

**TO:** Denver City Council  
**FROM:** Julie Underdahl, Chair, Denver Planning Board  
**DATE:** February 9, 2017  
**RE:** **BR17-0055** Amendment to St. Anthony Urban Redevelopment Plan for the Sloans Block 3 Project and Sales Tax Increment Area

**Planning Board Finding**

The Denver Planning Board is pleased to forward its finding to City Council that the proposed Amendment to St. Anthony Urban Redevelopment Plan (Plan) for the Sloans Block 3 Project and Sales Tax Increment Area conforms to the Denver Comprehensive Plan 2000 and all related supplements. This finding is required by the Colorado Revised Statutes, Sec. 31-25-107(2). Planning Board made its finding by a vote of 7-0, with one recusal, at its regular meeting on January 18, 2017.

**Sloans Block 3 Project**

The proposed Urban Redevelopment Plan Amendment for the Sloans Block 3 Project will amend the Plan to approve the Block 3 Project and will create two new sales tax increment areas within Block 3. The proposed Plan amendment would enable the redevelopment of Block 3, which is bounded by West 17<sup>th</sup> Avenue on the north, West 16<sup>th</sup> Avenue on the south, Perry Street on the east and Quitman Street on the west. The Project would include the following:

- Rehabilitation of the 44,000-square foot historic Kuhlman Building, a former nurse’s dormitory, into 49 affordable rental apartments at 60% of Area Median Income (“AMI”).
- Rehabilitation of the auditorium attached to the Kuhlman Building into a 5,000-square foot retail/restaurant space.
- Construction of 2,500 square feet of new retail/restaurant space.
- Construction of approximately 25 new, market rate townhomes.
- Installation of streets, utilities and public space within the site, as well as storm drainage facilities for Block 3 and adjacent blocks.



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DURA staff has concluded that the Project requires the use of tax increment financing. Accordingly, City Council is requested to approve an amendment to the St. Anthony Urban Redevelopment Plan to approve the Sloans Block 3 Project and establish two new sales tax increment areas on the block. DURA has met, and will continue to meet with the appropriate community organizations to describe the project and discuss the public hearing before City Council on this matter.

Block 3 is zoned C-MX-5/DO-5 (Urban Center, Mixed Use, with a 5-story height limit / Design Overlay 5). The Design Overlay 5 applies additional building height limitations that create a transition down in height from the new higher-intensity development to surrounding lower-intensity residential neighborhoods and uses, and Sloan's Lake Park. No change in the zoning of the block is anticipated.

### **St. Anthony Redevelopment Plan and Area**

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The Block 3 Project is within St. Anthony Urban Redevelopment Area (URA) established in 2013. The main objectives of the St. Anthony Urban Redevelopment Plan were to establish the URA; and to reduce or eliminate blighted conditions and stimulate the growth and development of the URA and its surroundings. The URA is centered on the former St. Anthony Central Hospital campus and encompasses all or portions of about 9 city blocks. The total URA is approximately 32 acres. The URA is in the West Colfax neighborhood and is bounded by 17<sup>th</sup> Avenue on the north, West Colfax Avenue on the south, Perry Street on the east and Stuart Street on the west.

The St. Anthony Redevelopment Plan authorizes both Property and Sales Tax Increment Financing (TIF), though initially only a property tax increment area was established. At the time, it was anticipated that a sales tax increment area would be established in the future. The original URP established that all future projects seeking to use TIF funding, and future TIF areas, would be separately evaluated and approved by City Council authorization. At the time, there were projects being contemplated for Block 3, the Kuhlman Parcel, but they had not been finalized. As projects requiring DURA participation are identified they are being brought forward as amendments to the Plan, to be approved by City Council on a case by case basis, at which time additional, project specific tax increment areas may be created.

### **Analysis of Conformity with City Plans**

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At the January 18 Planning Board meeting CPD staff recommended that the proposed Amendment to St. Anthony Urban Redevelopment Plan for Sloans Block 3 Project and Sales Tax Increment Areas conforms with the adopted plans that apply to the subject property, Denver Comprehensive Plan 2000, Blueprint Denver (2002) and the West Colfax Plan (2006). (See the attached Planning Board staff report for details.) This recommendation is consistent with the 2013 establishment of the original St. Anthony Urban Redevelopment Plan.

### **The Final Denver Planning Board Finding**

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Based on the CPD staff report and Planning Board deliberations at its January 18, 2017 meeting, the Denver Planning Board finds that the proposed Amendment to St. Anthony Urban Redevelopment Plan for Sloans Block 3 Project and Sales Tax Increment Areas conforms to the Denver Comprehensive Plan and its applicable supplements.

### **Attachments**

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1. CPD Planning Board Block 3 staff report

**TO:** Denver Planning Board, Julie Underdahl, Chair  
**FROM:** Theresa Lucero, Senior City Planner  
**DATE:** January 10, 2017  
**RE:** Amendment to St. Anthony Urban Redevelopment Plan for Sloans Block 3 Project and Sales Tax Increment Areas

**A. Planning Board Authority**

For Urban Redevelopment Plans (URP) and their amendments, Colorado law requires that the Planning Board for the jurisdiction review the URP and determine whether it conforms with the jurisdiction’s Comprehensive Plan (Colorado Revised Statutes 31-25-107(2)). If Planning Board makes such a determination, Denver Urban Renewal Authority (DURA) staff and Community Planning and Development staff then convey the Planning Board finding to the City Council for the Council’s approval of the URP, or it’s amendment.

**B. Staff Recommendation**

CPD staff finds that Amendment to St. Anthony Urban Redevelopment Plan for Sloans Block 3 Project and Sales Tax Increment Areas is consistent with the Denver Comprehensive Plan, and the Plan’s adopted supplemental plans, and recommends that Planning Board make this same finding.

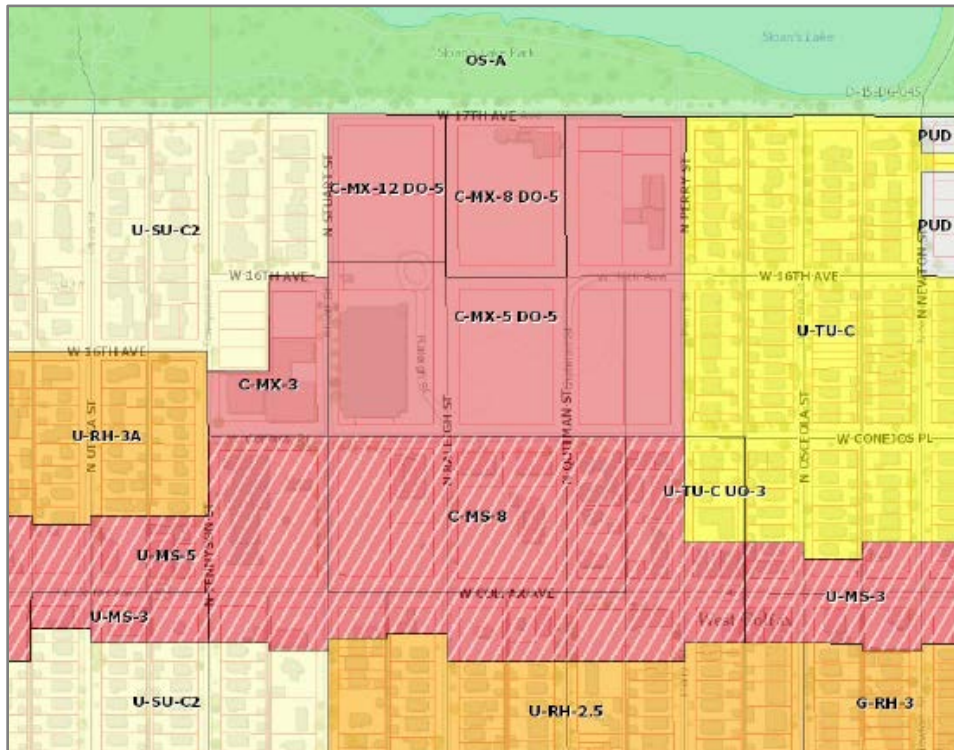
**C. St. Anthony Redevelopment Area**

The proposed Urban Redevelopment Area (URA) is centered on the former St. Anthony Central Hospital campus and totals approximately 32 acres. The URA is in the West Colfax neighborhood and is bounded by 17<sup>th</sup> Avenue on the north, West Colfax Avenue on the south, Perry Street on the east and Stuart Street on the west.



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The URA encompasses all or portions of about 9 city blocks. See the following map for the zoning of the site. The Design Overlay 5 on blocks 1 through 6 applies additional building height limitations that create a transition down in height from the new higher-intensity development to surrounding lower-intensity residential neighborhoods and uses, and Sloan's Lake Park. The Use Overlay on the East ½ of Block 9 is an Historic Structure Use Overlay which establishes limited commercial land uses (Office, Art Studio and Bed and Breakfast Lodging) in structures designated for preservation by the Landmark Preservation Commission.



The redevelopment of Blocks 4-7 is nearly complete, and the zoning is approved for Blocks 1 and 2. Block 8 is occupied by two 3-story apartment structures and an 18-story high-rise building for seniors. The nearby surrounding community to the east and west of the former hospital campus is a mix of predominately single unit dwellings and low-rise multi-unit structures.

#### **D. Urban Redevelopment Plan**

The proposed Urban Redevelopment Plan establishes the Urban Redevelopment Area for the St. Anthony Redevelopment Area. The general objectives of the plan are to reduce or eliminate blighted conditions and to stimulate the growth and development of the Urban Redevelopment Area and its surroundings. More specifically, the Urban Redevelopment Plan seeks to encourage reinvestment in the St. Anthony area, a pedestrian-friendly environment, moderate to high density residential development, and a mix of land uses and commercial redevelopment opportunities with reuse of some existing buildings.

The St. Anthony Redevelopment Plan authorizes both Property and Sales Tax Increment Financing (TIF), though initially only a property tax increment area was established. It was anticipated that a sales tax increment area would be established in the future. In the future all projects seeking to use TIF funding and future TIF areas will be separately evaluated and approved by City Council authorization.

### E. Urban Redevelopment Plan Amendment

The proposed Urban Redevelopment Plan Amendment for the Sloans Block 3 Project will amend the URP to approve the Block 3 Project and will create two new sales tax increment areas within Block 3. The proposed URP amendment would enable the redevelopment of Block 3, which is bounded by West 17<sup>th</sup> Avenue on the north, West 16<sup>th</sup> Avenue on the south, Perry Street on the east and Quitman Street on the west. The Project would include the following:

- Rehabilitation of the 44,000-square foot historic Kuhlman Building, a former nurse’s dormitory, into 49 affordable rental apartments at 60% of Area Median Income (“AMI”).
- Rehabilitation of the auditorium attached to the Kuhlman Building into a 5,000-square foot retail/restaurant space.
- Construction of 2,500 square feet of new retail/restaurant space.
- Construction of approximately 25 new, market rate townhomes.
- Installation of streets, utilities and public space within the site, as well as storm drainage facilities for Block 3 and adjacent blocks.



DURA staff has concluded that the Project requires the use of tax increment financing. Accordingly, City Council will be requested to approve two sales tax increment areas within Block 3, and the St. Anthony Urban Redevelopment Plan will be amended to approve the Project and establish two new sales tax increment areas. DURA has met, and will continue to meet with the appropriate community organizations to describe the project and discuss the public hearing before City Council on this matter.

## **F. Analysis of Conformity with City Plans**

The proposed Amendment to St. Anthony Urban Redevelopment Plan for Sloans Block 3 Project and Sales Tax Increment Areas conforms with the adopted plans that apply to the subject property, Denver Comprehensive Plan 2000, Blueprint Denver (2002) and the West Colfax Plan (2006).

### **Denver Comprehensive Plan (2000)**

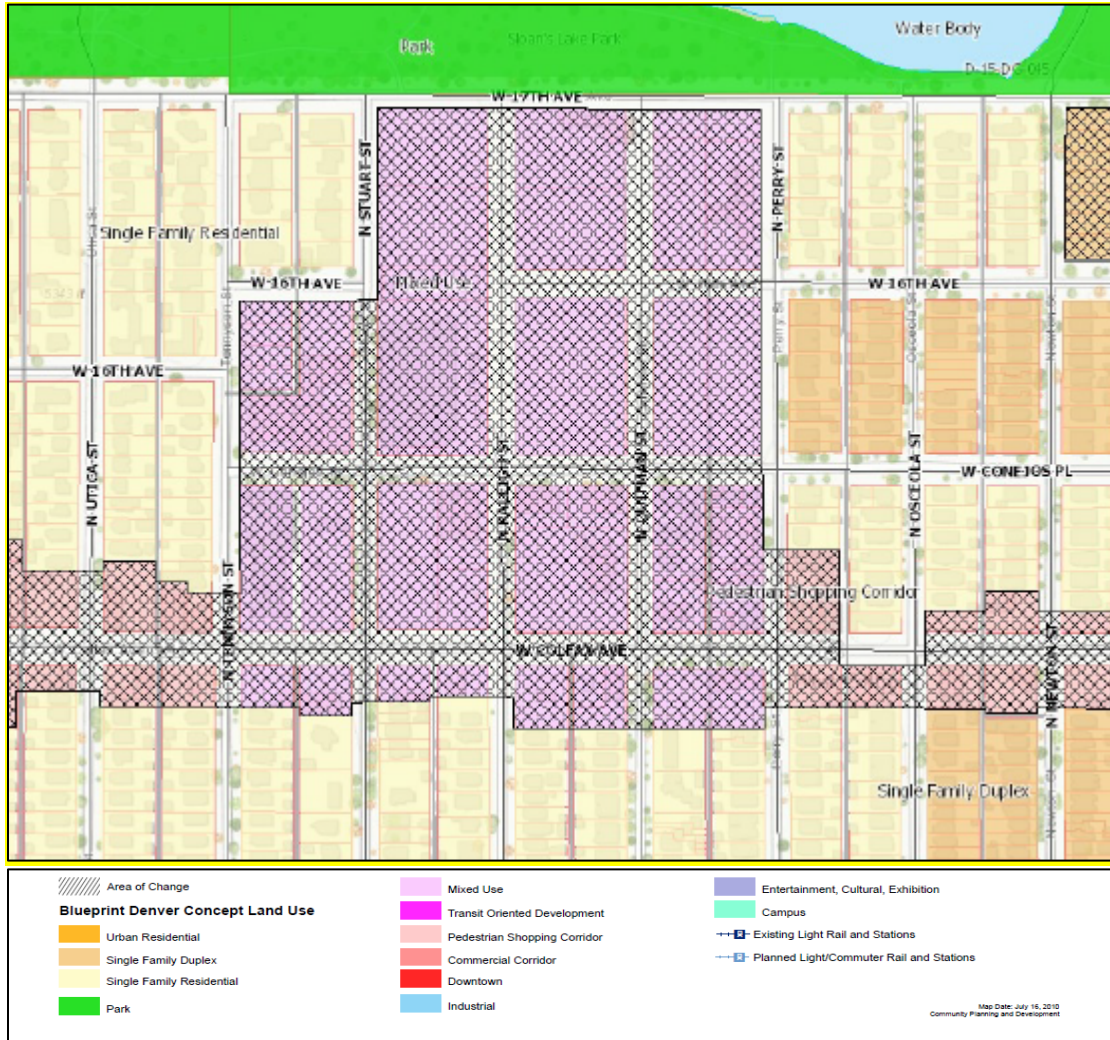
CPD Staff finds that the proposed Amendment to St. Anthony Urban Redevelopment Plan for Sloans Block 3 Project and Sales Tax Increment Areas conforms with many strategies of Denver Comprehensive Plan 2000 and its applicable supplements, including those detailed below.

- Protect and improve air quality by: Reducing vehicular pollution by expanding the use of transit and other travel alternatives, supporting telecommuting and home-based employment, increasing the mix of uses within neighborhoods, and expanding the use of alternative fuels (*Environmental Sustainability Strategy 2-B, Page 38*).
- Conserve raw materials by: Promoting efforts to adapt existing buildings for new uses, rather than destroying them (*Environmental Sustainability Strategy 2-E, Page 39*).
- Conserve land by promoting infill development within Denver at sites where service and infrastructure are already in place, by designing mixed-use communities and reducing sprawl, and by creating more density at transit nodes (*Environmental Sustainability Strategy 2-F, Page 39*)
- Promote the development of sustainable communities and centers of activity where shopping, jobs, recreation and schools are accessible by multiple forms of transportation, providing opportunities for people to live where they work. (*Environmental Sustainability Strategy 4-A, Page 41*)
- Encourage development of housing that meets the increasingly diverse needs of Denver's present and future residents in the Citywide Land Use and Transportation Plan. (*Land Use Strategy 1-H, Page 58*)
- Encourage quality infill development that is consistent with the character of the surrounding neighborhood; that offers opportunities for increased density and more amenities; and that broadens the variety of compatible uses. (*Land Use Strategy 3-B, Page 60*)
- Identify and enhance existing focal points in neighborhoods, and encourage the development of such focal points where none exist. (*Land Use Strategy 3-D, Page 60*)
- Encourage mixed-use, transit-oriented development that makes effective use of existing transportation infrastructure, supports transit stations, increases transit patronage, reduces impact on the environment, and encourages vibrant urban centers and neighborhoods. (*Land Use Strategy 4-A, Page 60*)
- Ensure that land-use policies and decisions support a variety of mobility choices, including light rail, buses, para-transit, walking and bicycling, as well as convenient access for people with disabilities. (*Land Use Strategy 4-B, Page 60*)
- Promote transit-oriented development (TOD) as an urban design framework for urban centers and development areas. Development at transit stations should provide both higher ridership to the transit system and viability and walkability in the area. (*Mobility Strategy 3-B, Page 77*)
- Continue to promote mixed-use development, which enables people to live near work, retail and services. (*Mobility Strategy 4-E, Page 78*)
- Determine the potential for transit-oriented development at public transit stations, and encourage such opportunities whenever possible. (*Mobility Strategy 5-D, Page 79*)
- Invest in public infrastructure and amenities strategically to promote community identity and attract development. (*Legacies Strategy 1-E, Page 98*)
- Identify areas in which increased density and new uses are desirable and can be accommodated. (*Legacies Strategy 3-A, Page 99*)
- Create regulations and incentives that encourage high-quality, mixed-use development at densities that will support Denver's diverse housing needs and public transportation alternatives. (*Legacies Strategy 3-B, Page 99*)
- Preserve, enhance and extend the pattern and character of the primary street system, including the prevailing grid, interconnected parkways, detached sidewalks and tree lawns. (*Legacies Strategy 4-A, Page 99*)

- Focus incentives and design controls on private development fronting major new, existing and historic roadway corridors, including parkways, boulevards and avenues citywide. Specifically recognize and address significant intersections and gateways to the city. (*Legacies Strategy 4-B, Page 99*)
  - Support mixed-use development consistent with the goals of the Comprehensive Plan's land-use and mobility strategies. (*Housing Strategy 6-A, Page 117*)
    - Continue to support mixed-income housing development that includes affordable rental and for-purchase housing for lower-income, entry-level and service employees, especially in Downtown and along transit lines. (*Housing Strategy 6-B, Page 117*)
      - Identify and capitalize on opportunities to develop housing along transit lines. (*Housing Strategy 6-E, Page 118*)
        - Continue to strengthen and, where necessary, revitalize Denver's commercial corridors, such as East and West Colfax, Broadway, Colorado Boulevard, East Evans and South Federal. (*Economic Activity Strategy 4-B, Page 135*)
          - Use public-private partnerships to facilitate development and redevelopment projects that advance the City's goals and objectives. When appropriate, take advantage of the Denver Urban Renewal Authority's powers and experience. (*Economic Activity Strategy 4-C, Page 136*)
            - Establish priorities for small-area planning of neighborhoods characterized by evidence of disinvestment, a great amount of change is anticipated, needs for physical improvements, opportunities for infill or redevelopment, and opportunities for development in conjunction with a transit station. (*Neighborhood Strategy 1-B, Page 149*)
              - Ensure high-quality urban design in neighborhoods by enhancing their distinctive natural, historic and cultural characteristics; strengthen neighborhood connections to urban centers; and reinforce Denver's unifying design features such as street trees in the tree lawns, parkways and the grid street system. (*Neighborhood Strategy 1-D, Page 150*).            - Ensure that development provides for mixed uses, allowing people of all income levels the opportunity to find housing near their jobs or find jobs near their homes. (*Metropolitan Cooperation Strategy 2-D, Page 216*)

### **Blueprint Denver (2002)**

The entirety of the St. Anthony Redevelopment Area is located within an Area of Change with a concept land use of Mixed Use (see the Blueprint Denver Map below). Areas of Change represent areas of the City where change is desirable. Mixed Use areas are more intense areas with sizeable employment and residential bases.



### **West Colfax Plan (2006)**

The entire Urban Redevelopment Area is in the West Colfax statistical neighborhood. The West Colfax Plan was adopted in September 2006. The Plan identifies specific locations in the West Colfax area where strategic increases in residential densities and redevelopment of vacant, underutilized parcels may be beneficial. Redevelopment of the Saint Anthony Central Hospital site is described as a “catalyst redevelopment opportunity” for the entire West Colfax area. The West Colfax Plan envisions a scale and quality of development at the location that will bring an influx of new residents and a mix of commercial activities that promote West Colfax and its environs as a destination. The following general land use, urban design and mobility goals and recommendations for development in the West Colfax area are provided in the West Colfax Plan.

- Focus intense development to strategic growth areas at the edges of neighborhoods along Main Street corridors or in neighborhood centers such as transit station areas and town centers. (Land Use Goals, p. 93)
- Promote development that includes formal, useable public gathering spaces such as plazas, pocket parks, amphitheaters and gardens. Encourage development that increases opportunities for informal public gathering with stoops, terraces, courtyards, balconies and other places where natural, unexpected community interaction may occur. (Land Use Recommendation 4, p. 95)
- Introduce a greater share of market rate housing units. Diversify housing options and encourage a healthy urban mix of incomes. Promote a range of housing types and costs at higher densities in strategic locations (town centers, station areas, main streets). (Land Use Recommendation 6, p. 95)



- *Support infill development. Mixed-use projects that include housing (combining low-income, affordable and market rate units) or offices over active ground floor uses (shops, restaurants and services) are especially appropriate in town centers, along main streets and in close proximity to transit stops. Consider the complementary nature of a project in the context of surrounding or nearby uses. Encourage both horizontal and vertical mixed-use development. Minimize new development with extremely low site coverage ratios and discourage low density, single use development with excessive parking. (Land Use Recommendation 7, p. 96)*
- *Per the plan’s vision, if population and housing densities increase both strategically and dramatically, it will be important to maintain a high level of community amenities and services for residents, such as adequate libraries, recreation centers, health care facilities and schools. (Land Use Recommendation 12, p. 98)*
- *With redevelopment around station areas, along main streets and in town centers integrate pocket parks, plazas, courtyards and other urban open spaces that provide “breathing room” for residents and visitors. (Land Use Recommendation 13, p. 98)*
- *The plan establishes an urban design framework for a hierarchy of streets to serve a variety of mobility functions and promote safe and pleasant multi-modal connections throughout the neighborhood and to key destinations such as transit stations, town centers, schools and parks. For this hierarchy of streets establish ideal street cross sections that enhance the character and identified function of the streets. (Mobility Recommendation 4, p. 109)*
- *As property redevelops, study the possibility of reconnecting the street grid within the study area. (Mobility Recommendation 7, p. 111)*
- *Target deteriorated, vacant and underutilized properties for reinvestment. (Economic Development Recommendation 2, p. 116)*

*The West Colfax Plan also defines districts within the West Colfax area to help provide guidance regarding the appropriate character and scale of an area. The Urban Redevelopment Area is identified in the West Colfax Plan as a “Town Center District” whose function is to serve as the heart of the surrounding community. The West Colfax Plan includes the following specific recommendations for Town Center Districts (pages 129-130):*

- *Focus the most intense structures and uses to a dense core surrounding a community gathering place. Ring this dense core with medium intensity structures that taper in height, mass and scale to a fringe area where the town center blends with surrounding neighborhoods.*
- *Ensure a dynamic mix of uses to serve the daily needs of nearby residents and destination itineraries of regional visitors. Shops, restaurants, entertainment, civic amenities (satellite libraries, recreation centers, postal facilities) and services (dry cleaners, day care) are especially appropriate uses to serve nearby offices and residents.*
- *Offer a broad mix of housing types, occupancy status, densities and costs.*
- *Create a form-based Town Center zone district.*
- *Require that a General Development Plan accompany the application of Town Center zoning to ensure the rational and strategic growth of these places. Include standards for the development of streets, water quality management and infrastructure upgrades.*
- *Require Planning Board adoption of a Town Center General Development Plan to ensure adequate opportunity for property owner participation, community involvement and public comment.*
- *Work with OED, the Authority, CHAFA, DHA, DPS, Piton, the Enterprise Foundation and other entities to establish partnership tools to aid in Town Center redevelopment.*
- *Work with OED and the Authority to craft financing strategies to stimulate investment in the area.*

## **G. Staff Recommendation**

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Staff recommends that the Planning Board find the proposed Amendment to St. Anthony Urban Redevelopment Plan for Sloans Block 3 Project and Sales Tax Increment Areas to be in conformance with the Denver Comprehensive Plan and applicable Plan supplements.