

MOTION

On March 27, 2021, a new process came into effect for the City to padlock, barricade or fence property where unlicensed commercial cannabis business activity occurs. Before a location is padlocked, barricaded or fenced, notice must be provided to the property owner and property occupant. If the property owner or occupant requests an administrative hearing, protective devices will not be installed unless authorized by the hearing officer after a hearing that addresses whether unlicensed commercial cannabis activity is occurring on the property.

If a protective device is installed, the property owner / occupant may request an administrative hearing to seek removal of the protective device. Protective devices may be removed at the direction of the hearing officer after a hearing in which the hearing officer determines that unlicensed commercial cannabis activity is not occurring on the property and the property owner and occupant have taken reasonable measures to prevent the occurrence of unlicensed commercial cannabis activity on the property. During the time the protective devices are installed, no person may access the secured property, except that the property owner and occupant may access the property only to maintain the property in a safe and sanitary condition and to remove or secure personal possessions on the property.

Ordinance No. 186918 states that unlicensed commercial cannabis activity is a public nuisance and obligates the property owner and occupant to pay the City's costs for installing, maintaining, and removing the protective devices plus 40% of those costs to cover the City's expenses to administer and supervise the required work.

Action is needed to appropriate / transfer funds set aside in the current budget to cover a portion of the cost of enforcement of the above provisions. DCR anticipates a minimum of 120 properties will be subject to this enforcement tool during FY 2021-22, with the anticipated average costs detailed below:

Estimated Annual Number of Properties	Average Sq. Ft. per Property	Average Contractor Costs per Property	Cost to Padlock and Secure 120 Properties*	Cashflow Funding (Six Months of Overlap)*	Estimated One-Time Cost
120	246	\$2,208.33	\$265,000	\$135,000	\$400,000

*One-time cost: the property owner/operator will be required to reimburse the City's cost to padlock/secure the property.

I THEREFORE MOVE that \$874,000 in the Unappropriated Balance Fund No. 100-58, Account 580342 (Commercial Cannabis Business Enforcement) be appropriated / transferred to the below named funds / accounts, and in the amounts and for the purposes specified:

1. \$324,000 to the Cannabis Fund No. 100-13, Account No. 001070 (Salaries As-Needed), for administrative hearings associated with the implementation of the padlock ordinance.
2. \$150,000 to the Building and Safety Fund No. 100-08, Account No. 001090 (Salaries - Overtime) for implementation of the padlock ordinance.
3. \$400,000 to a new Account in the Repair and Demolition Fund No. 346-08, entitled "Cannabis Enforcement: for contractual services (vendor) expenditures and related costs necessary to padlock, barricade and fence property where unlicensed commercial cannabis activity occurs.

I FURTHER MOVE that the Department of Cannabis Regulation be authorized to make any corrections, clarifications or revisions to the above fund transfer instructions, including any new instructions, in order to effectuate the intent of this Motion; said corrections / clarifications / changes may be made orally, electronically or by any other means.

SEP 14 2021

PRESENTED BY

MARQUEECE HARRIS-DAWSON
Councilmember 8th District

MONICA RODRIGUEZ
Councilmember, 7th District

SECONDED BY

ORIGINAL