

**ORDINANCE NO. 1347, SERIES 2025**

**AN ORDINANCE AMENDING THE CODE OF THE CITY OF CORTEZ, COLORADO, REGULATING NATURAL MEDICINE HEALING CENTERS, CULTIVATION FACILITIES, PRODUCT MANUFACTURING, TESTING FACILITIES, AND ANY OTHER RELATED LICENSE OR PERMIT INVOLVING NATURAL MEDICINE, WHICH INCLUDES, WITHOUT LIMITATION, PSILOCYBIN OR PSILOCIN**

**RECITALS**

**WHEREAS**, in 2022, 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"), that legalized "natural medicine," or plant or fungus-based psychedelic substances, including without limitation psilocybin and psilocin, (collectively "Natural Medicine"), for personal use and cultivation and the operation of state-licensed businesses known as "healing centers" and other medical businesses, such as "cultivation facilities," "product manufacturers," and "testing facilities"; (collectively "Natural Medicine Businesses," and individually a "Natural Medicine Business"); and

**WHEREAS**, the Enabling Act decriminalizes the personal possession, growing, sharing, and use of Natural Medicine; and

**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; and

**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; and

**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 Natural Medicine Businesses, which includes the state licensing and registration of Natural Medicine Businesses; and

**WHEREAS**, the Regulatory Act also allows for local jurisdictions to adopt regulations governing the time, place and manner of the operation of Natural Medicine Businesses within their jurisdictions; and

**WHEREAS**, the Regulatory Act does not allow local governments to ban or prohibit state-licensed facilities, or ban or prohibit the personal use of Natural Medicine in their jurisdictions; and

**WHEREAS**, the City of Cortez desires to adopt and implement a local ordinance regulating Natural Medicine and Natural Medicine Businesses.

**NOW, THEREFORE, BE IT ORDAINED BY THE CORTEZ CITY COUNCIL AS**

**FOLLOWS:**

**RECITALS INCORPORATED:** The foregoing recitals are incorporated herein as conclusions, facts, determinations, and findings by the Cortez City Council.

**NEW TITLE:** The title for Chapter 4 of the Cortez Colorado Code of Ordinances is amended to read as follows.

Chapter 4. – Liquor, marijuana, and natural medicine codes.

**NEW ARTICLE:** Chapter 4 of the Cortez, Colorado Code of Ordinances is amended with the addition of a new article “Article IV, Cortez Natural Medicine Code,” to read as follows:

**Division 1. – Time Regulation.**

**Sec. 4-300. - Hours of operation.**

Natural Medicine Healing Centers may operate between the hours of 8:00 a.m. to 11:00 p.m., MST, Monday through Sunday. Healing Centers may not administer Natural Medicine later than four hours prior to the closing of a Healing Center.

Natural Medicine Cultivators, Manufacturers, and Testers may operate between the hours of 8:00 a.m. to 8:00 p.m., MST, Monday through Sunday.

**Division 2. – Place Regulation.**

**Sec. 4-301. – Location.**

(a) A building where a Natural Medicine Business is located may not be within One Thousand Feet (1,000 feet) from any school, the principal campus of any college, university, seminary, or a licensed child care center or facility, or from another existing licensed Natural Medicine Business, with the exception that this distance limitation shall not apply to Natural Medicine Businesses to be located in the Hospital PUD District.

(b) A building where a Natural Medicine Business is located may not be within Five Hundred Feet (500 feet) of a of a public park, with the exception that this distance limitation shall not apply to Natural Medicine Businesses to be located in the Industrial (I) District and the Hospital PUD District, near the Carpenter and Gear Natural Areas.

(c) Any distance to be computed regarding the distances between Natural Medicine Businesses and other establishments where a distance requirement has been established shall be measured as follows: Said distance shall be computed by direct measurement (“as the crow flies”) from the center of the lot or parcel upon which a Natural Medicine Business is located to the closest property boundary of any building or facility referenced in Section II(1) above, using Geographical Information System (GIS) data as the measuring method.

(d) Natural Medicine Businesses may only be located in the Central Business District (CBD), the Commercial District (C), the Industrial District (I), and the Hospital PUD District, within the City of Cortez.

### **Division 3. – Manner Regulation.**

#### **Section 4.302. – General Requirements.**

- (a) All doorways, windows and other openings of a Natural Medicine Business shall be located, covered, or screened in such a manner to prevent a view into the interior from any exterior public or semipublic area. All activities shall occur indoors, except outdoor activities may occur if the outdoor area is completely screened by an opaque privacy fence that is at least Six Feet (6 feet) high, is sufficient to prevent persons on the outside from seeing through the fence, and must comply with all requirements of the current City of Cortez Land Use Code.
- (b) Primary entrances, parking lots and exterior walkways of a Natural Medicine Business shall be clearly illuminated with downward facing security lights to provide after-dark visibility for employees and customers of Natural Medicine Businesses.
- (c) All Natural Medicine Businesses shall have a security plan for the secure storage of natural medicine and natural medicine products that is approved by the State of Colorado Natural Medicine Division, and shall provide the plan to the City prior to beginning operation and shall provide any updated plans to the City within ten (10) business days.
- (d) All Natural Medicine Businesses shall have a 24-hour video surveillance system, except if the system has a feature which is activated by motion-detection, and that provides coverage of all facility entrances and exits, and the video quality shall be sufficient to allow a viewer to clearly identify persons being surveilled. Video footage which is captured by the system must be kept for 30 days.
- (e) All Natural Medicine Businesses shall have a security alarm system that provides coverage of all facility entrances and exits, rooms with exterior windows, rooms with walls or walls shared with other building tenants, roof hatches, skylights, and storage rooms containing safes or vaults. Licensees shall make all information related to security alarm systems, monitoring, and alarm activity available to the Cortez Police Department, and such information shall include a requirement of reporting any theft of product to the Cortez Police Department.
- (f) All storage of natural medicine shall be located within a reasonably secure and permanent building attached to a permanent foundation, and not a trailer, tent, or motor vehicle.
- (g) Natural Medicine Businesses shall use an air filtration and ventilation system designed to ensure that the odors from natural medicine, natural medicine products, natural medicine healing, and natural medicine healing products are confined to the premises and are not detectable beyond the property boundaries on which the business is located. Non-hazardous 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 or natural medicine healing products.
- (h) 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 in an exterior refuse container.

(i) The processing of natural medicine that includes the use of hazardous materials, including without limitation flammable and combustible liquids, carbon dioxide, and liquified petroleum gases, such as butane, is prohibited.

(j) The processing of natural medicine shall meet the requirements of the adopted Cortez Land Use Code, the City building codes and other applicable regulations, ordinances and laws. The City has a compelling interest to protect public health, safety and welfare, and Natural Medicine Businesses may not erect, install, construct, paint, or display any sign that:

1. Contains the words natural medicine, magic mushrooms, shrooms, psilocybin, psilocin, or other words or phrases commonly associated with or which allude to the use of psilocybin mushrooms.
2. Is electronically illuminated or lighted.
3. Has mechanical, wind, or air assisted moving parts.
4. Is inflatable.
5. Portrays mushrooms or psilocybin/psilocin products.
6. Directly or indirectly advertises, markets, or promotes any discount sales, price promotions, specials, or contains direct comparisons of its natural medicine products or services to those of any other business.
7. Is designed to appeal to persons under the age of 21, or is primarily targeted to persons under the age of 21.
8. Contains any cartoon characters, animation, or caricatures of any person, animal or object.

(k) Natural Medicine Manufacturers, Natural Medicine Healing Centers, and Natural Medicine Clinical Facilitators shall not produce, manufacture, or administer Natural Medicine products in a candy form or other gummy, confectionary, or chocolate form that would be attractive to children, and shall not label Natural Medicine products using words such as “candy” or “candies.”

(l) All persons involved in the operation of a Natural Medicine Business shall comply with all licensing, training, qualifications, and all state recommended best practice requirements of the State of Colorado applicable to owners (Owner’s License), handlers (Handler’s License), a Facilitator, and a Clinical Facilitator.

(m) Natural Medicine Businesses must notify the Cortez Police Department, in addition to the State of Colorado, to report crimes on the licensed premises of the Natural Medicine Business, such as theft, burglary, unlawful sales of regulated natural medicine and regulated natural medicine product, diversion of regulated natural medicine and regulated natural medicine product, or other crime related to the operation of the Natural Medicine Business. A report shall be made as soon as possible after the discovery of the action or conduct, but not later than 14 days.

**REPEALER.** All orders, bylaws, resolutions, and ordinances of the City, or parts thereof, inconsistent or in conflict with this Ordinance, are hereby repealed to the extent only of such inconsistency or conflict.

**SEVERABILITY.** If any section, paragraph, clause, or provision of this Ordinance shall for any reason be held to be invalid or unenforceable, the invalidity or unenforceability of such section, paragraph, clause, or provision shall not affect any of the remaining provisions of this Ordinance, the intent being that the same are severable.

**RECORDING AND AUTHENTICATION.** Upon adoption hereof, this Ordinance shall be recorded in a book kept for that purpose and shall be authenticated by the signatures of the Mayor and the City Clerk.

**EFFECTIVE DATE.** This ordinance shall be effective upon publication after final passage on second reading (the "Effective Date").

**FIRST READING.** This Ordinance shall be considered first reading on the 9<sup>th</sup> day of September 2025, at the hour of 7:30 p.m., in the City Council Chambers in City Hall, Cortez, Colorado, at which time this ordinance shall be read and the public hearing for the second or final reading of this ordinance shall be set.

**PUBLIC HEARING.** This ordinance shall be considered for second or final reading on the 23<sup>rd</sup> day of September 2025, at the hour of 7:30 p.m., in the City Council Chambers in City Hall, Cortez, Colorado, at which time and place all persons may appear and be heard concerning the same.

PASSED, ADOPTED AND APPROVED ON FIRST READING THIS 9<sup>TH</sup> DAY OF SEPTEMBER 2025.

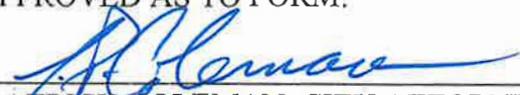
ATTEST:

  
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DANIELLE WELLS, CITY CLERK

CITY OF CORTEZ

  
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RACHEL B. MEDINA, MAYOR

APPROVED AS TO FORM:

  
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J. PATRICK COLEMAN, CITY ATTORNEY

PASSED, ADOPTED AND APPROVED ON SECOND AND FINAL READING THIS 23<sup>RD</sup> DAY OF SEPTEMBER, 2025.

CITY OF CORTEZ

ATTEST:

  
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DANIELLE WELLS, CITY CLERK

  
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RACHEL B. MEDINA, MAYOR