

Frequently Asked Questions – Proposed Real Estate Transaction with Denver Public Schools

March 1, 2013

What is the proposed transaction that City Council is being asked to approve?

City Council is being asked to approve an exchange of 11.5 acres of City-owned land at E. Girard and S. Havana Streets for a 46,000 sq. ft. building at 1330 Fox Street. The City-owned property includes 6 acres within the Real Estate portfolio and the remainder located within the area known as the Hampden Heights Open Space (HHOS). 9 acres of the total 11.5 were previously designated as Natural Area and underwent a de-designation process as outlined by Denver Parks & Recreation (DPR) department's Rules and Regulations. The building at 1330 Fox Street is currently owned by Denver Public Schools (DPS) and will be used as the location of the Rose Amond Domestic Violence Center. This transaction will fulfill critical community-wide needs for a new school in this severely overcrowded area and a one-stop resource center for victims of domestic violence.

What commitments has DPS made regarding the school facility at the proposed site?

DPS has committed that the HHOS land will only be used for school purposes (via letter from Tom Boasberg and restrictive use covenant on the land). Additional commitments include: providing educators with the ability to include environmental learning and outdoor education in the school's curriculum, construction of multiple play fields and open green areas that will be available for youth sports and other DPR programming, and public input as a part of the design phase of the facility through the Design Advisory Group.

Why is DPS looking for land in SE Denver?

DPS needs this new school, because southeast Denver has experienced severe elementary school overcrowding in the past five years. To alleviate the overcrowding, and to meet preschool needs and elementary growth demands, DPS will require approximately 500 new school seats to serve kids in the area adequately. DPS simply does not have space for more students in schools that are already severely overcrowded.

DPS has taken a number of short-term steps to address the shortage of classroom seats in the region: 1) they have added three modular units at Samuels; 2) they redesigned the library at Southmoor to add a classroom; and 3) they moved fifth-grade classrooms out of Holm and relocated them to a neighboring middle school, shuttling students back and forth hourly for special programming.

Were other sites considered by DPS for location of a school?

Yes. Beginning in 2010, DPS underwent an exhaustive search for a minimum 10-acre school site to accommodate a new elementary school, to relieve severe overcrowding in the area. A search for appropriate sites in this area yielded no viable alternatives. Options explored included sites as far away as the Tech Center, both vacant land and existing facilities, and re-purposing of existing DPS school sites including Hamilton Middle School and Thomas Jefferson High School. Hamilton, a middle school

building will not work because it is too full of students to house an additional elementary program and Thomas Jefferson is both farther from where the core need is and does not have adequate space to accommodate a full elementary program. 750 elementary age children live within one mile of the proposed site, making it an ideal geographical fit. This site represents the only viable option to meet DPS's needs in the area.

Were appraisals done on the two sites under consideration for transfer?

Yes. The DPS owned parcel at 1330 Fox Street appraised at \$3.9 million and the 11.5 acre city-owned parcel was appraised at \$3.2 million. The difference of \$705,000 owed to DPS will be covered through \$355,000 paid by the Center's private fundraising efforts and \$350,000 paid by the City at the time of transfer. All improvements to 1330 Fox St. will be funded through the Center's private fundraising efforts, but the building will remain a City-owned asset.

What is the estimated cost differential for new building versus rehab of existing facilities?

Current costs associated with rehab of the building at 1330 Fox are estimated at \$5,950,700 (or \$129 per square foot). That cost includes site development costs, design, construction, and remediation of asbestos, as well as Furniture Fixtures & Equipment. Comparatively, costs for a new building, including design and construction, additional land acquisition for parking, site development costs and FF&E, are estimated to be in excess of \$15.4 million (or \$335 per square foot). The additional necessary fundraising associated with new construction would be prohibitive. Additionally, acquisition of a building that can be opened this year demonstrates the project's viability to other potential donors, aiding in securing long-term funding for operations of the Center.

What is the purpose of the Rose Aodom Center?

The Rose Aodom Center will provide centralized, coordinated services for domestic violence victims involving 25 distinct agencies, including resource providers from both community-based organizations and the criminal justice system. Housing multiple providers under one roof will increase the efficiency and effectiveness of service delivery to the anticipated 3000+ victims per year the Center will assist. The Center will not be a location for processing domestic violence offenders and will not provide shelter or housing at that location. The Fox Street location is ideal in its close proximity to transit, courts and police.

Were other sites considered for the Rose Aodom Center?

Yes. Over the course of several years, the Domestic Violence Center Planning Committee has explored several sites, seeking a minimum of 30,000sf ideally consolidated into one space. The center is constrained by both costs – the project is funded by gifts, grants and donations – and location. In order to ensure active participation by all necessary agencies, the facility needs to be centrally located. Other locations considered presented challenges with space, location or cost. 333 W. Colfax and 110 16th Street were both considered, but are more than 80% occupied, limiting available space to small pockets on multiple floors and requiring annual lease expenditures. Additionally, several city-owned facilities were considered and ruled out because of other city needs (200 W. 14th Avenue), location challenges (Arie P. Taylor and 2855 Tremont), or costs for renovation (PADF).

Is the vacant city owned lot at 14th and Elati a possibility for locating the Rose Andom Center?

No. Costs to build a new facility at this site would be prohibitive (see cost comparison above). Additionally, the site would likely require subterranean parking or addition of acreage due to its size constraints, adding to overall costs. The lots at 14th and Elati have an appraised value of \$2.263 million, also making the possible sale of this land with proceeds dedicated to purchase of 1330 Fox not viable (appraised value at 1330 Fox is \$3.9 million).

Does this set a precedent for future actions by this Administration related to Parks and natural areas?

No. Mayor Hancock and Manager of Parks and Recreation Lauri Dannemiller are committed to preserving and enhancing our parks and open spaces. We have added more than 225 acres of new park land in the last 5 years. Just recently, we added 5 acres of natural area in Montbello and are in the process of adding 24 acres of natural area in an underserved neighborhood (at Heron Pond in Globeville). In the next 5 years, DPR is projected to add approximately 140 additional new acres to our parks portfolio. All of this amounts to no net loss in park acreage. Councilwoman Lehmann is also sponsoring an ordinance to designate the remaining undesignated 15 acres of Hentzell Park to preserve its use as parkland for the future. In addition, Lauri Dannemiller has presented a two phase plan to formally designate by ordinance 18 additional park areas/open spaces as city parks, totaling 465.1 acres.

Will any native species be lost through this transaction?

No. The entire HHOS area is 26.3 acres and any wildlife currently occupying the 9 acres of de-designated natural area that are part of the proposed land swap can be sustained on the remaining acreage. Vegetative cover has already been significantly degraded on the parcel and it contains no geological formations or water corridors. Adjacent wetlands and riparian zone of Cherry Creek are excluded from the proposed 9 acres. A small portion of the parcel is located in a floodplain, but Public Works will work with DPS to address this and minimize any impacts through the site plan process. Work is also being done in this area by Urban Drainage & Flood Control.

What public notification/outreach was done as part of the de-designation process?

*The HHOS site was posted with signage 45 days in advance of the first DPRAB meeting on November 8th, as well as publication of required public notice in the Daily Journal 45 days prior to the public hearing.

*Per DPR Rules and Regulations, RNOs within 200 feet of the site were notified of the proposed de-designation by mail. Those RNOs contacted include: INC, Cherry Creek HOA, Hampden Heights Civic Association, Highline Club HOA, Woodstream Falls Condo Association, Dayton Green, Chestnut Ridge, and Provence Town Condo Association.

*DPS individually flyer homes in the neighborhood, notifying residents of upcoming public meetings and the DPRAB public hearing.

*DPR met with INC – PARC on October 15th

*Councilwoman Lehmann included information in her October, November and December newsletters

*Public meeting at Holm Elementary on November 1st. Representatives from DPS, DPR and the Mayor's Office were present. RNOs invited to attend the meeting included: Hampden Heights Civic Association, Highline Club HOA, Woodstream Falls Condo Association, and the Cherry Creek HOA. INC – PARC committee and INC Co-Chairs were also invited. Presentations were made by DPS, DPR and Councilwoman Lehmann.

*Information has been posted on a Hentzell Park page on the City's website, including comments both for and against, since the November 8th DPRAB meeting. DPS also had information posted on their website.

*Public testimony was taken at two DPRAB meetings on November 8th and December 13th and written comments were accepted both before and for 30 days after the initial public hearing.