1717 E. 39th Ave.

- Rezoning from I-B, UO-2 and C-MU-10 with Waivers to C-MX-12 and C-MX-16
- Related Rock Drill development agreement

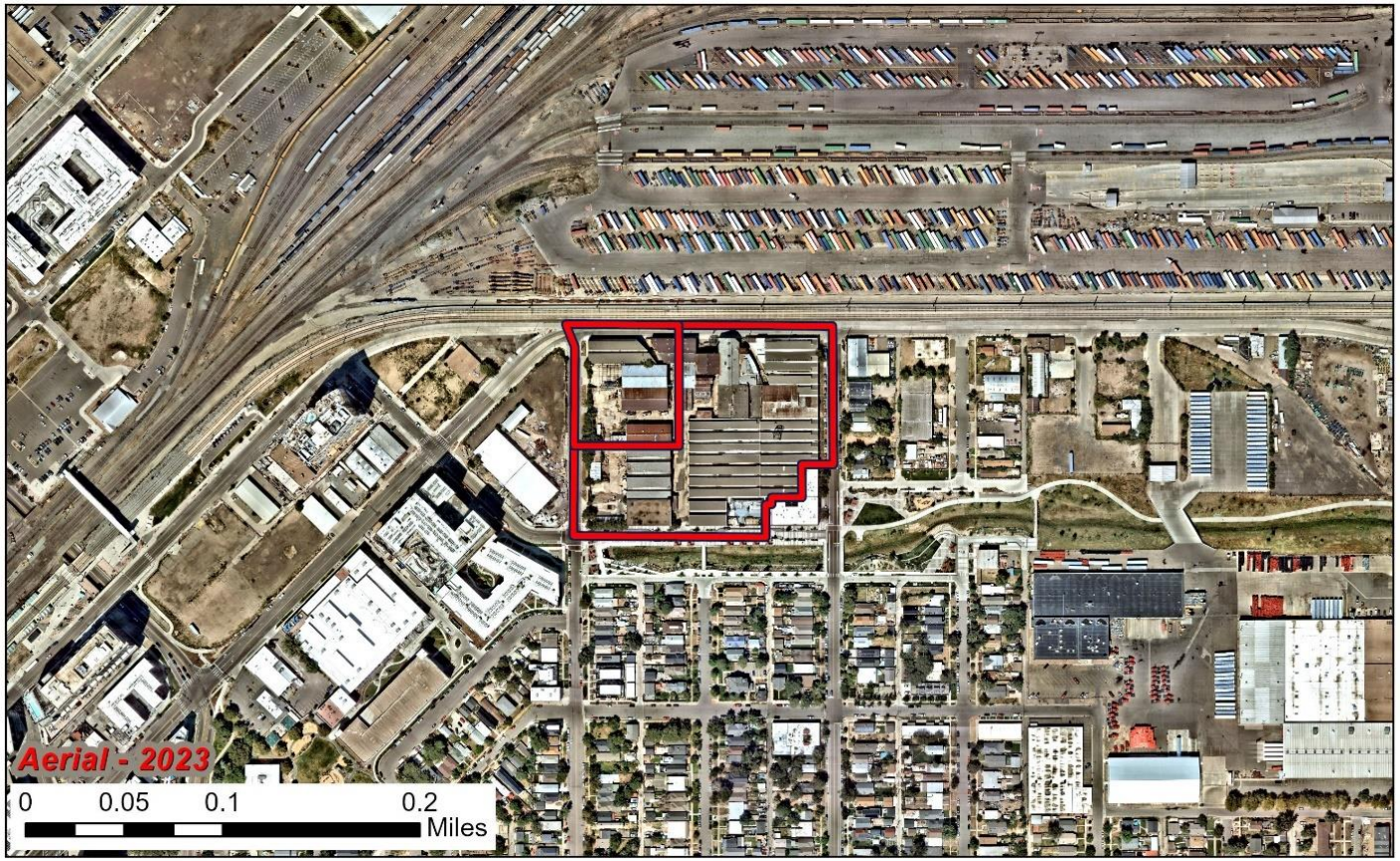
Date: 07.29.2025

Presenter: Tony Lechuga

Presentation Agenda

- Request
- Location and Context
- Development Agreement
- Process
- Review Criteria

Request



1. Rezone to C-MX-12 and C-MX-16
2. Development Agreement

Presentation Agenda

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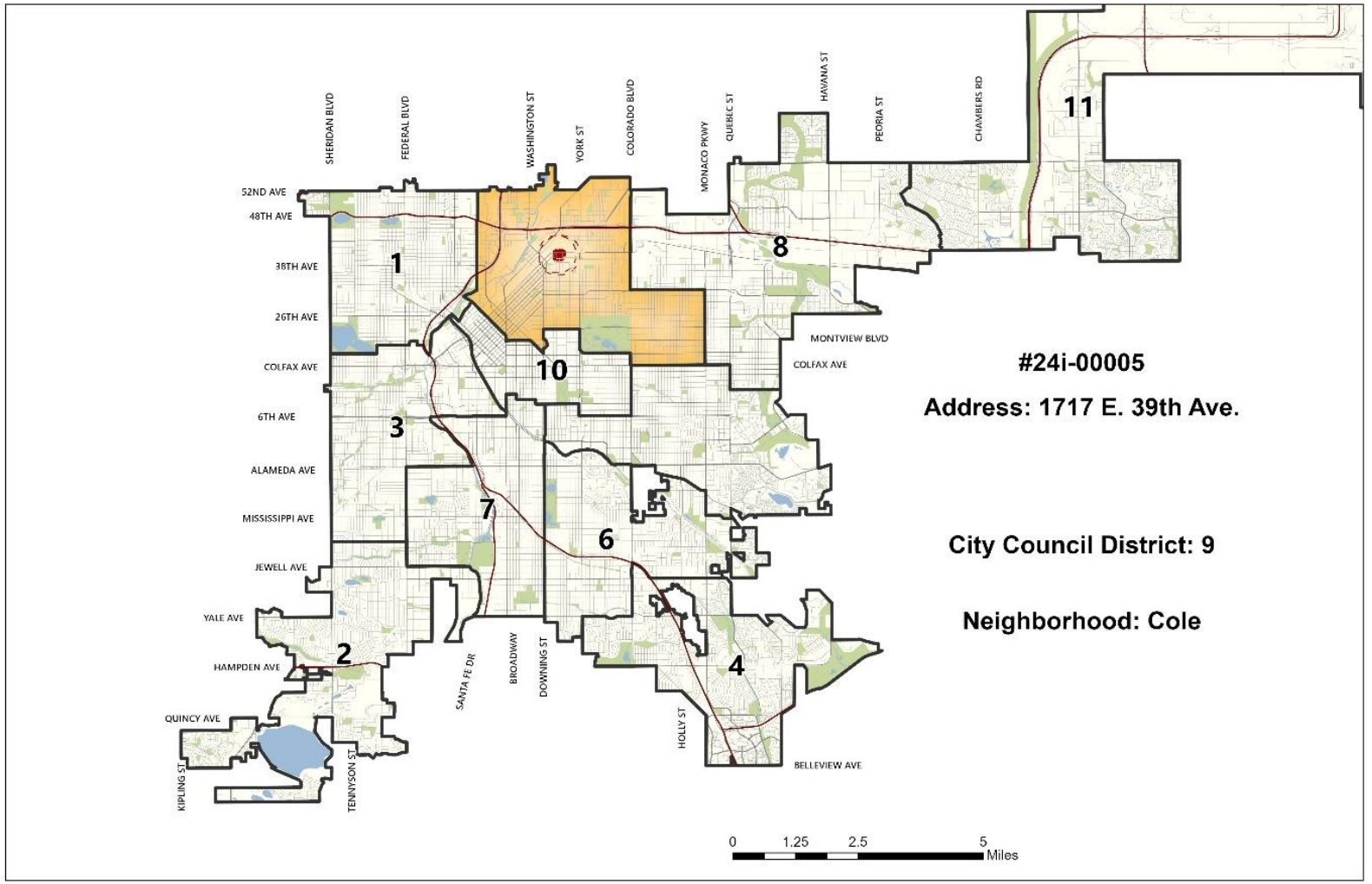
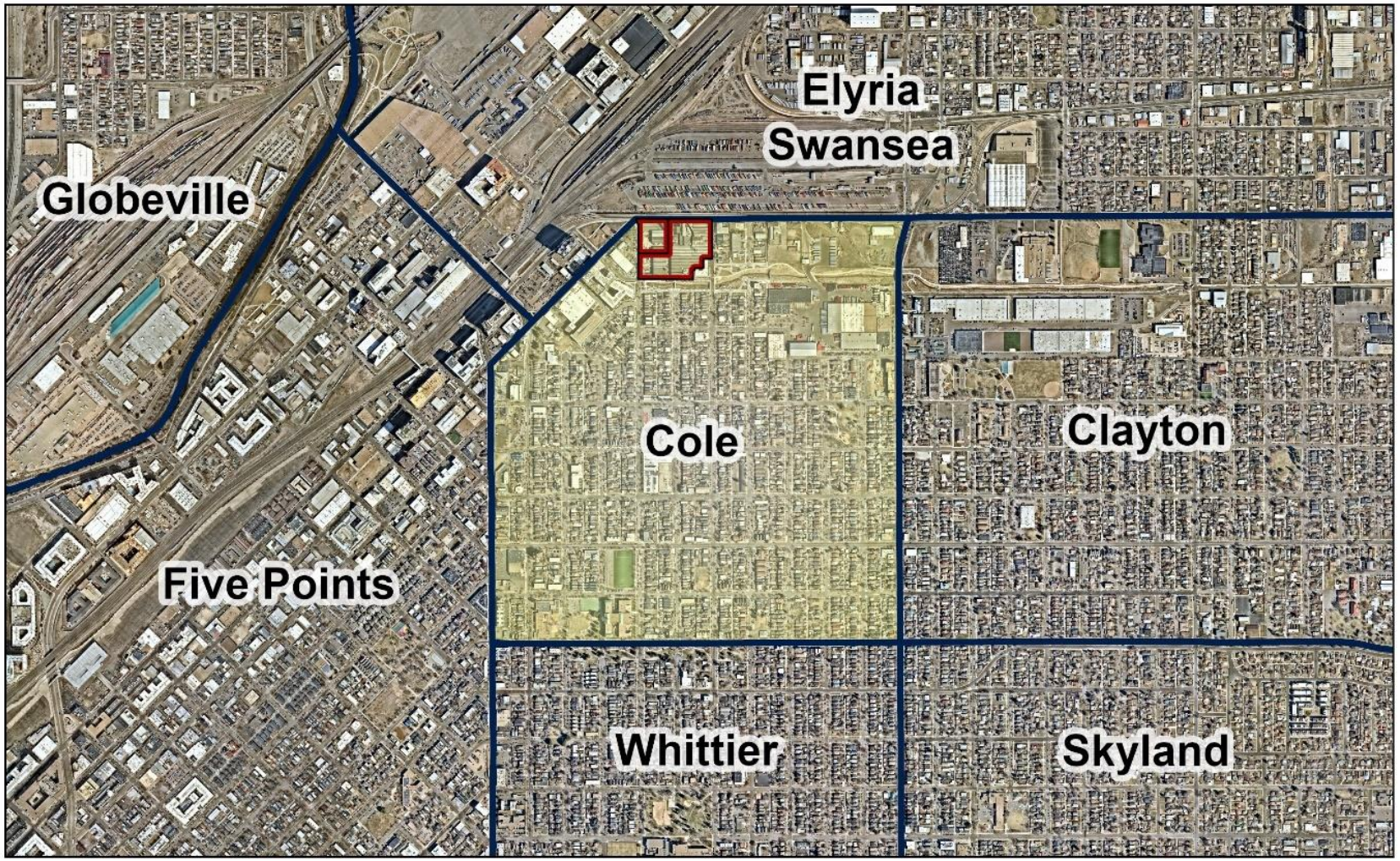
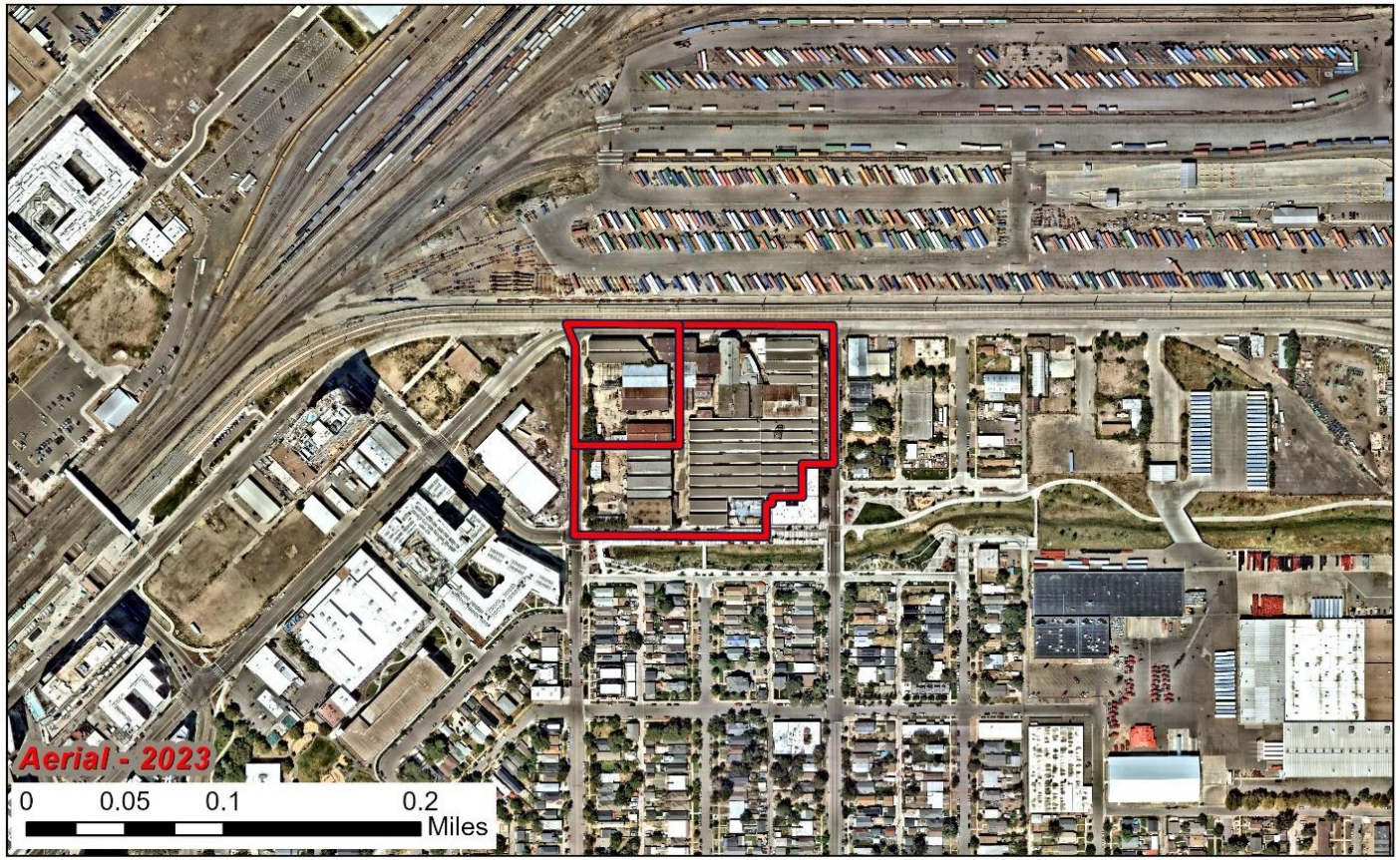
Council District 9 – Councilmember Watson



Statistical Neighborhood – Cole



Context



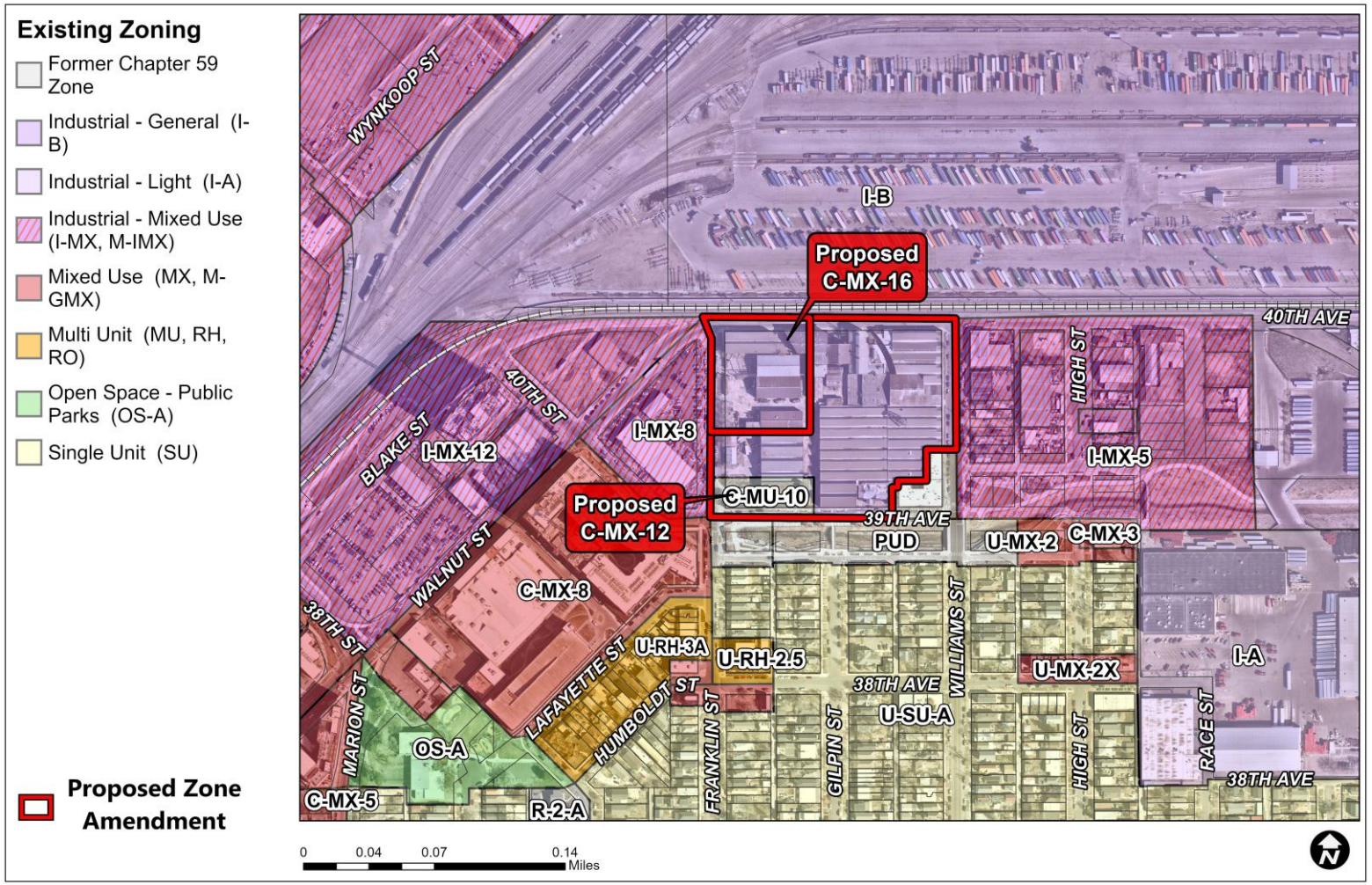
- Property:
  - ~6.7 acres
  - Multiple historic industrial buildings formerly home of the Denver Rock Drill Manufacturing Company

Site Cleanup

- Colorado Department of Public Health and Environment (CDPHE)
  - Preliminary assessment
  - Remediation plan
  - Professional oversite – trained Environmental Professional on-site to manage soil-disturbing activities
  - For City and County of Denver projects there must be a Standard Materials Management Plan if contaminated soils are found

- Denver Department of Public Health and Environment (DDPHE)
  - Through SDP, review the environmental conditions and enforce City ordinances on remediation and construction

Existing Zoning – I-B, UO-2 and C-MU-10 with Waivers



Proximity to:

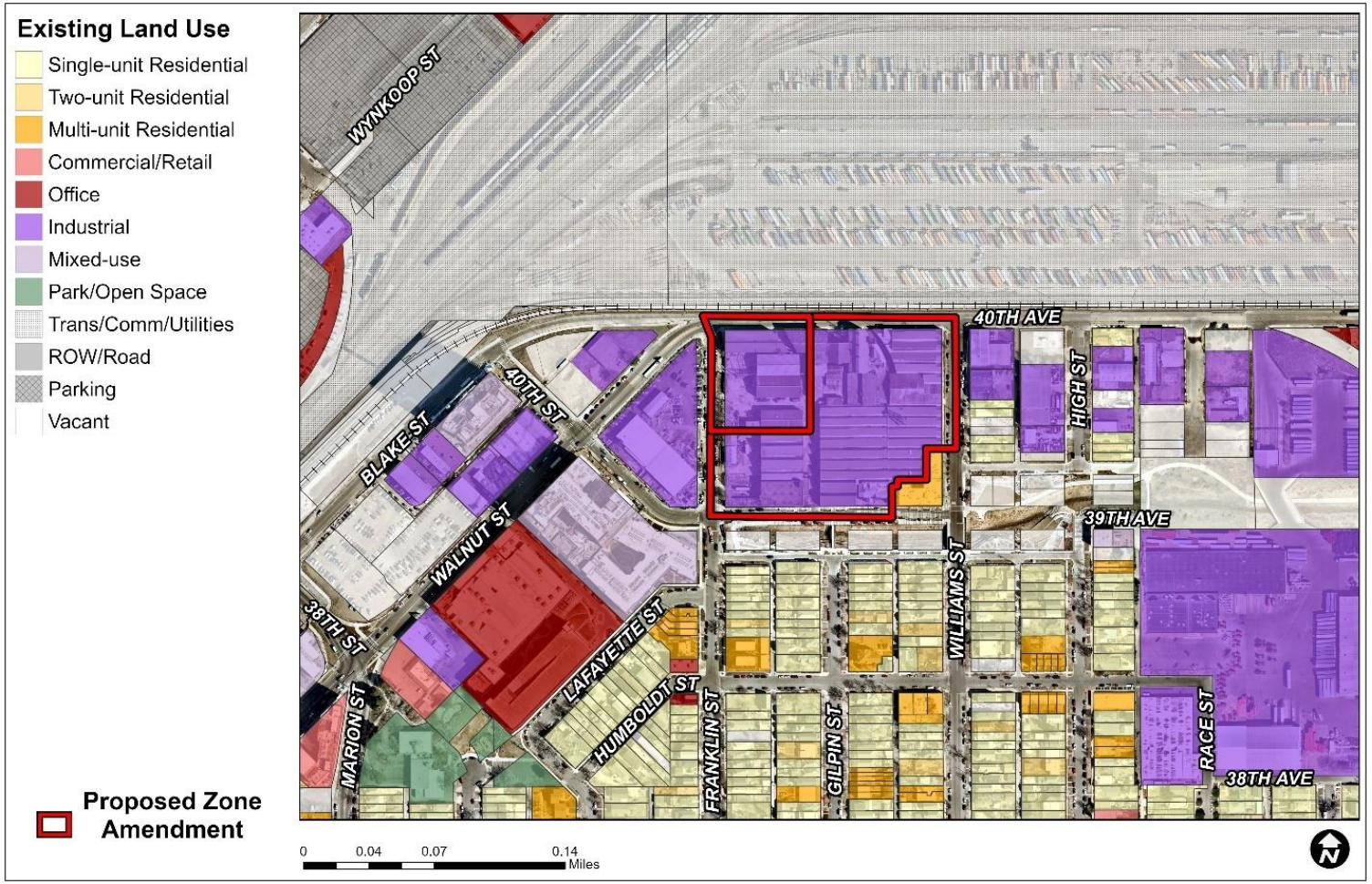
- I-B
- I-MX-5
- PUD
- C-MX-8
- I-MX-8
- I-MX-12

Proposed Zoning – C-MX-12 & C-MX-16

Allowed Building Forms:

- Town House (5 stories or70 feet)
- Drive Thru Restaurant & Services
- General (12/16 stories or 150/200 feet)
- Shopfront (12/16 stories or 150/200 feet)

Existing Context – Land Use



Commercial/Retail

Adjacent to:

- Transportation
- Industrial
- Single-unit Residential
- Multi-unit Residential
- Mixed-Use

Presentation Agenda

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Large Development Review

Large Development Review was deemed applicable for the site for the following reasons:

- 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 applicant held a mandatory Community Information Meeting in November 2023 and completed the Large Development Framework in February 2024.

Development Agreement

Affordable Housing Plan:

- 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

Development Agreement

Economic Development and Opportunity:

- The developer will continue to work with DURA to evaluate the feasibility of certain community-serving uses within the project.
- 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.

Development Agreement

Landmark Preservation:

- 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.

Development Agreement

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.

Denver Urban Renewal Authority Requirements

- Requirement for 1% of the project cost for art within the redevelopment area and accessible to the public.
- Requirement to participate in the First Source Hiring Program including recruitment and training.
- Requirement to comply with the City's prevailing wage requirements.
- Requirement to adopt a small business enterprise utilization plan.
- Requirement to participate in the Construction Employment Opportunities (CEO) Policy in which the developer will be required to contribute funding in the amount of one percent (1%) of the maximum reimbursable project costs to DURA for use in accordance with the CEO policy.

Agenda

- Request
- Location and Context
- Development Agreement
- Process
- Review Criteria

Process

- Informational Notice: 07/22/24
- Planning Board Notice: 07/01/25
- Planning Board Public Hearing: 07/16/25
- Committee: **07/29/25**
- City Council Public Hearing: **09/15/25**

Public Comments

- RNOs

  As of this presentation, we have received three letters of support from RNOs

- 20 letters of support from the general public

  Noting the historic preservation, affordable housing, and mixed-use amenities

Planning Board

- Planning Board held a hearing on this item on 07.16.25

- The board voted unanimously to recommend approval noting the plan consistency, the community support, and the associated community benefits.

Presentation Agenda

- Request
- Location and Context
- Development Agreement
- Process
- Review Criteria

Denver Zoning Code Review Criteria

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

Denver Zoning Code Review Criteria

1. Consistency with Adopted Plans
   - *Comprehensive Plan 2040*
   - *Blueprint Denver (2019)*
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Comprehensive Plan 2040

Equitable, Affordable and Inclusive

- 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.

Comprehensive Plan 2040

Strong and Authentic Neighborhoods

- 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.

Comprehensive Plan 2040

Connected, Safe, and Accessible

- 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.

Comprehensive Plan 2040

Economically Diverse and Vibrant

- 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.

Comprehensive Plan 2040

Environmentally Resilient

- 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.

Denver Zoning Code Review Criteria

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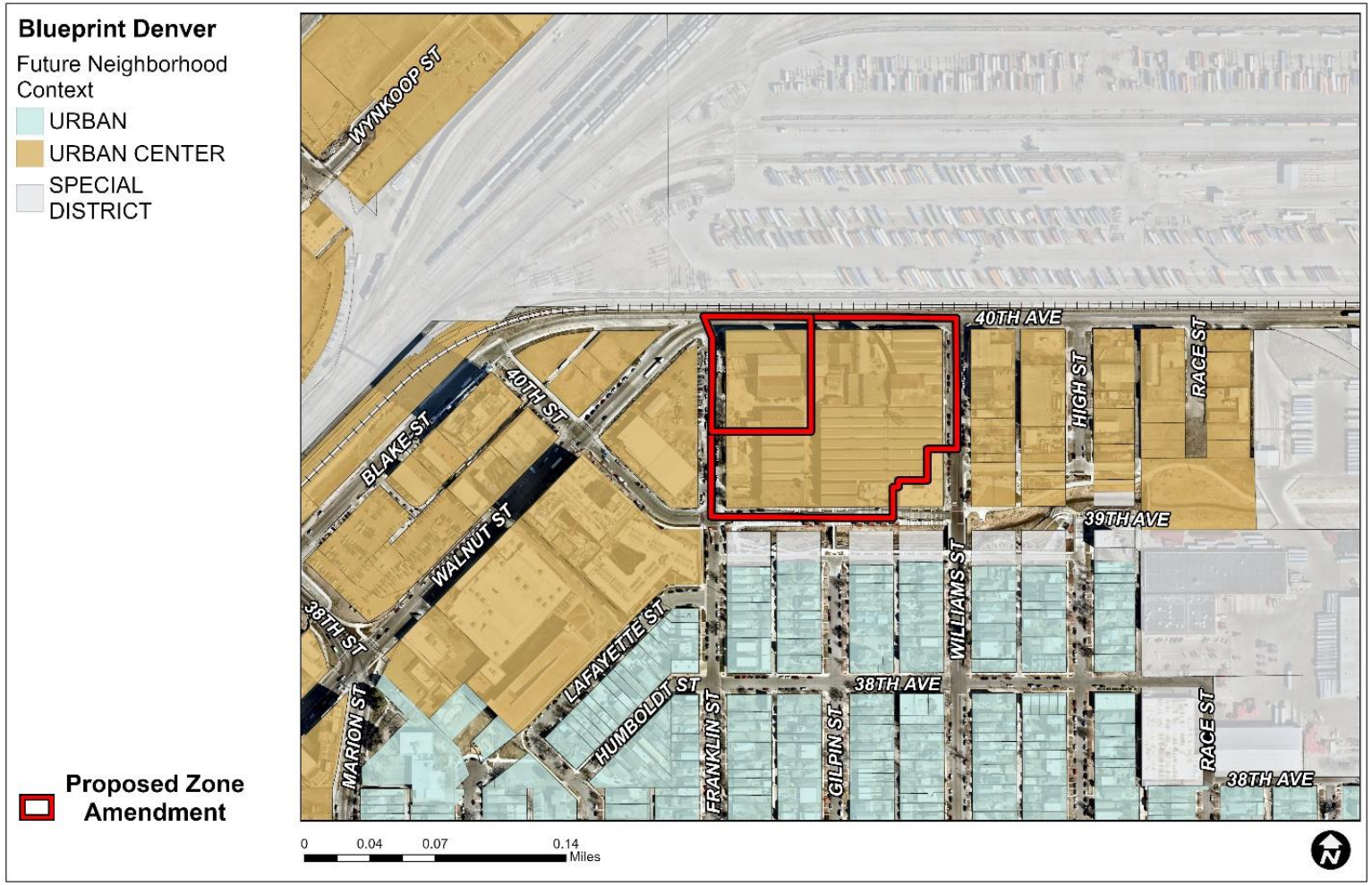
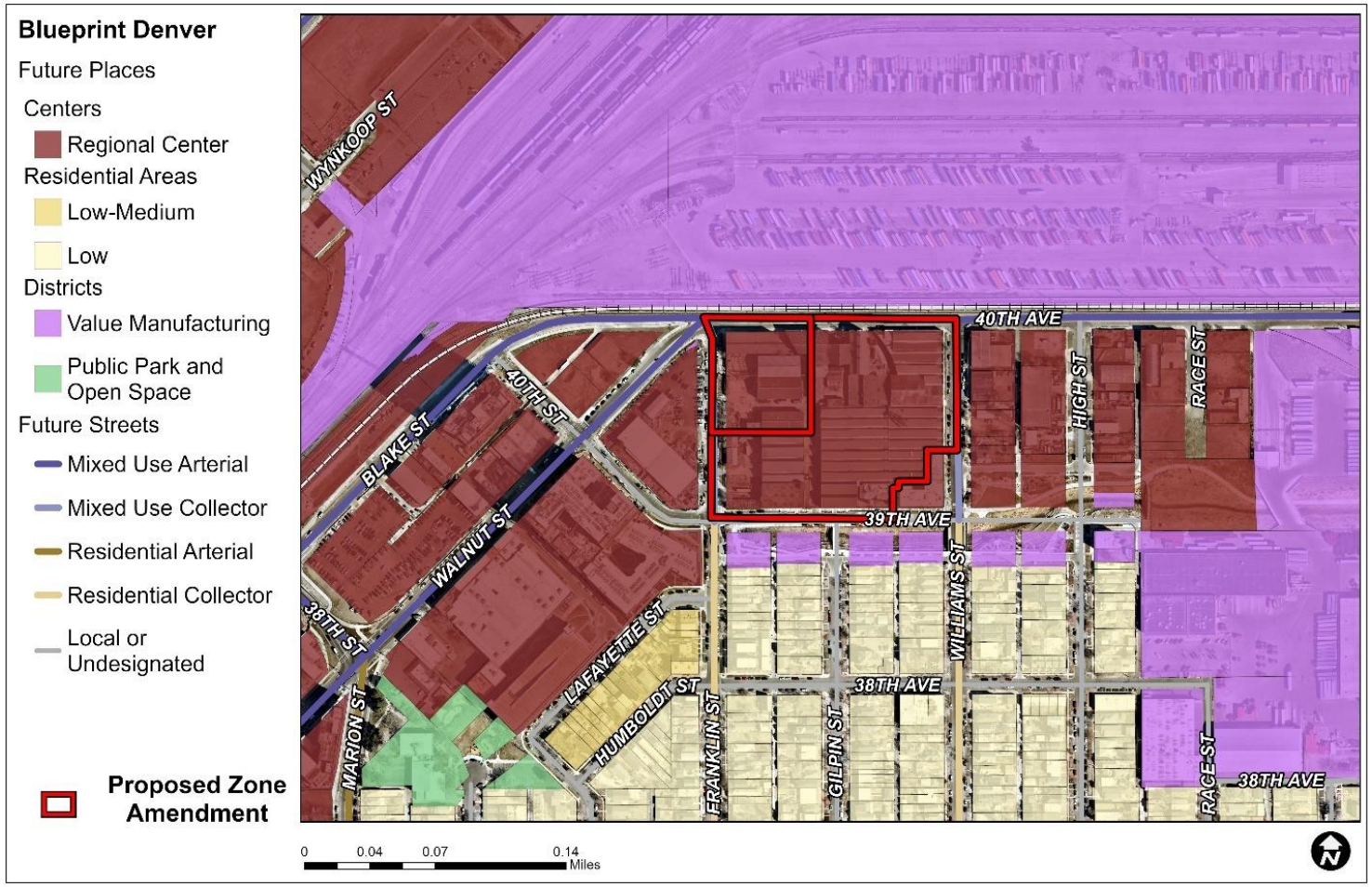
Blueprint Denver



Urban Center

- Dense, vibrant areas
- Support residents and visitors
- High intensity residential and employment
- Access to amenities and entertainment options

Blueprint Denver

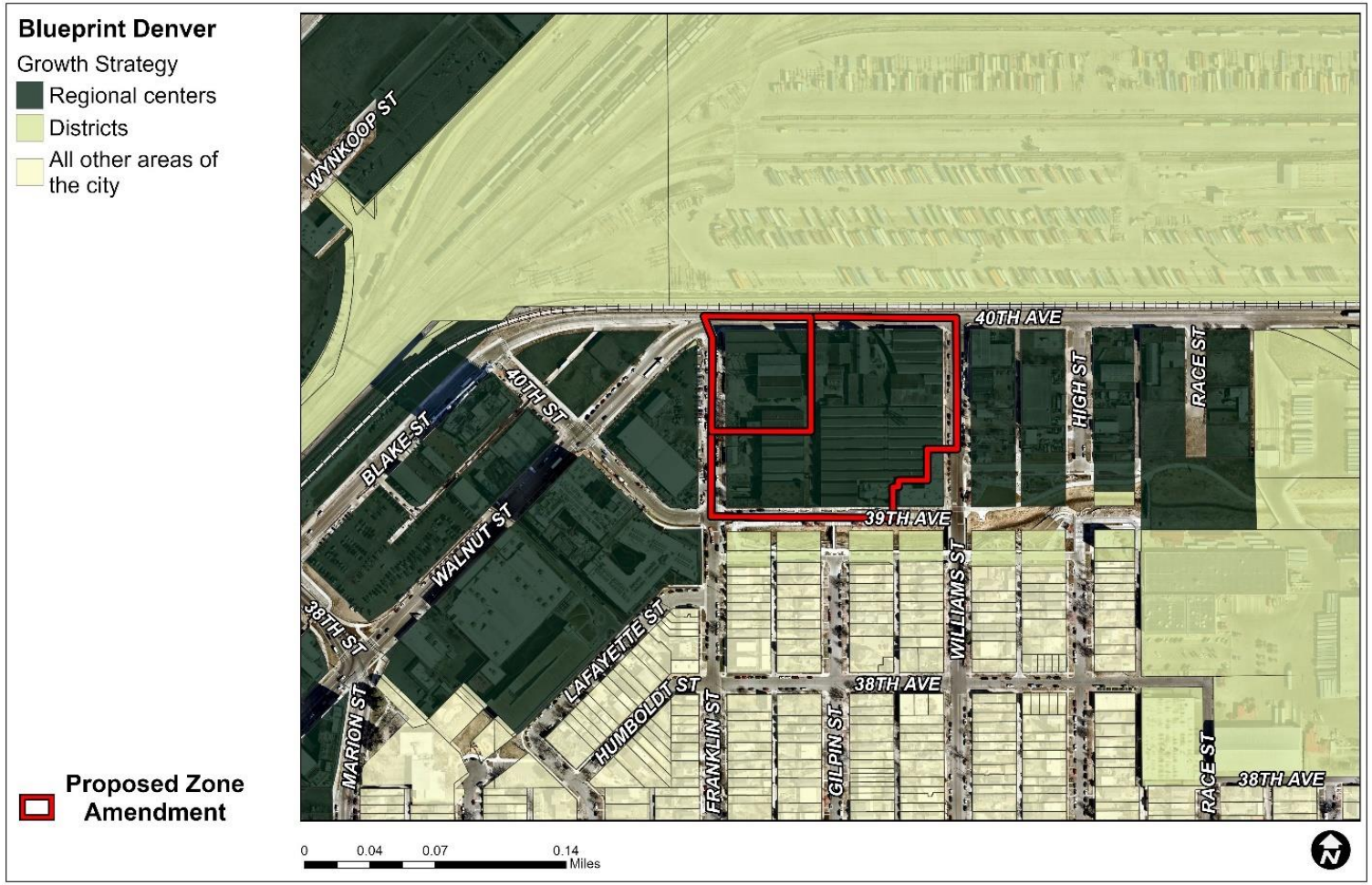


Regional Center

- Diversity of commercial and residential uses
- 24/7 live, work, entertainment environment
- High degree of urbanism
- Strong pedestrian realm

Evaluation is based on the proposed zone district is consistent with the Future Street Classification, not to assess the traffic impacts of a specific development proposal.

Blueprint Denver



Regional Centers

- 50% of new employment
- 30% of new housing

Blueprint Denver

Strategies

Land Use & Built From, 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.
  - 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.

Blueprint Denver

Strategies

Land Use & Built From, Housing:

- 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.

Blueprint Denver

Strategies

Land Use & Built From, Economics:

- 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.

Blueprint Denver

Strategies

Mobility:

- 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.

Blueprint Denver

Strategies

Quality of Life:

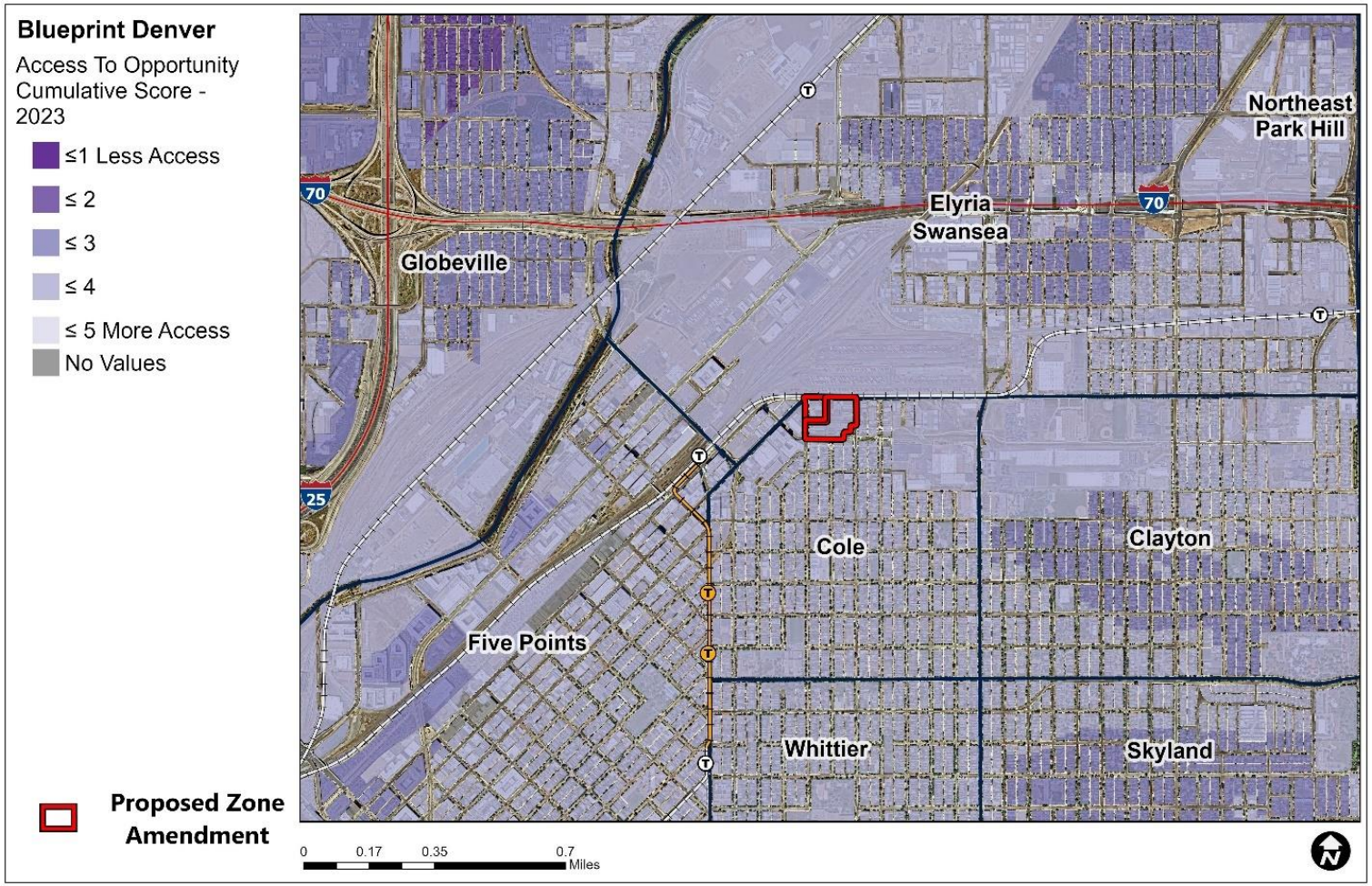
- Policy 4 - Promote environmentally-friendly development strategies in the public and private realms.
  - Strategy C - Develop street design standards that implement green infrastructure for new development.
- Policy 5 - Ensure attractive streets and outdoor spaces in all centers and corridors, giving 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.

Blueprint Denver

Climate

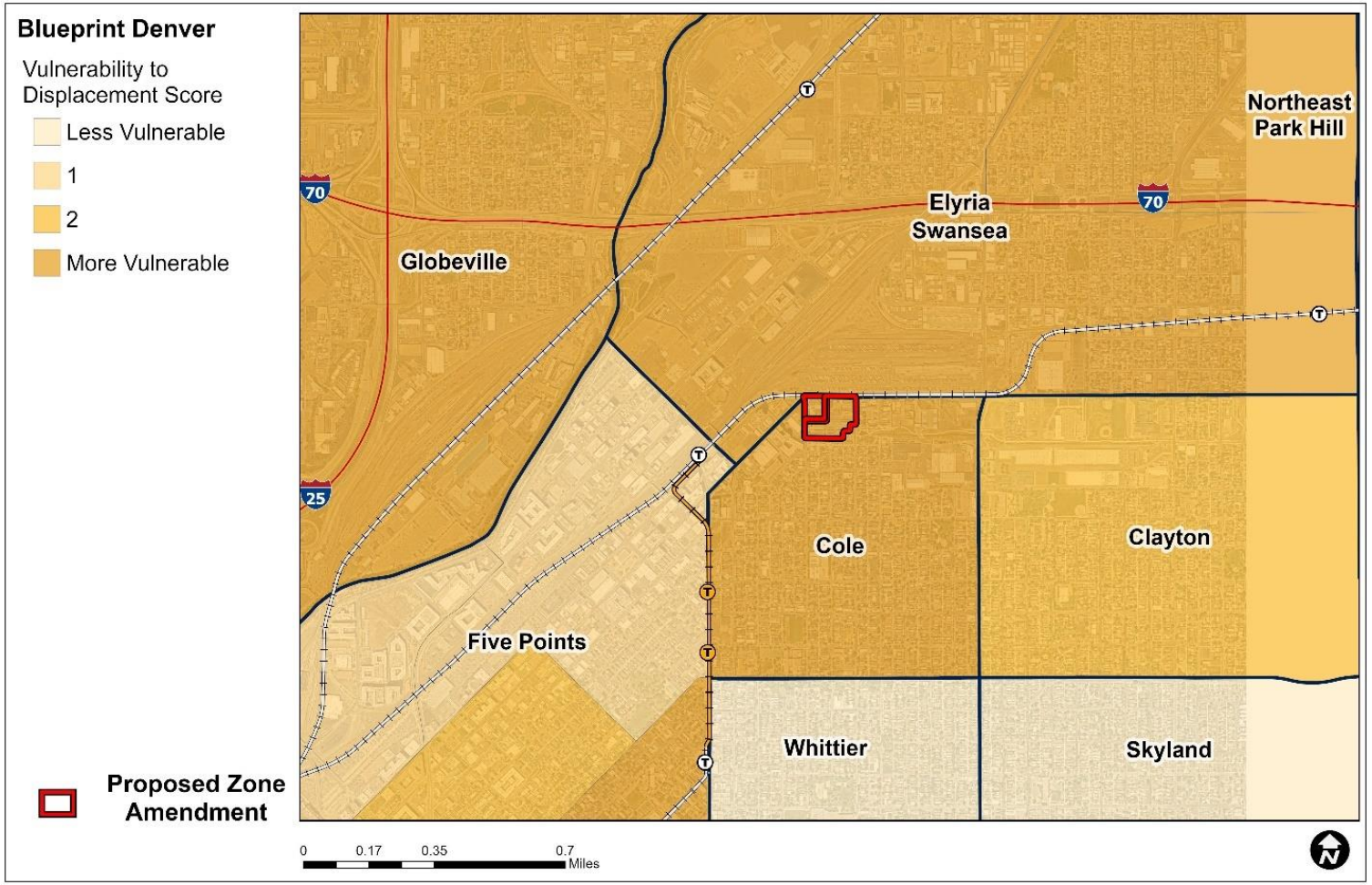
- Housing near transit
- Adaptive reuse of existing buildings
- Encouraging mixed-use environment

Blueprint Denver



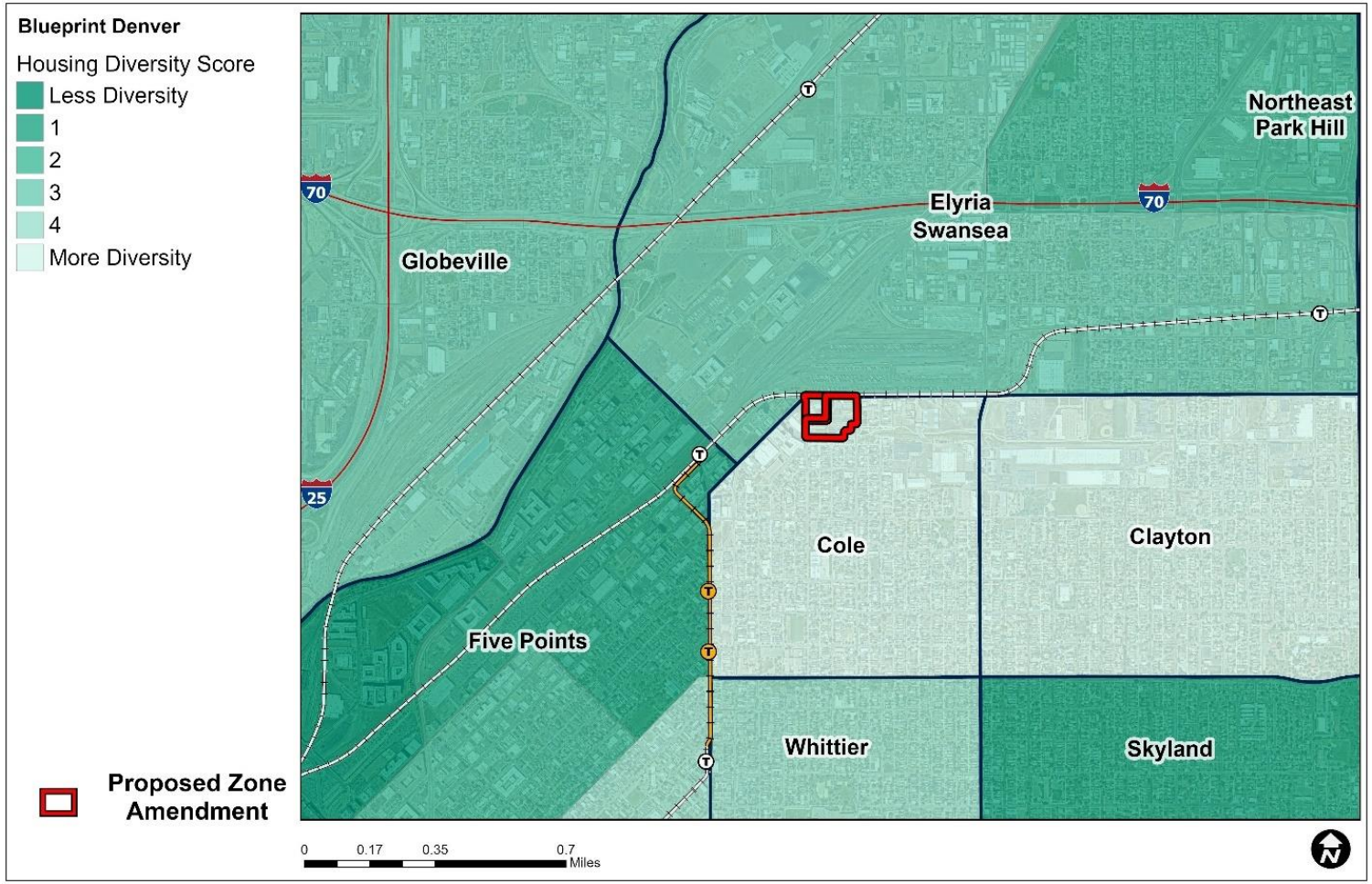
- High to Average Access to Opportunity
- New development must provide additional open space
- Zone district would allow for higher density of residential and commercial

Blueprint Denver



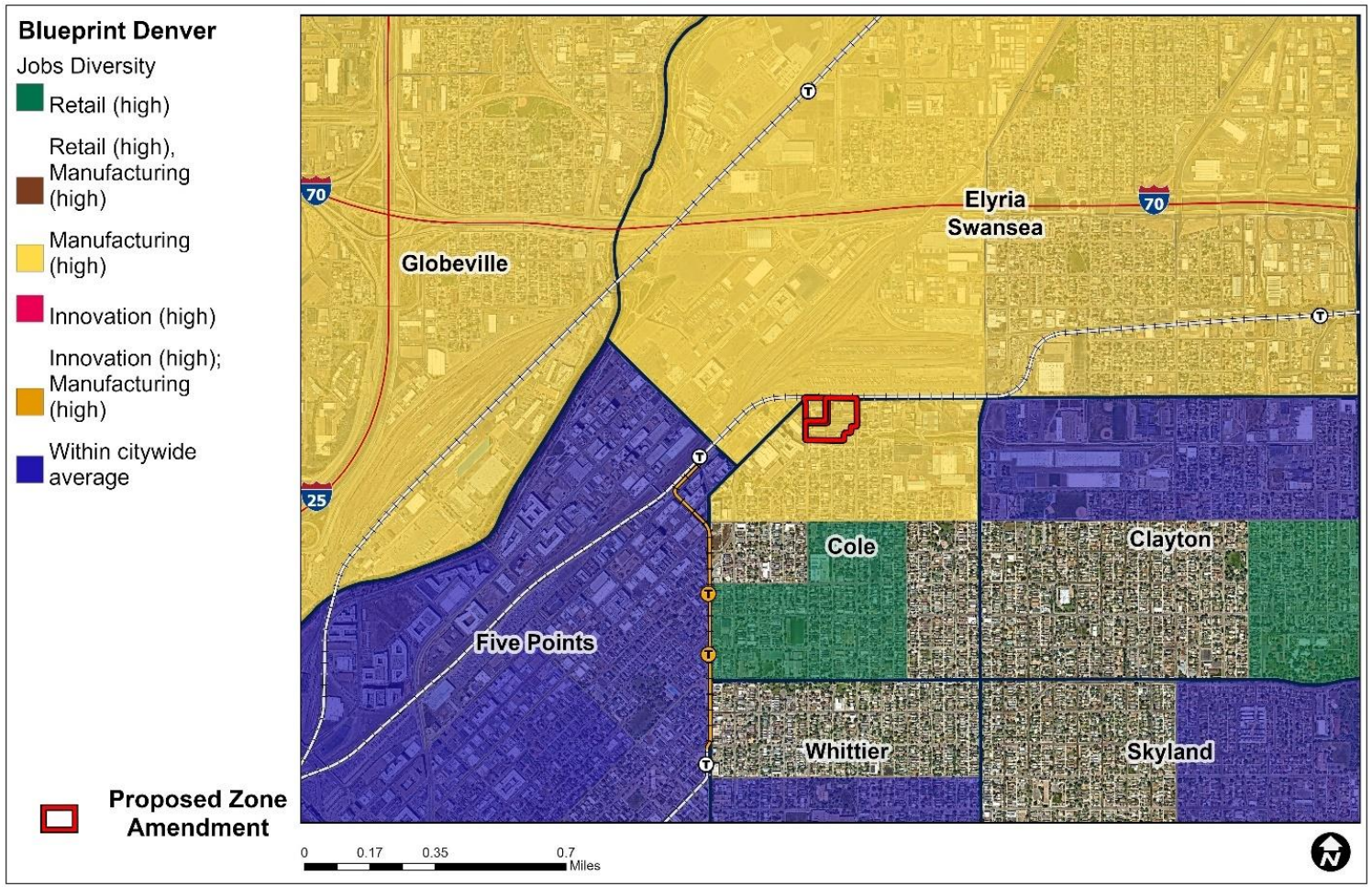
- High Vulnerability to Displacement
- Affordable Housing Plan
- Hiring practice requirements

Blueprint Denver



- High Housing Diversity
- Zond districts would allow for more housing
- Affordable Housing Plan

Blueprint Denver



- High emphasis on manufacturing jobs
- Zone districts would allow for diversity of jobs

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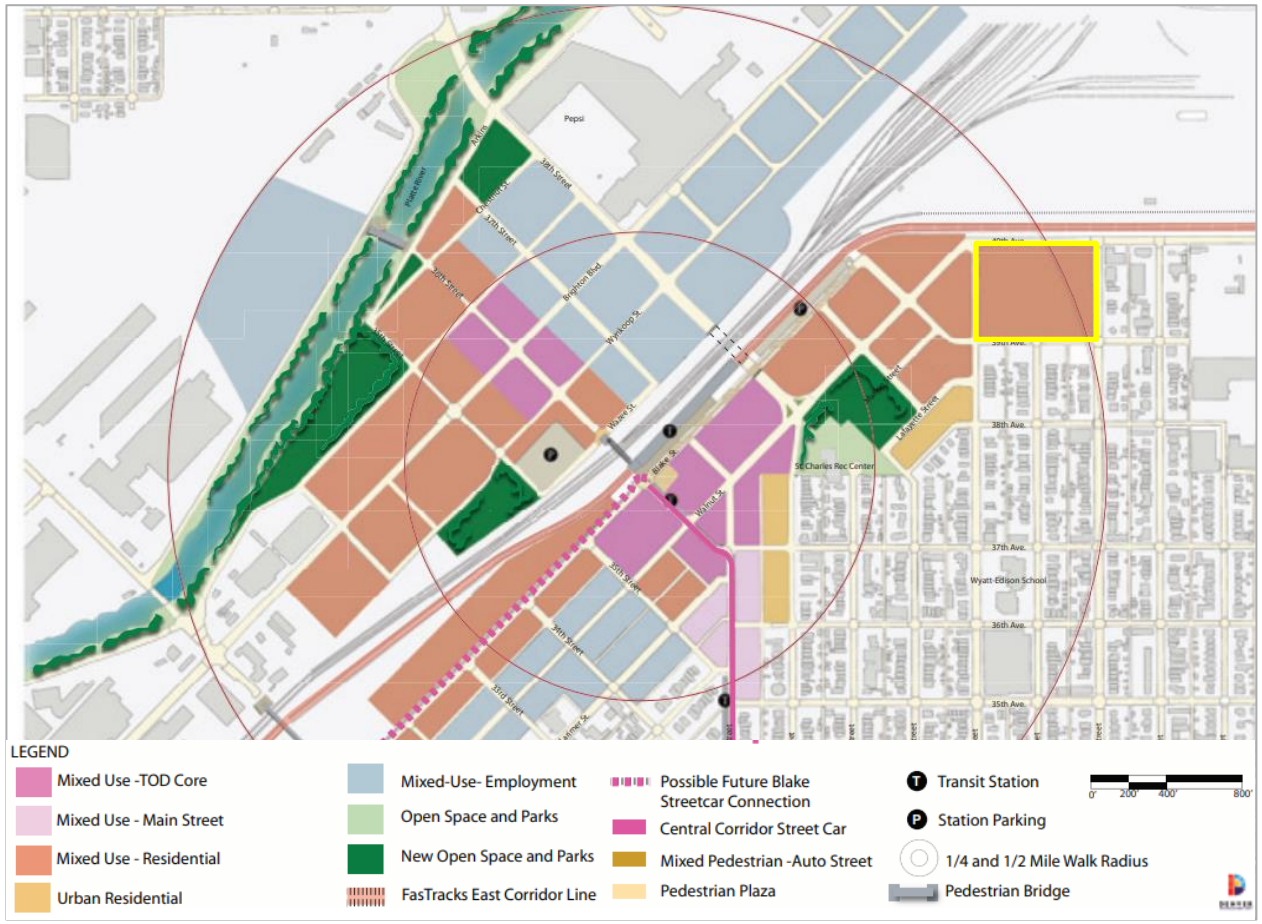
38th & Blake Station Area Plan

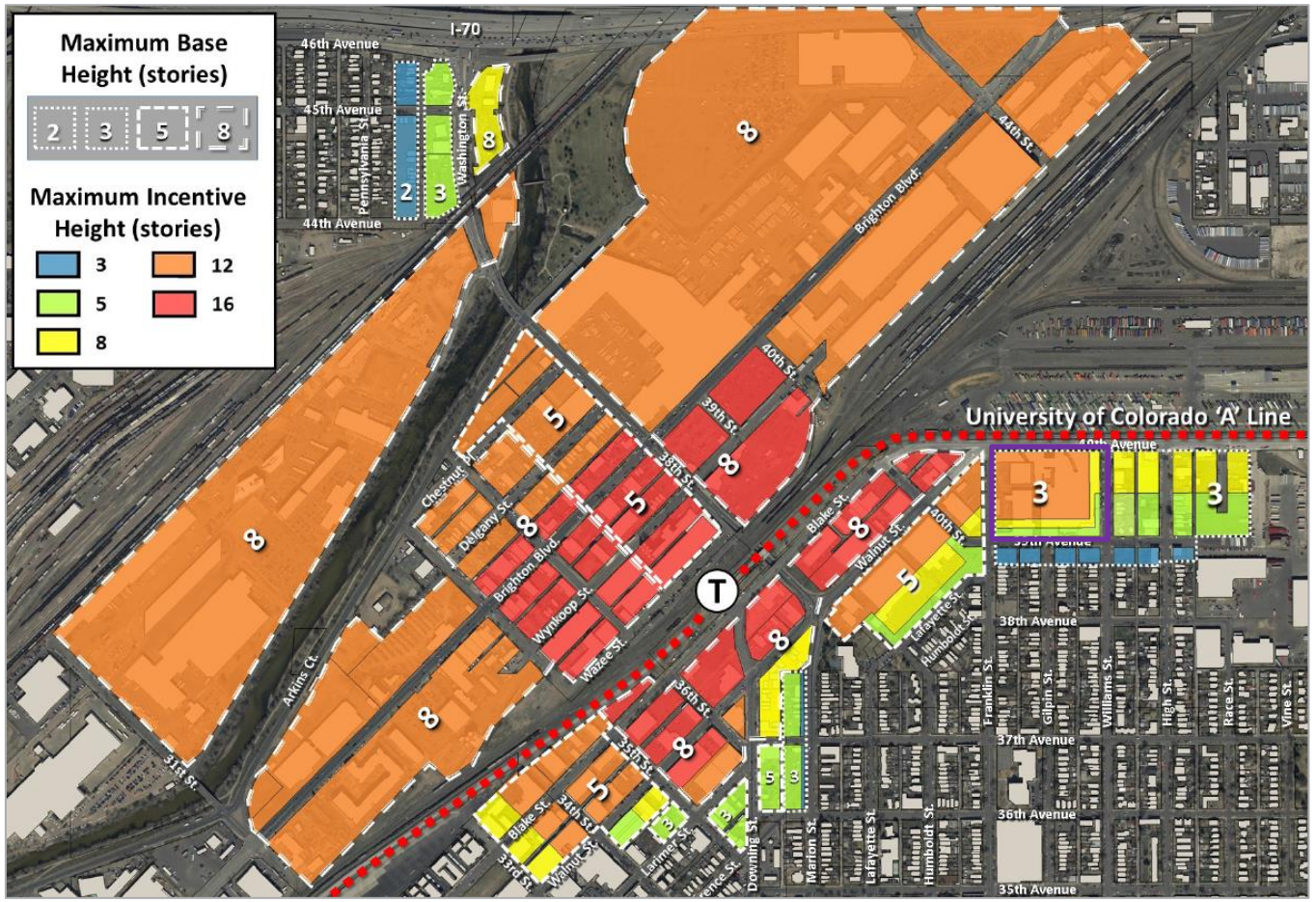
- Emphasizes industrial nature and historic neighborhoods
- Framework for emerging residential and arts district
- Expansion of residential and employment opportunities

38th & Blake Station Area Plan



- Mixed-use Residential
- Higher density residential
- Active ground floors

38th & Blake Station Area Plan



- 2016 amendment created incentive heights (IO-1)
- Post-EHA CPD rezoned portions of the area to remove the IO-1 and replace with base districts that allow for incentive heights
- Had this property been included it would have been C-MX-8

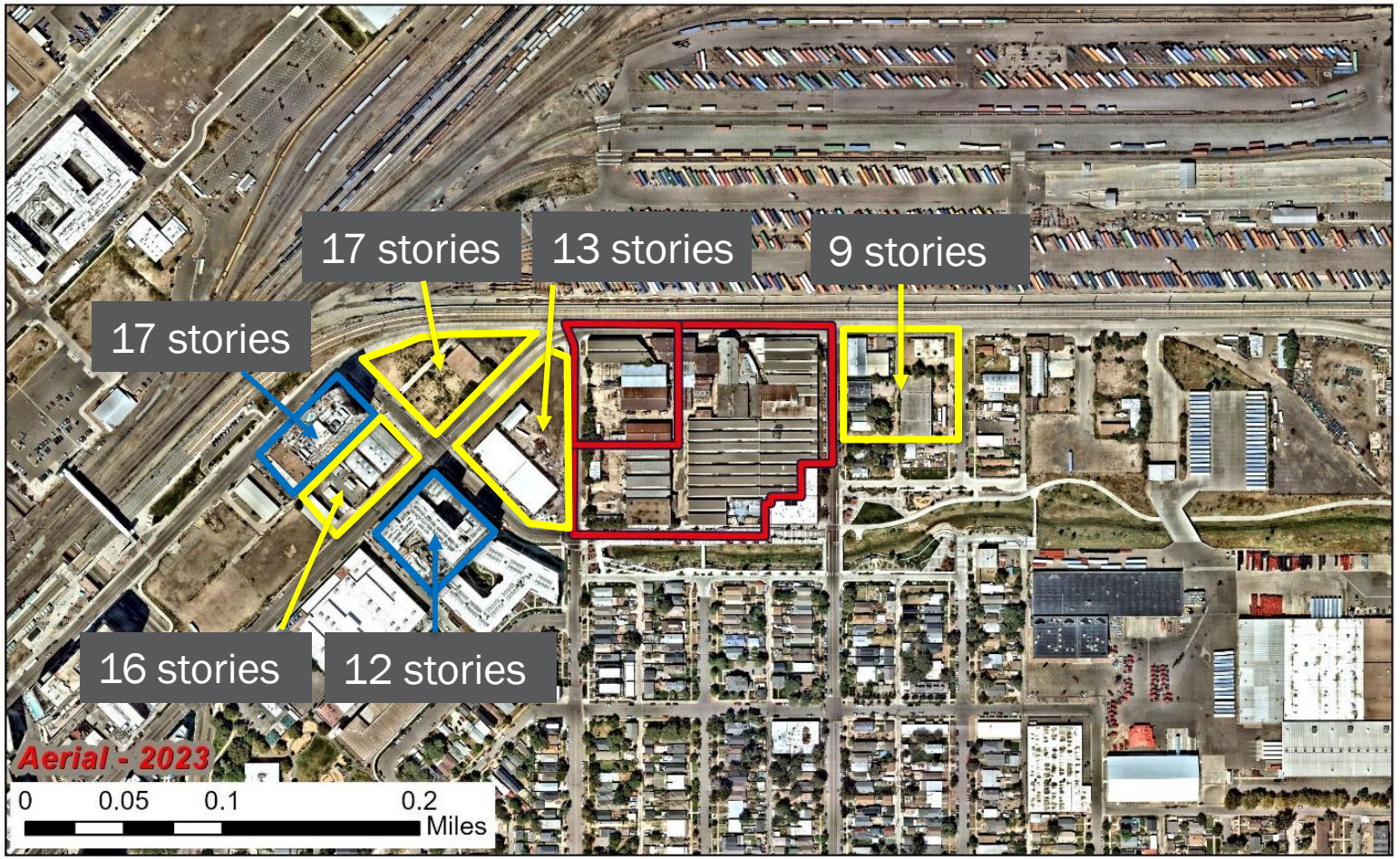
38th & Blake Station Area Plan

- Regarding height, *Blueprint Denver* says to consider
  - Surrounding context
  - Transitions
  - Adjacency to transit
  - Achieving plan goals for community benefits
  - Urban design goals

38th & Blake Station Area Plan

Surrounding Context

- Built
- Approved



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River North Plan

- Transit Oriented Development
- Provide compatible mix of use focused around the unbuilt train station
- Compact, mixed-use, pedestrian friendly

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Elyria & Swansea Neighborhoods Plan

- Sizeable employment base
- Mid- to high-density housing options
- Intensity if higher in mixed-use than residential

Elyria & Swansea Neighborhoods Plan

- 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).

Denver Zoning Code Review Criteria

1. Consistency with Adopted Plans

2. Public Interest

- Implementation of plans
- Furthers equity and climate goals
- Walkable, mixed-use area
- Preserving important landmarks
- Providing affordable housing

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

Denver Zoning Code Review Criteria

1. Consistency with Adopted Plans
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CPD Recommendation

CPD recommends **approval** of the rezoning request based on finding all review criteria have been met.

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

CPD recommends City Council **approve** the related development agreement