



Marijuana Consumption Clubs



What is a Consumption Club?

- Place to gather socially and consume marijuana safely and responsibly
- Private membership club: monthly and daily membership fees
- Must be 21 years or older
- Bring Your Own marijuana products – no sale of marijuana
- Sells snacks, drinks, and marijuana paraphernalia



Problems / Issues

- Amendment 64 legalized marijuana for recreational use, but prohibits consumption conducted openly & publicly
- Increased Tourism – marijuana is easy to buy now, but where can people consume
- Colorado Clean Indoor Air Act bans smoking inside bars and restaurants
- No State Licensing or Regulations on this type of marijuana business



History of iBake Englewood

- April 2015, iBake Englewood opened for business as a marijuana consumption club
- The City of Englewood was unaware of the nature of the business, because it was not disclosed on the sales tax/business license application
- The City discovered it was a marijuana consumption club by an advertisement and article in the Westword newspaper



Concerns in the Community

- Negative impact on surrounding businesses
 - Parking
 - Odor
 - Events
 - Carrying in large smoking accessories
- Public Health, Safety and Welfare
 - BYO
 - Over consumption
 - Safe transportation after consumption
 - Torches being used
 - Sharing marijuana products
- Located in a Residential Community
 - Misunderstanding of the type of business
 - Loitering
 - Affecting property values
 - Community Image



Action

- July 6, 2015 City Council passed an Emergency Ordinance for a moratorium on the establishment of new marijuana consumption establishments. An extension on the moratorium was granted on December 7, 2015
- Council directed Staff to develop appropriate recommendations
- Ad Hoc Committee was established to study the issue and create rules, regulations, a licensing procedure and zoning regulations. The Ad Hoc Committee was comprised of staff from:
 - Licensing
 - Police Department
 - Fire Marshal
 - Community Development
 - City Attorney's Office
 - Also received input from the Tri-County Health Department
- Ad Hoc Committee worked closely with the Liquor and Medical Marijuana Licensing Authority to develop recommendations
- March 21, 2016 draft Ordinance was presented to City Council at Study Session



Where we are today

- City Council is tentatively looking at banning consumption clubs
- Highly unregulated – grey area
- Would like to see State licensing and regulations in place
- Currently the City of Englewood only allows the sale of Medical Marijuana and does not feel consumption clubs are necessary



Lessons Learned

- Be Proactive. It's not "if" but "when"
- Reach out to surrounding communities dealing with the same issue – Denver & Colorado Springs are also currently dealing with consumption clubs
- Check your zoning
- Work closely with your City Attorneys office
- Use specific language on Sales and Use Tax applications to determine if businesses have anything to do with marijuana
- Include very specific language in any Ordinances regarding Marijuana
 - The City of Lakewood uses “marijuana enterprises - any organization, business, club, or commercial operation that allows its members or guests to sell, buy, transfer and/or consume marijuana or marijuana products on the premises”



Final Thoughts

- The marijuana industry has sparked an entrepreneurial spirit of capitalism
- Amendment 64 has left a number of loopholes that everyone is now experiencing
- Belief that a good business model could be constructed
- The City of Englewood is just not ready yet