



City of Woodland Park

City Council

January 16, 2025 at 5:00 PM

AGENDA

1. Council Work Session

- A. City Attorney Review of the Natural Medicine Act - City Attorney Stewart
- B. Benefits of Natural Medicine Healing Centers - Jason Freisma
- C. Enforcement/Issues - Chief Deisler
- D. Public Comment
- E. Council Discussion and direction to Attorney and Staff on direction moving forward

Key to agenda abbreviations:

(A) Administrative- matters involving day-to-day decisions such as approving contracts, hiring staff and the procurement of goods and services. Administrative actions generally do not require formal actions by the elected body.

(L)Legislative- typically in the policy arena; legislative matters affect large areas and large groups of people, such as enacting dog regulations or amending the City code. Legislative action generally involves motions, resolutions and ordinances.

(QJ)Quasi-Judicial- apply general rules to a specific interest, such as zoning change affecting a single piece of property, or a special use permit. Quasi-Judicial actions generally involve adjudication, sometimes in writing, but not a resolution or ordinance. Decision for Quasi-Judicial proceedings are made exclusively based upon the testimony presented on the record. Ex-parte communication (communication outside the official hearing) between elected officials and citizens is not permitted on Quasi-Judicial

MEMORANDUM

To: Mayor Case, City Council, City Manager, and City Clerk
From: City Attorney's Office – Betsy L. Stewart
Date: October 31, 2024
Re: Natural Medicine Act

A. Introduction

This memo contains an overview of the laws and regulations surrounding natural medicine, as well as sample ordinances, to assist Council in understanding the state of the law and the manner in which natural medicine can be regulated by the City.

B. Historical Background of the Natural Medicine Act

In 2022 Colorado voters adopted Proposition 122 which is now codified as the Natural Medicine Act (NMA) in C.R.S. § 12-170-101, *et seq.* In 2023, the legislature adopted the Natural Medicine Code (NMC) which sets forth additional guidelines for the use and cultivation of natural medicine in C.R.S. § 44-50-101, *et seq.*¹

In short, Colorado voters determined that natural medicine should be utilized as an additional tool to address mental health issues in the state.² As a result, the purpose of the NMA is to establish a “new, compassionate, and effective approach to natural medicine” by (1) removing criminal penalties for personal use of natural medicine for adults 21 years of age and older; (2) developing and promoting public education regarding the use of natural medicine and appropriate training for first responders; and (3) establishing regulated access by adults 21 years of age and older to natural medicines that show promise in improving well-being, life satisfaction, and overall health.³ The legislature also recognized that the NMA and its regulations must balance the health and safety risks to consumers and the cultural harms it could cause to American tribes and Indigenous and traditional communities with connections to natural medicine.⁴

The Department of Regulatory Agencies (DORA) recently issued licensure and training regulations for natural medicine facilitators.^{5 6} Meanwhile, the Colorado Department of Revenue's (DOR) regulations address all regulated natural medicine and natural medicine product businesses

¹ See <https://www.cpr.org/2023/06/21/colorado-psychedelic-law-for-psilocybin-mushrooms/> for a Colorado Public Radio News Article re: the historical background of Proposition 122.

² C.R.S. § 12-170-102(1).

³ C.R.S. § 12-170-102(1)(j).

⁴ C.R.S. § 12-170-102(2)(d).

⁵ 4 CCR 755-1.

⁶ During the 10/30/2024 DOR Natural Medicine Division (DOR NMD) local jurisdiction roundtable, a DORA representative confirmed that they are currently working on clarifying and updating their effective rules but did not provide a deadline of when that was supposed to be finished. We will keep you updated once revised rules are issued.

for the purposes of the cultivation, manufacturing, testing, storage, distribution, transport, transfer, and dispensation.⁷ DOR's rule regarding fees will be adopted in the near future.

C. Analysis of the NMA, NMC, and Regulations

1. What is natural medicine?

The term "natural medicine" currently applies to the hallucinogenic compounds of psilocybin and psilocin found in psychedelic mushrooms.⁸

2. How can natural medicine be used?

a. Personal Cultivation and Personal Possession

Personal cultivation of natural medicine is permitted on private property in an enclosed and locked space in an area of no more than 12 x 12 feet. Such cultivation area can be non-contiguous, i.e. in one 12 x 12 plot or twelve 1 x 1 plots, etc. Municipalities are permitted to exceed the space limitation by ordinance or resolution.

Unlike the state's personal possession limit of 2 ounces for marijuana, there is no limit on personal possession of natural medicine in the state for adults 21 years of age and older (21+). 21+ adults can share natural medicine with other 21+ adults in the context of counseling, spiritual guidance, community based use, supported use, or related services so long as no remuneration is received except in bona fide harm reduction or support services used concurrently with sharing. It is important to note that the open and public display or consumption is prohibited as is the unlawful distribution and possession of natural medicine by or to individuals under the age of 21.⁹

b. Natural Medicine Healing Centers

A Natural Medicine Healing Center is a state licensed facility in which a facilitator can provide and supervise natural medicine services to a participant. Participants must be 21+ to receive natural medicine services by and under a facilitator's services and a facilitator is a 21+ licensed individual with necessary qualifications, training, experience, and knowledge required by law to perform and supervise natural medicine services for a participant.¹⁰

The administration of natural medicine in a Healing Center consists of the following three phases:

- A "preparation session" meeting between a participant and facilitator that occurs before an administration session;

⁷ 1 CCR 213-1.

⁸ C.R.S. § 12-170-104(12)(a)(I)-(II). However, C.R.S. §§ 12-170-104(12)(b)(I)-(III) and (d) permit the state licensing authority to extend this definition to include dimethyltryptamine (DMT) and mescaline (excluding peyote) on or after June 1, 2026 and ibogaine at any time.

⁹ See C.R.S. § 18-18-434 regarding *Offenses relating to natural medicine and natural medicine products*.

¹⁰ C.R.S. §§ 12-170-104 and 44-50-103 and 4 CCR 755-1-1.4

- An “administration session” at a healing center or other permitted location where a participant consumes and experiences the effects of regulated natural medicine under the supervision of a facilitator; and
- An “integration session” between a participant and a facilitator after the administration session is completed.

DORA’s regulations establish time frames that a participant must remain in an administration session under a facilitator’s care based on dosage administered as a way to prevent impaired driving.¹¹ Natural medicine product is not permitted to leave a licensed Healing Center except in narrow circumstances when a facilitator is traveling to another location for an administrative session and any unconsumed product must be returned to a Natural Medicine business.¹² Finally, as a general rule, Healing Centers must be at least 1,000 feet from a licensed childcare center, preschool, elementary, middle, junior, or high school, or a residential child care facility.¹³

3. What does the NMA mean for municipalities?

a. What is prohibited?

The most controversial aspect of the NMA is that, unlike marijuana, a municipality **cannot prohibit** a properly licensed facilitator from providing natural medicine services in a Healing Center within the boundaries of Woodland Park.¹⁴ Likewise, the City **cannot prohibit** the establishment or operation of a business with the purpose of cultivating, manufacturing, testing, storing, distributing, transporting, transferring, or dispensing regulated natural medicine within its boundaries.¹⁵ Furthermore, the City **cannot prohibit** the transportation of natural medicine or natural medicine product within its boundaries on public roads by a person licensed to exercise such privileges nor can it adopt ordinances or regulations that are unreasonable or conflict with the NMA or the NMC.¹⁶ However, it is important to note that state laws and regulations do not allow natural medicine dispensaries where an individual can purchase natural medicine over the counter (as they can do with marijuana in a marijuana dispensary) and take it home for personal use off premises.

b. What is permitted?

The City may enact ordinances or regulations governing the time, place, and manner of the operation of natural medicine related licenses within its boundaries.¹⁷ Practically speaking, this means the City can restrict hours of operation, enact zoning ordinances to locate the area where cultivation, manufacturing, testing, storage, distribution, transfer, and dispensation of natural

¹¹ 4 CCR 755-1 § 6.17(F).

¹² 4 CCR 755-1 § 6.18.

¹³ 1 CCR 213-1 § 2125(A)(2).

¹⁴ C.R.S. § 12-170-112; C.R.S. § 44-50-104(5)(b).

¹⁵ C.R.S. § 44-50-104(1) and (5).

¹⁶ C.R.S. § 44-50-104(5)(c)-(d).

¹⁷ C.R.S. § 44-50-104(5)(a); C.R.S. § 12-170-112; 4 CCR 755-1; 1 CCR 213-1.

medicine and natural medicine product occurs, and set distance requirements within the vicinity of a child care center, preschool, elementary, middle, junior, or high school, a residential child care facility, or a residential dwelling.

c. State Licensure Timeline and Notification to Municipalities

The DOR is required to begin accepting licensure applications no later than 12/31/2024 and anticipates that it will begin issuing licenses in February or March of 2025 with operations beginning in April or May of 2025. The DOR intends to notify a municipality when it receives a licensure application in its jurisdiction in order to ensure that the license application conforms with locally enacted ordinances regarding natural medicine. Meanwhile, DORA's applications for facilitator licenses will be available by the end of 2024.

d. What are the effects of decriminalization?

Natural medicine actions and conduct permitted pursuant to a license, registration, permit, or certificate, or those who allow property to be used for such items, are lawful and not an offense under state or local law. Also, as stated in more detail above, personal cultivation and possession for adults 21+ is now legal in Colorado, subject to a few restriction.

As a result, we will work with Chief Deisler regarding any questions he has related to enforcement of C.R.S. § 18-18-434. However, it is clear that local law enforcement has the authority to make arrests or issue citations within the parameters of this statute.

4. What can the City do?

As stated above, the City will need to decide whether or not it wants to implement time, place, and manner restrictions in the form of ordinances that do not conflict with state law or regulations in its Municipal Code.

Please see the attached ordinances to provide you with an idea of how other municipalities have addressed this issue at this time:

- Castle Rock – Draft Ordinance
- Castle Rock – Draft Amendment to Draft Ordinance
- Frederick – Adopted Ordinance
- Parker – Adopted Ordinance

ORDINANCE NO. 2024 - 011

**AN ORDINANCE AMENDING TITLE 17 OF THE CASTLE ROCK
MUNICIPAL CODE REGARDING LOCAL REGULATION OF
NATURAL MEDICINE BUSINESSES**

WHEREAS, the Natural Medicine Health Act of 2022, a citizen-initiated measure intended to decriminalize the use of certain plants or fungi for people 21 years of age and older, was approved by Colorado voters in November, 2022; and

WHEREAS, in May, 2023, the Governor signed Senate Bill 23-290, entitled “Natural Medicine Regulation and Legalization,” into law, which bill clarifies and sets the regulatory framework for a regulated natural medicine program in Colorado; and

WHEREAS, Senate Bill 23-290 authorizes the Town Council to enact an ordinance to: (i) regulate the time, place and manner of the operation of natural medicine business licenses issued by the Colorado Division of Professions and Occupations; (ii) limit the areas where the cultivation, manufacturing, testing, storage, distribution, transfer and dispensation of natural medicine and natural medicine product may be permitted in the Town; and (iii) establish the distance restrictions for buildings where natural medicine services are provided within the vicinity of a child care center, preschool, elementary, middle, junior or high school, residential child care facility, or residential dwelling; and

WHEREAS, Town staff recommends that Title 17 of the Castle Rock Municipal Code (the “Code”) be amended by the addition of a new Chapter 17.64 for the purpose of regulating natural medicine businesses within the authority granted by Senate Bill 23-290; and

WHEREAS, the Town Council finds and determines that it is in the best interests of the residents of the Town to amend Title 17 of the Code for this purpose.

NOW, THEREFORE, IT IS ORDAINED BY THE TOWN COUNCIL OF THE TOWN OF CASTLE ROCK, COLORADO, AS FOLLOWS:

Section 1. Amendment. Title 17 of the Castle Rock Municipal Code is amended by the addition of a new Chapter 17.64 entitled “Natural Medicine Businesses,” which chapter reads as follows:

Chapter 17.64 – Natural Medicine Businesses

17.64.010 - Findings and legislative intent.

The Town Council makes the following legislative findings:

- A. The Town Council finds and determines that the Colorado Natural Medicine Code, as codified in Colo. Rev. Stat. §§ 44-50-101 through 904 (the “Regulatory Act”) specifically authorizes the governing body of a municipality to enact an ordinance

to regulate the time, place and manner of the operation of licenses issued pursuant to the Regulatory Act.

- B. The Town Council finds and determines that the Regulatory Act specifically authorizes the governing body of a municipality to enact zoning ordinances to locate the area where the cultivation, manufacturing, testing, storage, distribution, transfer and dispensation of natural medicine and natural medicine product, as defined by the Regulatory Act, may be permitted in a municipality.
- C. The Town Council finds and determines that the Regulatory Act specifically authorizes the governing body of a municipality to enact ordinances to establish the distance restrictions for buildings where natural medicine services are provided within the vicinity of a child care center; preschool; elementary, middle, junior or high school; a residential child care facility; or residential dwelling.

17.64.020 - Definitions.

For purposes of this Chapter, the following terms shall have the following meanings:

Natural medicine means psilocybin or psilocin and other substances described in the Regulatory Act as “natural medicine.”

Natural medicine business means any of the following entities licensed under the Regulatory Act and includes a natural medicine healing center, a natural medicine cultivation facility, a natural medicine products manufacturer, or a natural medicine testing facility, or another licensed entity created by the state licensing authority.

Natural medicine healing center means a facility where an entity is licensed by the state licensing authority that permits a facilitator as defined by the Regulatory Act, to provide and supervise natural medicine services for a participant as defined by the Regulatory Act, which includes a participant consuming and experiencing the effects of regulated natural medicine or regulated natural medicine product under the supervision of a facilitator.

Natural medicine product means a product infused with natural medicine that is intended for consumption, as provided by the Regulatory Act.

Natural medicine services mean a preparation session, administrative session, and integration session, as provided by the Regulatory Act.

Participant means an individual who is twenty-one (21) years of age or older who receives natural medicine services prescribed by and under the supervision of a facilitator, as provided by the Regulatory Act.

Regulated natural medicine means natural medicine that is cultivated, manufactured, tested, stored, distributed, transported, or dispensed, as provided by the Regulatory Act.

Regulated natural medicine product means a natural medicine product that is cultivated, manufactured, tested, stored, distributed, transported, or dispensed, as provided by the Regulatory Act.

State licensing authority means the authority created under the Regulatory Act for the purpose of regulating and controlling the licensing of the cultivation, manufacturing, testing, storing, distribution, transfer, and dispensation of regulated natural medicine and regulated natural medicine product, as provided by the Regulatory Act.

17.64.030 - Permitted location for a natural medicine healing center.

Natural medicine healing center is a use permitted by right in the I-1-Light Industrial and I-2-General Industrial Districts, subject to the distance requirements contained in the Section 17.64.050 and the time, place and manner requirements contained in Sections 17.64.050 through 17.64.110. Natural medicine healing centers are prohibited in all other zoning districts in the Town, including the PD-Planned Development District.

17.64.040 - Permitted location for natural medicine businesses.

Natural medicine cultivation facility, natural medicine products manufacturer, natural medicine testing facility, and other licensed entity created by the state licensing authority (collectively the “licensed facilities”) are uses permitted by right in the I-1-Light Industrial and I-2-General Industrial Districts, subject to the distance requirements contained in Section 13.17.050 and the time, place and manner requirements contained in Sections 13.17.050 through 13.17.110. The licensed facilities are prohibited in all other zoning districts of the Town, including the PD-Planned Development District.

17.64.050 - Distance from schools and residential dwellings.

- A. No natural medicine business that provides natural medicine services shall operate out of a building that is within one thousand (1,000) feet property used for of a child care center; preschool; elementary, middle, junior or high school; or a residential child care facility (collectively “school”).
- B. No natural medicine business that provides natural medicine services shall operate out of a building that is within one thousand (1,000) feet of property used for single-family dwellings, duplexes, or multiple-family dwellings (collectively “residential dwellings”).
- C. Subsections A and B above do not apply to a licensed facility located on land owned by the Town or the state of Colorado or apply to a licensed facility that was actively doing business under a valid license issued by the state licensing authority before the school or residential dwelling was constructed.
- D. The distances referred to in this Section shall be computed by direct measurement from the nearest property line of the land used for a school or facility to the nearest

portion of the building in which natural medicine services are provided, using a route of direct pedestrian access.

17.64.060 - Hours of operation—Natural medicine services.

Natural medicine healing centers and natural medicine businesses that provide natural medicine services shall only operate between the hours of 8:00 a.m. to 5:00 p.m., Monday through Friday.

17.64.070 - Public view of natural medicine businesses.

All doorways, windows and other opening of natural medicine business buildings shall be located, covered, or screened in such a manner to prevent a view into the interior from any exterior public or semipublic area, subject to applicable Town design standards. All activities of natural medicine businesses shall occur indoors.

17.64.080 - Lighting of natural medicine businesses.

Primary entrances, parking lots and exterior walkways shall be clearly illuminated with downward facing security lights to provide after-dark visibility for facilitators, participants, and employees, subject to all applicable Town lighting standards.

17.64.090 - Storage of natural medicine businesses.

All storage for natural medicine businesses shall be located within a permanent building and may not be located within a trailer, tent, or motor vehicle.

17.64.100 - Odor from natural medicine businesses.

Natural medicine businesses shall use an air filtration and ventilation system designed to ensure that the odors from natural medicine and natural medicine products are confined to the premises and are not detectable beyond the property boundaries on which the facility is located.

17.64.110 - Natural medicine businesses secure disposal.

Natural medicine businesses shall provide secure disposal of natural medicine and natural medicine product remnants or by-products. Natural medicine and natural medicine product remnants or by-products shall not be placed within the facilities' exterior refuse container.

17.64.120 - Processing of natural medicine.

- A. The processing of natural medicine that includes the use of hazardous materials, including, without limitation, and by way of example, flammable and combustible liquids, carbon dioxide, and liquified petroleum gases, such as butane, is prohibited.

- B. Nonhazardous materials used to process natural medicine shall be stored in a manner so as to mitigate and ensure odors are not detectable beyond the property boundaries on which the processing facility is located or the exterior walls of the processing facility associated with the processing of natural medicine.
- C. The processing of natural medicine shall meet the requirements of all adopted Town building and life/safety codes.
- D. The processing of natural medicine shall meet all of the requirements of all adopted water and sewer regulations promulgated by the Town and the Plum Creek Water Reclamation Authority.

17.64.130 - Nuisance.

It is unlawful and deemed a nuisance to:

- A. Operate a natural medicine business in violation of any of the requirements set forth in the Regulatory Act or this Chapter 17.64.
- B. Dispose of, discharge out of or from, or permit to flow from any facility associated with natural medicine, any foul or noxious liquid or substance of any kind whatsoever, including, without limitation, by-products of the natural medicine process, into or upon any adjacent ground or lot, into any street, alley or public place, or into any municipal storm sewer and/or system in the Town.

Section 2. Amendment. The use table in Section 17.28.030.A. of the Castle Rock Municipal Code is amended by the addition of the following entries, which entries read as follows:

<i>Use</i>	<i>B Business/ Commercial</i>	<i>I-1 Light Industrial</i>	<i>I-2 General Industrial</i>	<i>I-E Industrial Employment District</i>	<i>WNZOD Wolfens- berger Overlay</i>	<i>DOD Downtown Overlay</i>	<i>FSOD Front Street Overlay</i>
Natural medicine healing center	N	P	P	N	N	N	N
Natural medicine cultivation facility, natural medicine products manufacturer, and natural medicine testing facility	N	P	P	N	N	N	N

Section 3. Severability. If any clause, sentence, paragraph, or part of this ordinance or the application thereof to any person or circumstances shall for any reason be adjudged by a court of competent jurisdiction invalid, such judgment shall not affect the remaining provisions of this ordinance.

Section 4. Safety Clause. The Town Council finds and declares that this ordinance is promulgated and adopted for the public health, safety and welfare and this ordinance bears a rational relation to the legislative object sought to be obtained.

APPROVED ON FIRST READING this ____ day of _____, 2024, by a vote of ____ for and ____ against, after publication in compliance with Section 2.02.100.C of the Castle Rock Municipal Code; and

PASSED, APPROVED AND ADOPTED ON SECOND AND FINAL READING this ____ day of _____, 2024, by the Town Council of the Town of Castle Rock by a vote of for and against.

ATTEST:

TOWN OF CASTLE ROCK

Lisa Anderson, Town Clerk

Jason Gray, Mayor

Approved as to form:

Approved as to content:

Michael J. Hyman, Town Attorney

Tara Vargish, Director of Development Services

17.64.140 – Legal Nonconforming Use.

- A. Any person who is the owner and/or operator of an existing business within the Town and is seeking to expand that business by operating a natural medicine healing center may apply to the Director for an exemption from the location requirements set forth in Section 17.64.030 and/or the distance restrictions set forth in Section 17.64.050 if such person:
1. Submits written notice of their intent to seek an exemption pursuant to this section to the Director by no later than December 31, 2024;
 2. Submits information in a form reasonably acceptable to the Director by no later than January 31, 2025, demonstrating that such person:
 - (i) Has filed an application for a natural medicine healing center license with the State of Colorado natural medicine division; and
 - (ii) Has employed or contracted with, or will employ or contract with at least one natural medicine facilitator licensed by the State of Colorado Natural Medicine Division; and
 3. Submits information in a form reasonably acceptable to the Director by no later than June 30, 2025, demonstrating that such person:
 - (i) Has been issued a valid natural medicine healing center license by the State of Colorado Natural Medicine Division; and
 - (ii) Is currently employing or contracting with at least one natural medicine facilitator licensed by the State of Colorado Natural Medicine Division.
 4. No person may commence the operation of a natural medicine healing center under an exemption granted pursuant to this section unless and until each of the requirements of subsection A.3 have been met and such person has submitted to the Director:
 - (i) A diagram or map of the physical location of the natural medicine healing center; and
 - (ii) A security plan for the security and/or surveillance of the natural medicine healing center and for the secure storage of natural medicine and natural medicine products approved by the State of Colorado Natural Medicine Division.
- B. In order to be eligible for an exemption pursuant to this section, a natural medicine center must be located within the boundaries of:
1. A B-Business/Commercial zoning district;

2. An I-1-Light Industrial or I-2-General Industrial zoning district;
 3. An underlying B-Business or Commercial zoning district within the Downtown Overlay District, Wolfensberger Overlay District or Front Street Overlay District;
or
 4. A business or commercial use area within a PD Planned Development District in which clinics are a permitted use under the applicable zoning regulations.
- C. For purposes of this section, a natural medicine healing center that is granted an exemption by the Director pursuant to this section shall be considered a nonconforming use within the meaning of Section 17.16.040, and shall be subject to restrictions governing continuance of a nonconforming use set forth in Section 17.16.050.

ORDINANCE NO. 1401

AN ORDINANCE OF THE TOWN OF FREDERICK, COLORADO, AMENDING THE TOWN'S LAND USE CODE REGARDING NATURAL MEDICINE

WHEREAS, the People of the State of Colorado approved the citizens' initiative known as "Proposition 122: Access to Natural Psychedelic Substances," which is now codified in Colo. Rev. Stat. §§ 12-170-101 through 115 (the "Enabling Act");

WHEREAS, the Enabling Act decriminalizes the personal possession, growing, sharing, and use, but not the sale, of psilocybin, psilocin, dimethyltryptamine, ibogaine, and mescaline, now defined as "natural medicines";

WHEREAS, the Enabling Act allows the supervised use of psychedelic mushrooms by individuals aged 21 and over at licensed facilities and requires the state to create a regulatory structure for the operation of these licensed facilities;

WHEREAS, the Enabling Act prohibits local governments from banning licensed facilities, services, and use of natural psychedelic substances permitted by the Enabling Act, while allowing local governments to regulate the time, place, and manner of operation of these facilities;

WHEREAS, in 2023 the State Legislature enacted Senate Bill 23-290, which is codified in Colo. Rev. Stat. §§ 44-50-101 through 904 (the "Regulatory Act"), to create a regulatory structure for the operation of these licensed facilities, which includes the licensing and registration of facilities and related businesses that provide for the use, cultivation, manufacture, and testing of these substances;

WHEREAS, the Regulatory Act also allows for local jurisdictions to adopt regulations governing the time, place, and manner of the operation of licensed facilities within their boundaries;

WHEREAS, the Regulatory Act provides that the "state licensing authority" as defined by the Regulatory Act, will "not receive or act upon an application for the issuance of a natural medicine business license" ... "[f]or a location in an area where the cultivation, manufacturing, testing, storage, distribution, transfer, and dispensation of natural medicine or natural medicine product as contemplated is not permitted under the applicable zoning laws of the local jurisdiction;"

WHEREAS, the Regulatory Act further provides that the state licensing authority will not receive or act upon an application for the issuance of a Natural Medicine Business License "[i]f the building where natural medicine services are provided within one thousand feet of a child care center; preschool; elementary, middle, junior or high school; or a residential child care facility . . .;"

WHEREAS, the Regulatory Act further provides that “the governing body of a municipality, by ordinance; . . . may vary the distance restrictions imposed by [the Regulatory Act] . . . for a License or may eliminate one or more types of schools or facilities from the application of a distance restriction established by or pursuant to [the Regulatory Act] . . .,” and

WHEREAS, the Town of Frederick Board of Trustees desires to enact this ordinance to regulate the time, place, and manner of the operation of licenses issued pursuant to the Regulatory Act; to establish the appropriate zoning districts for the operation of licenses issued pursuant to the Regulatory Act; and to establish distance restrictions for buildings where natural medicine services are provided within the vicinity of a child care center; preschool; elementary, middle, junior or high school; a residential child care facility; or residential dwellings pursuant to the Regulatory Act.

NOW THEREFORE, BE IT ORDAINED BY THE BOARD OF TRUSTEES OF THE TOWN OF FREDERICK, AS FOLLOWS:

Section 1. Strikethrough represents deleted text, underline means added text, and * * * means large blocks of unmodified text.

Section 2. Section 1.15, Town of Frederick Land Use Code, “Definitions,” is amended to add the following definitions:

* * *

Natural medicine means psilocybin or psilocyn and other substances described in the Regulatory Act as “natural medicine.”

Natural medicine business means any of the following entities licensed under the Regulatory Act and includes natural medicine healing centers, natural medicine cultivation facilities, natural medicine products manufacturers, natural medicine testing facilities, and any other business entity licensed to perform operations related to natural medicine by the state licensing authority.

Natural medicine healing center means a facility where an entity is licensed by the state licensing authority that permits a facilitator as defined by the Regulatory Act, to provide and supervise natural medicine services for a participant as defined by the Regulatory Act, which includes a participant consuming and experiencing the effects of regulated natural medicine or regulated natural medicine product under the supervision of a facilitator.

Natural medicine product means a product infused with natural medicine that is intended for consumption, as provided by the Regulatory Act.

Natural medicine services mean a preparation session, administrative session, and integration session, as provided by the Regulatory Act.

Participant means an individual who is twenty-one (21) years of age or older who receives natural medicine services prescribed by and under the supervision of a facilitator, as provided by the Regulatory Act.

* * *

Regulated natural medicine means natural medicine that is cultivated, manufactured, tested, stored, distributed, transported, or dispensed, as provided by the Regulatory Act.

Regulated natural medicine product means a natural medicine product that is cultivated, manufactured, tested, stored, distributed, transported, or dispensed, as provided by the Regulatory Act.

* * *

State licensing authority means the authority created under the Regulatory Act for the purpose of regulating and controlling the licensing of the cultivation, manufacturing, testing, storing, distribution, transfer, and dispensation of regulated natural medicine and regulated natural medicine product, as provided by the Regulatory Act.

Section 3. Section 3.4., Town Land Use Code, “Permitted, Conditional, Special, and Limited Uses by Zoning District – Use-Specific Standards – Residential Protection Standards – Accessory Use and Structure Standards (Including ADUs and Home Occupations)” is hereby amended as follows:

* * *

Table 3-4. General Commercial Uses

Land Use	Zoning District															
	A	R-E	R-1	R-2	R-3	R-MH1	R-MH2	D-A	D-B	C-N	C-C	C-H52	C-E	BLI	I	P
Business Services	-	-	-	-	-	-	-	P	P	P	P	P	P	P	-	-
Convenience Lending	-	-	-	-	-	-	-	-	-	L	L	L	L	-	-	-
Fitness Instruction or Gymnasium	-	-	-	-	-	-	-	P	P	P	P	P	P	P	P	-
<u>Natural Medicine Businesses (not including Natural Medicine Healing Centers)</u>	-	-	-	-	-	-	-	-	-	-	-	-	-	<u>L</u>	<u>L</u>	-
<u>Natural Medicine Healing Center</u>	-	-	-	-	-	-	-	<u>L</u>	<u>L</u>	<u>L</u>	<u>L</u>	<u>L</u>	<u>L</u>	<u>L</u>	<u>L</u>	-

Office, General	-	-	-	-	-	-	-	P	P	P	P	P	P	P	P	-
Office, Medical	-	-	-	-	-	-	-	P	P	P	P	P	P	P	-	-
Pawnbroker	-	-	-	-	-	-	-	-	-	C	L	C	C	-	-	-
Personal Services	-	-	-	-	-	-	-	P	P	P	P	P	P	P	P	-
Recording or TV Studio	-	-	-	-	-	-	-	P	P	P	P	P	P	P	-	-
Retail Sales and Services	-	-	-	-	-	-	-	L	L	L	L	L	L	L	L	-

4.b. Use-Specific Standards for Certain General Commercial Uses.

(i) Convenience Lending. Convenience lending may be approved in the C-N, C-C, C-H52, and C-E zoning districts if it is demonstrated that:

(1) Such uses are spaced not less than 1,320 feet from each other and from pawnbroker uses, measured from principal entrance to principal entrance; and

(2) The applicable residential protection standards of Subsection (12) of this Section are met.

(ii) Natural Medicine Businesses and Natural Medicine Healing Centers. Natural Medicine Businesses and Natural Medicine Healing Centers may be approved in BLI and I zones if it is demonstrated that:

(1) The proper licenses through the State of Colorado have been obtained.

(2) Distance from other uses is met:

a) Natural Medicine Businesses and Natural Medicine Healing Centers shall comply with the residential protection standards found in the Town's Land Use Code; and

b) No Natural Medicine Business or Natural Medicine Healing Center shall operate out of a building that is within one thousand (1,000) feet of a child care center; preschool; elementary, middle, junior or high school; or a residential child care facility (collectively "school");

(3) Security:

a) All Natural Medicine Businesses and Natural Medicine Healing Centers shall have a security plan for the secure storage of natural medicine and natural medicine products approved by the State of Colorado Natural Medicine Division and shall provide the plan to the Town prior to beginning operation, and shall provide any updated plans to the Town within ten (10) business days.

b) Window bars are required for all external windows in a Natural Medicine Business, except for Natural Medicine Healing Centers.

c) All Natural Medicine Businesses and Natural Medicine Healing Centers shall have a video surveillance system that provides coverage of all facility entrances and exits.

d) All surveillance recordings shall be retained for a minimum of sixty days and shall be in a digital format that can be easily accessed for viewing and that ensures authentication of the recording as being legitimately captured without alterations.

e) In addition to maintaining surveillance recordings in a locked area on the licensed premises, a copy of the surveillance recordings must be stored at a secure off-site location or through a network "cloud" service that provides on-demand access to the recordings. The

off-site location or network service provider shall be included in the security plan submitted to the Town and updated within seventy-two hours of any change to the location or provider.

f) Video surveillance records and recordings must be made available immediately upon request of the state licensing authority, local licensing authority, or Town police department.

g) If video surveillance or storage equipment becomes inoperable, or storage network service becomes disabled, the Natural Medicine Business or Healing Center shall cease all transactions and require all patrons to exit the building until the equipment or network service is made operable.

h) All Natural Medicine Businesses and Healing Centers shall have a security alarm system that provides coverage of all facility entrances and exits, rooms with exterior windows, rooms with interior walls or walls shared with other building tenants, roof hatches, skylights, and storage rooms containing safes or vaults.

(4) Hours of operation of Natural Medicine Businesses and Natural Medicine Healing Centers are restricted to 7:00 a.m. to 7:00 p.m.;

(5) All doorways, windows, and other opening shall be located, covered, or screened in such a manner to prevent a view into the interior from any exterior public or semipublic area;

(6) Primary entrances, parking lots, and exterior walkways shall be clearly illuminated with security lights to provide after-dark visibility for facilitators, participants, and employees. Lighting shall be compliant with section 2.19 of the Land Use Code;

(7) All storage for Natural Medicine Businesses and Natural Medicine Healing Centers shall be located within a permanent building and may not be located within a trailer, tent, or motor vehicle;

8) All storage of regulated natural medicine and regulated natural medicine product shall be in a secured and locked container. Cultivation facilities shall ensure that any natural medicine under cultivation is kept in an enclosed locked area.

(9) Natural Medicine Businesses and Natural Medicine Healing Centers shall use an air filtration and ventilation system designed to ensure that any odors from natural medicine and natural medicine products are confined to the premises and are not detectable beyond the property boundaries on which the facility is located;

(10) Natural Medicine Businesses and Natural Medicine Healing Centers shall provide secure disposal of natural medicine and natural medicine product remnants or by-products. Natural medicine and natural medicine product remnants or by-products shall not be placed within the facilities' exterior refuse container;

(11) The processing of natural medicine or natural medicine product that includes the use of hazardous materials, including, without limitation, and by way of example, flammable and

combustible liquids, carbon dioxide, and liquified petroleum gases, such as butane, is prohibited; and

(12) The disposal of, discharge out of or from, or flow from any facility associated with natural medicine or natural medicine product, any foul or noxious liquid or substance of any kind whatsoever, including, without limitation, by-products of the natural medicine process, into or upon any adjacent ground or lot, into any street, alley or public place, or into any municipal storm sewer and/or system in the Town is prohibited.

(13) Wherever possible and for any new construction, the primary entrance to a Natural Medicine Business and Natural Medicine Healing center shall face the street frontage.

(14) Legal Nonconforming Use. Any person who is the owner and/or operator of an existing business within the Town and is seeking to expand that business in that location by operating a Natural Medicine Healing Center may apply to the Town through a conditional use process as outlined in Article 4 for an exemption from the distance restrictions set forth in Section 3.4.12.c. and/or the distance restriction set forth in Section 3.4.4.b.(ii).2.b. if such person:

a) Submits information in a form reasonably acceptable to the Town demonstrating that such person:

i. Has filed an application for a Natural Medicine Healing Center license with the State of Colorado Natural Medicine Division and any other required State licensure; and

ii. Has employed or contracted with, or will employ or contract with at least one natural medicine facilitator licensed by the State of Colorado Natural Medicine Division; and

b) Submits information in a form reasonably acceptable to the Town demonstrating that such person:

i. Has been issued a valid Natural Medicine Healing Center license by the State of Colorado Natural Medicine Division; and

ii. Is currently employing or contracting with at least one natural medicine facilitator licensed by the State of Colorado Natural Medicine Division.

c) No person may commence the operation of a Natural Medicine Healing Center under an exemption granted pursuant to this section unless and until each of the requirements of this section have been met and such person has submitted a diagram or map of the physical location of the Natural Medicine Healing Center to the Town.

d) For purposes of this section, a Natural Medicine Healing Center that is granted an exemption by the Town pursuant to this section shall be considered a legal nonconforming use within the meaning of Section 1.15 of the Land Use Code, and shall be subject to restrictions governing continuance of a nonconforming use set forth in Section 3.6 of the Land Use Code.

(iii) Pawnbroker.

(iv) Retail Sales and Services.

* * *

Table 3-12. Residential Protection Spacing Standards

Land Use Category/ Land Use	Required Spacing From...		
	R-E, R-1, R-2, R-3, R-MH1, and R-MH2 zoning district boundaries	Existing or approved residential uses in...	
		C-E zoning district	All Other Zoning Districts
Hospitality, Recreation, and Entertainment Uses			
Adult-Oriented Use	1,000 ft.	1,000 ft.	1,000 ft.
Bar, Tavern, or Nightclub	250 ft.	250 ft.	N/A
Indoor Firing or Gun Range	250 ft.	250 ft.	250 ft.
Outdoor Commercial Amusement	500 ft.	500 ft.	N/A
Outdoor Firing or Gun Range	1,000 ft.	1,000 ft.	1,000 ft.
Outdoor Stadium, Arena, Amphitheater, or Drive-In Theater	1,000 ft.	N/A	N/A
Race Track	1,000 ft.	1,000 ft.	1,000 ft.
Restaurant With Drive- In or Drive-Through Facilities	250 ft.	250 ft.	N/A
Zoo	1,000 ft.	1,000 ft.	1,000 ft.
General Commercial Uses			

Convenience Lending	250 ft.	250 ft.	N/A
<u>Natural Medicine Business, except Natural Medicine Healing Center</u>	<u>1,000 ft</u>	<u>1,000 ft</u>	
<u>Natural Medicine Healing Center</u>	<u>1,000 ft</u>	<u>N/A</u>	
Pawnbroker	250 ft.	250 ft.	N/A
Retail Sales and Services – Liquor Stores	250 ft.	250 ft.	N/A
Retail Sales and Services – Outdoor Sales	250 ft.	250 ft.	N/A

Section 4. Severance Clause. If an article, section, paragraph, sentence, clause or phrase of this Ordinance is held to be unconstitutional or invalid for any reason, such decision shall not affect the validity or constitutionality of the remaining portions of this Ordinance. The Board of Trustees of the Town of Frederick, Colorado hereby declares that it would have passed this Ordinance and each part or parts thereof, irrespective of the fact that any one part or parts may be declared invalid or unconstitutional.

Section 5. Repeal. All other ordinances, or parts of any ordinances or other Code provisions in conflict herewith are hereby repealed.

Section 6. Effective Date. This ordinance shall take effect thirty days after publication.

INTRODUCED, PASSED, ADOPTED AND ORDERED PUBLISHED IN FULL BY THE BOARD OF TRUSTEES OF THE TOWN OF FREDERICK THIS 22ND DAY OF OCTOBER, 2024

TOWN OF FREDERICK, a Colorado municipal corporation

By: _____

Tracie Crites, Mayor

ATTEST:

By: _____

Tricia David, Town Clerk

CHAPTER 13.17 Natural Medicine Businesses

13.17.010 Findings and legislative intent.

The Town Council makes the following legislative findings:

- (1) The Town Council finds and determines that the Colorado Natural Medicine Code, as codified in Colo. Rev. Stat. §§ 44-50-101 through 904 (the "Regulatory Act") specifically authorizes the governing body of a municipality to enact an ordinance to regulate the time, place and manner of the operation of licenses issued pursuant to the Regulatory Act.
- (2) The Town Council finds and determines that the Regulatory Act specifically authorizes the governing body of a municipality to enact zoning ordinances to locate the area where the cultivation, manufacturing, testing, storage, distribution, transfer and dispensation of natural medicine and natural medicine product, as defined by the Regulatory Act, may be permitted in a municipality.
- (3) The Town Council finds and determines that the Regulatory Act specifically authorizes the governing body of a municipality to enact ordinances to establish the distance restrictions for buildings where natural medicine services are provided within the vicinity of a child care center; preschool; elementary, middle, junior or high school; a residential child care facility; or residential dwelling.

13.17.020 Definitions.

For purposes of this Chapter, the following terms shall have the following meanings:

Natural medicine means psilocybin or psilocyn and other substances described in the Regulatory Act as "natural medicine."

Natural medicine business means any of the following entities licensed under the Regulatory Act and includes a natural medicine healing center, a natural medicine cultivation facility, a natural medicine products manufacturer, or a natural medicine testing facility, or another licensed entity created by the state licensing authority.

Natural medicine healing center means a facility where an entity is licensed by the state licensing authority that permits a facilitator as defined by the Regulatory Act, to provide and supervise natural medicine services for a participant as defined by the Regulatory Act, which includes a participant consuming and experiencing the effects of regulated natural medicine or regulated natural medicine product under the supervision of a facilitator.

Natural medicine product means a product infused with natural medicine that is intended for consumption, as provided by the Regulatory Act.

Natural medicine services mean a preparation session, administrative session, and integration session, as provided by the Regulatory Act.

Participant means an individual who is twenty-one (21) years of age or older who receives natural medicine services prescribed by and under the supervision of a facilitator, as provided by the Regulatory Act.

Regulated natural medicine means natural medicine that is cultivated, manufactured, tested, stored, distributed, transported, or dispensed, as provided by the Regulatory Act.

Regulated natural medicine product means a natural medicine product that is cultivated, manufactured, tested, stored, distributed, transported, or dispensed, as provided by the Regulatory Act.

State licensing authority means the authority created under the Regulatory Act for the purpose of regulating and controlling the licensing of the cultivation, manufacturing, testing, storing, distribution, transfer, and dispensation of regulated natural medicine and regulated natural medicine product, as provided by the Regulatory Act.

13.17.030 Permitted location for a natural medicine healing center.

Natural medicine healing center is a use permitted by right in the B-Business District and C-Commercial District, subject to the distance requirements contained in the Section 13.17.050 and the time, place and manner requirements contained in Sections 13.17.050 through 13.17.110. Natural medicine healing centers are prohibited in all other zoning districts in the Town, including the PD-Planned Development District.

13.17.040 Permitted location for natural medicine businesses.

Natural medicine cultivation facility, natural medicine products manufacturer, natural medicine testing facility, and other licensed entity created by the state licensing authority (collectively the "licensed facilities") are uses permitted by right in the LI-Light Industrial District, subject to the distance requirements contained in Section 13.17.050 and the time, place and manner requirements contained in Sections 13.17.050 through 13.17.110. The licensed facilities are prohibited in all other zoning districts of the Town, including PD-Planned Development District.

13.07.050 Distance from schools and residential dwellings.

- (a) No natural medicine business that provides natural medicine services shall operate out of a building that is within one thousand (1,000) feet of a child care center; preschool; elementary, middle, junior or high school; or a residential child care facility (collectively "school").
- (b) No natural medicine business that provides natural medicine services shall operate out of a building that is within one thousand (1,000) feet of single-family dwellings, duplexes, or multiple-family dwellings (collectively "residential dwellings").
- (c) Subsections (a) and (b) above do not apply to a licensed facility located on land owned by the Town or the state of Colorado or apply to a licensed facility that was actively doing business under a valid license issued by the state licensing authority before the school or residential dwelling was constructed.

(Ord. 3.371 §4, 2024)

13.17.060 Hours of operation—Natural medicine services.

Natural medicine healing centers and natural medicine businesses that provide natural medicine services shall only operate between the hours of 8:00 a.m. to 5:00 p.m., Monday through Friday.

13.17.070 Public view of natural medicine businesses.

All doorways, windows and other opening of natural medicine business buildings shall be located, covered, or screened in such a manner to prevent a view into the interior from any exterior public or semipublic area, subject to Section 13.10.200. All activities of natural medicine businesses shall occur indoors.

13.17.080 Lighting of natural medicine businesses.

Primary entrances, parking lots and exterior walkways shall be clearly illuminated with downward facing security lights to provide after-dark visibility for facilitators, participants, and employees, subject to Section 13.10.140.

13.17.090 Storage of natural medicine businesses.

All storage for natural medicine businesses shall be located within a permanent building and may not be located within a trailer, tent, or motor vehicle.

13.17.100 Odor from natural medicine businesses.

Natural medicine businesses shall use an air filtration and ventilation system designed to ensure that the odors from natural medicine and natural medicine products are confined to the premises and are not detectable beyond the property boundaries on which the facility is located.

13.17.110 Natural medicine businesses secure disposal.

Natural medicine businesses shall provide secure disposal of natural medicine and natural medicine product remnants or by-products. Natural medicine and natural medicine product remnants or by-products shall not be placed within the facilities' exterior refuse container.

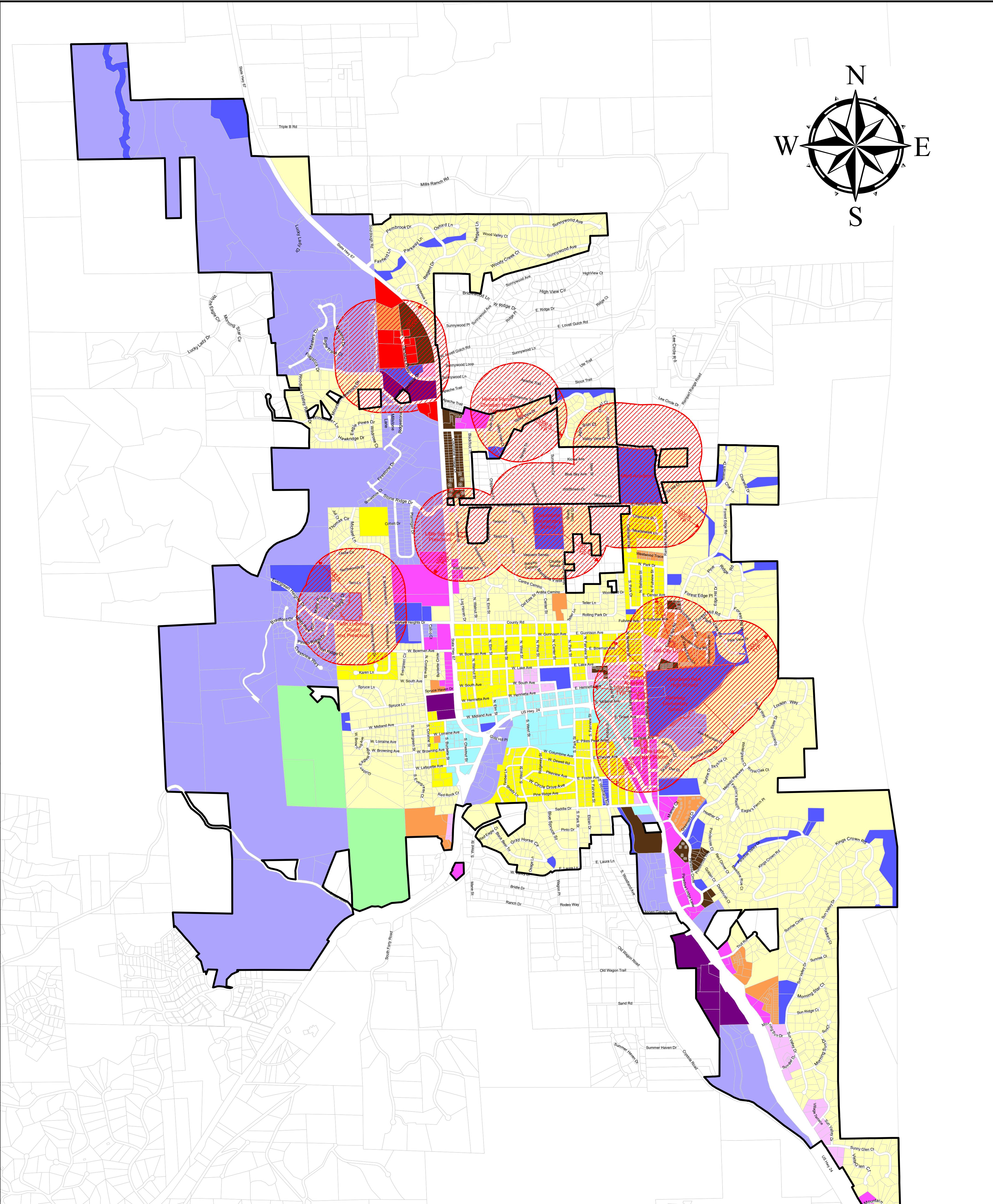
13.17.120 Processing of natural medicine.

- (a) The processing of natural medicine that includes the use of hazardous materials, including, without limitation, and by way of example, flammable and combustible liquids, carbon dioxide, and liquified petroleum gases, such as butane, is prohibited.
- (b) Nonhazardous materials used to process natural medicine shall be stored in a manner so as to mitigate and ensure odors are not detectable beyond the property boundaries on which the processing facility is located or the exterior walls of the processing facility associated with the processing of natural medicine.
- (c) The processing of natural medicine shall meet the requirements of all adopted Town building and life/safety codes.
- (d) The processing of natural medicine shall meet all of the requirements of all adopted water and sewer regulations promulgated by the applicable water and sewer provider.

(Ord. 3.371 §4, 2024)

13.17.130 Nuisance.

It is unlawful and deemed a nuisance under Chapter 6.01 of this Code to dispose of, discharge out of or from, or permit to flow from any facility associated with natural medicine, any foul or noxious liquid or substance of any kind whatsoever, including, without limitation, by-products of the natural medicine process, into or upon any adjacent ground or lot, into any street, alley or public place, or into any municipal storm sewer and/or system in the Town.



City of Woodland Park - Healing Center Area Exclusion Map

Residential

- Suburban Residential (SR)
- Urban Residential (UR)
- Multi-Family Residential Suburban (MFS)
- Multi-Family Residential Urban (MFU)
- Mobile Home Park (MHP)

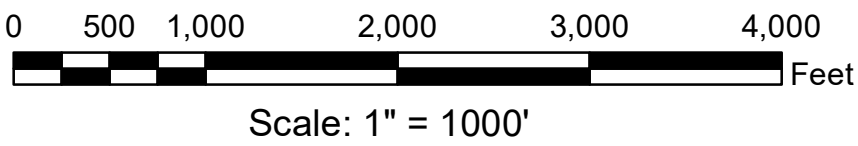
Commercial

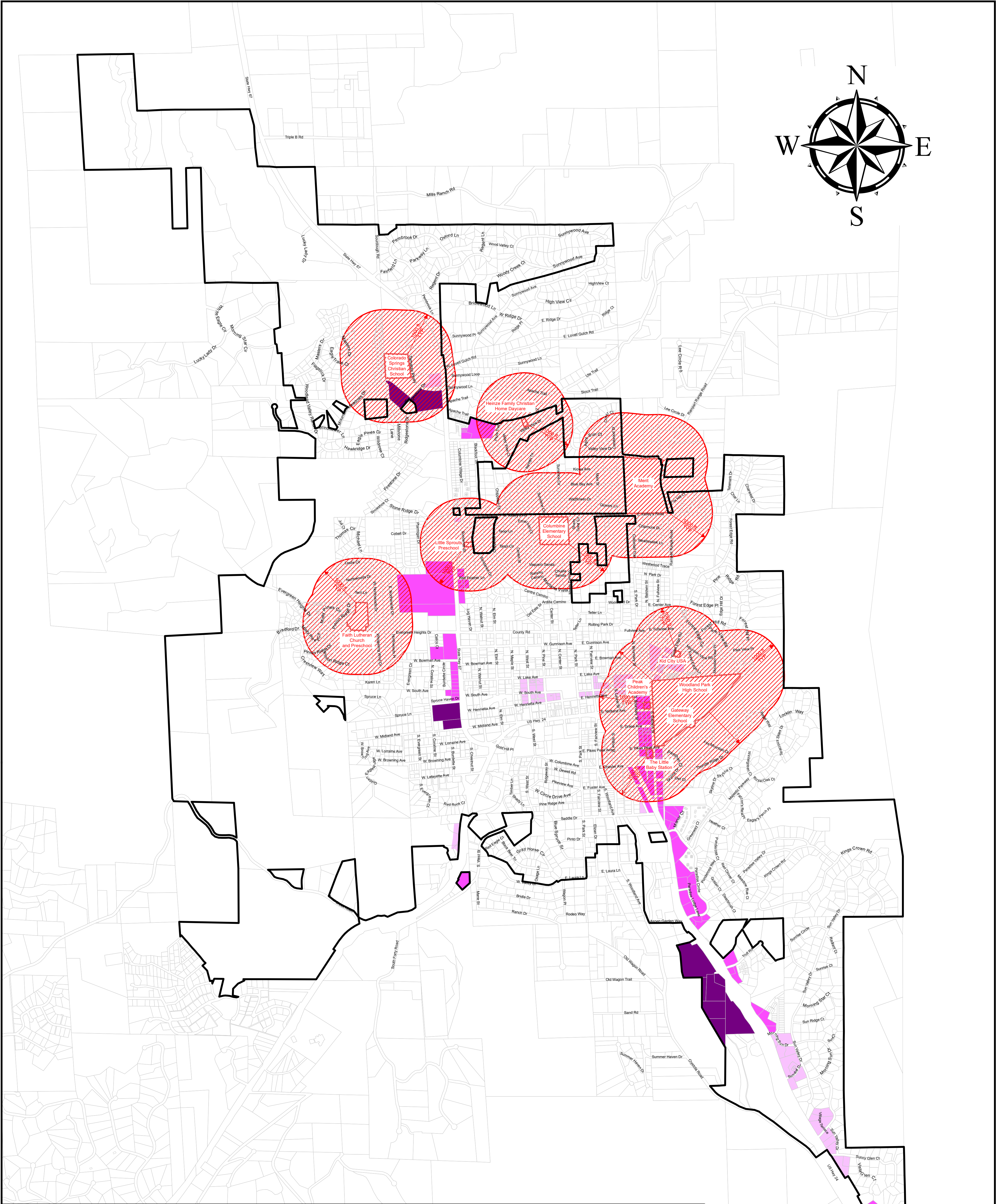
- Central Business District (CBD)
- Neighborhood Commercial (NC)
- Community Commercial (CC)
- Service Commercial (SC)
- Heavy Service Commercial Light Industrial (HSC/LI)

Other Zones

- Public / Semi-Public Land (P/SPL)
- Planned Unit Development (PUD)
- Agricultural (AG)
- City Limits

Areas Excluded from Healing Centers
Minimum 1000' from Schools and
Licensed Child Care Facilities





City of Woodland Park - Healing Center Area Exclusion Map

Residential

- Suburban Residential (SR)
- Urban Residential (UR)
- Multi-Family Residential Suburban (MFS)
- Multi-Family Residential Urban (MFU)
- Mobile Home Park (MHP)

Commercial

- Central Business District (CBD)
- Neighborhood Commercial (NC)
- Community Commercial (CC)
- Service Commercial (SC)
- Heavy Service Commercial Light Industrial (HSC/LI)

Other Zones

- Public / Semi-Public Land (P/SPL)
- Planned Unit Development (PUD)
- Agricultural (AG)
- City Limits

Areas Excluded from Healing Centers
Minimum 1000' from Schools and
Licensed Child Care Facilities



0 500 1,000 2,000 3,000 4,000 Feet
Scale: 1" = 1000'