



Marijuana Discussion

January 24th, 2023

City Staff Representative:

Michael Martinez, City Manger



Purpose

- Review of previous ordinances and discussion related to marijuana sales, cultivation, manufacturing and testing within City of Brighton limits
- Discussion of possible locations (zones)
- What use types to be allowed
- Staff recommendations and next steps
- Open discussion



History of Marijuana in Colorado

- In November of 2000, voters of the state of Colorado passed Amendment 20 to the state's constitution, codified in article XVIII, section 14. This article effectively legalized limited amounts of medical marijuana for patients and their primary caregivers.
- In 2009, the Colorado Board of Health narrowly rejected the previous five patient limit for caregivers, allowing for the sale of marijuana in physical locations. In effect, this approved and created the dispensary model as we know it.
- In 2010, the Colorado Legislature enacted the Colorado Medical Marijuana Code – the most comprehensive system of medical marijuana distribution and regulation in the world – through the passage of SB 10-109 and HB 10-1284 (C.R.S. 12-43-3.101)
 - Created a robust system and regulatory framework to license commercial businesses for the distribution and production of medical marijuana and imposed new restrictions on patients, caregivers, and doctors.
- On November 6th, 2012, Colorado voters voted in favor of ending marijuana prohibition and legalizing public retail sales with about 55% of the Colorado electorate voting in favor of Amendment 64.



History of Marijuana in Brighton

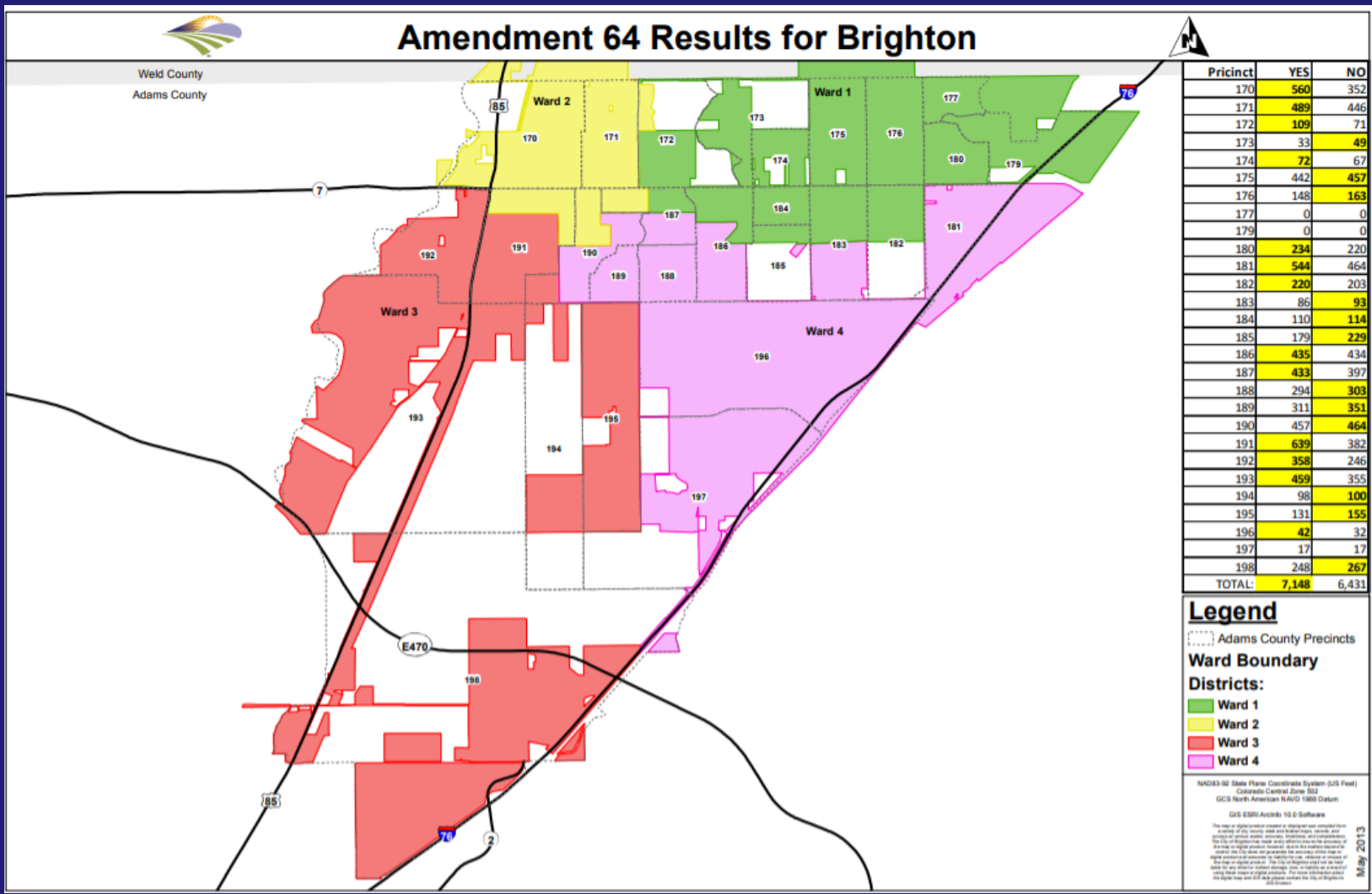
On September 22nd, 2009, Brighton City Council voted to temporarily suspend the acceptance, processing and approval of use permits, variances, building permits and licenses until further discussion (moratorium)

Moratorium extended a second time through July 1, 2011 (Ord. 2058)

On June 18th, 2013, City Council passed Ord. 2156 which prohibits the "licensing and operation within the City of Brighton of retail marijuana stores, cultivation facilities, and product testing facilities"

Moratorium extended through June 15, 2010 (Ord. 2047)

On March 1st, 2011, medical marijuana sales and cultivation is formally prohibited (Ord. 2086)





Municipal Retail Marijuana Status

<u>City</u>	<u>Sales</u>	<u>Cultivation</u>	<u>Manufacturing</u>	<u>Testing</u>	<u>Tax Information</u>
Aurora*	✓	✓	✓	✓	5% excise tax, 4% sales tax on retail with authority up to 10%
Arvada					
Bennett					
Boulder	✓	✓	✓	✓	5% excise tax, 3.5% sales tax
Commerce City	✓	✓	✓	✓	7% sales tax, 5% excise tax
Denver**	✓	✓	✓	✓	5% excise and authorized up to 15%
Federal Heights	✓	✓	✓	✓	5% sales tax w/ authority up to 10%, 5% excise tax w/ authority up to 10%
Fort Lupton	✓				4.75% sales tax w/ a 3.1% additional tax up to 10%
Lochbuie					
Longmont	✓				3.5% sales tax; 3% excise tax with authority up to 15%
Northglenn	✓	✓	✓		4% sales tax, up to 10%
Thornton	✓			✓	5% sales tax
Westminster					

* Aurora recently passed an ordinance allowing delivery

**Denver is the only municipality that allows on-site consumption

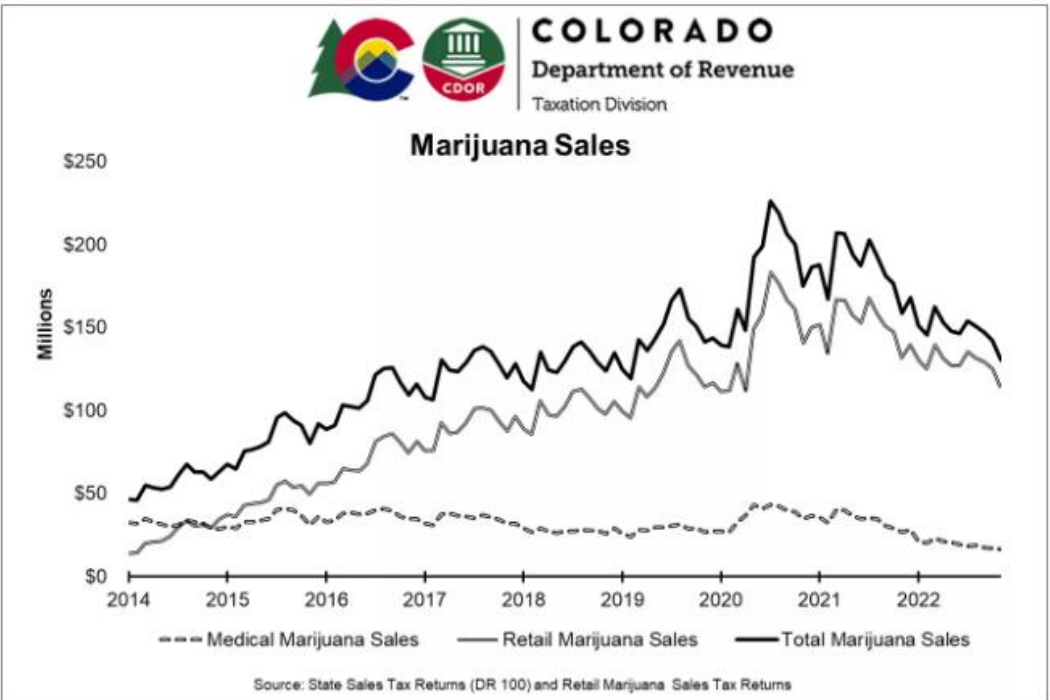


Annual Sales Tax Revenue (2021)

Jurisdiction	Sales Tax Producing Locations	2021 Revenue	Average per Location
Unincorp. ADCO	5	\$900K	\$180K
Aurora	24	\$14.5M	\$604K
Commerce City	8	\$1.4M	\$180K
Denver	221	\$59.2M	\$268K
Northglenn	4	\$2.9M	\$725K
Thornton	3	\$1.9M	\$633K
Brighton-Proposed	?	?	?



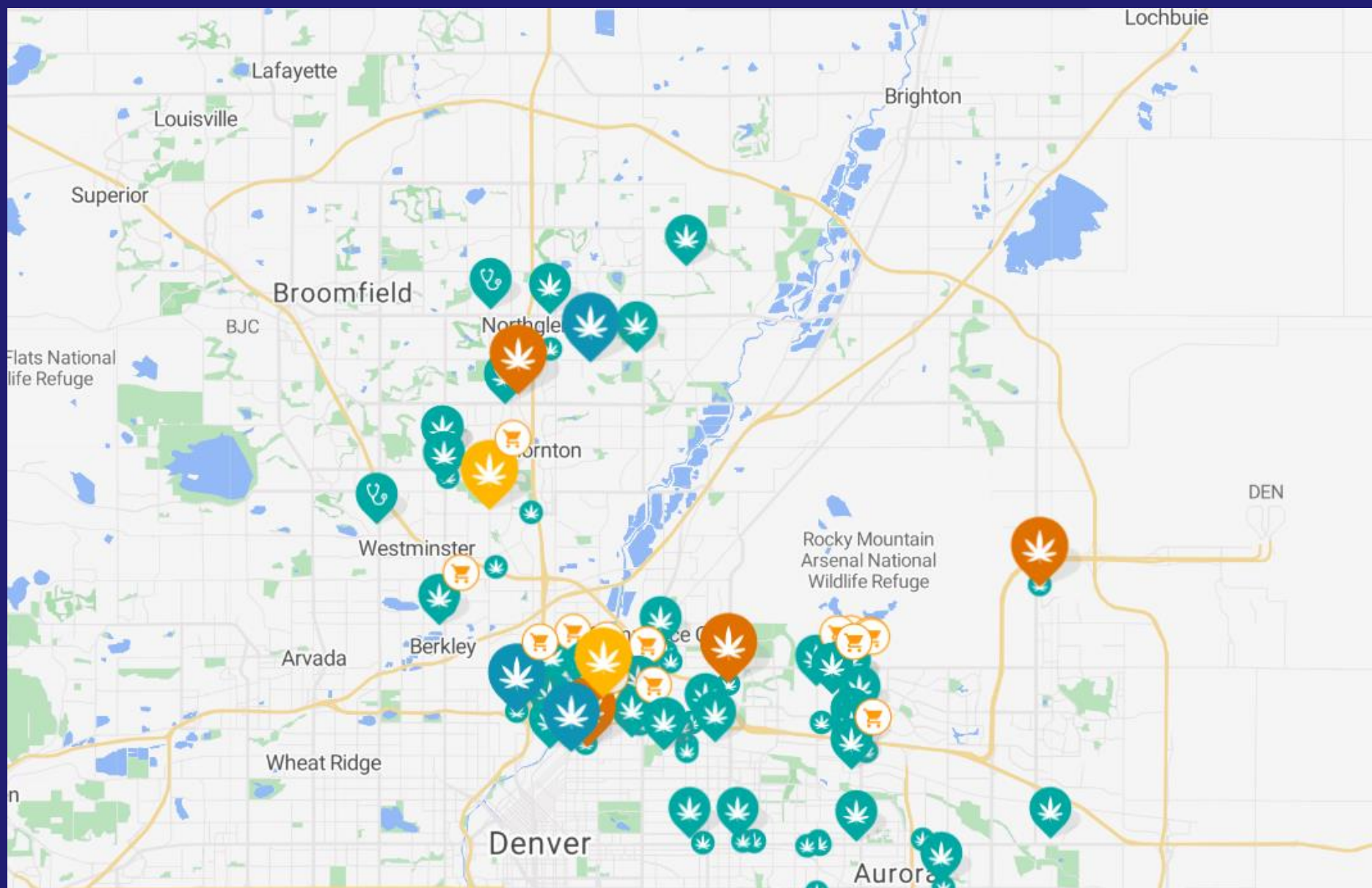
State Sales Tax Revenue



Sales Totals

Year	Calendar Year Total	Total to Date
2022 (Jan - Nov)	\$1,629,673,393	\$13,837,462,019
2021	\$2,228,994,553	\$12,207,788,626
2020	\$2,191,091,679	\$9,978,794,073
2019	\$1,747,990,628	\$7,787,702,393
2018	\$1,545,691,080	\$6,039,711,766
2017	\$1,507,702,219	\$4,494,020,686
2016	\$1,307,203,473	\$2,986,318,467
2015	\$995,591,255	\$1,679,114,994
2014	\$683,523,739	\$683,523,739

Sales started January 2014.



Disclaimer: This map was designed and intended for City of Fort Lupton use only; it is not guaranteed to convey accuracy. This map is based on the best information available on the date shown on this map. The City of Fort Lupton makes no warranties or guarantees, either expressed or implied, as to the completeness, accuracy or correctness of this map, nor accepts any liability arising from any incorrect, incomplete, or misleading information contained therein. Any reproduction or sale of this map, or portions thereof, is prohibited without the express written authorization by the City of Fort Lupton.



Staff Working Assumptions (based on previous conversations)

- If allowed, limit licenses to retail and medical marijuana sales.
- Cultivation and manufacturing not allowed (heavy water use, smell, etc).
- Testing facilities could be a possibility.
- Proximity to residential is a concern.
 - Keeping it out of the “dark corners of the city”.
 - Placement in areas less trafficked by pedestrians, particularly youth; better in “car-centric” areas.



Staff Recommendations

- If Council chooses to repeal and replace current ordinances, begin with two (2) locations to start.
 - Medical and retail licensees can co-locate
 - Retail marijuana establishments do not need to be tied specifically to any zone district.
 - Creating a special district is recommended.
 - Easier to monitor from a public safety perspective
 - Easy to define from a land use perspective
- No additional sales tax is recommended at this time.



Potential District Locations: NWC of Bridge St. & US-85

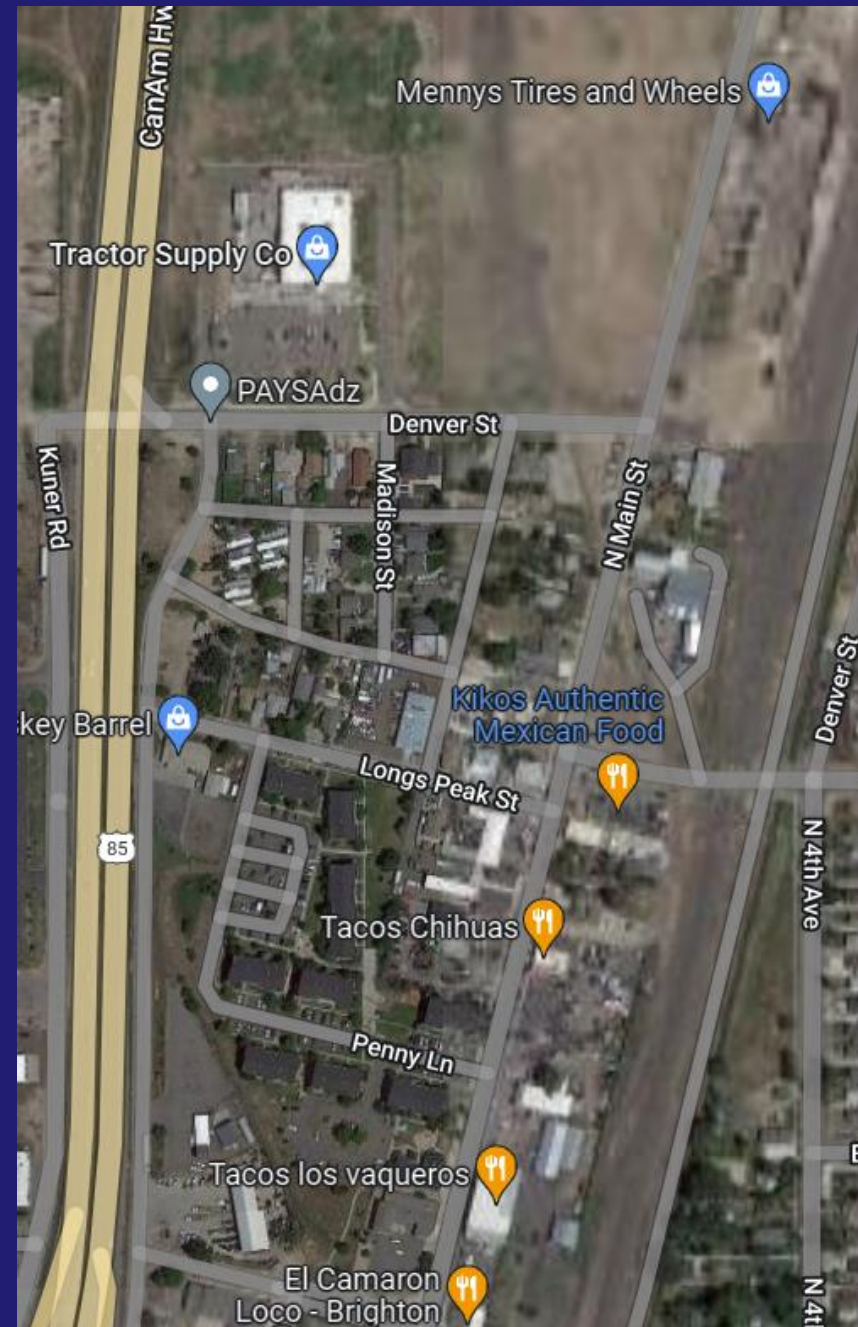
- Two multi-family residences directly within the area and Veteran's Park is nearby poses a challenge.
- There are a few smaller industrial/commercial buildings that could be renovated.





Potential District Locations: N. Main Street

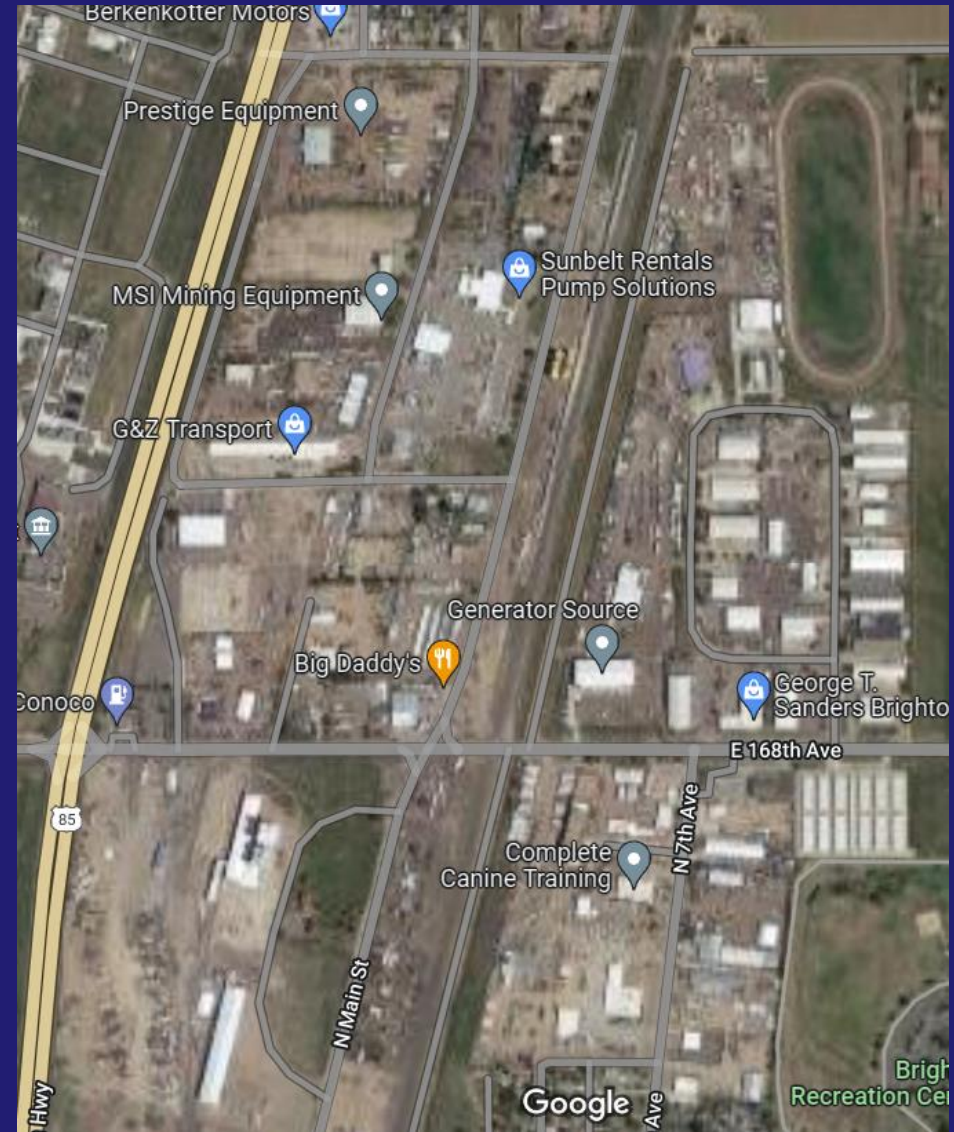
- Area ripe for revitalization.
- Proposed MSC nearby could pose a challenge.
- Could be “too close” to downtown corridor.





Potential District Locations: Baseline & N. Main Industrial Areas

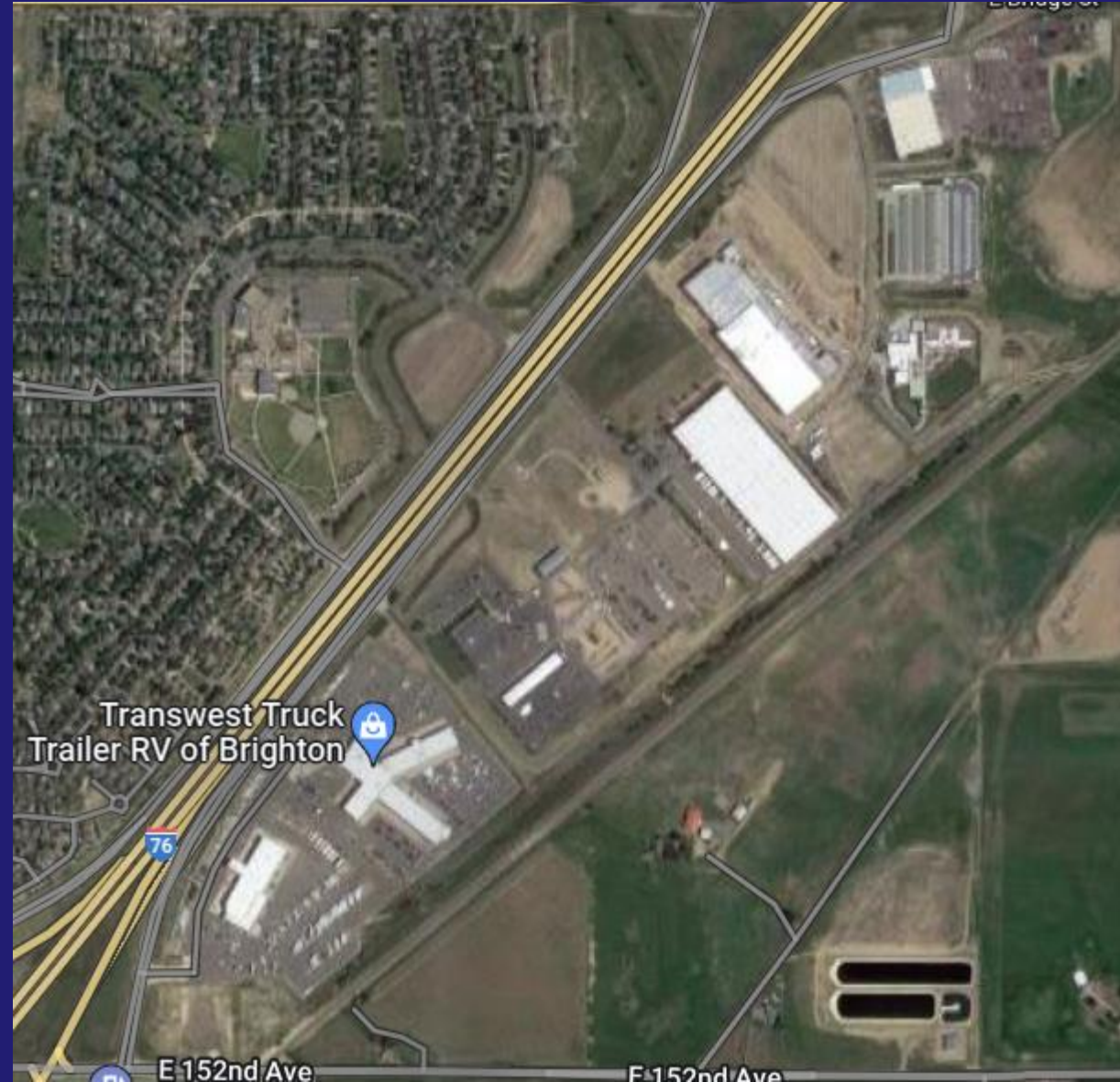
- This area is primarily industrial in nature and is close in proximity to US-85.
- Numerous industrial buildings and smaller tenant spaces in industrial buildings that could be utilized for retail marijuana establishments.
- Generally, there are no school or park sites in the area with the closest being the Rec. Ctr.





Potential District Locations: Bromley Park Industrial

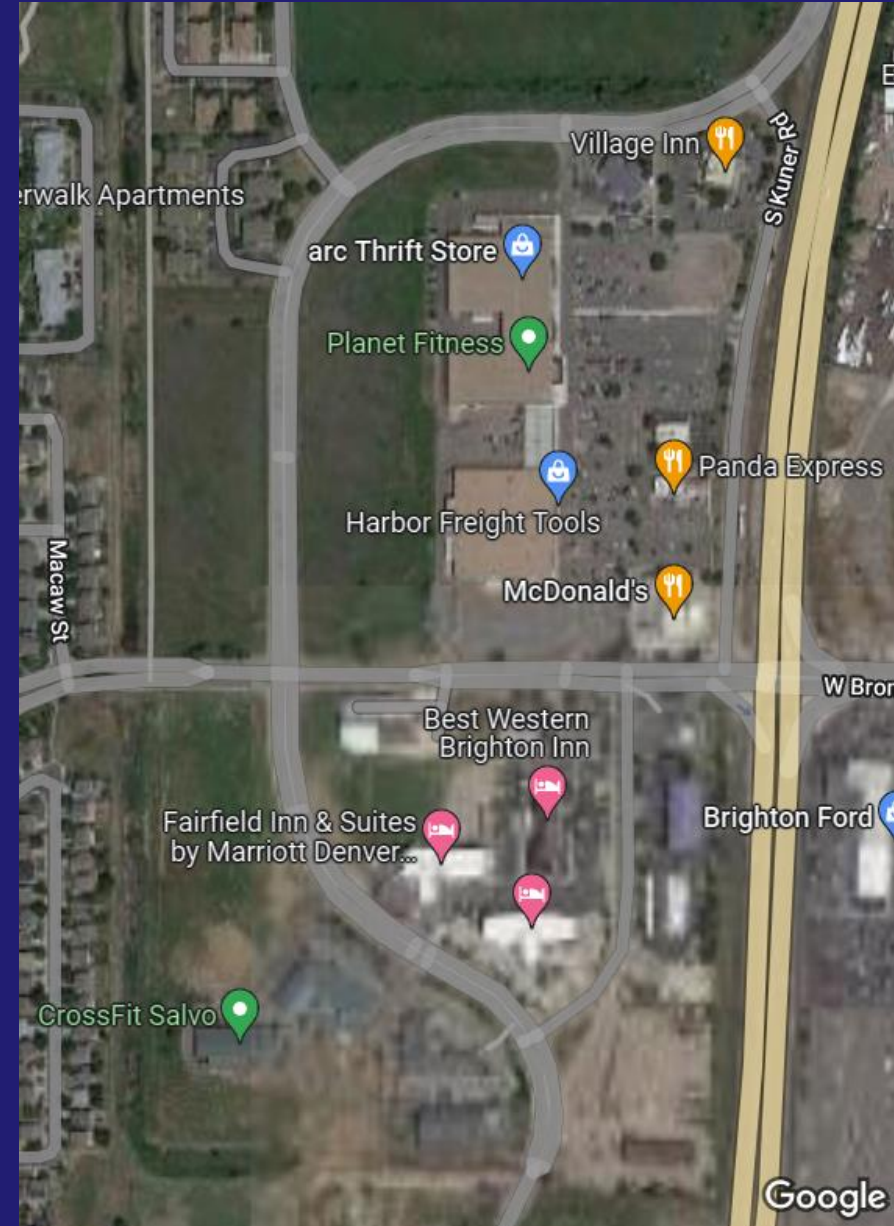
- Generally, this area works well as there are no residences in the immediate area or park sites and has good access of I-76.
- PUD could present an issue.





Potential District Locations: NWC and SWC of Bromley and US-85

- This area is more commercial in nature and in closer proximity to various types of residential (SFD, SFA, MF).
- May have a higher visibility.
- No school or park sites in the area.





Next Steps

- If allowed, various municipal code amendments related to operation, design, security and storage will be necessary.
 - Repeal ordinances that prohibit the sale of medical or retail marijuana
- Ordinance to set fees for reviewing a license (similar to fees set for reviewing liquor licenses) and related processes.
- Creation of additional regulations as needed
- If Council chooses to allow retail and medical sales of marijuana, staff can have all necessary processes in place by Q4 2023/Q1 2024.