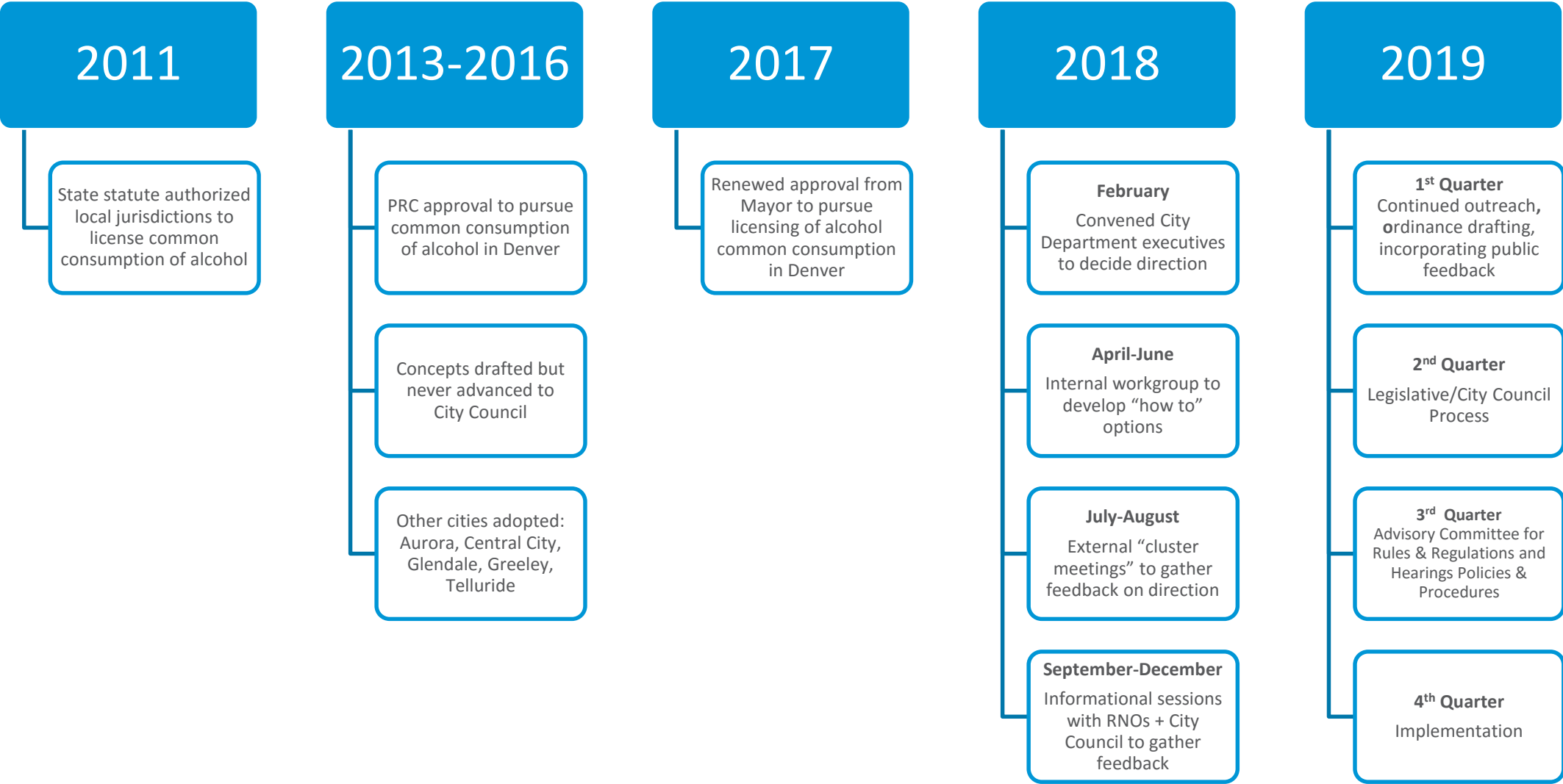


Liquor Common Consumption

INC Delegate Meeting
May 11, 2019

Timeline



Terminology

Common Consumption Area (CCA)

- A designated area where patrons over the age of 21 can consume alcohol purchased from existing liquor-licensed establishments.
- Each CCA must be located within an ED.

Entertainment District (ED)

- An area of the city that is no larger than 100 acres and contains at least 20,000 sq. ft. of total liquor-licensed premises.
- Each ED must be approved by City Council.

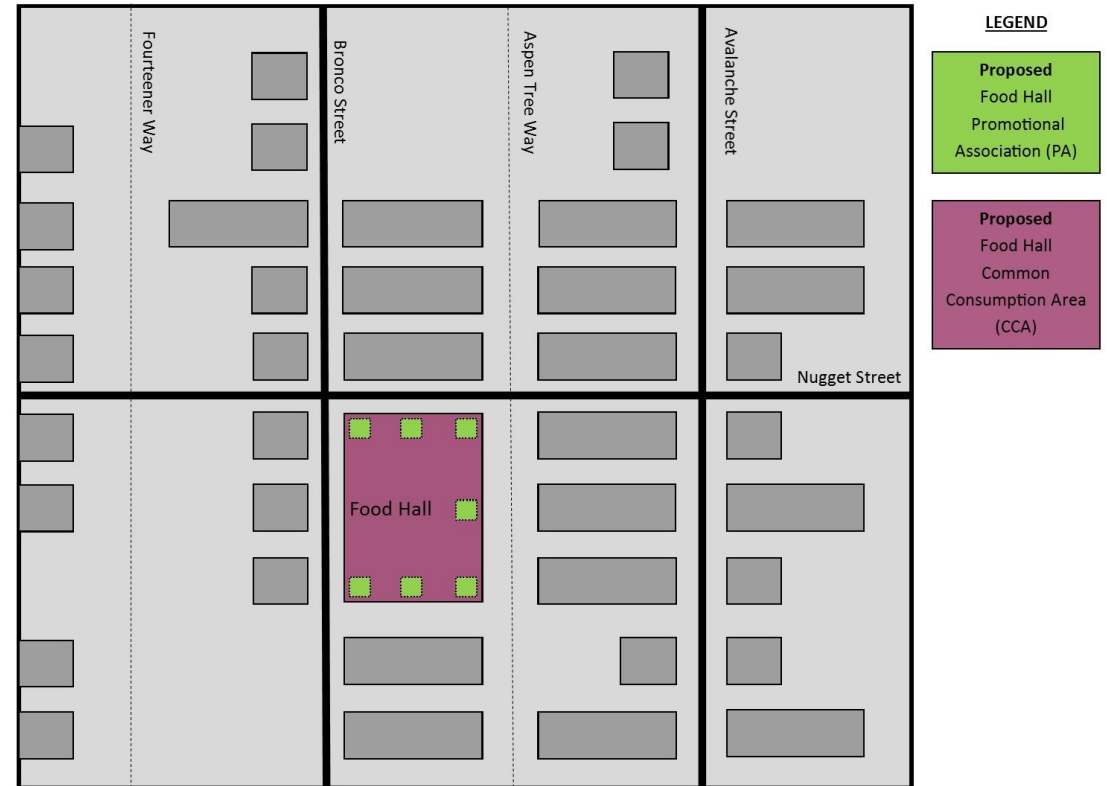
Promotional Association (PA)

- A group of at least two liquor-licensed businesses that join together for purposes of applying for a CCA license.
- PAs must be certified by EXL before obtaining a CCA license.

We want to have a CCA! What's next?

A group of interested liquor-licensed business owners would form a PA comprised businesses surrounding the area where they would like to have the CCA.

The PA would apply with EXL for PA certification and licensure of the CCA.



The first applicant also proposes the ED boundaries

The first PA/CCA applicant in an area will also have to propose the boundaries for the ED.

Remember, an ED is an invisible layer that allows certified PAs within the ED to apply for a CCA license.

City Council must approve the ED boundaries.

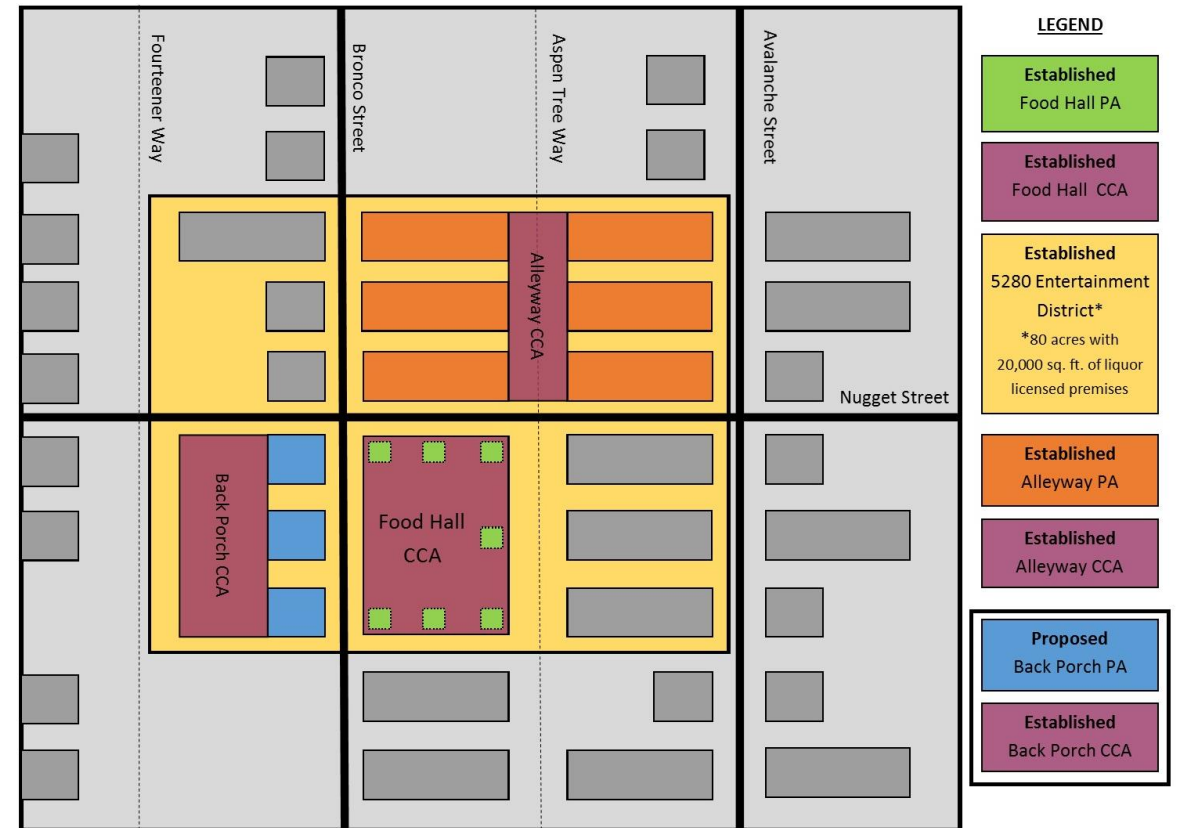


City Council has established an ED. Now what?

Once City Council has established an ED, other businesses are free to form PAs and apply for CCA licenses within that ED.

CCAs can look very different:

- Some may consist of kiosks or separate rooms in a larger, enclosed space;
- Some may be located in an alleyway shut off to traffic;
- Some may connect to several freestanding businesses

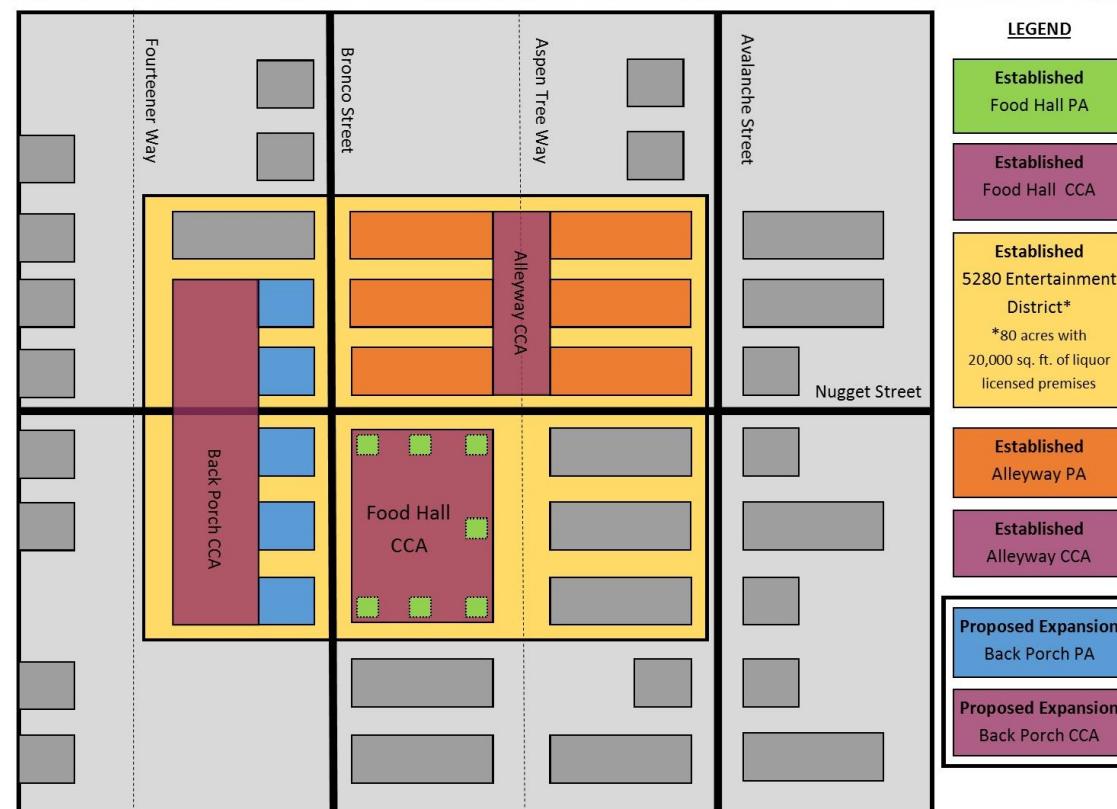


CCAs vs. Special Events

A CCA license **differs** from a special event license because it allows existing liquor-licensed establishments to sell alcohol that may be consumed outside of that establishment's licensed premises, rather than bringing in temporary liquor licenses.

A CCA license can be **similar** to a special event license if the PA wishes to use the CCA only during specified times.

If a PA wishes to close down to host an event in the CCA, the application would be reviewed by the same agencies that review special events and would have to meet the same requirements for any other special event.

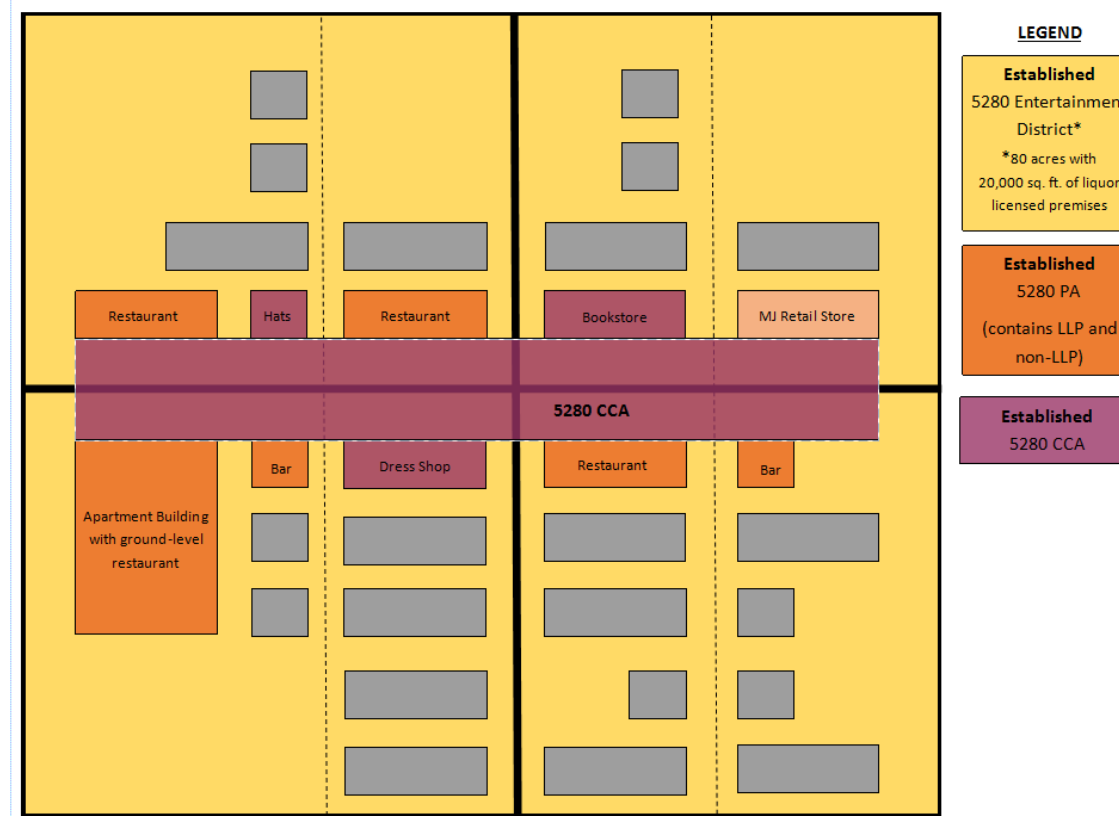


Where can patrons take beverages in a CCA?

In this special event example, patrons of the restaurants and bars may take their beverage into the CCA and consume there as they travel up and down the street.

Patrons may also take their beverages into the Hat Store, the Dress Shop, and the Bookstore.

Dispensaries that neighbor CCAs cannot allow consumption of alcohol on their premises, and no consumption of marijuana may take place within a CCA.



Proposed Pilot Program: Summary of State Statute Requirements

- No motor traffic through a CCA (as with other liquor licenses)*
- A safety and security plan*
- PA must file annual reports with the local licensing authority
- PA must carry liability insurance for the CCA*
- Each liquor licensed business shall have a member on the board of the PA*
- Needs and desires hearing required*
- Special requirements for cups used within the CCA

* Statute requirements that will be restated in ordinance

Proposed Pilot Program: Summary of Ordinance Requirements

- 5-year pilot program, with no limit on the number of EDs or CCAs
- Indoor and outdoor, full-time and part-time CCAs allowed
 - Part-time CCA's will be limited to 15 days per calendar year (similar to Liquor and Marijuana Consumption special events)
- CCA hours of operation end absolutely no later than 2:00 a.m.
- Evidence of Community Support required upon application
- Public hearing required for all applicants
- Requirement for a corresponding cabaret license if allowing adult entertainment, live entertainment, or patron dancing; noise ordinance applies
- City Council has sole authority to create ED

Proposed Pilot Program:

Summary of *possible* Rules and Regulations

(to be determined through rulemaking process)

The following requirements will be considered during the rulemaking process (requires a public hearing):

- Application timeline
 - Setting a deadline for how far in advance an application must be submitted, for example 120 days
- Amount of insurance required
- Detailed requirements for plans that must be submitted with application:
 - Security plan
 - Parking and transportation plan
 - Health and sanitation plan
- Issues that GNAs may address and conditions that may be placed upon a CCA license
- Definition of material and substantial changes that would require a modification to the CCA, PA or ED
 - Will likely include attachment of a new liquor license to the CCA as a material and substantial modification

Proposed Pilot Program:

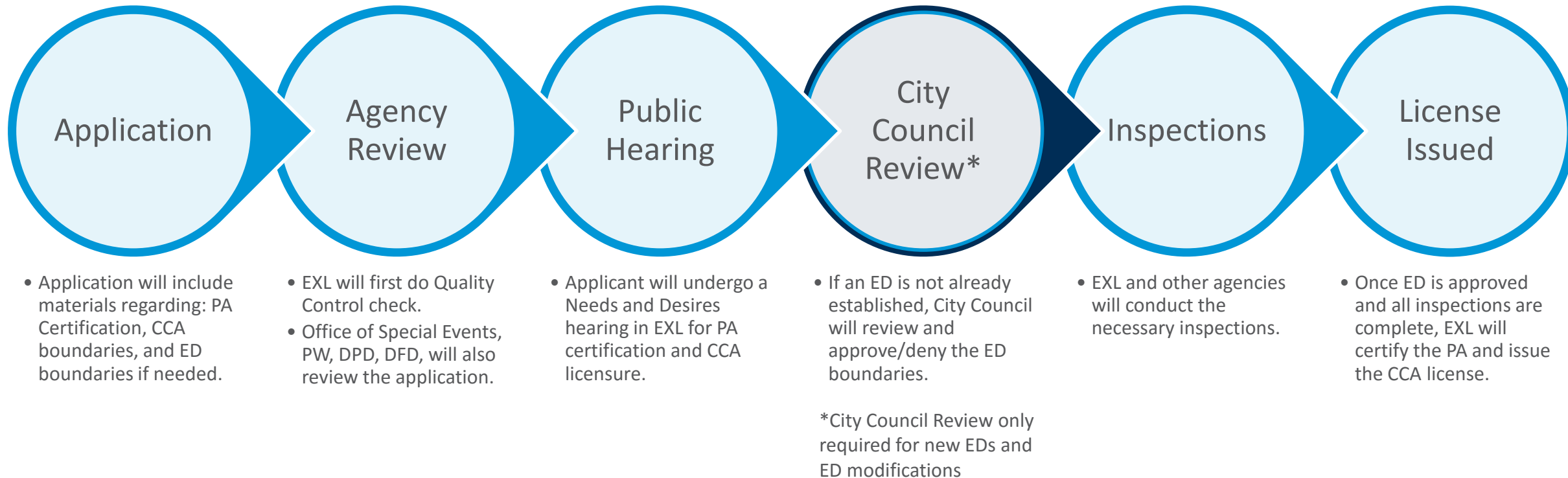
Summary of *possible* Hearing Policies and Procedures

(to be determined through rulemaking process)

The following requirements will be incorporated to the already existing Hearing Policies and Procedures in a section dedicated to EDs, CCAs, and PAs:

- Determine the Designated Area for hearing notification and parties-in-interest testimony
- Petitioning requirements
- Additional notification and posting sign requirements
- Procedure for requesting an evening hearing
- Other issues identified by the community

Proposed Pilot Program: Summary of Proposed Process for Licensure



Proposed Pilot Program: Specific Ordinance Requirements

Application Requirements

- Promotional Association Information
- CCA site plan
- ED detailed map (including boundaries, acreage, and square footage of liquor-licensed establishments)
- Evidence of Community Support
- Health and Sanitation Plan
- Transportation Plan
- Security Plan
- Proof of liability insurance
- Proposed hours of operation
- Additional permits or authorizations required (e.g., zoning, fire, or right-of-way permits)

Proposed Pilot Program: Specific Ordinance Requirements (continued)

Hearing Requirements

- Automatic requirement for Needs and Desires hearing-scheduled 60 days after application submitted
- Required posting of hearing for 30 days
- Notification information conforms with other liquor requirements
- Defines party-in-interest (similar to liquor licenses)
- Defines “good cause” that gives authority to refuse to issue the CCA license

Transfer of Ownership

- Change in board of directors for PA must be approved by Director
- Change in ownership of attached liquor licenses does not require re-certification of the PA

Change or Modification to CCA and ED

- Expansion or modifications of the ED will require City Council approval
- Material and substantial changes to the CCA will require new evidence of community support and new public hearing.

Proposed Pilot Program: Specific Ordinance Requirements (continued)

Causes for denial
(CCA license and PA certification)

License can be denied if:

- Applicant fails to establish evidence of community support
- Applicant fails to provide evidence that the proposed procedures for security and admission will prevent underage consumption of alcohol
- Proposed CCA premises are not a single, contiguous area
- Proposed CCA premises overlaps with another CCA or other liquor licensed premise
- If the proposed area does not have adequate physical barriers to close the area to motor vehicle traffic and limit pedestrian access

Term of Licenses;
Renewals

- Licenses valid for one year or a shorter, non-consecutive time if approved by the Director
- Allows for renewal hearing upon discretion of the Director

Proposed Pilot Program: Specific Ordinance Requirements (continued)

Unlawful Acts/ Disciplinary Actions

- Director is authorized to impose civil penalties with the same standards as utilized in the Colorado Liquor Code
- Director has discretion to enter a summary suspension order
- Unlawful to operate between 2am and 8am
- Unlawful to change the CCA premises without approval from Director
- Unlawful to sell or store alcohol in the CCA premises
- Non-liquor licensed premises within the CCA cannot sell or serve alcohol on their premise
- Unlawful to allow patrons to remove an alcohol beverage from the CCA

Effective Date and Sunset

- Effective 90 days from the adoption of rules
- Repealed 5 years after effective date of ordinance

Proposed Pilot Program: Specific Ordinance Requirements (continued)

Fees

- Application fees:
 - CCA license: \$250
 - PA certification: \$250
- Annual fees:
 - CCA license: \$250
 - PA certification: \$250
- License Amendment Fees:
 - Modification (e.g., attaching new businesses): \$150
 - PA structure change: \$100

Other

- Amending definition of “alcohol beverages” in Chapter 6 to include fermented malt beverages (to conform with changes made at State)
- Amending the scope of the cabaret license in Chapter 6 to include the sale and consumption of alcoholic beverages
- Amending chapter 32 to clarify that conditions may be added to a license by the Director or through a Good Neighbor Agreement

Next Steps

Legislative Process

- Update to BIZ Committee – May 15
- Once ordinance is introduced, it will go through the full City Council process, which is open to the public.
- If the ordinance passes, it will not go into effect until 90 days after rules are adopted.

Rulemaking + Policies

- If City Council passes an ordinance, EXL will release applications for a Rule Making Advisory Committee
- The Advisory Committee will advise the Department on Rules as well as Hearing Policies and Procedures
- Rules must be adopted at a public hearing and all materials will be available to the public.

Public Participation

- Sign up for our Liquor Bulletin to receive updates.
- Public input will be gathered throughout City Council process.
- EXL continuing to do outreach.
- Apply to be on the Advisory Committee if the ordinance passes.

Liquor Licensing Division

Welcome to the Liquor Licensing Division of the Department of Excise and Licenses. Colorado liquor and beer retail licenses are issued by both the City and State licensing authorities.

New: There is a new form that has been created to be used to re-issue a license if the license has been expired for more than 90 days but less than 180 days. The form is called **DR8407**. Please follow the directions carefully.

Appointments for new licenses, renewals, transfers or modifications of existing licenses will be accepted Monday - Friday, 8:00am - 3:00pm.

Please Note: 1 application per appointment. You can check-in 15 minutes early to appointment. You will not be able to check-in late for an appointment.

[Make an Appointment »](#)

Liquor Licenses

- Art Gallery Permit
- Bed and Breakfast Permit
- Change in Corporate or Limited Liability Structure
- Change in Manager
- Community Guide to Liquor Licensing
- Fermented Malt Beverage Application
- Modification of Premises
- New Liquor License
- Permit Application and Report of Changes

LIQUOR LICENSES NEWS & BULLETIN



Sign up for the latest liquor licenses news and bulletins.

[Sign Up Now »](#)

[Liquor License Map](#)

[500 Foot Rule - Six Month Report \(PDF\)](#)

Documents in Duplicate



All documents should be submitted in duplicate.

- One set for the Department of Excise and Licenses office

Questions?

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