CANNABIS IN PARADISE

2017 HAWAII CONGRESS OF PLANNING OFFICIALS (HCPO) CONFERENCE, "NEIGHBORS IN PARADISE"

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Developing Better Practices

- Cannabis landscape is affected by changes in law, technology, finance and public attitudes

- Ongoing dialogue between industry, regulators, patients and community stakeholders
Cannabis & Marijuana vs. Hemp

- Cannabis is preferred term because it is the scientific name for the plant
- “Marijuana” has negative historic connotations but is widely used in both federal and state law
- “Industrial hemp” under Section 7606 of the Agricultural Act of 2014 contains an upper limit of 0.3% of tetrahydrocannabinol (“THC”)—functional definition
CO Amendment 20—Nov. 2000

- Permitted physicians to recommend medical cannabis and provided affirmative defense for patients and caregivers facing criminal prosecution

- Number of registered patients and caregivers grew steadily through 2008

- Caregiver collectives operated in an unregulated “gray” market
October 19, 2009 Ogden Memo

- Directed US Attorneys to refrain from prosecuting individuals obeying their own state’s medical cannabis laws
- Ushered in the “Green Rush” in Colorado
- Local planners largely unprepared for this change in law
- April 2010 the CO General Assembly adopted HB 1284, created the Marijuana Enforcement Division (“MED”) and provided for “local option”
Planning Consequences

- In Denver dispensaries that were operational prior to December 15, 2009 were grandfathered at existing locations.

- Lead to clustering (oftentimes) in lower-income neighborhoods.

- Partially because premium retail locations were already commanding premium rents.
Denver Retail Store Map
Local Planning Approaches

- Commercial or Industrial Zone
- Distance between dispensaries
- Limit on number of dispensaries within City Council wards (Aurora)
- Cap on total number of outlets (Denver)
- Community Needs and Desires Hearing (Denver)
- Adult-use cannabis—regulated like alcohol
- Industrial hemp is regulated by the CO Dept. of Ag., not the MED—distinct regulatory regime
- C.R.S. § 13-22-601, CO public policy is to enforce cannabis contracts
MEMORANDUM FOR ALL UNITED STATES ATTORNEYS

FROM: James M. Cole  
Deputy Attorney General

SUBJECT: Guidance Regarding Marijuana Enforcement

In October 2009 and June 2011, the Department issued guidance to federal prosecutors concerning marijuana enforcement under the Controlled Substances Act (CSA). This memorandum updates that guidance in light of state ballot initiatives that legalize under state law the possession of small amounts of marijuana and provide for the regulation of marijuana production, processing, and sale. The guidance set forth herein applies to all federal enforcement activity, including civil enforcement and criminal investigations and prosecutions, concerning marijuana in all states.
Federal Legislation

- Rohrbacher-Farr limits the use of DOJ funds to prosecute individuals who act in compliance with state medical cannabis law—Extended through December 2017


- US v. McIntosh (9th Cir. Aug. 16, 2016)
Colorado Retail Marijuana Tax Revenue by Month

Source: Colorado Department of Revenue.

TAX FOUNDATION
“Good people don’t smoke marijuana”
Cannabis Legalization by State

Key Statistics

59.3% of the U.S. population now lives in a state where marijuana has been legalized.

- 29 states plus Washington DC have medical marijuana laws...
- 19 states plus Washington DC have operating dispensaries...
- 8 states plus Washington DC have recreational marijuana laws...
- 4 with operating retail stores...

Source: Marijuana Business Daily, U.S. Census Bureau
Compliance with Cole Memo

- AG Sessions denies that CO, WA, OR and AK have instituted adequate regulatory structures

- States strongly dispute this point—ie, 2016 Healthy Kids Colorado survey showed slight decrease in teen MJ use

- Law enforcement and tax authorities often have different perspectives and budgetary incentives
Design Elements and Signage
Boutique Layout
Design Considerations

- Patient experience—natural flow through premises
- Camera placement
- Visibility, decreased opportunities for loitering
- Signage
Future Considerations

- Banking and cash handling
- Outdoor cultivation?
- Industrial Hemp?
- Adult Use?
Participant Q&A

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