



Marijuana in Brighton

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Brief 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 became the first state in the world to vote in favor of ending marijuana prohibition and legalizing public retail sales with about 55% of the Colorado electorate voting in favor of Amendment 64

Brief History of Marijuana in Brighton

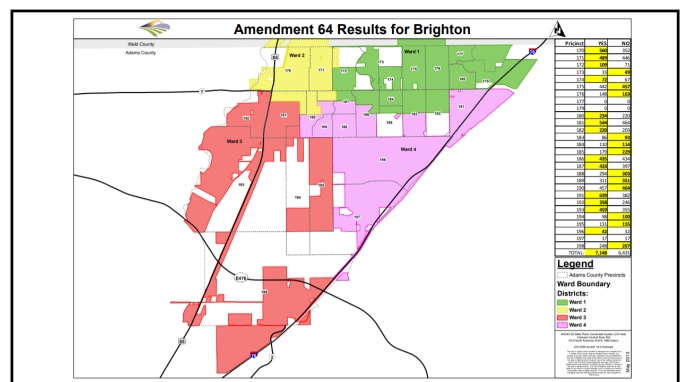
On September 22nd, 2009 Brighton City Council voted to temporarily suspend the acceptance, processing and approval of use permits, variances, building permits and licenses until further discussion (moratorium)

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

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

On June 18th, 2013, City Council passed Ord. 2136 which prohibits the "licensing and operation within the City of Brighton of retail marijuana stores, cultivation facilities, and product testing facilities"

On March 14, 2011, medical marijuana sales and cultivation is formally prohibited (Ord. 2084)



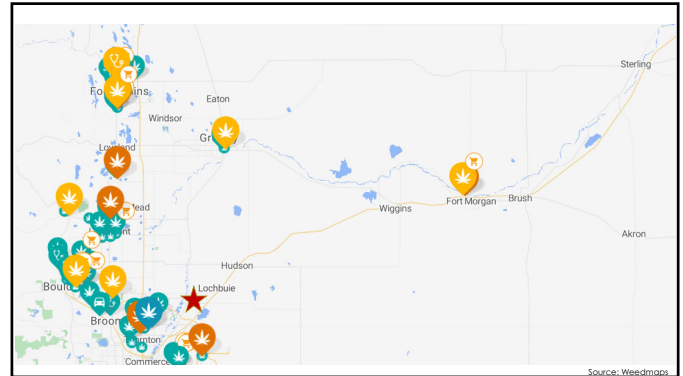
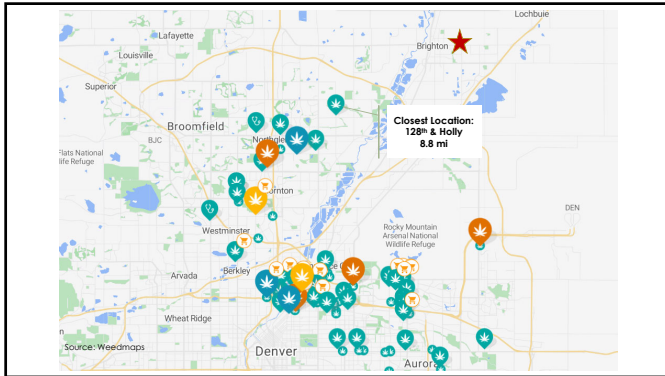
Municipal Retail Marijuana Status

City	Sales	Cultivation	Manufacturing	Testing	Tax Information
Aurora*	✓	✓	✓	✓	5% excise tax, 4% sales tax on retail with authority up to 10%
Arvada	✓	✓	✓	✓	
Berkeley	✓	✓	✓	✓	
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	✓	✓	✓	✓	
Golden	✓	✓	✓	✓	
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

Sales Tax Revenue

Jurisdiction	Sales Tax Rate	Sales Tax Revenue	Locations	Average ST Generated per Location
Aurora	4.00%	\$11.2M	62	\$180,645
Commerce City	7.00%	\$1.0M	8	\$125,000
Thornton	5.00%	\$1.9M	3	\$633,333
Unicorp Adams	3.00%	\$0.6M	11	\$54,545
Denver	5.50%	\$55.9M	915	\$61,902



Items for Further Consideration

- 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
 - Tabor election and sales tax rate
- Number and locations of allowed and their proximity to schools, daycares, churches, etc.
- Determine what types of licenses and land uses to allow for (retail sales, cultivation, manufacturing, testing, delivery, on-site consumption, etc.)
- Ordinance to set fees for reviewing a license (similar to fees set for reviewing liquor licenses) and related processes
- Potential needs for additional staff

Ballot Language Examples

Northglenn	SHALL CITY OF NORTHGLENN TAXES BE INCREASED BY FOUR HUNDRED FIFTY THOUSAND DOLLARS (\$450,000) ANNUALLY IN THE FIRST FISCAL YEAR, AND BY SUCH AMOUNTS AS ARE RAISED ANNUALLY THEREAFTER BY IMPOSING A NEW SALES TAX OF TWO PERCENT (2%) ON THE SALE OF RETAIL MARIJUANA AND MEDICAL MARIJUANA, AND RETAIL MARIJUANA AND MEDICAL MARIJUANA PRODUCTS, WHICH SHALL BE IN ADDITION TO THE MUNICIPAL SALES TAX ON SUCH SALES, AND SHALL ALL REVENUES DERIVED FROM SUCH TAX BE COLLECTED AND SPENT TO BE USED EXCLUSIVELY FOR THE CONSTRUCTION OF PUBLIC FACILITIES, INCLUDING, BUT NOT LIMITED TO, THE NORTHGLENN RECREATION CENTER, THE NORTHGLENN SENIOR CENTER, AND THE NORTHGLENN THEATRE AS A VOTER APPROVED REVENUE CHANGE WITHOUT REGARD TO ANY EXPENDITURE, REVENUE RAISING, OR OTHER LIMITATION CONTAINED IN ARTICLE X, § 20 OF THE COLORADO CONSTITUTION OR ANY CITY OR LAWS, 4711-19
Thomton	SHALL THE CITY OF COMMERCE CITY TAXES BE INCREASED BY ONE HUNDRED THOUSAND DOLLARS IN THE FISCAL YEAR COMMENCING JANUARY 1, 2014, AND ENDING DECEMBER 31, 2016, AND BY WHATEVER ADDITIONAL AMOUNTS ARE RAISED ANNUALLY THEREAFTER BY THE IMPOSITION OF AN EXCISE TAX ON THE SALE OF MARIJUANA AND MARIJUANA PRODUCTS AS SUCH ARE AUTHORIZED BY STATE LAW COMMENCING JANUARY 1, 2014, AT THE RATE OF FIVE PERCENT OF THE PRICE PAID BY THE PURCHASER, IN ACCORDANCE WITH CITY ORDINANCE 2005, AND SHALL THE CITY BE AUTHORIZED TO COLLECT AND SPEND SUCH REVENUE AS A VOTER APPROVED REVENUE CHANGE UNDER ARTICLE X, SECTION 20 OF THE COLORADO CONSTITUTION?
Aurora	SHALL AURORA'S TAXES BE INCREASED BY \$2,400,000 ANNUALLY IN THE FIRST FULL FISCAL YEAR OF SUCH INCREASE AND BY WHATEVER ADDITIONAL AMOUNTS ARE RAISED ANNUALLY THEREAFTER FROM THE IMPOSITION OF A 5.0% EXCISE TAX ON THE AVERAGE MARKET RATE OF UNPROCESSED RETAIL MARIJUANA THAT IS SOLD OR TRANSFERRED FROM A RETAIL MARIJUANA CULTEVATION FACILITY AND AN ADDITIONAL 2.0% SALES AND USE TAX ON THE SALE AND USE OF RETAIL MARIJUANA AND RETAIL MARIJUANA PRODUCTS, WITH THE RATE OF SUCH SALES AND USE TAX BEING ALLOWED TO BE INCREASED OR DECREASED WITHOUT FURTHER VOTER APPROVAL SO LONG AS THE RATE OF TAXATION DOES NOT EXCEED 10%, AND SHALL THE REVENUES FROM SUCH TAXES BE COLLECTED, RETAINED, AND SPENT AS A VOTER APPROVED REVENUE CHANGE AND AN EXCEPTION TO THE LIMITS WHICH WOULD OTHERWISE APPLY UNDER ARTICLE X, SECTION 20 OF THE COLORADO CONSTITUTION, SECTION 11-27 OF THE AURORA CHARTER, OR ANY OTHER LAW WHICH PURPORTS TO LIMIT AURORA'S REVENUES OR EXPENDITURES?

Questions

