



**Amendment to Welton Corridor Urban Redevelopment Plan
29th & Welton Project
Finance and Governance Committee August 27, 2024**



Amendment to Welton Corridor Urban Redevelopment Plan 29th & Welton Project



Three Ordinances for Committee Consideration:

CB24-1108 – Amendment to Welton Corridor Urban Redevelopment Plan for 29th & Welton Project

CB24-1107 – 29th & Welton Cooperation Agreement between the City and County of Denver and DURA

CB24-1106 - Amended and Restated 2300 Welton Cooperation Agreement between the City and County of Denver and DURA

Welton Corridor Urban Redevelopment Plan Amendment

29th & Welton Project

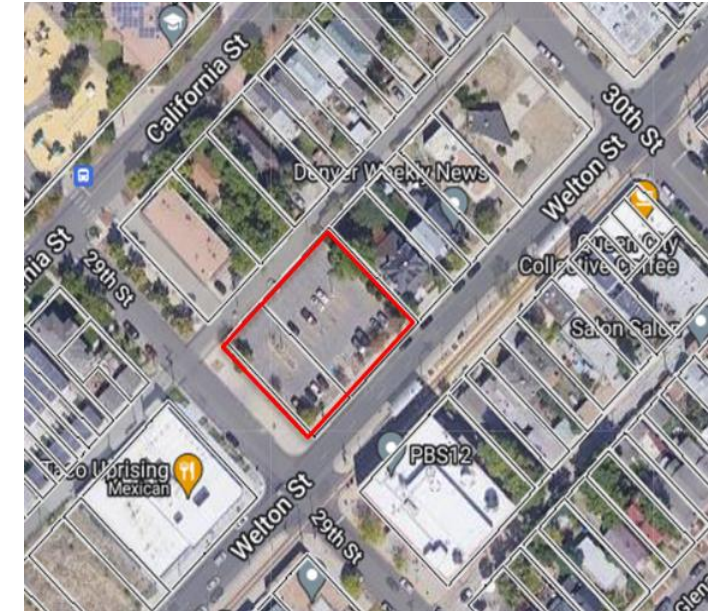


- **Location:** Five Points Neighborhood, Council District 9
- **URA Size:** Approximately 85 acres
- **Size of the 29th & Welton project:** Approximately 0.43-acre parcel
- **Redeveloper:** Shanahan Development and Elevation Community Land Trust
- **Zoning:** C-MX-5
- **Existing Land Use:** RTD Surface Parking Lot



Urban Redevelopment Area

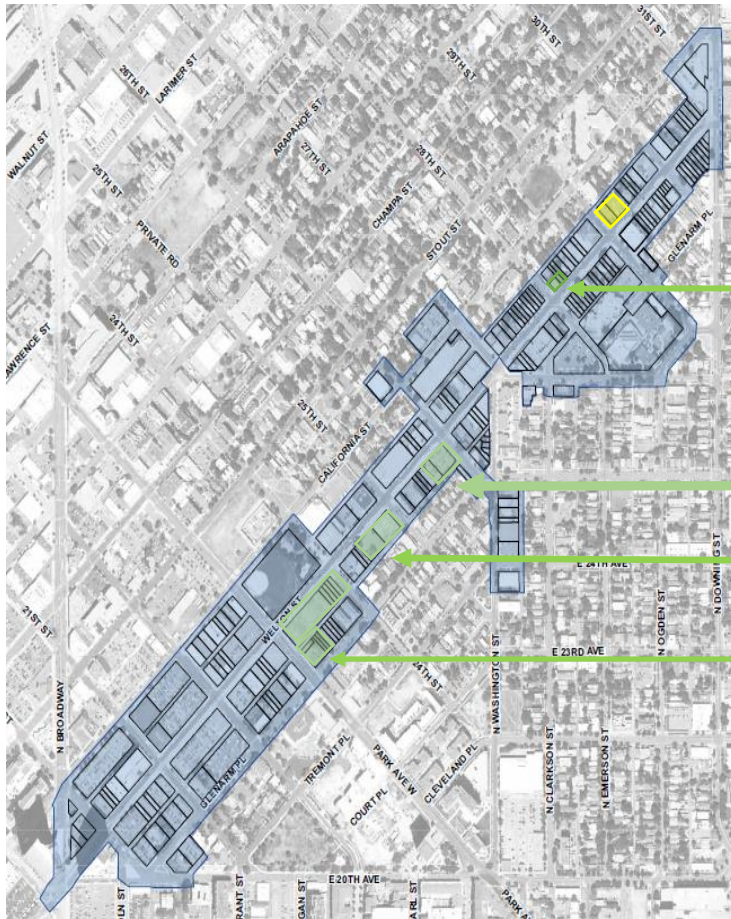
29th and Welton Project



2907 Welton Street Location

Welton Corridor Urban Redevelopment Plan Amendment

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Urban Redevelopment Area

29th and Welton Project

Current Welton Corridor Projects

2801 Welton St. Sales & Property Tax Increment Area

2560 Welton St. Sales & Property Tax Increment Area

2460 Welton St. Property Tax Increment Area

2300 Welton St. Property Tax Increment Area

Project Name	Date Approved	Project Description	Termination Date
2300 Welton	July 14, 2014	223 Affordable Rental Units	July 14, 2039
2460 Welton	January 12, 2015	Mixed-Use, Commercial and Residential	January 12, 2040
2801 Welton	January 12, 2015	Commercial	January 12, 2040
2560 Welton	May 31, 2016	Mixed-Use, Commercial and Residential	May 31, 2041

29th & Welton Project

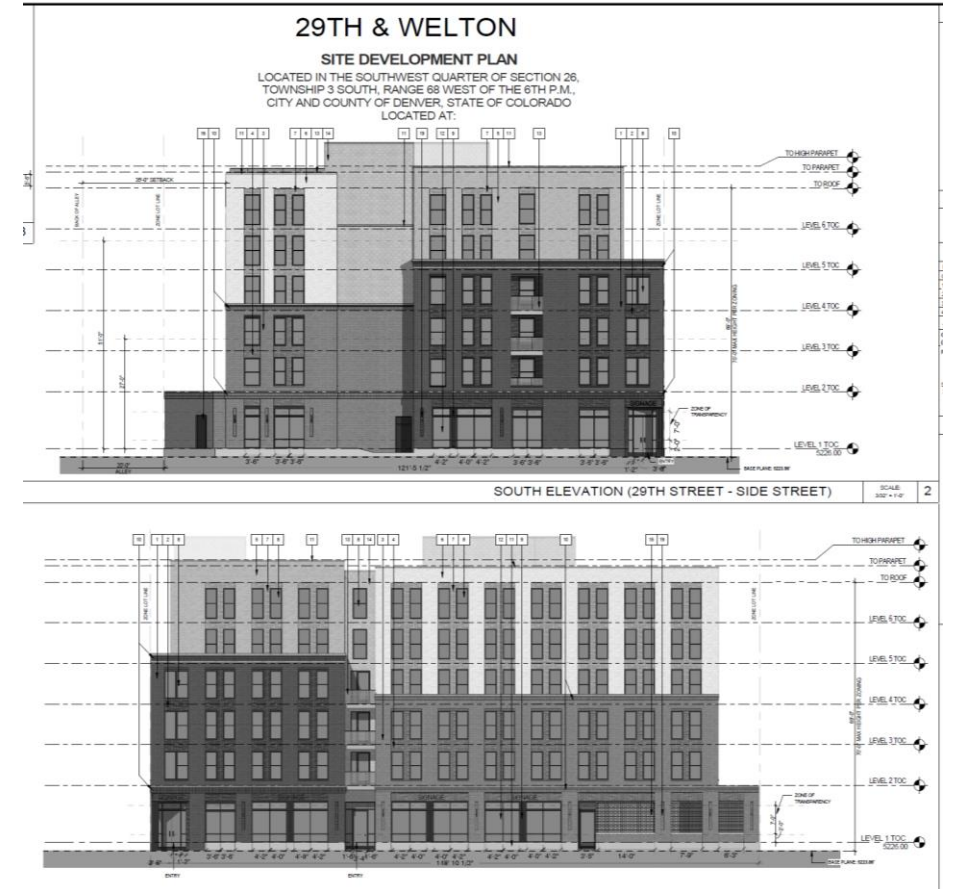


Location – RTD Surface Parking Lot at corner of 29th & Welton in the Five Points Neighborhood

Developer Team – Shanahan Development and Elevation Community Land Trust

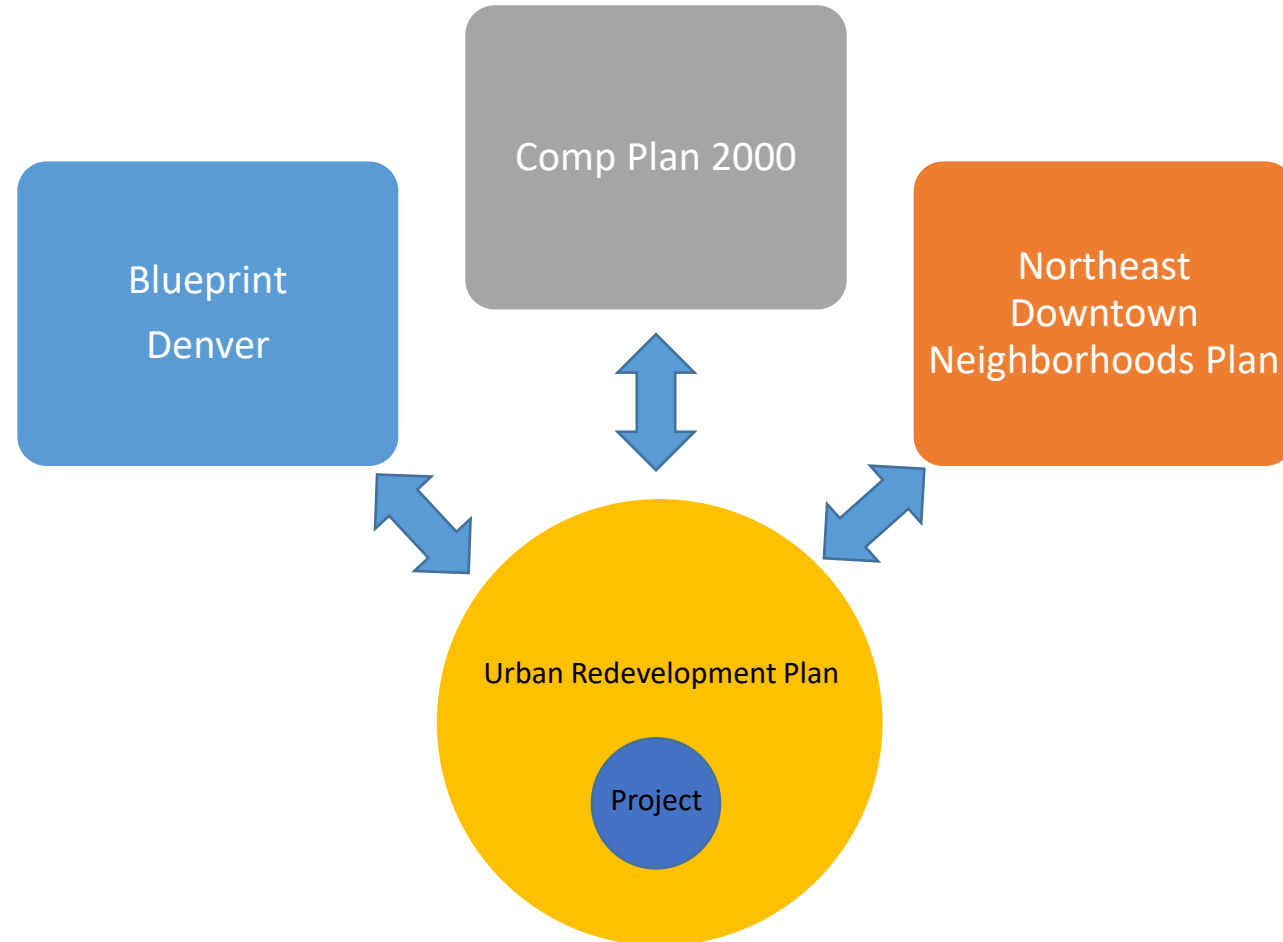
62 Permanently Affordable For-Sale Condominium Units

5,000 SF Ground Floor Commercial Space



Residential Summary	# of Units	sf	%
1BR	25	629	40%
2BR	16	844	26%
3BR	21	1,164	34%
Total Residential	62	866	100%

Conformance with Plan Objectives:



Conformity to Comprehensive Plan 2040

The 29th & Welton Project Amendment to the Plan conforms to many of the *Comprehensive Plan 2040* objectives, especially:

Equitable, Affordable, and Inclusive

- Ensure all Denver residents have safe, convenient and affordable access to basic services and a variety of amenities.
- Build housing as a continuum to serve residents across a range of incomes, ages and needs.
- Develop housing that is affordable to residents of all income levels

Connected, Safe and Accessible Places

- Strengthen multimodal connections in mixed-use centers and focus growth near transit.

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Conformance with Urban Redevelopment Plan Objectives:

- To eliminate the present and growing factors which contribute to the blight in the Urban Redevelopment Area.
- To renew and improve the character and environment of the Urban Redevelopment Area and its surroundings by preventing or ameliorating economic, physical and environmental deterioration.
- To encourage residential, retail, and commercial development and redevelopment that is socially and economically inclusive and from which the Urban Redevelopment Area and its environs can draw economic strength.
- To more effectively use underdeveloped land within the Urban Redevelopment Area.
- To encourage land use patterns within the Urban Redevelopment Area and its environs which will reduce dependence upon private automobiles for transportation.
- To encourage land use patterns within the Urban Redevelopment Area and its environs where pedestrians are safe and welcome.
- To encourage the participation of existing property owners within the Urban Redevelopment Area in the redevelopment of their property.
- Encourage high and moderate density development where appropriate.
- To promote a diverse mix of dense housing options.
- To promote a diverse, sustainable neighborhood economy, including mixed use and commercial development opportunities along the Urban Redevelopment Area.

29th & Welton Project: Tax Increment Commitment



ECLT Acquisition Budget

Sources	
Bridge Loan	9,487,703
Subordinate Debt	5,000,000
TIF Loan	2,210,000
CDOH Grant	3,100,000
ECLT Philanthropic Capital	3,100,000
City of Denver Grant	1,605,000
Strong Communities Grant	2,500,000
Total	27,002,703

- Tax Increment Request: \$2,210,000 (~8.2% of ECLT Budget)
- 29th & Welton Tax Increment Area coterminous with Urban Redevelopment Area – Capture incremental sales and property tax increment



29th & Welton Project: Tax Increment Commitment

- DURA underwriting supports \$2.21 million in property tax increment on a developer reimbursement basis
- Total projected Property Tax Increment over 25 years ~ \$2.675
- DURA requested an Impact Analysis from Denver Public Schools
- Impact to DPS calculated at ~ \$1.39 million (utilizing negotiated purchase price from RTD)
- Project cannot support both a reimbursement of \$2.21 million and Impact fee of \$1.39

Amendment to Welton Corridor Urban Redevelopment Plan: 29th & Welton Project - Additional Agreements



- Establish new Sales and Property Tax Increment Area at 29th & Welton
 - Capture Increment from City and Mile High Flood District (MHFD) for lesser of 25 years or repayment of \$2.21 Developer Reimbursement
 - Capture Increment from City and County of Denver for lesser of 25 years or repayment of \$2.21 Developer Reimbursement
 - DPS retains all property tax to address development impact
- Continue to collect Property Tax Increment from 2300 Welton
 - MHFD property tax increment no longer paid to DURA
 - DPS property tax increment continued to be paid to DURA through 2030
 - City property tax increment continued to be paid to DURA for lesser of remaining term of tax increment (2039) or repayment of \$2.21 Developer Reimbursement
- Current projections suggest full repayment of \$2.21 Developer Reimbursement obligation by 2038 (1.2x coverage) or by 2034 (1.0x coverage)

Amendment to Welton Corridor Urban Redevelopment Plan: 29th & Welton Project - Additional Agreements



- **DURA/City Cooperation Agreement – 29th & Welton**
 - Addresses collection and remittance of property tax increment to support redevelopment
 - Requires Project to follow First Source, SBE, CEO, Prevailing Wage & Project Art Policies
 - Term of Agreement – earlier of repayment of DURA obligation or 25 years
- **DURA/City Cooperation Agreement – 2300 Welton**
 - Allows Certain amounts of Property Tax Increment from 2300 Welton project to be made available to support 29th & Welton Project through earlier of repayment of 29th & Welton Project obligation or July 2039
- **DURA/DPS Intergovernmental Agreement- 29th & Welton**
 - No DPS incremental taxes to be retained by DURA
- **DURA/DPS Intergovernmental Agreement- 2300 Welton**
 - Allows DPS incremental property taxes to be made available to support 29th & Welton Project through December 2030
- **DURA Urban Drainage and Flood Control District Letter Agreement – 29th & Welton**
 - Ability to collect and utilize full amount of incremental property taxes from UDFCD mill levy

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- DURA Board Meeting – August 15, 2024
 - Urban Redevelopment Plan
 - DURA City Cooperation Agreement
 - DURA Urban Drainage and Flood Control District Letter Agreement
 - DURA/DPS Intergovernmental Agreement
- Resolution to Set Public Hearing – August 19, 2024
- Denver Planning Board – August 21, 2024 – Found in conformance with City Plans (7-0)
- Council Finance and Governance Committee Meeting - August 27, 2024
- City Council Consideration of Urban Redevelopment Plan Amendment, Cooperation Agreements:
 - Public Hearing September 23, 2024



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