

HISTORIC BACKGROUND OF LIQUOR AND MARIJUANA REGULATION AND NEIGHBORHOOD INVOLVEMENT IN DENVER

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LIQUOR

Soon after Prohibition of alcoholic beverages was ended in the United States and Colorado in 1933, the Colorado legislature passed a number of laws regulating the sale and distribution of alcoholic beverages. Many of these state laws and implementing regulations are still in effect and control such regulation. Local governments cannot override such legislation of “statewide concern,” although they can adopt some minor regulations that differ from the state’s.

Very few Denver neighborhoods had organized groups until the 1960s and 1970s, when many neighborhoods began to demand that they be notified of and involved in government actions that would affect them. Several neighborhood groups banded together in 1975 to form Inter-Neighborhood Cooperation (INC). One issue that concerned residents was that many bad liquor stores and bars around the city caused serious problems, including killings, fights, noise, drunken loitering and trash. In 1979, INC strongly supported and City Council passed the Neighborhood Registration and Notification Ordinance, which requires the Denver city government to notify properly-registered neighborhood organizations (RNOs) of many proposed actions, including applications for new liquor licenses, transfers of liquor licenses and major modifications to liquor-licensed establishments. The ordinance also specifically recognized that RNOs have a right to testify or comment on such actions.

Many RNOs took advantage of the opportunity to participate in “needs and desires” hearings about liquor licenses and also cabaret licenses, different types of which allow entertainment and patron dancing. Many smart applicants for liquor and cabaret licenses began to reach out to RNOs to gain their support before a liquor license hearing.

In the 2000s INC met with the Directors of the Department of Excise and Licenses approximately once a year and INC representatives were appointed to 3 different task forces to help update the rules and procedures for liquor licenses. One major development was that the Department began to encourage applicants and RNOs to develop Good Neighbor Agreements (GNAs) about how an establishment would operate if a license is granted. In recent years, the Department also became more willing to deny some applications if there was significant opposition and also to non-renew or to revoke bad licenses.

MARIJUANA

In 2000, the voters of Colorado passed Constitutional Amendment 20, which permitted sale and use of medical marijuana.

In 2012, the voters of Colorado passed Constitutional Amendment 64, which permitted the sale and use of “recreational marijuana.” After both amendments passed, the Colorado legislature and the Denver City Council passed many statutes and ordinances regulating the sale and use of both types of

marijuana. In 2016 the Denver City Council passed an ordinance requiring a needs and desires hearing for new license applications for retail stores for either type of marijuana. Most of the rules and procedures for marijuana hearings are very similar to those for liquor.

Also in 2016, the voters of Denver passed Initiative 300, which allows “designated consumption areas” to be allowed for consumption of marijuana if applicants receive a permit (not a license) from the Department of Excise and Licenses. Applicants must file evidence of neighborhood support before they file their applications.

NEIGHBORHOOD RESPONSIBILITY

Whenever a designated contact person for an RNO receives an e-mail notice from the Department of Excise and Licenses about a liquor, cabaret or marijuana license, he or she has a responsibility to open the notice, review it, consult quickly with fellow RNO members and decide what to do, if anything, regarding the application. Also, look carefully at the date for the hearing, which indicates how quickly you must decide what to do. RNOs have a number of options:

- Contact the applicant to discuss on the telephone.
- Arrange a neighborhood or board meeting to discuss (preferably with the applicant).
- If the proposed location is within the boundaries of or is close to 1 or more other RNOs, it is a very good idea to see if the other RNOs want to work together.
- Oppose or support the application by a letter to Excise and Licenses or by testimony by an RNO representative at the hearing.
- Launch a full-scale opposition by gathering petition signatures, organizing lots of witnesses for the hearing, preparing testimony, etc. This requires a lot of energy and careful study of the rules and procedures for hearings.
- Negotiate a Good Neighbor Agreement with the applicant before the hearing (requires that an RNO representative attend the hearing).
- Be neutral and do nothing if the application is minor and/or will not appear to cause any difficulties for neighbors.

Be sure that the city has current contact information for your RNO’s contact persons (up to 2 are allowed). Otherwise your RNO might not get the notices. The current keeper of the RNO list is Alexandra.foster@denvergov.org, in the Community Planning and Development Department.

RNOs should also understand that, if a liquor or marijuana establishment is operating badly, the RNO and/or neighbors should contact the manager to discuss and, if that is unsuccessful, file complaints with Excise and Licenses and/or the Police Department. Such complaints will be considered at the next renewal period for the establishment’s license or permit. The Department may also refer the issues to mediation.

