

Denver Marijuana Informational Bulletin

Important Notice: Marijuana Proposals Going to City Council

February 21, 2020

Dear Marijuana Industry,

On Tuesday, March 17, the Department of Excise and Licenses' (EXL) Office of Marijuana Policy will be presenting several updates and action items at the City Council Finance and Governance Committee. Below is a summary of the items to be presented, and information about an opportunity to provide your input at a stakeholder feedback session prior to the committee meeting.

- 1. Updates and action items to be presented on March 17
 - Marijuana Research and Development License

In 2017, the State of Colorado authorized local licensing authorities to issue marijuana research and development licenses (R&D). Marijuana research and development licenses permit the cultivation, possession, transfer, manufacture, and production of marijuana for limited research purposes. As a part of Denver's 2020 Marijuana Workplan, EXL is introducing an ordinance to create this new type of marijuana license.

The draft language for this new license can be found on our marijuana laws, rules, and regulations website.

Setting the Location Cap

In accordance with City law, the Director of EXL has set the following permanent caps for marijuana sales and cultivation locations:

220 marijuana sales locations
299 marijuana cultivation locations
451 cumulative cap for marijuana cultivation and sales locations*

*Because some businesses combine their sales and cultivation locations, City Council also adopted a cumulative cap to account for co-located sales and cultivation facilities.

More information about how these caps were calculated can be found on our <u>marijuana laws, rules, and</u> <u>regulations website</u>.

As a reminder, the caps above do not apply to retail or medical marijuana infused product manufacturing facilities, testing facilities, transporters, or cannabis consumption licenses (I-300). Similarly, the caps do not prevent holders of medical marijuana center and cultivation licenses from applying to add a retail marijuana store or cultivation license to their current existing location. The Department will continue to accept transfer of location applications for sales and cultivation facilities as long as a new location is not being created.

Establishing a Lottery Timeline

The ordinance establishing the caps on cultivation and sales locations also created an open application process for new store and cultivation locations. The open application process is to be held each calendar year after the cap is set. As a part of the package being presented to City Council on March 17, EXL is proposing to amend the date for the first open application process (or "lottery") to begin in 2021. This is being recommended to give EXL time to explore new marijuana license types, including hospitality and delivery licenses. Additionally, prior to the first open application process, the City would like to develop a successful social equity plan to ensure equitable access for any new applicant into the licensed marijuana industry.

For more information about this proposal, please go to our marijuana laws, rules, and regulations website.

2. Stakeholder Feedback Session on March 5

EXL invites the Marijuana industry to participate in a stakeholder feedback session to discuss and provide input on the topics above.

When: March 5, 2020, from 10 a.m. to 11:30 a.m.

 Where: City and County Building - 1437 Bannock St., Denver, CO in the Parr-Widener Community Room, room number 389.

If you have any questions or comments, please email us at marijuanainfo@denvergov.org

Thank you,

Department of Excise & Licenses - Office of Marijuana Policy