


CITY CLERK'S OFFICE MEMORANDUM
#12-03

July 9, 2012

TO: Honorable Mayor Joyce Downing and City Council Members

FROM: Johanna Small, City Clerk 

SUBJECT: CR-76 – Medical Marijuana Fees

BACKGROUND:

Ordinance No. 1619 regulating medical marijuana businesses was adopted by the Council on June 25, 2012. Two sections of the Ordinance address application and license fees required for medical marijuana businesses, which must be determined by the local licensing authority.

Section 18-14-7 states, in part: “At the time of application, each applicant shall pay a nonrefundable application fee to defray the costs incurred by the City for background investigations and inspection of the proposed premises, as well as any other costs associated with the processing of the application.”

Further, Section 18-14-15 reads: “Upon issuance of a license or any renewal of a license, the licensee shall pay to the City a fee in an amount determined by the local licensing authority to be sufficient to cover the annual cost of inspections conducted pursuant to Section 18-14-32 of this Article by the Northglenn Police Department, and such other departments of the City as may be designated by the local licensing authority, for the purpose of determining compliance with the provisions of this Article and any other applicable state or local laws or regulations.”

A resolution setting application and license fees has been prepared with a suggested application fee of \$2,500.00 and a license fee of \$1,500.00 for each of the three license types: Medical Marijuana Center License, Medical Marijuana Infused Products Manufacturer License, and Optional Premises Cultivation License. The suggested amounts were determined based on an analysis of the costs associated with processing a new license application.

Below is a survey of other municipalities' fees:

Municipality	Medical Marijuana Center Application Fee	Medical Marijuana Center License Fee	Marijuana Infused Products Manufacturer Application Fee	Marijuana Infused Products Manufacturer License Fee	Optional Premises Cultivation Application Fee	Optional Premises Cultivation License Fee
Breckenridge	\$ 2,812.50 \$ 6,562.50 \$ 10,500.00	n/a	\$ 2,062.50	n/a	\$ 2,062.50	n/a
Canon City	\$ 1,500.00	\$ 1,000.00	\$ 1,500.00	\$ 1,000.00	\$ 1,500.00	\$ 1,000.00
Colorado Springs	\$ 2,200.00	\$ 1,800.00	\$ 2,200.00	\$ 1,800.00	\$ 2,200.00	\$ 1,800.00
Denver	\$ 2,000.00	\$ 3,000.00	\$ 2,000.00	\$ 3,000.00	\$ 2,000.00	\$ 3,000.00
Lafayette	\$ 3,000.00	\$ 1,500.00	\$ 3,000.00	\$ 1,500.00	\$ 3,000.00	\$ 1,500.00
Lakewood	\$ 3,000.00	\$ 2,500.00	n/a	n/a	\$ 500.00	\$ 500.00

Louisville	\$ 3,000.00	n/a	n/a	n/a	n/a	n/a
Nederland	\$ 5,000.00	n/a	\$ 5,000.00*	n/a	\$ 5,000.00*	n/a

*Application fee is \$750 if associated w/existing medical marijuana business

Breckenridge has three types of Medical Marijuana Center Licenses similar to the State's structure:

- Type 1 Center (6-300 patients) Application fee: \$ 2,812.50
- Type 2 Center (301-500 patients) Application fee: \$ 6,562.50
- Type 3 Center (501+ patients) Application fee: \$10,500.00

BUDGET/TIME IMPLICATIONS:

Ordinance No. 1619 will take effect on July 10, 2012, at which time the City will begin accepting applications for Medical Marijuana Business Licenses. Fees established by the approval of CR-76 will also be effective on July 10, 2012.

STAFF REFERENCE:

Please contact Johanna Small, City Clerk at jsmall@northglenn.org or 303-450-8757 with any questions or comments.

SPONSORED BY: MAYOR DOWNING

COUNCILMAN'S RESOLUTION

RESOLUTION NO.

No. CR-76
Series of 2012

Series of 2012

A RESOLUTION IMPOSING LICENSE FEES PURSUANT TO SECTION 18-14-15 OF THE NORTHGLENN MUNICIPAL CODE

BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF NORTHGLENN, COLORADO, THAT:

Section 1. The City Council hereby imposes the following license fees pursuant to Section 18-14-15 of the Northglenn Municipal Code:

- | | | |
|----|---|---------|
| A. | Initial application fee for any medical marijuana business application: | \$2,500 |
| B. | License fee for Medical Marijuana Center: | \$1,500 |
| C. | License fee for Medical Marijuana-Infused Products Manufacturer: | \$1,500 |
| D. | License fee for Optional Premises Cultivation: | \$1,500 |
| E. | Renewal fee per License: | \$1,000 |

Section 2. Resolution No. 10-161, Series of 2010, is hereby repealed.

Section 3. This Resolution shall be effective on July 10, 2012.

DATED at Northglenn, Colorado, this ____ day of _____, 2012.

JOYCE DOWNING
Mayor

ATTEST:

APPROVED AS TO FORM:

JOHANNA SMALL, CMC
City Clerk

COREY Y. HOFFMANN
City Attorney