

Proposed Urban Redevelopment Area

101 Broadway Urban Redevelopment Plan



Finance and Governance Council Committee
May 15, 2018

Proposed Urban Redevelopment Area 101 Broadway Urban Redevelopment Plan



Two Ordinance Requests:

CB 18-0563 – 101 Broadway Urban Redevelopment Plan

CB 18-0564 – 101 Broadway Tax Increment Areas Cooperation Agreement



Background

- Proposed Urban Redevelopment Area is situated at the northwest corner of 1st Avenue and Broadway in central Denver.
- Includes the 34,000 square foot 1st Avenue Hotel building which is designated an historic landmark.
- Upper floors of the building were condemned for residential occupancy in 1978.
- The ground floor of the building was restored in the 1980s but became vacant in 2004 and fell into disrepair.
- The building was purchased in 2008 and the ground floor was activated as a restaurant.
- The City foreclosed on the building in 2013 due to safety issues.
- Site was purchased in 2015 and is now positioned for redevelopment.

Urban Redevelopment Area Boundaries



Blight Findings

A formal Conditions (blight) study has been completed and the results identified sufficient evidence of more than four blight factors.

- Slum, deteriorating or deteriorated structures
- Unsanitary or unsafe conditions
- Existence of Conditions that Endanger Life or Property by Fire or Other Causes
- Buildings that are unsafe or unhealthy for persons to live or work in because of building code violations, dilapidation, deterioration, defective design, physical construction, or faulty or inadequate facilities
- The existence of health, safety, or welfare factors requiring high levels of municipal services or substantial physical underutilization or vacancy of sites, buildings, or other improvements

Blight Findings

Conditions Study Findings



Blight Findings

Conditions Study Findings





Conformance with City Plans / Community Vision

The main objectives of the Urban Redevelopment Plan are to:

- Eliminate blight
- Renew and improve the character of the Area
- Encourage residential, retail and commercial development
- Encourage and protect existing development
- More effectively use underdeveloped land
- Encourage land use patterns where pedestrians are safe and welcome
- Encourage participation of existing property owners in the redevelopment of their property
- Encourage high and moderate density development where appropriate
- Encourage reuse of existing buildings, including historic preservation and adaptive reuse
- Provide a diverse mix of dense housing options
- Improve and provide employment centers near transit

Conformance with City Plans / Community Vision



The goals and objectives of the proposed Plan are consistent with a number of objectives from City Plans

- **Denver Comprehensive Plan 2000**
 - Promote quality infill development
 - Promote adaptive reuse of existing buildings
 - Encourage mixed-use, transit oriented development
 - Support the development of affordable housing using a variety of public finance mechanisms.
 - Encourage infill development that is consistent with the character of the surrounding neighborhood; offers opportunities for increased density; broadens variety of compatible uses
 - Preserve Denver's architectural and design legacies
 - Identify areas in which increased density and new uses are desirable and can be accommodated
 - Use Public-private partnerships to facilitate development
 - Leverage City resources to protect Denver's Landmarks and eligible historic buildings and to avoid their demolition



Conformance with City Plans / Community Vision

- **Blueprint Denver**
 - Identified as “Area of Stability” – with areas that would benefit from reinvestment
 - Future land use recommendation of “Pedestrian Shopping Corridor”
 - Corridors scaled to be compatible with surrounding residential neighborhoods
 - Provide pedestrian amenities and good transit service

Conformance with City Plans / Community Vision

Baker Neighborhood Plan

- Supplement to Comprehensive Plan 2000
 - Specifically recommends the redevelopment of the historic 1st Avenue Hotel
 - Lists “reinforcing the traditional retail, commercial and housing mix on the major corridors” as one of its major elements
 - Guiding principles of:
 - providing “diversity of housing stock to allow affordable products and a diverse resident population”
 - Creating “a walkable neighborhood by providing active pedestrian-oriented uses on the ground floors of buildings”
- ❖ Planning Board voted unanimously to find the Urban Redevelopment Plan to be in conformance with Plan 2000



Urban Redevelopment Project

- Restoration of 4-story Denver Historic Landmark
- Construction of a 5-Story Addition
- Deliver Approximately 106 Affordable Workforce Housing Units
 - Studios and 1 Bedroom
 - 60% Area Median Income (AMI)
 - Average Unit Size of 350 Square Feet
- Approximately 10,000 Square Feet of Ground Floor Retail/Restaurant Space
- Construction of Approximately 20 surface parking spaces

Urban Redevelopment Project



Tax Increment Area



Property and
Sales Tax
Increment Area
– Coterminous
with Urban
Redevelopment
Area



Tax Increment Commitment

- ± \$2,500,000 TIF request
- Developer advance to be reimbursed by TIF
- Property and sales tax increment from tax increment areas
- Expected increment available at stabilization (approximate at stabilization)
 - \$25,000 annually in property tax increment (commercial property only)
 - \$290,000 annually in sales tax increment
- TIF obligation projected to be repaid within 25 year statutory limit



Tax Increment Commitment

Approval of:

- Sales Tax Increment Area
- Property Tax Increment Area
- All sources of Tax Increment derived from project site only
- Tax Increment will terminate at earlier of 25 years or full repayment of reimbursement obligation

Additional Cooperation:

- Agreements negotiated regarding Property Tax Increment with DPS and UDFC



Approval Timeline

- Resolution Setting Public Hearing – April 30, 2018
- Planning Board – May 2, 2018
- Council Committee – May 15, 2018
- DURA Board – May 17, 2018
- Public Hearing – City Council – June 25, 2018

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