



MEMORANDUM

MEETING TYPE: Work Session
MEETING DATE: 8/24/2023
ITEM NAME: Marijuana Licensing
SUBMITTED BY: Sky Tallman

SUMMARY:

Points of interest:

- 1.08.5 – include hospitality and sales businesses in exclusion from 3-mile planning area? In this draft, only retail or medical marijuana stores excluded, primarily to avoid creating competition with in-town businesses. Hospitality was not included here since it is not currently permitted in the City or Town.
- 1.08.2 requires Cultivation facilities within 3-miles of a municipal boundary to have extraterritorial water tap. 1.08.3 requires cultivation facilities beyond 3-miles to demonstrate a legal source of water.
 - Would it be better to remove 1.08.2 and simply require all cultivation facilities to show a legal source of water, without anticipating that the City or Town will be willing or able to extend an extraterritorial tap 3-miles in any direction?
- 3.02 Allowing for Marijuana Hospitality Business licenses. These licenses allow for on-site consumption, but not sales. Hospitality Licenses without sales: MED provides a list of licensees holding this license type. They include:
 - Cannabis tours – tour guides that bring visitors to various marijuana facilities or offer events at which marijuana may be used.
 - social clubs and lounges – membership based (daily, weekly, monthly memberships)
 - A “cannabis-friendly ride service” and a party bus.
 - A consumption lounge serving coffee, pastries, clothing, accessories, CBD products, and art located next to a dispensary. Also hosts events, rents out conference rooms.
 - Several businesses offer painting classes.

- If marijuana is consumed on site but not sold on site, what sort of liability does the operator assume? What sort of risk does it pose to County or patrons?
 - How would this apply to AirBnBs, hotels, etc.?
 - Does it allow indoor smoking? – HB19-1230 makes smoking marijuana in hospitality spaces an exception to the “Colorado Clean Indoors Act.” Denver does allow for indoor smoking and requires compliance with odor control plan.
 - 1.07 (1) states: "No Marijuana Establishment shall be permitted to operate from a moveable, mobile or transitory Location." Should this be amended to allow for a hospitality non-sales business to operate something like a party bus or ride service?
- 3.04.5 County excise tax: how will hospitality and retail be taxed? Same as non-marijuana businesses? Currently excise tax written in only applies to the first sale of unprocessed commercial cultivation. Can it also be applied to retail?
 - 5.01 (20) Establishment in a residential zone (defined as a zone intended primarily for residential uses that allows lot sizes under 35-acres), support from neighbors within 200 ft.
 - 6.01.1 Additional approval criteria for marijuana hospitality businesses -- I included these two criteria, but these were not taken from other codes. Are these reasonable criteria?
 - (1) Provide a safety plan that includes policies for preventing customers from driving under the influence and mitigating any other potential risks.
 - (2) Provide ventilation in smoking areas to minimize exposure to second-hand smoke. Outdoor smoking or vaping areas must be at least 20 ft. from any adjacent property or use.
 - 8.01 Notice required 30-days prior to change of ownership? Pueblo requires notification 10 days after an owner or officer ceases to manage, own, or otherwise be associated with the operation.
 - 12.03 Fees:
 - Pueblo County assesses operating fees for medical and retail, but doesn't charge an “application fee” because this is collected by the State.
 - Pueblo County has a tiered fee structure for cultivation licenses with higher annual fees for higher tiered (larger) cultivation facilities.
 - Should fee structure be the same for all marijuana licenses or should retail, cultivation and hospitality each have their own fee structures?