**Planning Services** 



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то:	Denver City Council
FROM:	Andrew Webb, Principal City Planner and Alisa Childress, Associate City Planner
DATE:	February 13, 2025
RE:	Council-Sponsored Denver Zoning Code Text Amendment: Gas Station Limitations

# **Staff Report and Recommendation**

Based on the review criteria for text amendments set forth in the Denver Zoning Code (DZC), Section 12.4.11 (Text Amendment), Community Planning and Development (CPD) staff recommends approval of the Gas Stations Limitations text amendment.

### **Summary and Purpose**

The proposed Gas Station Limitations text amendment was initiated by City Council sponsors Diana Romero Campbell (District 4), Amanda Sawyer (District 5), Paul Kashmann (District 6). This text amendment proposes new zoning regulations that would prioritize the implementation of Denver's adopted plans and policies for walkable, mixed-use, sustainable development with affordable housing on and near transit corridors by significantly limiting where new gas stations can be established.

A marked up draft of the proposed text amendment is available on the <u>project webpage</u> and is included as an attachment to this staff report.

### Background

This text amendment was requested by the sponsors to address concerns they've observed or heard from constituents about the proliferation and concentration of gas stations along key transit corridors, community and regional centers and in locations adjacent to low-intensity residential districts. In response to these concerns, the Council sponsors and their staff explored peer city approaches, developed initial proposals, and approached Denver Community Planning and Development to request that these be further refined into the proposed text amendments described in this staff report. According to the sponsors, limiting the establishment of new gas stations in these areas will preserve land for uses that more closely implement our plans for walkable, transit-oriented mixed-use development, such as housing and neighborhood-serving businesses.

# **Proposed Changes**

The draft text amendment to the Denver Zoning Code would prohibit new gas stations:

- within ¼ mile of an existing gas station
- within ¼ mile of a rail transit station
- within 300-feet of low-intensity residential zone districts defined in the Zoning Code as Protected Districts, including single-unit (SU), two-unit (TU) and row house (RH).

This text amendment would not apply to gas stations that are not open to the public, such as non-retail fuel services for government fleets, transit vehicles or rental cars.

Additionally, the proposal includes:



- An exception to some of the above limitations for gas stations that are combined with commercial space that provides opportunities for the sale of groceries, home goods, or other products that could serve nearby residents.
- A prohibition on the expansion of fueling services for most existing gas stations, such as to add additional gas pumps, unless the expansion would add electric vehicle charging equipment.

The sponsoring Councilmembers propose that these changes would apply to new gas station developments that were not already submitted for City review by May 13, 2024.

# **Related Former Chapter 59 "Bridge" Amendment**

The City Council sponsors plan to introduce an amendment to the DRMC Sec. 59-2 that would "bridge" these proposed Denver Zoning Code Use Limitations into areas of the city that have retained Former Chapter 59 zone districts.

# **Outreach and Public Process**

Because this is a City Council-sponsored text amendment, the sponsoring councilmembers and their staff managed outreach and engagement. Community outreach for the Gas Station Limitations project included an informational mailer, outreach at community events, and an online comment/question form. Below is a complete list of meetings and outreach points:

### **Public Meetings**

- Discussed project at various RNO and community meetings
- District 4 open house October 16, 2024

### **Other Engagement Points**

- Posted on council district social media accounts
- Sent information via council district newsletters
- Targeted stakeholder engagement including Energy Code stakeholders, the Colorado Wyoming Petroleum Marketers Association, 7/11, Quik Trip, Denver International Airport, Electric Era, Common Sense Institute, and affected property owners

# **Planning Board and City Council**

- City Council Budget and Policy Committee update May 13, 2024
- Planning Board info item August 21, 2024
- Planning Board Action Item December 18, 2025
  - Planning Board Recommended Approval (5-0)

**Written comments:** Comments and questions were encouraged through on online form on the project's webpage and were also provided via email. As of the writing of this Staff Report, staff has received approximately 205 comments and questions from 196 unique stakeholders on this project. Of those unique comments, approximately 36% of the comments received expressed support for the text amendment, 16% were questions or expressed an unclear position, and 48% expressed opposition to the text amendment. The comments are attached to this staff report.

Community members who supported the proposed amendments agreed with the sponsors' intent to reserve land on transit corridors and urban centers for housing and other non-auto-oriented uses, and

some recommended further restrictions on gas station locations. Commenters who were opposed highlighted concerns about limiting property rights, and some suggested that the proposed limitations would reduce the likelihood that gas stations in close proximity would compete for customers by lowering fuel prices. The Colorado Wyoming Petroleum Marketers Association, which represents some Denver retail fuel businesses, sent a letter praising the sponsors' intent to preserve land for housing and staff's outreach and collaboration with the fuel industry to find an approach that they could live with. The letter, which is included in the comment records, acknowledged a similar trend in other cities to limit the concentration of gas stations, and urged support for the text amendments.

**Informational Postcard:** While not required by the Zoning Code for a text amendment, the City Council sponsors sent a courtesy mailed notice postcard to 18,201 owners of properties in Denver with commercial zoning that could potentially allow a gas station, letting them know that their future ability to construct a gas station may be affected by these proposed use limitations.

# Text Amendment Adoption Process Timeline

- Text Amendment Initiated by request of City Council sponsors May 2024
- Text Amendment Internal Agency Referral #1 August 19, 2024
- Planning Board Information Item August 21, 2024
- Courtesy mailed notice to commercial property owners September 2024
- Text Amendment Internal Agency Referral #2 October 14, 2024
- CPD written notice of the Planning Board public hearing sent to all members of City Council and registered neighborhood organizations. November 7, 2024
- Planning Board Hearing Public Notification December 2, 2024
  - Recommendation of Approval
- Planning Board Public Hearing December 18, 2024
- LUTI Committee January 7, 2025
- Mayor Council January 17, 202
- City Council First Reading January 21, 2025
- City Council Public Hearing February 18, 2025

# **Criteria for Review and Staff Evaluation**

The criteria for review of this rezoning application are found in DZC Section 12.4.11.4 and include:

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

# 1. Consistency with Adopted Plans

The following adopted plans are applicable to the proposed text amendment:

- Denver Comprehensive Plan 2040
- Blueprint Denver (2019)

# 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. Key goals from those strategies are summarized below, with analysis of how the proposed text amendment is consistent with each.

### Strong and Authentic Neighborhoods

- Goal 1: Create a mix of complete neighborhoods
  - Strategy A: Build a network of well connected, vibrant, mixed-use centers and corridors.
  - Strategy C: Ensure neighborhoods are safe, accessible and well-connected for all modes.
  - Strategy D: Encourage quality infill development that is consistent with the surrounding neighborhood and offers opportunities for increased amenities.
- Goal 2: Enhance Denver's neighborhoods through high-quality urban design (p. 34).
  - 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. (p. 34)
- Goal 4: Ensure every neighborhood is economically strong and dynamic.
  - Strategy A: Grow and support neighborhood-serving businesses. (p. 34)

The Gas Station Limitations Text Amendment would support the city's vision for strong, dynamic and well-designed neighborhoods by reducing an auto-oriented, high vehicle-traffic land use that break up the pedestrian realm and expose pedestrians and other sidewalk users to vehicle conflicts. Gas stations typically rely on formulaic designs and branding and do not contribute to community character or an engaging public realm. Encouraging other uses of land besides gas stations will discourage concentration of these uses along key corridors, improving walkability and providing more opportunity for uses and development that contribute to the public realm and high quality of life. Additionally, while most gas stations are associated with convenience stores, this amendment does provide an exception to proposed spacing and buffering limitations for gas stations associated with larger stores, which could provide opportunities for the sale of groceries, home goods or other products that could serve nearby residents.

### Connected, Safe and Accessible Places

- Goal 1: Provide a safe transportation system that serves all users.
  - Strategy B: Build streets that are safe for everyone, especially for the most vulnerable, including the elderly, those with disabilities and children. (p. 40)
- Goal 3: Maximize the public right-of-way to create great places.
  - Strategy A. Create streets to foster economic activity, contribute to great urban design and accommodate green infrastructure, including street trees (p. 40)
- 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. (p. 42)

This proposed text amendment would support the Comprehensive Plan's strategies for connected, safe and accessible places by reducing the potential for auto-oriented development. Land uses like gas stations are typically set back from the public right-of-way, resulting in uninviting pedestrian pathways

set between busy roadways on one side and circulating on-site traffic on the other. Additionally, because they are typically served by multiple curb cut access points, gas stations invite opportunities for vehicle conflicts with people who are using the sidewalk. Limiting the development of new gas stations will not preclude establishment of other auto-oriented uses. However, curtailing the expansion of this popular, franchised use type could reserve land for more transit-compatible residential and mixed-use development along Denver's existing major corridors, including those already well-served by transit, and those slated for future bus rapid transit services, such as Colfax Ave and Federal Boulevard. Similarly, limiting the expansion of new gas stations within ¼ mile of Rail Transit Station Platforms could help preserve land in surrounding community and regional centers for more walkable, transit-serving uses that contribute to a sense of place.

### Environmentally Resilient

- Goal 8: Clean our soils, conserve land and grow responsibly.
  - Strategy B: Encourage mixed-use communities where residents can live, work and play in their own neighborhoods. (p. 52)

By limiting the establishment of new gas stations in Denver, this proposed text amendment would make more land available along key corridors that could be developed with of a mix of uses including multiunit and affordable housing that can help support existing and future transportation investments like bus rapid transit (BRT), rail and other services.

# Healthy and Active

- Goal 3: Ensure access to affordable, nutritious and culturally-diverse foods in all neighborhoods.
  - Strategy A: Expand efforts to recruit and retain fresh-food retailers in lowincome and underserved areas. (p. 56)

This proposed text amendment will limit the establishment of new gas stations in proximity to residential areas, and the concentration of such businesses at intersections or along corridors. However, it will also provide an exception to these use limitations for gas stations associated with a retail store that is 20,000 square feet or larger. Allowing this exception for larger stores could provide opportunities for the sale of groceries, home goods or other neighborhood-serving products within walking, rolling and bicycling distance of residential areas, including underserved, low-income neighborhoods.

# **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. The proposed text amendment is also consistent with a variety of policies and strategies in *Blueprint Denver*.

*Blueprint Denver* recommends various regulatory changes to ensure that the Denver Zoning Code responds to the evolving needs of the city and encourages the proactive implementation of plan recommendations through city-led text amendments. Key policies under this category are listed below along with information about how the proposed text amendment is consistent with these policies.

Land Use and Built Form General Recommendations

- 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 higher-density, mixed-use development in transit-rich areas including: Regional centers and community centers, Community corridors where transit priority streets are planned, and High and medium-high residential areas in the downtown and urban center contexts. (p. 72)
- Policy 2: Incentivize or require efficient development of land, especially in transit-rich areas.
  - Strategy B: In transit-rich areas, including downtown, revise the zoning code to limit auto-oriented commercial uses that do not contribute positively to activating the public realm, such as mini-storage, drive-throughs and car washes. This may also apply to other desired mixed-use areas of the city, such as transit priority streets. (p. 72)

Most gas stations are located in centers and along corridors where underlying zoning allows highdensity, mixed use development. By limiting the establishment of new gas stations in these areas where they are already concentrated, more land will be preserved for Blueprint's envisioned higher-density development in areas served by high quality transit.

- Policy 8: Promote environmentally responsible and resource-efficient practices for the design, construction and demolition of buildings
  - Strategy B: Evaluate requiring electrical vehicle charging stations for new commercial/mixed use development

This proposed text amendment also supports Blueprint's policies and goals for more environmentally responsible development. If adopted, the text amendment would make many existing gas station uses Compliant per the Zoning Code, thereby limiting the expansion of the number of fuel pumps on the site. However, the amendment proposes additional language stipulating that gas station owners could expand to add electric vehicle charging equipment, if they so chose.

- Policy 11: Implement plan recommendations through city-led legislative rezonings and text amendments.
  - Strategy C: Use a robust and inclusive community input process to inform cityled rezonings and zoning code text amendments. (p. 79)

Finally, the sponsors and their staff conducted extensive outreach to operators and industry associations, as well as to community organizations to inform development of the text amendments. Additionally, the sponsors sent a courtesy mailed notice to all potentially-effected property owners, which is not required for a text amendment by the Zoning Code. Staff continued to take and consider public comment throughout the public review period in advance of the LUTI meeting.

Land Use and Built Form Housing Recommendations

• 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 C: Ensure land use regulations, small area plans and major transit investments support desired growth areas. (p. 86)

Gas stations represent an inefficient use of urban land, with most of the subject parcel dedicated to vehicle maneuvering and parking. Limiting the growth of this highly auto-oriented use type in centers and corridors will help preserve land for more appropriate mixed-use and housing development in these areas.

### Land Use and Built Form Design Quality and Preservation Recommendations

• Policy 3: Create exceptional design outcomes in key centers and corridors.

*Blueprint Denver's* overarching themes center placemaking and design for a high quality built environment that supports vibrant centers and corridors. Characterized by buildings set back from the public realm behind parking and vehicle maneuvering areas, and with inexpensive structures based on corporate designs that do not respond to local context, gas stations do not contribute positively to placemaking. This proposed text amendment supports Denver's goals for design quality by limiting the further expansion of gas station uses. Cumulatively, these proposed buffers could help preserve land on corridors and in centers that could be used for for higher-quality development.

# **Mobility Recommendations**

- Policy 1: Encourage mode-shift more trips by walking and rolling, biking and transit through efficient land use and infrastructure improvements
  - Strategy C: Support safe routes to school programs.
  - 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.
  - $\circ$   $\;$  Strategy E: Promote mixed-use development in all centers and corridors.
- Policy 3: On all streets, prioritize people walking and rolling over other modes of transportation.
  - Strategy A: Ensure safe pedestrian crossings, especially along the High Injury Network identified by Vision Zero.
  - Strategy B. Develop access management policies especially in centers and corridors in the downtown, urban center and general urban contexts — to reduce conflicts between driveways/ garages and pedestrians and cyclists.

Gas stations induce heavy vehicle traffic through multiple access points, often located near intersections where turning vehicles create significant conflict risks for pedestrians, cyclists and others who aren't in cars. This proposed text amendment furthers Blueprint's mobility goals and policies by limiting the development of gas stations in locations where this highly auto-oriented use and site designs are at odds with Denver's goals of reducing conflicts and prioritizing people walking and rolling over other modes of transportation.

# <u>Equity</u>

Equity is an essential element of *Blueprint Denver*, and the plan calls for "planning and guiding change to benefit everyone" to achieve its vision for inclusive, complete neighborhoods. *Blueprint Denver* sets forth three key equity concepts, which are listed below along with information about how the proposed

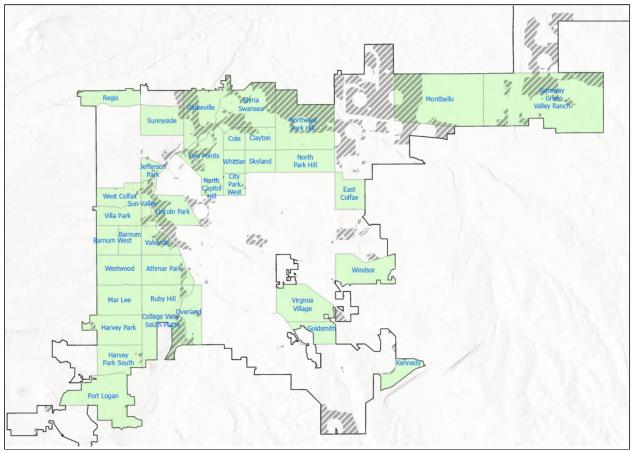
text amendment is consistent with these concepts.

- Improving Access to Opportunity
  - This concept involves creating more equitable access to quality-of-life amenities, health and quality education. This is measured through indicators like access to parks, full-service stores, and Centers and Corridors. This proposed text amendment will limit the use of land in the city for gas stations (except those associated with a larger retail store use), which may help preserve land for community serving uses like healthcare, housing and other quality-of-life necessities. Additionally, by reducing the prevalence of land uses that require multiple curb-cut access points and induce heavy traffic, corridors will be friendlier to people walking, rolling, or using transit services to access opportunities. Staff finds that this text amendment could have a **positive impact** on improving access to opportunity.
- Reducing Vulnerability to Displacement
  - This concept aims to stabilize residents and businesses who are vulnerable to involuntary displacement due to increasing property values and rents. Vulnerability is assessed by combining three main data points: median household income, percent of renters, and percent of population with less than a college degree. This proposed text amendment would limit the establishment of new gas stations in Denver. It would not directly impact involuntary displacement of residents due to increasing housing costs. Additionally, this text amendment does not displace existing businesses it would allow the continued operation and maintenance of existing gas stations and would allow expansion to add electric vehicle charging equipment if operators so chose. For these reasons, staff finds this proposed text amendment is likely to have a neutral impact on reducing vulnerability to displacement.
- Expanding Housing and Jobs Diversity
  - This equity concept aims to provide a better and more inclusive range of housing and employment options in all neighborhoods. Housing diversity is measured by indicators like home size diversity and housing costs. Jobs diversity is measured by two key factors: the amount of jobs per acre and the mix of jobs in different parts of the city. Gas stations consume a large amount of land for the purposes of vehicle parking and maneuvering, and are known for low-wage retail jobs. By limiting expansion of this land use along corridors and near residential areas, more land may be preserved for development of housing, office space and other employment uses that could provide higher-paying jobs with advancement opportunity. Additionally, this proposed text amendment only impacts the retail sale of automotive fuel – on-site fuel dispensers serving trucks, railroad equipment and school bus fleets, etc. would not be affected. For these reasons, staff finds this proposed text amendment will likely have a neutral impact on expanding housing and jobs diversity.

### Equity Mapping

Blueprint Denver uses a set of metrics, including data about neighborhood demographics, employment, housing diversity and other characteristics, to inform the three equity concepts listed above. These metrics are mapped to allow for geographic analysis of the potential impacts of land use regulations.

The map below shows how areas where gas stations would still be allowed align with neighborhoods that have lower overall equity scores derived from these metrics. Areas shown with gray cross-hatching are where new gas stations would still be allowed if this proposed text amendment is adopted, and neighborhoods with equity scores below the city average are shown in green. Though not specifically referenced in the Comprehensive Plan or Blueprint Denver, areas of the city that were historically under-served, and where inequities tend to persist, are often viewed through a geographic lens referred to as the "inverted L." The "inverted L" includes neighborhoods abutting industrial districts along the South Platte River and northeast Denver, such as Overland, Globeville, Elyria-Swansea and Montbello.



Map showing Denver neighborhoods with below-average equity scores (green), overlaid with the areas of the city where gas stations would still be allowed if this text amendment is adopted (gray crosshatch).

As can be seen from the illustration, areas where gas stations would still be allowed are particularly pronounced in the "inverted L." This is due primarily to the underlying industrial zoning that can be found in these areas. Most areas with industrial zoning correspond with existing industrial uses. In these areas, the proposed rules would only allow gas stations where they are surrounded by industrial zoning – they would be prohibited within 300 feet of the pockets of lower-density residential zoning that can be found in these neighborhoods. Due to their industrial nature, these areas do not currently have as high a concentration of existing retail gas stations, and those that do exist are along corridors that intersect with I-70, such as Peoria St. The proposed amendment's required quarter-mile buffer from existing gas stations will prevent further concentration in these locations. In areas with

industrial zoning where gas stations would not be allowed, such as locations within ¼ mile of another existing gas station or a light rail transit station, applicants could potentially make use of the exception for larger retail stores described elsewhere in this staff report. This could enable the establishment of neighborhood-serving retail uses in locations that are underserved by stores that meet daily needs. Additionally, as described elsewhere, by limiting the expansion and concentration of gas stations along key corridors, some of which serve or transect these neighborhoods, this amendment could preserve land for other uses, such as employment or residential development that is served by transit. For these reasons, staff finds that this text amendment will likely have a **neutral impact** on the overall equity scores of Denver neighborhoods.

# 2. Public Health, Safety and General Welfare

Limiting the expansion of new gas stations in Denver will further public health, safety and general welfare. The on-site vehicle circulation and curb ramp access to public streets that are required for gas stations disrupt pedestrian environments and create opportunities for vehicle conflicts. By establishing limitations on the further expansion of gas stations in Denver, more land will be available that could be used for development of housing, community-serving uses and higher-paying employment options. Additionally, the proposed text amendment would allow exceptions from some use limitations for gas stations that are associated with stores selling a wider range of food ingredients than a typical convenience store, which may help encourage the establishment of retail uses that better meet the food access needs of Denver neighborhoods. Accordingly, staff finds this proposed text amendment furthers the public health safety and general welfare of the city.

# 3. Uniformity of District Regulations and Restrictions

This text amendment will result in processes and regulations that are uniform within each zone district.

# **Attachments**

- 1. Gas Stations Limitations text amendment draft
- 2. Comments and Questions received from the public