Town of Frederick
Board of Trustees

Eric Doering, Mayor

Sue Wedel, Mayor Pro Tem
Liberta Hattel, Trustee
Amy Schiers, Trustee

Tony Carey, Trustee
Gerry Pfirsch, Trustee
Jim Wollack, Trustee

AM 2009-102

To Consider Adopting an Ordinance Amending the Frederick Municipal Code – Marijuana Dispensary and Growth Facility

---

Agenda Date: Town Board Meeting – October 27, 2009

Attachments: a. Proposed Ordinance

Fiscal Note: None noted

Finance Director

Submitted by:

Town Attorney

Approved for Presentation:

Town Administrator

AV Use Anticipated Projector _____ Laptop _____

Certification of Board Approval: _____ Town Clerk _____ Date

Summary Statement:

In 2000, Colorado voters passed Colorado Constitutional Amendment 20, amending Article XVIII of the Constitution by adding Section 14. (Medical use of marijuana for persons suffering from debilitating medical conditions). This proposed ordinance sets forth the structure and terms applicable to the Town's licensing of medical marijuana growth and dispensing activities generally permitted under Section 14 and 5 CCR 1006-2, including local law enforcement oversight of such operations.

Detail of Issue/Request:

While Section 14 of Article XVIII has been on the books in Colorado for almost a decade, medical marijuana operations have only recently been appearing across the State in larger numbers, following

statements by the federal government that it will not vigorously pursue prosecution for possession of small amounts of marijuana. Medical Marijuana dispensaries have been opened and operated throughout the state for several years, though Frederick has not seen more than a handful of such operations, and currently has none of which staff are aware. Frederick has not had a formal structure for licensing and regulating such operations until this proposed ordinance.

The proposed ordinance was drafted in consultation with local law enforcement input and will update the business license portion of the Frederick Municipal Code to reflect the extent of the regulation and local law enforcement oversight required for lawful operation of medical marijuana dispensaries and medical marijuana growth facilities within the Town. It will also provide the structure for sales tax collection and voluntary reporting required by such operations. Hopefully, these changes in conjunction with proposed amendments to the Frederick Land Use Code will also lead to management of such operations in a manner consistent with the values and culture of the Town.

Legal/Political Considerations:

The Board should be aware that medical marijuana operations will come to Frederick in one form or another. By establishing a formal licensing paradigm, the Town will be able to direct such operations in a manner deemed appropriate for the Town before such operations become more prolific in the community.

Alternatives/Options:

Decline to adopt a licensing paradigm for lawful operation of medical marijuana businesses;

Direct staff regarding preferred regulations on the licensing of medical marijuana businesses;

Adopt a licensing paradigm for lawful operations of medical marijuana dispensaries only, but not medical marijuana growth facilities;

Adopt a licensing paradigm for lawful operations of medical marijuana growth facilities only, but not medical marijuana dispensaries.

Financial Considerations:

There will be some additional administrative cost to review business license applications, regular report by licensees, and to enforce non-compliance matters.

Staff Recommendation:

Adopt the proposed ordinance or specify additional/other control measurers to apply.