



TO: Land Use, Transportation, and Infrastructure Committee (LUTI)
FROM: James Van Hooser, Senior City Planner
DATE: May 13, 2020
RE: Official Zoning Map Amendment Application #2020I-00169

Staff Report and Recommendation

Based on the criteria for review in the Denver Zoning Code, Staff recommends that the Land Use, Transportation, and Infrastructure Committee move Application #2020I-00169 to the full City Council.

Request for Rezoning

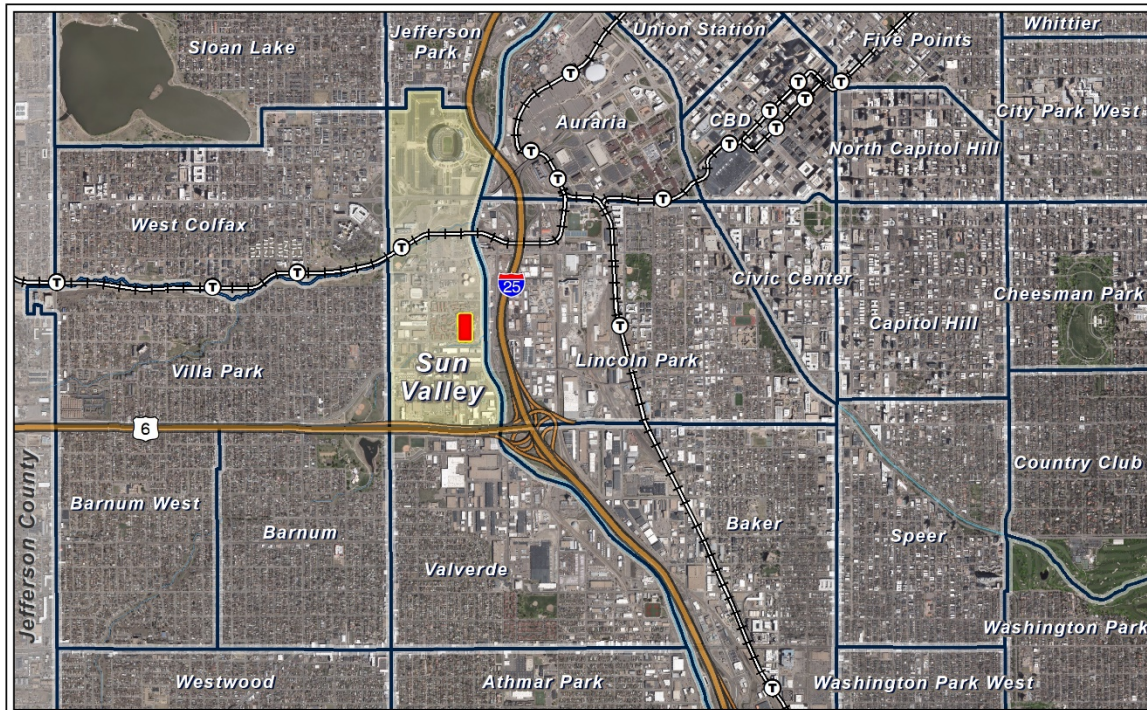
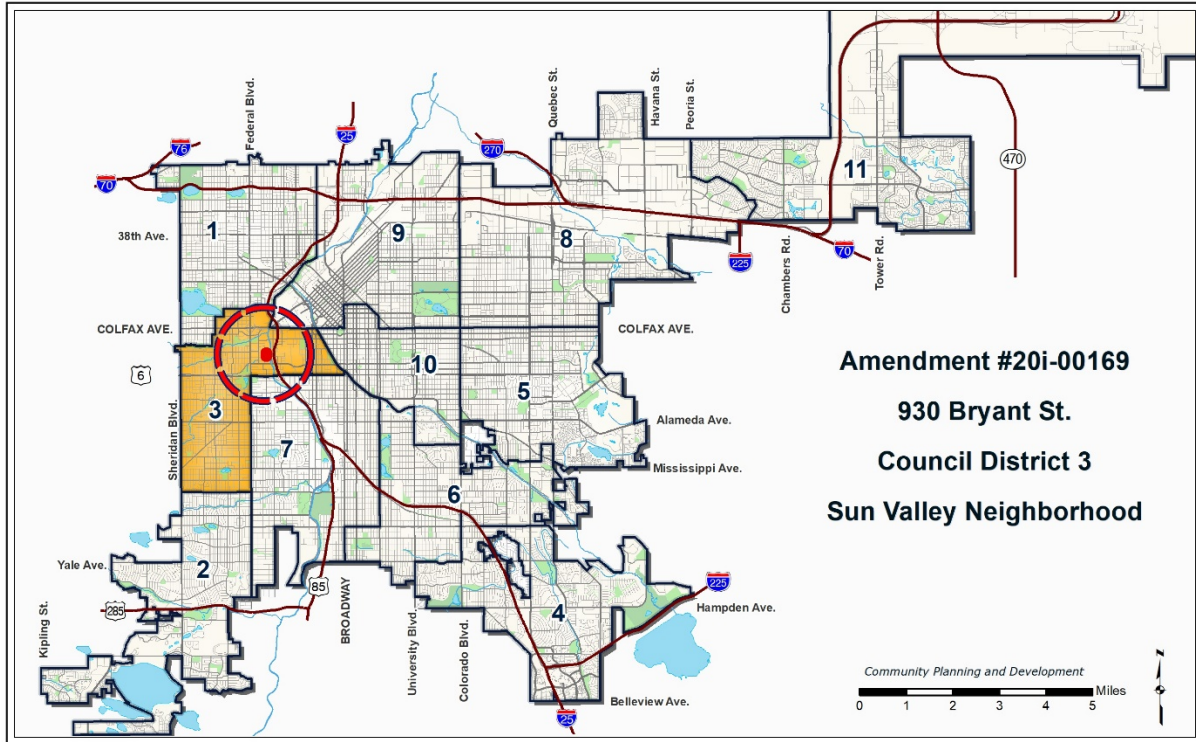
Address: 930 N Bryant Street, 2449 W 10th Avenue, 991 N Alcott Way
Neighborhood/Council District: Sun Valley / Council District 3
RNOs: Inter-Neighborhood Cooperation (INC), United Northwest Denver, District 3 Neighborhood Coalition, Sun Valley Community Coalition, Center City Denver Residents Organization
Area of Property: 3.28 acres
Current Zoning: C-RX-8, UO-3
Proposed Zoning: C-MX-12
Property Owner(s): Denver Housing Authority
Owner Representative: Annie Hancock

Summary of Rezoning Request

- The property is in the Sun Valley statistical neighborhood at the southwest corner of 32nd Street and Walnut Street.
- The property, owned by the Denver Housing Authority, is currently occupied by 1 and 2 story multi-unit affordable housing.
- The applicant is requesting this rezoning to enable mixed-use redevelopment, inclusive of a mixed income multi-unit residential development with a restaurant incubator and a business/maker space as well as a senior-living and disabled development.
- The proposed zone district, C-MX-12, can be summarized as follows (see map below illustrating proposed zone district):
 - The C-MX-12 zone district stands for Urban **C**enter, **M**ixed Use, with a maximum height of **12** stories. The C-MX zone districts are mixed-use zone districts that allow a wide range of residential and commercial uses with minimum build-to and increased transparency requirements intended to promote active pedestrian areas on public streets. The C-MX-12 zone district allows up to 12 stories and 150 feet in building height. Further details of the requested zone district can be found in the proposed zone district section of the staff report below and in Article 7 of the Denver Zoning Code (DZC)

- The existing UO-3 Overlay is not relevant to the proposed rezoning and will not be retained.

Existing Context





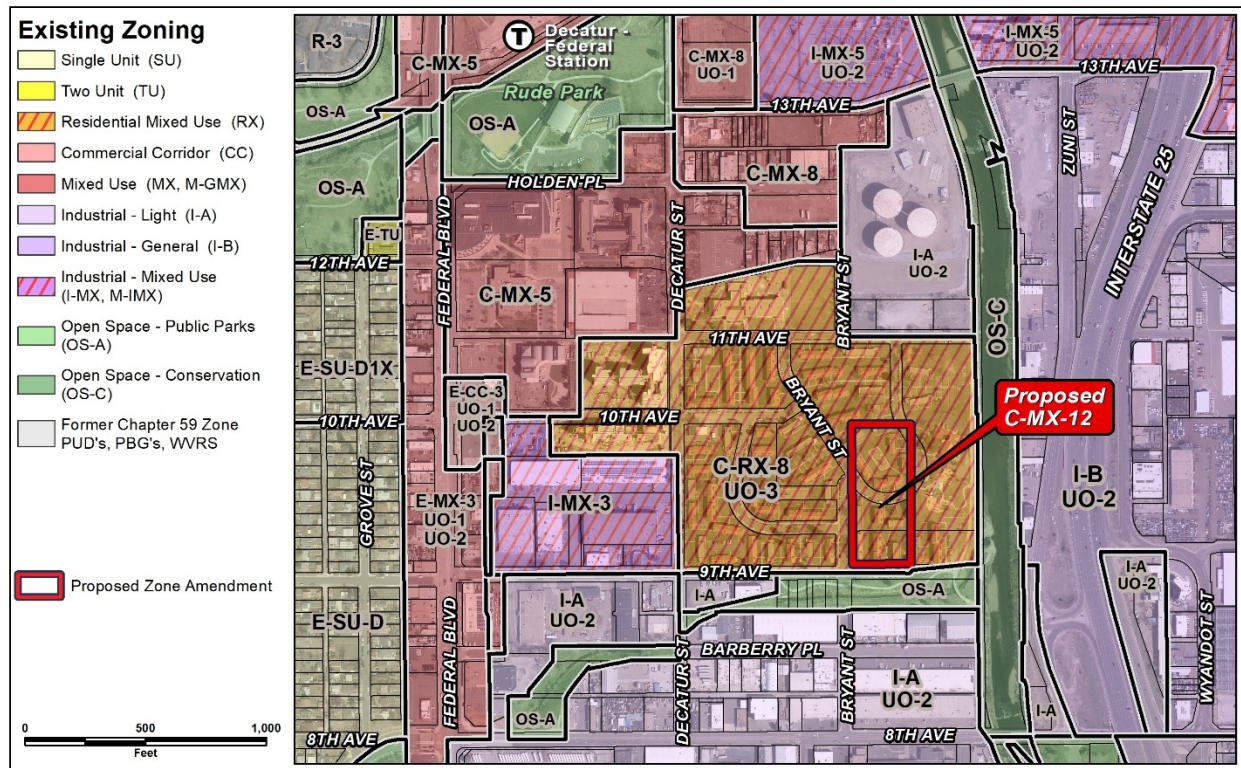
The subject property is located within the Sun Valley Neighborhood, less than ½ mile southeast of the Decatur-Federal light rail station. Significant public and private reinvestment in the neighborhood in recent years, spearheaded by DHA’s redevelopment efforts, suggest this area is continuing to transition into a dynamic urban center. In addition to being within walking distance of the Decatur-Federal light rail station, the subject property is served by RTD bus route 9 (accessed from Decatur St) and routes 30 and 31 (accessed from Federal Blvd).

The following table summarizes the existing context proximate to the subject site:

	Existing Zoning	Existing Land Use	Existing Building Form/Scale	Existing Block, Lot, Street Pattern
Site	C-RX-8, UO-3	Multi-unit residential	1 and 2 story multi-unit residential buildings	The existing block pattern is irregular, however, the concurrently submitted subdivision plan intends to restore the orthogonal grid in this area.
East	C-RX-8, UO-3	Multi-unit residential	1 and 2 story multi-unit residential buildings	
West	C-RX-8, UO-3	Multi-unit residential	1 and 2 story multi-unit residential buildings	
South	OS-A	Open Space – Public Parks		

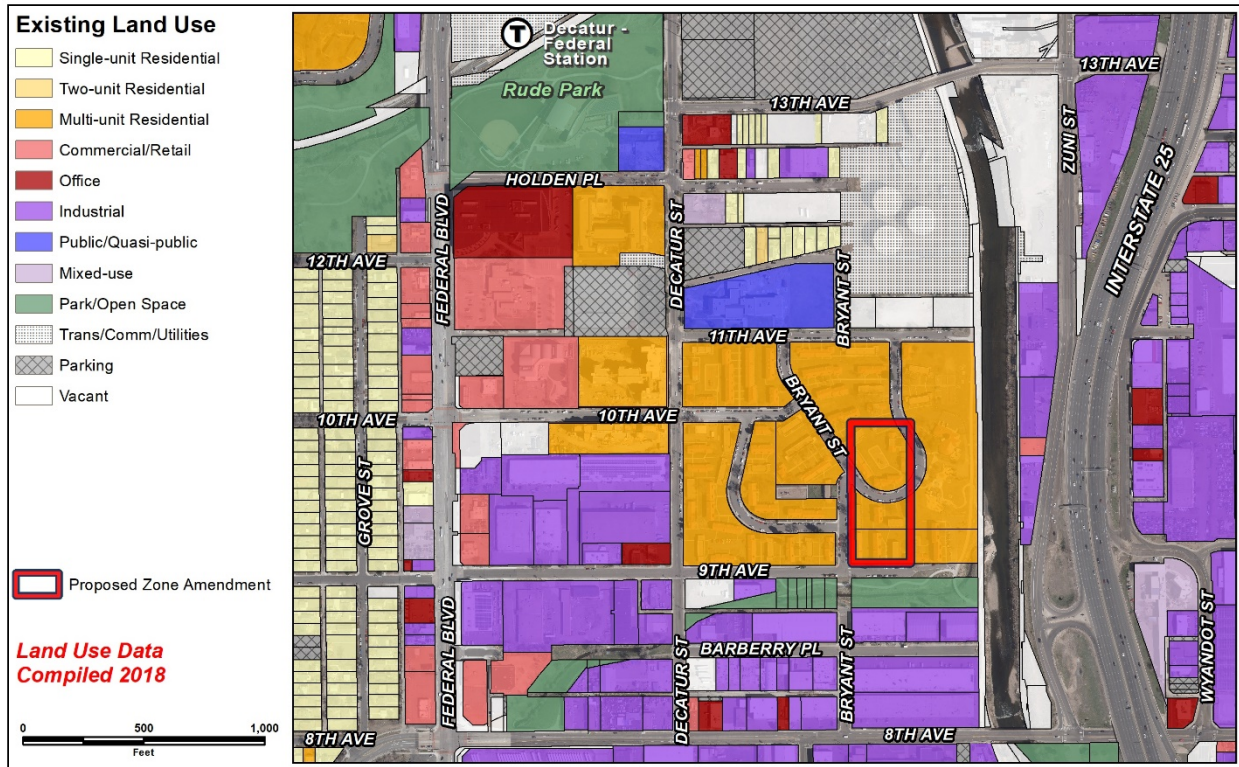
	Existing Zoning	Existing Land Use	Existing Building Form/Scale	Existing Block, Lot, Street Pattern
North	C-RX-8, UO-3	Multi-unit residential	1 and 2 story multi-unit residential buildings	

1. Existing Zoning



The current zone district, C-RX-8, is defined as Urban Center Context, Residential Mixed Use, 8-story maximum height, which accommodates general, and town house building forms and is intended to enhance the convenience, ease and enjoyment of transit, walking, shopping and public gathering within and around the city’s residential neighborhoods. Compared to the Mixed Use districts, the Residential Mixed Use districts are primarily intended to accommodate residential uses. C-RX-8 applies to residentially-dominated areas served primarily by collector or arterial streets. For additional details on the zone district, see DZC Division 7.2. The property currently retains the UO-3 Historic Structure Use Overlay district, which was established to encourage preservation, protection, adaptive use, and enhancement of Historic Structures, or otherwise to promote Landmark Preservation purposes. There are no historic structures onsite on which to theoretically apply this overlay, and the overlay may only be established in conjunction with an underlying Residential Zone District. Therefore, the existing UO-3 is not proposed to be maintained, should the C-MX-12 rezoning be approved.

2. Existing Land Use Map



3. Existing Building Form and Scale



Buildings typical of DHA Sun Valley Homes – from Decatur St and 9th Avenue (Source: Google Maps)



Buildings typical of DHA Sun Valley Homes – from Decatur St and 10th Avenue (Source: Google Maps)



North – Fairview Elementary (Source: Google Maps)



West – from Decatur between 9th and 10th Avenue (Source: Google Maps)

Proposed Zoning

C-MX-12 Zone District

The requested C-MX-12 zone district has a maximum height of 150 feet with allowable encroachments. A variety of mixed residential and commercial uses are allowed. For additional details regarding building form standards in the C-MX-12 zone district, see DZC Section 7.3.3.4.

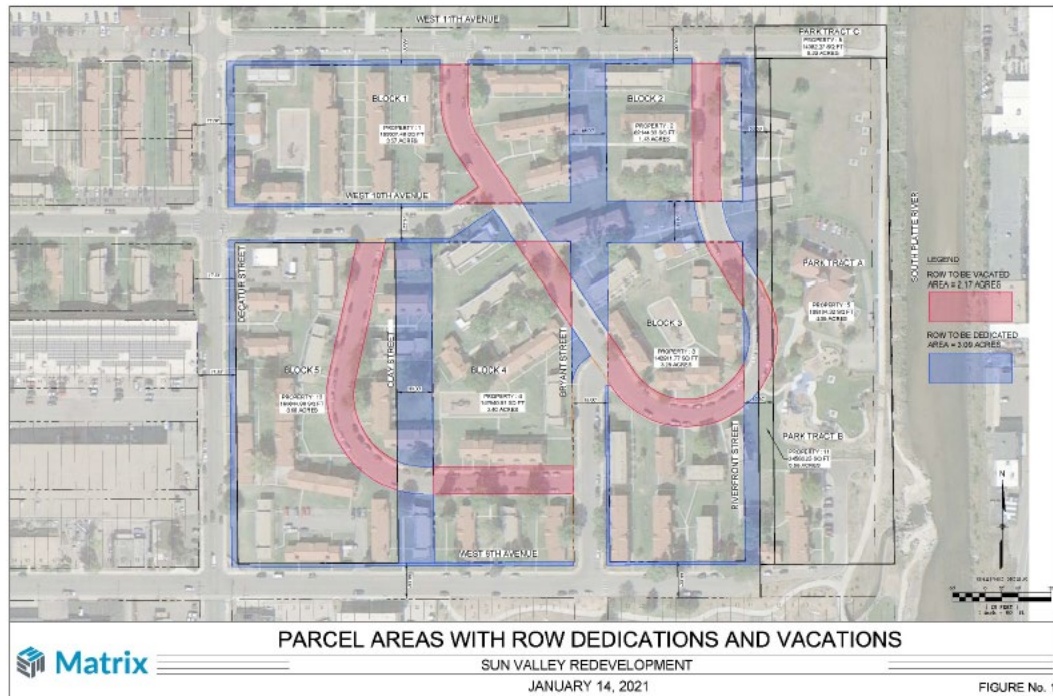
The primary building forms allowed in the existing zone district and the proposed zone district are summarized below.

Design Standards	C-RX-8	C-MX-12 (Proposed)
Primary Building Forms Allowed	Town House; General	Town House; General; Shopfront; Drive Thru Services/Restaurant*
Height in Stories / Feet (max)	5/70' - Town House 8/110' - General	5/70' – Town House 12/150 – General
Primary Street Build-To Percentages (min)	70%	70%
Primary Street Build-To Ranges	10' to 15' Town House 0' to 10' - General	10' to 15' - Town House 0' to 10' – General **
Minimum Zone Lot Size/Width	N/A	N/A
Primary Street Setbacks (min)	10' – Town House 0' – General	10' – Town House 0' – General
Building Coverage	N/A	N/A

*Allowed subject to geographic limitations **Standard varies between building forms

Sun Valley Infrastructure Master Plan (IMP)

An infrastructure master plan (IMP) for the Sun Valley Redevelopment is currently under review by the City. The IMP outlines the planned development in the Sun Valley neighborhood to ensure it aligns with the existing GDP and Station Area Plan. The IMP provides the planned parcels for the neighborhood, and the future parcel to be rezoned is identified as Block 3 within the IMP:



The IMP was initiated to refine the development vision for the Sun Valley Redevelopment by the Denver Housing Authority and the City, to incorporate updated mobility data from the surrounding neighborhoods, and to serve as a regulatory tool to augment the GDP. The IMP process was initiated at the request of the City to update and refine the mobility assumptions in the Decatur-Federal General Development Plan and define the infrastructure necessary for redevelopment of DHA’s Sun Valley neighborhood, with the focus of the study on the project area between 9th and 11th Avenue and Decatur Street to the South Platte River.

Summary of City Agency Referral Comments

As part of the DZC review process, the rezoning application is referred to potentially affected city agencies and departments for comment. A summary of agency referral responses follows:

Assessor: Approved – No response

Asset Management: Approved – No response

Denver Public Schools: Approved – No response

Department of Public Health and Environment: Approved – No response

Denver Parks and Recreation: Approved – No comments

Public Works – R.O.W. - City Surveyor: Approved

Development Services - Transportation: Approved – No response

Development Services – Wastewater: Approved – No response

Development Services – Project Coordination: Approved – No response

Development Services – Fire Prevention: Approved – No comments

Public Review Process

	Date
CPD informational notice of receipt of the rezoning application to all affected members of City Council, registered neighborhood organizations, and property owners:	3/03/21
Property legally posted for a period of 15 days and CPD written notice of the Planning Board public hearing sent to all affected members of City Council, registered neighborhood organizations, and property owners:	4/20/21
Planning Board Public Hearing – Unanimous recommendation of approval	5/05/21
CPD written notice of the Land Use, Transportation and Infrastructure Committee meeting sent to all affected members of City Council and registered neighborhood organizations, at least ten working days before the meeting:	5/04/21
Land Use, Transportation and Infrastructure Committee of the City Council meeting:	5/18/21
Property legally posted for a period of 21 days and CPD notice of the City Council public hearing sent to all affected members of City Council and registered neighborhood organizations (tentative):	7/05/21
City Council Public Hearing (tentative):	7/26/21

Public Outreach and Input

- **Registered Neighborhood Organizations (RNOs)**
 As of the date of this report, one letter of support from the Sun Valley Community Coalition RNO has been received.
- **Other Public Comment**
 As of the date of this report, no other public comment letters have been received.

Criteria for Review / Staff Evaluation

The criteria for review of this rezoning application are found in DZC, Sections 12.4.10.7 and 12.4.10.8, as follows:

DZC Section 12.4.10.7

1. Consistency with Adopted Plans
2. Uniformity of District Regulations and Restrictions
3. Public Health, Safety and General Welfare

DZC Section 12.4.10.8

1. Justifying Circumstances
2. Consistency with Neighborhood Context Description, Zone District Purpose and Intent Statements

1. Consistency with Adopted Plans

The following adopted plans currently apply to this property:

- *Denver Comprehensive Plan 2040*
- *Blueprint Denver (2019)*
- *Housing an Inclusive Denver (2018)*
- *Decatur/Federal Station Area Plan (2013)*

Denver Comprehensive Plan 2040

The proposed rezoning is consistent with many of the adopted *Denver Comprehensive Plan 2040* strategies, which are organized by vision element.

The proposed rezoning would allow for mixed-use development, including an increase in allowed housing density in an area close to transit. It is therefore consistent with the following strategies in the Equitable, Affordable and Inclusive vision element:

- Equitable, Accessible and Inclusive Goal 1 – *Ensure all Denver residents have safe, convenient and affordable access to basic services and a variety of amenities (p. 28).*
- Equitable, Affordable and Inclusive Goal 1, Strategy A – *Increase development of housing units close to transit and mixed-use developments (p. 28).*
- Equitable, Affordable and Inclusive Goal 2, Strategy A - *Create a greater mix of housing options in every neighborhood for all individuals and families (p. 28).*

The proposed rezoning would enable mixed-use infill development at a location where services, infrastructure, and transit options are already in place. The proposed C-MX-12 zoning designation would allow for a broader variety of uses including housing and retail services at an intensity consistent with the desire for urban, walkable, mixed-use neighborhoods around transit, and is therefore consistent with the following strategies in the Strong and Authentic Neighborhoods vision element:

- Strong and Authentic Neighborhoods Goal 1, Strategy A – *Build a network of well connected, vibrant mixed-use centers and corridors* (p. 34).
- Strong and Authentic Neighborhoods Goal 1, Strategy D – *Encourage quality infill development that is consistent with the surrounding neighborhoods and offers opportunities for increased amenities* (p. 34).
- Strong and Authentic Neighborhoods Goal 2, Strategy D – *Use urban design to contribute to economic viability, public health, safety, environmental well-being, neighborhood culture and quality of life* (p. 34).

Similarly, the land use pattern detailed in the previous paragraph is also consistent with the following strategies in the Environmentally Resilient vision element:

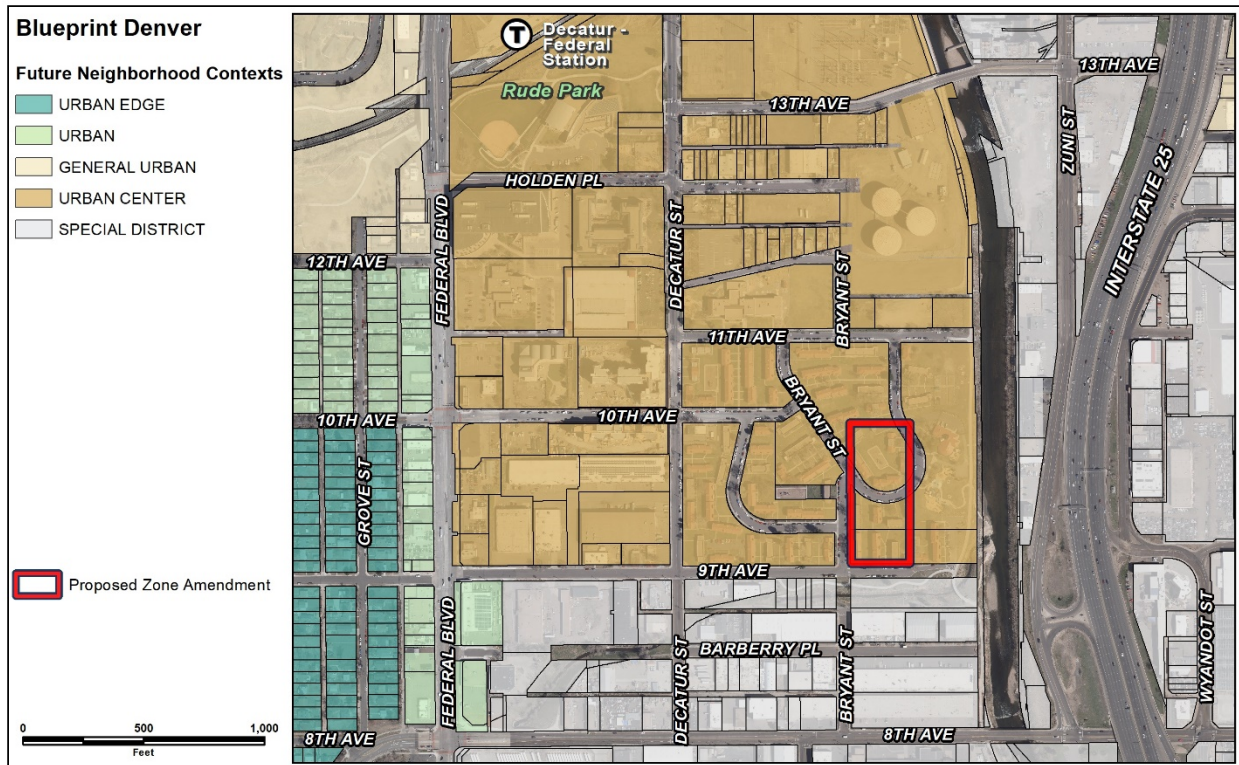
- Environmentally Resilient Goal 8, Strategy A - *Promote infill development where infrastructure and services are already in place* (p. 54).
- Environmentally Resilient Goal 8, Strategy B - *Encourage mixed-use communities where residents can live, work and play in their own neighborhoods* (p. 54).
- Environmentally Resilient Goal 8, Strategy C – *Focus growth by transit stations and along high and medium-capacity transit corridors* (p. 54).

The requested map amendment will enable mixed-use development at an infill location where infrastructure is already in place. The requested zone district broadens the variety of uses allowing residents to live, work and play in the area, therefore the rezoning is consistent with *Denver Comprehensive Plan 2040* recommendations.

Blueprint Denver (2019)

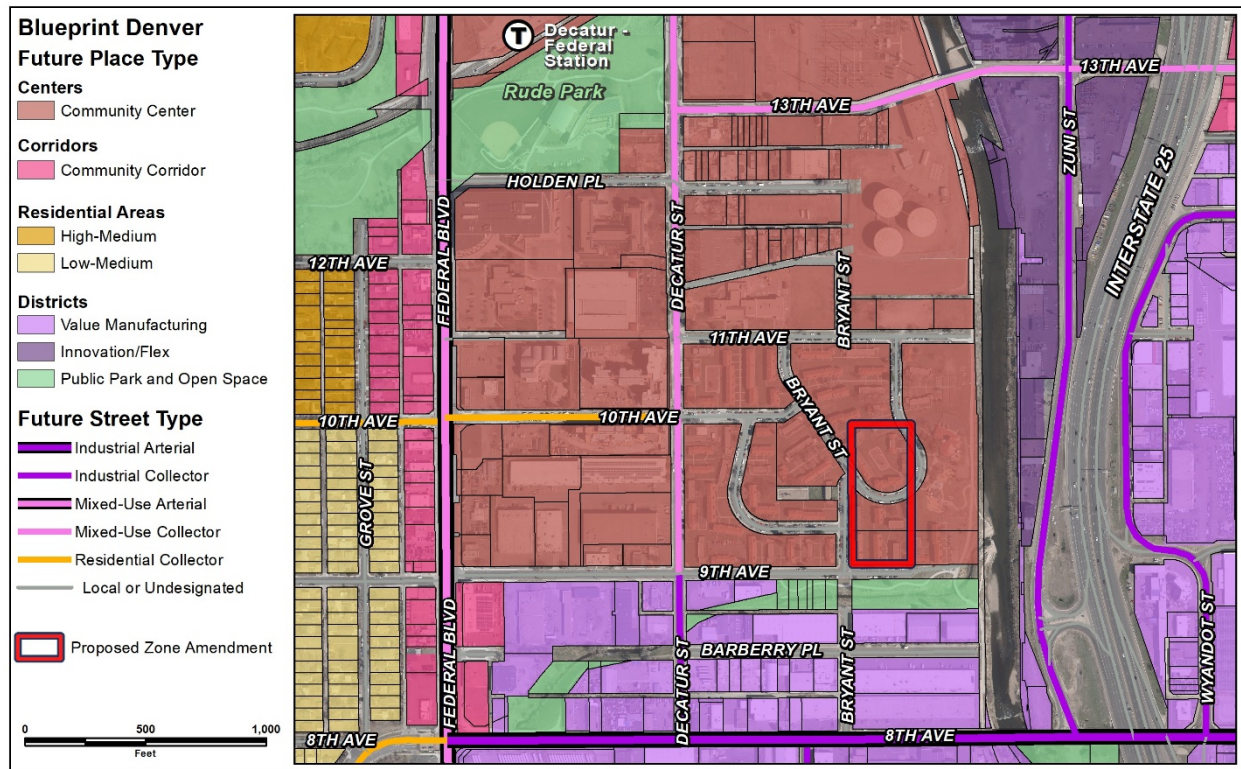
Blueprint Denver was adopted in 2019 as a supplement to *Comprehensive Plan 2040* and establishes an integrated framework for the city's land use and transportation decisions. *Blueprint Denver* identifies the subject property as part of a Community Center area within the Urban Center Neighborhood Context and provides guidance from the future growth strategy for the city.

Blueprint Denver Future Neighborhood Context



In *Blueprint Denver*, future neighborhood contexts are used to help understand differences in land use and built form and mobility options at a higher scale, between neighborhoods. The subject property is within the Urban Center context which is “intended to promote safe, active, and pedestrian-scaled diverse areas through the use of building forms that clearly activate the public street edge”. Urban Centers are characterized by a high mix of uses throughout the area, with multi-unit residential typically in multi-story, mixed-use building forms. The proposed C-MX-12 zone district is a mixed-use zone district. “Mixed-Use districts are focused on creating mixed, diverse neighborhoods” (DZC 7.2.2.1). Since the proposed district allows a mix of uses and allowable building forms that contribute to street activation, the proposed rezoning is appropriate and consistent with the plan.

Blueprint Denver Future Places



The Future Places map shows the subject property as part of a “Community Center” area. *Blueprint Denver* describes these areas as providing “a mix of office, commercial and residential uses... Buildings are larger in scale than local centers and orient to the street or other public spaces. Strong degree of urbanism with mostly continuous building frontages and distinct streetscape elements that define the public realm” (p. 265). In a Community Center area in the Urban Center neighborhood context, recommended “heights can be generally up to 12 stories” (p. 256).

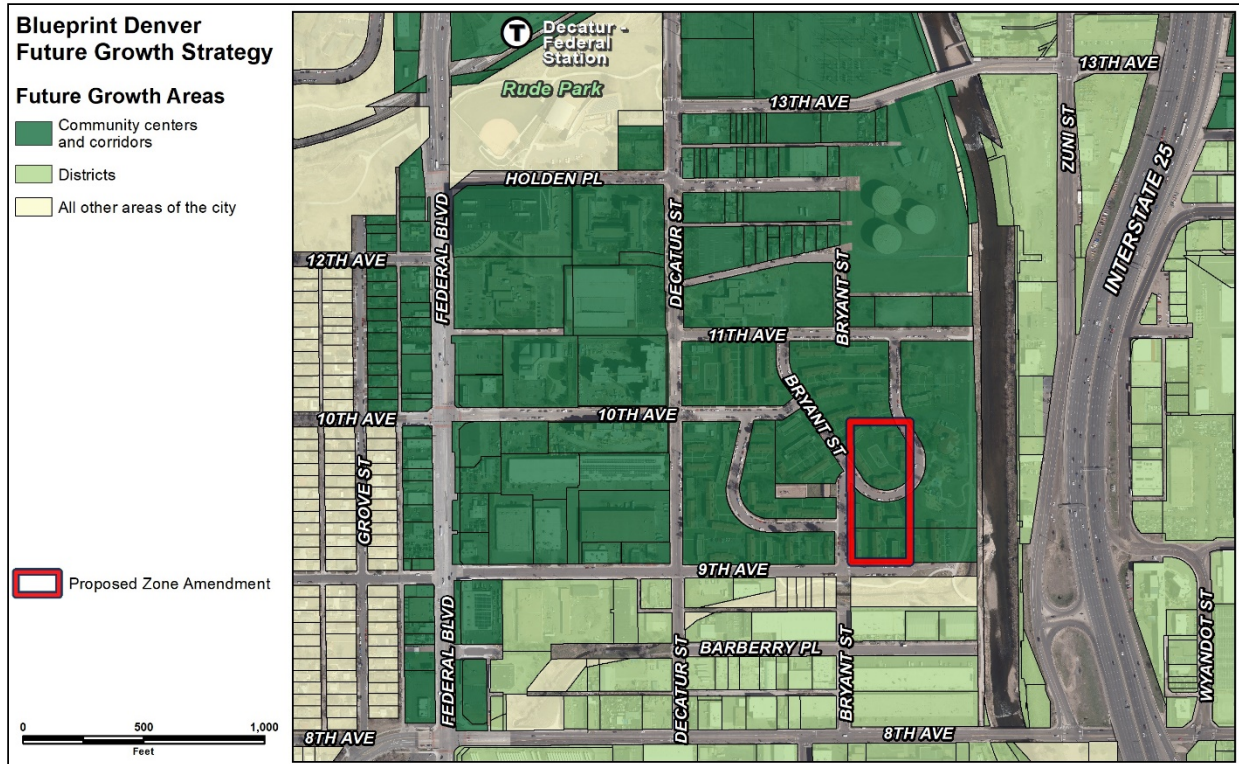
The proposed rezoning to C-MX-12 is appropriate and consistent with the “Community Center” plan direction and will foster a better mix of uses and more appropriate intensity than the current zoning allows. *Blueprint Denver* specifies that the maximum recommended heights are intended to provide a general scale and that factors such as “surrounding context, including existing and planned building height” (pg. 66) should be considered for any particular site. Given the *Blueprint Denver* height guidance of up to 12 stories and the changing conditions of the neighborhood, the proposed district is consistent with plan guidance and appropriate for this location.

Street Types

Assessing Future Street Types pursuant to *Blueprint Denver* (2019) in association with this proposed rezoning is challenging, as the existing streets located within proposed Block 3, including 10th Avenue, Bryant Street, and Alcott Way, are proposed to be reconfigured as a part of the subdivision process, as

contemplated in the Decatur-Federal Station Area Plan and proposed Infrastructure Master Plan (IMP), and will restore the city grid in this area. The reconnected 10th Avenue is contemplated as a Main Street by the Decatur-Federal Station Area Plan, while the reconnected Bryant Street is contemplated to remain an undesignated/local street.

Growth Strategy



Blueprint Denver’s growth strategy map is a version of the future places map, showing the aspiration for distributing future growth in Denver (p. 51). The subject property is located within the “Community centers and corridors” growth area, these areas are anticipated to see around 25% of new housing growth and 20% of new employment growth by 2040 (p. 51). The proposed map amendment to C-MX-12 is consistent with the “Community centers and corridors” growth area in that it will allow a broad range of job opportunities and housing types and direct more intense and appropriate growth to this area than the existing zoning allows.

Additional Applicable Strategies

The proposed rezoning is also consistent with the following strategies from *Blueprint Denver*:

- Land Use and Built Form – General Policy 1 – *Promote and anticipate planned growth in major centers and corridors and key residential areas connected by rail service and transit priority streets (p. 72).*
- Land Use and Built Form – General Policy 2 – *Incentivize or require efficient development of land, especially in transit-rich areas (p. 72).*

The proposed map amendment is consistent with these strategies as growth will be directed to an area with rail transit service.

Housing an Inclusive Denver (2018)

Housing an Inclusive Denver is not adopted as a supplement to the Comprehensive Plan, but the plan was adopted by City Council. Housing an Inclusive Denver provides guidance and strategies to create and preserve strong and opportunity-rich neighborhoods with diverse housing options that are accessible and affordable to all Denver residents (p. 6). Core goals of the plan include creating affordable housing in vulnerable areas and in areas of opportunity; preserving affordability and housing quality; promoting equitable and accessible housing; and stabilizing residents at risk of involuntary displacement (p. 7). To that end, the plan includes several recommendations, including “promote development of new affordable, mixed-income and mixed-use rental housing” (p. 83). The subject property is currently restricted to the use of affordable housing and the proposed development will have similar restrictions as outlined below:

Current Land Use Restrictions:

The property is currently restricted from using the property for anything other than affordable housing through a U.S. Department of Housing and Urban Development (HUD) Declaration of Trust (DOT) which is recorded against the property.

Proposed Land Use Restrictions:

The proposed development will be restricted to the use of affordable housing through a 40-year land use restriction agreement (LURA) with the Colorado Housing and Finance Authority (CHFA) and a HUD Declaration of Restrictive Covenant (DORC). Both the LURA and DORC will be recorded against the property.

D3 Agreement

Additionally, the Intergovernmental Agreement between the City and County of Denver and the Denver Housing Authority contains provisions requiring perpetual affordability on the redevelopment of Sun Valley.

Given these restrictions and commitments, the proposed rezoning would facilitate additional affordable housing opportunities consistent with the goals and strategies of Housing an Inclusive Denver.

Decatur-Federal Station Area Plan (2013)

The Decatur-Federal Station Area Plan was adopted by City Council in 2013. While this plan will be replaced by guidance from the pending West Area Plan, Decatur-Federal is still an adopted, guiding plan in the area until the new area plan is adopted.

Redevelopment of Sun Valley Homes is specifically contemplated in the Decatur-Federal Station Area Plan: **“The transformation of Sun Valley Homes is an integral component of the Plan – *“Sun Valley, a 33 acre public housing site, is some of the oldest housing in DHA’s portfolio. DHA has targeted Sun Valley as “next” on their list for development of livable and high quality mixed income communities near transit.*”**

The proposed rezoning is consistent with many recommendations of the plan, including the following:

A. A Celebrated Sun Valley

A.2.A Support a Mixture of Incomes

“Sun Valley has historically supported lower income families and should do so in a way that does not concentrate poverty and the symptoms of poverty into one isolated place. Encourage population growth, a mixture of residential options and a more seamless integration of low income, workforce and market rate residential choices.”

The proposed zoning change will allow the additional density required to support a successful mixed income development, and existing and future land use restrictions on the property will ensure continued affordability in the neighborhood, consistent with recommendation A.2.A.

A.3.C Create Food Venues

“Food is a vital component of many of the different cultures in Sun Valley. Additionally, Sun Valley is a food desert, meaning it lacks access to healthy foods. This plan recommends the creation of a number of food oriented destinations including: community gardens, international food co-op, international market, food hub.”

The proposed change from RX to MX will enable a wider variety of uses, consistent with this strategy. The applicant also indicates that plans for the site include a restaurant incubator and year-round greenhouse. This intent is consistent with strategy A.3.C., however, plans are always subject to change.

B. A Connected Sun Valley

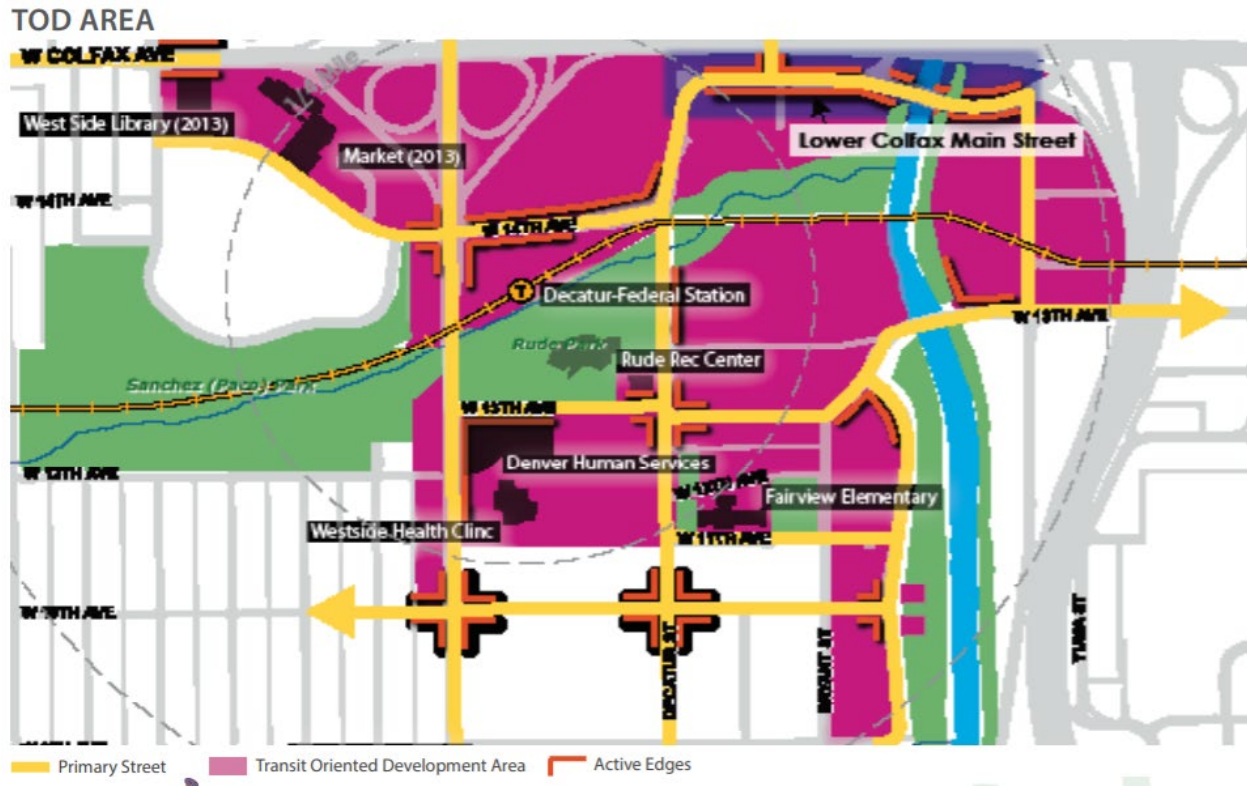
B.1.A Connect Sun Valley with Its Surroundings

“10th Ave – As redevelopment occurs, extend and enhance 10th Avenue eastward to create a direct multimodal connection from the Villa Park neighborhood, across Federal Boulevard to the South Platte River Greenway”

The proposed map amendment is associated with a proposed IMP and subdivision that contemplates an extension of 10th Avenue, consistent with this recommendation.

The property to be rezoned is located in the Transit Oriented Development character area, described in the plan as follows:

- Highest intensity of development and mixture of multifamily residential, office and commercial land uses concentrated in a very walkable compact neighborhood with great access to transit and amenities. Neighborhood Context.
- This vision corresponds to the Urban Center Neighborhood Context.
- The menu of zone districts offered within the Urban Center Neighborhood Context... [is] suited to implement the vision for the TOD area.



The proposed C-MX-12 zone district is consistent with the intent of the station area plan, providing access to the wide array of commercial and residential uses contemplated by the Transit Oriented Development character area. While the maximum recommended height guidance in the plan for the TOD area is five stories, staff finds the proposed rezoning to be consistent with the totality of plan guidance – including the more recent height guidance of 12 stories as provided by Blueprint Denver (2019).

2. Uniformity of District Regulations and Restrictions

The proposed rezoning to C-MX-12 will result in the uniform application of zone district building form, use and design regulations.

3. Public Health, Safety and General Welfare

The proposed official map amendment furthers the public health, safety, and general welfare through implementation of the city's adopted land use plan. The proposed rezoning would also facilitate increased housing density near services and amenities and foster the creation of a walkable, urban area within walking distance to mass transit. An increase in density and broadened mix of uses can also provide better health outcomes through increased physical activity and lessen the need for driving as services and amenities can occur within walkable and bikeable distances.

4. Justifying Circumstance

The application identifies several changed or changing conditions as the justifying circumstance under DZC Section 12.4.10.8.A.4, *“Since the date of the approval of the existing Zone District, there has been a change to such a degree that the proposed rezoning is in the public interest. Such change may include: (a.) Changed or changing conditions in a particular area, or in the city generally”*.

“The subject property in the map amendment request is in West Denver, a rapidly developing area with rising rents, increased density, and significant changes in the dynamics of the area. A 2020 report by the National Community Reinvestment Coalition on gentrification and disinvestment identified Denver as the second-most “intensely gentrifying” city in the country. Thirty three percent of Denver households are vulnerable to gentrification, including 83% of households in west Denver, and demand for existing housing has driven dramatic increases in the prices of rent and for-sale units. In west Denver, between 2009 and 2018 average rent increased from \$780 to \$2,600 per month, property taxes increased from \$730 to \$1,830, and median listing price from \$105,000 to \$360,000. Demographic indicators and community members describe community identity and cultural assets as being threatened by rising instability, change, and involuntary displacement. Through the map amendment request, DHA will increase the amount of affordable housing options in the area and stabilize residents at risk of involuntary displacement through offering quality housing. As the Sun Valley transformation plan comes to fruition, bring additional economic opportunities, housing, and food options to a transit rich neighborhood, will be crucial in ensuring residents of Denver will have long term affordable housing options to age in place.”

Staff concurs with this assessment of the changing neighborhood and agrees that it qualifies as a justifying circumstance, consistent with DZC Section 12.4.10.8.A.4.

5. Consistency with Neighborhood Context Description, Zone District Purpose and Intent Statements

As described in the Denver Zoning Code, the General Character of the Urban Center (C-) district will include “multi-unit residential and mixed-use commercial strips and commercial centers.” It is also described as follows: “Multi-unit residential uses are typically in multi-story mixed use building forms. Commercial buildings are typically Shopfront and General forms. Multi-unit residential uses are primarily located along residential collector, mixed-use arterial, and local streets. Commercial uses are primarily located along main and mixed-use arterial streets.” The proposed C-MX-12 zone district is an appropriate district for this neighborhood context and within the height guidance.

The general purpose of MX zone districts are to promote safe, active, and pedestrian-scaled, diverse areas through the use of building forms that clearly define and activate the public street edge. Given the aspirational future character of this location, the C-MX district is appropriate for this particular site.

According to the zone district intent stated in the Denver Zoning Code, the C-MX-12 district applies to areas or intersections served primarily by major arterial streets where a building scale of 3 to 12 stories is desired (DZC Section 7.2.2.2.B). The site is served by several major arterial streets in the immediate

vicinity, including Federal Boulevard (mixed use arterial) and 8th Avenue (industrial arterial). As previously mentioned the existing streets located within proposed Block 3, including 10th Avenue, Bryant Street, and Alcott Way, are proposed to be reconfigured as a part of the subdivision process, as contemplated in the Decatur-Federal Station Area Plan and proposed Infrastructure Master Plan (IMP), and will restore the city grid in this area, which will improve access and mobility to and from the site. The street classifications and desired building heights in this area are consistent with the zone district purpose and intent statements.

Attachments

1. Rezoning application