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memo

Date: 1/12/2017
Re: Summary of the Cannabis Consumption Pilot Program Panel Meeting on
1/11/2017 by Stephanie Davis, Hoban Law Group Paralegal

Last night was the panel discussion for the Cannabis Consumption Pilot Program in the City of Denver. The panelists included Emmett Reistroffer of Denver Relief Consulting, Josh Kappel of Vicente Sederberg, Maureen McNamara, and Don Novack with the Denver Business District Improvement. The audience included consumers, potential permit seekers, and Denver Registered Neighborhood representatives. The basics of the initiative are that there was an issue as to what is allowed and what isn't as far as consumption of Marijuana in public places. Denver neighborhoods were heavily involved in the drafting of this initiative because many have felt like the marijuana industry has not had open communication with them and that has been disappointing. The basic requirements/regulations for receiving a permit are:

1. Area can't be visible from the street (this means no front patios)
2. Nobody under 21 can be in the designated area
3. There will be no indoor smoke and must comply with Colorado Clean Air Act
4. In order to apply, you must have neighborhood support (or at the very least a non-opposition letter from the RNO)

These permits will be implemented by the City of Denver. There is currently an advisory committee working on the rule-making decisions and then the director of **Excise and Licensing will issue those rules hopefully by June of 2017**. The City of Denver will also create the applications for the permits.

Many businesses that were potential permit holders asked what they could do now while waiting on the rule-making process and publication of the applications. It was suggested that any business that was interested in seeking a permit reach out to their RNO and begin developing relationships with those organizations in order to see what is most important to them seeing as RNOs will have A LOT of the power in the permit issuing process.

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The three major limitations on the permits are:

1. State law limitations including the Colorado Clean Air Act,
2. Liquor enforcement laws – currently, marijuana is not allowed on a premise that holds a liquor license. (It was mentioned that there has not been interest from this industry to hold a dual permit and many indicated they would not be seeking permits), and,
3. A marijuana business that is fully licensed through the State’s Marijuana Enforcement Division is not allowed to have a place for consumption of marijuana.

These are the main questions that came up during the campaigning of I-300:

1. It is legal to use Marijuana openly in public places? The answer starts with the definition of “public” and “openly”
 - a. Public – the City of Denver defines public as any place that is not a private residence
 - b. Openly – not hiddenIt is not legal to openly consume marijuana in public.
2. Why do people need places to consume outside of a private residence?
 - a. People are already consuming openly in public (i.e concerts) and we need regulation in place so those venues know where they need to stand on the issue
 - b. If you live in public housing or have a restriction by your landlord, you are not allowed to consume in your residence
 - c. Tourists need a place to consume (smoking isn’t allowed in hotels)
 - d. Parents with children or elderly that cannot consume in their private residence
3. Who will issue the permits?
 - a. The City of Denver’s Excise and Licensing Department will issue and maintain the permits
4. Does the pilot program allow marijuana smoke inside?
 - a. No, the permitted premise must comply with the Colorado Clean Air Act. There are exceptions to this as some facilities were grandfathered in such as a cigar bar or a private club with 3 employees or less



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5. Will odor be mitigated in the neighborhood?
 - a. Yes, an odor mitigation plan will be a requirement in the application process. Also, the RNO could make that a specific requirement before they issue a support or non-opposition letter for the permit's application.
6. Will businesses be allowed to operate anywhere in the City of Denver?
 - a. No, currently it is required that they are not within 1,000 feet of a school or place where children routinely visit (will mimic the requirement for marijuana businesses)
7. Does the pilot program allow for special events?
 - a. Yes, the permits could be a one-day permit for a special event, but you must have legal possession of the property that is permitted until expiration of the permit.

The overwhelming concern of the Denver Neighborhood organizations was the odor factor and how that would be mitigated as it was brought up in almost every question from the organizations. It is also a concern that the rules or stipulations imposed by the neighborhood organizations will not be enforceable and there will not be any recourse if the permit holder does not comply.