

**TOWN OF GRAND LAKE
BOARD OF TRUSTEES
EMERGENCY ORDINANCE NO. 01-2025**

**AN EMERGENCY ORDINANCE AMENDING THE GRAND LAKE
MUNICIPAL CODE TO ADD REGULATIONS GOVERNING NATURAL
MEDICINE BUSINESSES**

WHEREAS, the Board of Trustees of the Town of Grand Lake, Colorado (the “Board”), pursuant to Colorado statute is vested with the authority of administering the affairs of the Town of Grand Lake, Colorado (the “Town”); and

WHEREAS, the People of the State of Colorado approved the citizens’ initiative known as “Proposition 122: Access to Natural Psychedelic Substances,” which was codified in the Colorado Revised Statute Sections 12-170-101 through 115 (the “Enabling Act”); and

WHEREAS, the Enabling Act decriminalizes the personal possession, growing, sharing, and use, but not the sale, of five natural medicines, including psychedelic mushrooms (psilocybin and psilocin) and three plant-based psychedelic substances (dimethyltryptamine, ibogaine, and mescaline); 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 those licensed facilities; and

WHEREAS, the Enabling Act allows the state to expand the type of substances that may be used in licensed facilities to include plant-based psychedelic substances (dimethyltryptamine, ibogaine, and mescaline), beginning in 2026; and.

WHEREAS, the State Legislature enacted Senate Bill 23-290, which is codified in Colorado Revised Statutes Sections 44-50-101 through 904 (the “Regulatory Act”), to create the regulatory structure for the operation of 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; and

WHEREAS, the Enabling Act and Regulatory Act prohibit 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 such facilities; and

WHEREAS, the Regulatory Act provides that the “state licensing authority will “not receive or act upon an application for issuance of a natural medicine business license”... “[for] 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;” and

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 if “the building where natural medicine services are provided is within one thousand feet of a child care center, preschool, elementary, middle, junior, or high school; or a residential child care facility...;” and

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 Board of Trustees of the Town of Grand Lake 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 zone 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; and

WHEREAS, the Board of Trustees of the Town of Grand Lake find it necessary for the preservation of the health, safety, and welfare of the citizens of Grand Lake to immediately update the Town Code regarding zoning and regulation of natural medicine facilities prior to the January 1, 2025 state imposed regulations.

NOW, THEREFORE, BE IT ORDAINED BY THE BOARD OF TRUSTEES OF THE TOWN OF GRAND LAKE, COLORADO:

Section 1. Section 12-2-17(A) Commercial Transitional District (CT) Uses by right, of the Grand Lake Municipal Code is hereby amended by adding Section 12-2-17(A)(17) to read as follows:

(17) Licensed Natural Medicine Business pursuant to the Colorado Natural Medicine Code, CRS § 44-50-101 *et seq.*, subject to the limitations of Chapter 6 Article 6 of the Grand Lake Municipal Code.

Section 2. Section 12-2-18(A) Commercial District (C) Uses by right, of the Grand Lake Municipal Code is hereby amended by adding Section 12-2-18(A)(12) to read as follows:

(12) Licensed Natural Medicine Business pursuant to the Colorado Natural Medicine Code, CRS § 44-50-101 *et seq.*, subject to the limitations of Chapter 6 Article 6 of the Grand Lake Municipal Code.

Section 3. The Grand Lake Municipal Code is amended by the addition thereto of a Article 6 of Chapter 6, entitled “Natural Medicine Businesses,” to read in its entirety as follows:

CHAPTER 6 –BUSINESS REGULATIONS

CHAPTER 6 – Business Licenses and Regulations

ARTICLE 1 - Natural Medicine Businesses

Sec. 6-6-10. - Definitions

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

Natural medicine means psilocybin or psilocyn and other substances described as “natural medicine” in the Colorado Natural Medicine Code, as codified in Colorado Rev. Stat. §§ 44-50-101 through 904 (the “Regulatory Act”).

Natural medicine business means any of the following entities licensed under the Regulatory Act: 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 products 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, or 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 products, as provided by the Regulatory Act.

Sec. 6-6-20. - Permitted location for a natural medicine healing center.

Natural medicine healing center is a use permitted by right in the Commercial and Commercial Transitional District zones, subject to the time, place and manner requirements contained in Sections 6-6-10 through 6-6-100. Natural medicine healing centers are prohibited in all other zone districts in the Town.

Sec. 6-6-30. - Permitted location for other 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 Commercial and uses permitted by special review in the Commercial Transitional zone districts, subject to the time, place and manner requirements contained in Grand Lake Municipal Code Sections 6-6-10 through 6-6-100. Licensed facilities are prohibited in all other zone districts of the Town.

Sec. 6-6-40. - Distance restrictions from schools.

All distance restrictions imposed by Colorado Revised Statutes Section 44-50-302(1)(d)(I) are hereby adopted. A building where natural medicine services are provided may not be 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”).

Sec. 6-6-50. - Hours of operation – natural medicine healing centers.

Natural medicine healing centers may only operate between the hours of 8:00 a.m. to 8:00 p.m., Monday through Sunday.

Sec. 6-6-60. - Storage of natural medicine at businesses.

All storage for natural medicine businesses shall be located within a permanent building that is locked when not occupied. Natural medicine may not be stored within any trailer, tent, or motor vehicle.

Sec. 6-6-70. - Odor from natural medicine businesses.

Natural medicine businesses shall use an air filtration and ventilation system ensuring 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 business is located.

Sec. 6-6-80. - 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 businesses exterior refuse container.

Sec. 6-6-90. - 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 sewer regulations.

Sec. 6-6-100. - Nuisance.

It is unlawful and deemed a nuisance under Chapter 7 of the Grand Lake Municipal 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 or natural medicine processes, 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 4. Severability. All sections of this Ordinance shall be severable, and if any section, portion or provision of this Ordinance or amended code is declared or ruled illegal, invalid, or unconstitutional by any court of competent jurisdiction or by any state or federal regulatory authority having jurisdiction thereof, such determination shall have no effect on the validity of any other section, portion, or provision of this Ordinance or amended code and the Ordinance and amended code shall remain in full force and effect. The Town Board hereby declares that it would have passed this Ordinance and approved the amended

code and each part thereof irrespective of the fact that any one part be declared unconstitutional illegal, or invalid.

Section 5. **Repeal.** All other ordinances or portions thereof inconsistent or conflicting with this Ordinance or any portion hereof are hereby repealed to the extent of such inconsistency or conflict.

Section 6. **Publication and Effective Date.** This Ordinance is necessary for the immediate protection and preservation of the public health, safety, and welfare of the citizens of the Town of Grand Lake, Colorado for reasons described above, and therefore, shall become effective immediately as an emergency ordinance upon adoption by the Town Board of Trustees.

INTRODUCED, READ, APPROVED, AND ADOPTED AT A REGULAR MEETING OF THE BOARD OF TRUSTEES OF THE TOWN OF GRAND LAKE ON THIS 13th DAY OF JANUARY 2025.

TOWN OF GRAND LAKE, COLORADO

Christina Bergquist, Mayor Pro-Tem

ATTEST:

Alayna Carrell, Town Clerk