

# MARIJUANA

## In the MILE HIGH CITY



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# HOW DID WE GET HERE?

## MEDICAL MARIJUANA IN COLORADO

- ❑ 2000: Voters passed Amendment 20 to the Colorado Constitution
- ❑ Amendment 20 allowed for the medical use of marijuana to persons suffering from debilitating medical conditions and their primary caregivers
- ❑ Authorized patients or primary caregivers to possess limited amounts of marijuana
- ❑ Distribution of marijuana was still illegal in Colorado
- ❑ The world of medical marijuana remained unregulated for another 10 years



# RECREATIONAL MARIJUANA

## HOW DID WE GET FROM MEDICAL TO RECREATIONAL?

- ▣ 2012: Amendment 64 was petitioned onto the ballot and added an amendment to the Colorado constitution legalizing the personal, private use of marijuana
- ▣ Passed in Colorado by about 55% of the vote & in Denver by 66%
- ▣ **Allows adults over 21 to:**
  - Possess up to one ounce of marijuana
  - Possess and grow up to six marijuana plants, only 3 of which can be flowering
  - Transfer up to 1oz of MJ between adults without payment
  - Private consumption of MJ
  - Assist another adult in any of these acts



# Local control provisions

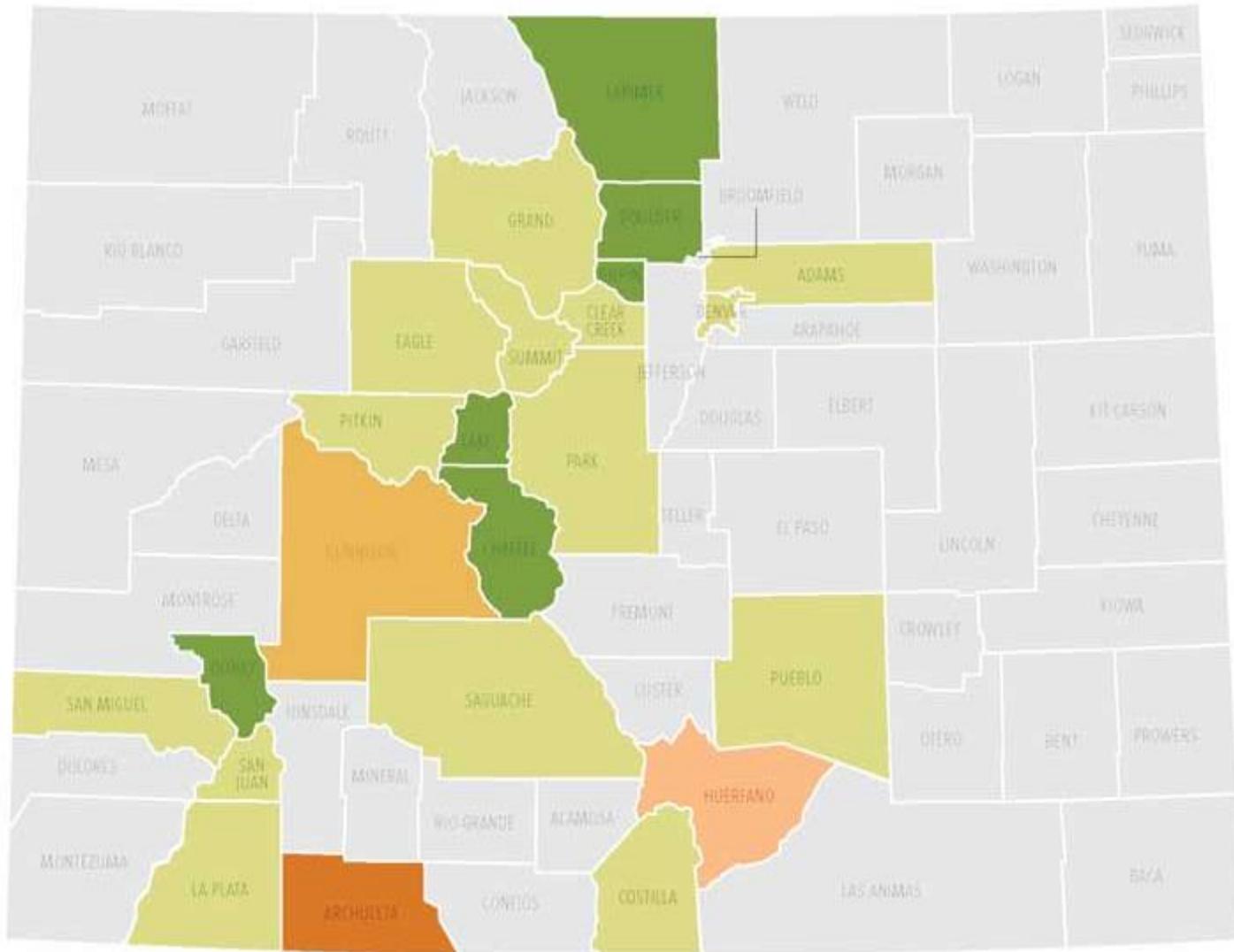
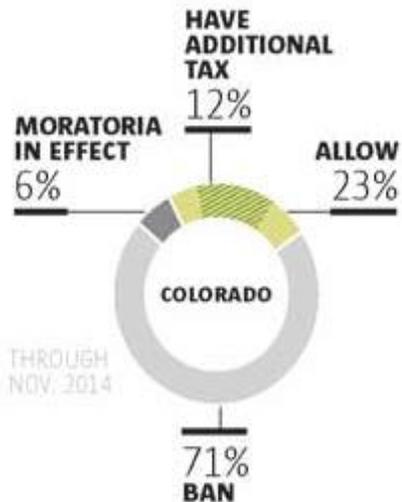
A64 also gave authority for cities and counties to **opt-out** of commercial marijuana licensing entirely.

## COUNTIES THAT PERMIT RECREATIONAL MARIJUANA

- Allows sales, cultivation, product manufacturing and testing
- Prohibits new establishments, allows existing medical marijuana shops to migrate to recreational
- Allows cultivation, product manufacturing and testing
- Allows sales and cultivation only
- Allows cultivation

## PROHIBIT

- Recreational ban or moratoria in effect



# Local control provisions

- ▣ A local government may prohibit the operation of retail marijuana establishments within its jurisdiction through an ordinance or an initiated or referred measure.
- ▣ In 2015, there were only 72 jurisdictions that allowed RMJ.

Colorado Local Jurisdiction Status	Total Jurisdictions	Percent of State
Medical and Retail Banned	228	71%
Medical Only	21	7%
Retail Only	5	1%
Both Allowed	67	21%
TOTAL	321	

# Denver Marijuana Landscape

## What did all of this mean for Denver?

### ▣ Licensed

(medical and retail, taxed and regulated)

- Grows
- Stores
- MIPS
- Testing Facilities

### ▣ Non-licensed

(locations mostly unknown, not supposed to be for profit, not taxed)

- Illegal Operations
- Medical MJ Collectives
- Retail MJ Collectives
- Caregivers
- Home Grows



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# Colorado Marijuana Licensing

## Dual Licensing System

- ❑ To operate a licensed marijuana business in Colorado, you must have **BOTH** a state license AND a local license
- ❑ The Colorado **Marijuana Enforcement Division (MED)** licenses and regulates marijuana businesses for the state.
- ❑ The **Denver Department of Excise and Licenses (EXL)** licenses and regulates for the city.



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# Denver Department of Excise and Licenses

## ▣ Issues and regulates all **local licenses**:

- Denver Medical Marijuana Code  
D.R.M.C. §24-501
- Denver Retail Marijuana Code  
D.R.M.C. §6-200



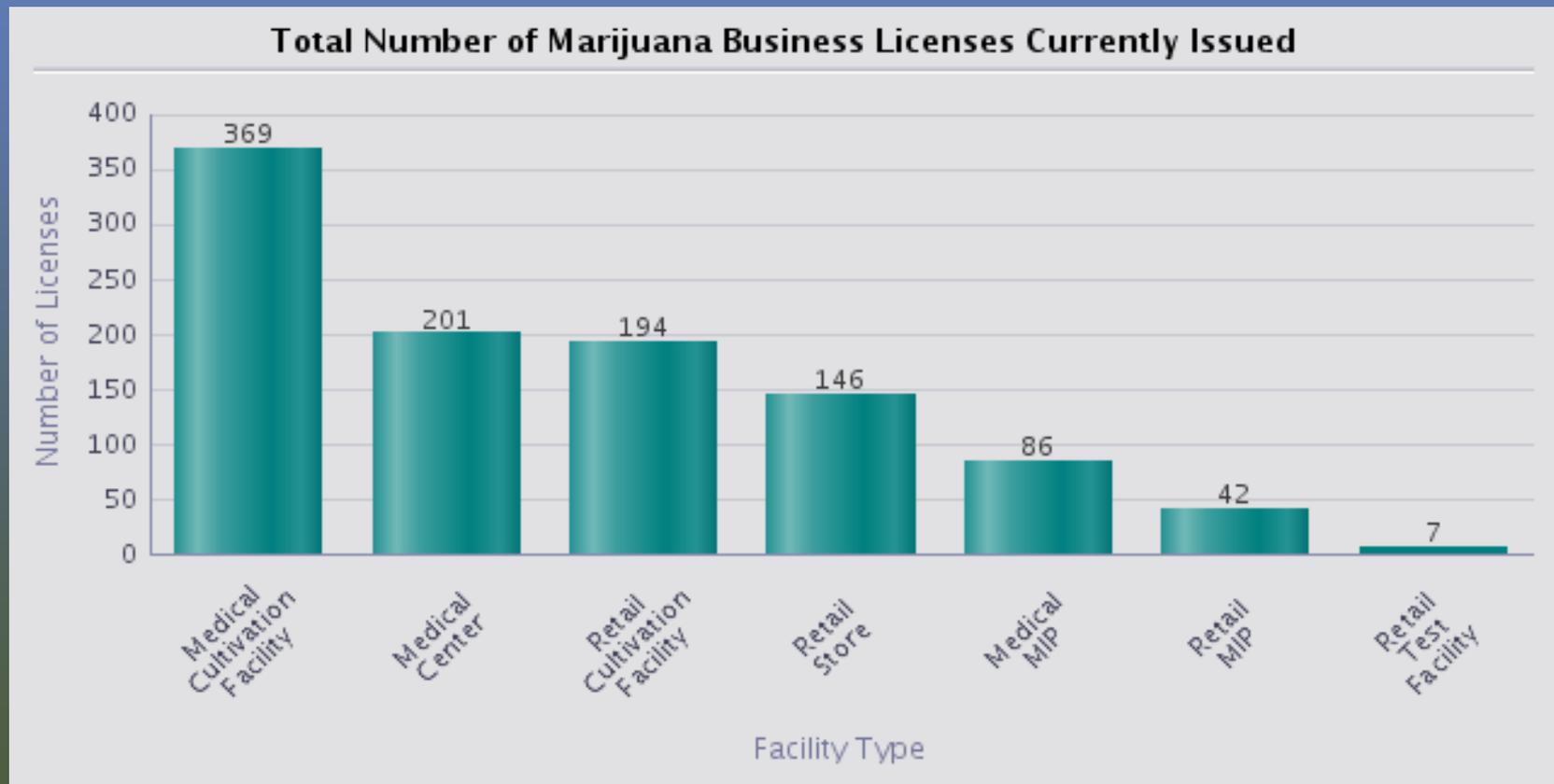
# Denver Marijuana Landscape

## What did all of this mean for Denver?

- ▣ Major features of the Denver Retail Marijuana Code.
  - Denver chose to allow retail marijuana businesses to operate in the city
  - Established local licensing system in addition to state licensing
  - Established a two-year transition period during which only existing medical marijuana businesses can apply for retail licensing
  - Imposed location limitations, including proximity and zoning restrictions
  - Required public hearings for retail stores, but not “needs and desires” hearings until after January 1, 2016.
  - We currently have a moratorium on all new licenses – ends May 1, 2016 → council in the middle of drafting cap ordinance

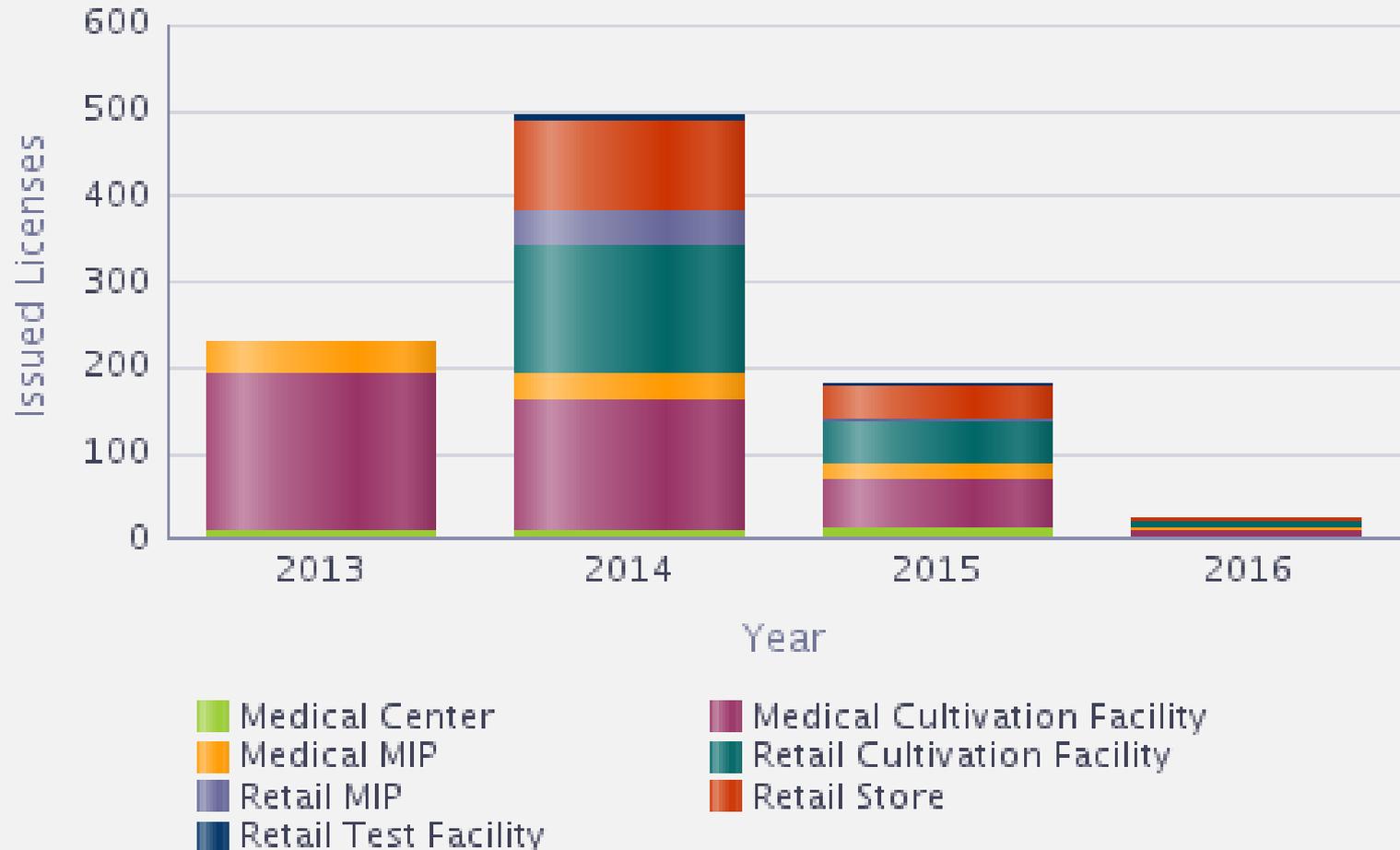
# Licensed marijuana in Denver

- According to our most recent data, there are currently **1045 marijuana business licenses**, operating out of **464 unique locations** in Denver.
  - Some locations have several licenses and license types at one location



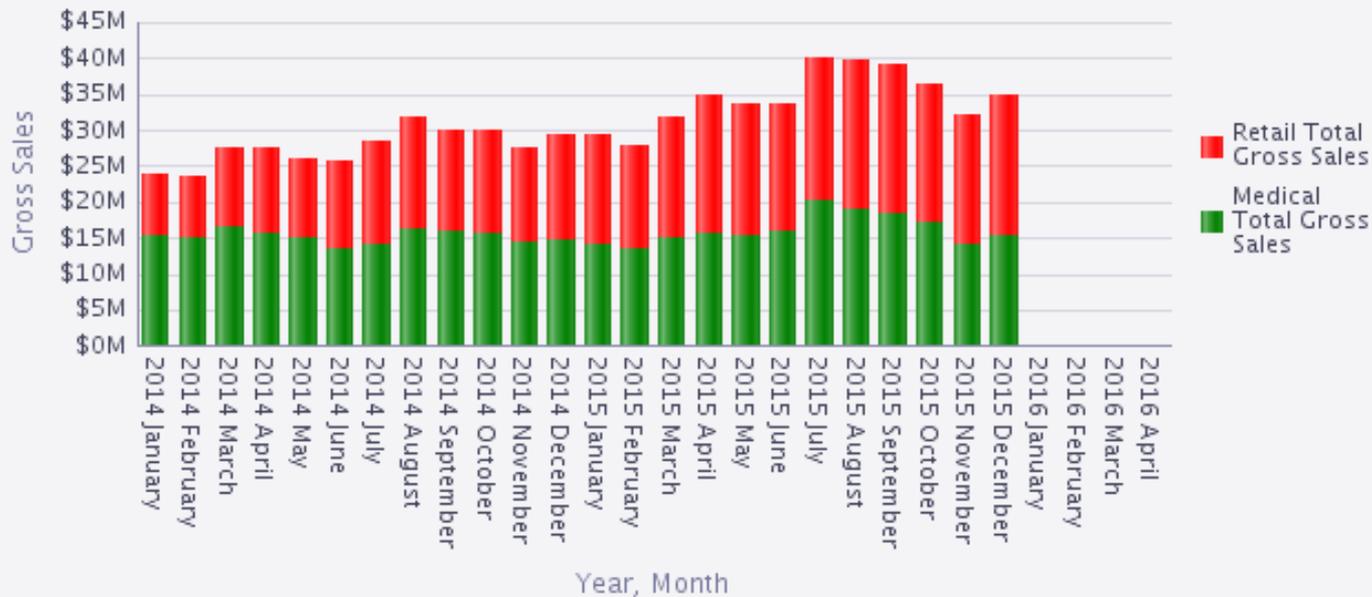
# Licensed marijuana in Denver

## Number of New Marijuana Business Licenses Issued



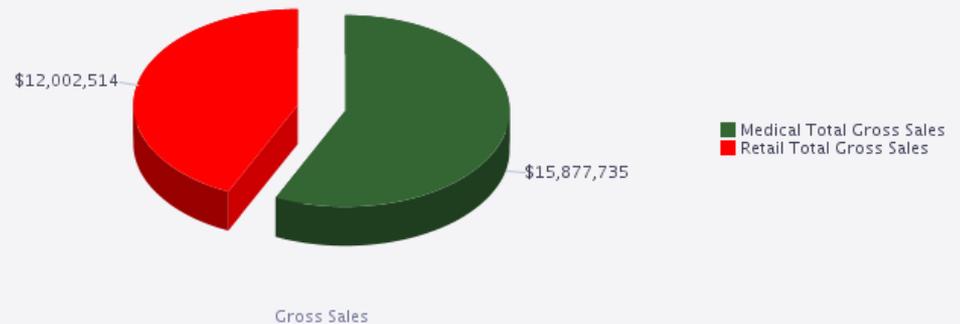
# Licensed marijuana in Denver

Total Gross Sales of Marijuana Products in the City and County of Denver

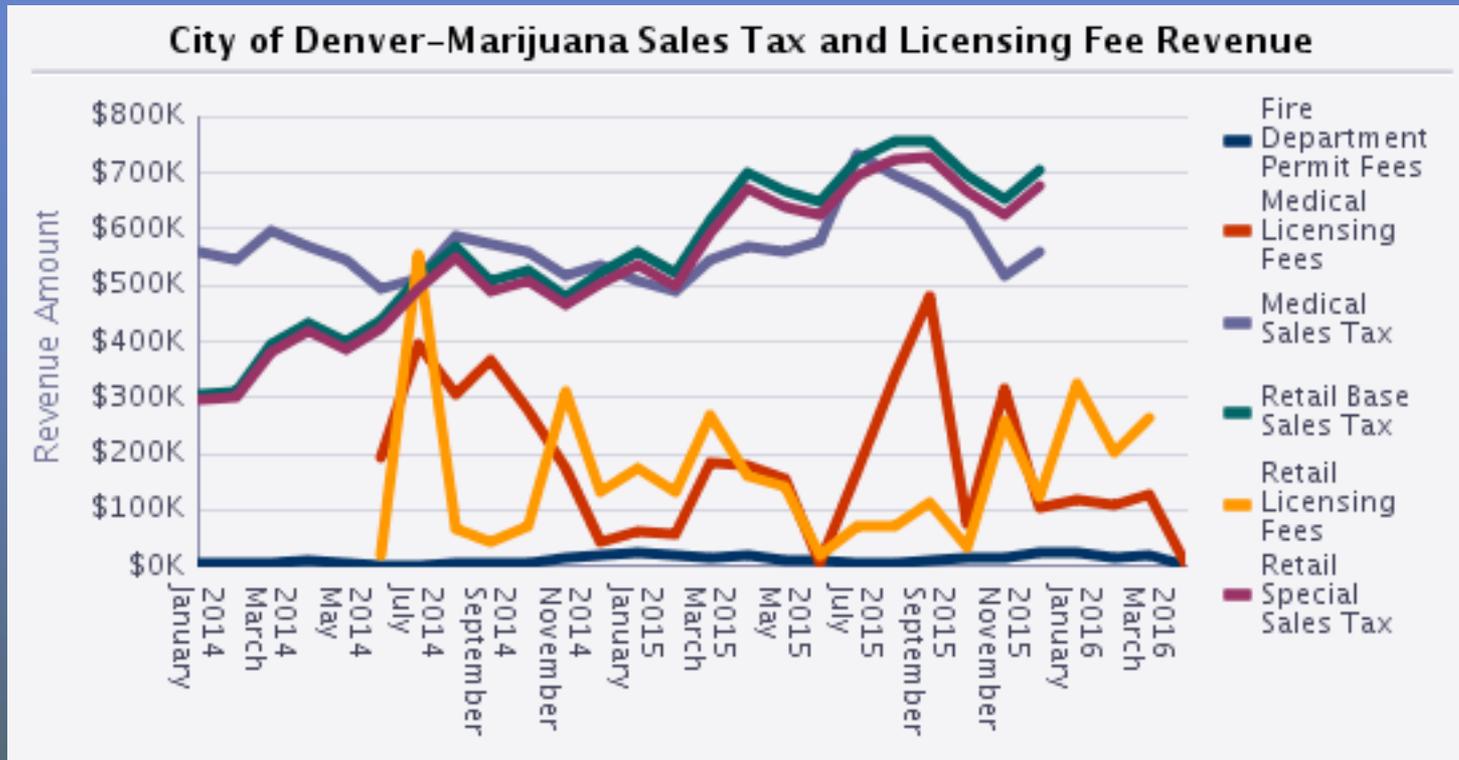


386

Total Gross Sales of Marijuana Products in the City and County of Denver



# Licensed marijuana in Denver



**Total 2014 City General Fund Revenue - \$1.2 Billion**

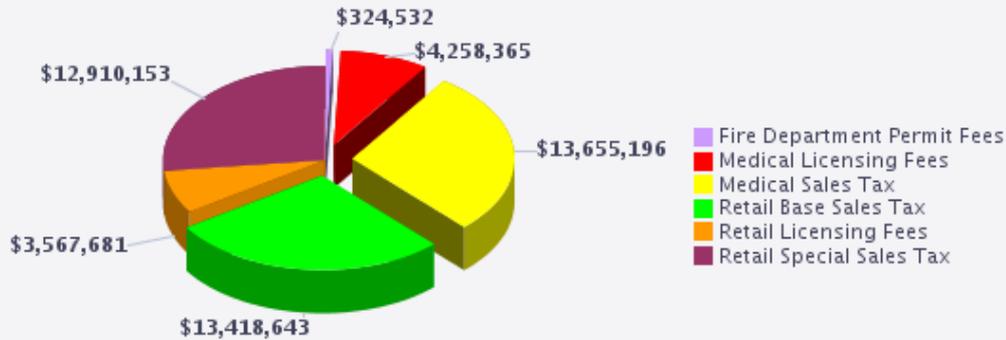
**Total 2014 Marijuana Revenue - \$22.46 Million**

**Percent of 2014 General Fund Revenue from Marijuana - 2%**

The graphs represent the revenue realized by the City of Denver from the City regular sales tax (3.62% in 2014 and 3.65% in 2015) on retail and medical marijuana, the City's 3.5% sales tax on only retail marijuana, and the licensing fees marijuana businesses pay to Excise and Licenses. Other marijuana related revenue the City realizes is not included here, such as State's shareback and revenue from building and fire fees relating to marijuana businesses.

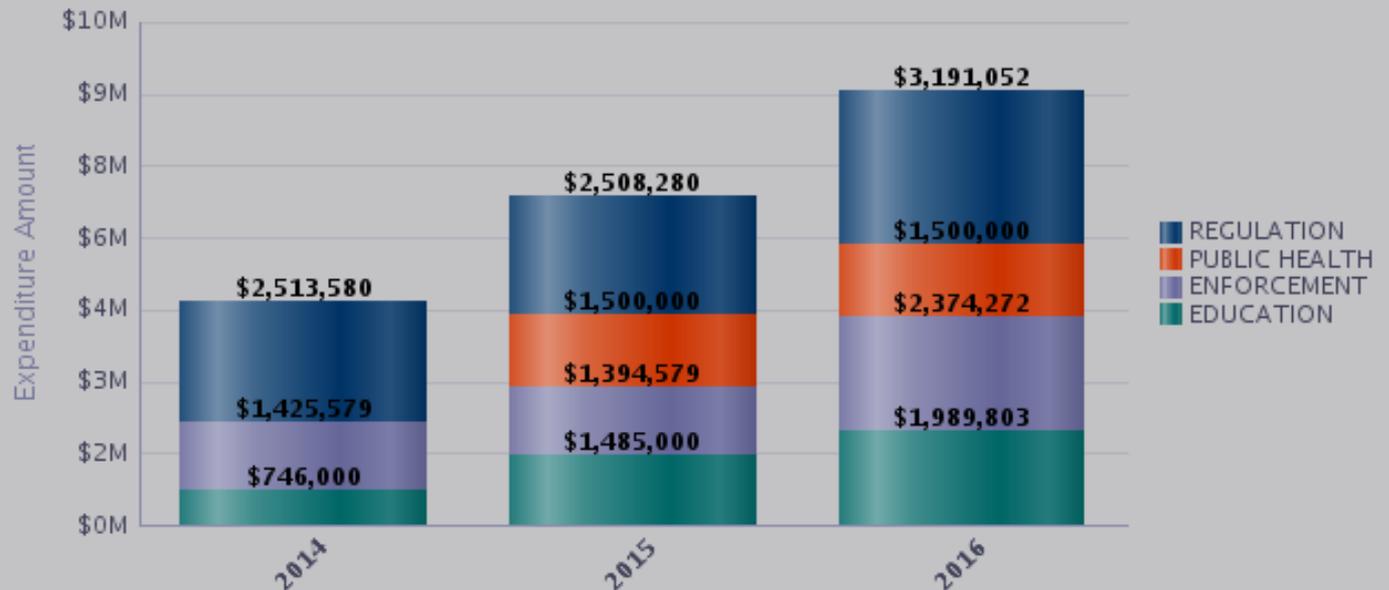
# Licensed marijuana in Denver

City of Denver–Marijuana Sales Tax and Licensing Fee Revenue



Revenue Amount

City and County of Denver – Budgeted Marijuana Expenditures



# Denver Marijuana Landscape

## Denver's Response to Problems in the Realm of Non-Licensed Marijuana

### ▣ Non-licensed

- Public Consumption

- Illegal Operations

The "Black Market"

- Medical MJ Collectives

- Retail MJ Collectives

The "Grey Market"

- Caregivers

- Home Grows



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# Why does the Black Market still exist?

- ▣ “Mexican ditch weed” (3-4% THC) = \$300/lb
- ▣ Colorado-grown MJ (25%+ THC) = \$2000/lb (in Colo)
- ▣ Colorado-grown MJ on the East Coast = \$5500/lb



Reply [x8rks-3660042849@sale.craigslist.org](mailto:x8rks-3660042849@sale.craigslist.org)

flag: [miscategorized](#) [prohibited](#)

## extra mmj - \$1 (lkwd)

Extra meds with donation: \$100 halves, \$200 Oz.  
Paperwork must be current with a valid CO id

Edibles! Yummy caramels!  
Call or text 3033306097

- Location: lkwd
- it's NOT ok to contact this poster with services or other commercial interests

Posting ID: 3660042849 Posted: 2013-03-05, 6:19AM MST

[email to a friend](#)

# Black Market: Internet Sales

- ▣ Craigslist
  - Sales and delivery of 1 ounce to 30 pounds
- ▣ Other Websites:
  - DPD Study June 2015
  - 19 Facebook “Groups”
  - Small group of sellers completing a very high volume of smaller sales
- ▣ It is common to recover weapons during these operations

# Black Market: Mid-level trade

- ▣ Daily trade in 2-5 pounds of MJ exported out of state:
- ▣ El Paso case (January 2016):
  - ▣ DPD Interdiction Team contacted a suspect at a hotel
  - ▣ He was from El Paso, Texas
  - ▣ In Denver to buy MJ for transport back to Texas
  - ▣ He had 2.5 pounds of finished MJ and ½-pound of concentrates. The packaging for the concentrates was from local dispensaries, he said he bought the finished MJ from Craigslist but evidence suggests it came from local dispensaries as well.



# Black Market: Large Criminal Orgs

## Golden Gopher Case:

- ▣ DPD Case concluded in October of 2014:
- ▣ 32 individuals indicted
- ▣ Live Marijuana Plants seized: 1,978
- ▣ Live Marijuana Weight: 4,400lb (2 Long Tons)
- ▣ Dried Marijuana Weight: 499 lb
- ▣ Marijuana Concentrate: 667.747gm
- ▣ Hash Oil: 15lb
- ▣ Grow Lights: 569
- ▣ Vehicles: 20
- ▣ Weapons: 3
- ▣ Currency: \$1,692,506.00
- ▣ Seized/Frozen Accounts, Total Amount: \$218,928.00
- ▣ Silver Bars: 4

# Diversion to the Black Market

- ▣ Straw Purchases (Juveniles)
- ▣ Smurfing
- ▣ Burglaries
  - 96 between Jan 1 and Nov 14, 2015
  - 918 plants/167 pounds of finish MJ reported stolen
  - Amounts under reported
- ▣ Direct Transfer through Caregiver Model

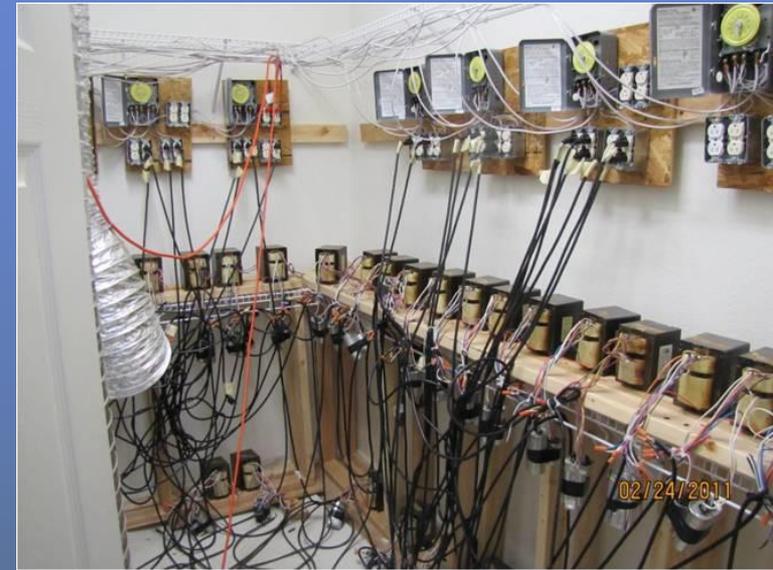
# MJ Team Seizures and Arrests

- Through the **3<sup>rd</sup> quarter of 2015**, the police MJ Team:
  - Made 109 felony arrests, 88 misdemeanor arrests
  - Seized \$321,000 in currency
  - Seized 2,300 pounds of MJ (6,600 plants)
  - Seized 72 pounds of MJ concentrates
  - Investigated 301 grows
  - Seized 48 weapons
- MJ processed by **DPD Crime Lab**:
  - 2013: 524 pounds
  - 2014: 9504 pounds
  - 2015: 4738 pounds

# MASSIVE NON-LICENSED GROWS

## What are we seeing?

- ▣ Illegal Operations
- ▣ Crime and Safety Issues
- ▣ Physical Hazards
  - Fire
  - Electrical
- ▣ Chemical/Environmental Hazards
  - **Hash oil explosions**
  - Sulfur burns
  - Air Quality (SO<sub>2</sub>, CO<sub>2</sub>)
  - Mold
  - Pesticides
  - Odors



# Marijuana Concentrates





**P**  
**POWER**  
**SUPER REFINED**  
CONTENTS  
1/2 X 300ML  
CARTRIDGES

**PROANE**  
**BUTANE GAS**



# HASH OIL EXPLOSIONS

## What about making hash oil in non-licensed places?

- ▣ Since January 2014, there have been 32+ hash oil explosions throughout Colorado
- ▣ Nine explosions in Denver
- ▣ Seven have been in unlicensed facilities



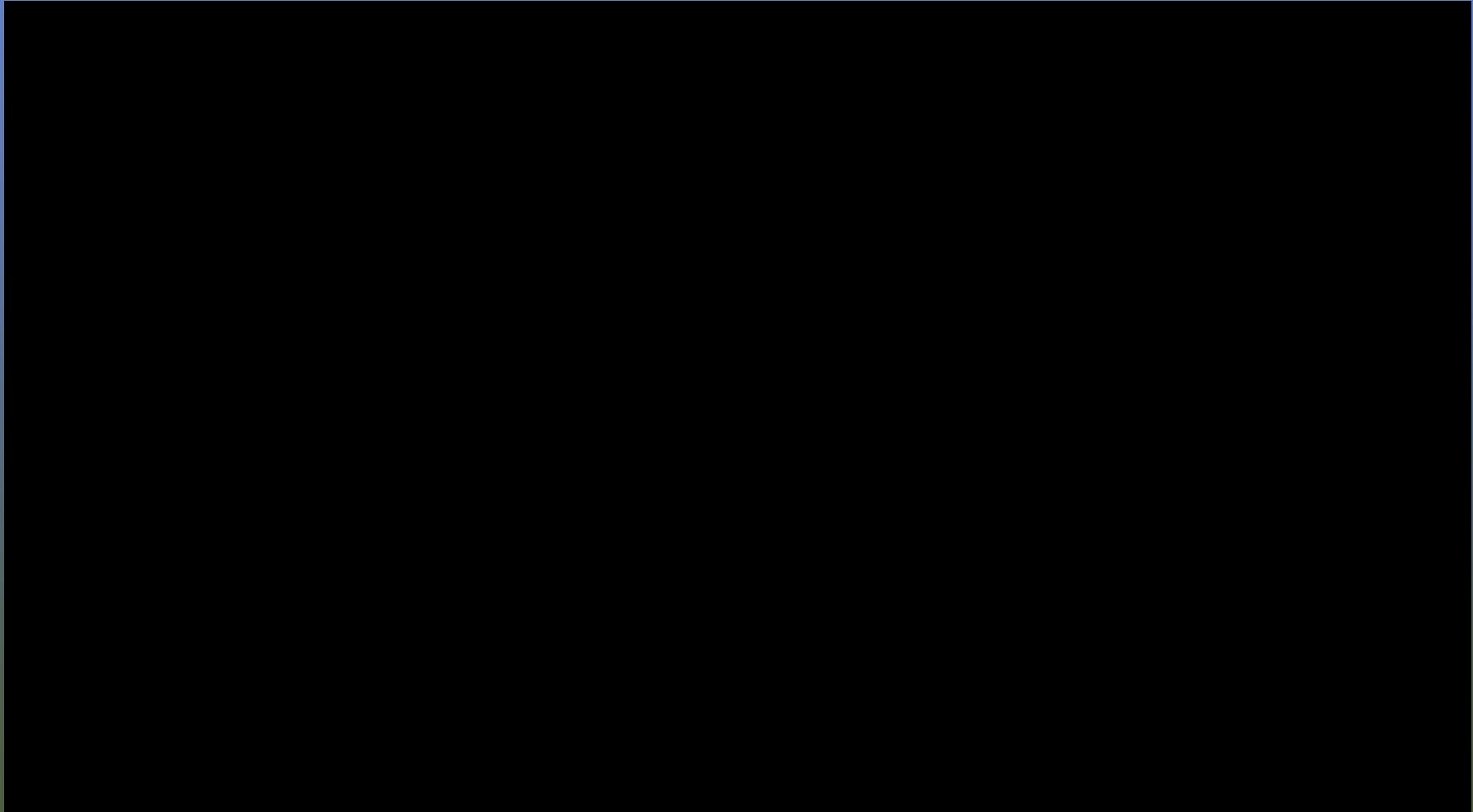
# HASH OIL EXPLOSIONS

The dangers of “open blast” extraction...



# HASH OIL EXPLOSIONS

The dangers of open blast BHO extractions



# Hash Oil Extractions

## How did Denver respond?

- It shall be unlawful for any person to process or manufacture marijuana concentrate in the city **by any means other than water-based or food-based extraction**, except in a licensed **medical marijuana-infused products manufacturing facility** or in a licensed retail marijuana products manufacturing facility.



# Hash Oil Extractions

## New State Statute in 2015

- ▣ It shall be **unlawful** for any person who is **not licensed** to knowingly manufacture marijuana concentrate using an inherently hazardous substance *(18-18-406.6, C.R.S.)*
- ▣ It shall be unlawful for anyone who owns, manages, or otherwise controls the use of any premises to allow MJ concentrate to be manufactured on the premises using an inherently hazardous substance”
- ▣ **“Inherently hazardous substance”** includes butane and propane, but *excludes ethanol*
- ▣ Created a class 2 drug felony
- ▣ Effective July 2015

# Hash Oil Extractions

## Licensed Facilities – Closed Loop Systems

- ❑ Closed loop systems are required by MED regulation in all licensed marijuana facilities
- ❑ In 2015, DFD learned that these “closed loop” systems could actually be leaking butane to the atmosphere
- ❑ New city regulations require “Class 1 Division 1” rooms (explosion-proof)



# Hash Oil Extractions

Licensed Facilities – Closed Loop Systems



# Non-licensed Marijuana Grows

## What's this all about?

### ▣ Amendment 20

- Patient can grow up to 6 plants (but more if....)
- Caregiver can grow up to 6 plants for up to 5 patients (but more if....)

### ▣ Amendment 64

- Person over 21 can grow up to 6 plants
- Person over 21 can assist another person grow their plants

### ▣ Denver's experience

- Warehouse space being converted into massive, non-licensed grows
- Electrical, building, structural, fire, sulfur burns
- Huge potential for criminal activity and diversion to black market

# Massive Non-Licensed Grows

## How did Denver respond?

- ▣ Limit the size of non-licensed, non-residential grows to **36 plants** within one zone lot
- ▣ It shall be unlawful for any person, alone or in concert with other persons, to possess or cultivate more than thirty-six (36) marijuana plants on any zone lot in the city, except in a licensed marijuana cultivation facility
- ▣ It shall be unlawful for any person who owns, manages, operates or otherwise controls the use of any zone lot to allow more than thirty-six (36) marijuana plants to be possessed or cultivated on the zone lot, except in a licensed marijuana cultivation facility
- ▣ Defines a zone lot as a minimum of 3,000 square feet
  - To prevent artificial creation of additional zone lots to get around intent of ordinance

# Non-Licensed Grows

## What about houses and apartments?



- ❑ Denver's Zoning Code limits the number of marijuana plants per dwelling unit to 12 plants
- ❑ No matter how many adults over 21 are living there
- ❑ No matter how many patients or caregivers
- ❑ "Dwelling unit" includes detached garages and sheds

# Non-Licensed Grows

## What about houses and apartments?

- ❑ MJ growing and storage must be in a “**completely enclosed structure**”
- ❑ Cannot grow MJ outdoors
- ❑ BUT, even though you can only grow 6 plants for yourself, you can keep on-site the harvest from those 6 plants with no restriction on amount (*Am 64*)
- ❑ In Denver, that harvest would have to be stored in a completely enclosed structure



# Non-licensed Grows

## Converting homes or detached garages into massive grows

- ▣ Public health concerns
- ▣ Crime and Safety Issues
- ▣ Physical Hazards
  - Fire
  - Electrical
- ▣ Chemical/Environmental Hazards
  - Hash oil explosions
  - Air Quality ( $\text{SO}_2$ ,  $\text{CO}_2$ )
  - Mold
  - Pesticides
  - Odors



# HOME GROWS



# Discovery of Contamination

How did we stumble into the **world of pesticides?**



# Pot or Pesticides Color

#168858

BY MIKE KEEFE, CAGLE CARTOONS - 9/16/2015 12:00:00 AM



# Denver's crash course in pesticides

It all started with **Sulfur**

- ▣ **Sulfur** – burned to control powdery mildew
- ▣ When sulfur is burned, it creates sulfur dioxide
- ▣ When sulfur dioxide comes into contact with moisture, it creates sulfurous acid
- ▣ Harmful to eyes, lungs, nose; asthma



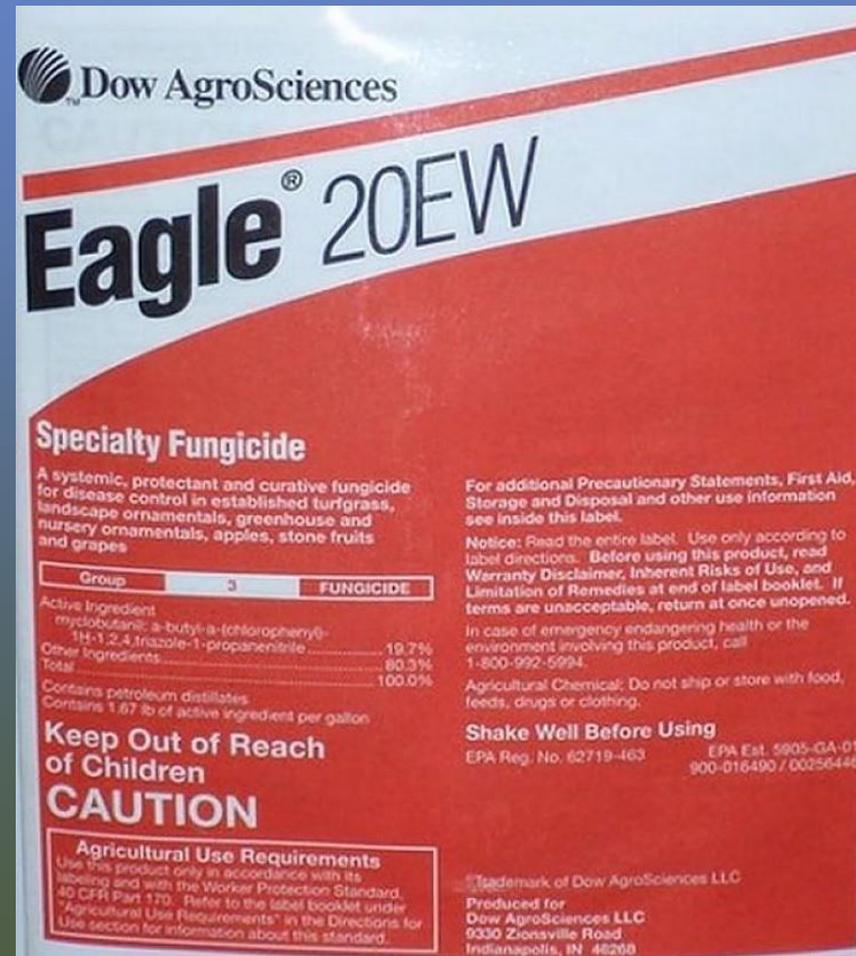
So DFD **banned** the use of Sulfur Burners in MJ grows because of the risk to fire inspectors and first responders



# Denver's crash course in pesticides

DFD started paying more attention

- Denver Fire started to see “concerning” pesticides in grow facilities
- Labels that said “for ornamentals only” or “for outdoor or greenhouse use only”
- Since MJ can only be grown **indoors** in Denver, DFD became concerned about these chemicals being used indoors and started telling growers not to use them
- That caught the attention of the Colorado Dept of Agriculture (CDA)



# Denver's crash course in pesticides

We first had to figure out jurisdiction

- ▣ For starters, the definition of a “greenhouse” is codified in 40 C.F.R., Part 170.3, as “...any operation engaged in the production of agricultural plants inside any structure or space that is enclosed with nonporous covering and that is of sufficient size to permit worker entry.”
- ▣ So, despite what DFD might have thought, the **warehouses** used for MJ grows did qualify as greenhouses.



This is typical of an MJ grow in Denver. Most are in large warehouse spaces that have been sub-divided into smaller growing rooms.

# Denver's crash course in pesticides

We first had to figure out jurisdiction

- ▣ And in Colorado, the Pesticide Act and the Pesticide Applicator's Act gives the state **exclusive jurisdiction** to regulate pesticide **use** and application
- ▣ So we needed to be careful not to step outside our lines of authority into the regulation of pesticide "use"



# Denver's crash course in pesticides

We first had to figure out jurisdiction

- ▣ We started working closely with the Department of Agriculture
- ▣ We also learned that CDA's enforcement authority did not include the plants themselves
- ▣ And that there was no agency that could take any action to remove pesticide-contaminated marijuana plants or products from the stream of commerce
- ▣ Learned that they had been developing a list of pesticides (the "CDA list") that would not be a violation of the label to use on marijuana



# Denver's crash course in pesticides

We then had to educate ourselves

- ▣ We learned about FIFRA, human health risk assessments, **routes of exposure**, and tolerances
- ▣ MJ is a unique challenge because it is consumed in so many different ways – it's smoked, vaped, eaten, used as tinctures under the tongue and lotions on the skin.

## FIFRA

- ❖ Federal Insecticide, Fungicide, & Rodenticide Act
- ❖ Enacted by U.S. Congress in 1947
- ❖ Administered by the Environmental Protection Agency (EPA)



- ▣ We researched what other jurisdictions were doing and **reached out to EPA**

# Denver's crash course in pesticides

## DEH learned about the problem

- Denver Department of Environmental Health has **broad authority** under our local ordinances to “take all measures necessary to promote the health . . . of the city and its inhabitants and visitors.” *DRMC §24-16*
- Once DEH became aware of potentially pesticide-contaminated products being sold to consumers, they had no choice but to take enforcement action to address the **risk to public health**

Ex.

## NOTICE

### PESTICIDE CONTAMINATION RISK

Department of Environmental Health - Division of Public Health Inspections  
200 W. 14<sup>th</sup> Avenue, Suite 200, Denver, CO 80204  
Phone 720-913-1311 Email phicommments@denvergov.org

**The Manager of the Denver Department of Environmental Health, Division of Public Health Inspections, of the City and County of Denver has ordered a hold of marijuana plants located in this immediate area due to a possible pesticide contamination risk.**

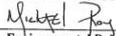
The Denver Department of Environmental Health (DEH) finds sufficient evidence that marijuana plants or marijuana product on the premises may have been contaminated by pesticides that have been determined by the Colorado Department of Agriculture to be a violation to use on marijuana; therefore, DEH finds that the presence of these possible pesticide residues on marijuana plants being cultivated for human consumption – either by inhalation or ingestion – may pose a significant public health risk. Given this evidence of possible pesticide contamination, and pursuant to the authority granted to the Department of Environmental Health to protect public health under DRMC §24-16 and §24-17, you are ordered to hold and retain the following:

ALL PLANTS IN THE FACILITY. SEE RFID NUMBERS GIVEN AND ON FILE

All plants subject to this order shall remain on hold until written approval is obtained from the Denver Department of Environmental Health to lift the hold. Failure to comply with this hold order may result in additional enforcement action.

You are hereby ordered to retain this Notice in the location where it has been posted. It shall be UNLAWFUL for any person to deface, remove or obscure any placard affixed under the provisions of the Denver Revised Municipal Code Chapter 24 Section 16(L). If the public notice is moved, removed, defaced, damaged, or blocked from conspicuous view by someone other than the Representative of the Manager of the Department of Environmental Health, the establishment must contact the Representative of the Manager immediately so another notice may be posted. Failure to notify the Manager may result in enforcement action.

For further information please contact the Division of Public Health Inspections at (720) 913-1311 or phicommments@denvergov.org.

FOR THE MANAGER OF ENVIRONMENTAL HEALTH, DIVISION OF PUBLIC HEALTH INSPECTIONS:  
  
Environmental Public Health Investigator

3-18-15  
Date hold order issued

# Denver's crash course in pesticides

We had no idea what we were getting into



CITY AND COUNTY OF DENVER

## Denver Marijuana Industry Bulletin

### Use of Pesticides in Marijuana Cultivation Facilities

March 13, 2015

Dear Denver Marijuana Industry Members,  
This bulletin is to remind you that pesticides and agricultural chemicals must be used in accordance with the product label and with all applicable federal, state, and local laws, rules, and regulations. Improper use of pesticides on marijuana can raise serious public health concerns.

This industry bulletin set off a firestorm from the industry.

They called everybody they knew in the mayor's office and on city council trying to shut us down.

The political pressure was intense.

# DENVER INVESTIGATED 10 POT GROWS FOR USE OF BANNED PESTICIDES, HOLDS PLANTS

BY THOMAS MITCHELL

MONDAY, MAY 18, 2015 |



# Denver's crash course in pesticides

“It's really hard to stand alone”

- ▣ Holds – not immediate condemnation
- ▣ There was a lot of pressure to figure out a way to release the holds
- ▣ So we found that four states had set their own “tolerance” levels for pesticides on marijuana
  - ▣ Three – pesticide residue levels were in compliance if they are lower than the most stringent acceptable standard for any food crop for that chemical
  - ▣ One - set an across-the-board standard of 0.1 ppm for any pesticide residue
- ▣ Denver decided to release plants or MJ product if the residue levels measured below the lowest food tolerance for that chemical, which meant .02 ppm in most instances

# Denver's crash course in pesticides

And then the fight went to court

- April 2015, we put holds on the entire facility of the largest MJ grow in Colorado – 65,000 plants
- Two days later, we were **sued** by two grows
- Argued that the city couldn't prove that the pesticides were **unsafe** for human consumption
- Despite the fact that no pesticide had ever gone through EPA's human health risk assessment for use on marijuana



“Pesticide”  
a chemical that is  
engineered to kill

# Denver's crash course in pesticides

## The lawsuits

- ▣ Three days, three toxicologists, CDA witnesses
- ▣ EPA witness testified from Washington DC
- ▣ The industry packed the courtroom
- ▣ Judge ruled in favor of Denver – “Preventing the sale of MJ plants containing a substance that may be harmful if ingested by purchasers of the MJ until it can be determined whether the substance is actually safe is **absolutely within the scope of the Department of Environmental Health’s authority to protect public health.**”



KEEP  
CALM  
I'M IN  
PUBLIC  
HEALTH

# Pesticides and Marijuana

## The battle continues

- ❑ In the fall of 2015, after a newspaper story, Denver started investigating and issuing recalls of MJ **edibles** and **concentrates** that were on store shelves
- ❑ All of these products tested positive for residues of multiple pesticides



# Pesticides and Marijuana

Documented in the media every step of the way

- ❑ “Largest pot recall yet: Mountain High Suckers pulls nearly 100,000 packages”
- ❑ “Denver’s 13th marijuana recall in 13 weeks: Advanced Medical Alternatives”
- ❑ “The recall is Advanced Medical Alternatives’ second in eight days — and the 13th recall issued by the city of Denver’s Department of Environmental Health in 13 weeks”



# Pesticides and Marijuana

What we've seen

## What have we done so far?

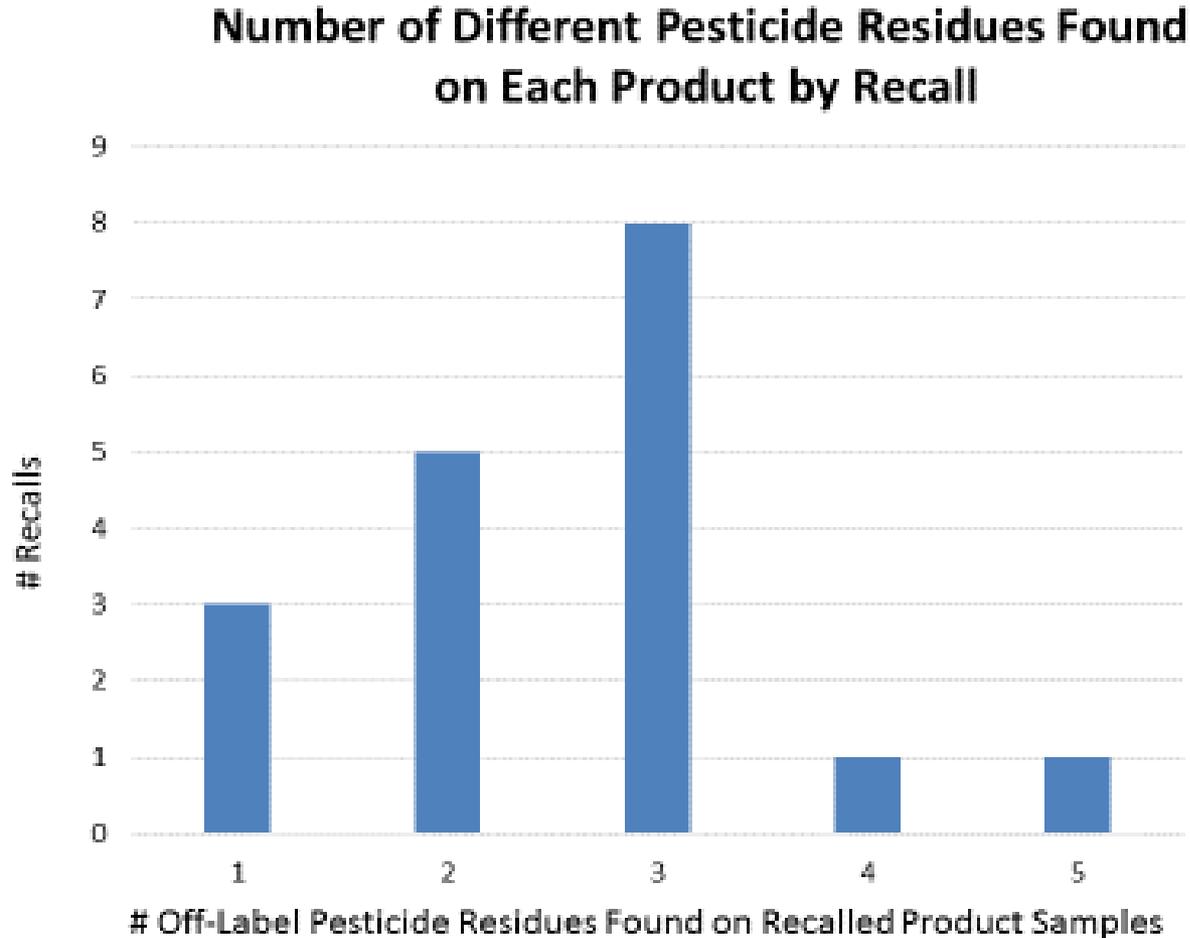
	2014	2015	2016
Inspections	359	436	tbd
Product Evaluations	6	37	4
PH Investigations*	2	47	10
Recalls	1	16	3
Units Recalled	unknown	194,154	6035

- Investigations typically consist of 3-7 visits

Date updated: 5.2.16

# Pesticides and Marijuana

What we've seen



**Median # of pesticide residues found on recalled product samples = 3**

# Pesticides and Marijuana

## The battle continues

- ❑ Two MJ product manufacturers have filed lawsuits
- ❑ Challenging our lab results – which brings up the “lab problem” we’ve been dealing with since the beginning
- ❑ Challenging our jurisdiction
- ❑ Claiming we “can’t prove these pesticides are unsafe”



# Pesticides and Marijuana

## The battle continues

- On **November 13, 2015**, the Colorado governor weighed into the fray and issued an executive order to declare tainted MJ a threat to the public so that any marijuana grown with off-label use of pesticides would be removed from commerce and destroyed
- The state started enforcement action earlier this year

## THE DENVER POST

### Colorado issues fourth pesticide-pot recall in less than a week

Grow facilities in Denver with dispensary in Golden target of state's latest enforcement action against pesticides

By David Migoya and Ricardo Baca

*The Denver Post*

# Saturation and “caps”

## **MARIJUANA IN DENVER: SOME AREAS SATURATED**

A Denver Post analysis of marijuana-related business license records shows there are more than 600 entities operating within city limits, including medical and retail stores, cultivation centers, edible manufacturers and testing facilities. Businesses are concentrated in the northern and western areas of the city, mainly due to zoning restrictions and available warehouse space for cultivation operations. The three neighborhoods that house the highest number of businesses are Elyria Swansea (78), Northeast Park Hill (67) and Montbello (52).

## **Unbalanced pot landscape in Denver raises concerns**

After two years of retail marijuana sales, Denver communities of color and lower income say they bear disproportionate number of pot licensees

## **DENVER AND THE WEST**

## **Marijuana business caps could help neighborhoods, council members say**

Denver City Council considers proposals to replace moratorium on new players in industry

# “You Can’t Smoke It in Public”

## Social Consumption

- ▣ **Amendment 64** allows adults over 21 to consume marijuana, “provided that nothing in this section shall permit consumption that is conducted openly and publicly or in a manner that endangers others.
- ▣ The **Colorado Clean Indoor Air Act** prohibits indoor smoking in public places and buildings, with some exceptions
- ▣ **Denver ordinance** prohibits the consumption of marijuana anywhere that “a substantial number of the public has access.”



The combination of various laws has resulted in a weird situation where we have “party buses” driving around the city with people smoking MJ inside.

# Odor

Grows can have huge neighborhood impacts

- ▣ New Odor Ordinance (2016) – will mandate an “Odor Control Plan” for three different scenarios:
  - Five complaints (from separate households or businesses) within 30 days
  - If odorous contaminants are detected when one volume of odorous air has been diluted to seven more volumes of odor free air
  - If engaged in specified activities, which includes marijuana growing or manufacturing

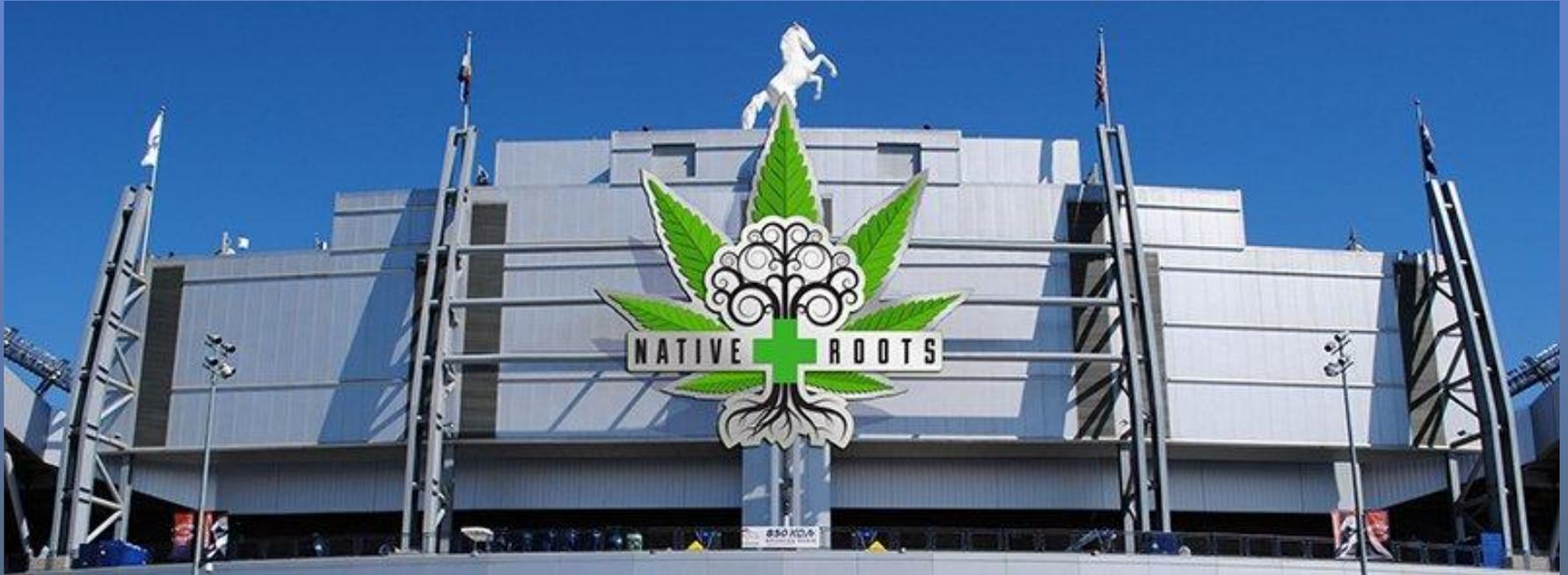


# Advertising

## ▣ Advertising Restrictions.

- Unlawful for any person to advertise MMJ or RMJ where the advertisement is visible to members of the public from any public place
- **Prohibits** billboards, signs mounted on vehicles; hand-held or portable signs; handbills, leaflets or fliers handed directly to a person in a public place, left on a motor vehicle, or posted on public or private property without consent of the property owner
- EXCEPT:
  - Sign on same zone lot as the store/center which exists solely for the purpose of identifying the location of the store/center
  - Ads in magazines, newspapers, or other periodical of general circulation
  - Ads which are purely incidental to the sponsorship of a charitable event

# What else?



**Marijuana dispensary wants naming rights to Mile High Stadium**  
April 2, 2016 9:28 am ET

# What we've learned so far...

- ▣ Think about your **regulatory structure** sooner rather than later! Learn from others and anticipate the issues.
- ▣ **Collaborate** with as many different stakeholders as possible – city, state, industry, community, businesses
- ▣ It's easier to **start slow** with a measured approach, than to “put the toothpaste back in the tube” down the road.
- ▣ **Communication** goes a long way – working groups, industry bulletins, regular meetings
- ▣ If you're going to take a stand on a regulatory or enforcement decision, be ready to **stand strong** (because you're going to get sued)

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