

#### PETITION STATEMENT OF SUFFICIENCY

#### IO 2024-001 Petition Title:

daycare, preschool or K-12 school,

Shall the ordinances of the City of Colorado Springs be amended:

- To authorize only existing medical marijuana licensees to apply to become licensed as retail/recreational marijuana businesses, subject to all applicable taxes, including the existing 5% sales tax on retail/recreational marijuana to generate revenue for public safety programs, mental health services, and post-traumatic stress disorder treatment programs for veterans;
- To limit the number of retail/recreational marijuana licenses in Colorado Springs so that the number of licensed locations cannot exceed the number of existing medical marijuana licenses on November 5, 2024; and
- To codify violations and penalties for retail/recreational marijuana, which cannot be amended except by a vote of the people, in the Colorado Springs City Code including regulations that:

  (1) prohibit any retail/recreational marijuana business within 1,000 feet of a public or private
  - (2) prohibit the sale or transfer of retail/recreational marijuana to any person under 21,
  - (3) prohibit the sale or transfer of retail/recreational marijuana acquired in another political subdivision to a person under 21, and
  - (4) prohibit possession of retail/recreational marijuana by any person at any public or private school, daycare, or preschool?

## AN INITIATED ORDINANCE PERTAINING TO RECREATION MARIJUANA Section 1. Legislative declaration of the voters.

It is in the public interest to limit the sale of Recreational Marijuana by only the licensees that are licensed to sell Medical Marijuana at the time of the November 2024 general election. As a result, only the presently existing licensees will be licensed to sell Medical and Recreational Marijuana. Besides prohibiting expansion of the number of marijuana licenses in Colorado Springs, voters intend that Recreational Marijuana will be subject to all applicable state and local regulations.

Notwithstanding any provision of the Colorado Springs City Code to the contrary, including provisions prohibiting the operation of retail marijuana establishments, the operation of licensed Recreational Marijuana Businesses and the authorized sale of Recreational Marijuana within the City of Colorado Springs are permitted after April 14, 2025, subject to the Recreational Marijuana Sales Tax of 5% of the purchase price, as previously approved by voters at the 2022 general election.

#### Section 2. Existing licensing process, standards, and violations – adoption by reference.

(a) The licensing and operation of Recreational Marijuana Businesses shall be subject to:

- (i) all pertinent marijuana-related provisions of the Colorado Constitution, state statutes, and the rules and regulations of the State licensing authority;
- (ii) the standards in effect as of January 1, 2024 that currently apply to the licensing and operation of Medical Marijuana Businesses in sections 2.2.102 through 2.2.109 of the Colorado Springs City Code except section 2.2.109(A)(12) and (D) that make the operation of a "retail marijuana establishment" unlawful in the City, provided that this subsection shall not prohibit enactment of ordinances by the City so long as such ordinances facilitate implementation of, and do not conflict with, this ordinance; and
- (iii) the standards in effect as of January 1, 2024 in the rules and regulations of the Local Licensing Authority that apply to the licensing and operation of Medical Marijuana Businesses, provided that this subsection shall not prohibit adoption of rules by the Local Licensing Authority so long as such rules facilitate implementation of, and do not conflict with, this ordinance.
- (b) When duly licensed by the Local Licensing Authority, Recreational Marijuana Businesses shall be permitted to engage in all Recreational Marijuana Activities whose products are permitted by pertinent state statutes or state regulations, or the Colorado Constitution.
- (c) In order to make possible the safe, accountable supply and testing of Recreational Marijuana, the Local Licensing Authority shall accept applications for, investigate applicants, and grant licenses so that Recreational Marijuana Businesses can lawfully conduct Recreational Marijuana Activities, provided that the applicant is currently a licensed Medical Marijuana Business in the City and qualifies as provided in this ordinance.
- (d) Without increasing the number of locations of Medical Marijuana Businesses, an existing licensed Medical Marijuana Business shall be permitted to submit an application for a Recreational Marijuana Business license that would permit it to co-locate or expand its licensed operations to conduct the same authorized License Type activity for Recreational Marijuana as is authorized under that Medical Marijuana Business's License Type. If the Local Licensing Authority finds that the Medical Marijuana Business is currently licensed by the City of Colorado Springs, and the application is complete and meets the minimum requirements for approval including payment of required application and investigation fees, the Local Licensing Authority shall approve the application and issue a license so that the Regulated Marijuana Business can lawfully conduct Recreational Marijuana Activities as authorized by this ordinance and that License Type.
- (e) The Local Licensing Authority shall begin accepting license applications no later than February 10, 2025 and shall grant or deny any such application within sixty (60) days of filing. Regulated Marijuana Businesses may operate their licensed Recreational Marijuana Activities after April 14, 2025.
- (f) Notwithstanding the foregoing, the Local Licensing Authority shall deny any initial license application for the operation of a Recreational Marijuana Business if such Business is to be located within one thousand (1,000) feet from an operating public or private daycare facility, preschool, or school offering education to children attending kindergarten through twelfth grade.

#### Section 3. Added violations, penalties – Recreational Marijuana.

- (a) In addition to other applicable offenses provided by state or local law, including the unlawful acts specified in section 2.2.109.A.1-10 and 12-24 of the Colorado Springs City Code, no person may:
  - (i) sell, give, or otherwise transfer Recreational Marijuana in the City to any person under 21 years of age;
  - (ii) sell, give, or otherwise transfer Recreational Marijuana, acquired in another political subdivision, to any person under 21 years of age; or
  - (iii) possess Recreational Marijuana for any purpose on the premises of any public or private daycare facility, preschool, or school offering education to children attending kindergarten through twelfth grade.
- (b) In addition to any applicable regulatory or criminal penalty for any offenses under the Colorado Springs City Code, a person is also subject to the jurisdiction of the State Marijuana Enforcement Division, or its successor agency, pursuant to the Division's authority under state statutes and its rules and regulations adopted to protect public safety and welfare. Such actions include license suspension or revocation as well as monetary penalties or fines that are permitted to be levied under state law.

#### Section 4. Licensing of Recreational Marijuana Businesses.

- (a) Any licensed Medical Marijuana Business may also be licensed as a Recreational Marijuana Business so that a portion of its premises may be used for Recreational Marijuana Activities in accordance with its current permitted use and License Type. Any medical marijuana center that applies to add a Recreational Marijuana Store to operate in the same location will count as one (1) license for purposes of the City's cumulative cap on licensed marijuana stores; provided, however, that any medical marijuana store that does not seek or receive a Recreational Marijuana Store license shall also be treated as one (1) license for purposes of the cumulative cap on licensed marijuana locations.
- (b) The Local Licensing Authority shall not approve a license for any facility seeking to operate as a Recreational Marijuana Business unless that facility:
  - (i) meets the pertinent requirements in state law, in this ordinance, and in the Colorado Springs City Code;
  - (ii) has been approved by the state licensing authority and the Local Licensing Authority to conduct authorized functions of a Recreational Marijuana Business; and
  - (iii) will not, if granted, exceed the total permitted number of licenses or locations in the City, as provided in the Colorado Springs City Code.
- (c) Any currently licensed Medical Marijuana Business may continue operating under its current license as permitted or apply for the same License Type activity that would allow it to:
  - (i) operate as a licensed Recreational Marijuana Business conducting Regulated Marijuana Activities; or

- (ii) combine both its operations as a Medical Marijuana Business and Recreational Marijuana Activities as a Recreational Marijuana Business at the same licensed facility.
- (d) The Local Licensing Authority may impose license application and investigation fees in amounts required to offset its costs associated with consideration and investigation of applications for Recreational Marijuana-related licenses.
- (e) In addition to the current state identification verification requirements, City of Colorado Springs will require stores selling Recreational Marijuana to use electronic identification verification devices to confirm that the consumer is at least 21 years of age.

# Section 5. Definitions. In addition to such definitions in section 16(2) of article XVIII of the Colorado Constitution as apply to the purposes of this ordinance and are therefore incorporated herein, the following terms mean:

- (a) "License Type" means the category of license, issued under the authority of section 14 or 16, or both, of article XVIII of the Colorado Constitution, pertinent state statutes or state regulations, or ordinances adopted by the City Council or rules adopted by the Local Licensing Authority, allowing a licensee to undertake a specific industry activity, such activity being the licensed purchase, sale, cultivation, possession, production, distribution, testing, transporting, or storing of marijuana.
- (b) "Local Licensing Authority" means the City Clerk or the City Clerk's designee acting pursuant to the authority granted under this ordinance and under the Colorado Springs City Code.
- (c) "Medical Marijuana Businesses" means those facilities licensed to operate under the authority of section 14 of article XVIII of the Colorado Constitution, pertinent state statutes or state regulations, and ordinances adopted by the City Council or rules adopted by the Local Licensing Authority as provided in the Colorado Springs City Code.
- (d) "Recreational Marijuana" means "marijuana" and "marijuana products," as those terms are defined in and authorized by state law including section 16(2)(f) and 16(2)(k) of article XVIII of the Colorado Constitution.
- (e) "Recreational Marijuana Activities" means the purchase, sale, cultivation, possession, production, distribution, testing, transporting, and storing of Recreational Marijuana.
- (f) "Recreational Marijuana Business" means a licensed Recreational Marijuana Store, a licensed Recreational Marijuana cultivation facility, a licensed Recreational Marijuana products manufacturer, a licensed Recreational Marijuana testing facility, a licensed Recreational Marijuana Business operator, a licensed Recreational Marijuana transporter, and any other marijuana enterprise that is authorized by state statute or rule or City ordinance or rule and licensed to conduct business regarding Recreational Marijuana as defined in this ordinance.
- (g) "Recreational Marijuana Sales Tax" means the specific, voter-approved sales tax imposed only on sales of Recreational Marijuana, at a rate of five percent (5%) of the price paid by purchasers of Recreational Marijuana.
- (h) "Recreational Marijuana Store" means an entity licensed to purchase Recreational Marijuana from marijuana cultivation facilities and marijuana and marijuana products from marijuana product manufacturing facilities and to sell marijuana and marijuana products to

consumers, in the same manner as a "retail marijuana store" as provided in section 16(2)(n) of article XVIII of the Colorado Constitution.

(i) "Regulated Marijuana Business" means a Medical Marijuana Business and also, as defined in this ordinance, a Recreational Marijuana Business.

**Petitioner's Committee:** Nancy S. Stilwagen, Winn Kirkpatrick, Jay Vandeursen, and Thomas Scudder.

Petition Name: Authorization of Recreational Marijuana

Election: 2024 Coordinated Election

Election Date: November 5, 2024

Date on which the petition was originally submitted for verification: <u>June 18, 2024</u>

Date on which the petition was submitted for cure verification: August 9, 2024

Total number of signature lines reviewed: 58,130

Total number of signature lines not accepted: 29,862

Total number of signature lines accepted: 28,268

Total number of valid signature lines required: 24,861

Total number of signature lines over/under: 3,407

Petition signature requirements are hereby determined to be: **SUFFICIENT**.

Signed this 22<sup>nd</sup> day of August, 2024.

Donal B Johnson

Sarah B. Johnson

City Clerk

## Petition Verification: 2024 RMJ Authorization

### Signature Line Summary

Verified	Total: 28268	
Rejected	Tota	l: 29862
	BL - Blank	5
	DT - Date Signed after Date on Notary Jurat	46
	DUP - Duplicate Signature	3510
	INC - Incomplete	877
	NIC - Not in City	7271
	NL - Not Legible	1470
	NR - Not a Registered Voter	13106
	PO - Post Office Box Used	46
	SO - Strike-Out	1213
	WA - Wrong Address	2318

Blank Total: 161870

BL - Blank 19

Total Petition Signature Lines: 220000

## Packet Summary

Verified	Total: 1091
Returned	Total: 47
Rejected	Total: 3
Not Returned	Total: 1059

Total Petition Packets: 2200