



TO: Denver City Council
FROM: Courtney Levingston, AICP, Senior City Planner
DATE: January 31, 2019
RE: Official Zoning Map Amendment Application #2018I-00049

Staff Report and Recommendation

Based on the criteria for review in the Denver Zoning Code, Staff recommends **approval** of Application #2018I-00049.

Request for Rezoning

Address:	2625 Walnut Street
Neighborhood/Council District:	Five Points/Council District 9
RNOs:	Inter-Neighborhood Cooperation (INC), Rio Norte, Center City Denver Residents Organization, Elyria Swansea/Globe Ville Business Association, UCAN, Ballpark Collective, Five Points Business District, Denver Arts and Culture Initiative, RiNo Art District
Area of Property:	.22 acres (9,394 square feet)
Current Zoning:	R-MU-20 with waivers
Proposed Zoning:	I-MX-3, DO-7
Property Owner(s):	Jeff Redberry, Callinectes, LLC 2635 Walnut Street, Denver, CO 80205
Owner Representative:	Lincoln Thomas, Elevation Consulting Group

Summary of Rezoning Request

- The subject property is in the Five Points statistical neighborhood, on the west side of Walnut Street between 26th Street and 27th Street.
- Rezoning to I-MX-3, DO-7 is requested to remove the existing Former Chapter 59 zoning of R-MU-20 with waivers zoning and to accommodate an office use, while better matching the zoning of the surrounding properties.
- The existing brick warehouse building is a contributing structure within the Ballpark Historic District. The applicant is not proposing to demolish the structure and is looking to adaptively reuse and compatibly remodel the structure.
- The requested base zone district, I-MX-3, is defined as Industrial Context, Mixed-Use, 3-story maximum height. I-MX-3 accommodates industrial and general building forms and is intended to provide a transition between industrial and mixed-use areas, sometimes taking a more pedestrian-oriented form, such as buildings built up to the street and an active street level.
- The River North **D**esign **O**verlay District (**DO-7**) will be applied and is intended to promote high-quality design in the RiNo Business Improvement District for areas with an underlying zone of

Mixed Use Commercial, Industrial Mixed Use and Residential Mixed use. Further details of the RiNo Overlay can be found in Section 9.4.5.11 of the Denver Zoning Code (DZC).



Existing Context



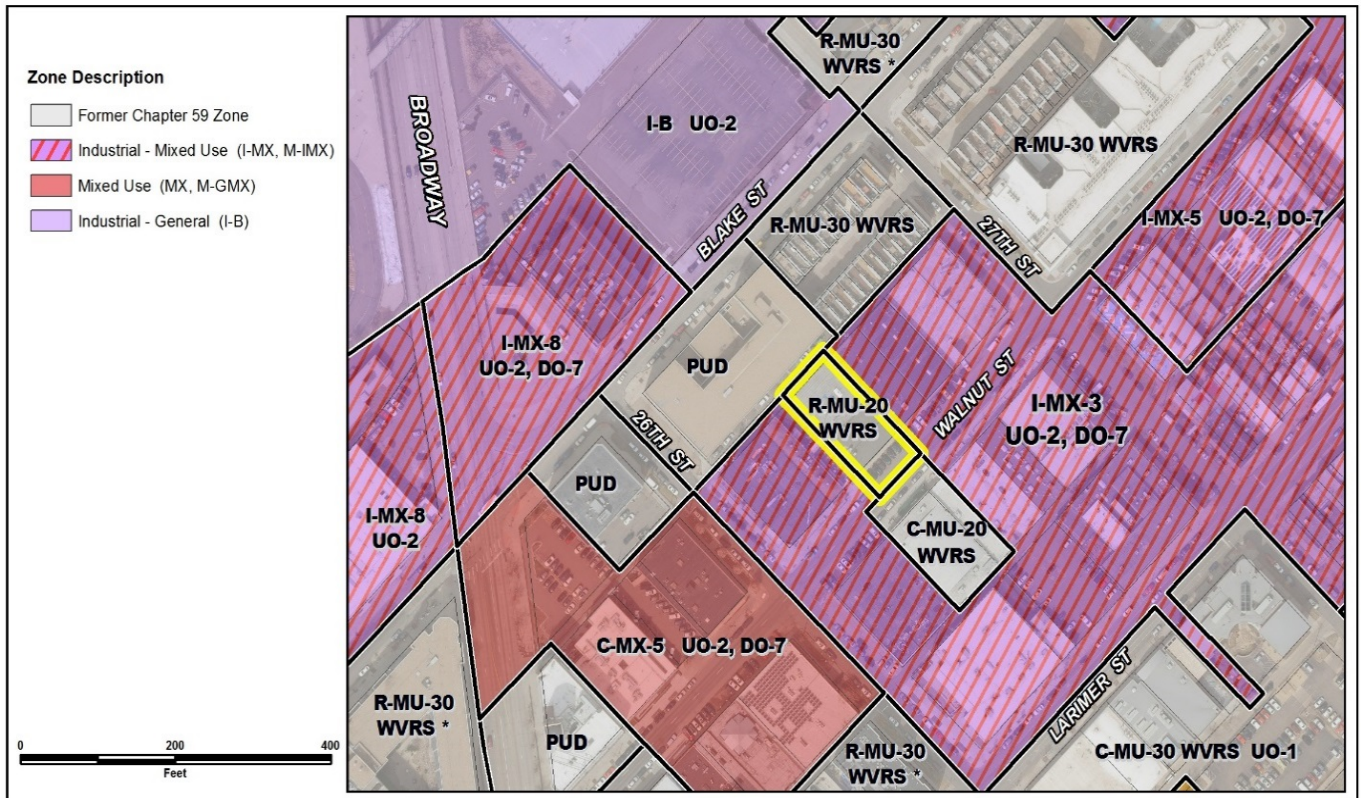
The site is located midblock on the west side of Walnut Street between 26th Street and 27th street in an area characterized by a mix of residential, commercial, and light industrial uses. It is within the rapidly

redeveloping River North Arts District, which has a mix of buildings - warehouses, loading dock store fronts, commercial retail, and residential. Notable major land uses in the immediate area include the Rockies parking lot just to the northwest. Transit access includes RTD route 44 that runs down Larimer St. from the 38th & Blake station, which is about a mile northeast of the 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	R-MU-20 with waivers	Industrial (vacant)	Two-story brick historic warehouse structure	Consists of a regular pattern of rectangular block shapes in an orthogonal grid; a few blocks to the south are unusually shaped due to Broadway intersecting. Most blocks are served by alleys. A few blocks west of the subject site, the street grid ends at the Rockies parking lot and the railroad beyond.
North	I-MX-3, UO-2, DO-7	Office and industrial	Various styles of warehouse structures	
South	I-MX-3, UO-2, DO-7	Small commercial/retail uses (restaurant)	Single story brick warehouse (retrofitted for commercial)	
East	C-MU-20 with waivers; I-MX-3, UO-2, DO-7	Commercial/Retail, Office and Industrial	1-story brick industrial buildings (retrofitted for commercial)	
West	PUD; R-MU-30 with waivers	multi-unit residential	6-story multi-unit residential structure, 3-story townhomes	

1. Existing Zoning



The site is currently zoned R-MU-20 with waivers. R-MU-20 is a Former Chapter 59 residential mixed-use zone district. The district is primarily residential allowing single-unit and multi-unit uses with commercial uses located along collector or arterial streets. With R-MU-20, commercial uses should be located on collector or arterial streets or in areas that already have commercial uses. Limited civic and commercial uses are allowed in the R-MU-20 zone district, often with limitations and through a special review process.

Structures in the R-MU districts are controlled by height and bulk limitations only, and the maximum permitted height in the R-MU-20 zone district is 55 feet. The R-MU-20 zoning standards do not include build-to requirements, transparency requirements, pedestrian entrance requirements, active street level use requirements, or standards regulating the location of surface parking.

The property was rezoned to R-MU-20 with waivers in 2004 from I-2. The waivers included:

- waiving a FC 59 provision requiring no more than 5,000 square feet of office space and instead allowing 10,000 square feet of office space;
- waiving minimum front, rear, and side setbacks;
- waiving the following allowable uses: animal sales, service care, banking and financial services, bed and breakfasts, bookstore, food sales, restaurant, or minor utilities;
- waiving the number of parking spaces required under FC 59 and instead setting a maximum of 12 parking spaces; and
- waiving all open space requirements.

2. Historic District or Structures

The subject property is located within the Ballpark Neighborhood Historic District. The Ballpark Neighborhood Historic District was designated in 2002 for its historical associations with the city's development as a commercial, entertainment and industrial area with distinctive low-rise red brick commercial and warehouse architectural character. According to the Ballpark Historic District designation application, 2625 Walnut Street is a contributing resource to the district.

The Landmark Preservation Commission (LPC) has reviewed proposals for façade alterations for the subject property on October 18, 2016, May 2, 2017 and June 20, 2017. At the June 20, 2017 meeting, the application for façade alterations was approved by the Commission with the condition that final structural detailing for the store front and remaining brick be resubmitted to staff for approval. The application has yet to return to staff for approval and a Certificate of Appropriateness has not been issued.

3. Existing Land Use Map



Existing land uses in the area are comprised of a mix of industrial, office, commercial/retail and multi-unit residential. Several parcels are used for parking, most notably the Rockies lot to the west of the site. The area to the northeast, northwest and southwest includes mixed-use and industrial uses with mostly large warehouse structures.

4. Existing Building Form and Scale

The existing building form and scale of the subject site and adjacent properties are shown in the following images. (Source: Google Maps)



45-degree aerial of site, looking north



Subject property, looking west



Directly across Walnut Street from subject property, looking southeast.



Buildings directly south of subject property, photo looking north from the intersection of Walnut Street and 26th Street.



Looking south down Walnut Street, subject property mid-block.

Summary of City Agency Referral Comments

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

Assessor: Approved – No Response

Real Estate: Approved – No Response

Denver Public Schools: Approved – No Response

Environmental Health: Approved – See Comments Below

Denver Department of Public Health and Environment concurs with the rezoning but is aware of potential environmental concerns near the Property. Historically, leaking underground storage tanks (LUSTs) were located south and west of the site. The Colorado Department of Labor and Employment, Division of Oil and Public Safety (OPS) closed these respective sites in 1991 and 205. Their presence is not expected to impact future use of the site as an office building. General Notes: Most of Colorado is high risk for radon, a naturally occurring radioactive gas. Due to concern for potential radon gas intrusion into buildings, DEH suggests installation of a radon mitigation system in structures planned for human occupation or frequent use. It may be more cost effective to install a radon system during new construction rather than after construction is complete. If renovating or demolishing existing structures, there may be a concern of disturbing regulated materials that contain asbestos or lead-based paint. Materials containing asbestos or lead-based paint should be managed in accordance with applicable federal, state, and local regulations.

The Denver Air Pollution Control Ordinance (Chapter 4- Denver Revised Municipal Code) specifies that contractors shall take reasonable measures to prevent particulate matter from becoming airborne and to prevent the visible discharge of fugitive particulate emissions beyond the property on which the emissions originate. The measures taken must be effective in the control of fugitive particulate emissions always on the site, including periods of inactivity such as evenings, weekends, and holidays.

Denver's Noise Ordinance (Chapter 36–Noise Control, Denver Revised Municipal Code) identifies allowable levels of noise. Properties undergoing Re-Zoning may change the acoustic environment but must maintain compliance with the Noise Ordinance. Compliance with the Noise Ordinance is based on the status of the receptor property (for example, adjacent Residential receptors), and not the status of the noise-generating property. Violations of the Noise Ordinance commonly result from, but are not limited to, the operation or improper placement of HV/AC units, generators, and loading docks. Construction noise is exempted from the Noise Ordinance during the following hours, 7am–9pm (Mon–Fri) and 8am–5pm (Sat & Sun). Variances for nighttime work are allowed, but the variance approval process requires 2 to 3 months. For variance requests or questions related to the Noise Ordinance, please contact Paul Riedesel, Denver Environmental Health (720-865-5410). Scope & Limitations: DEH performed a limited search for information known to DEH regarding environmental conditions at the subject sit. This review was not intended to conform to ASTM standard practice for Phase I site assessments, nor was it designed to identify all potential environmental conditions. In addition, the review was not intended to assess environmental conditions for any potential right-of-way or easement conveyance process. The City and County of Denver provides no representations or warranties regarding the accuracy, reliability, or completeness of the information provided.

Parks and Recreation: Approved – No Response

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

Development Services – Transportation: Approved – See Comments

Any use change, or development or redevelopment proposal, associated with this rezoning may be required to comply with Public Works-prescribed modifications to access, and improvements to any driveways, curb, sidewalk, and other transportation infrastructure in the public right-of-way

Public Works – Wastewater: Approved – See Comments

Development Services Wastewater approves the subject zoning change. The applicant should note that redevelopment of this site may require additional engineering including preparation of drainage reports, construction documents, and erosion control plans. Redevelopment may require construction of water quality and detention basins, public and private sanitary and storm sewer mains, and other storm or sanitary sewer improvements. Redevelopment may also require other items such as conveyance of utility, construction, and maintenance easements. The extent of the required design, improvements and easements will be determined during the redevelopment process. Please note that no commitment for any new sewer service will be given prior to issuance of an approved SUDP from Development Services.

Development Services – Project Coordination: Approved – No Response

Development Services – Fire Prevention: Approved – No Response

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:	9/4/2018
Property legally posted for a period of 15 days and CPD written notice of the Planning Board public hearing sent to all affected members of City Council, registered neighborhood organizations, and property owners:	11/19/2018
Planning Board Public Hearing, voted unanimously (9-0) to recommend approval	12/5/2018
CPD written notice of the Land Use, Transportation and Infrastructure Committee meeting sent to all affected members of City Council and registered neighborhood organizations, at least ten working days before the meeting:	12/4/18

Land Use, Transportation and Infrastructure Committee of the City Council moved the bill forward:	12/18/2018
Property legally posted for a period of 21 days and CPD written notice of the City Council public hearing sent to all affected members of City Council and registered neighborhood organizations:	1/14/2019
City Council Public Hearing:	2/4/2019

- **Registered Neighborhood Organizations (RNOs)**
 The RNOs identified on page 1 of this report were notified of this application. As of the date of this staff report, the only comment came from the RiNo Art District. The RiNo Art District e-mailed and stated they reviewed the application and have no issues with this rezoning request.
- **Planning Board**
 Planning Board voted unanimously to recommend approval of the proposed rezoning to I-MX-3, DO-7.
- **Other Public Comment**
 As of the date of this staff report, no public comment had been received.

Criteria for Review / Staff Evaluation

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

DZC Section 12.4.10.7

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

DZC Section 12.4.10.8

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

1. Consistency with Adopted Plans

The following plans apply to this property:

- Denver Comprehensive Plan 2000
- Blueprint Denver: A Land Use and Transportation Plan (2002)
- Northeast Downtown Neighborhoods Plan (2011)

Denver Comprehensive Plan 2000

The proposed rezoning of this property is consistent with many Denver Comprehensive Plan 2000 objectives, strategies, and recommendations, including:

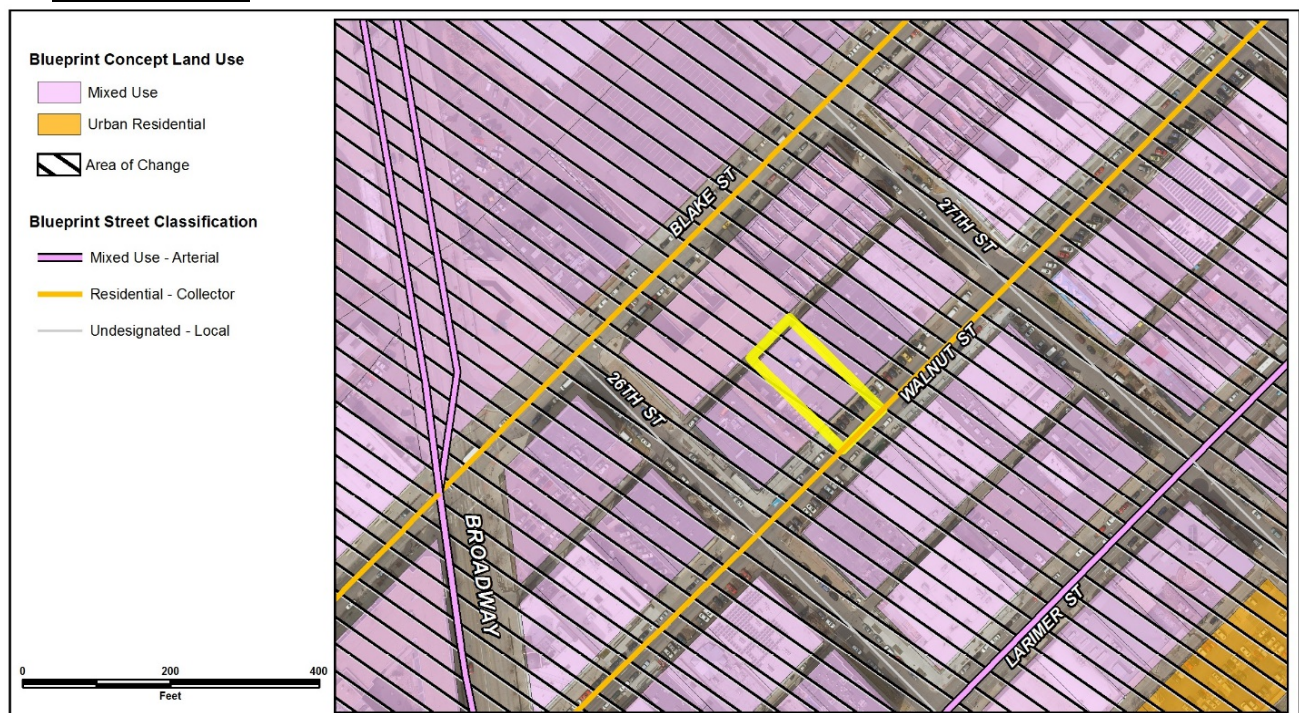
- Land Use Strategy 3-B: *Encourage quality infill development that is consistent with the character of the surrounding neighborhood; that offers opportunities for increased density and more amenities; and that broadens the variety of compatible uses. (p 60)*
- Mobility Strategy 4-E: *Continue to promote mixed-use development, which enables people to live near work, retail, and services. (p 78)*
- Legacies Strategy 3-A: *Identify areas in which increased density and new uses are desirable and can be accommodated. (p 99)*
- Land Use Vision of Success – *Congruency of land use and zoning: Ongoing clarification of the Zoning Ordinance in a process linked to a citywide land-use plan will eventually result in a built environment with greater overall urban design integrity, stronger connections among urban centers, and a richer and more diverse mix of uses within geographically proximate areas. (p 55)*

The proposed I-MX-3, DO-7 zone district will facilitate adaptive reuse on this smaller industrial site, in keeping with the existing fine-grained mix of residential, commercial/retail, and industrial uses in the immediate area. The proposed rezoning to I-MX-3, DO-7 furthers Comprehensive Plan policies for compact mixed-use. The rezoning is consistent with plan recommendations.

Blueprint Denver 2002

According to the 2002 Plan Map adopted in Blueprint Denver, this site has a concept land use of Mixed Use and is in an Area of Change.

Future Land Use



According to Blueprint Denver, future development in areas with the concept land use of “Mixed-Use” is characterized by a mix of employment and housing with “residential and non-residential uses within

walking distance of one another. The proportion of residential to commercial uses varies considerably from one mixed use district to another” (p. 41).

This proposed rezoning to I-MX-3, DO-7 is consistent with Blueprint Denver’s concept land use for this area, as it allows for a mix of industrial, commercial, and residential uses to develop in a pedestrian-oriented pattern, with buildings up to the street and an active street level.

Area of Change / Area of Stability

As noted above, Blueprint Denver designates the subject site and immediately surrounding area as an “Area of Change.” The site is within the area that generally called out by Blueprint 2002 as the Northeast Downtown – mixed-use neighborhood area of change, encouraging reinvestment through reuse of unoccupied or dilapidated structures (p. 136). “The purpose of Areas of Change is to channel growth where it will be beneficial and can best improve access to jobs, housing, and services with fewer and shorter auto trips” (p. 127). This proposed rezoning is consistent with the Areas of Change intent, as it will allow for reinvestment, reuse and industrial mixed-use in an appropriate location with enhanced design standards.

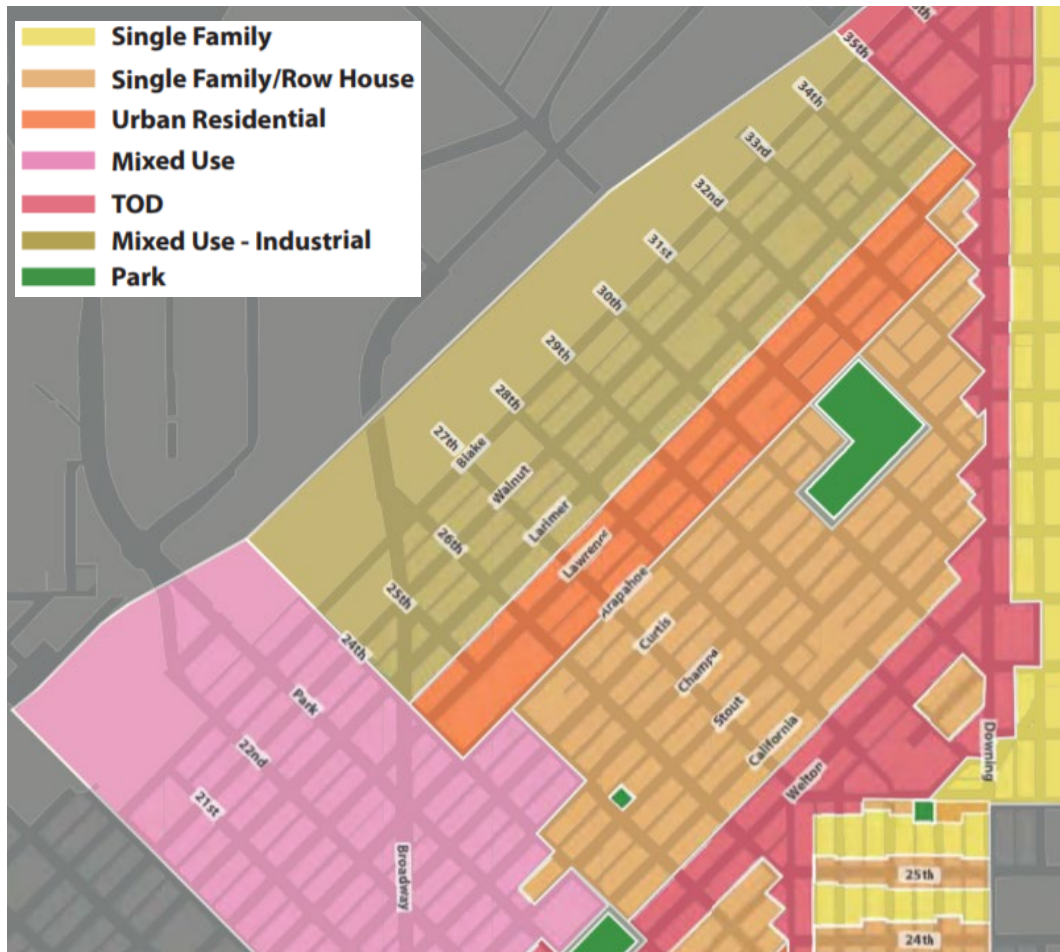
Street Classifications

The site is mid-block on Walnut Street between 26th Street and 27th Street. Access is provided from Walnut Street and the rear via the alley. Blueprint Denver 2002 designated Walnut Street as a Residential Collector and 26th and 27th Streets as undesignated local streets. According to Blueprint 2002, collector streets are designed to provide a greater balance between mobility and land access within residential, commercial, and industrial areas (p 54). The addition of the “residential” qualifier identifies streets that designed to emphasize walking, bicycling and land access. These residential streets tend to be more pedestrian oriented giving higher priority to landscaping, sidewalks and on-street parking (p 55). The design features of local streets are typically tailored to providing local access, and mobility is typically incidental, involving relatively short trips at lower speeds to and from other streets. The street and alley network serving this site are appropriate to serve the proposed industrial mixed-use district.

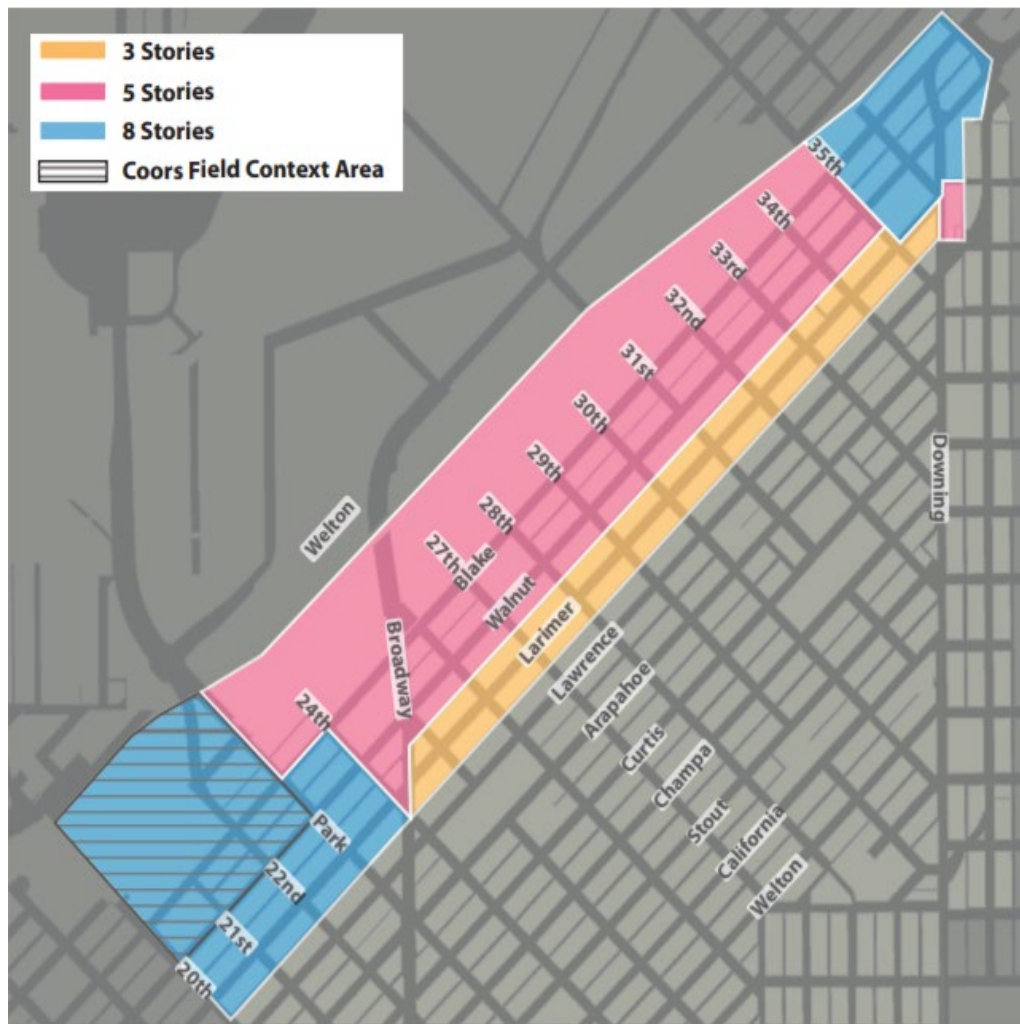
Northeast Downtown Neighborhoods Plan

The Northeast Downtown Neighborhoods Plan was adopted in May 2011 and established the vision, guiding principles and recommendations for the multiple neighborhoods that comprised the study area.

Northeast Downtown Neighborhoods Plan Future Land Use Map



The Plan identifies the subject site as mixed-use industrial and “similar to Mixed Use, but with recognition that light industrial uses, such as light manufacturing and smaller warehouses are compatible with urban residential housing types...Land uses can be, but are not necessarily, mixed in each building, development, or block. Pedestrian access is of importance within the area, with residential and non-residential uses always within walking distance of one another” (p. 16). The proposed I-MX-3, DO-7 district is consistent with the Plan’s development vision for the area by allowing a mix of compatible uses (Industrial Mixed Use).



Concept Building Heights Map

The Northeast Downtown Neighborhoods Plan provides a maximum height recommendation of 5 stories for this site. At 3 stories, the I-MX-3, DO-7 proposed zone district is less than the maximum and therefore considered consistent with the 5 story maximum height recommendations of the Plan (p. 73).

The application of DO-7 is consistent with the goals and objectives of the Northeast Downtown Neighborhoods Plan, including: “promote urban character with a build-to line to provide a consistent street edge and to support pedestrian activity. Reinforce the character and quality of public streets with buildings that provide consistent siting, pedestrian orientation, and access to the street,” and, “give prominence to the pedestrian realm as a defining element of neighborhood character. Maintain required ground story activation such as window transparency and street facing entrances. Locate commercial uses on the ground floors to activate buildings and the street, especially in the Ballpark neighborhood and in the 38th/Blake TOD area” (p. 74). The building form standards of the DO-7 overlay ensure that development accomplishes these goals and objectives.

2. Uniformity of District Regulations and Restrictions

The proposed rezoning to I-MX-3, DO-7 will result in the uniform application of zone district building form, use and design regulations.

3. Public Health, Safety and General Welfare

The proposed official map amendment furthers the public health, safety, and general welfare of the City by implementing the mixed-use industrial concept land use recommendations of Blueprint Denver 2002 and the Northeast Downtown Neighborhoods Plan as described above. Additionally, via the application of the DO-7 overlay, tailored site design requirements are applied that enhance the pedestrian realm and support compatibility of uses in the immediate area.

4. Justifying Circumstance

“Since the date of the approval of the existing Zone District, there has been a change to such a degree that the proposed rezoning is in the public interest. Such a change may include that the City adopted the Denver Zoning Code and the property retained Former Chapter 59 zoning.” The existing FC 59 zoning (R-MU-20 with waivers) was put into place in 2004 and significant changes have occurred since then. Not only is the Denver Zoning Code in place, the character of the area has changed such that the requirements and restrictions of the existing R-MU-20 zoning and its associated waivers are no longer appropriate. Further, the Northeast Downtown Neighborhoods Plan was adopted since the time the current zoning was enacted. The proposed I-MX-3 district with the DO-7 overlay would allow for development more consistent with the current and desired character of the RiNo area. The proposed rezoning is justified to recognize the change.

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

Neighborhood Context Description

The requested I-MX-3 zone district is within the Industrial Context. The context generally consists of areas of light industrial, heavy industrial and general industrial areas, as well as areas subject to transitions from industrial to mixed-use. The industrial context forms are often tall single-story buildings that accommodate industrial uses and often include rail access (DZC, Section 9.1.1). Because the area consists of industrial transitions to mixed-use, the proposed rezoning is consistent with the neighborhood context description.

Zone District Purpose and Intent

The Industrial Mixed-Use zone districts are “intended to develop in a pedestrian-oriented pattern, with buildings built up to the street and an active Street Level” and serve as a transition between heavier industrial development and mixed-use areas (DZC, Section 9.1.2). Additionally, the I-MX-3 district applies to “industrially-dominated areas served primarily by local or collector streets with a maximum building height of 3 stories” (DZC, Section 9.1.2.1.A.2). The requested rezoning is consistent with the intent of the Industrial Mixed-Use Districts because a more pedestrian-friendly street pattern and an existing mix of industrial, residential, and commercial uses characterize the site and its

immediate context. The site is served by Walnut, a collector street. The street classification and building heights in this area are consistent with the zone district purpose statement.

The purpose of the River North Design Overlay District (DO-7) is: “1. Implement adopted plans; and 2. Promote creative, high-quality, design in the general area covered by the adopted 38th and Blake Station Area Height Amendments and the RiNo Business Improvement District; 3. Provide flexibility to support the diverse design traditions of RiNo; 4. Activate the South Platte River frontage to promote the river as a neighborhood asset; 5. Maintain human scale and access to daylight as heights and densities increase throughout the district; 6. Promote vibrant pedestrian street frontages with active uses and street-fronting building entries; 7. Provide transitions between residential frontages and mixed-use streets; 8. Ensure that buildings are designed to adapt to new uses as the district changes and evolves; 9. Promote active transportation options, such as walking and biking; 10. Minimize potential conflict points between pedestrians and motor vehicles; 11. Minimize the visibility of surface and structured parking areas for vehicles; and 12. Encourage small, privately-owned, open spaces to increase design diversity along the street frontage and support pedestrian activity” (DZC, Section 9.4.5.11.B).

The DO-7 is appropriate for this site as it implements the Northeast Downtown Neighborhood Plan’s recommendations of promoting urban character with enhanced design standards that support pedestrian activity. These enhanced standards promote pedestrian activity and vibrancy of RiNo business district and are appropriate and consistent with the site and surrounding area.

Attachments

1. Application
2. Current R-MU-20 with waivers ordinance, 2004-597
3. E-mail from RiNo BID