

# AGENDA ITEM SUMMARY

City Council



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## STAFF

Jim Lenderts, Marijuana Enforcement Officer, Police Services  
Zack Mozer, Financial Analyst

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## SUBJECT

**Second Reading of Ordinance No. 063, 2024, Making a Supplemental Appropriation from the Colorado Department of Local Affairs Gray and Black-Market Marijuana Enforcement Grant Program for the Fort Collins Police Services Marijuana Enforcement Program.**

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## EXECUTIVE SUMMARY

This Ordinance, unanimously adopted on First Reading on May 7, 2024, supports Fort Collins Police Services' Marijuana Enforcement Program in investigating gray and black-market marijuana cases by appropriating \$39,641 of unanticipated grant revenue from the Colorado Department of Local Affairs (DOLA), Gray and Black-Market Marijuana Enforcement.

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## STAFF RECOMMENDATION

Staff recommends adoption of the Ordinance on Second Reading.

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## BACKGROUND / DISCUSSION

"Gray Market" is a term that refers to marijuana grown legally then sold in a way that would be illegal. An example would be where someone has a medical card with an "extended plant count" which may allow them to grow up to 99 plants, but instead of using the product for their own medical needs, they sell it on the black market either locally to minors or someone in another state.

For the past five years, the State has made grant funding available to help address unlicensed and illegal marijuana activity in Colorado. In 2023, Police Services received \$32,339 and continue to investigate complaints of illegal residential cultivation operations and unlicensed smoke shops selling synthetic marijuana to minors.

On January 25, 2024, the City was awarded \$39,641 through DOLA Gray and Black-Market Marijuana Enforcement Grant Program for the purpose of investigating these cases of illegal marijuana cultivation and distribution outside the legal, licensing framework.

Use of this grant funding and investigations has not only addressed criminal activity but also improved neighborhood livability and provided insight into the level of unlicensed/illegal marijuana activity in the community. With additional insight and knowledge, Police Services can address community priorities and emerging trends in a proactive manner.

## **CITY FINANCIAL IMPACTS**

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Grant dollars helped provide additional resources to existing staff without having a direct impact on the City budget. Funds are used primarily for overtime, equipment, and storage expenses to support these investigations.

This item appropriates \$39,641 in project and overtime costs to Fort Collins Police Services' Marijuana Enforcement Program from unanticipated grant revenue from DOLA.

DOLA will advance the funds to the City so overtime and equipment purchases may be authorized. Any unused funds will be returned at the end of the grant period.

## **BOARD / COMMISSION / COMMITTEE RECOMMENDATION**

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None.

## **PUBLIC OUTREACH**

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None.

## **ATTACHMENTS**

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First Reading attachments not included.

1. Ordinance for Consideration