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ECONOMIC DEVELOPMENT

A. ECONOMIC DEVELOPMENT VISION

BROOMFIELD CONTINUES TO EVOLVE INTO A VIBRANT AND ECONOMICALLY DIVERSIFIED COMMUNITY WITH COMPETITIVE ADVANTAGES THAT SUPPORT ESTABLISHED BUSINESSES, NEW BUSINESSES AND ENTREPRENEURS, AND WITH A STRATEGIC MIX OF USES AND INDUSTRY SECTORS THAT SUPPORT JOBS AND A SUSTAINABLE LONG-TERM TAX BASE. BROOMFIELD ENTHUSIASTICALLY PARTNERS WITH LOCAL BUSINESSES AND COMMUNITY ORGANIZATIONS TO ATTRACT, RETAIN, AND SUPPORT BUSINESS EXPANSIONS. RESIDENTS, AS WELL AS THOSE LIVING OUTSIDE THE CITY, HAVE OPPORTUNITIES TO WORK AT JOBS IN THE PUBLIC AND PRIVATE SECTORS AND TO PARTICIPATE IN THE EMERGING NONTRADITIONAL SECTORS OF THE GLOBAL ECONOMY.

B. CURRENT SITUATION & FUTURE TRENDS

Employment conditions and opportunities directly impact economic growth and development; they are indicative of the strength of the local economy and future growth potential. As Broomfield continues to strengthen its economic base, it is important to consider the profile of the emerging workforce, the mix of industries, the jobs-to-housing ratio, and the regional and national trends affecting employment.

The economic downturn highlighted the importance of a diversified economy—regionally locally. In particular, the Denver-Aurora-Broomfield Metropolitan Statistical Area

(MSA) suffered sizable job losses following the 2008 Great Recession, according to the Colorado State Department of Labor and Employment. Since that time, there has been an ongoing effort to emphasize industrial and commercial businesses in the area. Broomfield’s future economic sustainability will depend on economic development efforts that encourage continued diversity and balance with respect to job growth. The target industries for expansion over the next decade in Broomfield include:

- Healthcare and Education
- Professional and Business Services
- Financial Activities
- Information
- Aerospace Engineering
- Bioscience Engineering

Broomfield is uniquely positioned to redevelop existing commercial centers and to establish new ones in the developing neighborhoods in the northern section of the community. Because of its central location between Denver and Boulder, Broomfield is a highly attractive expansion and target location for many new businesses. As illustrated in [Map 27](#), U.S. Highway 36 is a key employment corridor for Broomfield.

The average single-family household pays monthly:

\$72 in property tax

\$108 in sales tax

\$180 total for basic Broomfield services

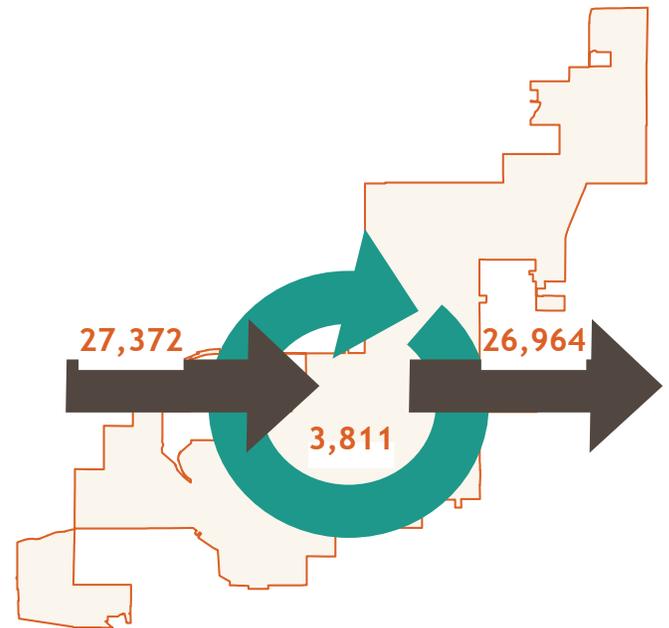
Source: 2015 Community Report

JOBS-HOUSING BALANCE

Generally, comparing employment numbers with household data can be a good indicator of whether a community is a net importer or exporter of employment. A ratio of 1.0 suggests that there is one job per every household; therefore, ratios above 1.0 suggest that a community is a net employment importer, while ratios below 1.0 suggest that residents tend to work outside the community. According to 2014 U.S. census data for employment and households, Broomfield's jobs-to-housing ratio was 1.3, making it a regional employment center for the northwestern Denver metro area.

Even with the presence of more jobs than households in Broomfield, its location and economic connection with the larger metro area supports a regional exchange of employment. With a large number of in-commuters and out-commuters, Broomfield has a relatively small population that both lives and works in Broomfield. According to 2014 city data from the U.S. Census Bureau's Center for Economic Studies, 27,372 people commute into Broomfield for work and 26,964 people leave Broomfield to work. This leaves only 3,811 people who both live and work in Broomfield, as shown in [Chart 14](#).

Chart 14. Commuting Patterns In and Out of Broomfield



Source: U.S. Census Bureau's Center for Economic Studies (2014)

CITY AND COUNTY SCALE

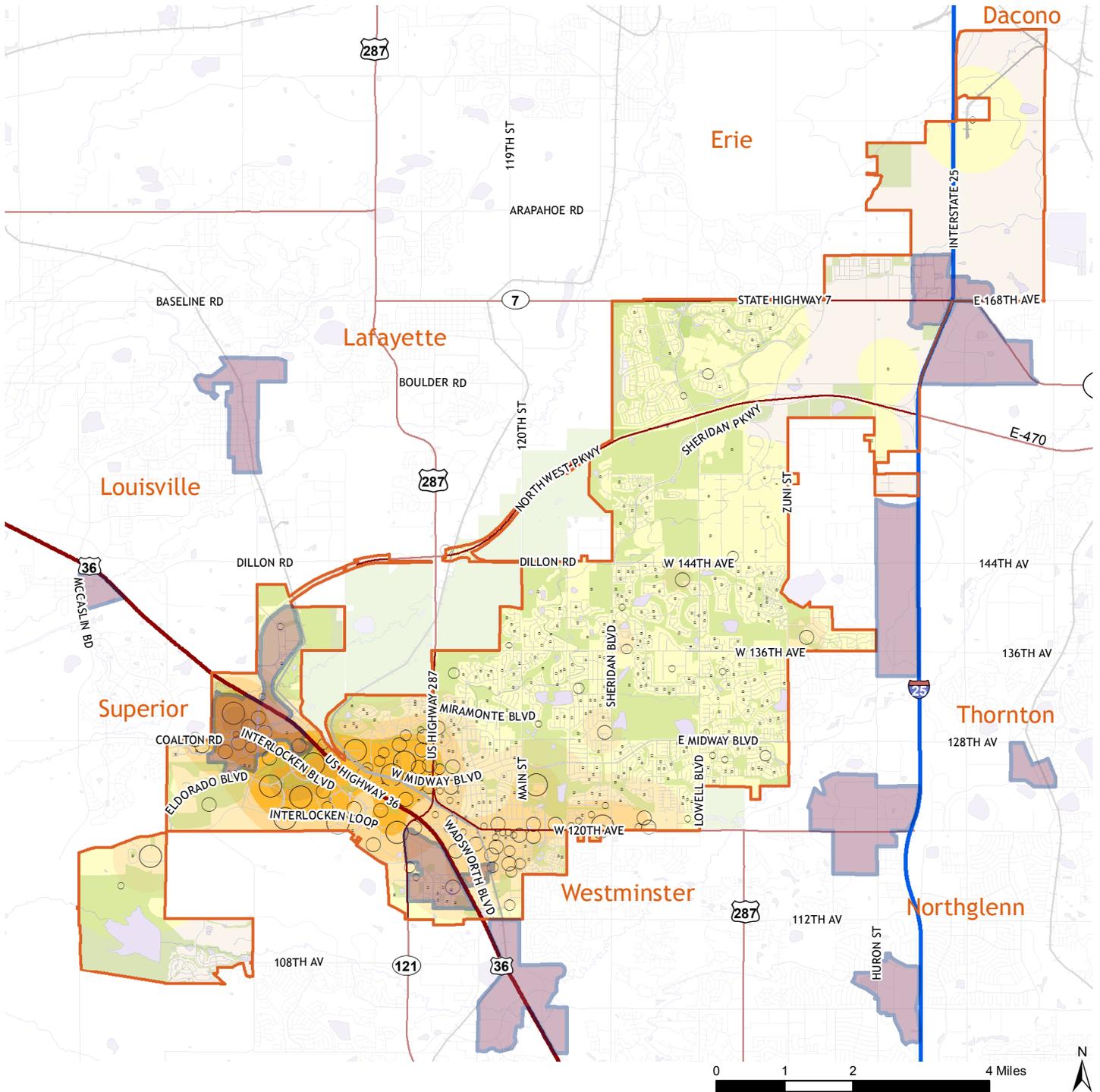
Just as regional malls are somewhat fragile in the face of new competition, mobile consumers, and digital technology, so too are community commercial retail centers. The impacts of regional mall and community centers, whether aging or struggling due to new competition, are felt much more acutely at the neighborhood level in grocery-anchored centers. In the previous decade (1995-2005), Broomfield experienced a similar pattern to that of many suburban Denver communities—new centers in the community and in neighboring communities attracting sales away from existing centers. While this development pattern has increased sales tax revenues within Broomfield, it has done so at the expense of older neighborhood centers, resulting in higher vacancy rates and lower rents.

Broomfield's ability to promote new retail development while not adversely impacting existing retail centers is a substantial economic development challenge. A recent retail study commissioned by the City and County of Broomfield highlighted the impact of retail competition among neighboring communities, showing how areas such as Flatiron Marketplace have been adversely impacted by market factors, such as the financial troubles of Sears Holdings that resulted in the closing of the major anchor, Great Indoors, and local competition with new retail

centers in the region. The success of such an effort will depend on Broomfield's ability to work with retail property owners, developers, and other partners to identify emerging retail trends and assist in user diversification and/or redevelopment planning to ensure that retailers feel spaces offered in Broomfield provides retail spaces that contribute to a positive shopping experience.

Chart 2 from the [2016 Community Report](#) illustrates vacancy trends by business type in Broomfield. Retail vacancy has risen from around 7 percent in 2011 to just over 13 percent by the end of 2015, driven mainly by the closure of several large-format retail stores such as the Great Indoors (closed in 2012), K-Mart (closed in 2012), Safeway (closed in 2014), and Best Buy (closed in 2015). Conversely, industrial vacancy rates have decreased substantially over the same period, dropping from over 12 percent in 2011 to roughly 4 percent in 2015, which has pressured industrial and flex-space developers to build new facilities. Demand for office space has sharply decreased since 2013, dropping from approximately 15 percent to roughly 7 percent by the end of 2015, which has also pressured office developers to construct new space.

Map 27. Employment

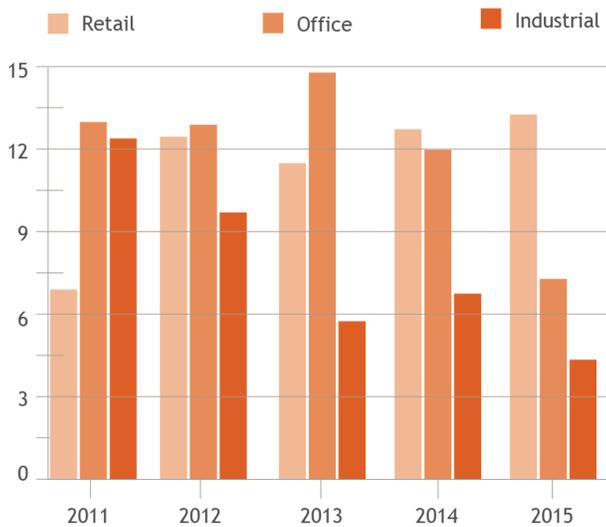


Source: Broomfield GIS Department; CDOT; U.S.Census Bureau, Center for Economic Studies 2014(OnTheMap); DRCOG

LEGEND

- | | | | |
|--|-------------------------------|--|----------------------------|
| | City and County of Broomfield | | Creeks, Ditches and Canals |
| | Interstate | | Waterbody |
| | Highways | | Open Lands |
| | Streets | | DRCOG Urban Centers |
| | Railroad | | |
-
- | Places of Employment | Jobs per Square Mile |
|----------------------|----------------------|
| | |
| | |
| | |
| | |
| | |

Chart 15. Vacancy Rate Over 5 Years



Source: 2016 Community Report

NEIGHBORHOOD SCALE

Neighborhood-scale businesses and services provide the opportunity to directly support the local community and, therefore, are most scrutinized by residents. Larger community-scale businesses like franchises are oriented toward pass-by vehicle traffic and, therefore, thrive due to quick brand recognition.

The public outreach process for this Comprehensive Plan Update revealed that many community members want to encourage locally owned businesses. Some of these businesses include nonretail and service establishments that can be located in specialized industrial and commercial areas separate from the residential neighborhoods.

EMPLOYMENT

CNN Money identified Broomfield as one of the top 25 counties with growing businesses for “where the jobs are” in 2014. Even through the Great Recession, Broomfield had lower unemployment rates than both the Colorado and national averages. According to the Bureau of Labor Statistics, in 2015, Broomfield had an unemployment rate of 3.3 percent, compared with 3.9 percent in Colorado and 5.3 percent in the United States as a whole. With new companies announcing expansion and relocation to Broomfield every year, jobs are expected to continue to grow over the next decade.

Investments to Support and Encourage Small Businesses:

- Annual funding to Broomfield Chamber of Commerce to provide access to business resources and free consulting to small businesses
- Support to the North Metro Denver Small Business Development Center to provide access to free and reduced cost counseling and training programs for small businesses
- Funding for Enhance Broomfield, a building improvement program designed specifically for small business.

Source: Broomfield Economic Development Department 2015

Broomfield companies can work with the City and County to secure tax rebates for projects that have some public benefit. We anticipate that several of these initiatives will continue over the next decade. A sample of such rebates or grants include:

- Sales Tax Rebates
- Use Tax Rebates
- Business Personal Property Tax Rebates
- Real Property Tax Rebates
- Tax Incremental Financing
- Enhance Broomfield Grants

Table 2. Employment Level of Broomfield Companies

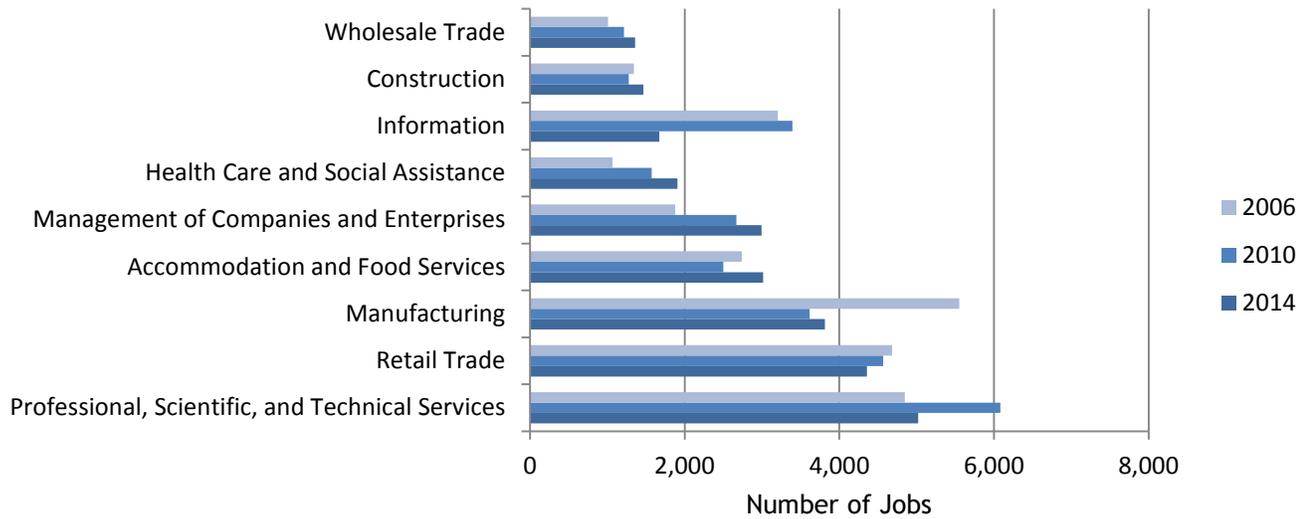
	Number of Employees	Number of Companies
Small	0-49	2,641
Medium	50-249	105
Large	250+	17

Source: Broomfield Economic Development Department, 2015

As shown on [Map 27, Employment](#), the majority of jobs in Broomfield are concentrated along U.S. Highway 36 and 120th Avenue, with an even spread of smaller business throughout the community. This map also illustrates the opportunity for new job and economic centers as Broomfield develops to the north, along Interstate 25.

Industries that have shown the strongest growth between 2006 and 2014 are professional, scientific, and technical services; healthcare and social assistance services; and accommodation and food services—for an overall establishment increase of 260 new businesses. The largest industries in Broomfield, with at least 100 establishments, are shown in [Chart 16](#) below.

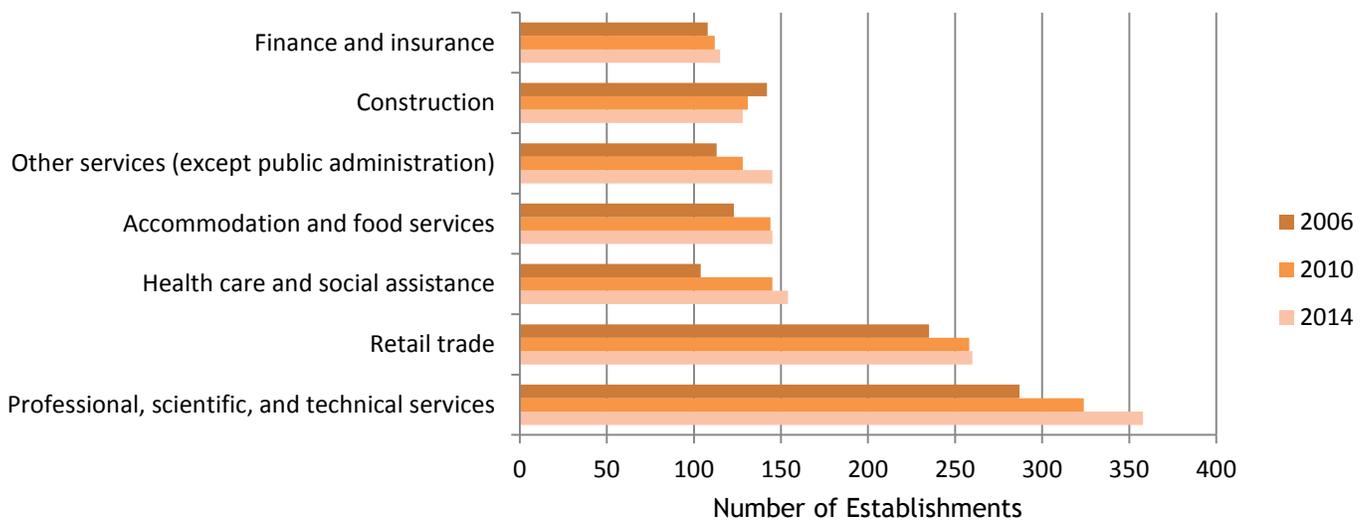
Chart 16. Number of Establishments for Top Industries



Source: Colorado Department of Labor and Employment (2006, 2010, and 2014), using NAICS industry codes

The employment numbers, indicated in [Chart 17](#), are much more varied per industry. The industries with the greatest employment growth since 2006 are health care; accommodation and food services; and professional, scientific and technical services, which has increased the most, with over 2,900 employees.

Chart 17. Number of Jobs by Industry



Source: Colorado Department of Labor and Employment (2006, 2010, and 2014), using NAICS industry codes

C. GOALS & POLICIES

Goal ED-A: Economic Growth

Maintain, monitor, and revise as necessary economic and tax policies to strengthen and enlarge Broomfield's economic growth engines that have significant positive economic multiplying impacts throughout the community.

Policy ED-A.1: Broomfield's current economic growth engines, as of 2015, are diversified into three primary sectors: (1) professional and business services, (2) information, and (3) manufacturing. Provide annual updates on significant changes in the location of industry clusters and major business relocations in and out of the community.

Action Step ED-A.1.1: Evaluate and report on critical issues regarding marketing and branding of the "creative corridor" concept. Include requested analysis in the annual End of Year Economic Update report prepared by Broomfield's Economic Development department; seek to work with Broomfield's GIS department to include maps to illustrate any significant changes; and provide recommendations to City Council to address positive and negative changes, if necessary.

Policy ED-A.2: Target opportunities in the education and health services sectors.

Action Step ED-A.2.1: Identify potential higher-education institutions, accredited trade and distance-learning schools, and corporate training firms that are not in Broomfield, as well as existing ones seeking to expand opportunities.

Policy ED-A.3: Maintain and promote effective commerce by assisting new and existing businesses.

Action Step ED-A.3.1: Simplify governmental land use regulations, reviews, and approvals.

Action Step ED-A.3.2: Continue to assist businesses and property owners improve their existing facilities by promoting programs such as the Enhance Broomfield and the Enterprise Zone.

Action Step ED-A.3.3: Continue business retention visits with local businesses, and provide assistance where possible to address concerns that arise through these visits.

Action Step ED-A.3.4: Work with public and private sector partners to support small-business development through educational offerings, financial assistance, and site selection.

Policy ED-A.4: Ensure an adequate supply of appropriately zoned land for a diversified mix of manufacturing, services, and business support services.

Action Step ED-A.4.1: Use zoning and land use controls to maintain existing industrially zoned properties, and discourage the conversion of such land to other uses while promoting sustainable use of the land.

Action Step ED-A.4.2: Update formula and methodology of [Long-Range Financial Plan](#). This may include the impact of zoning changes, open lands acquisitions, and other land use decisions.



Goal ED-B: Commercial Vitality

Maintain and enhance the vitality of commercial, industrial, and retail sectors in order to provide employment and tax base.

Rationale:

Recognizing the realities of economic and business cycles that will likely impact current and future economic growth engines, seek to increase the role and contribution of sectors such as education and health services.

Policy ED-B.1: Evaluate and revise aggressiveness of development incentives. Preserve flexibility in incentive “toolkit” as economic and demographic trends change over the next decade.

Policy ED-B.2: Encourage private investment through continued public investment in facilities, infrastructure and services, such as parks, roadways and improved police patrols. Develop policies and programs to direct capital funds and improvements into targeted commercial areas that meet defined criteria.

Goal ED-C: Residential Vitality (see [Housing](#) & [Land Use](#) Elements for policies)

Maintain and enhance the vitality of residential neighborhoods in order to provide housing for local employees as well as future housing to draw quality retail opportunities.



Goal ED-D: Local and Regional Shopping

Enhance and expand local and regional shopping, dining, and entertainment opportunities in Broomfield. The terms “local” and “regional” apply both to ownership (e.g., local versus nonlocal ownership) as well as “draw” (e.g., Flatirons mall is a regional draw to Broomfield).

Policy ED-D.1: Support desirable neighborhood-scale retail.

Policy ED-D.2: Encourage new retail development in the northeastern part of the community.

Policy ED-D.3: Develop the Civic Center with the primary criterion for success being the economic health and socially vibrancy of Broomfield.

Policy ED-D.4: As more retail shopping occurs online, mitigate the impacts this trend may have on sales tax and retail property tax revenues in the short and long term.

Goal ED-E: Amenities, Events, and Activities

Enhance and expand local and regional amenities, events, and activities.

Rationale:

Broomfield's location adjacent to a regional airport and a highly sophisticated business park, as well as being situated between the growing economic centers of Denver and Boulder, Broomfield has the opportunity to attract a potentially large number of business visitors as well as tourists. These people could easily be looking for secondary entertainment and/or leisure which, if not available in Broomfield, could encourage them to just pass through to find areas of interest elsewhere.

For decades, Broomfield has worked to attract these and other nonresidents to shopping and entertainment venues within the community in order to capture a greater share of sales tax dollars—opening Flatiron Crossings mall and the 1STBANK Center successfully reflects such efforts. Changing demographics and shopping behaviors have presented a challenge for existing retail and entertainment venues in attracting shoppers, proving that these venues must continuously reinvest to remain relevant. Much attention and investment has gone into establishing and maintaining these industries, and the City and County would like to continue to develop them further.

Policy ED-E.1: Increase use of the 1STBANK Center to raise Broomfield's visibility in the region.

Action Step ED-E.1.1: Collaborate with 1STBANK Center to host local events.

Action Step ED-E.1.2: Promote/enhance other local events and venues.

Action Step ED-E.1.3: Support programming at new Civic Center.



Goal ED-F: Streamline and Simplify Development Processes (see [Land Use](#) Element for additional policies)

Review land development regulations to eliminate the piecemeal nature of layered review standards in order to reduce bureaucratic barriers to quality development.

Goal ED-G: Adequate Tax Base

Ensure an adequate property and sales tax base to support quality community services, facilities, and amenities as identified within the [Long-Range Financial Plan](#), and without placing an undue tax burden on citizens.

Policy ED-G.1: Ensure that there is enough commercial growth to support residential growth.

Policy ED-G.2: Update formula that determines the impact of proposed zoning changes on the [Long-Range Financial Plan](#).

Goal ED-H: Benefits of Future Land Use Amendments

Evaluate the economic benefit of designating developable land into open space.

Policy ED-H.1: Coordinate with the Open Space and Trails group, Open Space and Trails Advisory Committee (OSTAC), and Broomfield staff to review the open lands goal from an economic perspective.

Policy ED-H.2: Study the impact of open space acquisition on the price of remaining available land.

Goal ED-I: Continue to Enhance Workforce Development in Broomfield

Work with public- and private-sector partners to support the connection between people and jobs.

Policy ED-I.1: Support the workforce center, educational institutions, and private nonprofits that provide workforce training and job placement.

Policy ED-I.2: Continue to leverage existing funding, while seeking to find alternative sources of funding, to support job training.

