

CITY COUNCIL
WORKSESSION/SPECIAL MEETING
TUESDAY, JUNE 17, 2025
6:30 p.m.

1. The Workshop was called to order at 6:30 p.m., in the City Council Chambers. The following Councilmembers were present: Mayor Rachel Medina, Bill Lewis, April Randle, and Mayor Pro-tem Dennis Spruell. Councilmembers absent were Lydia DeHaven and Matt Keefauver. Staff present included: City Clerk Linda Smith and City Manager Drew Sanders. There were four members of the public present in the audience.
2. Discussion was held on Natural Medicine. It is suggested that the Natural Medicine regulations be included as a new article in Chapter 4 of the Cortez, Colorado Code of Ordinances. If added to Chapter 4, the title would be Liquor, Marijuana, and Natural Medicine Codes. Council may regulate Time, Place and Manner for the Natural Medicine businesses. City Manager Sanders stated that a guest speaker will be present at the next Council worksession scheduled for July 15, 2025, at which time discussion could be held on Time regulations. Council reviewed the regulations proposed along with the current State requirements on Place and Manner. City Manager Sanders stated that Cortez is one of the first communities in the State that is working through the regulations and the regulations may not be perfect but can be changed as needed.

a. Place Regulation.

1. Colorado Revised Statutes (CRS) 44-50-302(d)(I) permits the governing body of a municipality to vary the distance restrictions imposed by the ordinance for a license or may eliminate one or more types of schools or facilities from the application of a distance measurement.
2. A building where a Natural Medicine Business is located may be within One Thousand Five Hundred (1,500) feet of a child care center, preschool, elementary, middle, junior, or high school, or a residential child care facility (Collectively "Childcare Facilities"), or from another existing licensed Natural Medicine Business. The State requirement is 1,000 feet. Currently Cortez Marijuana requirement: 1,500 feet. CRS 44-50-302(d)(II) states that distance is 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. Discussion was held on allowing natural medicine facilities in the Hospital PUD. Chan Sparks and Richard Davis, citizens from the audience, asked about the restrictions on location and that the facilities should not be near where children walk. Discussion will be held on if there should be a distance from other natural medicine businesses and if there can be a limit on how many are allowed.
3. A building where a Natural Medicine Business is located may not be within Five Hundred (500) feet of a public park. This is not regulated by the State. Cortez Code Section 18-56(2) prohibits consumption on 'city property' including but not limited to all real estate owned, occupied or used by the city such as City Hall, all parks and other facilities, trails, river property, streets and sidewalks etc., whether located in city limits or not. Cortez Code Section 18-56(3)(b) states that an

exception is made when transportation of small amounts of marijuana are being transported on city streets and sidewalks. Discussion was held on the difference between a business (cultivation, manufacturing, and testing) and a healing center. Discussion was held on what the definition is for a park and staff was asked to note the parks currently listed in the City. The Industrial Park was suggested as a zone that would be a good location for natural medicine businesses as well as the Hospital PUD. Discussion was held on transportation of natural medicine and it was noted that there will be personal use and it will be transported. It was recommended that broad language be used in regard to parks.

4. A Natural Medicine may only be located in the TBD Zoning District within the City of Cortez. The Cortez Marijuana regulations allow marijuana stores/cultivation in the Central Business District and Commercial District. Brick and mortar buildings are all that can be regulated. Discussion was held on allowing businesses in the Industrial Zone, Commercial District, and Hospital PUD.

b. Manner Restrictions.

1. 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. The covering and location to prevent view into the interior is not regulated by the State. Outdoor activity for healing centers is permitted by the State and mentions that if a healing center contains outdoor areas, the boundaries must be clearly marked with visible signage or barriers, and the licensee must also take reasonable measures to mitigate risks to participants in any outdoor area that participants are permitted to access during an administration session. Discussion was held on clearly marking the area of a business with signs and physical barriers.

2. Primary entrances, parking lots and exterior walkways of a Natural Medicine Business shall be clearly illuminated with downward facility security lights to provide after-dark visibility for employees and customers of Natural Medicine Business. Lighting of certain areas outside Natural Medicine Businesses is not regulated by the State. CRS 213-1 Rule 3110(G)(3) states that part of the security plan is that each licensed premises must include the identification of exterior lighting, any exterior camera angles, and protocols for maintenance of the lighting and cameras.

3. 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 updated plans to the City within ten (10) business days. This item regulates providing the security plan to the City. 1 CCR 2-13-1 Rule 2125(2)(b) states that documentation demonstrating that the address for the proposed Licensed Premises is permitted under the local jurisdiction's applicable zoning laws for the cultivation, manufacturing, testing, storage, distribution, transfer, or dispensation of Regulated Natural Medicine and Regulated Natural Medicine Product. 1 CCR 213-1(D) states that when the licensee is not operating as a Natural Medicine Business, the licensee must ensure that all regulated natural medicine and regulated natural medicine product is appropriately secured. Licensees must take measures to prevent authorized access to Regulated Natural Medicine and Regulated Natural Medicine Product. It was noted that the City Planner and

Building Inspector will be reviewing the plans for a facility.

4. All Natural Medicine Businesses shall have a video surveillance system that provides coverage of all facility entrances and exits. 1 CCR 2-13-1 Rule 3115(A)(1) states that an applicant must install a fully operational video surveillance and camera recording system.. 1 CCR213-1 Rule 3115(C) states camera coverage is required for all areas identified as Restricted Areas including entrances and exits to Restricted Areas and any area storing video surveillance equipment or recordings. Cameras shall be placed to provide a clear unobstructed view of areas where Regulated Natural Medicine is grown, sampled, weighed, packaged, tagged, tested, stored, manufactured, and prepared for transport or disposal, whether in a Restricted Area or Administration Area. Cameras must be placed and angled to allow clear and certain identification of any individual and activities in the restricted areas. Discussion was held on defining a healing center and the manufacturing, cultivation, and testing facilities. It was unsure how long the video must be kept. It was noted that the regulations are for the safety and security of the citizens of the community. The Department of Health is in charge of any issues that may come up, but the rules are still to be completed for natural medicine businesses within the State.

5. All Natural Medicine Businesses shall have a security alarm system that provides coverage of all facility entrances and exits, rooms and exterior windows, rooms, with interior walls or walls shared with other building tenants, roof hatches, skylights, and storage rooms containing safes or vaults. 1 CCR 213 Rule 3110(1)(a) states that the security alarm system for the licensed premises must be able to detect unauthorized entry into interior areas of the Licensed Premises and unauthorized activity within interior areas of the Licensed Premises and Rule 3110(1)(b) states the alarm system must notify the licensee or authorized personnel in the event of an unauthorized entry. Discussion was held about having law enforcement being notified if there is a loss of product. Question was asked on how many people can be served at a time in a healing center.

6. All storage of natural medicine shall be located within a permanent building on a foundation, and not a trailer, tent, or motor vehicle. 1 CCR 213-1 Rule 5020(H)(1) states that after cultivation, regulated natural medicine shall follow best practices for storage prior to packaging. Current best practices for the storage of psilocybin-containing products are to store them at room temperature in darkness and away from moisture with devices to absorb moisture to improve the stability of the active ingredients in the products. The natural medicine businesses are required to be a brick and mortar building.

7. 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. This regulates an air filtration system which controls odor. 1 CCR 213-1 Rule 6015(A)(1) states that filters for air conditions, ventilation, and air filtration systems should be cleaned and replaced regularly.

8. 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 place in an exterior refuse container. This restricts or prohibits disposing of natural medicine products in an exterior refuse container. 1CCR 213-1 Rule 3120(D)

addresses waste disposal for psilocybin products that are fit for human consumption, which must be securely stored and disposed of on the Licensed Premises or transferred to another Licensee for disposal. Licensees must store regulated natural medicine waste in either a restricted area or a locked waste receptacle located on the licensed premises unit it is disposed of. 1 CCR 213-1 Rule 3120(E) regulates natural medicine waste consisting of psilocin or psilocybin that are unfit for human consumption, which may be stored prior to final disposal in a locked dumpster or locked receptacle outside of the Licensed Premises. Discussion was held on how the medicine would be disposed of and it was noted there are ways to dispose of various products, such as incineration.

9. 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. 1 CCR 213-1 Rule 3105(C)(2) states that a natural medicine product manufacturer that manufactures regulated natural medicine product using hazardous substances or dangerous chemicals is not permitted to be at the same licensed premises as a healing center. It was suggested that the State rule be adopted for this regulation. Mr. Sparks spoke about what mushrooms are noting that they are funguses and that most people eat them.

10. 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. 1 CCR 213-1 Rule 6015(A)(1) states that filters for air conditioning, ventilation, and air filtration systems should be cleaned and replaced regularly. Discussion was held on combining regulation 7 with 10.

11. 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. There are no State regulations and the City should consider additional regulations for signage as part of this regulation. It was suggested that the facilitators that operate in the facility should be listed.

12. Manufacturers of Natural Medicine products shall not produce edible products in a gummy form or other confectionary, candy, or chocolate form that would be attractive to children. 1 CCR 213-1 Rule 3305(6)(c) states that labels must not use the word “candy” or “candies.” Rule 3305(6)(d) states that a regulated natural medicine product cannot be labeled or packaged in a manner that would cause confusion as to whether the product was a trademarked food product. It was recommended that the facilitators are not allowed to administer any confectionary form of the medicine, that way it prevents the medicine from getting out in the community allowing children to come across. Current legislation requires that a person is 21 years of age or older to participate in the consumption and, though it is unclear, that the age limit for a healing center is also 21 years of age or older.

13. All clients receiving Nature Medicine from a Natural Medicine Healing Center shall not operate a motor vehicle for four hours after Natural Medicine is administered and must arrange a driver to transport them if they depart the healing center prior to the expiration of four hours. It was noted that State law already covers laws in regard to impaired driving and it is felt there would be no way to enforce the four hour time limit. It was suggested that an adult be available to drive someone after a treatment. More discussion will be held on this requirement.

14. Land Use Code addresses marijuana, so the question is whether the City wants to address Natural Medicine in the City Code and the Land Use Code. It was noted that the City has much more latitude to regulate marijuana than it does Natural Medicine.

The meeting was adjourned at 8:15 p.m.

Rachel B. Medina, Mayor

ATTEST:

Linda L. Smith, City Clerk