



TO: Denver City Council
FROM: Tony Lechuga, Senior City Planner
DATE: September 10, 2025
RE: Official Zoning Map Amendment Application #2024I-00005 (CB 25-1071)
-AND-
Related Rock Drill Development Agreement (CR 25-1079)

Staff Report and Recommendation

1. Map Amendment Application #2024I-00005 (CB 25-1071)

Based on the review criteria for map amendments stated in Denver Zoning Code (DZC), Section 12.4.10 (Official Map Amendments), CPD staff recommends that City Council **approve** rezoning application #2024I-00005 (CB 25-1071).

2. Rock Drill Development Agreement (CR 25-1079)

CPD staff recommends that City Council **approve** the related Rock Drill Development Agreement (CR 25-1079).

Request for Rezoning

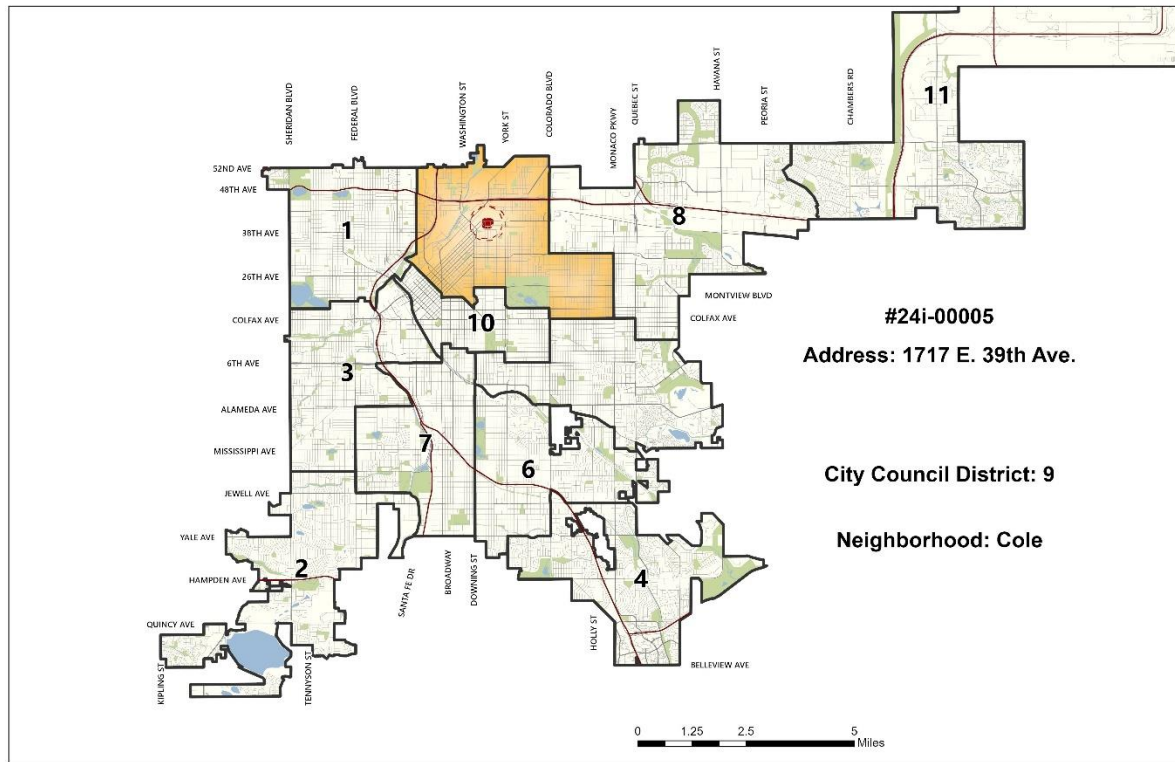
Address: 1717 E. 39th Avenue
Neighborhood/Council District and CM: Cole / Council District 9, Council member Watson
RNOs: RiNo Art District, Cole Neighborhood Association; United Community Action Network; Opportunity Corridor Coalition of United Residents; East Denver Residents Council; Denver North Business Association; Elyria Swansea Neighborhood Association; Inter-Neighborhood Cooperation (INC).
Area of Property: 291,789 square feet or 6.7 acres
Current Zoning: I-B, UO-2 and C-MU-10 with Waivers
Proposed Zoning: C-MX-12 and C-MX-16
Property Owner(s): 3939 Williams Building Corporation
Owner Representative: Brian Fishman, Oliver Buchanan Group

Summary of Rezoning Request

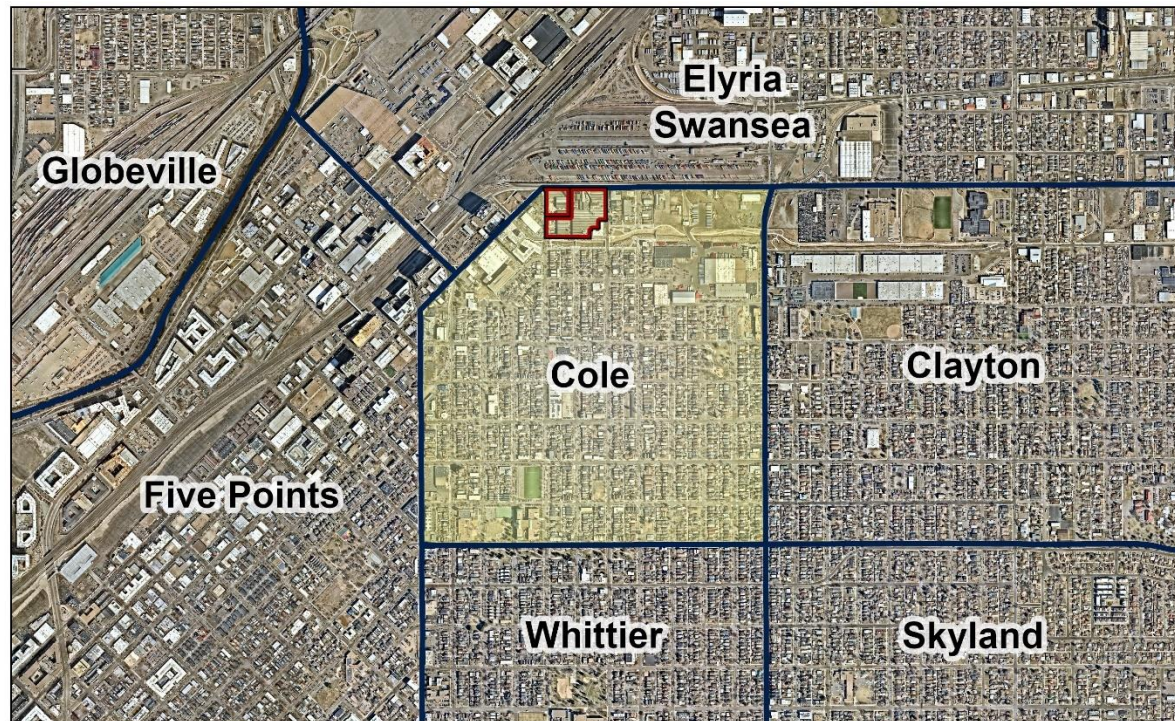
- The subject property is in the Cole neighborhood, generally bound by East 39th Avenue to the south, North Franklin Street to the west, East 40th Avenue to the north, and North Williams Street to the east. At the corner of East 39th Avenue and North Williams Street is a three-story condominium that is not included in the rezoning boundary.
- The property is made up of a series of historic industrial buildings established in 1910 as the home of the Denver Rock Drill Manufacturing Company which produced pneumatic rock drills used in the mining industry. The industrial site expanded through the twentieth century until it was purchased by the Weiss family in 1992 who have used it since as industrial warehousing.

- Following the rezoning, and as codified in the proposed associated Development Agreement, the applicant will pursue historic landmark designation for a set of buildings deemed to have historic significance by Community Planning and Development's Landmark Preservation staff.
- The proposed Development Agreement, as further explained in this staff report, includes an affordable housing commitment, commitments for economic development and opportunity, and a request for vesting of certain zoning elements.
- Concurrent with the rezoning, the applicant is seeking approval of an Urban Renewal Plan and Tax Increment Financing through the Denver Urban Redevelopment Authority (DURA).
- The applicant is requesting the rezoning to facilitate the redevelopment of the property that is consistent with the recommendations in the adopted plans.
- The proposed C-MX-12 and C-MX-16 (Urban Center, Mixed-use, 12/16 story) zone districts allow a wide range of residential and commercial uses in the Town House, General, and Shopfront building forms. 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).

City Location



Neighborhood Location



1. Existing Context

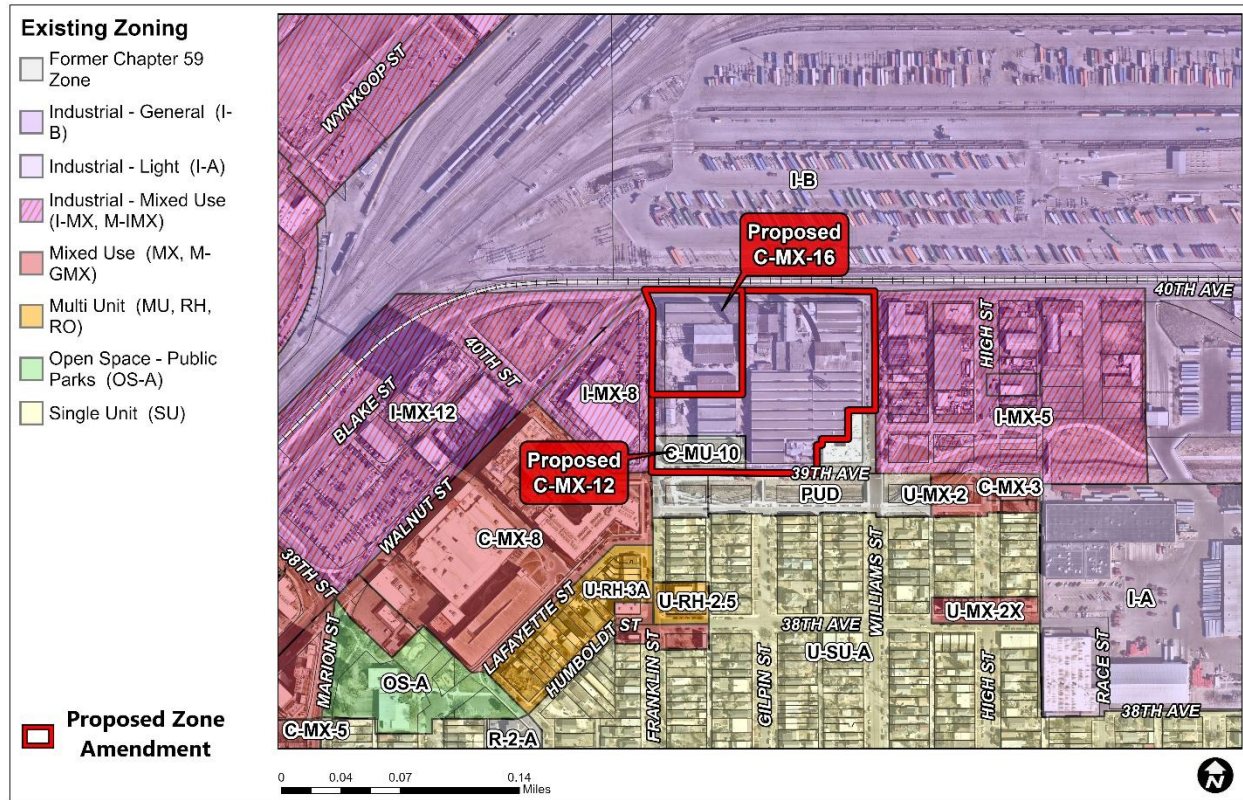


The property is in the Cole neighborhood. This neighborhood has a mix of single-, two-, and multi-unit residential uses with mixed-use, public institution, and open space uses embedded throughout. The north and northwest edges of the neighborhood are characterized by industrial uses. To the west of the subject property are multiple new 12-16 story mixed-use development along Walnut and Blake Streets. Wyatt Academy is two blocks south from the subject site and is one of the elementary schools that serves the neighborhood. St. Charles Recreation Center is two blocks southwest, and the Cole-Clayton Greenway abuts the southern edge of the subject site. Transit access includes the Regional Transportation District (RTD) 44 bus route on Walnut and North Marion Streets, RTD 12 bus route on North Downing Street, and the RTD 24 bus route along North York Street. Additionally, the 38th and Blake Commuter Rail Station is located approximately 0.25 mile to the west of the subject site.

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	I-B, UO-2 and CMU-10 with Waivers	Industrial	Multiple 1-story brick industrial buildings with large interior floor plates.	The Cole neighborhood generally has a regular grid of streets. Block sizes and shapes are consistent and rectangular with alleys. Garages are rear, side and front loaded with on-street vehicle parking. The subject property is just north of the east-west running 39th Avenue Greenway. The subject property is an oversized block with no interior roads. One block west of the subject site the grid transitions to the original angular street grid.
Internal to the block but outside of the rezoning boundary	PUD 510	Multi-unit Residential	Internal to the larger block containing the subject site, but outside the rezoning boundary, is a 2-story brick building. The building was formally part of the Rock Drill industrial site but now is a standalone condominium building.	
North	I-B, UO-2	Transportation	81-acre Union Pacific Denver Intermodal Terminal contains no structures but is a facility able to move containers between different modes of transport with storage space for containers waiting for the next leg of their journey.	
South	PUD 110 and PUD 394	Park/Open Space	Multi-use pathway, benches, and stormwater retention facilities.	
East	I-MX-5, UO-2, DO-7	Industrial; Single-unit Residential; Park/Open Space	1-story car detailing shop; 1-story brick marijuana dispensary; 5 1-story brick homes; and the Nature Playground at the 39 th Avenue Greenway.	
West	I-MX-8, UO-2, DO-7	Industrial	1-story unoccupied industrial warehouse and surface parking. The site has an approved SDP for a 13-story multi-unit development.	

2. Existing Zoning



The subject site contains two zone districts: I-B, UO-2 and C-MU-10 with Waivers. The I-B is a General Industrial District intended to be an employment area containing industrial uses that are generally more intensive than uses permitted in the I-A zone district. The purpose of the district is to promote industrial development and economic activity. No residential uses are allowed in the I-B district. The I-B district allows the General and Shopfront building forms with heights controlled by a Floor Area Ratio of 2.0, relatively large setbacks, and no street level activation requirements. The UO-2 is a Billboard Use Overlay District which allows for placement of billboards. For additional details of the I-B zone district, see DZC Section 9.1.3. The C-MU-10 is a Former Chapter 59 (FC 59) commercial mixed-use zone district. It allows limited high-intensity commercial uses appropriate for high-visibility locations. Notable, industrial uses are not allowed. Height is controlled by a Floor Area Ratio of 2.0. The waiver associated with this portion of the property allows for a 0-foot setback. For additional details of the C-MU-10 zone district, see FC 59 Division 15.

3. Large Development Review

The subject property was referred to Large Development Review (LDR) and deemed applicable. Reasons for the determination include:

- Gross land area of the project
- Need for a coordinated master framework
- Need for an Infrastructure Master Plan (IMP)
- Rezoning
- Creation of an Urban Renewal Plan for Tax Increment Financing (TIF) and Cooperation Agreement

The LDR process required at least one community information meeting to share the initial scope of the project, production of a Large Development Framework executed on February 6, 2024, and in coordination with the TIF application the development of a site concept, anticipated outcomes, community benefits, and an affordable housing agreement.

a. Development Agreement

Concurrent with the rezoning, the applicant has negotiated a proposed development agreement that is intended to provide a framework for development of the area covered by the proposed map amendment. The development agreement will be considered by City Council concurrent with the rezoning. Key elements of the development agreement include:

- **Affordable Housing Plan:** The developer must adhere to the requirements of a High Impact Development Compliance Plan (HIDCP) as negotiated by the Department of Housing Stability (HOST). Details of the HIDCP include:
 - A requirement that 10% of all units are income restricted units (IRU) at a maximum of 50% of the Area Median Income (AMI).
 - A requirement that 15% of IRUs be two bedrooms or larger
 - A requirement that 5% of IRUs be three bedrooms or larger
 - All commercial spaces shall be subject to Linkage Fees
 - Waive the right to the fee-in-lieu option for compliance, requiring the IRUs will be built on-site
- **Economic Development and Opportunity:**
 - Prior to commencing construction, the developer will work with the Department of Economic Development and Opportunity (DEDO) to study the feasibility of locating a childcare facility within the project.
- **Landmark Preservation:**
 - In recognition that the property contains buildings and features with historic value that will be adaptively reused within the project, the developer will pursue historic preservation and local designation of buildings identified by Community Planning and Development's Landmark Preservation staff.

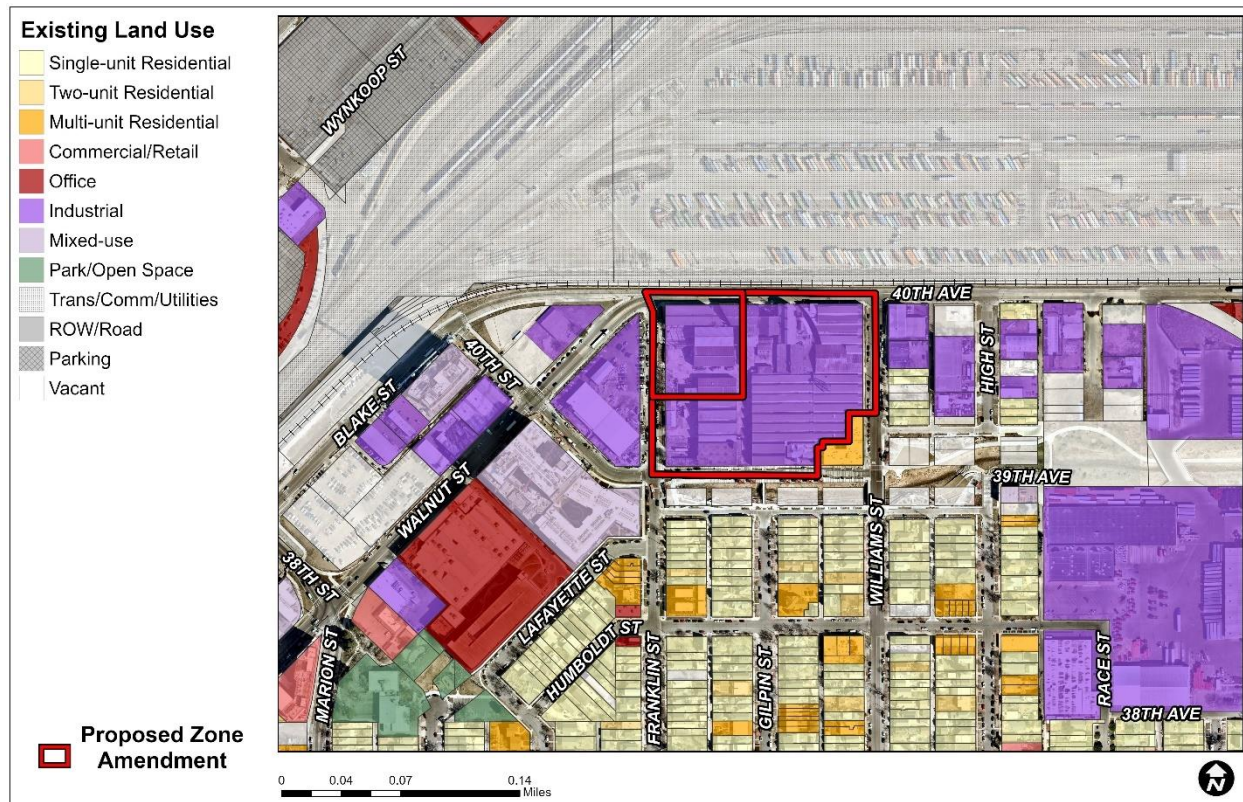
- The developer will provide immediate short-term protection from incompatible alterations and any proposed short-term alterations must comply with the Design Guidelines for Denver Landmark Structures and Districts.
 - The developer will apply for local designation of Historic Buildings identified in the DA as a single historic designation prior to the issuance of a certificate of occupancy for any building within the property.
- **Vesting:**
 - Vesting of specific zoning entitlements contained in the C-MX-12 and C-MX-16 zone districts, including incentive heights and open space standards, for a term of 15 years.

b. Denver Urban Redevelopment Authority (DURA) Requirements

Concurrent with the rezoning, DURA is proposing to create an Urban Redevelopment Plan on the site. Subject to the proposed Urban Redevelopment Plan, DURA requires the developer to comply with the following requirements:

- Requirement for 1% of maximum reimbursable project costs for project art within the redevelopment area and accessible to the public.
- Requirement to participate in the First Source Hiring Program.
- Requirement to comply with the City's prevailing wage requirements for certain infrastructure.
- Requirement to adopt and implement a Small Business Enterprise (SBE) utilization plan – about 23% of total project costs (excluding land).
- Requirement to participate in the Construction Employment Opportunities (CEO) Policy in which the developer will be required to contribute funding in the amount of 1% of the maximum reimbursable project costs to DURA for use in accordance with the CEO policy.

4. Existing Land Use Map



5. Existing Building Form and Scale

All images from Google Maps Street View.



Aerial view of the subject site looking southeast.



View of the southwest corner of the subject site, from the intersection of N. Franklin Street and E. 39th Avenue looking northeast.



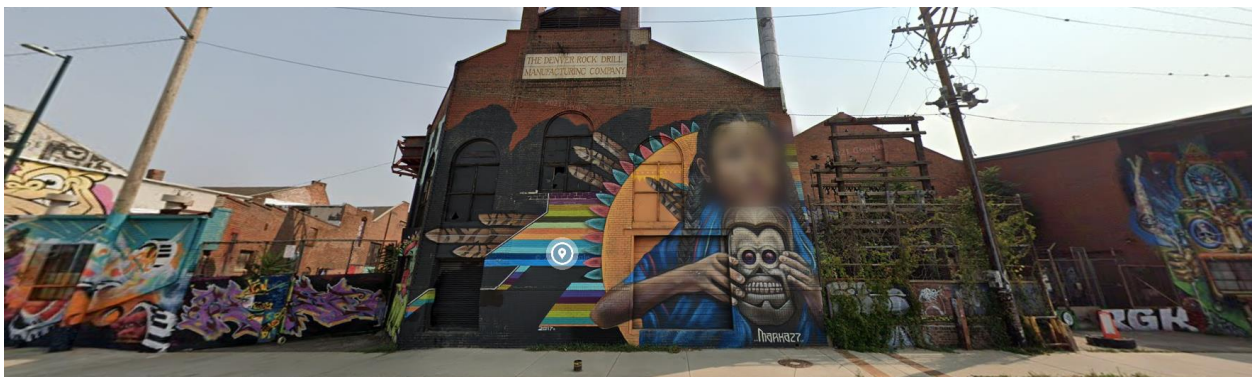
View of the southern side of the subject site from the E. 39th Avenue Greenway looking north.



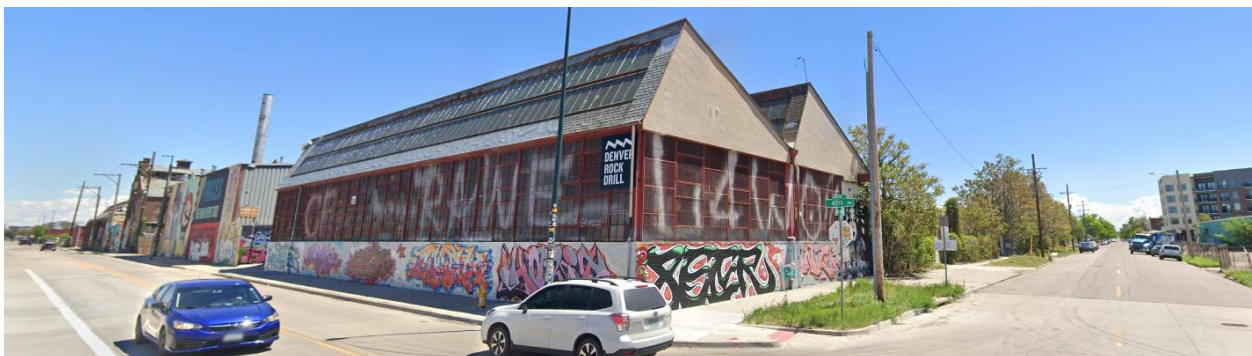
View of the eastern side of the subject site from N. Williams Street looking northwest.



View of the northeast corner of the subject site, from the intersection of N. Williams Street and E. 40th Avenue looking southwest.



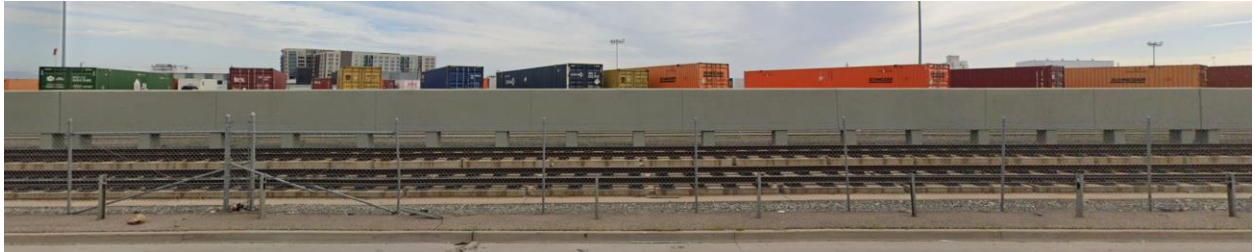
View of the north side of the subject site from E. 40th Avenue looking south.



View of the northwest corner of the subject site from the corner of N. Franklin St. and E. 40th Avenue looking southeast.



View of the western side of the subject site from N. Franklin Street looking east.



View of the property to the north of the subject site, including the RTD A Line train tracks looking north.



View of the industrial properties to the west of the subject site, along N. Williams Street looking east.



View of the residential properties and the Nature Playground at the E. 39th Avenue Greenway to the west of the subject site along N. Williams Street looking east.



View of the condominium building within the subject site's block from the intersection of N. Williams Street and the E. 39th Avenue Greenway looking northwest.



View of the E. 39th Avenue Greenway, south of the subject site looking west.



View of the E. 39th Avenue Greenway and the residential properties to the south of the subject site looking south.



View of new mixed-use development to the southwest of the subject site from the intersection of N. Franklin Street and E. 40th Street looking southwest.



View of the unoccupied industrial site to the west of the subject site from N. Franklin St. looking west.

Proposed Zoning

The applicant is proposing a rezoning to C-MX-16 for the northwest corner of the site and C-MX-12 for the remainder of the site. The requested C-MX zone districts allow a wide range of residential, commercial, and institutional uses in the Town House, General, and Shopfront building forms. The minimum primary street setback is 0', except for the town house building form which has a 10' minimum primary street setback. Build-to requirements range from 50% to 75% depending on building form. Maximum building heights in the Town House form are 5 stories or 70 feet. Maximum heights in the General and Shopfront building forms in the C-MX-12 are 12 stories or 150 feet, and in the C-MX-16 are 16 stories or 200 feet. The subject site is slightly more than ¼ mile from the outer boundary of the 38th and Blake RTD train station platform and so the Drive-Thru Services and Restaurant building form would be allowed by zoning. However, those building forms would run counter to the Large Development Framework and the proposed Urban Renewal Plan and so would not be permitted. For additional details of the requested zone district, see DZC Sections 7.2.2, 7.3 and 7.4.

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

Design Standards	C-MU-10 with Waivers (Existing)	I-B, UO-2 (Existing)	C-MX-12 (Proposed)	C-MX-16 (Proposed)
Primary Building Forms Allowed	N/A	General; Shopfront	Town House; Drive Thru Services*; Drive Thru Restaurant*; General; Shopfront	Town House; Drive Thru Services*; Drive Thru Restaurant*; General; Shopfront
Stories/Heights (max)	2.0 FAR	2.0 FAR	12 stories or 150'	16 stories or 200'
Primary Build-To Percentages (min)	N/A	N/A	50-75%**	50-75%**
Primary Build-To Ranges	N/A	N/A	0' to 15'***	0' to 15'***
Primary Setbacks (min)	0' per Waiver	20'	0' to 10'***	0' to 10'***

*Building form not allowed within a ¼ mile of a transit station platform

**Standard varies between building forms

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:

Community Planning and Development: No Comments – Approved

Assessor: No Comments – Approved

Asset Management: No Comments – Approved

Denver Public Schools: No Response - Approved

Department of Public Health and Environment: See Comments Below – Approved

1. Approve Rezoning Only. Will require additional information at Site Plan Review.
2. The Denver Department of Public Health and Environment, Environmental Quality Division (EQD) performed a limited search for environmental information regarding environmental conditions at the Site. This review was not intended to conform to the ASTM standard practice for environmental site assessments, nor was it designed to identify all potential environmental conditions. The EQD provides no representations or warranties regarding the accuracy, reliability, or completeness of the information provided. This review was not intended to assess environmental conditions for any property interest dedication or grant. Nor does this review constitute an approval or action by the EQD concerning any property dedication or grant associated with the project.
3. EQD is not aware of environmental concerns that would affect the proposed zoning. Although EQD is not aware of contaminated environmental media (soil, soil vapor, or groundwater) at the project Site, undocumented contamination could be encountered during ground-disturbing activities. If encountered, contaminated environmental media or underground storage tanks should be properly managed in accordance with applicable regulations.
4. EQD does not guarantee approval of any proposed development project at this Site by providing a response to this Official Map Amendment Referral Agency Review Request. Future development is subject to existing land use controls and other environmental requirements in accordance with applicable local, state, and federal environmental regulations and statutes. EQD recommends the Property Owner conduct an environmental site assessment to determine the potential presence, nature, and extent of possible contamination on the site and to identify specific cleanup needs associated with future development. EQD may have additional information about localized potential environmental concerns at the site. However, providing such information about a specific site is beyond the scope of these zoning application comments.

Denver Parks and Recreation: No Comments – Approved

Department of Transportation & Infrastructure – City Surveyor: No Comments – Approved

Development Services – Project Coordination: No Response – Approved

Development Services - Fire Protection: See Comments Below – Approved

1. Approve Rezoning Only - Will require additional information at Site Plan Review.

Development Services – Transportation: No Response – Approved

Development Services- Wastewater: No Response – Approved

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:	07/22/24
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, property owners, and tenants:	07/01/25
Planning Board public hearing:	07/16/25
CPD written notice of the City Council committee meeting sent to all affected members of City Council and registered neighborhood organizations, at least ten (10) working days before the meeting:	07/19/25
City Council committee hearing:	07/29/25
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:	08/25/25
City Council Public Hearing:	09/15/25

- **Public Outreach and Input**

The applicant conducted engagement prior to submitting the application. The engagement is documented as part of the attached application.

- **Registered Neighborhood Organizations (RNOs)**

As of the date of this staff report, we have received three letters of support from RNOs. The Cole RNO offered their support noting the historic preservation and added density near transit. The Clayton United RNO voted to support the application while noting their concern about a lack of affordable housing. The RNO letter predates the completion of the developers HIDCP which could address those concerns. The Denver North Business Association also expressed their support noting the provision of affordable housing options, and increase consumer base in the area, and the creation of a more vibrant neighborhood.

- **General Public Comments**

As of the date of this staff report, we have received 21 letters of support from the general public. Those letters voice a diversity of reasons for support including an increase in affordable housing, added density near transit, the historic preservation of

the site, the potential for commercial/retail space in the neighborhood, and better activation of underutilized space. A letter was also provided from the Executive Director of the Biennial of the Americas noting their ongoing partnership with Rock Drill as a space for meaningful cultural experiences that bring people together across communities, disciplines, and cultures.

Criteria for Review / Staff Evaluation

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

DZC Section 12.4.10.7

1. Consistency with Adopted Plans
2. Public Interest
3. Consistency with Neighborhood Context Description, Zone District Purpose and Intent Statements

1. Consistency with Adopted Plans

The following adopted plans apply to this property:

- *Denver Comprehensive Plan 2040* (2019)
- *Blueprint Denver* (2019)
- *38th & Blake Station Area Plan* (2009; amended 2016)
- *River North Plan* (2003)
- *Elyria & Swansea Neighborhoods Plan* (2015)

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 map amendment and associated agreements would allow for compatible infill development in an established neighborhood, near transit, providing much needed housing and amenities to the neighborhood, consistent with the following strategies from the Equitable, Affordable, and Inclusive vision element (p. 26-31):

- Goal 1 – Ensure all Denver residents have safe, convenient, and affordable access to basic services and a variety of amenities.
 - Strategy A - Increase development of housing units close to transit and mixed-use developments.
- Goal 2 - Build housing as a continuum to serve residents across a range of incomes, ages, and needs.
 - Strategy A: Create a greater mix of housing options in every neighborhood for all individuals and families.
 - Strategy C: Foster communities of opportunity by aligning housing strategies and investments to improve economic mobility and access to transit and services.
- Goal 3 - Develop housing that is affordable to residents of all income levels.
 - Strategy B: Use land use regulations to enable and encourage the private development of affordable, missing middle and mixed-income housing, especially where close to transit.
- Goal 7: Make neighborhoods accessible to people of all ages and abilities.
 - Strategy C: Design and program public spaces and recreation centers to accommodate people of all ages and abilities.

The proposed map amendment and associated agreements would facilitate adaptive reuse of historic structures and encourage new development that would transform a former industrial space into a well-connected, mixed-use, accessible, and well-connected addition to the neighborhood, consistent with the following strategies from the Strong and Authentic Neighborhoods vision element (p. 32-37):

- Goal 1 – Create a city of complete neighborhoods.
 - Strategy A: Build a network of well-connected, vibrant, mixed-use centers and corridors.
 - Strategy B: Ensure neighborhoods offer a mix of housing types and services for a diverse population.
 - Strategy C: Ensure neighborhoods are safe, accessible, and well-connected for all modes.
 - Strategy D: Encourage quality infill development consistent with the surrounding neighborhood and offers opportunities for increased amenities.
- Goal 2: Enhance Denver's neighborhoods through high-quality urban design.
 - Strategy C: Create people-oriented places that embrace community character with thoughtful transitions, aspirational design, and an engaging public realm.
 - Strategy D: Use urban design to contribute to economic viability, public health, safety, environmental well-being, neighborhood culture, and quality of life.
- Goal 3: Preserve the authenticity of Denver's neighborhoods and celebrate our history, architecture, and culture.
 - Strategy E: Support the stewardship and reuse of existing buildings, including city properties.
- Goal 4: Ensure every neighborhood is economically strong and dynamic.
 - Strategy A: Grow and support neighborhood-serving businesses.
- Goal 5: Create and preserve parks and public spaces that reflect the identity of Denver's neighborhoods.
 - Strategy B: Design public spaces to facilitate social connections and enhance cultural identity.

The proposed map amendment would allow for a strong mixed-use center near transit, consistent with the following strategy from the Connected, Safe, and Accessible vision element (p. 37-43):

- Goal 8: Strengthen multimodal connections in mixed-use centers and focus growth near transit.
 - Strategy B: Promote transit-oriented development and encourage higher density development, including affordable housing, near transit to support ridership.

The proposed map amendment and associated agreements would allow for investment in small businesses across the site, consistent with the following strategies from the Economically Diverse and Vibrant vision element (p. 44-49):

- Goal 2: Grow a strong, diversified economy.
 - Strategy A: Broaden the tax base with a focus on fiscal activity that is resilient to change over time.
- Goal 3: Sustain and grow Denver's local neighborhood businesses.

- Strategy B: Target investments and small business support to the most underserved or distressed neighborhoods.

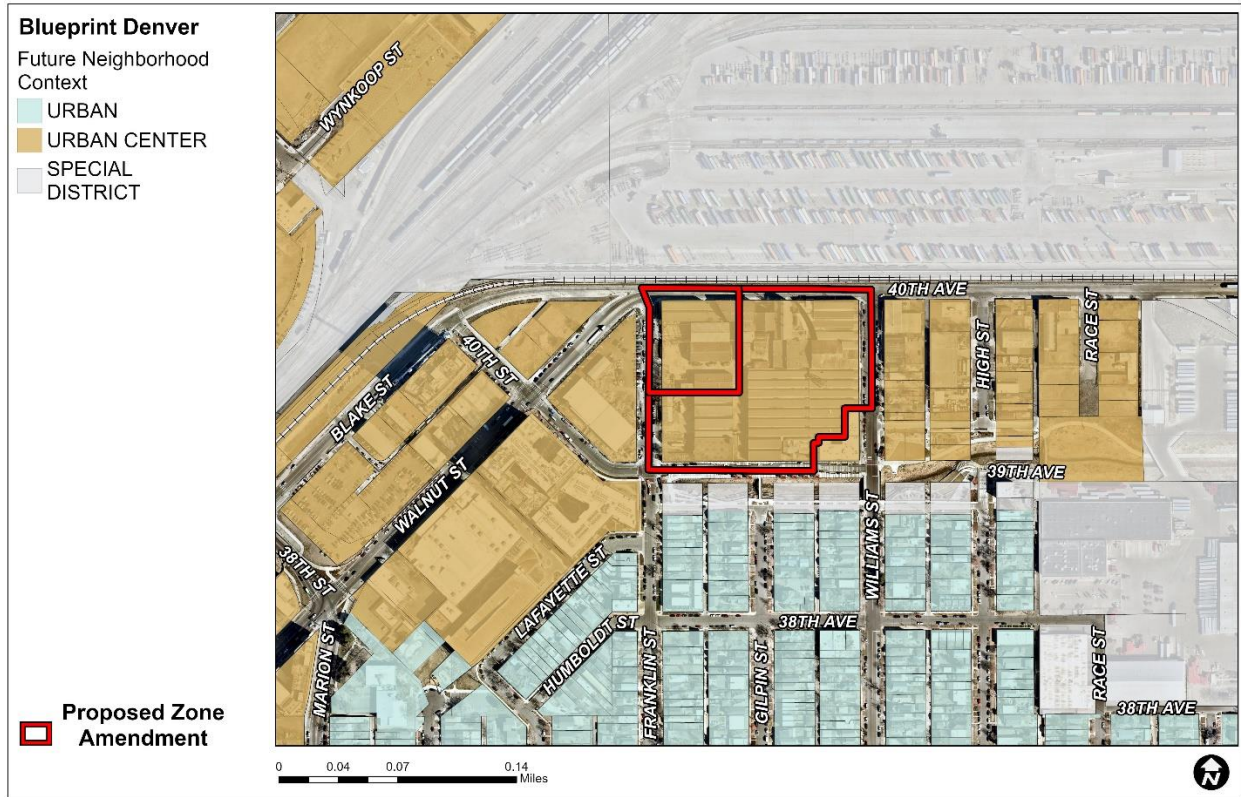
The proposed map amendment and associated agreements would allow for infill development where infrastructure already exists while also facilitating adaptive reuse of large portions of the site, consistent with the following strategies from the Environmentally Resilient vision element (p. 50-55):

- Goal 7: Improve solid waste diversion and conserve raw materials.
 - Strategy B: Reduce waste through the reuse and conservation of materials.
 - Strategy C: Prioritize the reuse of existing buildings and explore incentives to salvage or reuse materials from demolished structures.
- Goal 8: Clean our soils, conserve land, and grow responsibly.
 - Strategy A: Promote infill development where infrastructure and services are already in place.
 - Strategy B: Encourage mixed-use communities where residents can live, work, and play in their own neighborhoods.
 - Strategy C: Focus growth by transit stations and along high- and medium- capacity transit corridors.
 - Strategy E: Identify, remediate and restore contaminated soils.

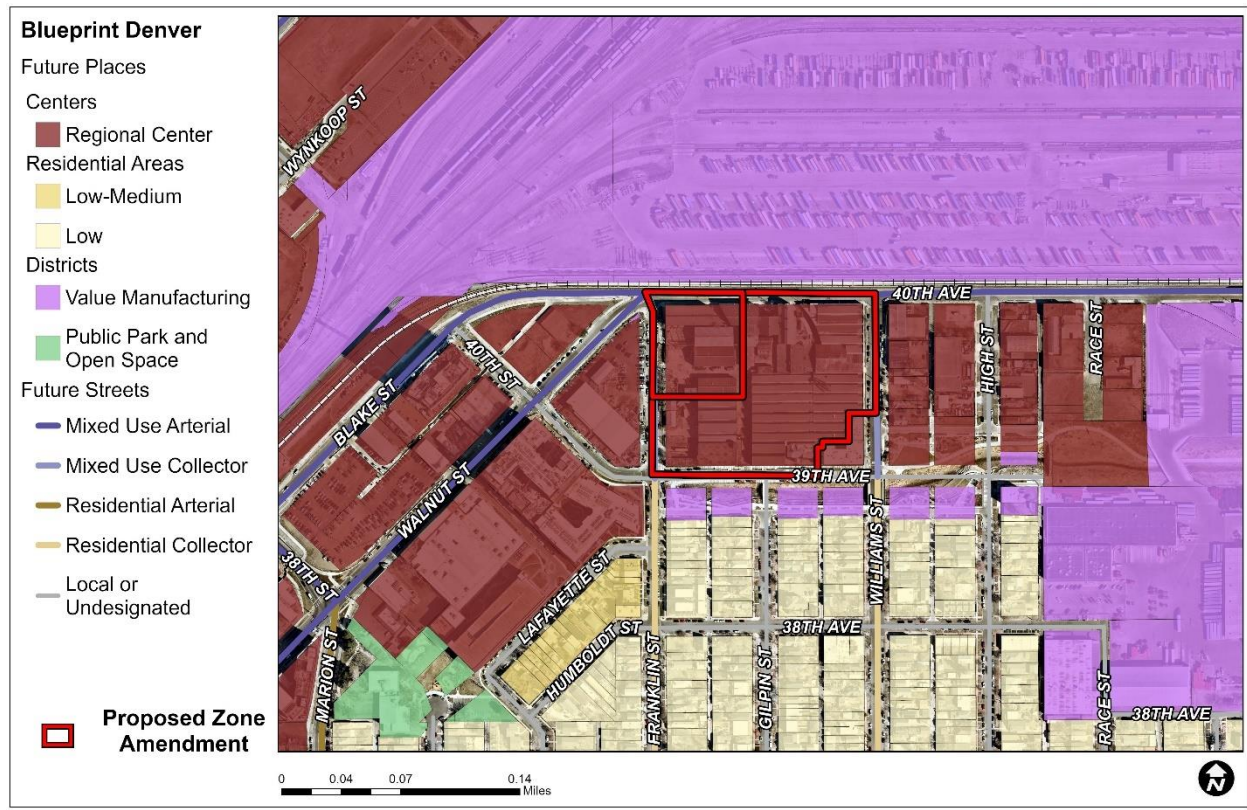
Blueprint Denver

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 Regional Center place 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 between land use, built form, and mobility at a high scale, between neighborhoods. The subject property is shown on the context map as within the Urban Center Neighborhood Context, which is used to guide appropriate zone districts (p. 66). *Blueprint Denver* describes the land use and built form of the Urban Center Neighborhood Context as follows: “Urban center neighborhoods are dense and vibrant areas that support residents and visitors. This context contains high intensity residential and significant employment areas. Development typically contains a high mix of uses, with good street activation and connectivity. Residents living in this context are well served by high-capacity transit and have access to ample amenities and entertainment options” (p. 251). The proposed rezoning is appropriate and consistent with the Urban Center context plan direction.

Blueprint Denver Future Places

The neighborhood context of Urban Center provides nuance to the aspirations of the individual places shown on the map. The Future Places Map shows the subject property as part of a Regional Center. *Blueprint Denver* describes the aspirational characteristics of Regional Centers in the Urban Center context as, “Contains a high mix of uses...larger scale mixed-use buildings are common. Structures should respond in form and mass to the streets and public spaces around them. High degree of urbanism with continuous build frontages to define the public realm. Heights are generally the tallest in the context and transition gradually with the center to the surrounding residential areas” (p. 256). The proposed C-MX-12 and C-MX-16 zone districts provide a wide range and mix of uses.

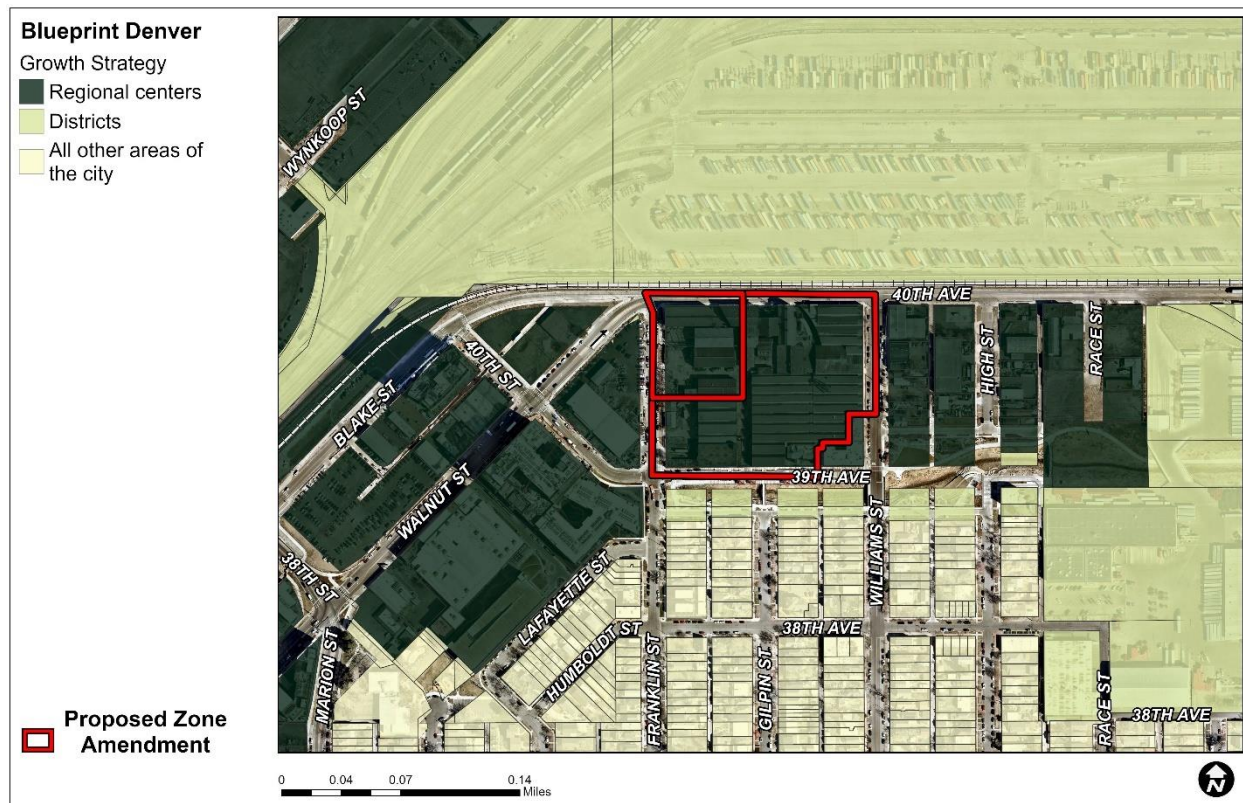
Regarding height, *Blueprint Denver* states that Regional Centers in the Urban Center neighborhood context are “the tallest in the context” (p. 257). It further explains “The building heights identified in this plan provide a general sense of scale and are not intended to set exact minimums or maximums. Factors to consider when applying *Blueprint Denver* building height guidance may include guidance from a current small area plan; surrounding context, including existing and planned building height; transitions, including transitions from higher intensity to lower intensity areas; adjacency to transit, especially mobility hubs; achieving plan goals for community benefits; and furthering urban design goals” (p. 66). While the 38th & Blake plan calls for lower heights than the proposed rezoning, the buildings immediately to the west, both built and planned range from 12-17 stories in height. Additionally, the commitment to historic preservation of large portions of the site will concentrate any height above the

existing 1-story industrial buildings to the north and western edges of the property, thus assuring appropriate transitions to the 39th Avenue Greenway and the lower-scale residential to the south. The property is just over ¼ mile from the 38th & Blake RTD train station, making it an ideal location for locating dense housing and employment. The commitments to affordable housing, historic preservation, and community-serving uses in the concurrent development agreement, and the requirements of the DURA process will yield considerable community benefits and advance numerous goals of the city's adopted plans. Therefore, staff finds that the proposed 12 and 16 story heights are appropriate and consistent with adopted plans.

Blueprint Denver Street Types

In *Blueprint Denver*, street types work in concert with the future place to evaluate the appropriateness of the intensity of the adjacent development (p. 67). *Blueprint Denver* classifies N. Franklin and N. Williams Streets as a Mixed-Use Collectors. "Collector streets are in between a local street and an arterial street; they collect movement from local streets and convey it to arterial streets" (p.159). E. 40th Avenue is classified as a Mixed-Use Arterial. The use and built form characteristics of Mixed-Use streets is described as, "Varied uses including retail, office, residential and restaurants. Buildings are pedestrian-oriented, typically multi-story usual at maximum building coverage with a shallow front setback" (p.159). The proposed C-MX-12 and C-MX-16 districts are consistent with these descriptions as they are intended to be applied to "areas or intersections served primarily by collector or arterial streets" (DZC Section 7.2.2.2.B).

Blueprint Denver Growth Strategy

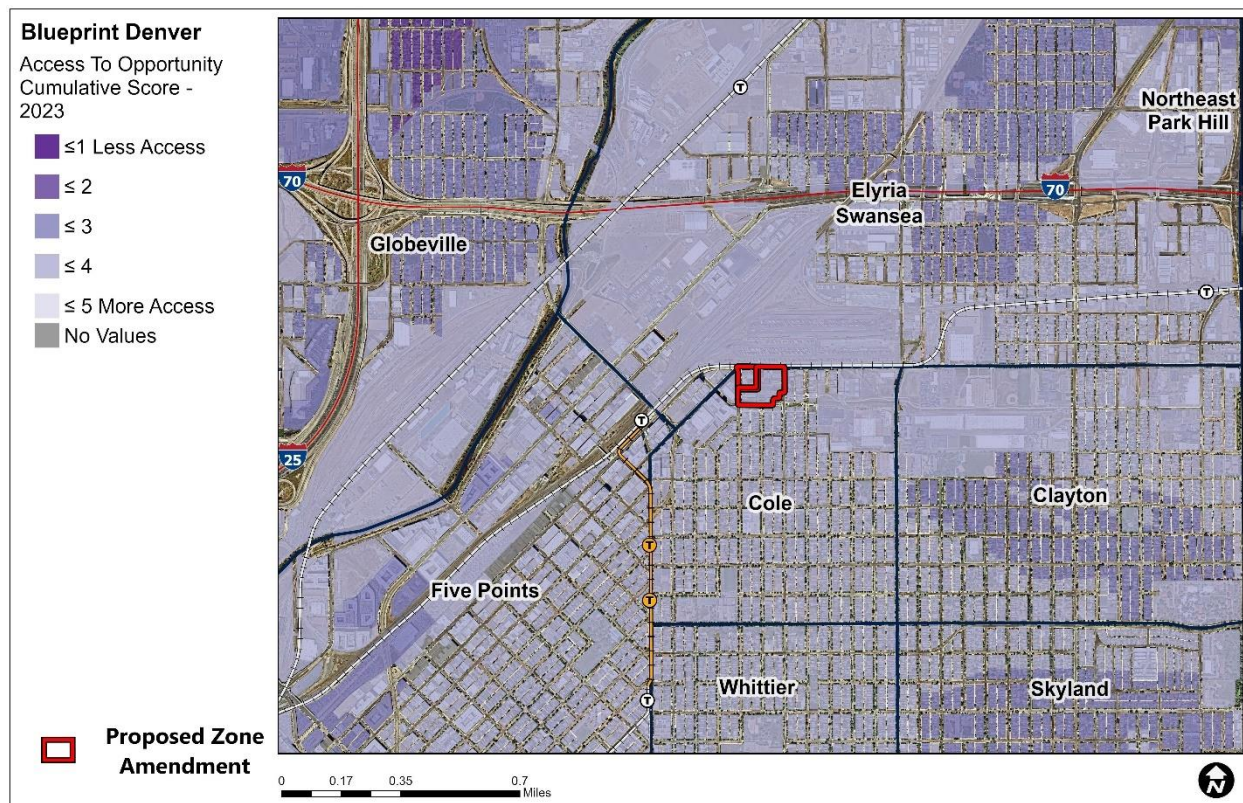


Blueprint Denver's growth strategy map is a version of the future places map, showing the aspiration for distributing future growth in Denver (p. 51). The subject property is part of a Regional Center. Regional Centers are anticipated to see around 30% of new housing growth and 50% of new employment growth by 2040" (p. 51). Focusing growth in centers and corridors helps to provide a variety of housing, jobs and entertainment options within a comfortable distance to all Denverites and is a key element of building complete neighborhoods throughout Denver" (p. 49). The proposed map amendment will focus mixed-use growth to a Regional Center where it has been determined to be most appropriate. Access to jobs, housing, and services can improve in the mixed-use zone districts, and this site has access to multiple bus routes and the RTD train line.

Blueprint Denver Equity Concepts

Blueprint Denver contains three equity concepts to help guide change to benefit everyone. Each equity concept has associated measurements that helps inform implementation actions through large rezonings along with other implementation actions. Because of the size of the subject site, staff conducted an Equity Analysis.

I. Access to Opportunity

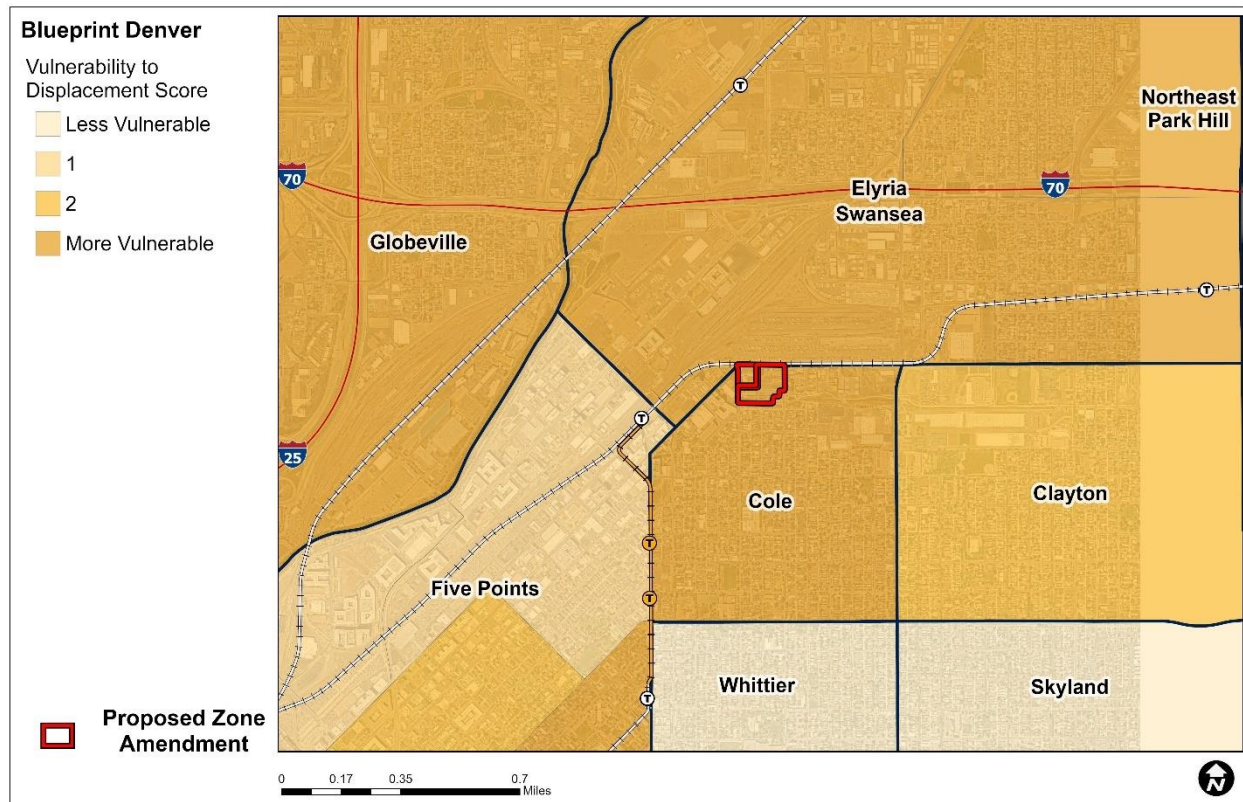


The subject property is in an area with relatively high access to opportunity compared to the darker areas in the map above. The basis for measuring access to opportunity is a composite of the neighborhood equity index developed by Denver's Department of Public Health and Environment, proximity to high-capacity and frequent transit, and access to centers and corridors. Access to

opportunity helps us to consider if we are making progress towards achieving the vision for complete neighborhoods across the city. In areas with higher access to opportunity, it is important to increase the range of affordable housing options so that residents of all income levels can live in these neighborhoods.

Concurrent with the rezoning, the applicant facilitated an affordable housing agreement as previously mentioned above. Through the agreement, the property owner has committed to construct a minimum of 10% of the residential units as affordable to residents earning no more than 50% of the Area Median Income (AMI) for rental units and committed to minimum percentages of 2- and 3-bedroom units. The units will be affordable for a minimum period of 99 years. Additionally, through the DURA process, the applicant will be required to engage in practices and programs to help ensure access to amenities and jobs across the site for a diversity of individuals. The development agreement helps strengthen the application's consistency with *Blueprint Denver* and this equity concept.

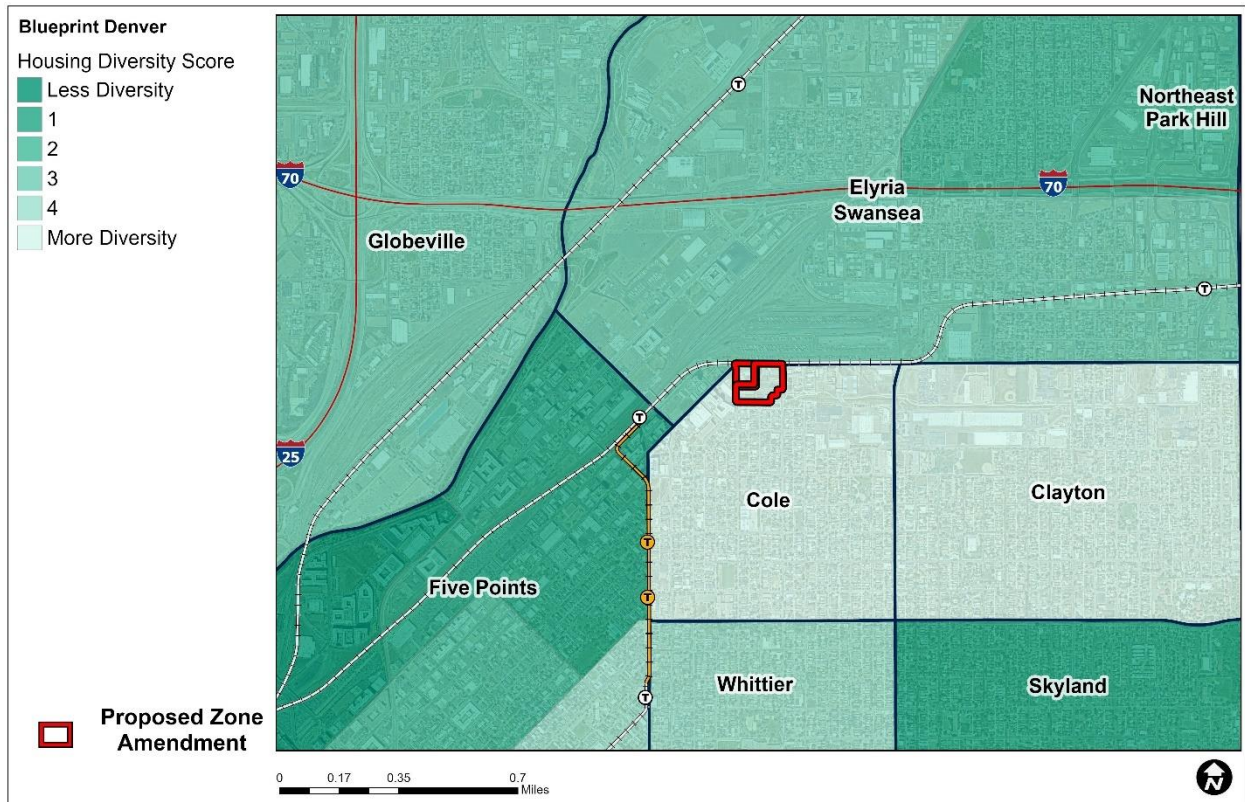
II. Vulnerability to Involuntary Displacement



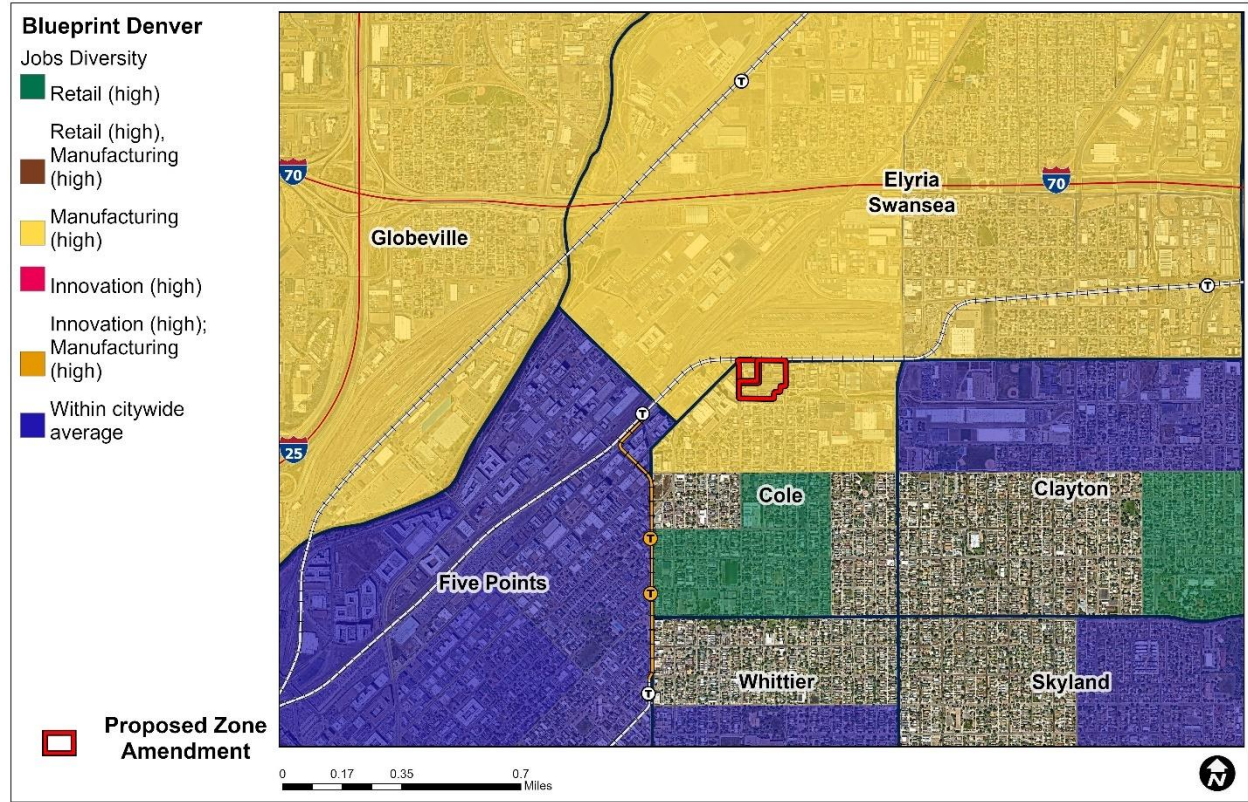
The subject property is in an area that has high vulnerability to involuntary displacement. The basis for measuring vulnerability to involuntary displacement is an index developed by Denver's Economic Development and Opportunity office. This combines data from median household income, percentage of people who rent housing, and percent of population with less than a college degree. In areas with high vulnerability to involuntary displacement, it is important to increase affordable housing options so that residents of all income levels can continue to live in these neighborhoods.

As previously mentioned, the concurrent development agreement includes a commitment to on-site affordable housing. This commitment helps mitigate involuntary displacement and may help to keep current residents in place.

III. Expanding Housing and Jobs Diversity



The subject property is in an area that has high housing diversity. The housing diversity map combines census tract-level data measuring the percentage of middle-density housing (housing with 2-19 units), home size diversity, ownership vs. rental, housing costs and the number of income-restricted units. In areas with a high level of housing diversity it remains important to increase the number of affordable housing units. As previously mentioned, the concurrent development agreement includes a commitment to on-site affordable housing. This commitment helps the area by providing additional and more inclusive variety of housing options.



The map shows the predominant job types within a given area. The area which the subject property is within has a high number of manufacturing jobs. The proposed zone district allows for various commercial, office, and retail jobs. and increasing access to a range of many quality jobs enables people of different incomes and education levels to find employment and wealth-building opportunities. As previously mentioned, the concurrent DURA requirements will ensure the applicant engages in practices that provide a diversity of jobs and support small businesses within the area.

Climate

This rezoning supports the city's goals to reduce climate impacts by enabling additional housing near transit, facilitating the adaptive reuse of former industrial buildings, and encouraging mixed-use environments where people can live and work. Because many transportation options are available, the subject area is less auto-dependent, which can reduce greenhouse gas emissions from transportation. Also, multi-unit buildings are more energy efficient than low density residential development types. This energy efficiency will advance Denver's goals to reduce greenhouse gas emissions from buildings, which contribute to a warming climate.

Other Blueprint Denver Strategies

The proposed rezoning also helps further the following *Blueprint Denver* policies:

Land Use and Built Form – General (pgs. 70-79)

- Policy 1 - Promote and anticipate planned growth in major centers and corridors and key residential areas connected by rail service and transit priority streets.
 - Strategy A - Use zoning and land use regulations to encourage high-density, mixed-use development in transit-rich areas including: (1) regional centers and community centers, (2) Community corridors where transit priority streets are planned, (3) High and medium-high residential areas in the downtown and urban center contexts.
- Policy 2 - Incentivize or require efficient development of land, especially in transit-rich areas.
 - Strategy C - Allow increased density in exchange for desired outcomes, such as affordable housing, especially in transit-rich areas.
 - Strategy E - In historic areas, balance efficiency with preservation through strategies that encourage the reuse of structures.
- Policy 9 - Promote coordinated development on large infill sites to ensure new development integrates with its surroundings and provides appropriate community benefits.
 - Strategy B - Use large development review, or similar tools, to coordinate infrastructure and open space on large infill sites while minimizing and mitigating negative impacts on surrounding communities.

Land Use and Built Form – Housing (pgs. 80-87)

- Policy 8 - Capture 80 percent of new housing growth in regional centers, community centers and corridors, high-intensity residential areas, greenfield residential areas, innovation flex districts and university campus districts.
 - Strategy A - Align high-density residential areas near regional centers to support housing growth near major job centers with access to transit priority streets.

Land Use and Built Form – Economics (pgs. 88-93)

- Policy 1 - Capture 90% of job growth in regional centers, community centers, and corridors, certain districts and high-intensity residential areas in downtown and urban center contexts.
 - Strategy A - Encourage and preserve opportunity for office development within regional centers by allowing high density employment. Study and implement requirements and/or incentives for high density development in regional centers including vacant and underutilized land in downtown.
 - Strategy B - Promote the development and redevelopment of regional centers, including downtown, to meet the land use and transportation needs of targeted industries. This means encouraging regional centers to have strong connections to transportation options, especially passenger rail and transit priority streets, and fostering the mix of uses needed to attract business with a wide variety of jobs.
- Policy 2 - Improve equitable access to employment areas throughout the city to ensure all residents can connect to employment opportunities.

- Strategy B - Promote and incentivize the development of affordable and family-friendly housing, as well as a full range of job opportunities, in and near regional centers, community centers and community corridors.
- Policy 6 - Ensure Denver and its neighborhoods have a vibrant and authentic retail and hospitality marketplace meeting full range of experiences and goods demanded by residents and visitors.
 - Strategy D - Build on Denver's national and regional entertainment options to continue to blend the arts, entertainment, shopping, and hospitality into unique Denver experiences.

Land Use and Built Form – Design Quality & Preservation (pgs. 94-105)

- Policy 2 - Ensure residential neighborhoods retain their unique character as infill development occurs.
 - Strategy A - Continue the city's commitment to existing historic districts and landmarks and use historic designation to preserve the character of an individual structure or district or where there is historic, architectural, cultural, and/or geographic significance.
 - Strategy I - Promote incentives to preserve the reuse of historic buildings and the unique historic features of Denver's neighborhoods.
- Policy 6 - Incentivize the preservation of structures and features that contribute to the established character of an area, even if they are not designated as landmarks or historic districts.
 - Strategy D - Study and implement additional financial incentives for historic structures, such as tax abatement or grants for listing properties on local and/or state and national historic registers.

Mobility (pgs. 106-115)

- Policy 1 - Encourage mode-shift – more trips by walking and rolling, biking and transit – through efficient land use and infrastructure improvements.
 - Strategy D - Increase the number of services and amenities that are available by walking, rolling, and biking by integrating more local centers and corridors into residential areas, especially for areas that score low in Access to Opportunity.
 - Strategy E: Promote mixed-use development in all centers and corridors.

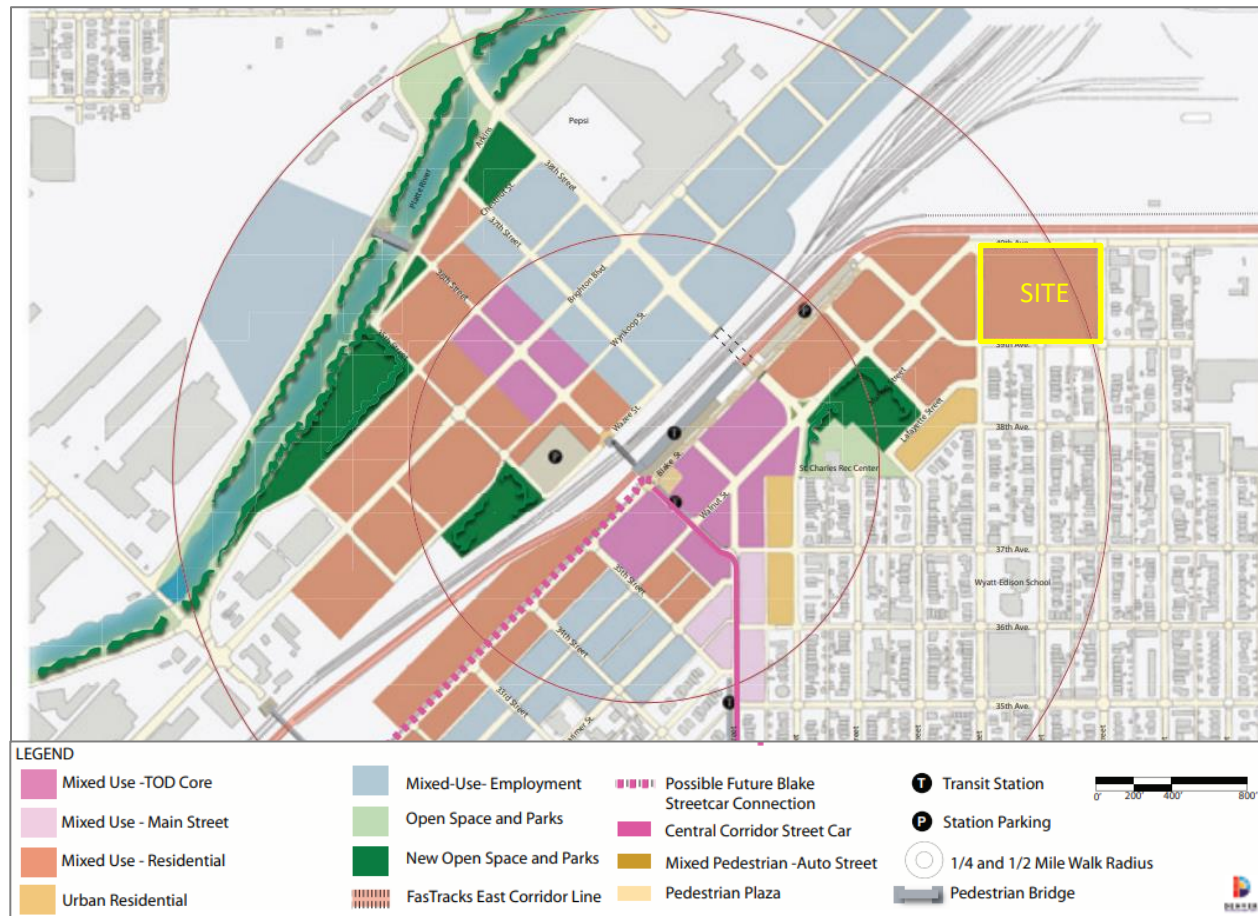
Quality-of-Life (pgs. 116-125)

- Policy 4 - Promote environmentally friendly development strategies in the public and private realms.
 - Strategy C - Develop street design standards that implement green infrastructure for new development.
- Policy 5 - Ensure attractive streets and outdoor spaces in all centers and corridors, giving priority to pedestrian spaces and amenities.
 - Strategy F - Prioritize pedestrian relationships in design such as building orientation vehicular access points (minimize curb cuts) and public wayfinding.
- Policy 10 - Work with public and private partners to improve access to shops, restaurants, entertainment, civic uses, services, and a variety of daily needs for all Denver residents.

- Strategy A - Prioritize Street and trail improvements and connections leading to and through existing future centers and corridors.
- Strategy C - Promote development that compatibly integrates and includes daily needs such as childcare centers, grocery stores, and community serving retail.

38th & Blake Station Area Plan (2009 amended 2016)

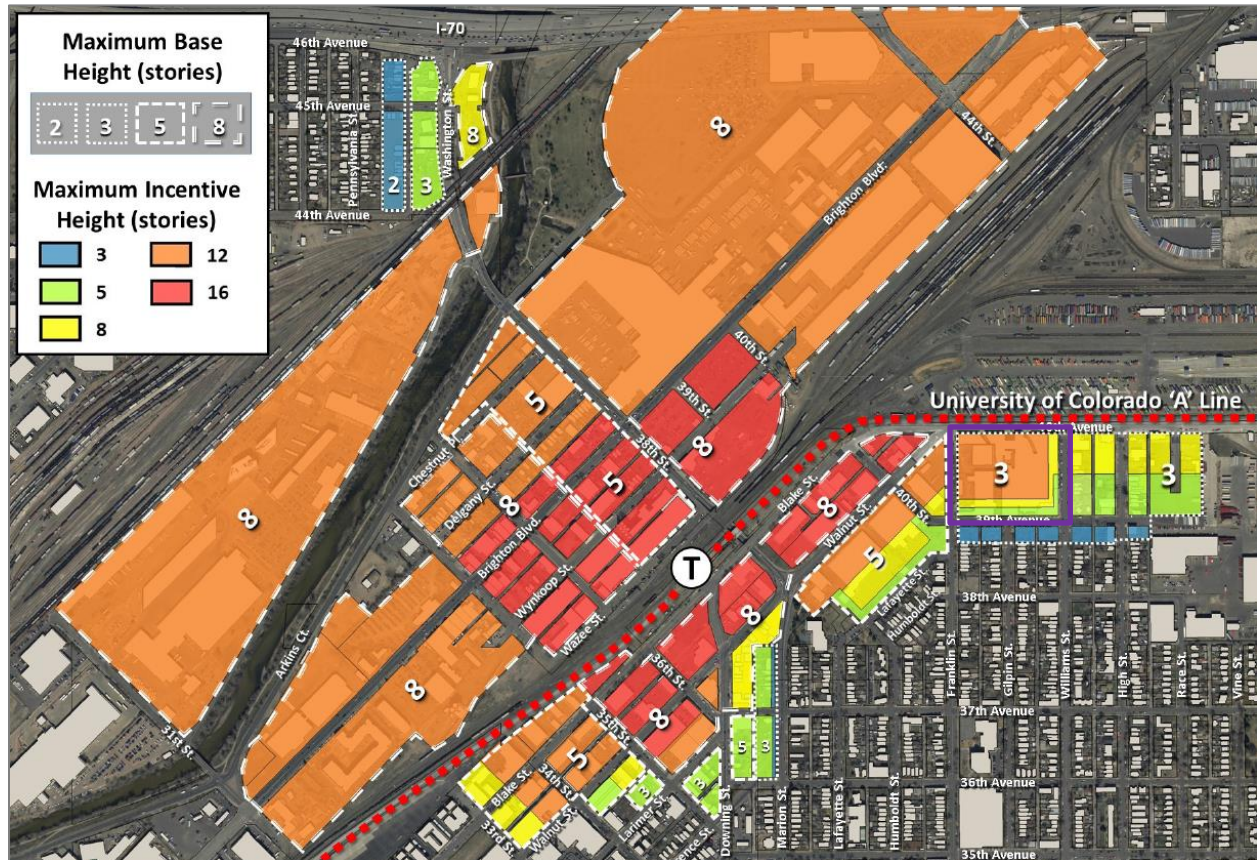
The 38th & Blake Station Area Plan was adopted in 2009 and amended in 2016. The plan emphasized the industrial nature of the area, the historic neighborhoods at the periphery including Five Points and Cole, and generated a framework for an emerging residential and arts district. The plan envisions an expansion of residential and employment opportunities throughout the area for a population of diverse incomes and education levels through a compatible mix of residential, commercial, and industrial uses.



As seen in the map above, the plan called for the site to be included in the Mixed-Use Residential land use typology. Mixed-Use Residential is described as including, “higher density residential buildings” with active ground floors. The proposed C-MX districts align with that land use typology.

The 2016 plan amendment recommended base heights with incentive heights for the provision of affordable housing and other community benefits as seen in the map below with the subject site outlined in purple. The incentive heights were formerly zoned as the 38th & Blake Station Area Incentive Overlay (IO-1). Those incentive heights were removed post-EHA in a 2022 text and map amendment, which established citywide incentives for affordable housing. The map amendment rezoned properties to align with base districts that corresponded to the recommended incentive heights of the 2016 amended plan. For example, if a property had a maximum incentive height of 12 stories, the 2022 map

amendment would have rezoned that property to C-MX-8 where it could achieve the maximum incentive height of 12.



Following that same standard, the subject property has a recommended maximum incentive height of 12 stories which would align with a base district of C-MX-8. However, as previously discussed, *Blueprint Denver* encourages us to consider additional factors in determining appropriate base heights including “surrounding context, including existing and planned building height; transitions, including transitions from higher intensity to lower intensity areas; adjacency to transit, especially mobility hubs; achieving plan goals for community benefits; and furthering urban design goals” (p. 66). Buildings immediately to the west, both built and planned range from 12-17 stories in height. Additionally, the historic preservation of large portions of the site will concentrate any height above the existing 1-story industrial buildings to the north and western edges of the property, thus assuring appropriate transitions to the 39th Avenue Greenway and the lower-scale residential to the south. The property is just over ¼ mile from the 38th & Blake RTD train station, making it an ideal location for locating dense housing and employment, consistent with the goals of the area plan.

The proposed rezoning advances some of the stated recommendations of the area plan including:

- 1. Promote taller building heights to support transit oriented development that provides community benefits and incorporates appropriate height transitions between stable residential areas and infill or redevelopment areas (p. 6)
 - Allow taller building heights than those recommended by previous plans, particularly near the station platform.
 - Ensure that development that benefits from taller building heights than those recommended by previous plans provides community benefits, including integrated affordable housing within the station area.
- 2. Adopt a new regulatory approach to ensure greater design quality throughout the station area plan (p. 8).
 - An active, walkable, and vibrant public realm.
 - Pedestrian-scaled details and entrances to address streets, promenades, and existing open spaces for neighborhood vibrancy.
 - Creation of quality pedestrian spaces such as pocket plazas, pedestrian corridors, and other gathering spaces.
 - Provision of services and amenities for the community.
 - Integration of existing buildings into new development.

The affordable housing agreement, the historic preservation, and the requirements of the DURA process will yield considerable community benefits and advance numerous goals of the city's adopted plans. Therefore, staff finds that the proposed 12 and 16 story heights are appropriate for this proposed rezoning.

River North Plan (2003)

The *River North Plan* was adopted in 2003 and establishes issues, opportunities, and goals for the area, creating a framework for the utilization of portions of the Five Points, Elyria Swansea, Cole, and Globeville neighborhoods. The plan identified the subject site as part of the Transit-Oriented Development Mixed-Use land use typology which broadly called for identifying redevelopment sites and opportunities to foster a compatible mix of uses focused around an envisioned but unbuilt RTD A Line station (p. 58-59). It further calls for the creation of compact, mixed-use, pedestrian-friendly, transit-oriented development including residential, retail, office, industrial, and civic uses (p. 70-74). The proposed C-MX zone districts, with the accompanying development agreement, would enable the type of envisioned development and is therefore consistent with the plan guidance.

Elyria & Swansea Neighborhoods Plan (2015)

While not within the Elyria & Swansea statistical neighborhood, the subject site was included in the 2015 plan for the neighborhoods which established a framework for future development of the area. The plan contains four guiding principles: Unique, Strong, Connected, and Healthy. Staff finds the proposed map amendment and associated development agreement would support the recommendations and strategies under the four guiding principles.



The above map shows the land use recommendations from the plan with the subject site shown as Mixed Use and described as having, “a sizeable employment base as well as a variety of mid-to high-density housing options. Intensity is higher in mixed-use areas than in predominantly residential areas (p. 26). The proposed rezoning aligns with this description and is therefore consistent with the land use typology.

The plan also has some narrative goals that this rezoning would achieve including:

- Strong B.3. Increase Housing Choices – Encourage investment in new housing to expand the total number of residences and to provide for a diversity of housing types to bring more people of all ages and income levels into the neighborhood (p. 29).
- Strong B.6. Build Transit Oriented Development (TOD) - Encourage investment in higher density housing, services, and employment opportunities near rail stations to provide for a diverse population with safe and convenient pedestrian access to rail transit (p. 26).

- Healthy D.20. Use Mixed Use Development to Improve Access to Goods and Services - Promote mixed use development to support a variety of commercial and retail businesses and services throughout the community and around new rail stations (p. 81).

The proposed rezoning, the historic preservation of large areas of the site, affordable housing requirement, and the commitment to diverse employment will enshrine the unique and strong nature of the site, it will create stronger connections between this edge of Cole and Five Points, and promote a healthier industrial edge. The proposed rezoning to the C-MX districts align with the guiding principles of the plan and are therefore consistent with this small area plan.

2. Public Interest

The proposed official map amendment furthers the Public Interest through implementation of the city's adopted land use plans.

It will also further the public interest by fostering the creation of a walkable, mixed-use area, preserving important features of Denver's industrial mining past, providing for affordable housing, and reinforcing the success of Denver's small businesses.

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

The requested C-MX-12 and C-MX-16 zone district are within the Urban Center Neighborhood Context. The neighborhood context generally consists of multi-unit residential and mixed-use commercial strips and commercial centers (DZC, Division 7.1). The area is currently developing to fit this context description, consistent with adopted plans, and the proposed rezoning will facilitate development consistent with that evolution and the Urban Center context description.

The general purpose for the mixed-use zone districts stated in the Denver Zoning Code is to "promote safe, active, and pedestrian-scaled diverse areas through the use of building forms that clearly define and activate the public street edge" and "enhance the convenience, ease and enjoyment of transit, walking, shopping and public gathering within and around the city's neighborhoods" (DZC Section 7.2.2.1). The proposed C-MX-12 and C-MX-16 zone districts will facilitate mixed-use development with active ground floors, providing a variety of services around a transit station, consistent with the stated purpose.

According to the zone district intent stated in the Denver Zoning Code, the C-MX-12 and C-MX-16 districts "applies to areas or intersections served primarily by collector or arterial streets where a building scale of 3 to 12 and 3 to 16 stories is desired" (DZC Section 7.2.2.2.B and 7.2.2.2.C). The property is bounded by E. 40th Ave. to the north, which is a mixed-use arterial street, N. Franklin St. to the west and N. Williams St. to the east, which are mixed use collector streets. The street classifications and desired building heights in this area are consistent with the zone district purpose and intent statements.

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Attachments

1. Application
2. Public and RNO comment letters
3. Public Engagement Outline