



DENVER
THE MILE HIGH CITY

Initiative 300

Rules and Regulations Public Hearing

**Excise and Licenses/
Office of Marijuana Policy**

June 13, 2017

- **What?**
 - Purpose is to allow persons in the city to obtain a cannabis consumption permit to operate a **designated consumption area (DCA)** at any type of **business** or **event**.
- **Where?**
 - May be a year-long permit or a temporary permit for indoors or outdoors.
 - Does not require additional zoning permits, but shall be permitted where the underlying business or event is permitted.
 - Unlike other MJ establishments, the only proximity restriction is 1,000 feet from schools.
- **When?**
 - Allowed to operate between 7 a.m. and 2 a.m.
 - A permit shall be valid for one year from the date of issuance or such shorter or non-consecutive times.
- **How?**
 - “Bring your own cannabis”
 - Application shall contain evidence of community support or “non-opposition.”
 - Outdoor smoking occurring at ground level cannot be visible
 - Must provide proof of possession, a criminal background check, a responsible operations plan, among other things.
- **How much?**
 - Permit and application fees shall be set by City Council.
 - Until City Council sets a different fee, the annual fee shall be \$1,000 and the application fee shall be \$1,000.

- In November 2016 Denver voters approved [Initiative 300](#), granting individuals the ability to apply for a permit to operate a designated consumption area at any type of business or event.
- Adoption of rules and regulations is the responsibility of EXL per a public hearing process allowing for review and comment.
- In December 2016 EXL provided an update to City Council
 - CAO addressed legal issues
 - EXL/OMP provided an aggressive timeline for implementation

- Co-Chair: Ashley Kilroy (Executive Director, Denver of Excise & Licenses)
- Co-Chair: Molly Duplechian (Denver Office of Marijuana Policy)
- Kendra Black (Denver City Council)
- Mary Beth Susman (Denver City Council)
- Deputy Chief David Quinones (Denver Police Department)
- Marley Bordovsky (Denver City Attorney's Office)
- Jude Del Hierro (Community Representative)
- Sam Kamin (Professor, Denver University Sturm College of Law)
- Kristi Kelly (Marijuana Industry Group)
- Dan Landes (Business representative)
- Fran Lanzer (Mothers Against Drunk Driving)
- Aubrey Lavizzo (Community representative)
- Amber Leytem (Denver Public Schools)
- Amie Mayhew (Colorado Hotel and Lodging Association)
- Karin McGowin (Colorado Department of Public Health and Environment)
- Maureen McNamara (Cannabis Trainers)
- Rachel O'Bryan (Protect Denver's Atmosphere)
- Jordon Person (Denver NORML)
- Emmett Reistroffer (Denver Relief Consulting/Yes on 300)
- Sonia Riggs (Colorado Restaurant Association)
- Margie Valdez (Inter-Neighborhood Cooperation)
- Kobi Waldfogel (Event planning representative)

Business Licensing Center

[Business Licenses](#)

[Liquor Licenses](#)

[Marijuana Licenses](#)

[Public Hearings](#)

[Resource Center](#)

[News & Events](#)

[Contact Us](#)

[Business Licensing Center](#) / [Marijuana Licenses](#) / [Social Consumption](#)

Past Meetings

Meeting 6 - April 6

[Agenda](#)

[Minutes](#)

Meeting 5 - March 24

[Agenda](#)

[Minutes](#)

Meeting 4 - March 10

[Agenda](#)

[Minutes](#)

Meeting 3 - Feb. 22

[Agenda](#)

[Minutes](#)

Meeting 2 - Feb. 8

[Agenda](#)

[Minutes](#)

Meeting 1 - Jan. 18

[Agenda](#)

[Minutes](#)

- The EXL rules shall not “frustrate the intent” of the ordinance

**** Balanced with ****

- State and local law prohibit open and public consumption of MJ
- State prohibits consumption of MJ on liquor-licensed premises
- Colorado Clean Indoor Act
 - Prohibits smoking indoors
 - Doesn't prohibit vaping or edibles
 - Doesn't apply if less than 3 employees (includes volunteers)
- Federal Guidance – strict rules and robust enforcement

Ordinance	Rule	Justification	SCAC
<ul style="list-style-type: none"> ❖ Unlawful to consume cannabis openly and publicly with <u>“openly” meaning</u> occurring or existing in a manner that is unconcealed, undisguised, or obvious, <u>but shall not include the consumption of marijuana occurring within a permitted DCA.</u> ❖ Permit holder shall ensure outside smoking of cannabis occurring at street level is <u>not visible from a public- right-of-way or a place where children congregate</u> 	<ul style="list-style-type: none"> ❖ “Public Place” shall mean a place to which the public or a substantial number of the public have access <u>without restriction.</u> ❖ A Cannabis Consumption Permit shall only be issued for a designated consumption area (DCA) that: <ul style="list-style-type: none"> • 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 an acknowledgement upon entry 	<ul style="list-style-type: none"> ❖ Currently there are state and local laws that prohibit open and public consumption. Restrictions to access are needed in order to comply with those definitions. ❖ The acknowledgement upon entry could include things such as agreeing to be responsible for their own actions, following the law, consuming responsibly, not driving impaired and not selling cannabis. 	<ul style="list-style-type: none"> ❖ SCAC evaluated options for restrictions to access on a spectrum with purely private clubs being on one end and locations with just limited access to 21+ on the other end of the spectrum. ❖ SCAC recommendation for a separate entrance for the DCA’s not included. ❖ Recommendation to restrict DCA to members only not included.

Ordinance	Proposed Rules	Justification	SCAC
<ul style="list-style-type: none"> Evidence of community support may include additional operational requirements <i>such as <u>guidelines for prohibition of consumption of both alcohol and marijuana</u></i>, addressing concerns about driving under the influence, a plan to train managers and employees, etc. 	<ul style="list-style-type: none"> Unlawful to permit the consumption of alcohol within a DCA. Business and Special Event Permits cannot be located at the same business or event where a liquor license exists, unless the liquor is not being served while the DCA is operating. A Special Event Permit cannot be issued for a special event with a Special Event Liquor Permit. 	<ul style="list-style-type: none"> Per current 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. CDPHE cautions against the use of multiple substances: “Using alcohol and marijuana at the same time is more dangerous than using either alone and increases the risk of a car crash.” Rules still allow for modification of a liquor license but would not allow for liquor to be served while the DCA is operating on the same premise. 	<ul style="list-style-type: none"> Many SCAC members felt dual consumption was a safety issue and should be prohibited (all community representatives, CDPHE representative, NORML representative, DPD, MADD representative, DPS representative, Colorado Restaurant Association).

Ordinance	Rule	Justification	SCAC members
<ul style="list-style-type: none"> ❖ Application shall contain evidence of community support <ul style="list-style-type: none"> - The director may create methods of obtaining community support in addition to those outlined. - Requirements included in evidence of community support may be incorporated as conditions of the permit ❖ Application shall include a community engagement plan 	<p>Public Hearing</p> <ul style="list-style-type: none"> ❖ Business Permits will have a public hearing scheduled upon receipt of the application. ❖ Special Event Permits will have a public hearing scheduled upon receipt of 10 signatures from interested parties. 	<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 be consistent with other public hearings conducted by Excise and Licenses. (See <i>DRMC Section 6-212 for Retail Marijuana Stores and DRMC Section 6-64 for Special Event Liquor Permits</i>). 	<ul style="list-style-type: none"> ❖ There was strong support from the committee for community input through the hearings process, although some SCAC members advocated for discretionary rather than automatic hearings,
<ul style="list-style-type: none"> ❖ DCA must be clearly marked with conspicuous signage including the statement “No entry under 21” 	<ul style="list-style-type: none"> ❖ Require businesses to have a standard sign/placard (to be developed) 	<ul style="list-style-type: none"> ❖ Provides potential customers and the public with awareness of the DCA. 	<ul style="list-style-type: none"> ❖ SCAC was supportive of this concept.

Ordinance	Proposed Rules	Justification	SCAC
<ul style="list-style-type: none"> ❖ Does not require specific zoning permits, and shall be permitted in any zone lot where the underlying business or event is permitted. ❖ Cannot be located within 1,000 feet of a school. 	<ul style="list-style-type: none"> ❖ Cannot be located within 1000 feet of childcare establishments and drug/alcohol facilities. ❖ Cannot be located within 1000 feet of city-owned recreation center and outdoor pools. ❖ Cannot be located within a residential zone district (as defined by the Denver Zoning Code). 	<ul style="list-style-type: none"> ❖ Balance between protecting the community and youth through proximity restrictions while also providing for sufficient access to viable locations. ❖ Distance restriction language is consistent with other distance restrictions for marijuana business (<i>See DRMC Section 6-211 for Retail Marijuana Stores</i>). ❖ Allows for permits in mixed-use areas where residences abut commercial areas. ❖ Prohibits permits in residential zone districts, even if the lot is zoned for something other than residential uses. 	<ul style="list-style-type: none"> ❖ Consensus on the committee to create a 1000 feet restriction from childcare establishments and drug/alcohol treatment facilities. ❖ Did not add restrictions of 1000 feet from places where children congregate, 1000 feet restriction from one DCA to another or a 1000 feet restriction from a marijuana business. ❖ Many committee members felt that creating a 500 foot proximity restriction from residential zone districts made the possibility of locations too restrictive.

Ordinance	Rule	Justification	SCAC
<ul style="list-style-type: none"> ❖ Purpose of this article is to... to permit persons in the city to obtain a cannabis consumption permit <u>to operate a designated consumption area (DCA) at any type of business or event...</u> ❖ Permit holder shall have permission <u>to use the premises to permit cannabis consumption</u> from a person who is the lawful owner of the property. 	<ul style="list-style-type: none"> ❖ “Permit” shall mean a Cannabis Consumption Business Permit (CCBP) or Cannabis Consumption Special Event Permit (CCSEP). ❖ CCBP means an <u>annual</u> permit and CCSEP means a permit for a designated consumption area <u>temporarily located</u>: (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. ❖ A CCSEP may not be issued to any applicant for more than ten (10) days in one (1) calendar year. ❖ All CCSEP applications must include a description of the event and cannot be issued for a Special Event with a Special Event Liquor Permit. ❖ Cannabis Consumption Business Permits and Cannabis Consumption Special Event Permits will not be allowed on public property. 	<ul style="list-style-type: none"> ❖ Restrictions on # of days was included to be consistent with other special event permits issued by Excise and Licenses (<i>DRMC Section 6-64 for Special Event Liquor Permits</i>). 	<ul style="list-style-type: none"> ❖ Did not include a restriction on Special Events with a DCA to be 1,000 feet from another Special Event that has a liquor license to allow for a similar scenario for Special Events where a bar would be located next to a DCA (a liquor special event could be located NEXT to a DCA but not within the same special event).

January -
April:
SCAC
meetings

May 11th:
Post draft
rules and
regulations

June 13th:
Public
Hearing

June:
Adopt final
rules and
regulations

July:
Begin
accepting
applications

- MJ Bulletin
- Daily Journal Posting
- RNO notifications
- City Council notification
- Media
- SCAC members
- Website with a comment form



DENVER
THE MILE HIGH CITY

Questions?