



**DOUGLAS COUNTY COMMISSIONERS  
WORK SESSION  
Monday August 12, 2024  
(In Office and Remote)**

**A G E N D A**

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**Time\***


**2:00 p.m.**

**Natural Medicine Facility Regulation**

**Accessory Dwelling Unit (ADU) Regulatory Approach**

**Update on Temporary Signs on Vacant County-Owned  
Properties Pilot**

## Agenda Item

**DATE:** August 12, 2024  
**TO:** DOUGLAS COUNTY BOARD OF COUNTY COMMISSIONERS  
**THROUGH:** DOUGLAS J. DEBORD, COUNTY MANAGER  
**FROM:** TERENCE T. QUINN, AICP, DIRECTOR OF COMMUNITY DEVELOPMENT   
**CC:** MARCCO HIGHAM, PLANNER  
LAUREN PULVER, PLANNING SUPERVISOR  
MICHAEL CAIRY, ZONING COMPLIANCE MANAGER  
KATI CARTER, AICP, ASSISTANT DIRECTOR OF PLANNING RESOURCES  
STEVEN E. KOSTER, AICP, ASSISTANT DIRECTOR OF PLANNING SERVICES  
**SUBJECT:** NATURAL MEDICINE FACILITY REGULATION

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### SUMMARY

Staff is assessing Senate Bill 23-290, Natural Medicine Regulation and Legalization, and the rulemaking process as it relates to local control by the County. The bill explicitly limits the County's ability to prohibit these uses outright. It does enable the County to regulate time, place, and manner of the operation of natural medicine related facilities.

The Colorado Department of Revenue (DOR) will begin accepting license applications no later than December 31, 2024. The licensing of Natural Medicine Healing Centers and related businesses are subject to applicable zoning laws as directed by the Board of County Commissioners (Board). Therefore, existing Douglas County Zoning Resolution (DCZR) regulations may be applied to the time, place, and manner by which Healing Centers and cultivation, manufacturing, or testing activities are established and operated in the County.

The DCZR currently includes use categories that may be applied to the Natural Medicine related uses in such a manner that Healing Centers would be allowed in the Business and Commercial Zone Districts. Uses related to cultivation, manufacturing, or testing would be allowed in the General Industrial and Light Industrial Zone Districts. Additional State requirements, like minimum separation distances, would still be required.

### BACKGROUND

No later than December 31, 2024, DOR will begin regulating and controlling the licensure of natural medicine. This involves the cultivation, manufacturing, testing, storing, distribution, and dispensing of natural medicine.

Until June 1, 2026, the term “natural medicine” includes psilocybin and psilocin. A recommendation from the Natural Medicine Advisory Board may add the following remaining substances to the regulatory term after June 1, 2026:

- Dimethyltryptamine, or DMT
- Ibogaine
- Mescaline

Five classes of licenses are provided in the bill which include:

- Natural Medicine Healing Center
- Natural Medicine Cultivation Facility
- Natural Medicine Product Manufacturer
- Natural Medicine Testing Facility
- Any other business license determined necessary by the state licensing authority

The bill does not permit local jurisdictions to adopt regulations deemed unreasonable or in conflict with it, regulations prohibiting the transportation of natural medicine on public roads by licensed personnel, or regulations prohibiting state licensed facilitators from providing natural medicine services.

State regulations impose a distance requirement of 1,000 feet for a Healing Center license from a childcare center, preschool, elementary, middle, junior, or high school; or a residential childcare facility. However, local jurisdictions may vary the distance requirement or eliminate one or more of these types of schools or facilities from this requirement.

### **JURISDICTION REGULATIONS**

Staff has reviewed information concerning natural medicine regulation from neighboring jurisdictions including Arapahoe County, the City of Boulder, the City and County of Denver, the Town of Castle Rock, and the Town of Parker.

Currently, the Town of Parker (Parker) is the only neighboring jurisdiction to adopt natural medicine regulations beyond the regulations imposed by the State. The Parker regulations separate uses by permitting Natural Medicine Healing Centers in the Business District and Commercial Zone Districts. The cultivation, manufacturing, and testing uses are allowed in the Light Industrial Zone District. The ordinance restricts the operating hours of natural medicine businesses to 8 a.m. to 5 p.m. Monday through Friday, requires screening the interior views of these businesses, and the mitigation of odors emitted by natural medicine businesses to a level undetectable beyond property boundaries. Parker regulations also require a 1,000 foot separation distance from residential areas for all natural medicine related facilities.

The Town of Castle Rock (Castle Rock) has proposed similar regulations to Parker but is considering restricting all natural medicine related businesses, including Healing Centers,

to the I-1 Light Industrial and I-2 General Industrial Zone Districts within their municipal code. Castle Rock also extended the 1,000 ft. distance requirement to residential areas. A second reading of the proposed ordinance amending Castle Rock's municipal code is scheduled for August 20, 2024.

The City of Boulder (Boulder) discussed the bill and a potential approach to local zoning regulations on August 1, 2024. Boulder is considering the same distance requirements adopted by Parker but regulating operational hours for Healing Centers has not been considered at this point. Boulder is proposing to regulate Natural Medicine Healing Centers as a medical office use and to allow cultivation, manufacturing, and testing uses in all industrial, Business-Commercial (BCS), and Mixed-Use 4 (MU4) zone districts.


Arapahoe County has only been restrictive insofar as permitting natural medicine business uses in specified zone districts through a business licensure process. At this point, no additional restrictions have been identified. It is not clear when the Arapahoe County Commissioners will consider the proposed regulations.

The City and County of Denver (Denver) has concluded its meetings with the Natural Medicine Work Group (NMWG) convened to advise Denver's Department of Excise and Licenses. The NMWG has discussed decreasing the state distance requirement due to the existing density of uses, is considering a Public Needs and Desires Hearing as required of retail marijuana and beer licenses, and is considering allowing the co-location of natural medicine businesses with existing similar use licenses. No additional information was available regarding what may result from this advisory review process.

### **NEXT STEPS**

Staff is prepared to discuss how the DCZR applies to these uses and possible next steps with the Board.

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**TO:** DOUGLAS COUNTY BOARD OF COUNTY COMMISSIONERS  
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**FROM:** TERENCE T. QUINN, AICP, DIRECTOR OF COMMUNITY DEVELOPMENT   
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KATI CARTER, AICP, ASSISTANT DIRECTOR OF PLANNING RESOURCES  
STEVEN E. KOSTER, AICP, ASSISTANT DIRECTOR PLANNING SERVICES  
**SUBJECT:** ACCESSORY DWELLING UNIT (ADU) REGULATORY APPROACH

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### SUMMARY

Staff has prepared a regulatory ADU framework for continuing a discussion with the Board of County Commissioners (Board). A possible approach, as described herein, would allow for attached and detached ADUs on parcels of different sizes within the County's traditional agricultural and residential zone districts, based primarily on parcel size and available water services.

### BACKGROUND

Staff had discussed a tiered ADU approach to the Board during a work session on February 13, 2024. The Board directed that staff bring back a regulatory framework to potentially allow ADUs in the traditional zone districts County for its consideration. Since that time HB24-1152 was adopted by the State allowing one ADU per lot with an existing principal residence when located within specific urban areas in the state. Within Douglas County, these provisions will apply only within the Highlands Ranch Census Designated Place. Staff has provided a separate assessment regarding implementation of HB24-1152.

### SUMMARY OF PROPOSED CHANGES

Attached is a sample of draft revisions of the Douglas County Zoning Resolution (DCZR) to expand the opportunities for ADUs in the following zone districts:

- 3 – Agricultural One (A-1) District
- 4 – Large Rural Residential (LRR) District
- 5 – Rural Residential (RR) District
- 6 – Estate Residential (ER) District
- 7 – Suburban Residential (SR) District

A definition of accessory residence is also proposed in DCZR Section 36, Definitions, to capture different categories of ADUs. In developing the regulatory outline, staff considered zoning and lot size as the principal determiners for the type of ADU allowed. The draft definition for ADU includes two categories:

- Attached (internal to or attached to the principal dwelling)
- Detached

The definition is intended to be generally consistent with the definition of ADU established in HB24-1152, while accommodating existing accessory residential uses currently allowed within the County's rural zone districts. For example, in most instances, an existing guest house could be seamlessly converted to an ADU under the proposed regulatory framework.

ADUs may be constructed internally to, or attached to, an existing dwelling, or as a detached dwelling unit on the same property. For all types of ADUs, property owners would need to demonstrate adequate water and sewer service provision. All requirements related to water and sewer, gas and electric utilities, and access would be addressed at the time of building permit review.

The A-1, LRR, and RR zone districts provide for larger parcel sizes which can generally accommodate the construction of a detached ADU. Guest houses are already allowed on conforming parcels within these districts. Permitting one ADU on parcels within these zone districts would not constitute a significant change to the current provisions for additional residential structures.

The ER zone district does not allow accessory residential structures at present but does allow for other types of accessory structures (garages, barns, etc.). The current requirement within the ER zone district is that lots be served by central water. However, there are many nonconforming ER subdivisions where lots are served by individual wells.

To preserve adequate space for wells and septic systems on lots without central water and sewer, staff recommends a minimum lot size of two acres for a detached ADU in the A-1, LRR, RR, and ER zone districts. To preserve adequate space for septic systems on lots served only by central water in the A-1, LRR, RR, and ER zone districts, staff recommends a minimum lot size of one acre for a detached ADU.

SR zoned lots are a variety of sizes and range from ¼ acre to over an acre in size. Central water and sewer are required for SR zoned lots, which generally enables more space for accessory structures. As a result, staff proposes a minimum lot size of ½ acre for a detached ADU to account for the varied conditions and those neighborhoods where smaller lot sizes may limit the space for accessory structures.

### **NEXT STEPS**

Staff is prepared to discuss next steps based on the Board's input and direction.

### **ATTACHMENT**

Draft DCZR Revisions

## **DRAFT DCZR REVISIONS**

### **A-1 Zone District:**

#### 302 Principal Uses

On parcels of 35 acres or greater, the following uses shall be allowed by right: *(Parcels smaller than 35 acres are limited to the principal and accessory uses allowed in the residential zone district to which the parcel conforms in size.)*

#### 303 Accessory Uses

The following uses shall be allowed only when a principal use has been established on the lot.

303.07 Guest house **or accessory dwelling unit, attached or detached – one per lot**

#### 306 Minimum Lot Area: 35 acres \*

Lots less than 35 acres in area shall be limited to the uses allowed in the agricultural or residential zone district to which the lot conforms in area.

**306.01 For lots served by central water, one-acre minimum lot size required for a detached accessory dwelling unit.**

**306.02 For lots served by individual groundwater well, two-acre minimum lot size required for a detached accessory dwelling unit.**

\*The minimum lot area may be decreased with a clustered design through the exemption process.

### **LRR Zone District:**

#### 402 Principal Uses

On lots of 9 acres or greater in area, the following uses shall be allowed by right: *(Lots smaller than 9 acres are limited to the principal and accessory uses allowed in the residential zone district to which the lot conforms in size.)*

#### 403 Accessory Uses

The following accessory uses shall be allowed only when a principal use has been established on the lot.

403.06 Guest house **or accessory dwelling unit, attached or detached – one per lot**

#### 406 Lot Area

To promote a design that is sensitive to the natural environment and adapts to the natural topography, flexibility in lot size is allowed. Lot size may be determined through a site analysis based on compatibility with adjacent land uses, health department requirements, the natural

environment, water supply, soil suitability for septic systems, and the Douglas County Master Plan. The ability to keep animals may be affected by the lot size (*Refer to Section 24*).

- 406.01 For lots served by an individual well and septic system, the allowable minimum lot area is 2 acres.
- 406.02 For lots served by a central water system, the allowable minimum lot area is 1 acre.
- 406.03 For lots served by central water, one-acre minimum lot size required for a detached accessory dwelling unit.
- 406.04 For lots served by individual groundwater well, two-acre minimum lot size required for a detached accessory dwelling unit.

**RR Zone District:**

502 Principal Uses

On lots of 4.5 acres or greater in area, the following uses shall be allowed by right: (*Lots smaller than 4.5 acres are limited to the principal and accessory uses allowed in the residential zone district to which the lot conforms in size.*)

503 Accessory Uses

The following shall be allowed only when a principal use has been established on the lot:

- 503.05 Guest house or accessory dwelling unit, attached or detached – one per lot

506 Lot Area

To promote a design that is sensitive to the natural environment and adapts to the natural topography, flexibility in lot size is allowed. Lot size may be determined through a site analysis based on compatibility with adjacent land uses, health department requirements, the natural environment, water availability, soil suitability for septic, and the Douglas County Master Plan. The ability to keep animals may be affected by the lot size (*Refer to Section 24*).

- 506.01 For lots served by an individual well and septic system, the allowable minimum lot area is 2 acres.
- 506.02 For lots served by a central water system, the allowable minimum lot area is 1 acre.
- 506.03 For lots served by central water, one-acre minimum lot size required for a detached accessory dwelling unit.



506.04 For lots served by individual groundwater well, two-acre minimum lot size required for a detached accessory dwelling unit.

**ER Zone District:**

602 Principal Uses

On lots of 2.3 acres or greater in area, the following uses shall be allowed by right: *(Lots smaller than 2.3 acres are limited to the principal and accessory uses allowed in the residential zone district to which the lot conforms in size.)*

603 Accessory Uses

The following shall be allowed only when a principal use has been established on the lot.

603.01 Accessory uses and buildings

603.02 Accessory dwelling unit, attached or detached – one per lot

606 Lot Area

To promote a design that is sensitive to the natural land features and adapts to the natural topography, flexibility in lot size is allowed. Lot size may be determined through a site analysis based on compatibility with adjacent land uses, health department requirements, the natural environment, water availability, soil suitability for septic, and the Douglas County Master Plan. The ability to keep animals may be affected by the lot size. (Refer to Section 24)

606.01 For lots served by an individual septic system, the minimum allowable lot area is 1 acre.

606.02 For lots served by central water, one-acre minimum lot size required for a detached accessory dwelling unit.

606.03 For lots served by individual groundwater well, two-acre minimum lot size required for a detached accessory dwelling unit.

**SR Zone District:**

702 Principal Uses

On lots that conform to the minimum lot area, the following uses are allowed by right:

703 Accessory Uses

The following shall be allowed only when a principal use has been established on the lot.

703.01 Accessory uses and buildings

703.02 Accessory dwelling unit, attached or detached – one per lot. A lot size greater than 0.5 acres is required for a detached accessory dwelling unit.

### **Definitions**

A new definition for ADUs and the two distinct types – attached and detached – would be added to the regulations. The Guest House definition is included for reference.

Accessory Dwelling Unit (ADU): An attached or detached dwelling unit held in ownership by the owner of the principal dwelling that provides complete living facilities for one or more individuals, is located on the same lot as a proposed or existing primary residence, and includes facilities for living, sleeping, eating, cooking, and sanitation. A separate lot may not be established for the ADU unless approved in accordance with Douglas County Zoning and Subdivision Resolutions.

Attached – An ADU that is attached to the principal dwelling unit as either an addition to the dwelling or a conversion of existing space within the dwelling.

Detached – An ADU that is detached from the principal dwelling unit.

Guest House: A dwelling attached or unattached to the principal dwelling, used to house guests of the occupants of the principal dwelling, and which shall not be rented or leased, or held in ownership by other than the owner of the principal dwelling.



**AGENDA ITEM**

**DATE:** August 12, 2024

**TO:** Douglas County Board of County Commissioners

**THROUGH:** Douglas J. DeBord, County Manager

**FROM:** Holly Carrell, Special Project Manager

**SUBJECT:** **Update on Temporary Signs on Vacant County-Owned Properties Pilot**

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Staff is prepared to provide the Board with an update on signs installed and registered during the first period of the program from May 3, 2024 through July 9, 2024. Staff looks for Board direction on continuance of the program and acceptance of registrations from September 10, 2014 through November 15, 2024.