREAS, the City Council has determined that it is appropriate to prohibit the issuance of additional licenses for medical marijuana cultivation and sales businesses within the city primarily due to the fact that the number of registered patients who are lawfully authorized to purchase medical marijuana has remained static for several years, both in Denver and statewide; and

WHEREAS, the City and County of Denver has heretofore allowed licensed retail marijuana businesses to operate in the city pursuant to the Colorado Retail Marijuana Code, Article 43.4 of Title 12, C.R.S., notwithstanding the authority set forth in the state law to completely ban such businesses as provided in art. XVIII, sec. 16(5)(f) of the Colorado Constitution; and

WHEREAS, pursuant to the Colorado Retail Marijuana Code, sec. 12-43.4-309, C.R.S., and pursuant to the city’s own home rule authority, the city may impose additional restrictions and requirements on licensing over and above those set forth in the state code; and

WHEREAS, Denver has experienced a rapid expansion in the number of licensed marijuana businesses since 2010 and the city has heretofore licensed, by far, the largest number of licensed marijuana businesses in comparison to any other local jurisdiction in the state; and

WHEREAS, the City Council has determined that a cap on further expansion of the total

1 number of licensed locations for marijuana cultivation and sales, a reasonable procedure for allowing
2 new entrants to apply for retail licensing under the cap in the future, and additional restrictions on the
3 location of marijuana cultivation near residential zone districts and schools is necessary in the interest
4 of public health, safety and the general welfare.

5
6 **NOW, THEREFORE, BE IT ENACTED BY THE COUNCIL OF THE CITY AND COUNTY OF**
7 **DENVER:**

8
9 **Section 1.** That Section 6-201 D.R.M.C. shall be amended by deleting the language
10 stricken and adding the language underlined, to read as follows:
11

12 **Sec. 6-201. - Defined terms.**

13 The definitions set forth in subsection 16(2) of article XVIII of the Colorado
14 Constitution as well as the Colorado Retail Marijuana Code, § 12-43.4-103, C.R.S.,
15 as amended, and rules adopted pursuant thereto, shall apply equally to this article V.
16 In addition, the following terms shall have the meanings respectively assigned to
17 them:

- 18 (1) *Alcohol or drug treatment facility* means any facility located within a medical
19 office or hospital, as these terms are defined by the zoning code, with the
20 primary purpose of counseling or providing medical services to patients who
21 suffer from addictions to alcohol or drugs.
22
- 23 (2) Cap on marijuana cultivation locations means a maximum of three hundred
24 and eleven (311) distinct locations in the city where a medical marijuana optional
25 premises cultivation facility, a retail marijuana cultivation facility, or both may be
26 licensed; or such lesser number as may be determined by the director pursuant
27 to section 6-203 (b) by calculating the total number of locations in the city:
28
- 29 (a) Where one or more licensed premises existed pursuant to a medical
30 marijuana optional premises license, a retail marijuana cultivation facility license,
31 or both, as of May 1, 2016, and
32
- 33 (b) Where any licensed premises was approved by the director after May 1, 2016
34 as the result of an application for new licensing that was pending on May 1, 2016
35 for a medical marijuana optional premises cultivation license, a retail marijuana
36 cultivation license, or both, in a location where such licenses did not previously
37 exist.
38
39

1 (3) Cap on marijuana sales locations means a maximum of two hundred and
2 twenty-six (226) distinct locations in the city where a medical marijuana center, a
3 retail marijuana store, or both may be licensed; or such lesser number as may be
4 determined by the director pursuant to section 6-203 (b) by calculating the total
5 number of locations in the city:

6
7 (a) Where a licensed premises existed for a medical marijuana center, a retail
8 marijuana store, or both, as of May 1, 2016; and

9
10 (b) Where any licensed premises was approved by the director after May 1, 2016
11 as the result of an application for new licensing that was pending on May 1, 2016
12 for a medical marijuana center, a retail marijuana store, or both, in a location
13 where such licenses did not previously exist.

14
15
16 ~~(2)~~ (4) *Child care establishment* means any child care establishment as defined by
17 and regulated under [chapter 11](#) of the City Code.

18
19 ~~(3)~~ (5) *Colorado Retail Marijuana Code* or *CRMC* means Article 43.4 of Title 12 of
20 the Colorado Revised Statutes, as amended.

21
22 (6) Cumulative cap on marijuana cultivation and sales locations means a maximum
23 of four hundred and sixty-seven (467) distinct locations in the city where one or any
24 combination of the following may be licensed in the same location: medical
25 marijuana center, retail marijuana store, medical marijuana optional premises
26 cultivation facility, retail marijuana cultivation facility; or such lesser number as may
27 be determined by the director pursuant to section 6-203 (b) by calculating the total
28 number of locations in the city:

29
30 (a) Where a licensed premises existed for a medical marijuana center, retail
31 marijuana store, medical marijuana optional premises cultivation facility, retail
32 marijuana cultivation facility, or any combination of these, as of May 1, 2016; and

33
34 (b) Where any licensed premises was approved by the director after May 1, 2016
35 as the result of an application for new licensing that was pending on May 1, 2016
36 for a medical marijuana center, retail marijuana store, medical marijuana optional
37 premises cultivation facility, retail marijuana cultivation facility, or any combination
38 of these, in a location where such licenses did not previously exist.

39
40
41 ~~(4)~~ (7) *Department* means the Denver Department of Excise and Licenses.

42
43 ~~(5)~~ (8) *Director* means the director of the Denver Department of Excise and
44 Licenses.

1 (9) Location means a particular parcel of land that is identified by a distinct street
2 address assigned by the city in accordance with Article IV of Chapter 49. To the
3 extent the parcel consists of separately described “units,” “suites,” “rooms” or other
4 similar descriptor, the parcel shall nevertheless be counted as one location for the
5 purpose of calculating the cap on marijuana sales locations, the cap on marijuana
6 cultivation locations, and the cumulative cap on marijuana cultivation and sales
7 locations, as provided in section 6-203, and for the purpose of administering the laws
8 related to change of location as provided in sections 6-217 and 24-512.
9

10 ~~(6)~~ (10) School means a public or private preschool or a public or private
11 elementary, middle, junior high, or high school.
12
13

14 **Section 2.** That Section 6-203, D.R.M.C., shall be repealed and reenacted by deleting
15 the language stricken and adding the language underlined to read as follows:
16

17 **~~Sec. 6-203. – Transition provision.~~**

18 ~~(a) Prior to May 1, 2016, no retail marijuana store, retail marijuana cultivation facility,~~
19 ~~or retail marijuana products manufacturer shall be licensed or otherwise permitted in~~
20 ~~the city unless:~~
21

22 ~~(1) The applicant for licensing of a retail marijuana establishment was, as of October~~
23 ~~1, 2013, operating in good standing a medical marijuana center, a medical marijuana~~
24 ~~optional premises cultivation operation, or a medical marijuana infused products~~
25 ~~manufacturing operation; the applicant is, as of the time of application for a local~~
26 ~~license under this article V, currently licensed under both the Colorado Medical~~
27 ~~Marijuana Code and the Denver Medical Marijuana Code; and the applicant~~
28 ~~proposes to surrender the existing medical marijuana licenses upon receipt of a retail~~
29 ~~marijuana license, thereby entirely converting an existing medical marijuana~~
30 ~~establishment into a retail marijuana establishment; or~~
31

32 ~~(2) The applicant for licensing of a retail marijuana establishment was, as of October~~
33 ~~1, 2013, operating in good standing a medical marijuana center, a medical marijuana~~
34 ~~optional premises cultivation operation, or a medical marijuana infused products~~
35 ~~manufacturing operation; the applicant is, as of the time of application for a local~~
36 ~~license under this article V, currently licensed under both the Colorado Medical~~
37 ~~Marijuana Code and the Denver Medical Marijuana Code; and the applicant~~
38 ~~proposes to retain the existing medical marijuana license while locating a retail~~
39 ~~marijuana establishment under common ownership at the same location to the~~
40 ~~extent allowed by the Colorado Retail Marijuana Code and applicable state rules and~~
41 ~~regulations.~~
42

43 ~~(b) Prior to May 1, 2016, any person who obtains a transfer of ownership of the state~~
44 ~~and local licenses for a medical marijuana business that was operating in good~~
45 ~~standing as of October 1, 2013 and is duly licensed under both the Colorado Medical~~
46 ~~Marijuana Code and the Denver Medical Marijuana Code may qualify for licensing as~~

1 a retail marijuana establishment in the city as allowed by subsection (a) of this
2 section.

3
4 ~~(c) Prior to May 1, 2016, any person who obtains a change of location of the state
5 and local licenses for a medical marijuana business that was operating in good
6 standing as of October 1, 2013 and is duly licensed under both the Colorado Medical
7 Marijuana Code and the Denver Medical Marijuana Code may qualify for licensing as
8 a retail marijuana establishment in the new location as allowed by subsection (a) of
9 this section; provided, however, no change of location of a medical marijuana center
10 license with the intent to apply for licensing as a retail marijuana store in the new
11 location shall be approved unless and until a public hearing is conducted in
12 accordance with [section 6-212](#) and the director has determined that the applicant
13 qualifies for licensing of a retail marijuana store in the new location. For any
14 application involving transfer of location of an existing medical marijuana center and
15 conversion to or co-location of a retail marijuana store at the new location, good
16 cause for denial of the retail marijuana store license shall include, in addition to the
17 factors set forth in [section 6-212](#), evidence that the medical marijuana center was
18 operated in a manner that adversely affected the public health, welfare, or safety of
19 the immediate neighborhood in which the center was previously located.~~

20
21 ~~(d) On and after May 1, 2016, unless otherwise provided by law, any person who
22 otherwise qualifies for licensing under applicable state and city laws may apply for
23 licensing of a retail marijuana establishment in the city, regardless of whether or not
24 the applicant is the owner of an existing medical marijuana business in the city.~~

25
26 ~~(e) On and after October 1, 2013, state and local licensing of retail marijuana testing
27 facilities shall be permitted in the city, regardless of whether or not a medical
28 marijuana testing facility previously existed in the location that is proposed for
29 licensing.~~

30
31
32 **Sec. 6-203. City-wide cap on certain retail marijuana licenses; annual open**
33 **application process.**

- 34
35 (a) Effective May 1, 2016, the issuance of any new retail marijuana store license or any
36 new retail marijuana cultivation facility license in the city shall be subject to the cap on
37 marijuana sales locations and the cap on marijuana cultivation locations respectively, as
38 well as the cumulative cap on marijuana cultivation and sales locations, to be
39 administered by the director in accordance with this section.
- 40
41 (b) The director shall calculate and publish the cap on marijuana sales locations, the cap
42 on marijuana cultivation locations, and the cumulative cap on marijuana cultivation and
43 sales locations as soon as possible after a determination is made by the director on all
44 applications for new licenses that were pending on May 1, 2016. The director's
45 calculation of the caps shall be considered dispositive and shall not be subject to
46 appeal.
- 47
48 (c) Beginning in 2017 and continuing once in each calendar year thereafter, the director
49 shall administer an open application process for new retail store licenses and new retail

1 marijuana cultivation facility licenses, to the extent the total number of then-current
2 licensed locations in either category in the city falls below the cap on marijuana sales
3 locations and the cap on marijuana cultivation locations respectively, and only if the
4 cumulative number of then-current licensed locations for any combination of marijuana
5 cultivation or sales licenses falls below the cumulative cap on marijuana cultivation and
6 sales locations. The annual open application process shall be subject to the following
7 requirements:

8
9 (1) In advance of the open application process, the director shall determine and publish
10 the total number of available locations in the city for retail marijuana stores and retail
11 marijuana cultivation facilities under the respective caps. The director's
12 determination of the number of available locations shall be considered dispositive
13 and not be subject to appeal. Also in advance of the open application process, the
14 director shall determine the statistical neighborhoods in the city where there exists
15 the highest concentration of licensed locations for marijuana cultivation and
16 marijuana sales. The director shall, by rule, adopt procedures to be used in the blind
17 lottery as set forth in paragraph (2) of this subsection (c) that will increase the odds
18 of being selected in the lottery for any entrant in the lottery who proposes to be
19 licensed in any location in the city other than the most highly concentrated statistical
20 neighborhoods as determined by the director.

21
22 (2) Eligibility for licensing under the annual open application process shall be determined
23 by a blind lottery. Prior to the blind lottery, the director shall prequalify persons
24 wishing to enter the lottery in accordance with the following requirements:

25
26 a. The entrant shall submit proof of prior approval by the state licensing authority
27 for the retail marijuana establishment in question, to the extent required by state
28 law.

29
30 b. The entrant shall submit a complete application for local licensing in
31 accordance with the requirements of this article V along with all applicable fees,
32 which shall be subject to refund if the entrant is not selected in the blind lottery.

33
34 c. The entrant shall submit proof that the entrant has or will have lawful
35 possession of the premises proposed for the marijuana establishment, which
36 proof may consist of: a deed, a lease, a real estate contract contingent upon
37 successful licensing, or a letter of intent by the owner of the premises indicating
38 an intent to lease the premises to the entrant contingent upon successful
39 licensing.

40
41 d. The location proposed for licensing by the entrant shall comply with all
42 applicable city zoning laws and the location restrictions set forth in this article V.

43
44 e. The entrant shall submit, to the satisfaction of the director, proof of financial
45 capability to open and operate the retail marijuana establishment for which the
46 entrant is seeking to apply. Standards for proof of financial capability shall be
47 determined by the director and adopted by rule or regulation.

48
49 f. In addition to complying with any other state or city requirement related to
50 good character and criminal background, any person proposed to have an

1 ownership interest in the license shall not have committed in the preceding year
2 any marijuana licensing violation affecting public safety, as defined in the rules
3 and regulations of the state licensing authority, or received any suspension or
4 revocation of any other state or local marijuana business license in the preceding
5 year.

6
7 g. The entrant and the application otherwise complies with any and all
8 qualification standards set forth in state and city laws or regulations.

9
10 (3) A separate lottery drawing shall occur for entrants seeking to apply for retail
11 marijuana store licenses and retail marijuana cultivation facility licenses. The director
12 shall conduct the lottery drawings in a public setting, with all entrants in the lottery
13 advised of the date and time of the lottery in advance and afforded the opportunity to
14 attend and witness the drawing. The names of all entrants in each lottery shall be
15 drawn and assigned a number in the order they are drawn from first to last. The
16 entrants who are first drawn in a number equal to the number of available locations
17 under the cap on marijuana sales locations or the cap on marijuana cultivation
18 locations shall be afforded first opportunity to proceed with the licensing process. If
19 any of these entrants fail to pursue licensing, or if the director denies the entrant's
20 application, then other entrants in the lottery, based on the order in which their name
21 was selected, will be afforded the opportunity to proceed with the licensing process.
22 In no event shall an entrant or applicant be allowed to transfer the application to any
23 other person during the annual open application process.

24
25 (4) Selection of an entrant in the lottery shall not be construed to create any right or
26 entitlement to ultimate license approval by the city, and entrants selected in the
27 lottery shall remain subject to all other requirements of this article V before a license
28 may be approved including, by way of example, the public hearing requirements set
29 forth in section 6-212 for retail marijuana stores.

30
31 (5) The director may adopt additional rules and regulations governing the annual open
32 application process.

33
34
35 **Section 3.** That Section 6-209, D.R.M.C. shall be amended by deleting the language
36 stricken and adding the language underlined, to read as follows:

37
38 **Sec. 6-209. - Screening and response to state license applications.**

39 (a) Upon receipt of notice from the state licensing authority of any application for a
40 license under the Colorado Retail Marijuana Code, the director shall:

41
42 ~~(1) For all applications received prior to May 1, 2016, determine whether the~~
43 ~~applicant qualifies for licensing as an existing medical marijuana business in the city,~~
44 ~~to the extent allowed by [section 6-203](#). If the director makes an initial determination~~
45 ~~that the applicant does not qualify for licensing prior to May 1, 2016, the director~~
46 ~~shall, no later than forty-five (45) days from the date the application was originally~~
47 ~~received by the state licensing authority, notify the state licensing authority and the~~

1 applicant for state licensing in writing that the application is disapproved by the city.
2 The failure of the director to make such a determination upon the initial review of a
3 state license application shall not preclude the director from later determining that the
4 applicant does not qualify for licensing prior to May, 2016 as provided in [section 6-](#)
5 [203](#), and disapprove the issuance of a state or city license on this basis.
6

7 ~~(2)~~ (1) Determine, in consultation with the manager of the department of community
8 planning and development, whether or not the location proposed for licensing
9 complies with any and all zoning and land use laws of the city, and any and all
10 restrictions on location of retail marijuana establishments set forth in this article V. If
11 the director makes an initial determination that the proposed license would be in
12 violation of any zoning law or other restriction on location set forth in city laws, the
13 director shall, no later than forty-five (45) days from the date the application was
14 originally received by the state licensing authority, notify the state licensing authority
15 and the applicant for state licensing in writing that the application is disapproved by
16 the city. The failure of the director to make such a determination upon the initial
17 review of a state license application shall not preclude the director from later
18 determining that the proposed license is in violation of city zoning laws or any other
19 restriction on location set forth in city laws, and disapprove the issuance of a state or
20 city license on this basis.
21

22 ~~(3)~~ (2) For any application that is not disapproved as provided in paragraphs (1) or
23 ~~(2)~~ of this subsection (a), the director shall notify the state licensing authority and the
24 applicant for state licensing in writing that the city's further consideration of the
25 application is subject to a local licensing process, and that the city's ultimate decision
26 to approve or disapprove the issuance of the state license in Denver is subject to the
27 completion of the local licensing process as set forth in this article V, after which the
28 city will notify the state licensing authority in writing of whether or not the retail
29 marijuana establishment proposed in the application has or has not been approved
30 by the city.
31
32

33 **Section 4.** That the introductory sentence of Section 6-211, D.R.M.C. shall be amended by
34 adding the language underlined to read as follows:
35

36 **Sec. 6-211. - Licensing requirements—Retail marijuana stores.**

37 Effective May 1, 2016, the director shall not receive or act upon any application
38 for a retail marijuana store license except through the annual open application
39 process set forth in Section 6-203. The director may, however, receive and act upon
40 an application to co-locate a retail marijuana store with an existing medical marijuana
41 center as provided in subsection (e) of this section. The following requirements shall
42 apply to the issuance of any local license for a retail marijuana store:
43
44

45 **Section 5.** That the introductory sentence to Section 6-214, D.R.M.C. shall be amended by
46 adding the language underlined, and that a new subsection (d) shall be added to the section, to
47 read as follows:

1
2 **Sec. 6-214. - Licensing requirements—Retail marijuana cultivation facility.**
3

4 Effective May 1, 2016, the director shall not receive or act upon any
5 application for a retail marijuana cultivation facility license except through the annual
6 open application process set forth in Section 6-203. The director may, however,
7 receive and act upon an application to co-locate a retail marijuana cultivation facility
8 license with one or more existing medical marijuana optional premises cultivation
9 licenses or retail marijuana cultivation facility license as provided in subsection (b) of
10 this section, subject to the limitations set forth in subsection (c) of this section. In
11 addition to the requirements set forth in the Colorado Retail Marijuana Code and any
12 rules or regulations adopted pursuant thereto, the following requirements shall apply
13 to the issuance of any local license for a retail marijuana cultivation license:

14 (d) Prohibited locations. Effective May 1, 2016, no retail marijuana cultivation facility
15 license shall be issued for the following locations:
16

17 (1) Within one thousand (1,000) feet of any school, with the distance computed by
18 direct measurement in a straight line from the nearest property line of the land used
19 for school to the nearest portion of the building in which the retail marijuana
20 cultivation facility is located.
21

22 (2) Within one thousand (1,000) feet of any residential district as defined in the
23 Denver Zoning Code or former Chapter 59, with the distance computed by direct
24 measurement in a straight line from the nearest property line of any property in the
25 residential district to the nearest portion of the building in which the retail marijuana
26 cultivation facility is located.
27

28 **Section 6.** That Section 6-217, D.R.M.C., shall be amended by adding a new
29 subsection (d) and (e) as underlined, to read as follows:

30 **Sec. 6-217. - Change of location; modification of premises.**

31 (a) Change of location of any license or any modification of the licensed premises shall
32 be governed by the standards and procedures set forth in the Colorado Retail Marijuana
33 Code, this article V, and any regulations adopted pursuant thereto, and the director shall
34 administer applications to change location or modify premises in the same manner as the
35 state licensing authority administers changes of location and modification of premises for
36 state licenses. Any proposed modification and any new location to which an existing
37 licensed business is transferred shall fully comply with the spacing requirements and the
38 requirements for conformance with current zoning as set forth this article V.
39

40 (b) Upon receipt of an application for change of location of a retail marijuana store, the
41 director shall schedule a public hearing in accordance with the requirements of [section 6-](#)
42 [212](#) and shall issue written findings for the new location.

1
2 (c) Corresponding state license. Upon receipt of any application for change of location,
3 the director shall not issue a license to the proposed new location unless the applicant
4 produces written documentation from the state approving the same change of location of
5 the corresponding state license recorded upon the face of the local license.

6 (d) Effective May 1, 2016, in the case of a retail marijuana store that is co-located
7 with a medical marijuana center or with any retail marijuana cultivation facility or
8 medical marijuana optional premises cultivation business at the same location, a
9 change of location for the retail marijuana store shall not be approved by the director
10 unless:

11 (1) The associated medical marijuana center and any retail marijuana cultivation
12 facility or medical marijuana optional premises cultivation facility at the same location
13 likewise changes to the same new location, or

14 (2) The license for the medical marijuana center or any retail marijuana cultivation
15 facility or medical marijuana optional premises cultivation facility at the former
16 location is surrendered.

17 (e) Effective May 1, 2016, in the case of a retail marijuana cultivation facility that
18 is co-located with any other retail marijuana cultivation facility, any medical marijuana
19 optional premises cultivation business, any retail marijuana store, or any medical
20 marijuana center at the same location, any change in location of the retail marijuana
21 cultivation facility shall not be approved by the director unless:
22

23 (1) All other marijuana cultivation or sales licenses at the prior location likewise
24 change to the same new location; or

25
26 (2) All other marijuana cultivation or sales licenses at the prior location are
27 surrendered; or.

28
29 (3) The retail marijuana cultivation facility is proposed for change to a location
30 where medical marijuana optional premises cultivation licenses or other retail
31 marijuana cultivation facility licenses currently exist at the new location, subject to the
32 limitations set forth in section 6-214 (c).

33
34 **Section 7.** That Section 24-503.5 shall be repealed by deleting the language
35 stricken:

36 **~~Sec. 24-503.5. -- Temporary moratorium.~~**

37 ~~(a) The issuance of new medical marijuana business licenses for medical marijuana~~
38 ~~centers, medical marijuana optional premises cultivation operations, and medical~~

1 marijuana-infused products manufacturing operations shall be and hereby is limited
2 by the following moratorium:

3
4 ~~(1) The moratorium shall be in effect beginning January 1, 2016;~~

5
6 ~~(2) The moratorium shall end on May 1, 2016;~~

7
8 ~~(3) During the period of the moratorium, under no circumstances shall the director~~
9 ~~receive any new application for a medical marijuana establishment described in this~~
10 ~~subsection (a).~~

11
12 ~~(b) This moratorium shall not apply to any new license applications for a medical~~
13 ~~marijuana establishment described in subsection (a) which have been submitted to~~
14 ~~the city in complete form, with any required fees paid, prior to January 1, 2016.~~

15
16
17 **Section 8.** That Section 24-506, D.R.M.C. shall be amended by adding the
18 language underlined, to read as follows:

19
20 **Sec. 24-506. - Classes of licensing authorized.**

21 For the purpose of regulating the cultivation, manufacture, distribution, offering
22 for sale, and sale of medical marijuana, the director in the director's discretion, upon
23 application in the prescribed form made to the director, may issue and grant to the
24 applicant a local license from any of the following classes, subject to the provisions
25 and restrictions provided in this article XII and the Colorado Medical Marijuana Code:

26 (a) Medical marijuana center license; provided, however, that effective May 1,
27 2016 the director shall not receive or act upon any application for a new medical
28 marijuana center license;

29
30 (b) Optional premises cultivation license; provided, however, that effective May 1,
31 2016 the director shall not receive or act upon any application for a new medical
32 marijuana optional premises cultivation license;

33
34 (c) Medical marijuana-infused products manufacturing license;

35
36 (d) Medical marijuana testing facility license.

37
38
39 **Section 9.** That the opening sentence of Section 24-508 shall be amended by
40 adding the language underlined, to read as follows:

41
42
43 **Sec. 24-508. - Licensing requirements—Medical marijuana centers.**

1 Effective May 1, 2016, the director shall not receive or act upon any application
2 for a new medical marijuana center license. In addition to the requirements set forth
3 in the CMMC, the following requirements shall apply to the issuance of any local
4 license for a medical marijuana center for which application was made prior to
5 January 1, 2016 and issuance of the license occurred on or after May 1, 2016, and
6 to any licenses for a medical marijuana center issued prior to May 1, 2016:
7
8

9 **Section 10.** That the opening sentence of Section 24-510, D.R.M.C. shall be
10 amended by adding the language underlined, to read as follows:
11

12 **Sec. 24-510. - Licensing requirements—Optional premises cultivation licenses.**
13

14 Effective May 1, 2016, the director shall not receive or act upon any
15 application for a new medical marijuana optional premises cultivation license. In
16 addition to the requirements set forth in the CMMC, the following requirements shall
17 apply to the issuance of any local license for an optional premises cultivation license
18 for which application was made prior to January 1, 2016 and issuance of the license
19 occurred on or after May 1, 2016, and to any licenses for a medical marijuana
20 optional premises cultivation license issued prior to May 1, 2016:
21

22 **Section 11.** That Section 24-512, D.R.M.C. shall be amended by adding a new
23 subsection (d), (e) and (f) as underlined, to read as follows:

24 **Sec. 24-512. - Change of location; modification of premises.**

25 (a) Change of location of any license or any modification of the licensed premises shall
26 be governed by the standards and procedures set forth in the Colorado Medical Marijuana
27 Code, this article XII and any regulations adopted pursuant thereto. Any proposed
28 modification and any new location to which an existing licensed business is transferred shall
29 fully comply with the spacing requirements and the requirements for conformance with
30 current zoning as set forth in sections [24-508](#), [24-509](#), or [24-510](#) of this article XII.
31

32 (b) Upon receipt of an application for change of location of a medical marijuana
33 center, the director shall schedule a public hearing in accordance with the requirements
34 of [section 24-508.5](#) and shall issue written findings for the new location.
35

36 (c) Corresponding state license. Upon receipt of any application for change of location of
37 a local license, the director shall not issue a license to the proposed new location unless
38 the applicant produces written documentation from the state approving the same change
39 of location of the corresponding state license recorded upon the face of the local license.

40 (d) Effective May 1, 2016, in the case of a medical marijuana center that is co-
41 located with a retail marijuana store or with any medical marijuana optional premises

1 cultivation facility or retail marijuana cultivation facility at the same location, a change
2 of location for the medical marijuana center shall not be approved by the director
3 unless:

4 (1) The associated retail marijuana store and any medical marijuana optional
5 premises cultivation facility or retail marijuana cultivation facility at the same location
6 likewise changes to the same new location, or

7 (2) The license for the retail marijuana store and any medical marijuana optional
8 premises cultivation facility or retail marijuana cultivation facility at the prior location is
9 surrendered.

10 (e) Effective May 1, 2016, in the case of a medical marijuana optional premises
11 cultivation license that is co-located with any other optional premises cultivation
12 licenses, any retail marijuana cultivation facility, or both at the same location, any
13 change in location of the medical marijuana optional premises cultivation license
14 shall not be approved by the director unless:

15
16 (1) All other medical marijuana optional premises cultivation licenses, retail
17 marijuana cultivation facility licenses, medical marijuana centers or retail marijuana
18 stores at the prior location likewise change to the same new location; or

19
20 (2) All other medical marijuana optional premises cultivation licenses, retail
21 marijuana cultivation facility licenses, medical marijuana center licenses, or retail
22 marijuana store licenses at the prior location are surrendered; or

23
24 (3) The medical marijuana optional premises cultivation license is proposed for
25 change to a location where other medical marijuana optional premises cultivation
26 licenses, retail marijuana cultivation facility licenses, or both currently exist at the new
27 location.

28
29 (f) *Prohibited locations.* Effective May 1, 2016, no medical marijuana optional
30 premises cultivation license shall be permitted to change to the following locations:

31
32 (1) Within one thousand (1,000) feet of any school, with the distance computed by
33 direct measurement in a straight line from the nearest property line of the land used for
34 school to the nearest portion of the building in which the retail marijuana cultivation facility
35 is located; or

36
37 (2) Within one thousand (1,000) feet of any residential district as defined in the
38 Denver Zoning Code or former Chapter 59, with the distance computed by direct
39 measurement in a straight line from the nearest property line of any property in the
40 residential district to the nearest portion of the building in which the retail marijuana
41 cultivation facility is located.

42
43 **Section 12.** This ordinance shall be effective May 1, 2016. Any and all applications

1 for new licensing or for change of location of an existing license pending on May 1, 2016
2 shall be regulated and processed in accordance with the laws in effect on the date the
3 application was originally submitted, except as modified by the adoption of Ordinance No.
4 912, Series of 2015.

5 COMMITTEE APPROVAL DATE: April 4, 2016

6 MAYOR-COUNCIL DATE: N/A

7 PASSED BY THE COUNCIL _____ 2016

8 _____ - PRESIDENT

9 APPROVED: _____ - MAYOR _____ 2016

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

13 NOTICE PUBLISHED IN THE DAILY JOURNAL _____ 2016; _____ 2016

14 PREPARED BY: David W. Broadwell, Asst. City Attorney; DATE: April 7, 2016

15 Pursuant to section 13-12, D.R.M.C., this proposed ordinance has been reviewed by the office of the
16 City Attorney. We find no irregularity as to form, and have no legal objection to the proposed
17 ordinance. The proposed ordinance **is not** submitted to the City Council for approval pursuant to §
18 3.2.6 of the Charter.

19
20 D. Scott Martinez, City Attorney

21 BY: _____, Assistant City Attorney

DATE: April 7, 2016