
Tuesday, April 29, 2025, 6:00 PM
Council Chambers
One DesCombes Drive
Broomfield, CO 80020

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1. Concept Review

2. Study Session

2A. Broomfield Teen Council Youth Delegates to the National League of Cities 2025 Congressional City Conference Presentation

2B. Development Update: Center Street at Baseline

2C. Transit Oriented Communities

2D. Natural Medicine Local Regulation

2E. Metro District Standard Language and Approach

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Date Posted: April 23, 2025



C. Transit Oriented Communities

Meeting	Agenda Group
Tuesday, April 29, 2025, 6:00 PM	Study Session Item: 2C.
Presented By	
Anna Bertanzetti	
Community Goals	
<input checked="" type="checkbox"/> Mobility <input checked="" type="checkbox"/> Thriving, Diverse, Safe and Welcoming Community	

Overview

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The purpose of this memorandum is to provide the City Council with an update regarding compliance with House Bill 24-1313 (HB24-1313), Transit Oriented Communities. The memorandum also seeks direction regarding whether to pursue increasing residential density in proximity to transit stations and whether to specifically proceed forward toward compliance with HB24-1313 over the next two years.

Attachments

[TOC Hb 24 1313 Study Session Memo 2025.pdf](#)

Summary

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The purpose of this memorandum is to provide the City Council with an update regarding compliance with House Bill 2024-1313, Transit Oriented Communities. The memorandum also seeks direction regarding whether to pursue increasing residential density in proximity to transit stations and whether to specifically proceed forward toward compliance with HB24-1313 over the next two years.

On May 13, 2024 [House Bill 24-1313](#) (HB 24-1313) Housing in Transit-Oriented Communities was signed by Governor Polis.

This bill creates a category of local government titled “a transit-oriented community” and requires transit-oriented communities to meet a housing opportunity goal (HOG). The housing opportunity goal for each community is calculated as the number of acres within that community that are designated as a transit area (as defined by the bill) multiplied by 40 dwelling units per acre. Communities must then adjust the zoning capacity within their transit centers (as that term is defined by the bill) to meet the housing opportunity goal. Zoning capacity means the total number of housing units allowed in an area, as limited by the restrictions in local law that regulate density in that area, and as calculated by totaling the net housing density of all parcels within the area.

The bill has certain key components with specified deadlines. This study session is being brought forward at this time since the first of these key dates is approaching on June 30, 2025, when Broomfield will need to provide the Department of Local Affairs (DOLA) with our preliminary transit oriented communities (TOC) assessment report. The key component of this report is determining the HOG for Broomfield. The first purpose of this study session is to share with the City Council the findings of the initial analysis prior to submitting the report to DOLA.

The preliminary analysis indicates Broomfield would need to establish an increased zoning capacity (increased allowable units through zoning) of an additional 11,500 residential units in key areas of Broomfield. It is important to note that providing for increased zoning capacity does **not** obligate Broomfield to build or approve construction of that number of units since proposed residential developments would still need to meet all standards, including infrastructure service requirements, prior to being approved by Broomfield.

Broomfield has generally shown support for increasing zoning capacity near transit. Broomfield has already approved recent modifications to planned unit development (PUD) plans near existing and planned transit areas to provide for higher density residential. However, it has been Broomfield’s practice through PUD plans to establish maximum zoning densities that match what is anticipated to be built, thereby not having a significant difference between maximum zoning capacity and the number of units actually built. The bill would force Broomfield and other similar local jurisdictions to change this land use practice and instead would force there to be a significant increase in the zoning capacity regardless of whether there is intent to build any additional units beyond what had already been zoned for those parcels based on market, utility infrastructure, street capacity, and other factors.

The second purpose of the study session is to gather feedback from the City Council regarding a potential

roadmap that staff will utilize to increase zoning capacity in specified transit areas if direction is provided to staff to work toward compliance with the HOG by December 31, 2027. Alternatively, Council could give staff direction to pursue increasing density in close proximity to transit while not focusing specifically on compliance or Council could direct staff to not make any changes at this time to residential densities in these areas.

Financial Considerations

During initial consideration of HB24-1313, Broomfield identified there would be fiscal impacts to local jurisdictions in order to comply with the requirements of the bill. Staff anticipates that preparing the required preliminary report will take the equivalent of approximately 60 hours of staff time on mapping, preliminary zoning analysis, discussing initial findings with DOLA to verify initial findings, attending training webinars, and preparing the final report. The majority of this work has already been completed.

The most significant impact on staff resources, and therefore financial impact on Broomfield, will be on ensuring Broomfield works toward compliance with the HOG by December 31, 2027. Staff had initially estimated this effort would require the equivalent of one full-time senior-level planning staff member for 15-18 months. An additional full time employee is not being requested through the budget, but rather the Planning Division would incorporate this work into their existing staff resources through reallocation of staff time. Staff has determined an alternative path that could be utilized which would require less staff resources which is further detailed in this memorandum. This alternative would reduce staff resources and would likely result in the equivalent of one full-time senior-level planning staff member working on compliance for 6-8 months.

Additional costs may be needed if Broomfield chooses to analyze infrastructure (utility and transportation) impacts. It should be noted that staff is not suggesting such analysis is necessary, but is including reference to the potential cost if such analysis is requested for any particular rezoning proposal.

Initial estimates on Broomfield in regard to the overall financial impact are estimated as up to \$400k.

Prior Council Action

[January 21, 2025](#) - City Council held a study session for an overview and update regarding the coordinated effort to update development plans and regulations.

Board and Commissions Prior Actions and Recommendations

N/A

Proposed Actions/Recommendations

Staff will proceed with the roadmap toward compliance as outlined in this memorandum or as otherwise directed by the City Council.

Background

[House Bill 24-1313](#) creates a category of local government titled “a transit-oriented community” and requires transit-oriented communities to meet a housing opportunity goal (HOG). The housing opportunity goal for each community is calculated as the number of acres within that community that are designated as a transit area (as defined by the bill) multiplied by 40 dwelling units per acre. Communities must then adjust the zoning capacity within their transit centers (as that term is defined by the bill) to meet the housing opportunity goal. Zoning capacity means the total number of housing units allowed in an area, as limited by the restrictions in local law that regulate density in that area, and as calculated by totaling the net housing density of all parcels within the area.

It is important to note that the bill addresses the need to create “zoning capacity” to provide an **opportunity** for future development. The bill does **not** require the local government to approve or actively develop housing that meets this density. The bill is written to anticipate a significant “zoning capacity buffer”. For example, in an area with a zoning capacity of 40 units per acre, the actual anticipated units may be closer to 20 dwelling units per acre. Furthermore, it is specifically listed in the bill that communities retain the ability to consider infrastructure capacity when reviewing development proposals within a Transit Area and there is no obligation for a local community to allow development up to the maximum zoning capacity if the infrastructure is not able to support such densities. Communities therefore do not have to increase infrastructure within Transit Areas to support the maximum zoning density to remain in compliance with the regulations.

Broomfield staff was actively involved in following the drafting of the legislation, provided comments and feedback during the legislative consideration process, participated in webinars hosted by DOLA regarding the legislative requirements, and participated in the calculation model test group with DOLA staff to provide feedback regarding the tools developed by DOLA.

Final Components of the Legislation

- Housing Opportunity Goal Report
 - Show the housing opportunity goal, data/methods/maps used, locally-designated transit centers and neighborhood centers, adopted affordability strategies, displacement mitigation strategies, and implementation plans.
- Grant Program
 - DOLA will certify transit oriented communities that meet the requirements of the housing opportunity goal. Certified transit oriented communities are then eligible for the Infrastructure Grant Program. Details of the grant program are not yet available.
- Technical Assistance and Resources
 - DOLA must publish:
 - Transit area and watershed maps by September 30, 2024 (done)
 - Technical assistance to complement the grant program.
 - Calculation model and guidance to support local governments with designating transit centers (done)
 - Affordability and displacement-mitigation strategy menus (done)
- Housing Opportunity Goal Compliance
 - By December 2027, local governments will need to ensure the housing opportunity goal is met within the transit areas.

- If an area is to be designated as a transit center outside of a transit area to be counted toward meeting the HOG, then additional requirements apply:
 - An administrative approval process for multifamily residential developments on parcels no greater than five acres in size;
 - The zoning for the area must allow a net housing density of at least 15 dwelling units per acre and no greater than 500 per acre.

Under this law, nothing prevents a local government from applying the following policies or regulations:

- Enforcing infrastructure standards (denying or conditioning permits)
- Assessing impact fees
- Approving applications with a lower net density than the maximum allowed
- Allowing variable zoning capacity across transit areas, including not designating some transit areas as Transit Centers (as long as the overall housing opportunity goal is reached)
- Implementing discretionary approval for subdivisions, rezonings, variances
- Allowing greater net density or more permissive standards
- Providing discretionary review at applicant's option
- Not publicly disclosing confidential information related to water supplies or facilities
- Allowing commercial/business/mixed use within Transit Centers
- Denying/conditioning projects or building permits for failure to meet requirements of a traffic study

Key Dates for the legislation include the following:

- September 30, 2024: [DOLA publishes transit area and walkshed maps](#)
- February 28, 2025: DOLA provides housing opportunity goal [calculation model](#) (blank excel spreadsheet - downloads automatically) and [guidance](#)
- June 30, 2025: Preliminary TOC assessment report due to DOLA (for review and approval or amendment)
- June 30, 2025: DOLA publishes affordability menus, displacement risk assessment guidance and strategies
- December 31, 2026: Water insufficiency notice due to DOLA if applicable (and every three years thereafter)
- December 31, 2026: Final housing opportunity goal report due (with status reports every 3 years)
- December 31, 2027: Final date for compliance with housing opportunity goal requirements; DOLA gives notice of any non-compliance

Broomfield Housing Opportunity Goal Preliminary Calculation

DOLA has published an [official map](#) regarding the Transit Oriented Communities bill. There are two Transit Areas identified in Broomfield. These are the US36 Bus Rapid Transit Stations at Flatiron and Broomfield Stations.

DOLA also published a calculation model spreadsheet to assist local governments with determining their housing opportunity goals. The spreadsheet developed by DOLA was similar to the spreadsheet utilized by staff to roughly calculate the anticipated housing opportunity goal when the legislation was first being developed in early 2024. Staff believes the most streamlined method for calculating the HOG and providing the necessary data to DOLA for their review would be to utilize the DOLA spreadsheet and parcel data.

Based on the Housing Opportunity Goal calculation tools provided by DOLA, the preliminary calculation prepared by staff that will be submitted to DOLA by the June 30, 2025 deadline is approximately 16,615 units within the 415.4 acres of property included within Broomfield transit areas. This takes into account 590.4 acres of exempt property within the transit areas. Properties are exempted if meeting certain criteria, such as use as right-of-way, zoned for industrial use, utilized as open space or parks, or located in an area without domestic water and sewer service.

This is generally consistent with what was anticipated when the bill was proposed in early 2024.

As a reminder, the intent with the HOG is to ensure Broomfield provides zoning capacity of at least 16,615 units within the transit areas. There is no requirement for Broomfield to approve or develop 16,615 units of housing.

Goals and Previous Actions Related to Increasing Housing Near Transit

Broomfield has taken previous action in effort to increase housing near transit stations and existing/future transit corridors including:

1. Establishing [parking reduction zones](#)
2. Establishing [Transit Oriented District](#) zoning
3. Approving amendments to existing Planned Unit Development Plans to provide conversion of commercial land to allow residential uses or increases in residential units within existing mixed use PUD areas in close proximity to existing and future transit stations and corridors ([Highlands Fairfield](#), [Flatiron Marketplace](#), [Fairfield at Arista](#))
4. Provided Housing Development Funds for affordable housing projects within half mile of existing transit stations (Crosswinds at Arista, The Grove at Cottonwood)

Broomfield's Comprehensive Plan establishes the following related to encouraging residential uses in proximity to transit centers:

- Designating the areas in the Broomfield Comprehensive Plan land use map for transit oriented development which permits a dense mix of uses including residential at higher densities.
- Goal LU-B: Mixed-Use Development - Encourage and support mixed-use developments that provide the benefits of more compact, denser development with a mix of living, shopping and working environments.
- Goal LU-D: Transit-Oriented Development (TOD) - Encourage and support development focused around major transportation areas that form vibrant pedestrian-oriented urban centers.

Preliminary Estimate for Current Zoning Capacity

The current zoning capacity within the transit centers is estimated to be approximately 5,300 residential units. An additional 11,315 units will need to be zoned within the transit areas by no later than December 31, 2027 to comply with the Transit Oriented Communities law.

For most cities, the zoning capacity significantly exceeds the number of units built or actually likely to be built on a given property. As described by DOLA, it would “not be unreasonable” to have a property that allows up to 80 dwelling units per acre be developed with far fewer units (closer to 25-40 dwelling units per acre) due to factors such as costs of construction, market demand, available roadway capacity, limitations of current water and sewer service, or desired design elements.

In the case of Broomfield, the zoning capacity is typically identical (or nearly identical) to the number of units actually built or intended to be built. This is due in part to how often PUD zoning is utilized. Broomfield's PUD zoning requires preliminary utility and traffic studies. It is in a developer's best interest to closely match the PUD zoning capacity to the actual intended number of units to ensure the preliminary engineering studies are matched to the anticipated number of residential units. If a developer were to over estimate the number of residential units, the preliminary engineering analysis would identify greater impacts to infrastructure. Similarly, calculation of required public land dedication for a development is based on total unit count and therefore it is in a developer's best interest to not create excess zoning capacity within a PUD plan since it would result in a larger anticipated public land dedication. Broomfield has found that matching the zoning capacity to the actual number of units anticipated ensures Broomfield is able to appropriately manage and plan for development years in advance. Knowing the anticipated number of units allows infrastructure modeling and financial plans to be more effectively completed for future development areas and allows for analysis of impacts when there is a change to the number of units in a particular area.

The criticism of this approach to have zoning capacity nearly identical to the number of units built is that over time this could impact ability to provide infill or development opportunities in the future. If a property already has been developed with the maximum number of residential units, then redevelopment or further infill within the property necessitates a public process to initiate a change to the zoning to increase the allowable units.

Strategies for Increasing Zoning Capacity

If Council decides to pursue increasing the zoning capacity near transit centers along US36, there are multiple paths that could be taken.

When determining a strategy for increasing zoning capacity, staff identified the following goals:

1. Ensure the zoning within transit areas allows for a range in use to create walkable, mixed-use areas that can serve residents with services, recreation and employment opportunities as well as housing.
2. Utilize a strategy that ensures opportunity for engagement with property owners, developers, residents, and business owners while not creating a challenging administrative process that could create additional administrative costs.
3. Provide transit supportive densities (minimum 15 du/acre) in close proximity to existing transit and planned transit corridors or stations.

Additionally, if it is desirable to seek compliance with HB24-1313, then the following additional goals would need to be considered:

4. Align the increase in capacity with the Housing Opportunity Goal as required under HB24-1313.
5. Establish administrative procedures for review of residential development on properties of five acres or less within Transit Centers to streamline the development process.

Potential Strategies - Zoning Capacity

Generally, there were two primary paths available to address the first three or all five goals as listed above:

1. **Individual Property Zoning/Rezoning:** The Broomfield Municipal Code allows for the City Manager to initiate a property rezoning consideration (BMC 17-48-020). Under this process, a property owner is notified by Broomfield about the intent to bring forward a rezoning request to a public hearing.

Public hearings are conducted by both the Land Use Review Commission and City Council following the standard process for a rezoning consideration. A similar process can be followed for City initiated requests to amend PUD plans. Since there are many property owners near each US36 station, this process would take the most amount of time. The effort would involve approximately 35-50 City Council meeting agenda items (some in person concept reviews and public hearings for each rezoning request), coordination with approximately 20-25 property owners, and at least 20 neighborhood meetings. This effort would take approximately 15-18 months. Under this process, properties identified for additional residential density would be rezoned to zoning districts with a higher residential density allowance or PUD plan amendments would be processed that increase maximum units allowed. If compliance with HB24-1313 is sought, then each property that is five acres or less in size would need to be rezoned to a district that specifies an administrative review or the PUD amendment would need to request a variance from the required site development plan process to allow for future administrative review. The PUD amendments may also need to address setbacks, open area, public land dedication and maximum building heights to provide for an opportunity to increase residential density within the designated areas.

2. **Overlay Zoning:** The second method available would be to create overlay zoning areas covering the transit centers. Staff would contact impacted property owners, host neighborhood meetings, provide community engagement opportunities through BroomfieldVoice. The effort would involve 2-3 City Council meeting agenda items, 2-3 neighborhood/community meetings, and meetings with property owners who may request individual opportunities to discuss the ordinance with staff. This effort would take approximately 6 months. The overlay zoning could be applicable to all property or only to those properties that already have residential uses permitted. The overlay then provides for additional residential density above the underlying zoning/PUD plan. In addition to addressing the increase in maximum units allowed, the overlay would need to address requirements for setbacks, open area, public land dedication and maximum building heights to provide for an opportunity to increase residential density within the designated areas. If compliance with HB24-1313 is sought, then the overlay would need to allow for administrative review for all residential projects on property five acres or less.

Staff's Recommended Strategy - Zoning Capacity

If the City Council supports the idea of increasing the opportunity for medium to high density residential development in close proximity to the US36 transit stations, then staff's recommendation is to pursue a zoning overlay that can be crafted to encourage future residential development in these areas (Option 2 above). This process will create more consistent development standards for the future development of residential in this area and is a more streamlined process for increasing residential capacity in a specified area.

The overlay district could be drafted by staff and input sought from the community over the next year with final consideration by City Council and an effective date that closely aligns with the required timeline of the Transit Oriented Communities legislation.

Displacement Mitigation Strategies

In some transit oriented communities, increasing zoning capacity may provide opportunities for redevelopment. Redevelopment to higher density residential projects, while providing new housing opportunities, can displace existing residents and businesses. For this reason, the bill requires all

transit-oriented communities to provide a displacement mitigation strategy as part of the housing opportunity goal report.

Each community is required to adopt (or have already adopted) at least two displacement mitigation strategies to mitigate displacement while meeting its housing opportunity goal. The community is also required to identify their implementation plan for how to implement the displacement strategy.

DOLA will publish a strategies menu by June of 2025, which will include the following:

1. Developing a program to offer technical assistance and financial support for community organizations to develop independent community land trusts.
2. Prioritizing spending on regulated affordable housing unit preservation or implementing or continuing deed restrictions for regulated affordable housing units.
3. Providing homestead tax exemptions for either long-time homeowners in neighborhoods that a displacement risk assessment identifies as vulnerable to displacement or low-to-moderate income homeowners within, or within one half mile of, a designated transit center.
4. Requiring multifamily housing developers to create a community benefits agreement with affected populations within one-quarter mile of a development built in an area that is vulnerable to displacement.
5. Ensuring no net loss within the designated area of affordable units such that affordability levels are equal or greater than existing levels of family serving units that include three or more bedrooms.
6. Establishing a program to provide community or small local business investment in an area that is vulnerable to displacement.
7. Other strategies that may be identified by the department that provide displacement mitigation equivalent to the other strategies listed above.

Broomfield has an established inclusionary housing ordinance (IHO) that requires new developments to incorporate deed restricted affordable housing units consistent with the strategy referenced in item two (2) above.

Staff's Recommended Strategy - Displacement Mitigation

For a second mitigation strategy, staff is currently recommending City Council consider focusing efforts on ensuring stability for local small businesses within the transit area. Although there are very few existing residential units at risk for displacement within the transit areas identified in HB24-1313, there are some established local small businesses. The existing small businesses may face displacement pressure. As such, focusing efforts on establishing a program to provide community or small local business investment in the area may be found beneficial.

Staff will review the published information from DOLA regarding the strategies prior to making a formal recommendation to City Council regarding a second strategy.

Public Engagement

If the City Council directs staff to begin working to increase housing capacity near the US36 stations, there will be multiple opportunities for community input. Regardless of which path is chosen, public hearings would be required to consider either the overlay or the individual rezoning requests. Staff will utilize BroomfieldVoice as well as neighborhood meetings regardless of which path is chosen.

Next Steps

Staff is requesting Council's feedback and direction regarding intent to increase zoning capacity at key transit locations and specifically in regard to intent to comply with requirements of HB24-1313.

If directed, staff will file the necessary report with DOLA by June 2025. Staff will proceed with either beginning to draft an overlay zoning area for consideration or will begin reaching out with individual property owners to initiate PUD plan amendments or rezoning, depending on the direction provided to staff.

Questions for City Council to Consider While Providing Feedback

Recognizing the State has adopted HB24-1313 requiring local governments like Broomfield to increase zoning capacity, and that Broomfield may, regardless of HB24-1313 specifics, desire to increase zoning capacity to support transit service in Broomfield:

Regarding Zoning Capacity:

- Does the City Council direct staff to seek increases in zoning capacity near the US36 Transit Stations?
 - If so, which of the following paths should be sought to increase zoning capacity?
 - Zoning Overlays (staff recommended)
 - Individual property rezoning and PUD plan amendments within transit areas

Regarding Compliance with HB24-1313:

- Does the City Council direct staff to proceed with the initial report to DOLA regarding the Housing Opportunity Goal calculation by the June 2025 deadline?
- Does the City Council direct staff to proceed with seeking to comply with the requirements of HB24-1313 including increasing zoning capacity by 11,500 residential units near US36 Transit stations and establishing an administrative review for required projects on properties of five acres or less?



D. Natural Medicine Local Regulation

Meeting	Agenda Group
Tuesday, April 29, 2025, 6:00 PM	Study Session Item: 2D.
Presented By	
Lynn Merwin	
Community Goals	
<input checked="" type="checkbox"/> Thriving, Diverse, Safe and Welcoming Community	

Overview

[View Correspondence](#)

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The purpose of this item is to discuss possible code updates to the Broomfield Municipal Code to add new regulations related to natural medicine. Staff is proposing that locational requirements be adopted to regulate the time, place and manner of these uses within Broomfield. Staff is also proposing that Broomfield not implement a local license for these uses, instead deferring to the state's licensing structure. Staff is asking Council to provide direction on whether they desire to implement the locational requirements as outlined in the memo. Additionally, Staff is asking for Council to provide direction on whether it wishes for a local license requirement for natural medicine businesses or not.

Attachments

[Memo for Natural Medicine.pdf](#)

Summary

The purpose of this memorandum is to discuss possible code updates to the Broomfield Municipal Code to add new regulations related to natural medicine.

Coloradans approved Proposition 122 (the Decriminalization, Regulated Distribution, and Therapy Program for Certain Hallucinogenic Plants and Fungi Initiative) on November 8, 2022.

The Colorado General Assembly approved [Senate Bill 23-290](#) (SB23-290) during the 2023 legislative session, and Governor Polis signed the bill into law. SB23-290 replaced applicable sections of the Colorado Revised Statutes which were created by Proposition 122 to create an implementation and regulatory framework.

Proposition 122 and [SB23-290](#) prevents any local jurisdiction from prohibiting natural medicine facilities within their jurisdictional boundaries, but does allow for local jurisdictions to regulate the time, place and manner of these uses and the opportunity to establish local licensing frameworks in addition to state licensing requirements.

Staff is proposing that locational requirements be adopted to regulate the time, place and manner of these uses within Broomfield. Staff is also proposing that Broomfield not implement a local license for these uses, instead deferring to the state's licensing scheme. Staff is asking Council to provide direction on whether they desire to implement the locational requirements as outlined in the memo. Additionally, Staff is asking for Council to provide direction on whether it wishes for a local license requirement for natural medicine businesses or not.

Financial Considerations

The proposed direction included in this study session memorandum is to not create a local licensing system for natural medicine uses. The State of Colorado will have its own licensing structure for these uses and creating a local structure would be duplicitous. A local licensing system could require substantial staff time reviewing applications including 0.5-1 new FTE to manage the licensing and possible compliance with regulations.

Prior Council or Other Entity Actions

No prior Council action related to this topic.

Boards and Commissions Prior Actions and Recommendations

No prior Boards and Commission actions related to this topic.

Proposed Actions / Recommendations

No formal action. Staff is seeking direction on whether Council desires to move forward with the proposed code changes related to natural medicine which would result in an ordinance being drafted by staff and presented to City Council.

Alternatives

Make no changes to the B.M.C. at this time.

Background

Coloradans approved Proposition 122 (the Decriminalization, Regulated Distribution, and Therapy Program for Certain Hallucinogenic Plants and Fungi Initiative) on November 8, 2022. Approval of Proposition 122 defined certain psychedelic plants and fungi as natural medicine, including dimethyltryptamine (DMT), ibogaine, mescaline (excluding peyote), psilocybin, and psilocyn. Proposition 122 also decriminalized the personal use, possession, growth and transport of natural medicines for persons 21 years old and older; and created the Regulated Natural Medicine Access Program for licensed healing centers to administer natural medicine services. Proposition 122 did *not* provide for retail sales of psychedelic plants and fungi. Proposition 122 decriminalized natural medicine but did not establish an implementation strategy to roll out natural medicine.

As a result of Proposition 122's lack of implementation strategies, the Colorado Legislature passed SB23-290 as part of the 2023 General Assembly Regular Session. [SB23-290](#) replaced Proposition 122 and went into effect on July 1, 2023. The Colorado Legislature adopted [Senate Bill 24-198](#) (SB24-198) as part of a clean up of the regulatory framework established in SB23-290.

Proposition 122, and subsequently [SB23-290](#) and [SB24-198](#) reaffirmed that local jurisdictions may not prohibit natural medicine uses or adopt regulations that are unreasonable or are in conflict with state law but can regulate the time, place and manner of the uses. Local jurisdictions could also under state law opt into creating a local licensing system, but dual licensing was not intended with the regulations adopted by the State.

Prior to this study session staff reviewed ordinances related to natural medicine facilities created by Arapahoe and El Paso Counties and the City of Boulder. Staff has also reviewed information from the [Colorado Municipal League \(CML\) on time, place and manner regulation approaches](#) available and undertaken by other communities to regulate natural medicine facilities.

Time regulations are related to when natural medicine facilities can operate. CML notes that municipalities have shown a moderate amount of variation in regulating operational hours for natural medicine facilities.

CML notes that place related regulations vary. Natural medicine facilities are divided into two distinct categories in most municipal codes. First, there are "natural medicine businesses," which are where natural medicine is cultivated, manufactured, and tested. Second, there are "natural medicine healing centers," which are facilities where people are supervised while taking natural medicine.

Natural medicine businesses are typically zoned for industrial or light industrial, with some communities allowing for placement in commercial areas. Natural medicine healing centers are typically permitted in commercial and business districts; however, some municipalities also restrict natural medicine healing centers to industrial zoning.

Another factor affecting the placement of natural medicine facilities is the distance from schools. State law requires natural medicine facilities to be at least 1,000 feet from any school, unless local law allows for a shorter distance (C.R.S. 44-50-302(1)(d)(I)). Most municipalities have implemented this 1,000-foot restriction. However, the City of Boulder and the City of Trinidad, have reduced the distance to 500 feet and the Town of Granby has eliminated this restriction entirely.

Some municipalities have adopted additional criteria to limit the placement of natural medicine facilities in their communities. Several municipalities require all natural medicine facilities to be at least 1,000 feet from residential dwellings. Other municipalities require natural medicine facilities to be a certain distance from each other.

Manner regulations are related to how municipalities may restrict the operation of facilities. CML notes that municipalities have adopted a variety of regulations on the manner in which natural medicine facilities operate. These regulations primarily concern the security of the facilities, safe storage of natural medicine, and potential nuisances. State law does include elements regulating these aspects, but some communities have chosen to increase regulations related to the manner in which natural medicine facilities operate.

Proposed Code Changes Related To Natural Medicine

Staff is proposing to incorporate regulations for natural medicine facilities into the Broomfield Municipal Code within the purview of time, place and manner allowances and in the zoning context. Staff is proposing not to create a local licensing process for natural medicine due to the financial requirements for potentially 0.5-1.0 new FTE to process licensing and renewal applications as well as possible inspections.

The proposed code updates would include adding a section for new definitions that align with Colorado Revised Statutes related to natural medicine. These definitions would include cross references to the Colorado Revised Statutes so that if there are changes made by the Colorado General Assembly at a future date, Broomfield would not be required to bring back amendments to the Broomfield Municipal Code in the future related to definitions.

The time, place, manner regulations proposed for natural medicine are modeled after the marijuana regulations as well as other municipalities referenced in the CML legal brief as well as Arapahoe and El Paso counties.

Time Limitations

Staff is proposing to not include any specific operating time limitations on natural medicine facilities, typically Broomfield does not place limitations on business operation hours. One of the notable exceptions to Broomfield's approach to not regulating hours of operation was for retail marijuana; however, state law does not allow for the retail sale of natural medicines to the general public. As a result, there will be no retail stores for these natural medicine products so restricting hours of operation is not identified as a concern.

Place and Location

Staff is proposing to limit commercial cultivation, manufacturing and testing of natural medicines to properties zoned for industrial uses, and in addition allowing commercial cultivation on properties zoned for agricultural uses. Healing centers, which operate similar to medical offices, are proposed to be limited to properties zoned for industrial and commercial uses.

Staff is proposing to maintain the state's requirement for all natural medicine businesses to be located at least one thousand feet away from a child care center; preschool; elementary, middle, junior or high school; and/or a residential child care facility. The State is calculating the distance will be calculated 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 the natural medicine business is located, using a route of direct pedestrian access. The state law has given local jurisdictions the ability to vary the distance requirements imposed, therefore, for ease of staff administration, staff would propose to modify the requirement to clarify the measurement is from property line to property line, which aligns with how staff performs similar measurements in other areas of the Broomfield Municipal Code.

Manner Restrictions

Staff is proposing to include code language related to the manner in which natural medicine facilities can operate as is allowed by state law. The anticipated code language would be limited in scope since no local licensing is proposed. Instead the proposed language would ensure that cultivation areas are enclosed and secure in accordance with Colorado Revised Statutes and that those uses are not allowed to cause odors, smoke, heat, glare or light that is detectable to a person of normal senses beyond the property line of the property upon which the use is being conducted, or in an adjacent dwelling unit or public area. These regulations are related to the continued protection of the community's health, safety and welfare.

Colocation of cultivation facilities and healing centers are proposed as part of this code update. This approach would allow for more efficient use of tenant spaces used for natural medicine and may help to alleviate scattering of these types of uses.

Public Engagement

Should Council direct staff to move forward with these proposed code changes, then a Broomfield Voice page will be created following this study session. The Broomfield Voice page will provide information regarding the proposed amendments that will be presented to City Council as part of a future proposed ordinance. The Broomfield Voice platform will allow for feedback on the proposed amendments to the Broomfield Municipal Code, and community engagement is encouraged. Comments received will be gathered and summarized to provide feedback as part of the public hearing process. There will also be an opportunity at the public hearing for the second reading of the proposed ordinance for additional public comments to be provided for City Council's consideration.

Next Steps

Staff is requesting Council's feedback and direction regarding the proposed regulations. If directed to move forward, Staff will draft an ordinance to make the changes as discussed in this memorandum. The ordinance would come before the City Council for consideration later this year.

Questions For City Council To Consider While Providing Feedback

- Does Council desire to codify the time, place and manner regulations proposed for natural medicine uses?
 - If yes, staff will prepare an ordinance creating new code sections incorporating definitions and time, place and manner regulations related to natural medicine uses.
- Does Council support deferring to the state for licensing of natural medicine uses and opting out of creating a local licensing structure for these uses in Broomfield?



City and County of Broomfield

City Council Study Session

E. Metro District Standard Language and Approach

Meeting	Agenda Group
Tuesday, April 29, 2025, 6:00 PM	Study Session Item: 2E.
Presented By	
Jeff Romine, Economist - CMO	
Community Goals	

Overview

[View Correspondence](#)

[View Presentation](#)

Staff is requesting City Council provide direction regarding the potential to draft a model service plan, with City/Council guidance and parameters that will help guide future requests.

Attachments

[Memo for Metro District Standard Language and Approach Draft April 29th Study Session.pdf](#)

Summary

[View Correspondence](#)

[View Presentation](#)

In Broomfield, as in other Colorado municipalities, Metropolitan Districts (commonly referred to as Metro Districts) serve as a financing mechanism that allows developers to fund public infrastructure through the issuance of tax-exempt bonds, which are then repaid through property taxes levied within the district boundaries. The public infrastructure improvements result in benefits to the property users, such as homeowners, residential renters, commercial property owners, and business owners/tenants.

Metro Districts are independent public organizations established under Colorado's Special District Act (Title 32) that function as quasi-municipal corporations and political subdivisions of the state. They have limited tax authority and typically impose mill levies to fund both infrastructure capital improvements and district operations.

These districts can either own and maintain infrastructure improvements themselves or construct them to City and County standards and transfer ownership to the City and County (common for roads and sidewalks). Metro Districts are designed to finance, construct, operate, and maintain public improvements not provided by existing municipal services.

City Council has a statutory role in the authorization of the formation of Metro Districts within the City and County of Broomfield through the approval of a Metro District's Service Plan. The Service Plan outlines the services a Metro District provides and establishes limits and guidelines for the financing and operations of the Metro District.

Over the past thirty years, Broomfield has approved the formation of 49 Metro Districts, of which 16 were directly associated with another district. As an example, the Baseline development currently has 9 Metro Districts covering the entirety of the Baseline development area, with Baseline Metro District No. 1 acting as the primary administrative and fiscal agent for the other eight districts. In general, Metro Districts are located throughout Broomfield, but are significantly concentrated in the northern and southwestern portions of the community. The majority of the established Metro Districts were formed between 2001 and 2019 (1990's - 7, 2000's - 16, 2010's - 9, and 2020's - 1). The existing Metro Districts have current combined mill rates for debt service and operations ranging from 8.130 to 84.254. There 41 active primary and associated Districts (some Districts are inactive). Of those, 7 districts have a combined mill rate of 20 mills or less, 11 districts have a rate of 20.01 to 40.0, 10 have a rate of 40.1 to 60.0, 11 have a rate of 60.1 to 80, and 2 have a rate of more than 80 mills.

Metro Districts have been an important tool for supporting housing and commercial development in Broomfield and many other communities in Colorado's Front Range. In all, there are more than 2,300 Metro Districts in Colorado. Given this prevalence, residents and community leaders often have asked questions or expressed concern about the guidance and oversight of Metro Districts. Many communities across the Front Range have established formal policies and guidance for the creation and oversight of Metro Districts within their communities. This local oversight is limited in scope and primarily consists of regulating the content and form of Service Plans, reviewing debt issuance, requiring increased transparency and board accessibility, and monitoring annual operational and financial reports. All daily governance and operational management of Metro Districts is the responsibility of the Metro District's independently elected Board of Directors.

In response to City Council members' questions and concerns regarding Metro Districts, staff has undertaken a preliminary review of the existing Metro Districts established in Broomfield and reviewed the approach and

policies other Front Range communities have taken to manage Metro Districts in their communities. Specifically, staff has looked at policies and practices undertaken in Aurora, Brighton, Castle Rock, Colorado Springs, Commerce City, Denver, Thornton, and Windsor.

Current Practices

Broomfield City Council and staff have specific roles related to existing and future Metro Districts. These include: (1) City Council's statutory review and consideration of proposals for new or amended service plans; (2) administrative review of financial plans for any debt to be issued by the district; and (3) administrative monitoring of annual operational and financial reports submitted by the Metro Districts.

Currently, when a proposed development wishes to form a Metro District to aid in the financing of core and desired public infrastructure, such requests are forwarded by Planning to the City Manager's office for further conversation to see if the use of a Metro District is a good fit for the project. Focus for these conversations is on the type of project, scope and estimated cost of needed public infrastructure, and if any extraordinary benefits to the community will result from the proposed development. In any preliminary conversation with developers about Metro District formation, staff has indicated that the need for a Metro District must be carefully and rationally justified. If a Metro District is determined to be appropriate, the developer will then submit a draft service plan for consideration by the City Council.

Broomfield does not currently have an adopted form of service plan for Metro Districts. Rather, the attorney hired by the developer seeking to form the Metro District will use their form of service plan and staff will review it for consistency. This review focuses on areas such as the maximum permitted mill levy, maximum debt authority, and maximum allowable interest rate. Other areas of concern include the estimated amount of debt that will be required to finance the construction of public improvements and a requirement that prior to any issuance of bonds the District submit to the City a financial plan which the City shall have 45 days to review and object to the issuance of debt in the event the plan fails to meet the requirements of the service plan.

In addition to the review of service plans, staff continues to monitor and review all debt issuances by Metro Districts in Broomfield. Recently, this has involved the review of approximately 2-3 transactions annually. The most recent approved transactions were in Arista and Palisade Park. Staff is currently reviewing a transaction for the Aspen Street Metropolitan District.

Recommendation to Adopt a Model Service Plan

Staff is recommending City Council consider moving away from the consideration of customized service plans for each Metro District and adopting a model service plan that all new Metro Districts will have to utilize. This model plan would incorporate standardized parameters based on best practices, regional trends and City Council guidance.

If the City Council desires to move to this approach for consideration and approval of Metro Districts, staff will prepare a model service plan and a policy setting forth the standards required for all newly formed Metro Districts in Broomfield. Additionally, the standards can be applied to any previously approved Metro District that is seeking to amend its service plan. If directed by Council, staff would bring forward the model service plan and policy to City Council in the Fall 2025.

Considered Approaches for Standardized Requirements

Staff has begun a review of Broomfield's existing Metro Districts and the policies and guidelines other Front

Range communities have taken to manage Metro Districts within their communities. This process has identified ideas Broomfield could implement to increase its oversight and transparency of Metro Districts within the community. Additionally, staff will begin outreach to financial and legal advisors that work with Metro Districts to discuss these ideas and gain their insight on which policies and guidelines are working in other communities and identify those that could be improved for implementation.

From the completed preliminary review, the ideas and approaches (listed below) will undergo further consideration and evaluation. This list, while not exhaustive, is provided to illustrate the scope of the work currently being undertaken by staff and to receive direction from the City Council if other concerns or approaches should be included in staff's review.

Current Guidelines (Statutory or Service Plan) *(Note may be reviewed for modification)*

Administrative/Oversight

- Annual reporting to the Colorado Department of Local Affairs and City Clerk
 - Includes Financial Report and Board representation
- Regular elections (every two years for a revolving portion of the Board)
 - May be cancelled if no nominees for eligible Board seats
- Regular noticed public meetings held by the elected Board (at least annually)
 - Not required to be held within the District
- Disclosure requirements to property owners

Financial

- Maximum Debt Limit
- Maximum allowable Mill Levy
 - Specified for both Debt/Capital and Operations and Maintenance
 - Maximum ceiling is adjusted based on State regulations for mill rates (related to assessment rates and other ad valorem tax guidelines)
- Maximum allowable debt (bond) interest rate
 - May be a fixed rate or floating rate tied to a federally traded rate

Guidelines or Regulations to be considered and evaluated

Note: Staff is not reviewing nor preparing for any recommendations for legislative changes to the CRS Title 32 or other state regulations, administrative rules or procedures. Rather staff is only focused on items to be considered for action by the City Council, through the adoption of Metro District specific guidelines and/or a Model Service Plan. Items which may be considered for inclusion in Model Service Plan may include:

Administrative/Oversight

- Board transition from the original Board composition
 - Board elections, such as candidate education and recruitment
- Board composition
 - Encouraging Transition to Resident and/or End User Board
 - Requirement for debt refunding, extending the term, or additional debt authority
- Minimum vote requirement for approval for debt issuances, refunding or assumption of non-secured debt or obligations
 - Required super majority of the Board
- Taxpayer engagement, including renter/tenant engagement (online, maintained web page or certified mail)
 - Public outreach requirement

- Taxpayer burden analysis, including share of expenses/debt and projected date of pay-off
- Tax bill summary (share of estimated typical tax bill, by all representative taxing entities)
- Board meetings must be held within the district or within 2 miles of the boundary of the district
- Additional annual reporting or public disclosure requirements (including non-compliance trigger)

Financial

- Evaluate maximum mill levy, debt cap, debt term limits, and set a maximum administrative rate
- Maximum asset to debt ratio, with an associated provision for “donated” assets
- Debt refunding parameters may not extend the original maturity date
 - Refunding permitted only after xx% of the principal of the previous bonded debt has been repaid; or
 - An interest rate reduction of 200 basis points or more; or
 - Refunding accelerates the final maturity date, due to increased principal payments made due an increased development/revenue generated
- Deferred principal payments time limit
- Bank loans must include a competitive solicitation process or market comparison
- Interest rate limited to market interest rate for debt and agreements made with affiliated entities
- No compounding interest for private developer held debt
- Independent financial and market analysis validating development projections for debt refunding or issuance
- Guidelines for issuances of debt for transitioning non-secured debt and/or obligations into secured or bond debt
- Notification time period for mill levy changes
- Expenditure itemization, based on approved Service Plan, for use of funds for any bond or debt issuance (with expenditure costs estimates made by an independent contractor or engineer)
- Required to provide a Development Status update, showing initial development (scale and type), current status (same), five year projection.
 - Status of debt obligation, by development status (timing and type)

These guidelines or regulations will be considered and evaluated for potential inclusion in a Metro District Model Service Plan. At this time, staff is not recommending any specific items for inclusion, nor has determined parameters (such as interest rate, mill rate, or number of years) for any of the guidelines or regulations.

If City Council directs, staff will complete the evaluation and draft a Model Metro District Service Plan recommendation for City Council’s consideration and adoption in Fall 2025. The recommendation will include specific guidelines and regulations, with recommended parameters.

Financial Considerations

No financial considerations are anticipated at this time, as the consideration of this Study Session item will provide direction for staff work and research assignments. The staff time expected to complete a potential assignment from City Council’s direction would be incorporated in work assignments. At this time, no outside consultant services are expected to be required to meet a potential City Council direction.

Prior Council or Other Entity Actions

N/A

Boards and Commissions Prior Actions and Recommendations

N/A

Proposed Actions / Recommendations

N/A