



MEMORANDUM

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P.O. BOX 4100 □ FRISCO, COLORADO 80443

**TO: MAYOR AND TOWN COUNCIL**

**FROM: KATIE KENT, COMMUNITY DEVELOPMENT DIRECTOR**

**RE: ORDINANCE 24-12, AN ORDINANCE AMENDING CHAPTER 180 OF THE CODE OF ORDINANCES OF THE TOWN OF FRISCO, CONCERNING THE UNIFIED DEVELOPMENT CODE, BY AMENDING SECTION 180-5.1 CONCERNING THE TABLE OF USES; ADDING A NEW SECTION 180-5.2.15 CONCERNING HEALING CENTERS AND NATURAL MEDICINE SERVICES; AND AMENDING SECTION 180-9.3, CONCERNING THE DEFINITION OF A “MEDICAL OFFICE”, EACH TO PROVIDE REASONABLE RESTRICTIONS ON THE LOCATIONS FOR HEALING CENTERS AND NATURAL MEDICINE SERVICES PURSUANT TO THE COLORADO NATURAL MEDICINE HEALTH ACT OF 2022.**

**DATE: OCTOBER 8, 2024**

**Summary and Background:**

Pursuant to the Natural Medicine Health Act of 2022 (hereinafter the “Act,”), the State of Colorado has adopted rules concerning the licensure and operation of “healing centers” at which individuals may receive “natural medicine services” that include the guided administration of various types of “natural medicine” (to include only psilocybin – often referred to as “magic mushrooms” - until at least June, 2026).

Under the Act, municipalities are granted authority to regulate the time, place and manner of the operation of healing centers, but may not prohibit their operation entirely, nor prohibit the provision of natural medicine services if a facility or individual has been permitted by the state to provide such services.

In preparation for the new uses which may be proposed within the Town of Frisco, Town Attorney Thad Renaud brought the background history of the Natural Medicine Health Act of 2022 to Town Council to review at a July 23, 2024 work session. At this work session, Council directed Staff to move forward with incorporating new definitions into Frisco Town Code, Chapter 180, relevant to the Act. For further information, refer to the July 23, 2024 Town Council work session item [July 23, 2024 Town Council Materials](#).

This modification to the text of the UDC is a legislative decision by the Town Council, pursuant to sub-section §180-2.4.3.D, and is before the Town Council on September 24, 2024, as Ordinance 24-12. All changes presented below are in the proposed Ordinance, and the Ordinance has been reviewed by the Town Attorney.

The Planning Commission reviewed the proposed modifications at their regularly scheduled September 19, 2024 meeting and recommendation approval as proposed to the Town Council.

**Analysis:**

Staff is proposing the following code text amendments in reference to the Natural Medicine Health Act of 2022. Proposed changes are shown in red underline font so Council can provide feedback. The justification for aligning the uses with “Office, Medical” is due to the definition being similar to what is allowed under the Natural Medicine Health Act of 2022.

Modify the definition of “Office, Medical”

*Office, Medical.* A building or portion of buildings that contains establishments dispensing health services, and/or that provides support to the medical profession and patients. Examples include, but are not limited to, a healing center under the Colorado Natural Medicine Health Act of 2022, as amended and as codified at C.R.S section 12-170-104, et. seq., medical and dental laboratories, blood banks, oxygen providers, integrative medicine and holistic or homeopathic therapies, and other miscellaneous types of medical services.

For Council’s reference, a Medical Office use is permitted within the following zone districts:

- Medical Office, Conditional Use: Gateway District
- Medical Office, Permitted by Right: Commercial Oriented, Light Industrial, Central Core, Mixed-Use

The Town Zoning Districts Map can be found here: [Frisco Zoning Map](#)

Within the Act, there are specific standards and exemptions that shall be followed. Instead of inserting this language into the Code, Staff is proposing an insertion of a new section 180-5.2.15 to reference the Act. Proposed insertion is shown in red underline font for Council review and feedback.

180-5.2.15. Healing Centers

A healing center is a medical office that: (i) engages in the activities and provides the services of a “healing center” as defined in the Colorado Natural Medicine Health Act of 2022, as amended (the “Act”); and (ii) that has been licensed by the state of Colorado pursuant to the Act.

In addition to the zone districts that allow for medical office use, “natural medicine services,” as defined in the Act, are permitted to be provided at any private residential location at which such service is allowed to be provided under state regulations promulgated under section 12-170-104(6)(c)(XI), C.R.S., as amended.

Staff proposes modifications to the existing Table of Uses to insert “180-5.2.15” under the column Use-specific standards, with regards to the row “Medical Office”. This insertion will ensure that when someone is checking where a medical office is permitted within the Town, they also will note they need to refer to section 180-5.2.15 for further information.

| Use Category | Use type       | ES | RN | RL | RM | RH | GW | CO | U | CC | MU | OS | FR | PF |   |
|--------------|----------------|----|----|----|----|----|----|----|---|----|----|----|----|----|---|
|              | Medical office |    |    |    |    |    | •  | •  | • | •  |    |    |    |    | 180-5.2.12 * <a href="#">180-5.2.15</a> |

**Planning Commission Recommendation:**

Town Code, 180-2.4.3 requires that the Planning Commission recommend approval or disapproval, either in whole or in part, of a change to the text of this Chapter. At the September 19, 2024 Planning Commission meeting, Commissioners reviewed the item with draft minutes from the meeting reflecting:

Commissioners and Staff discussed the proposed modifications noting that Staff had limited knowledge on the specifics of the Act. Commissioners requested clarification regarding where the Medical Office use was permitted, and Staff showed the Table of Uses.

**PUBLIC COMMENTS:**

Kim Nearpass, Mountain River Naturopathic Clinic and Backcountry Apothecary stated that she was there to listen and noted that she had some familiarity with the topic but her shop would not be providing psilocybin. Nearpass noted that it is very regulated and most commonly ingested orally, often as a tea.

COMMISSIONER DISCUSSION: Commissioners agreed with the use fitting into the definition of medical office and also agreed with the zone districts where it would be allowed.

**MOTION:**

**WITH RESPECT TO FILE NO. MAJ-24-0002, COMMISSION MEMBER WITHROW MOVED THAT THE RECOMMENDED FINDINGS SET FORTH IN THE SEPTEMBER 19, 2024 STAFF REPORT BE MADE AND THAT THE PLANNING COMMISSION RECOMMENDS APPROVAL TO TOWN COUNCIL OF CODE TEXT AMENDMENTS TO CHAPTER 180 OF**

**THE CODE OF ORDINANCES OF THE TOWN OF FRISCO, COLORADO, CONCERNING THE UNIFIED DEVELOPMENT CODE, BY AMENDING SECTIONS 180-5.1 AND 180-9.3 CONCERNING NATURAL MEDICINE SERVICES PURSUANT TO THE NATIONAL MEDICINE HEALTH ACT OF 2022.**

**MOTION SECONDED BY PLANNING COMMISSION MEMBER FORSYTH.**

**VOTE: YEAS: CONNOLLY – YEA, DE – YEA, FORSYTH – YEA, LESMES – YEA, STABILE – YEA, WITHROW – YEA**

**NOES: NONE**

**MOTION: PASSED**

**Financial Impact:** There is no direct financial impact related to these code amendments.

**Environmental Sustainability:** No direct significant impacts to environmental sustainability are anticipated.

**Alignment with Strategic Plan and Community Plan:** The 2024-2028 Frisco Strategic Plan includes the strategic objective, “Support a Thriving Economy”. Within this objective, the Town has stated a pillar as

*Economic Growth and Regulation: This involves supporting business development and diversification, having a regulatory system that protects health, safety, and welfare while promoting customer service, funding programs, and regulations that support the visions for Main Street and Summit Boulevard.*

The proposed modifications to Frisco Town Code, Chapter 180, are necessary to respond to substantial changes in policy on a state level through the Natural Medicine Health Act of 2022. The modifications are in alignment with the 2019 Frisco Community Plan, Guiding Principle Thriving Economy which states:

*2.1.D Participate in regional and state economic development efforts that support a diverse economy.*

*2.3.B Support efficient regulations and processes that foster a supportive business environment.*

The proposed modifications are consistent with the Strategic Plan and the 2019 Community Plan.

**Staff Recommendation:** Staff recommends that the Town Council approve Ordinance 24-12 on First Reading. Second reading is scheduled for October 22, 2024.

**Reviews and Approvals:** This report has been reviewed and approved by:

Diane McBride, Assistant Town Manager

Tom Fisher, Town Manager  
Leslie Edwards, Finance Director

**Attachments:**

Attachment 1 – Ordinance 24-12