DENVER
THE MILE HIGH CITY

2012
CHERRY CREEK AREA PLAN

FINAL DRAFT
June 14, 2012

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Emily Snyder

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Laura Dannemiller, Manager

Gordon Robertson, Parks Director

David Marquardt, Parks Planning Manager

Mark Upshaw

CONSULTANT SUPPORT

KHO Consulting

Fehr and Peers

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**Reference appendices are intended to provide direction for future implementation actions. As such, they will provide important guidance, but are not adopted as part of the Cherry Creek Area Plan.*

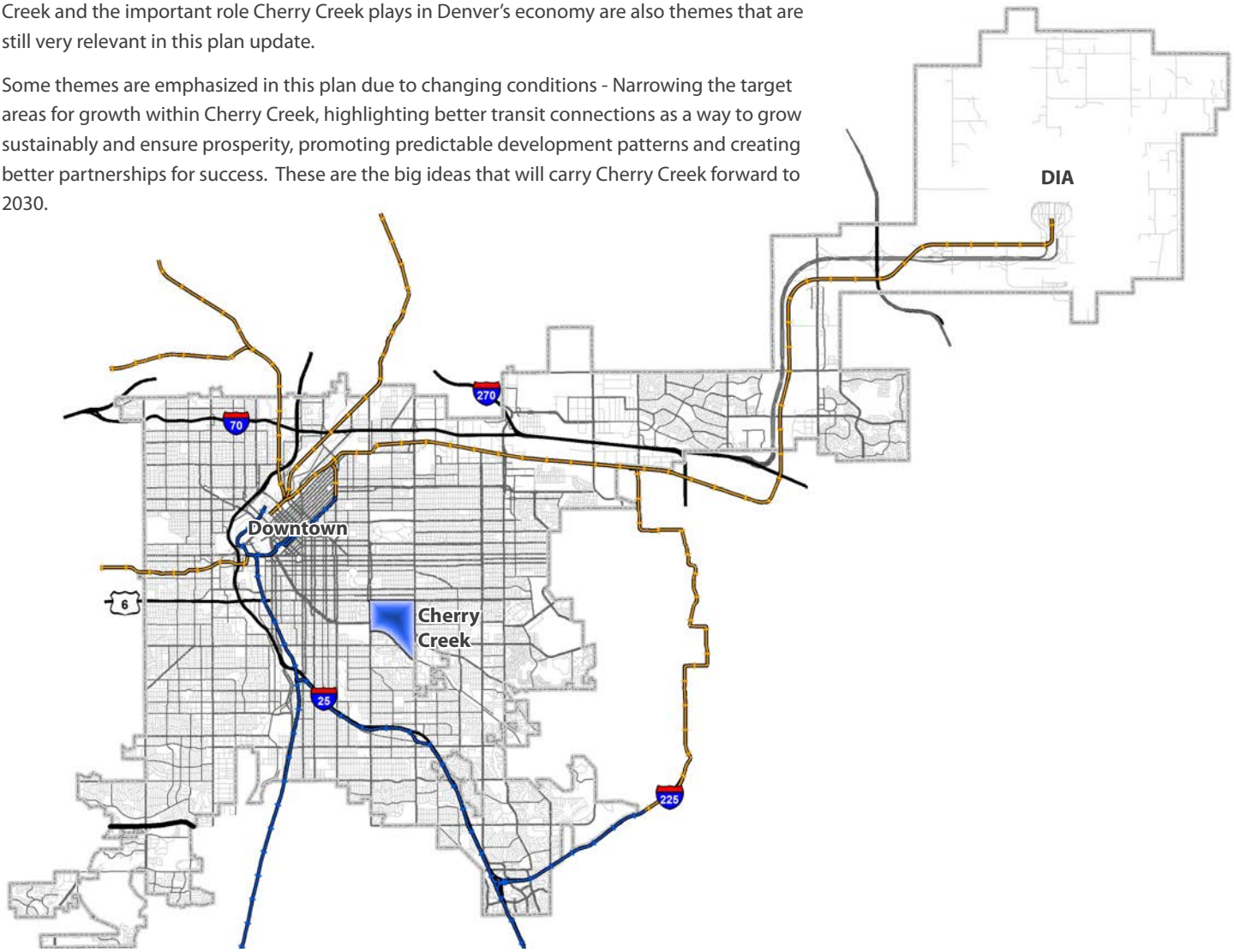
1933 Aerial Imagery

Introduction

Cherry Creek has a strong history of planning and implementing plans. Cherry Creek's original Neighborhood Plan was adopted in 1976. Updates in 1986 and 2000 have largely focused on growth in the area and finding balance between commercial and residential land uses. Recommendations from these plans have guided decision making regarding land use and mobility as Cherry Creek matured into the region's premier mixed-use shopping district and upscale urban neighborhood.

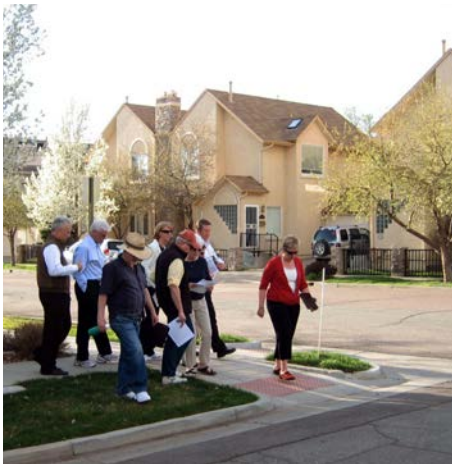
Most themes from previous planning efforts remain important in this 2012 Cherry Creek Area Plan - enhancing the character of existing neighborhoods, encouraging a greater mix of land uses, enhancing the economic prosperity of mixed-use areas, creating a pedestrian-friendly environment, improving the public realm, and creating a high degree of multi-modal connectivity. The interdependent nature of retail, office and residential uses within Cherry Creek and the important role Cherry Creek plays in Denver's economy are also themes that are still very relevant in this plan update.

Some themes are emphasized in this plan due to changing conditions - Narrowing the target areas for growth within Cherry Creek, highlighting better transit connections as a way to grow sustainably and ensure prosperity, promoting predictable development patterns and creating better partnerships for success. These are the big ideas that will carry Cherry Creek forward to 2030.



Planning Process

A series of three focus group meetings were held in July 2011 to review draft plan concepts.



Walking tours helped familiarize plan stakeholders with issues in each subarea.

The public process for the Cherry Creek Area Plan (CCAP) kicked off in January, 2010. Over the course of the following two years, community members and city staff collaborated to articulate opportunities and challenges and develop a vision for the next twenty years. Denver's Community Planning and Development Department, Public Works Department, Department of Parks and Recreation and dedicated Cherry Creek stakeholders provided technical expertise for the planning effort. Regular meetings with the Cherry Creek Steering Committee (CCSC) and the Area Plan Leadership Team (Leadership Team), and public stakeholder meetings helped guide the process and the content of the Area Plan.

PUBLIC INVOLVEMENT PROCESS

A multi-tiered strategy for involving stakeholders ensured that all perspectives were considered throughout the planning process. Public input informed the identification of key issues as well as concepts and plan recommendations for addressing the key issues.

- **Denver City Council** - City Councilmember Jeanne Robb (District 10) was a member of the Area Plan Leadership Team and provided critical guidance regarding the planning process. City staff gave 2 presentations to the Land Use, Transportation and Infrastructure (LUTI) Committee. A City Council public hearing and vote will culminate the planning process.
- **Denver Planning Board** - The City staff briefed Planning Board on three separate occasions regarding the Cherry Creek Area Plan. After a public hearing, Planning Board will be responsible for approving the Area Plan and recommending it to City Council.
- **Area Plan Leadership Team** - Made up of Cherry Creek leaders representing business, residential, retail and development interests, this small group was tasked with keeping the planning process moving forward.
- **Cherry Creek Steering Committee** - A group of 25 individuals representing business, residential, retail and development interests as well as several RNOs, the CCSC has been in existence since the 1980s. The CCSC's mission includes leadership in developing the contents and process of the plan and advocating for its approval and subsequent implementation.
- **Focus Groups** - A series of intensive focus group meetings were held in July 2011 to review Area Plan concepts through the lenses of (1.)Urban Form and Public Realm, (2.) Mobility and Connections, and (3.)Economic and Development Opportunities. Over 50 people (representing business owners, residents and property owners) participated in these focus group meetings.

- **Working Groups** - Several working groups were established throughout the planning process to focus on particular issues, as the need arose. Topic-specific meetings included: Fillmore Plaza working group and public meetings (dozens of public and neighborhood meetings), Cherry Creek North building form working group, a mobility workshop and two Cherry Creek Triangle workshops. Informal groups of stakeholders met throughout the process to discuss various issues.
- **Neighborhood Organizations** - City staff attended neighborhood organization meetings upon request. Meetings included: Cherry Creek East Neighborhood Association (4 meetings), Cherry Creek North Neighborhood Association (3 meetings), Country Club (2 meetings), Capitol Hill United Neighbors (CHUN) Zoning Committee (2 meetings), Cherry Creek North Business Improvement District Board of Directors (5 meetings).
- **General Public**
  - **Public Meetings** - Two public meetings were held, one in July 2010 (attended by 75 people) to kick off the plan and the other in April 2012 (attended by 135 people) to present the plan draft.
  - **Online surveys** - Online surveys were utilized to gain an understanding of key issues in the area. Approximately 1,000 people responded to three separate online surveys—one survey focused on mobility and use of Fillmore Plaza in the Shopping District, and another focused on long-term vision for Cherry Creek. A third online survey was utilized to gather input regarding draft plan recommendations.
  - **Individual correspondence** - City Planning Staff from various departments were available throughout the process to discuss the plan by e-mail, phone or for face-to-face meetings upon request by any plan stakeholder.
  - **Plan Website** - A plan website was established at the beginning of the planning process and utilized to provide updates and important plan resources as information to the general public.

Overall, an estimated 1000 people participated in the planning process. It is their ideas, enthusiasm, commitment and love of Cherry Creek that have contributed so much to the plan.

Cherry Creek residents, property owners and business owners discussing economic development opportunities.

Plan stakeholders played the "Right-of-Way Game" to better understand tradeoffs of accommodating various transportation modes on 1st Avenue.

Planning Context

The Cherry Creek Area has changed dramatically over the past decades, and as a result, its planning history and context are richer than other parts of the City. The Denver Comprehensive Plan provides the vision for the entire city. Citywide and small area plans are adopted as supplements to the Comprehensive Plan to provide additional direction for a certain topic or area. It is important to note that each of the Cherry Creek Plans superseded the previous plan, as will be the case with the 2012 Cherry Creek Area Plan superseding the 2000 Cherry Creek Neighborhood Plan. Cherry Creek Plans:

- Cherry Creek Neighborhood Plan (1976)
- Cherry Creek Neighborhood Plan (1986)
- Cherry Creek Neighborhood Plan (2000)

Denver Comprehensive Plan and Supplements

The Denver Comprehensive Plan is established in the Denver City Charter and Revised Municipal Code to "…provide an expression of the city's vision for the future with a listing of goals and objectives. Once prepared and adopted, the plan will guide and influence decisions that affect the future of the city." The Comprehensive Plan and its supplements are adopted by City Council ordinance based on a recommendation of approval from the Denver Planning Board. Planning Board's criteria for approval of supplements are: a long term view, inclusive public process, and consistency with the Denver Comprehensive Plan. The following is a list of applicable plans:

- Denver Comprehensive Plan 2000
- Cherry Creek Greenway Master Plan (2000)
- Bicycle Master Plan (2001)
- Blueprint Denver: an Integrated Land Use and Transportation Plan (2002)
- Denver Parks and Recreation Game Plan (2002)
- Pedestrian Master Plan (2004)

Implementation Plans

City agencies prepare implementation plans to guide their policies and work programs. Although these plans are not adopted as supplements to the Comprehensive Plan, they provide important guidance to the City and its agencies for implementing the Comprehensive Plan and its supplements.

- Cherry Creek Greenway Master Plan-Reach 1 Plan Update (2003)
- Greenprint Denver (2006)
- Strategic Transportation Plan (2008)
- Denver Neighborhood Market Plan Initiative for Cherry Creek Shopping District (2009)
- Storm Drainage Master Plan (2009)
- Sanitary Sewer Master Plan (2009)
- Strategic Parking Plan (2010)
- Denver Moves (2011)

How to Use this Plan

This Plan establishes a long range vision and guiding principles for the development and future of the Cherry Creek area. The elements of this Plan will direct the community toward a vision for a connected, distinctive, green and prosperous Cherry Creek.

Public agencies and private entities will use this Plan in coming years for many purposes and actions that will affect the form and function of Cherry Creek. The Plan provides city-adopted policy direction to guide decision-making related to development opportunities, transportation, partnerships, and many others. Many of the recommendations will require multiple steps over several years by a variety of participants.

The plan provides a sound policy basis for a thriving Cherry Creek Area. The recommendations identified in the plan provide enough direction to guide day-to-day decision making related to land use, public investment, private development, and partnerships. The plan is intended to give the latitude needed to pursue unforeseen opportunities that will arise and to respond to new challenges over the coming years.

The plan is divided into three sections in addition to this introduction:

- The **Framework Plan** provides content that applies to the entire plan area and provides the background to support the recommendations for a Connected, Distinctive, Green and Prosperous Cherry Creek. Some of the recommendations are highlighted as "transformative" meaning that the Cherry Creek community has identified these as being essential to achieving the plan vision over the next 10 to 20 years.
- Each of the four **subareas**, the Shopping District, Cherry Creek North Neighborhood, Cherry Creek East, and Cherry Creek Triangle, is described in greater detail and has specific recommendations, as well as references to applicable framework recommendations.
- The final section describes **plan implementation** in terms of the types of implementation and priorities for plan implementation. This chapter also highlights the multiple steps that may be necessary to work toward implementation of the transformative recommendations.

As with the Comprehensive Plan and its supplements, plan recommendations provide guidance. Future implementation actions such as zoning map or text amendments, capital improvements and public-private partnerships require specific actions on the part of the city.

Framework Plan

The Cherry Creek Area at its core is a successful mixed-use district surrounded by a collection of residential neighborhoods that each have their own unique quality and characteristics.

The Framework Plan presents issues and recommendations relevant throughout the entire Cherry Creek Area. This framework treats Cherry Creek as a whole. It focuses on recommendations that tie individual districts within Cherry Creek together and on recommendations that tie the Cherry Creek Area to the city and to the region.

The Framework Plan summarizes the key issues identified in the planning process that need to be addressed in the area. These key issues are presented as **Accomplishments, Challenges and Opportunities**. The **Vision and Vision Elements** for the Cherry Creek Area included in this Framework Plan provide a framework for implementation.

The success of Cherry Creek requires that the individual districts and neighborhoods within the area work together with the city toward a common vision. The vision and recommendations within this Framework Plan serve as a guide for that collaboration over the coming decades.

Accomplishments, Challenges, Opportunities

Open Spaces within Cherry Creek provide activities for all ages.

Cherry Creek is the premier retail destination in the region.

Alameda Avenue does not currently function as a Parkway

ACCOMPLISHMENTS

- Over $170 million in private investment in the last decade solidifies Cherry Creek's role as a major economic generator for the City of Denver. Improvements have resulted in new housing stock, high quality mixed-use infill development, streetscape improvements and a greater mix of land uses, much of which directly implemented recommendations in the 2000 Cherry Creek Neighborhood Plan.
- Successful public-private partnerships and investments have led the way toward a "new" Cherry Creek North—with enhanced streetscapes, branding, intuitive wayfinding, and smart parking meters. Together these efforts improve the district's identity, cohesiveness, and pedestrian experience.
- The Cherry Creek Shopping District continues to boast the highest concentration of high-end retail in the region, the highest concentration of local independent retailers in the City and County of Denver and is touted as the #1 retail destination in the metro area.
- The newly-renovated Cherry Creek Denver Public Library and a new playground at Pulaski Park (both Better Denver Bond projects) celebrate the city's dedication to enhancing and supporting neighborhood amenities that contribute to the Cherry Creek's strength and diversity.
- The Denver Zoning Code was updated in 2010 to a new form- and context-based format replacing the outdated 1950's code that addressed many long standing zoning issues. Portions of the Cherry Creek North and East neighborhoods were rezoned to new form-based zone districts.

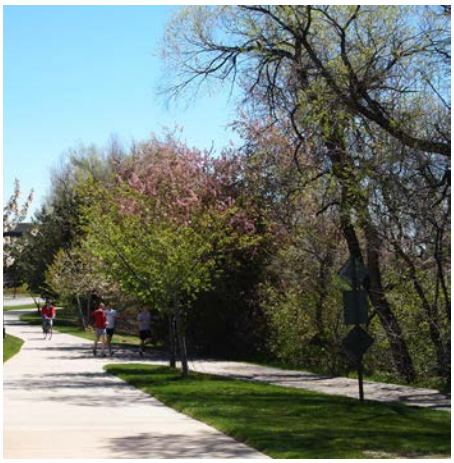
CHALLENGES

- Cherry Creek's popularity as a destination and its position on a major travel shed mean that transportation infrastructure must continue to seek an effective balance between different modes in order to address existing and anticipated demand. Transportation decisions for the area have implications on quality of life and economic development as well as local and regional mobility.
- Pedestrian and bicycle connectivity along and across Cherry Creek's roadways represents an important component of increased multi-modal options in Cherry Creek. Particular attention should be given to improve connections across major arterials and to and from the Cherry Creek Greenway.
- Cherry Creek retail must be supported and encouraged to find ways to stay successful and competitive, given the changing nature of the retail environment and the growing number of shopping districts throughout the region offering the pedestrian-oriented, mixed-use shopping and lifestyle experience.
- With national attention on Denver for its unparalleled rail-transit expansion, it is important to strengthen priority transit connections to Downtown, Denver International Airport and the regional rail network to support both increased levels of mobility and economic development.
- Dedicated parkways within the study area can be improved to better accommodate multi-modal movements and contribute to the look, feel or functionality of a parkway.
- The east side of Harrison Street and the north side of Alameda have seen little reinvestment.

- Several public spaces are underutilized for a variety of reasons. These include Burns Park, Pulaski Park and the north side plaza of the Cherry Creek Greenway.
- Drainage issues in Cherry Creek North and Cherry Creek East can lead to flooding or ponding during significant storm events. Denver completed a Cherry Creek Study and identified stormwater improvements for implementation that will address these conditions.
- Although Cherry Creek is accessed along multiple streets, additional signature gateways would better announce entry into the Cherry Creek Area. Currently, locations that should include signature gateways are dominated by surface parking, vacant lots, and generally areas in need of reinvestment.

OPPORTUNITIES

- Locational advantage – Cherry Creek is three miles from Downtown, well-connected by regional multi-modal transportation routes, a connected street grid, and the Cherry Creek Greenway. Cherry Creek is also adjacent to the small but densely-populated City of Glendale. The 90,000 multi-modal person trips per day along the 1st Avenue/Steele/Alameda route help to support the local Cherry Creek economy.
- Cherry Creek and surrounding established neighborhoods are some of the most desirable residential areas in Denver.
- The Cherry Creek Shopping District attempts to balance its identities and land uses as a unique, local, pedestrian shopping experience and an upscale retail destination of national appeal.
- Cherry Creek offers a wide range of office types and employment opportunities, resulting in over 14,500 jobs.
- A wide array of development opportunities exist ranging from small residential infill to large underdeveloped parcels with outdated buildings or with interim uses as surface parking lots.
- High bus ridership and traffic volumes suggest an opportunity to consider improved transit service to and through Cherry Creek. Future improved transit expansion between Downtown, Cherry Creek, Lowry and Aurora has been identified in DRCOG's MetroVision 2035 Regional Plan.
- Residents, business owners, and property owners are committed to ensuring a high quality of life within a growing mixed-use area and offer high levels of expertise and resources. Opportunities exist to enhance and refine existing partnerships and consider new ones.
- The Cherry Creek Area is committed to the enhancement of arts and culture and supports local events that build community and create a sense of vibrancy.
- The Cherry Creek Greenway is a unique asset with tremendous educational, environmental and recreational benefits.



The Cherry Creek Greenway

Continued investment in amenities such as the Denver Public Library contribute to Cherry Creek's strength, diversity and desirability.

Cherry Creek offers a diverse set of housing choices creating a unique character and identity.

The Vision for Cherry Creek

A thriving Cherry Creek for the 21st Century: **connected**, **distinctive**, **green**, and **prosperous.** The Cherry Creek Area Plan builds on the area's established and emerging assets.

- A unique combination of the Cherry Creek Shopping Center, an outdoor shopping district and great neighborhoods
- A growing variety of people who live, work and shop in the area
- Strong local and regional amenities
- Unique connections to the Cherry Creek Greenway—wild below, urban above
- Exceptional pedestrian experience
- Great regional and national image and signature identity for Denver
- Centrally located—accessible from throughout the region
- High Quality building and streetscape design
- Compact live, work, and play community

A. A Connected Cherry Creek

Mobility and Connectivity

A.1 Connect to the Region

A.2 A Walkable Cherry Creek

A.3 A Bikeable Cherry Creek

A.4 Multi-modal Streets

TRANSFORMATIVE PROJECTS

These six transformative projects will act as catalysts toward achieving the vision for the Cherry Creek Area. All are long-term and will require multiple steps by the public and private sectors. All require concerted effort on the part of the City, community, and key stakeholders.

A.1 Connect to the Region

Expand transit connections to key destinations—Downtown, Denver Union Station, Denver International Airport, and the RTD rail system

A.2 A Walkable Cherry Creek

Unsurpassed pedestrian experience for all everywhere

B. A Distinctive Cherry Creek

Land Use and Urban Design

- **B.1 Target Growth Appropriately**
- **B.2 Enhance the Pedestrian Nature & Character**
- **B.3 Concentrate Economic Activity**
- **B.4 Great Neighborhoods**

C. A Green Cherry Creek

Signature Parks and Public Spaces

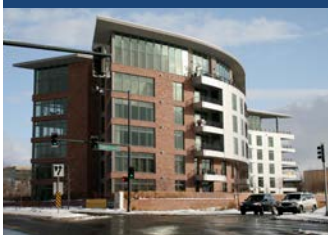
- **C.1 Cherry Creek Greenway**
- **C.2 Parks**
- **C.3 Streets and Streetscapes**

D. A Prosperous Cherry Creek

Economic and Development Opportunities

- **D.1 Economic Vitality**
- **D.2 Reinvesting in the Future**
- **D.3 Organization and identity**

B.1 Target Growth Appropriately
Promote appropriate reinvestment in Areas of Change



C.1 Cherry Creek Greenway
Provide visual and physical connections to the Greenway to celebrate the proximity of the urban edge with the wild creek

D.1 Economic Vitality
Reinforce the attractiveness of Cherry Creek for residents, shoppers, employees, businesses and visitors

D.2 Reinvesting in the Future
Encourage public investment in streets and infrastructure and modify public policies to encourage appropriate private investment

A. A Connected Cherry Creek

1st Avenue is Cherry Creek's "spine" and acts as the area's primary connection with downtown Denver.

RECOMMENDATIONS AND TRANSFORMATIVE PROJECTS:

A.1 Connect to the Region

A.2 A Walkable Cherry Creek

A.3 A Bikeable Cherry Creek

A.4 Multi-modal Streets

WHY IS THIS IMPORTANT TO CHERRY CREEK?

Cherry Creek's economic prosperity and high quality of life rely in part on a well-connected and multi-modal transportation system. Cherry Creek's location on one of Denver's main travel sheds, the Speer/1st Avenue/ Leetsdale corridor, provides a direct route through the heart of Cherry Creek into central Denver. Building on the existing strengths of Cherry Creek as a very walkable and livable community and providing a world class experience for every resident, employee and visitor of Cherry Creek requires a comprehensive transportation strategy that promotes walking, biking and access to high quality transit service as well as its street connections. Cherry Creek's ability to stay competitive and reach the global marketplace will rely heavily on its ability to connect locally and regionally including Downtown, Denver International Airport and other urban centers throughout the region.

This mobility and connectivity framework articulates an overall strategy for keeping Cherry Creek livable and prosperous by balancing the different transportation modes within the Cherry Creek Area. Regardless of the mode chosen, the goal is for those who live, work, or play in Cherry Creek to continue to navigate safely, efficiently and reliably to and from the area.

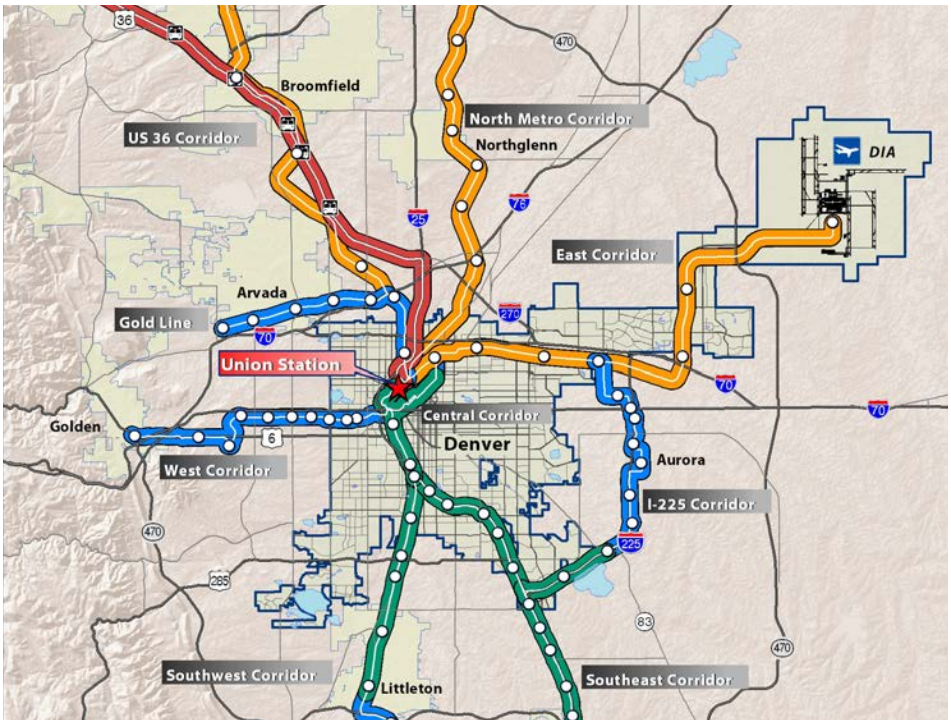
KEY ISSUES

Accommodating the growing number of person trips along the travel shed

- Home to two of the most significant destinations and sales tax generators in the Denver region - the Cherry Creek Shopping Center and the Cherry Creek North business district—the area attracts an estimated 15,000 employees per day and **1.3 million visitors per month.**
- The Speer/1st Avenue/Leetsdale travel shed runs through the heart of Cherry Creek. It is one of the region's highest-volume transportation facilities and one of the only continuous east-west facilities that links suburbs as far away as Parker through southeast Aurora, southeast Denver and central Denver to Downtown. Demand for the travel shed is also expected to grow. Currently estimated at 90,000 multi-modal person trips per day along 1st Avenue between University Boulevard and Steele, the DRCOG travel demand forecasting model estimates that multi-modal trips originating or destined for this travel shed will increase 15% by 2030. Vehicle hours of delay in the travel shed are forecasted to increase by more than 70% between 2015 and 2030.
- Available data indicates that traffic increases over several decades were gradual and generally related to regional growth not to any one development within the Cherry Creek Area. In addition, vehicular trips on 1st Avenue in Cherry Creek at peak hours are split fairly evenly between through and local trips, with 47% of trips moving through the area, 52% starting or finishing in the area and 1% starting and finishing in the area.
- Bus route 83L is the only daily transit connection between Cherry Creek and Downtown (Civic Center Station), with service every 30 minutes for 18 continuous hours during the weekdays and weekends. High bus ridership coupled with traffic volumes and the economic significance of destinations within Cherry Creek suggest an opportunity for improved transit service, especially to connect downtown destinations with Cherry Creek. As Cherry Creek seeks to remain competitive in the region, the lack of an priority transit connection between Cherry Creek, the downtown core including the Convention Center and Denver Union Station, Denver International Airport, and other established and emerging urban centers could present a challenge.

Walkability along and across high volume arterial streets

- A traditional street grid and many examples of enhanced streetscapes make Cherry Creek



RTD's regional rail network does not provide service to east central Denver neighborhoods

one of Denver's most walkable areas. The Cherry Creek North Business Improvement District recently invested $18.5 million in streetscape improvements for their outdoor shopping, restaurant, and entertainment area.

- Higher volume, arterial streets in and adjacent to Cherry Creek can seem like barriers to pedestrians. However, opportunities exist on these streets and with private property to improve walkability through enhanced pedestrian amenities and streetscape elements as appropriate. In addition, 1st Avenue and Alameda Avenue at Colorado Boulevard are key gateways into Cherry Creek. These locations show particular opportunity for improvements to the pedestrian realm that can both improve a pedestrian's experience and better balance multi-modal needs through the integration of land use and transportation.
- Some key intersections along arterial streets may merit special pedestrian consideration based on complete streets and living streets policies. Example locations include the intersection of Cherry Creek North Drive and Alameda and several intersections along Steele Street (1st Avenue, Ellsworth and Bayaud) that provide important connections for Cherry Creek residents, employees, and visitors.
- The west and east ends of the Shopping Center and areas within the Cherry Creek Triangle can also seem challenging to pedestrians due to larger block sizes, surface parking lots, and more inconsistent streetscape enhancements.

A more complete and intuitive bicycle network

- Cherry Creek is adjacent to the Cherry Creek Greenway, a highly utilized regional bicycle facility and multi-use trail that connects Downtown with southeast Denver. Connections and accessibility between the Cherry Creek Shopping District, adjacent neighborhoods and the Greenway are in need of physical improvements and better signage. Improved bicycle connections along and across arterial streets linking destinations, open space, and other regional routes are also needed.

Tree lined and landscaped residential streets in Cherry Creek neighborhoods create a walkable and highly desirable place to live.

Enhanced streetscapes in Cherry Creek North include special pavers, park benches, pedestrian lighting, short crossing distances, landscaping and planters.

Intersection enhancements in some Cherry Creek locations, such as Steele and Ellsworth, should consider high concentrations of elderly residents living nearby.

RECOMMENDATION A.1 CONNECT TO THE REGION

TRANSIT SERVICE GOALS FOR PRIORITY TRANSIT CORRIDORS

- **Increased Trip Capacity**
  - Increase convenience and reliability of transit service
  - Increase connections with regional transportation networks (bus, light rail, bicycle, auto)
  - Frequent stop spacing, coordinated with key origins/ destinations
  - Frequent headways
  - Avoid right-of-way expansion
- **Increased Prosperity**
  - Promote vitality and higher density development in Areas of Change
  - Direct and convenient service to/ from Downtown, DIA, and the regional rail network
- **Aesthetically Pleasing**
  - Low noise
  - High air quality
  - Comfortable, modern transit vehicles
  - Inviting streetscape
  - Low impact on adjacent neighborhoods
  - Attractive stations and stops
- **Safe, Accessible, Inviting**
  - ADA accessible
  - Serve transit dependent riders
  - Appeals to and increases choice ridership
  - Streetscape amenities to promote pedestrian safety and comfort
- **Low Environmental Impact**
  - Low carbon emissions
  - Low energy use

A.1.A IMPROVE BUS SERVICE

Advocate for improved bus transit service that directly links Cherry Creek to the downtown core including Denver Union Station and the Colorado Convention Center. Service characteristics should include the following:

- More frequent service with headways of 15 minutes or less on weekdays and weekends. Consider providing fast, "express" style service with key stops such at locations such as the Colorado Convention Center, the Denver Performing Arts Center, Lower Downtown, Civic Center Station and Union Station.
- Explore the possibility of a customized shuttle or bus vehicle with marketable or brandable identity specific to Cherry Creek and Downtown.
- Capitalize on the convergence of other important transit routes on the boundaries of the study area including route 40 (Colorado) and route 24 (University).
- Consider ways to make the transfer experience between buses more efficient, convenient and comfortable and explore the opportunities to link transfer stops with nearby land uses.

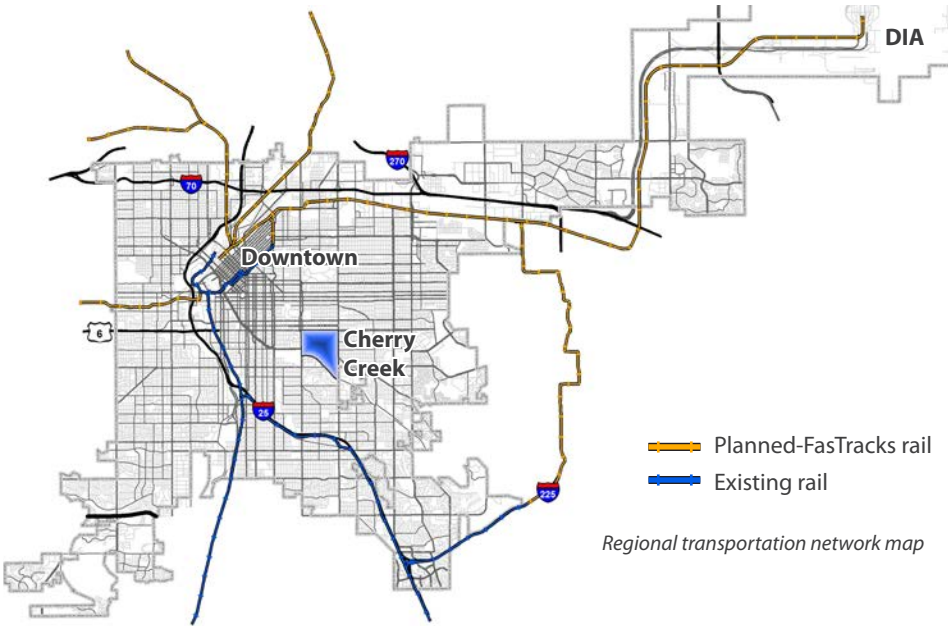
A.1.B CONDUCT STUDY OF PRIORITY TRANSIT CORRIDORS

Further study is needed to determine the feasibility for priority transit service along identified corridors. Further study would also serve to test a similar concept presented in DRCOG's MetroVision 2035 Vision Plan, which shows an intercity rail service connecting Downtown, Cherry Creek, Lowry and points east. The appropriate type of study must be conducted in order to align with federal funding requirements.

Following through on one of the 2008 Denver Strategic Transportation Plan recommendations for the Speer/1st Avenue/Leetsdale Travel shed, a Planning Environmental Linkage Study (PEL) will consider potential impacts from the projected increases in trips along the roadway network and will identify needs and alternatives for accommodating this additional person-trip demand. The (PEL) will focus on multi-modal strategies using an approach that seeks to incorporate environmental, economic, and community values into transportation decisions so that those values are carried forward through project development and implementation. A PEL is an important step to complete in order to understand needs and compete for federal funding that can help make transportation improvements, such as priority transit, in the travel shed a reality.

A.1.C ADD PERSON-TRIP CAPACITY

In 2008, Denver's Strategic Transportation Plan (STP) set a new standard for how to accommodate the growing number of person trips within the city. With the direction of the STP's philosophy, the goal is to accommodate trips both to and through Cherry Creek by expanding multi-modal choices without expanding existing right-of-way. Strengthening and adding multi-modal transportation options will add capacity to help address growing person trip numbers through possibilities discussed during the Area Plan Process including fixed guideway, streetcar, light rail, bus rapid transit and better bus service. A set of transit service goals important to the Cherry Creek Area was identified by plan participants. These characteristics, listed at the bottom of this page, should be considered as future conversations and studies regarding priority transit service in Cherry Creek continue.



Regional transportation network map

Opportunity to connect to regional rail and transportation network.

A.1.D RECOGNIZE PRIORITY TRANSIT CORRIDORS

Establishing a direct connection between Cherry Creek and Union Station is a top priority in Cherry Creek's pursuit of improved connections to the region since Union Station is the primary hub for regional transit service and the FasTracks system. Improved direct connections to fixed rail lines such as RTD's East and Southeast Lines is also an important step for Cherry Creek's regional connectivity. For this reason, 1st Avenue/Steele/Alameda and Colorado Boulevard are identified in this plan as priority routes for enhanced transit service. Significant additional study of these priority transit corridors is needed to determine feasibility, alternative modes and routes, funding opportunities and phasing.

A streetcar in Portland, OR picks up passengers.

RTD buses provide Cherry Creek residents, employees and visitors with transit connections, amounting to 5,000 people boarding and alighting buses each day in Cherry Creek.

WHO SHOULD TRANSIT SERVE IN CHERRY CREEK?

The transit system must be designed to serve:

- People of all ages and abilities
- Employees
- Residents
- National and international tourists
- Hotel guests in Cherry Creek
- Everyday shoppers / customers
- Business travelers
- Commuters
- Downtown hotel guests and conventioneers

RECOMMENDATION A.2 A WALKABLE CHERRY CREEK

A.2.A PEDESTRIAN PRIORITY ZONE

In 2007, Denver City Council passed proclamation No.59, which included permanent designation of Downtown as Denver's first "Pedestrian Priority Zone" (PPZ). Cherry Creek's existing urban development pattern, retail and commercial success, high transit ridership, and vision for priority transit connections make this area a candidate for Denver's second designated Pedestrian Priority Zone. Strengthening the priority of pedestrians in Cherry Creek can contribute to the area's vision for great neighborhoods and economic prosperity. A corresponding Pedestrian Priority Zone Toolkit with street design elements and implementation strategies can help guide private and public projects that take place on PPZ-designated streets.

- Most collector and local streets within the designated PPZ area are meant to prioritize pedestrian movements while accommodating the other transportation modes.
- Pedestrian Priority Intersections with arterial streets within the PPZ should balance the needs of multiple transportation modes and provide clearly marked pedestrian crossings.
- Identified Pedestrian Priority Intersections are locations where additional enhancements can help to provide the most comfortable and convenient crossing points along these multi-modal streets to facilitate connections to major destinations.
- Both public and private projects should consider the goals of the PPZ while planning for and designing improvements within the designated area. The PPZ toolkit identifies a menu of potential pedestrian enhancements that can be considered for projects located within the PPZ.
- As redevelopment occurs, property owners in the designated PPZ area are encouraged to work with the city to determine how best accommodate all modes along the adjacent right of way and to explore private funding sources or special districts to meet the goals of the PPZ.

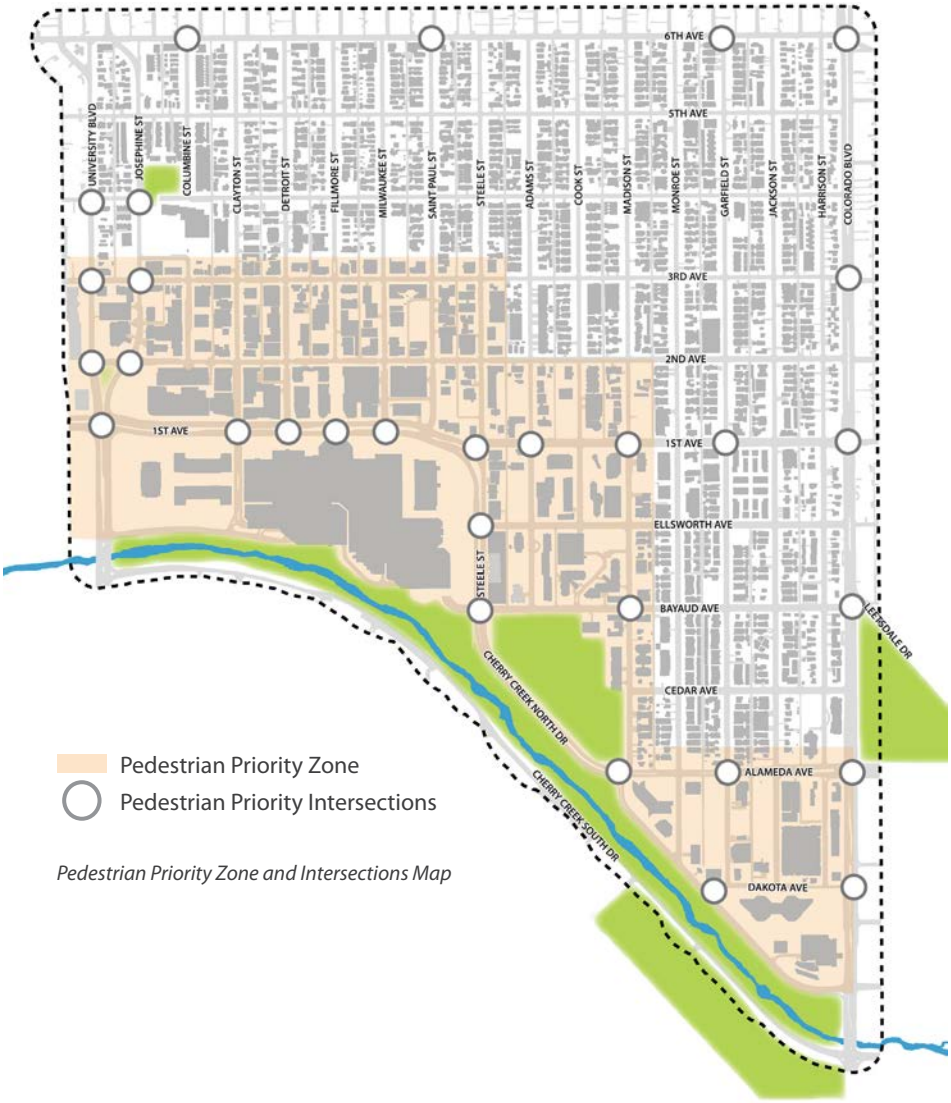
A.2.B PEDESTRIAN PRIORITY INTERSECTIONS

Cherry Creek includes several high demand, arterial streets that divide the area into Cherry Creek East, the Shopping Center and Cherry Creek North as well as surround the study area on three sides. These streets serve as the main existing vehicular and transit routes, host existing and future bicycle connections, and are locations for potential priority transit. Special multi-modal consideration for these streets can successfully balance diverse demands and accessibility responsibilities. To ensure that these multi-modal streets provide high quality connections for pedestrians and cyclists, priority intersections on arterial streets where the pedestrian crossing movement should be enhanced to better balance the use of the right-of-way.

A.2.C SIDEWALK IMPROVEMENTS

Prioritize improvements in the sidewalk network as development occurs. Focus locations include:

- University Boulevard, east side between 1st Avenue and Cherry Creek North Drive
- Colorado Boulevard, west side, between Cedar Avenue and 6th Avenue



Pedestrian Priority Zone and Intersections Map

A Pedestrian Priority Zone prioritizes travel by foot over other modes of transportation.

PEDESTRIAN PRIORITY ZONE AND INTERSECTION TOOLKIT

This toolkit identifies potential pedestrian enhancement options within the Cherry Creek PPZ. The application of these design options will vary, depending on location and the public or private resources available for construction and maintenance. There is an opportunity for property owners, special districts and the city to work together to consider these enhancements where appropriate. Each option should be weighed against any potential trade-offs including impacts to drainage or on-street parking. Possible elements for consideration include:

- Well marked crosswalks
- Curb extensions
- Full ADA compliance
- Median nose extension
- 4-Way stop control
- No right turn bypasses
- Countdown pedestrian signals
- Shallow building setbacks
- Detached 8-foot-wide sidewalks
- Vegetated tree lawn or trees in grates
- Street trees
- On-street parking
- Pedestrian lighting
- Outdoor seating areas
- Trash receptacles
- Wayfinding signage
- Public art
- Banners/flags
- Landscaped planters
- Well marked transit stops
- Enhanced pavement

RECOMMENDATION A.3 A BIKEABLE CHERRY CREEK

A.3.A EXPAND NETWORK AND IMPROVE GREENWAY CONNECTIONS

In 2011, Denver approved Denver Moves, a plan that would provide access to better bicycle facilities within 1/4 mile of all Denver households. The Denver Moves network recommendations for Cherry Creek are reflected in this plan and represent significant improvements to the bicycle network. Improvements include more intuitive connections between the Cherry Creek Greenway, neighborhoods and the Shopping District, as well as improved connections between neighborhoods in Cherry Creek and surrounding neighborhoods to the north, east and west. Recommended facilities include:

- "Sidewalk, Bikes Permitted" on 1st Avenue, University and Steele and well marked connections across University at 1st Avenue
- "Bicycle Boulevard" on Garfield
- Shared road on St. Paul
- "Bicycle Boulevard" on 4th Avenue
- Bike lanes on Bayaud
- Connections to the regional trail along the Cherry Creek Greenway
- Neighborhood trail on Alameda

More information about facility types can be found in the Denver Moves Plan.

A.3.B A MORE INTUITIVE BICYCLE WAYFINDING SYSTEM

This plan highly supports system-wide destination-based signage and route identifiers to create a simpler and more user-friendly system. New signage will also help improve wayfinding within Cherry Creek.

A.3.C BRING BACK "THE BIKE RACK"

Bicycle friendly cities across the country have built bike stations that include bicycle parking, repair, rental, shower and locker facilities, hydration stations, and even food stops. Bike stations are typically located in or near multi-modal transportation centers to establish easy connections between different transportation modes. Locating a bike station near the Cherry Creek Greenway, bus transfer points like University and 1st Avenue, the Shopping District parking garages, and/or future priority transit routes is ideal. An appropriate entity must be identified to develop, maintain and operate this bike station.

Example of a bicycle boulevard in Berkeley, CA.

Bicycle Network Map

Destination based signage for bicycle network similar to the Berkeley, CA Bicycle Boulevard system.

RECOMMENDATION A.4 MULTI-MODAL STREETS

A multi-use trail is recommended for the north side of Alameda Parkway.

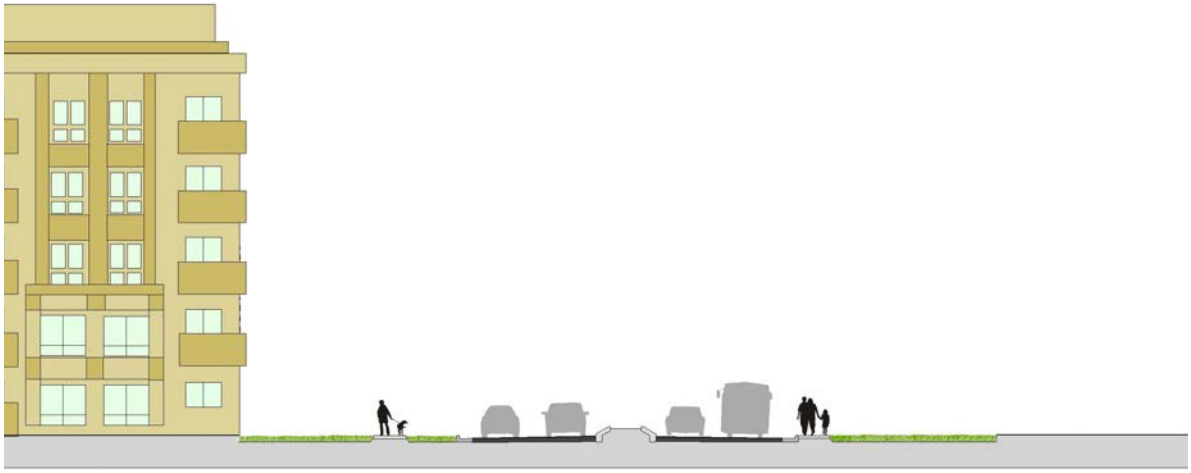
A.4.A IMPROVE THE ALAMEDA PARKWAY

- Create a signature multi-modal street with noticeable tree canopy and landscaping, contributing to the look and feel of a parkway and a great public space within the existing right-of-way and parkway setbacks.
- Create a safe, comfortable pedestrian and bicycle connection between Burns Park, Pulaski Park and the Cherry Creek Greenway; also between Cherry Creek East and the Cherry Creek Triangle.
- Encourage private investment in properties adjacent to Alameda.
- Activate the public realm by fronting new buildings onto Alameda.
- Implement this parkway vision at one time rather than incrementally so that Alameda Parkway serves as a catalyst for private development.

The Alameda Parkway concept, as envisioned, is a change from previous planning documents and represents the preferred future vision of Alameda. This concept includes the following details, which will need to be tested further during preliminary engineering and design to determine cost and feasibility:

- Design the north side of Alameda to include a bicycle/pedestrian connection between Burns Park and Pulaski Park.
- Amend rules and regulations for parkway setback requirements to reflect the Parkway design and to ensure an equitable solution for all adjacent properties.
- Study the potential to reconfigure Madison, Alameda, and Cherry Creek North Drive intersection to shorten walk distance between Cherry Creek Greenway and Pulaski Park, including elimination of right turn bypass along Cherry Creek North Drive. Look for opportunities to align Madison and Cherry Creek Drive North at this intersection.
- Provide convenient crossing for pedestrians and bikes at Garfield and Alameda.

Proposed Alameda Parkway, Madison Street to alley between Garfield Street and Jackson Street.



Rendition of existing Alameda Avenue looking west

Proposed Alameda Avenue looking west

Proposed Alameda Parkway, alley between Garfield Street and Jackson Street to Colorado Boulevard

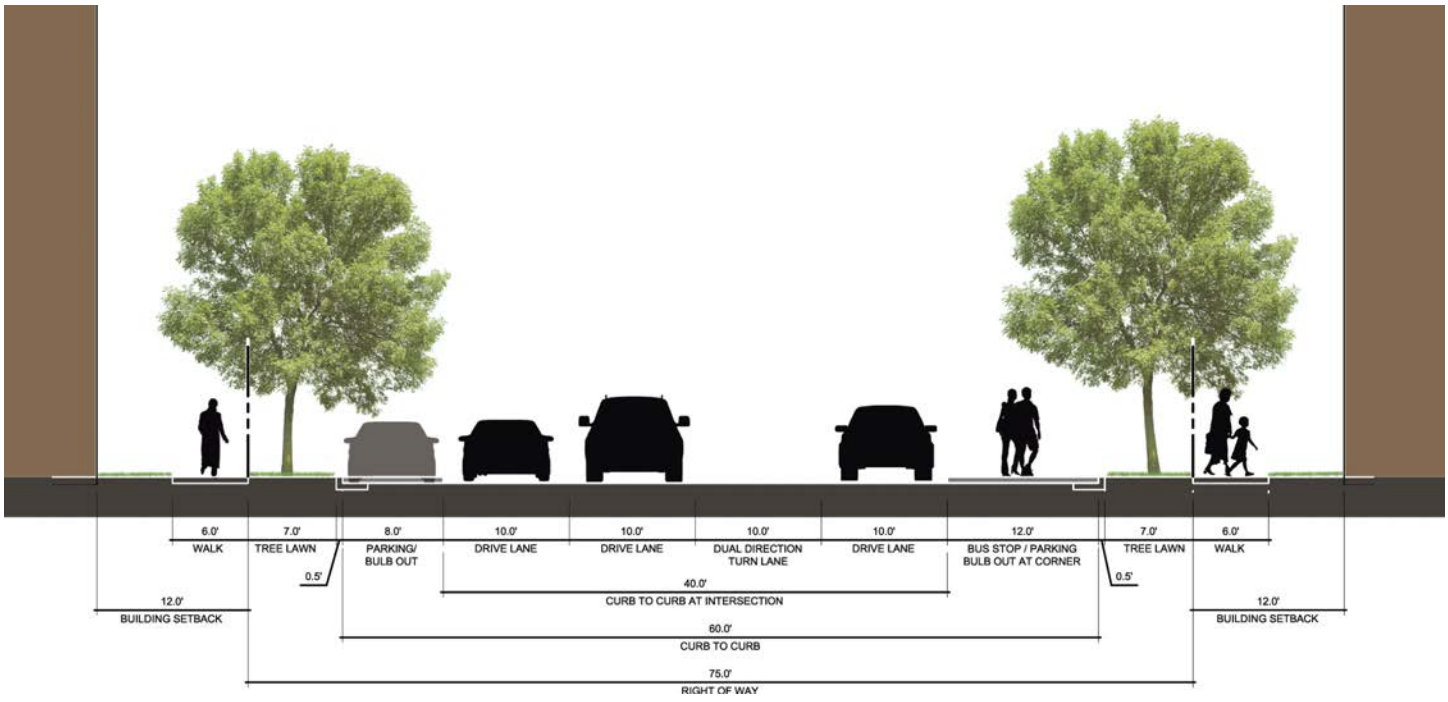
Existing 1st Ave east of Steele Street looking east

A.4.B IMPROVE 1ST AVENUE BETWEEN STEELE AND COLORADO

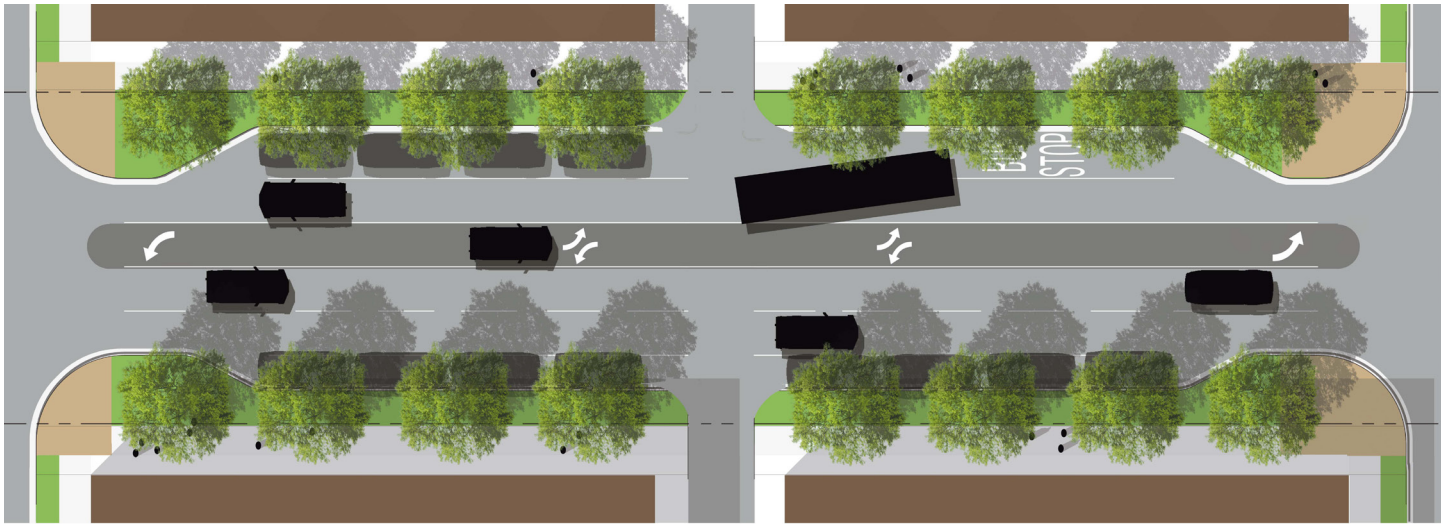
A two-phase approach to 1st Avenue improvements will add on-street parking and reduce the existing curb to curb crossing distance across 1st Avenue. A separate 1st Avenue Improvement Study yielded an approach that maximizes cost savings by adding streetscape elements like bulb out and intersection enhancements thereby improving the pedestrian experience without resetting curbs. Further engineering study will be required to understand the drainage and utility impacts for both phases and to calculate a detailed cost estimate for the project phases.

- Phase One. The first phase provides bulb-outs on the north side of the street while maintaining the current lane configuration. The additional bulb-outs will narrow the curb to curb crossing distance and add further distinction to each intersection.
- Phase Two. The second phase would add bulb-outs on the south side of the street to match the north side and narrow the curb-to-curb crossing distance even further. The second phase would also introduce on-street parking on the south side of the street. In order to fit these new elements within the right of way, the final phase would reduce the current five-lane cross section configuration to four lanes with two east bound lanes, one west bound lane and a continuous left turn lane.

The lanes would transition at the west and east ends in order to interface with the existing Steele Street and Colorado Boulevard intersections. A future study should examine the multi-modal connectivity of the east and west ends. The study of the Colorado intersection should examine the right turn bypasses and connection to the Hilltop neighborhood.



1st Avenue and Madison Street perspective at full build out: looking west toward Cherry Creek Shopping Center



Typical block at full build out: north and south side bulb outs, four lanes of traffic, landscaping

A.4.C 1ST AND STEELE INTERSECTION

The 1st Avenue and Steele Street intersection is one of the primary nodes of opportunity and development activity in Cherry Creek. Several properties adjacent to the 1st and Steele intersection are expected to undergo redevelopment over the next 10 years. Traffic and property access patterns may change as a result of these redevelopments. While the intersection functions to help vehicle traffic flow smoothly, pedestrians and cyclists are required to make up to five crossing movements in order to get from the northeast corner of the intersection to the Shopping Center on the southwest corner. With increases in density expected at the intersection, there is an opportunity for the intersection to better serve demand from all modes. Further study of the intersection is recommended to determine the best relationship between the intersection, surrounding development, and the multi-modal needs of local and regional traffic to create balance between vehicles and pedestrians, a shorter walk distance for pedestrians, and better access to adjacent developing properties.

Pedestrian waiting to cross at the 1st and Steele intersection

1st Avenue and Steele intersection

A.4.D COLORADO BOULEVARD

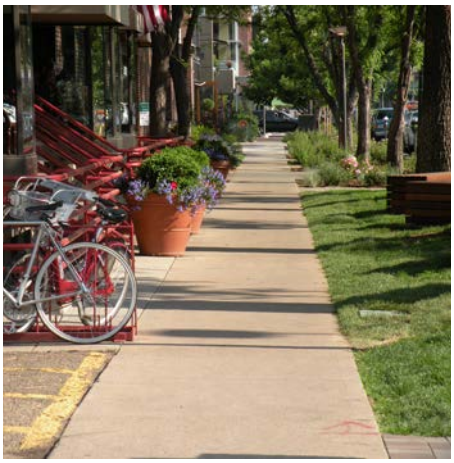
The reach of Colorado Boulevard extends well beyond Cherry Creek's borders. A comprehensive study of this important roadway is recommended to improve its function for all modes and enhance the user experience. A study should address the following possibilities, at a minimum:

- Partner with CDOT to study pedestrian and bicycle movements along and across Colorado Boulevard for additional improvements to facilitate better connections and access to destinations and transit service.
- Priority transit service connecting urban centers along Colorado Boulevard to rail service on the East Corridor and on the Southeast Corridor.

Since Colorado Boulevard is a state highway, work with CDOT to study multi-modal improvements to the Colorado Boulevard. As a major arterial and priority transit corridor, Colorado Boulevard needs to serve many functions and could be improved to accommodate all these modes more effectively. This study should consider alternatives for accommodating the increasing trip demand on Colorado and recommend modal priorities for accommodating those trips. The study should also address the parkway designation and recommend how to make Colorado look, feel and function better as a parkway. Streetscape improvements desired by Cherry Creek include a planted median, separated sidewalks, and tree lawn to make the street look, feel and function as a parkway and create a better gateway to the Cherry Creek Area. Pedestrian crossings at existing traffic signals can be evaluated for enhancements that could better facilitate connections between Cherry Creek, the Hilltop Neighborhood and the City of Glendale.

Missing sidewalk along the west side of Colorado Boulevard

B. A Distinctive Cherry Creek



WHY IS THIS IMPORTANT TO CHERRY CREEK?

Cherry Creek is a mixed-use neighborhood allowing people the opportunity to live, work and play in a successful, vibrant place that incorporates high quality urban design thereby enhancing quality of life. Urban design links the pattern of streets, blocks and public spaces with buildings and establishes how buildings enhance streets and how different land uses interact with each other. Urban design directly influences how livable, memorable and vital a place is and is a critical element in achieving Cherry Creek's vision of being connected, distinctive, green and prosperous.

Continued emphasis on quality urban design has resulted in improved development quality within Cherry Creek. This improvement has impacted residential, commercial and mixed-use locations throughout the area. Continued development should further enhance and reinforce Cherry Creek as a desirable location to live, work and play.

KEY ISSUES

- **Desirability, population growth and housing options.** Due to its central location, great schools and high quality of life, Cherry Creek and surrounding neighborhoods are some of the most desirable places in Denver to live. Cherry Creek is home to about 6,000 people. DRCOG projects the population will grow to over 9,000 by 2035. Housing types in Cherry Creek are very diverse; the current distribution of housing types include 65% multifamily, 19% duplex, 10% single family and 6% in mixed-use buildings. This diversity of housing stock is a strength throughout Cherry Creek, attracting a variety of residents representative of multiple generations and household types. Because opportunities for new housing in the Areas of Stability are limited to scattered infill, much of the new housing will be in mixed-use developments within the Areas of Change. This development should continue the diversity of housing types available in the Cherry Creek Area.

Census Year	Cherry Creek Population	Cherry Creek Households
2000	5,028	3,198
2010	5,881	3,754

Source US Census Bureau, 2010

- **Urban form.** Cherry Creek is organized around a regular pattern of streets, resulting in a walkable district including sidewalks and tree lawns, buildings oriented to the street and on-street parking throughout the area. On the south side of Cherry Creek, the pattern of blocks and buildings shifts to incorporate the Greenway. The continued evolution of the Shopping Center has enhanced the pedestrian experience while accommodating the vehicular access necessary to support the regional activity within Cherry Creek. The Cherry Creek North BID's reconstructed streetscapes and main street character are reinforced by an effective design review process including an active Design Advisory Board, ensuring that new development enhances the district. Cherry Creek East and the Shopping Center also utilize sets of design guidelines to promote continued development improvements over time.
- **Mix of land uses.** Part of the character of Cherry Creek is its mixture of land uses. Retail and service uses appealing to both local and regional shoppers, office and established residential neighborhoods weave an interdependent mixed-use urban environment resulting in a variety of amenities benefiting the quality of life. With a wide range of office types and employment opportunities, the Cherry Creek area provides almost 15,000

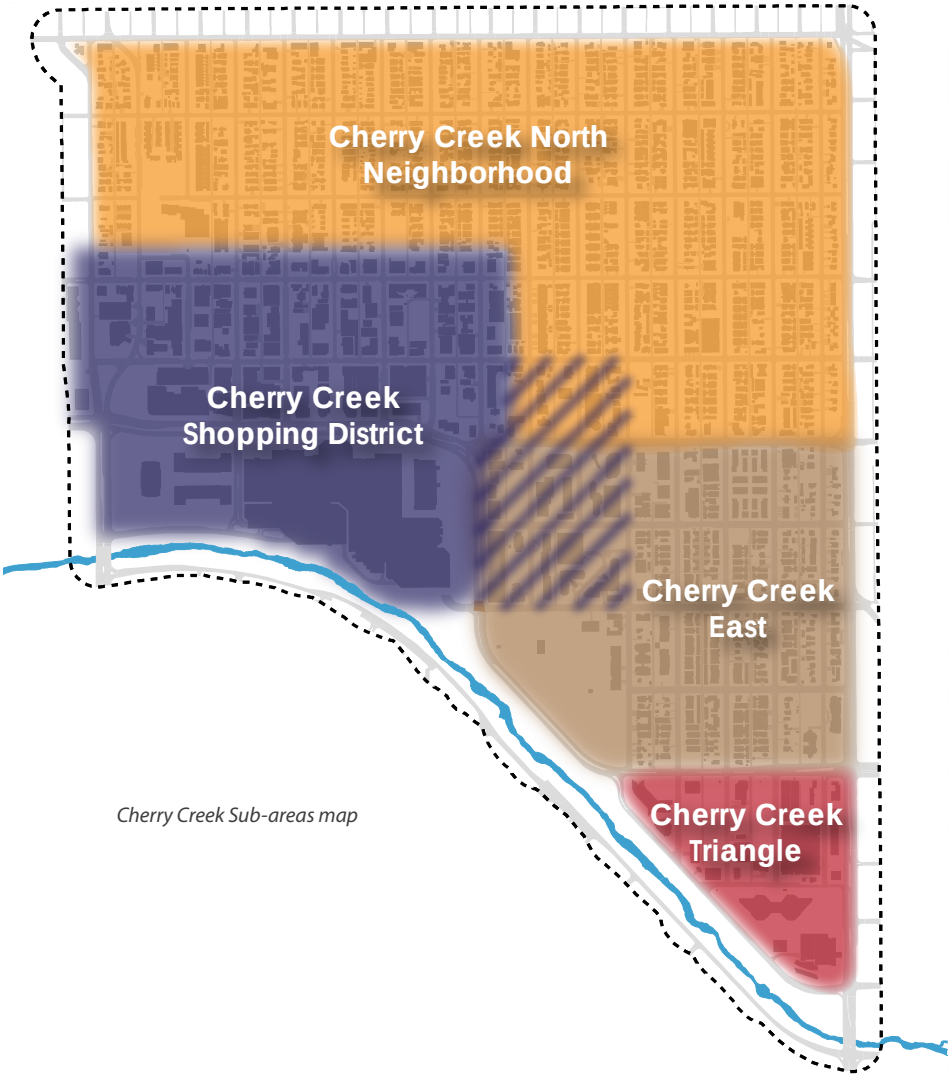
RECOMMENDATIONS AND TRANSFORMATIVE PROJECTS:

B.1 Target Growth Appropriately

B.2 Enhance the Pedestrian Nature & Character

B.3 Concentrate Economic Activity

B.4 Great Neighborhoods



Cherry Creek Sub-areas map

A Cherry Creek landmark

people with jobs. Continued introduction of office space, retail, and residential units will enhance the mixed-use nature of the neighborhood and reinforce the plan vision. As in most mixed-use districts throughout the country, the desire to maintain the character of Cherry Creek must be balanced with the thoughtful redevelopment of underutilized properties.

- **Distinct subareas.** Cherry Creek's land use patterns and partnerships create four subareas: Cherry Creek North Neighborhood (CCN), Cherry Creek East (CCE), the Cherry Creek Shopping District and Cherry Creek Triangle. In some cases, boundaries between these subareas overlap. Improvements in the neighborhood must continue to realize the importance of identity within Cherry Creek while simultaneously removing barriers between the subareas.
- **Redevelopment Opportunities.** Cherry Creek has seen significant redevelopment over the past decade. This continued evolution has helped maintain Cherry Creek's unique identity in the region. The next generation of development within Cherry Creek will influence the continued success and desirability of the area.

RECOMMENDATION B.1 TARGET GROWTH APPROPRIATELY

Residential Areas of Stability

Blueprint Denver designates Areas of Change and Areas of Stability to guide decisions on where growth should be targeted within the City of Denver. For Cherry Creek to remain prosperous, growth and change should occur in Areas of Change while enhancing the established residential neighborhoods within Areas of Stability. By encouraging the strategic growth of the area, the quality of life in the residential Areas of Stability will be enhanced while promoting continued success in the Areas of Change within Cherry Creek.

B.1.A AREAS OF STABILITY

Most of Denver's neighborhoods were identified as Areas of Stability with a primary goal to maintain the cherished characteristics of these neighborhoods. In 2002 Blueprint Denver designated the entire Cherry Creek Area as an Area of Change. Since then, CCN and CCE have transformed from primarily single family neighborhoods with post-World War II era cottage style houses to upscale neighborhoods with a greater mix of housing types including duplexes, row houses and apartment and condominium buildings, as well as single family houses. These neighborhoods have stabilized with this new identity over the last decade. They are now characterized by a high quality and diverse housing stock and an enhanced pedestrian environment that equates to a high quality of life for Cherry Creek residents. Overarching recommendations for Areas of Stability include:

- Adjust the Blueprint Denver Areas of Change map to reflect that much of Cherry Creek North and Cherry Creek East neighborhoods are now Areas of Stability.
- Maintain a mix of low scale residential building forms such as single family, duplex, row house and accessory dwelling units; low scale multi-unit buildings are also appropriate in Cherry Creek East east of Madison.
- Infill development should reinforce pedestrian friendly qualities of existing development patterns including entry features facing the street, moderate setbacks, vehicle parking and access located off the alley, and detached sidewalks with tree lawns.
- In Areas of Stability, limit commercial uses to existing mixed-use zone districts and encourage any reinvestment or redevelopment of commercial properties to respect the residential scale and character of the adjacent stable neighborhood.

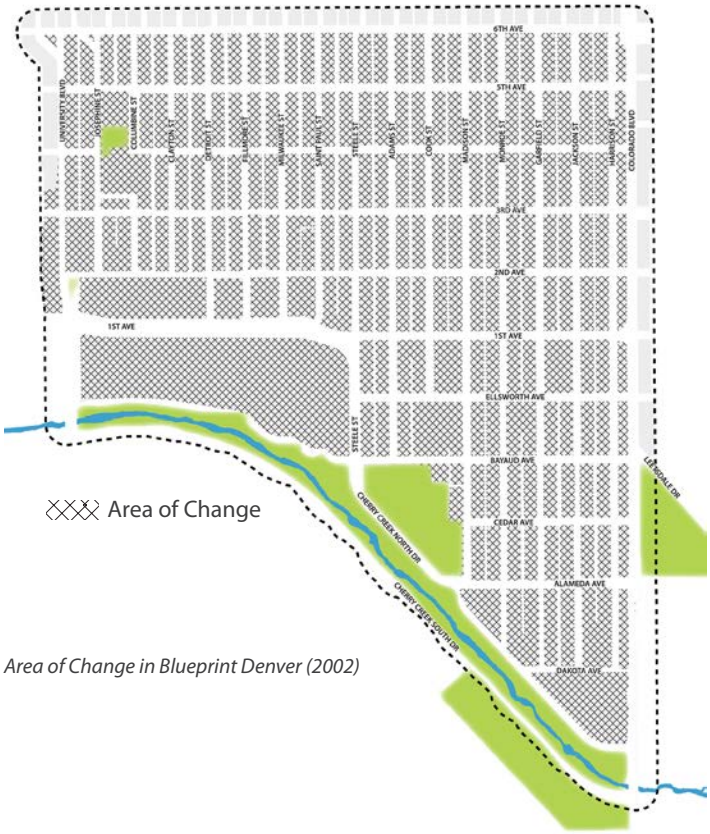
Residential Areas of Stability

B.1.B AREAS OF CHANGE

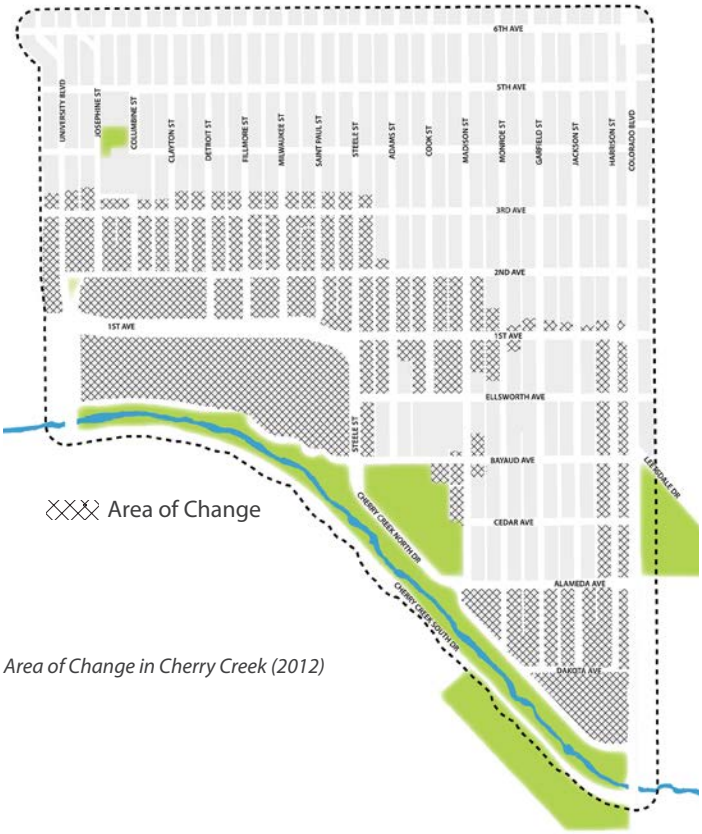
Cherry Creek will continue to grow over the next 20 years. This growth has the potential to benefit existing businesses, property owners and residents through greater diversity of housing types, increased business revenues, higher property values, additional public and private investment and a greater diversity of shops, restaurants and cultural amenities. The Areas of Change in Cherry Creek have the greatest potential to accommodate this growth, both in terms of market demand and available land. Although not every property will see significant redevelopment, overall these areas benefit from new development, reinvestment, and more intense use. Areas of Change include the Shopping District, Cherry Creek Triangle, 1st Avenue, the commercial node at Madison and Bayaud and Harrison Street south of 1st Avenue. Recommendations for Areas of Change include:

- Acknowledge that to remain prosperous, Cherry Creek must continue to grow and change. In order for this growth to occur in a way that reinforces the quality of life for Cherry Creek residents, the bulk of this growth should occur in these areas rather than stable neighborhoods.
- Update the Blueprint Denver map to reflect revised Areas of Change boundaries. The updated Areas of Change are targeted to receive most of Cherry Creek's residential and commercial growth over the next twenty years.
- Modify land use policy, zoning regulations and design guidelines to encourage appropriate reinvestment to assure that Areas of Change continue to mature in positive ways.

Cherry Creek Shopping Center Areas of Change



Area of Change in Blueprint Denver (2002)



Area of Change in Cherry Creek (2012)

RECOMMENDATION B.2 ENHANCE THE PEDESTRIAN NATURE & CHARACTER

Character throughout Cherry Creek varies dependant on the subarea. Each subarea has developed a distinct character through reinvestment and redevelopment over time. These individual identities have been crafted utilizing high quality character defining features consistently across the subareas.

B.2.A STREETSCAPE

The streetscape provides the array of pedestrian amenities throughout each subarea. In addition to sidewalks and streets, these can include a variety of features from simple to complex including landscaping and mature trees, tree lawns, amenity zones, lighting, fountains, benches, trash receptacles, sidewalk cafes and plazas. The following strategies are targeted to improving the streetscape:

- Design and install streetscape elements that promote high levels of pedestrian activity including pedestrian lighting, seating, landscaping, trash receptacles, and bike racks as appropriate to the area's character.
- Promote compact development patterns within a highly connected street grid and buildings that make efficient use of available land and help create a very walkable place.
- Encourage consistent shallow, block-sensitive building setbacks with some offset for patio seating or public plazas help create active, vibrant streets.
- In mixed-use areas, enhance the public realm with landscaping, wayfinding signage, pedestrian lighting, public art and inviting building entries is essential to the area's vitality.
- Retain the regular street, sidewalk and block pattern which offers a high degree of connectivity for pedestrians, bicycles and vehicles.
- In residential areas, enhance the public realm with block sensitive building setbacks, detached sidewalks, tree lawns with street trees and alley access thereby creating a comfortable pedestrian environment.

B.2.B ARCHITECTURE

The architecture of the buildings has a direct correlation to the understanding of a place. Buildings provide comfort, shelter, activity, destinations, identity, or other iconic symbol. People interact with these structures and are provided a sense of place through the detailing, scaling elements and purpose behind the design of each building. The combination of buildings provides the artistic palette informing continued design choices throughout the subareas. The following strategies promote appropriate architectural elements:

- Orient buildings and entries toward the street using context sensitive setbacks.
- Include design elements and details such as pedestrian scaled signage, transparent windows, storefronts, building entries, building articulation, patio seating, pedestrian plazas and courtyards.
- Study the use of upper story setbacks and height datum lines to maintain a comfortable pedestrian scale at the street and to allow sunlight to reach the street.

- Provide visual interest at ground level and active ground floor uses along the building frontage; articulate facade treatments by creating a regular pattern of storefronts, providing a range of entry features and signage. More doors denotes more activity.
- Encourage a regular rhythm of buildings and building entries along the street.
- Place buildings to define the street edge.

B.2.C LAND USE

Land use includes the mixture of options for activities within the subareas. Some places may have only residential uses providing a predictable understanding of what will happen over time. Other locations contain a rich mix of uses contributing to their successful animation and promoting the messy vitality of a thriving mixed-use community. The following land use strategies reinforce the distinct character areas:

- In mixed-use areas, promote the use of design elements that link the building directly to the street. Uses are horizontally and vertically mixed and include regional and neighborhood-serving retail, large and small scale office uses, specialized high-end boutiques, low and mid-rise multi-family, stacked flats, row house, duplex, single family and accessory dwelling units.
- Reinforce residential character in neighborhoods.
- Embedded small-scale commercial uses may be appropriate within primarily residential areas to provide neighborhood serving amenities.

B.2.D ACCESS

Access is instrumental to the success and navigability of all locations within Cherry Creek. Proper access denotes an expectation for the use of streets and sidewalks. The understanding of the priority nature of pedestrians within Cherry Creek informs decisions regarding how streets are used, how plazas and sidewalks are designed, and how properties are accessed by different transportation modes. The following access strategies ensure the proper distribution of access throughout Cherry Creek:

- Provide vehicle parking and access in the rear of buildings or off the alley.
- Promote convenient, comfortable transit access which is necessary in regional centers like Cherry Creek to move the thousands of people to and through each day.
- Ensure that residents and employees are able to conveniently navigate the neighborhoods by walking, biking or driving.
- Provide information to Cherry Creek visitors so transportation movements within and through Cherry Creek are easily understood.

RECOMMENDATION B.3 CONCENTRATE ECONOMIC ACTIVITY

Continue to concentrate high development intensity along multi-modal corridors like 1st Avenue and Steele Street.

Enhance successful redevelopment in currently designated areas of change by identifying appropriate uses, scale and intensities.

B.3.A CONCENTRATE HIGHER INTENSITY MIXED-USE BUILDINGS ALONG MULTI-MODAL STREETS, MAJOR INTERSECTIONS AND MAJOR PUBLIC OPEN SPACES.

Cherry Creek's high intensity nodes are appropriate for increased development intensity allowing for the concentration of active uses utilizing appropriate locational criteria. These locational criteria include:

- Adjacency to multi-modal corridors (includes the shopping district segments of 1st Avenue and Steele Street as well as the Cherry Creek Greenway and Colorado Boulevard)
- Major intersections (1st and Steele, 1st and University)
- Adjacency to major public open spaces (such as the Cherry Creek Greenway)

This increased intensity serves to most efficiently utilize existing infrastructure, minimize development impacts in adjacent residential areas and provide continued growth to support the continued success of Cherry Creek. Any new development should reinforce the pedestrian scale and character of Cherry Creek. Structures should enhance pedestrian experience with active uses, improved streetscape, and prominent entrances. Mass and height transitions should appropriately balance higher intensity development with adjacent planned land uses. Structures should provide a gateway into the district and create a unique identifying character along 1st Avenue.

B.3.B ENCOURAGE MODERATE SCALE DEVELOPMENT IN MIXED-USE AREAS OF CHANGE.

Areas of Change which are not adjacent to the higher intensity locational criteria are appropriate for mid-rise buildings to accommodate continued growth. General locations include the Shopping District and 1st Avenue (east of Steele), and some existing mixed-use areas within Cherry Creek North Residential and Cherry Creek East. Specific locations recommended for mid-rise buildings are indicated in the Subarea Strategies section.

- Encourage mid-rise buildings to promote reinvestment and to help transition development intensity and buffer stable residential areas from higher intensity locations.
- Orient taller mid-rise buildings along multi-modal corridors, existing or planned high intensity nodes, and adjacent to public open space not identified for higher intensity.
- Any new development should reinforce the pedestrian scale and character of Cherry Creek.

B.3.C UTILIZE URBAN DESIGN STRATEGIES TO CREATE APPROPRIATE TRANSITIONS IN BUILDING HEIGHTS AND USES.

Several key areas exist in Cherry Creek where areas of change sit adjacent to areas of stability. In these cases, new development should provide appropriate transitions in scale. Key transition areas include the following:

- Between the Shopping District and the adjacent residential neighborhoods
- Across Alameda Parkway between Cherry Creek East and Cherry Creek Triangle
- 1st Avenue mixed-use properties backing to residential neighborhoods

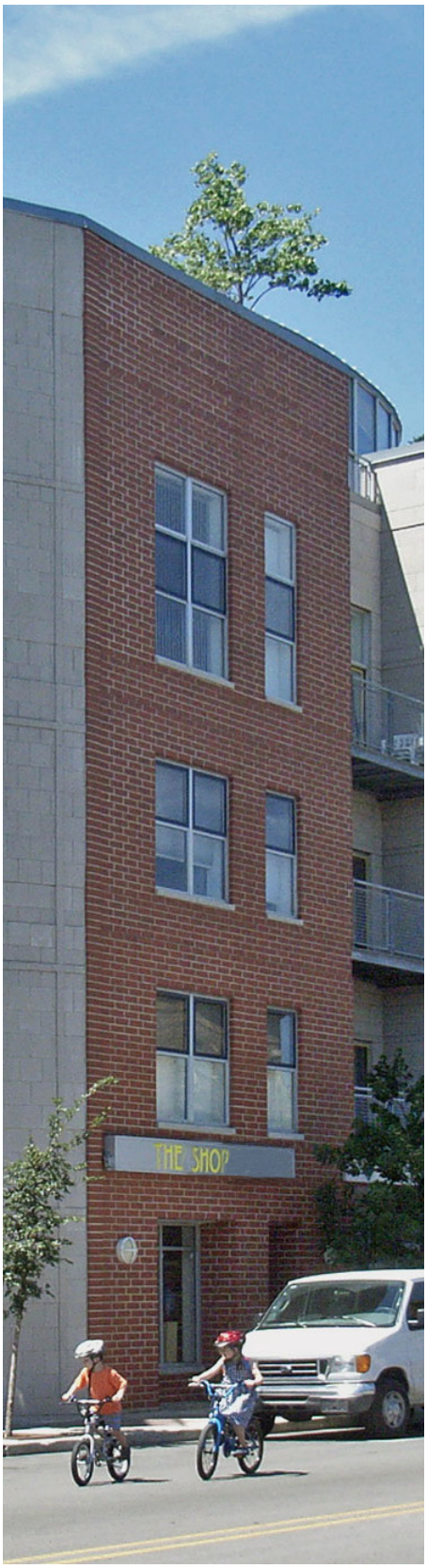
These transitions should be handled through modifications to both building scale and site design. Generally, buildings should be located and shaped to minimize negative impacts to adjacent residential neighborhoods while providing increased density and amenities to accommodate continued growth and improve the quality of life within Cherry Creek. Shaping standards should reflect the desire for pedestrian scale across all areas of Cherry Creek while recognizing that a variety of styles, alternatives and approaches to design will successfully yield a series of solutions. Scale transitions should be designed to allow for the evolution of structures overtime. Modification to use allowances also affects the success of transitions within Cherry Creek. Uses should be thoughtfully allowed to encourage continued development of a mixed-use nature within the areas of change while minimizing external effects of uses adjacent to residential areas. Addressing scale, site design and use will result in the creation of enhanced transitions within Cherry Creek.

B.3.D IDENTIFY PROMINENT DEVELOPMENT LOCATIONS AT KEY VISTAS.

A key vista is a building or monument that serves as the focal point of a view that ends a street or street segment thereby creating a "terminating vista". Treating key vistas with design excellence helps to orient users of the street and create an identity and sense of place that is unique to Cherry Creek. Key vistas also help stitch together various districts within Cherry Creek, as these prominent structures are visible from several blocks away and different directions, beckoning pedestrians to keep walking as something interesting lies ahead. The following design elements may help create visual interest at a key vista:

- highly detailed building facades
- increased mass or scale
- active public spaces
- public art
- primary building entries
- interesting signage
- unique building materials

Detroit Street has a key vista with the Shopping Center a the southern focal point



Mid-rise buildings are appropriate for areas of change where growth is encouraged.

RECOMMENDATION B.4 GREAT NEIGHBORHOODS

The introduction of new residential units in mixed-use areas encourages expanded options and diversity for residents.

Cherry Creek includes a diverse assembly of great neighborhoods. The variety of places includes residential neighborhoods, mixed-use neighborhoods and emerging neighborhoods. New development in each of these areas should enhance the individual character of neighborhoods responding specifically to their qualities and locations.

B.4.A RESPECT THE EXISTING CHARACTER OF STABLE RESIDENTIAL NEIGHBORHOODS.

Cherry Creek is known for the series of great neighborhoods within and surrounding its boundaries. Cherry Creek North Neighborhood and Cherry Creek East include variety of architectural styles and housing types that contribute to the character, quality of life, and diversity of housing choices within the area. These neighborhoods also include shopping choices outside of the Shopping District which are embedded into the neighborhood fabric and provide a prime location for neighborhood gatherings. The choices and varieties of residential, commercial and social opportunities within these residential areas are exactly what define them as great neighborhoods. Continued reinvestment in these areas should reinforce the quality and scale of development that currently exists. Regardless of use, new development should enhance the residential character of these neighborhoods including contributing to the mix of housing types, improving the embedded commercial uses, landscaped block-sensitive setbacks, detached sidewalks, tree lawns, alley access to structures, limited curb cuts and street-facing entries.

B.4.B ENCOURAGE THE CONTINUED EVOLUTION OF MIXED-USE NEIGHBORHOODS.

The Cherry Creek Shopping District has evolved into an 18-hour, mixed-use neighborhood consisting of retail, commercial and residential uses. Continued development in the district has resulted in the introduction of residential units in the district, encouraging expanded options and diversity for residents. This district has seen an introduction of high quality urban design introduced into a former pattern of renovated and obsolete commercial space. This emergence of quality, design integrity and mix of uses has set the standard for future development. This development results in active streetscapes with layers of pedestrian amenities such as seating, planters, art, cafés and adjoining active retail space. This space is clearly pedestrian-focused with entries, materials, signage and building details scaled to the

New development in residential neighborhoods should enhance the existing character.

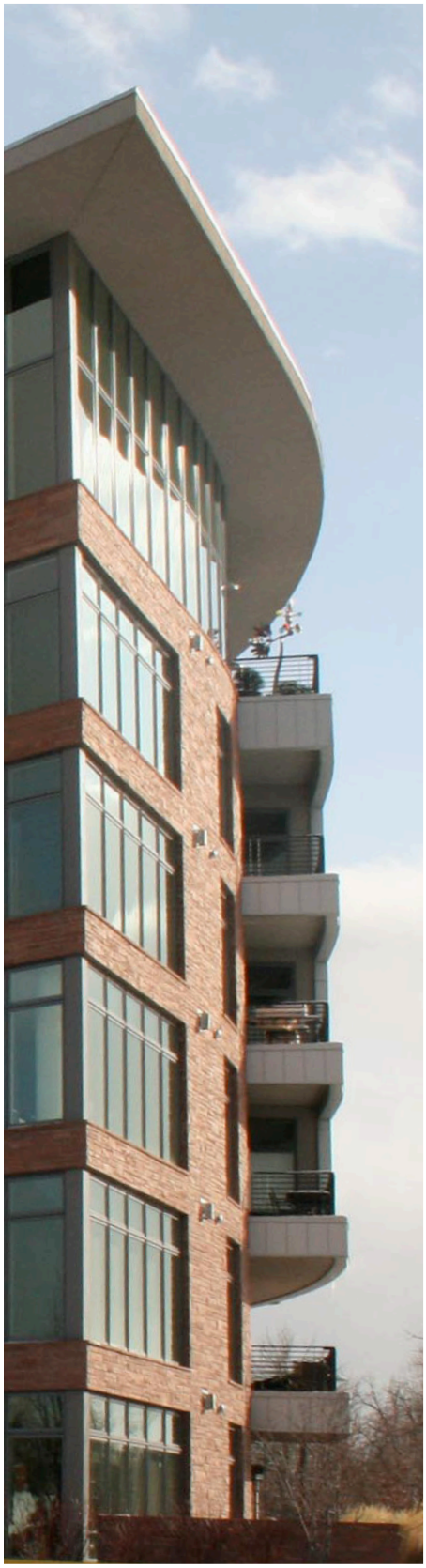
person. Continued development in this district should reinforce the new standard of quality and pedestrian activity.

B.4.C PROMOTE CONTINUED INVESTMENT AND DEVELOPMENT IN EMERGING NEIGHBORHOODS.

The Cherry Creek Triangle is an emerging neighborhood providing a direct link between Cherry Creek and Glendale along the Cherry Creek Greenway. Development in this neighborhood has recently featured two multi-story residential structures to complement the existing mixture of office, hotel and retail uses within the area. New development should continue to upgrade the quality of buildings in the area and take cues from the proximity of the district to existing parkways and the Cherry Creek Greenway. The introduction of an improved pedestrian space complete with detached sidewalks, wide tree lawns, street trees, and buildings that face the streets results in a glimpse of things to come to this neighborhood. Continued development should focus on quality architecture, improved streetscapes and enhancing the connections to Cherry Creek East, Glendale and the Cherry Creek Greenway.

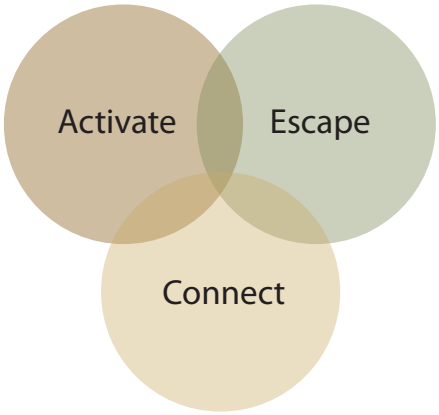
Former character - *Cherry Creek North and Cherry Creek East neighborhoods were characterized by small one-story cottage style houses with deep setbacks. Sidewalks were narrow and attached to the street.*

New character - *Cherry Creek's residential neighborhoods consist of variety of housing types, with large units and 2-3 story buildings. Setbacks are shallow and landscaped. New sidewalks are wider and detached from the street to form an attractive tree lawn.*



New multi-story residential development in the emerging Cherry Creek Triangle neighborhood.

C. A Green Cherry Creek



Public spaces serve three main functions in an urban area - to attract people and activate a place, to allow people to escape from the urban environment, or to connect people with places.

RECOMMENDATIONS AND TRANSFORMATIVE PROJECTS:

C.1 Cherry Creek Greenway

C.2 Parks

C.3 Streets and Streetscapes

WHY IS THIS IMPORTANT TO CHERRY CREEK?

Public spaces form the heart of any community. They promote health, happiness and well being. They celebrate a community's assets. Successful public spaces attract people, economic vitality and investment in an area. Failed public spaces create a perception of emptiness and can result in a lack of investment. In urban areas like Cherry Creek, the relationship between public spaces and adjacent development is critical to the success of both. From large parks to small plazas and town squares, the quality and success of public spaces provides a critical representation of the quality of life and degree of prosperity in the area.

Public spaces serve three main functions in an urban area: **activating** a place by attracting many people, helping people to **escape** the urban environment (through recreation or passive activity), or helping **connect** people with places. Some public spaces perform more than one of these functions. From an infrastructure perspective, urban public spaces can also help with stormwater quality and conveyance. Analyzing each public space according to its intended use leads to recommendations on how the space could be better designed to perform a particular function. One of Cherry Creek's main assets is its broad spectrum of public spaces. These include a regional greenway, large and small parks, a system of festival streets, small urban plazas, pedestrian-friendly streetscapes and privately owned public spaces. While some of these are designed well for their intended function, several public spaces are not well utilized by residents or by visitors.

KEY ISSUES

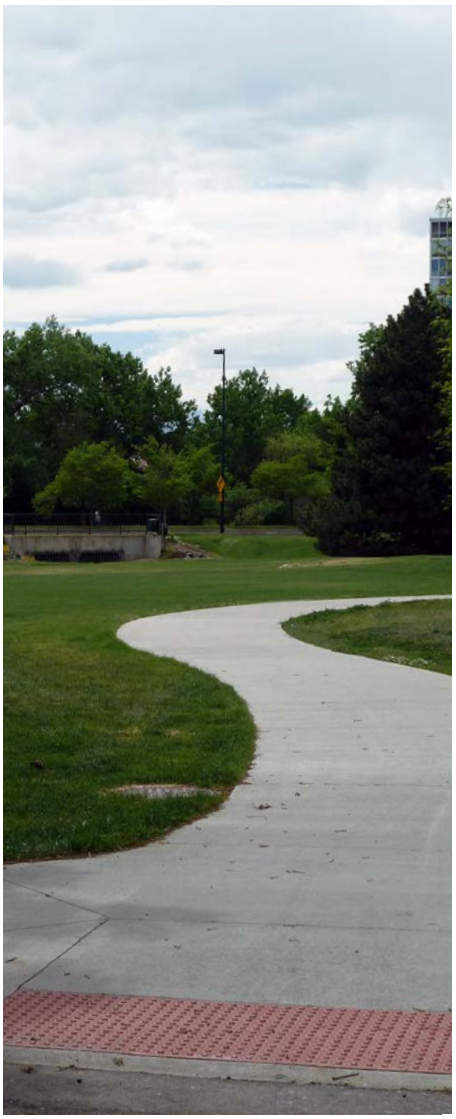
- **Cherry Creek Greenway.** The Cherry Creek Greenway and Trail are one of Cherry Creek's great assets. It provides a regional bike connection, open space, and scenic beauty. Despite its adjacency to a vibrant shopping district and high population and employment densities, the section of the Greenway between University and Colorado lacks points of visual and physical access and is therefore underutilized as a neighborhood resource. Neighborhood access to the trail is via Cherry Creek Drive North, the recently-improved bike/ped bridge at Steele, and the Steele Street multi-use sidewalk. The plazas on either side of Cherry Creek Drive North are both underutilized.

  Regionally, the 40-mile long Cherry Creek Trail connects from the South Platte River Greenway and Trail in Downtown to the Cherry Creek Reservoir and Douglas County. It is a unique natural area with educational, environmental and recreational benefits.

  Two master plans for the greenway corridor are relevant to future improvements: the three volumes of the "Cherry Creek Greenway Master Plan—Preferred Plan" (2000) and the "Conceptual Design Report" (May 2003) for Reach One (University to Colorado). Reach One is characterized by naturalistic vegetation, which is beneficial to wildlife, water quality and the user experience. This plan and Denver Moves provide recommendations for improved bike connections.

- **Parks.** The Gates Tennis Center was completely rehabilitated in 2008 with a new club house and four reconstructed tennis courts. The Colorado Tennis Association, a member of the USTA, has its corporate offices in the club house. It is one of the top tennis facilities in the region. However, for the surrounding Pulaski Park, there is no visibility or entrance into the park from Bayaud Street for the large residential population. A new playground at Pulaski Park funded by the Better Denver Bond Program has increased the utilization of the park by families with young children, but the park lacks usability for more age groups.

Parks and Public Spaces Map



Pulaski Park provides all three functions—activate, escape and connect.

Manley Park serves the needs of Cherry Creek North residents. Burns Park contains a handful of large sculptures and open green space. The sculptures provide a visual escape for people driving quickly along Colorado Boulevard, Alameda Avenue, or Leetsdale Drive. However, residents of adjacent neighborhoods are not served well by the park's current function and design, and the park is usually void of people. The sculptures are the result of a 1968 art competition that attracted nationally known sculptors to create large plywood and paint "archetectonic" sculptures in the park. Four of these original temporary sculptures remain in place.

- **Streets and streetscapes.** Cherry Creek has some of the most successful streets and streetscapes in Denver such as the Cherry Creek North Festival Streets and the privately owned public spaces throughout the area. However, areas such as the Cherry Creek Triangle lack high quality streetscapes and public spaces and seem disconnected from the rest of Cherry Creek.

RECOMMENDATION C.1 CHERRY CREEK GREENWAY

The Cherry Creek Greenway provides recreation opportunities for Cherry Creek residents and employees. It runs adjacent to the Cherry Creek Shopping District but is not designed to be integrated with the Shopping District.

C.1.A IMPROVE VISUAL AND PHYSICAL ACCESS

- Improve access to the Cherry Creek Greenway from the Cherry Creek East neighborhood, from Cherry Creek Triangle, the Shopping District, from Cherry Creek North residential and from neighborhoods to the south. See individual Sub Area Strategies for details.
- Enhance the visual connection between the Greenway and the Shopping Center. Strategically improve existing access and create more points of physical and visual access to the creek without destroying the integrity of the greenway as a natural feature. Public access into the Cherry Creek channel should be limited, appropriate and designed with care, such as for observation and rest areas. Appropriately placed and well-designed pedestrian bridge crossings would improve visual connections and allow people to interact sensitively with the natural creek.
- Look for opportunities to better embrace the Greenway as new development takes place on the west side of the Shopping Center. Creating a vibrant public space such as a plaza that links the Greenway with the Shopping Center is one option. This should be done in a way that clearly differentiates the higher use public areas from the natural area while integrating these two land uses.

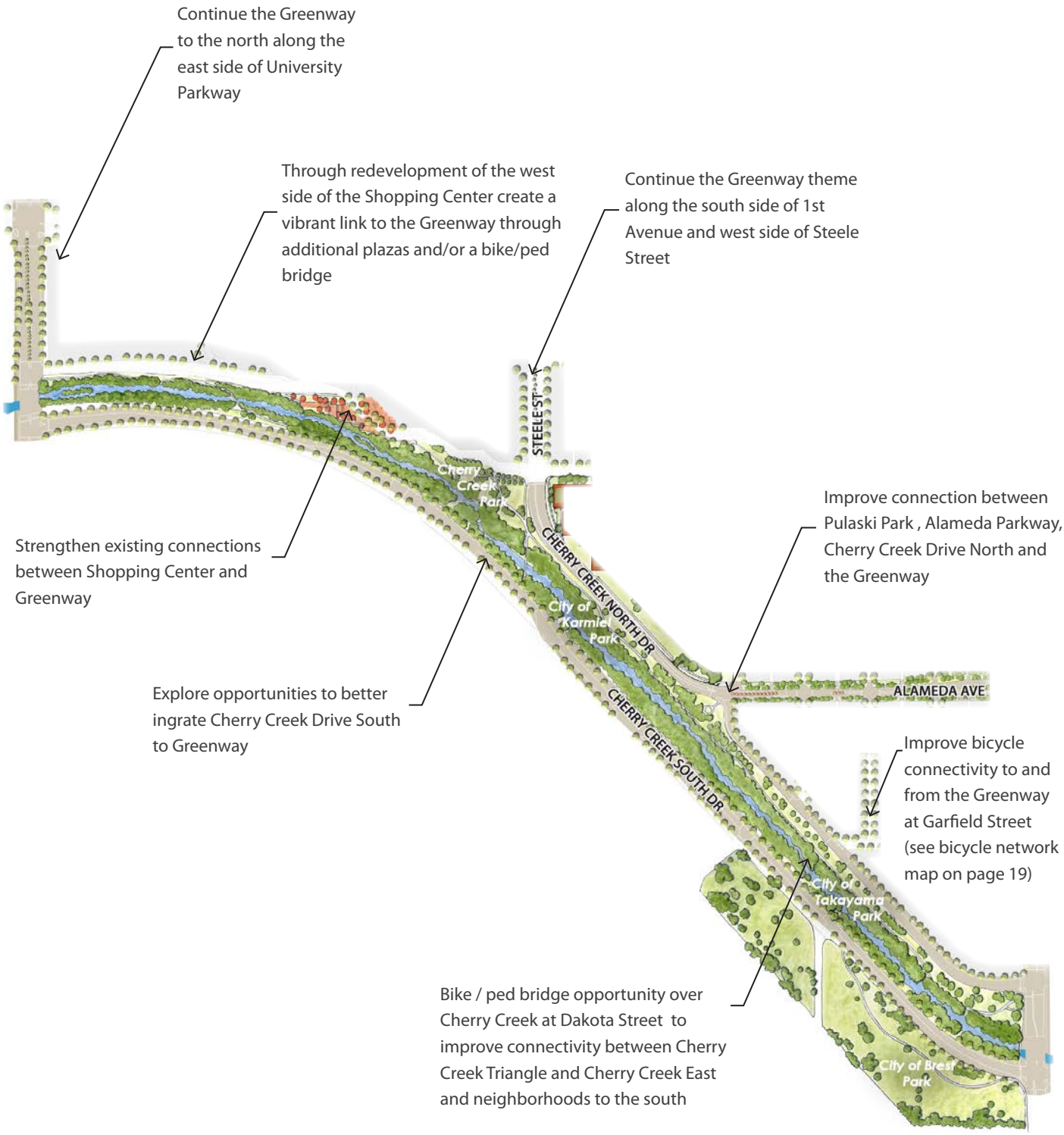
C.1.B NEW BIKE/PED BRIDGES

- Build a pedestrian bridge over the creek at Dakota Street to better connect the two sides of the creek and neighborhoods to the south.
- Study opportunities for an additional connection across the creek to integrate with the redevelopment of the Cherry Creek Shopping Center (west end) and better connect the neighborhoods to the north and south, as well as the business district.

C.1.C UNIVERSITY, CHERRY CREEK DRIVE NORTH AND SOUTH PARKWAYS

Denver's parkway system creates a network of streets throughout the city that serve as critical connections linking parks to each other. Designated parkways in Cherry Creek include: University, Alameda, Cherry Creek Drive North, Cherry Creek Drive South, and Colorado Boulevard. Of these streets, University, Cherry Creek North Drive and Cherry Creek South Drive currently look, feel and function as parkways. They have planted tree lawns and planted medians to evoke the feeling of a "green" street.

- Connect to the Greenway by introducing a sidewalk and streetscape amenities along the east side of University parkway between the creek and 1st Avenue.
- Continue the Greenway theme along the south side of 1st Avenue and west side of Steele Street.
- Explore opportunities to integrate recently constructed parkway amenities along Cherry Creek Drive South to the Greenway.
- Introduce parkway amenities to Alameda.
- Enhance the connection between Pulaski Park , Alameda Parkway, Cherry Creek Drive North and the Greenway.


Continue the Greenway to the north along the east side of University Parkway
Through redevelopment of the west side of the Shopping Center create a vibrant link to the Greenway through additional plazas and/or a bike/ped bridge
Continue the Greenway theme along the south side of 1st Avenue and west side of Steele Street
Strengthen existing connections between Shopping Center and Greenway
Improve connection between Pulaski Park , Alameda Parkway, Cherry Creek Drive North and the Greenway
Explore opportunities to better ingrate Cherry Creek Drive South to Greenway
Improve bicycle connectivity to and from the Greenway at Garfield Street (see bicycle network map on page 19)
Bike / ped bridge opportunity over Cherry Creek at Dakota Street to improve connectivity between Cherry Creek Triangle and Cherry Creek East and neighborhoods to the south
STEELE ST
Cherry Creek Park
CHERRY CREEK NORTH DR
City of Karmiel Park
ALAMEDA AVE
CHERRY CREEK SOUTH DR
City of Takayama Park
City of Brest Park

RECOMMENDATION C.2 PARKS

The new Pulaski Park playground provides a gathering place and play opportunities for families with young children.

C.2.A PULASKI PARK

- Create a public park entrance / access point from the north on Bayaud, including a paved trail into the park.
- Look for opportunities to improve the relationship between the Cherry Creek East "village center" buildings on the southwest corner of Madison and Bayaud and the park. Any redevelopment in this location should integrate the park into the design of new buildings.
- Increase the usability of the park for all ages. The new playground is a great achievement toward this end. Adding park benches, a paved walking trail and/or a picnic pavilion are small steps to making this park usable for the large elderly population that lives just north of the park.
- Study the feasibility of park improvements that would allow the park to be better utilized for community or cultural events. Ideas include a small amphitheater or pavilion.

C.2.B BURNS PARK

- Establish a comprehensive vision for Burns Park to determine how it can better serve residents. A park master plan would help document this vision and consider the following: access to and through the park, creation of various microzones or destinations in the park, appropriate types of sculpture, landscape plants and hardscape elements, parking, benches and lighting, compatible park uses and activities, signage/wayfinding, phasing, funding, programming and marketing of the park.

Cherry Creek East residents would like to see Pulaski Park used for more community events.

No marked entrance to Pulaski Park exists from Bayaud Street, where thousands of residents live. The way into the park from Bayaud looks like private property but is publicly owned. It is blocked by electrical equipment and tall pine trees.

- Explore partnerships with the Cherry Creek Arts Festival, Cherry Creek North BID and/or the Denver Botanic Gardens to improve the ability to attract high quality art to the sculpture garden and to extend the sculpture garden's reach to a larger audience. Such partnerships create an opportunity for a sculpture garden that is unique in the region and serves to attract people to the park and to the Cherry Creek Area.
- Consider, during the master planning process, the appropriateness of including artwork that is interesting at the human scale or that invites human interaction. Explore opportunities to incorporate temporary art installations into the programming for Burns Park for added interest and to encourage return visits to the park.
- Consider, during the master planning process, the appropriateness of introducing active and recreational uses to the park. Ideas from Cherry Creek East residents include basketball courts, a running path, and a dog park. Use the master planning process to determine which active uses will serve adjacent neighborhoods, attract people and complement the sculpture garden.

C.2.C MANLEY PARK

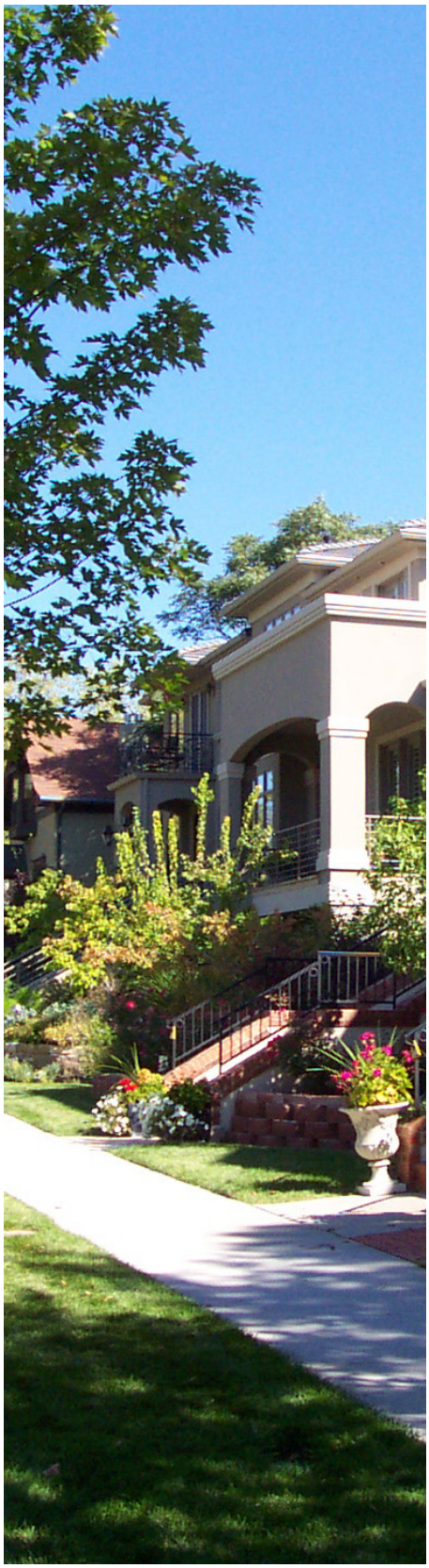
- Continue to maintain the attractiveness, quality and function of Manley Park as a small neighborhood respite for Cherry Creek North residents.

Interactive public artwork, such as "The Musical Fence" in Lincoln, Massachusetts, provides an incentive for people to approach the sculpture.

A Giant Knitting Nancy in a London park welcomed human interaction. The temporary installation invited people to knit and help create the art. It also provided popular park seating. (Photo credit: Superblue)

The Burns Park sculpture garden provides visual interest from the car. The sculptures do not encourage human interaction.

RECOMMENDATION C.3 STREETS AND STREETSCAPES



Front gardens are a key feature of Cherry Creek residential streets.

C.3.A CCN FESTIVAL STREETS

Clayton, Detroit, Milwaukee, St. Paul streets between 2nd and 3rd Avenue and Fillmore Street between 1st and 3rd Avenue make up the Cherry Creek North Festival Streets. These streets are designed to encourage a variety of events fostering social interaction while supporting the identity of Cherry Creek.

- Maintain the successful balance between functional aspects for events and placemaking aspects for the quality and identity of Cherry Creek.

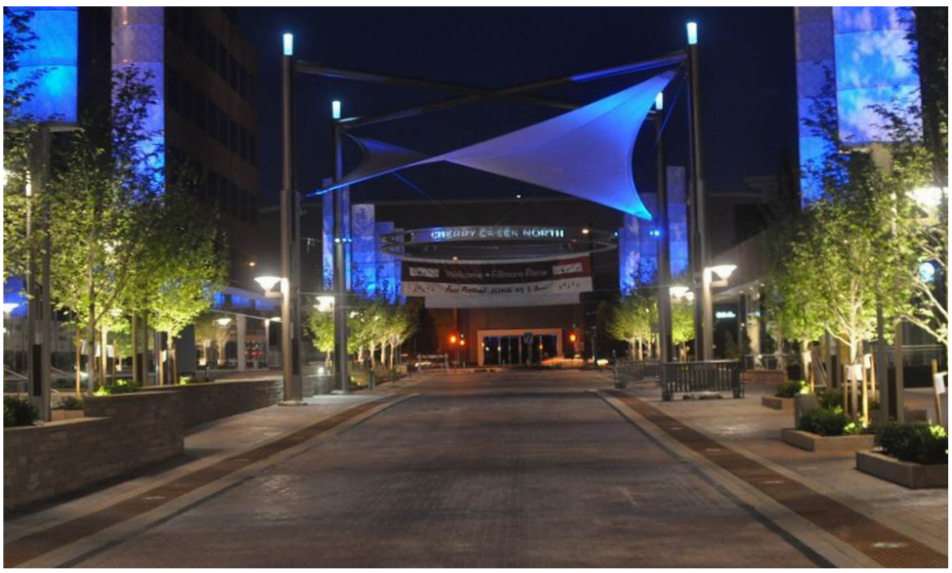
C.3.B FILLMORE PLAZA

The recently completed Fillmore Plaza is an exemplary street designed for enhanced pedestrian, event and retail activity that benefits businesses, residents, shoppers and visitors on the block, and also serves as the primary gateway to Cherry Creek North from the Shopping Center and 1st Avenue. The plaza establishes an identity for the area through enhanced lighting, trees and landscaping, pavers, street furniture, wayfinding signage and a central iconic structure spanning the street.

- Maintain the appeal of Fillmore plaza as a gateway and high quality pedestrian environment and continue to explore ways to enhance and promote the success of surrounding businesses.
- Continue a positive partnership between the BID, business owners, property owners, residents and the city to manage Fillmore Street closings for the benefit of community events.

C.3.C STREETSCAPES AND PEDESTRIAN AMENITIES

Successful streetscape design reinforces the pedestrian scale and character and enhances the quality, identity, physical function, and economic vitality of an area. Cherry Creek's streetscapes are unique to the Denver area due to the influence of the garden. Many gardens, especially in the residential areas, are located between the street and the building instead of behind the structure or in the back yard. This streetscape configuration sets Cherry Creek apart from other areas of the city and helps establish a high quality of life for Cherry



Fillmore Plaza is one of CCN's festival streets and is the gateway to the art and garden district.

Creek residents, businesses, shoppers and visitors. As part of the 2011 Cherry Creek North streetscape improvements, the influence of the garden was integrated into the design through highlighting all corners with enhanced pavement, planters, banners, wayfinding and seating totaling 20 art and garden locations throughout the area.

- Encourage the use of streetscape amenities that promote high levels of pedestrian activity, physical comfort and visual interest including pedestrian lighting, seating, landscaping, trash receptacles, bike racks and curb extensions at intersections.
- Maintain the beauty of the streetscape in residential areas with detached sidewalks, landscaped tree lawns and gardens between the sidewalk and buildings.
- Explore opportunities for streetscapes improvements in the Cherry Creek Triangle.
- Establish a clear function for the open space created by the University and Josephine one-way couplets and determine the upgrades needed for the desired outcome. These spaces provide an opportunity for an attractive green space that can contribute to the overall quality of the streetscape.
- Establish a "green alley" toolkit to be implemented as alleys are repaved.

C.3.D PRIVATELY OWNED PUBLIC SPACE

Not all successful public spaces are publicly owned. Privately owned public spaces also activate a place, help people to escape, or help connect people to other places. There are many successful examples of privately owned public spaces in Cherry Creek: the Gart Building plaza at 3rd and Milwaukee, the outdoor seating area at Starbucks on Fillmore Street and 2nd Avenue, the landscaped front facade and streetscape at Nordstrom along 1st Avenue, and the playground inside the Cherry Creek Shopping Center.

- Maintain the quality of existing privately owned public space and continue to embrace its contribution to better placemaking.
- Look for opportunities to improve the public realm through the creation of new privately owned public spaces.

Clayton Lane provides valued streetscapes , pedestrian amenities and privately owned open spaces.

Privately owned public space at 3rd and Milwaukee

D. A Prosperous Cherry Creek

RECOMMENDATIONS AND TRANSFORMATIVE PROJECTS:

D.1 Economic Vitality

D.2 Reinvesting in the Future

D.3 Organization and identity

WHY IS THIS IMPORTANT TO CHERRY CREEK?

Cherry Creek is unique both as one of Denver's major attractions and economic generators and as a cherished neighborhood. Outstanding features are its walkability, up-scale local and national retail, mix of uses, broad range of housing types, and availability of arts, culture and recreation. Very few neighborhoods in the country offer this range of uses and quality and variety of housing within easy walking distance of an outdoor shopping area and regional mall.

Denver's Comprehensive Plan (Plan 2000) recommends enhancing existing business centers to retain and expand a variety of high quality uses, support Denver's business climate, create jobs, complement neighboring residential areas and to generate public revenue. Plan 2000 specifically recommends maintaining Cherry Creek as a premier retail destination in the Denver Metro Area and Rocky Mountain Region. Together, the Cherry Creek Shopping Center and Cherry Creek North generate nearly 5% of Denver's sales tax revenue on 0.14% of Denver's land area.

Enhancing the attractiveness and competitiveness as a mixed-use neighborhood with local, regional and national appeal is essential to the economic well-being of the Cherry Creek Area and the City. Optimizing economic and development opportunities benefits residents as well as businesses with more choice of shops and restaurants, access to amenities, and attractive street and building design. National research and best practices are demonstrating that walkable, mixed-use communities are desirable for all age groups and have retained their value and thrived in tough economic times.

KEY ISSUES

- **Encouraging high quality development.** Over time, public policies need to be evaluated based on successful outcomes and need to be modified, reinforced or eliminated to encourage high quality development and reduce impediments. Current zoning in the areas of change and the need for public investment in stormwater improvements are two examples.
- **Continued reinvestment.** The Cherry Creek Area has seen significant redevelopment over the past decade. This continued development and evolution has reinforced Cherry Creek's unique identity in the region as a regional retail center and exciting mixed-use community. The next generation of development within Cherry Creek must enhance the established prosperity, attractiveness and desirability of the area for residents, businesses, shoppers, and visitors.
- **Mixed-use district.** Retaining and enhancing Cherry Creek's character as a mixed-use area—prosperous retail district, employment center, visitor destination and residential neighborhood—is essential to future success for both the neighborhood and City and County of Denver.
- **Importance of residential development.** Cherry Creek's continued success depends on attracting more people to the area and having more people live within walking distance of the business and retail destinations. These factors contribute greatly to sustaining the area's economic and community vitality. Improving the design quality while expanding the diversity of housing types assures that the area will attract a range of households and families thereby enhancing the attractiveness of the area to people of all ages.
- **Retail strength.** The Cherry Creek Shopping District has the highest concentration of upscale and local independent retailers in the region. As such, Cherry Creek is touted as the number one retail destination in the Denver metro area. Yet given the changing

nature of the retail environment nationally and the growing number of shopping districts offering the pedestrian shopping experience locally, Cherry Creek must find ways to continue to thrive and stay competitive.

- **Regional retail destination.** For nearly every category of retail, Cherry Creek carries a substantial market surplus, meaning that Cherry Creek's retail success depends on increasing the number of people who live and work in the Cherry Creek area and on attracting shoppers who do not live and work in Cherry Creek. Therefore convenient access via walking, biking, transit and auto is essential to continued retail success.
- **Local retail center.** Cherry Creek North has long been known as a center for local retail businesses, and continues to host the largest selection of independent retailers. Retaining this balance of local and national retailers is important to enhancing the distinctive character of the Shopping District.
- **Shopping Center redevelopment.** The Cherry Creek Shopping Center opened in 1990. The original shopping center to the west was repurposed as a variety of medium and big box stores and restaurants with varying degrees of remodeling. The east end retains the Safeway and Rite-Aid stores. While all of the stores and uses at the east and west ends are desirable and well-used, the configuration underutilizes its land with one -and two-story buildings within surface parking lots. As was recommended in the 2000 Cherry Creek Plan, these sites are major opportunities for a greater mix of uses and greater intensity to add vitality to the entire area.

- **Office and employment.** Cherry Creek has emerged as a recognized office sector in the metro area with its wide range of office types accommodating over 14,500 employees. Cherry Creek is increasingly a regional hub for financial services, and it also attracts advertising, creative media, architecture and design firms, as well as boutique medical offices. Continuing to provide high quality office space for these boutique firms and creative industries is essential to the mixed-use character of Cherry Creek and the continued attraction of a broad demographic of visitors.
- **Hotels and visitors.** Hotels in and around Cherry Creek, as well as in Downtown and along Colorado Boulevard, are an essential component of the area's economic vitality. Market research surveys indicate that visitors spend three times more than Denverites on retail purchases in Cherry Creek. Hotel guests add necessary pedestrian vitality, supporting the surrounding businesses and restaurants. The lodging and meeting/event facilities are important to area businesses, as well.
- **Creating community.** The Cherry Creek Area is committed to building community through the enhancement of arts, culture and recreation. The dedication to the arts in Cherry Creek is evident with the annual Cherry Creek Arts Festival, one of the largest and most prestigious outdoor art festivals in the country; eighteen art galleries; and the use of an "art and garden" theme throughout the Cherry Creek North streetscape. The Cherry Creek Theatre recent addition to the arts scene resulted from the vision of a group of Cherry Creek residents, business representatives, City Council and local theater leaders. Enhancing the sense of community for the Cherry Creek area, each of its subareas and the surrounding neighborhoods is important to the quality of life for current and future residents.
- **Identity.** Cherry Creek is one of the top visitor attractions in Colorado, the Shopping Center is known nationally as a top performer, and the area produces significant tax revenue for the city, state and RTD. The Cherry Creek Area gets inadequate recognition for its contribution to Denver's economy and quality of life. Additionally, the perimeter streets, especially Alameda and Colorado provide poor gateways to the area due to vacant land, underdeveloped buildings and lack of sidewalks.

RECOMMENDATION D.1 ECONOMIC VITALITY

The Cherry Creek Area and its neighborhoods are recognized for their high quality of life. All of the plan recommendations must contribute to complementing the elements that make it attractive to live, work, shop, and play in the Cherry Creek Area. Areas such as this do not retain this quality and advantage without positive change. One of the purposes of this plan is to define positive change from all perspectives.

D.1.A SYNERGISTIC MIX OF USES

The Cherry Creek Area has thrived with its diverse mix of uses. From its origins as a residential neighborhood, shopping district and mall, expanded uses have included offices, hotels and higher density residential. The area has proven to be very attractive to all of these development types, so plan recommendations focus on enhancing amenities and removing public policy impediments.

- **Retail uses.** The Shopping District is one of the prime retail centers in the metro area because it combines the large format retail and national tenants of the Shopping Center with the boutique retail of Cherry Creek North. Retail uses should continue to be concentrated in the Shopping District. The smaller retail nodes and strips such as those along 6th Avenue and Colorado Boulevard will continue to serve nearby residents and passers-by.
- **Office uses.** Cherry Creek is increasingly a regional hub for financial services. It also attracts smaller advertising, creative media, architectural and design firms, as well as boutique medical offices. Medium and small office buildings in Cherry Creek North are increasingly in demand. Banks are finding 1st Avenue east of Steele to be good locations. Opportunities for larger office buildings exist along 1st Avenue, the east side of Steele and in Cherry Creek Triangle.
- **Hospitality uses.** Hotels have emerged as another synergistic use. Colorado Boulevard has proven to be an excellent location for limited service hotels. Full service hotels, such as J.W. Marriott, are likely to cluster along 1st Avenue. Boutique hotels add vitality at a greater variety of locations. Hotel patrons take advantage of shopping and restaurants. Public policy should reinforce location decisions to place larger hotels and hospitality uses closer to 1st Avenue, while allowing boutique hotels in more locations within the Shopping District.

D.1.B MORE HOUSING

Residential uses contribute significantly to the vitality of the area. While Cherry Creek North and East continue to experience infill development, the greatest potential for new residential is as a part of mixed-use development in the Shopping District and on vacant parcels in the Cherry Creek Triangle. All of this housing will continue to reinforce the range of housing types already found in the Cherry Creek Area—single family, duplexes, row houses, and condo and apartment towers. Where appropriate, this housing will include retail, office or hotel uses to further the mixed-use character of the area. The area has proven to be very attractive to residential development, so plan recommendations focus on enhancing amenities and removing public policy impediments.

D.1.C IMPORTANCE OF VISITORS

Visitors—whether families coming for a day, hotel guests coming for a week, or conventioneers seeing the sites—are an important economic driver for Cherry Creek retail. The shopping center attracts an estimated 1.3 million visitors per month and 30% are domestic and foreign tourists. Partnerships with Downtown, DIA, and Visit Denver will be increasingly important. Adding more rooms in Cherry Creek and improving access to and from Downtown

(especially Denver Union Station, the Convention Center and 14th Street hotels, the Theatre District, and the 16th Street Mall) and Colorado Boulevard hotels is important.

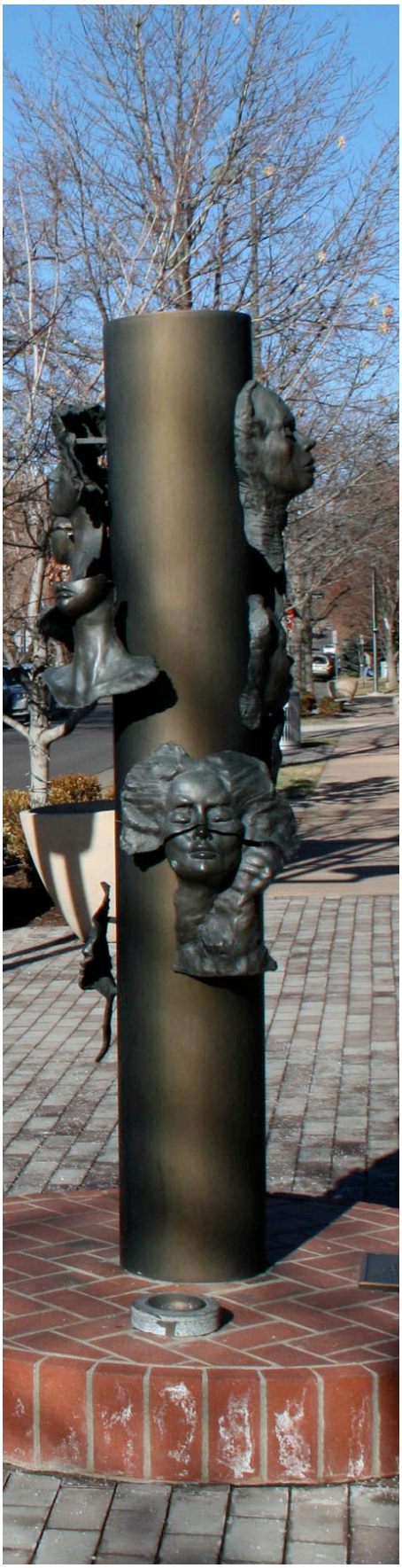
Hotels have proven to be beneficial to Cherry Creek's prosperity; however, the location of different types is sensitive due primarily to traffic impacts. Full service hotels with meeting facilities should be located in proximity to 1st Avenue for visibility and to minimize impacts to residential areas. Limited service hotels are located along Colorado Boulevard, including Cherry Creek Triangle. This type of hotel needs access and visibility from major streets. Boutique hotels are a welcome addition throughout the Shopping District and Cherry Creek Triangle.

D.1.D WALKABILITY EQUALS PROSPERITY

National trends indicate that pedestrian-oriented, mixed-use communities will prove most attractive to the creative class, young professionals, seniors, and families, as well as empty nesters. Aside from a few locations called out in the "A Connected Cherry Creek" chapter, most of the Cherry Creek Area has adequate sidewalks. Pedestrian oriented development creates the visual interest and eyes on the street to encourage walking in an attractive, convenient and safe area. Providing attractive connections within the Cherry Creek area assures that the subareas are well connected and interrelated.

D.1.E CREATING COMMUNITY

Arts, culture and recreation have emerged as significant factors in establishing a sense of community for area residents and business owners. Having places and events where people can meet formally and informally is an important attribute of a healthy neighborhood. Seeing friends and neighbors at outdoor cafes, coffee shops, the library, on the street or at stores, as well as at events such as the Cherry Creek Theater, Farmers Market, gallery opening or Arts Festival provides a sense of connection and community. In addition, the neighborhood



Cherry Creek Shopping Center - east end

associations in Cherry Creek North and East sponsor many activities.

D.2.A LOCAL CHARACTER/NATIONAL PROMINENCE

The Cherry Creek Shopping District provides identity, amenity and value to the entire plan area with its variety of retail businesses—large and small, local and national. Enhancing the symbiotic relationship and the distinctive character of Cherry Creek North and Cherry Creek Shopping Center is important to the entire area. While it is recognized by residents and business owners alike that reinvestment in Cherry Creek North is needed, the walkable character and rhythm of storefronts is essential to its unique character. Equally important, the Shopping Center has sites at the east and west end, as well as along the Greenway that will benefit from more intense development. Land use regulations must be crafted to encourage appropriate development in both areas.

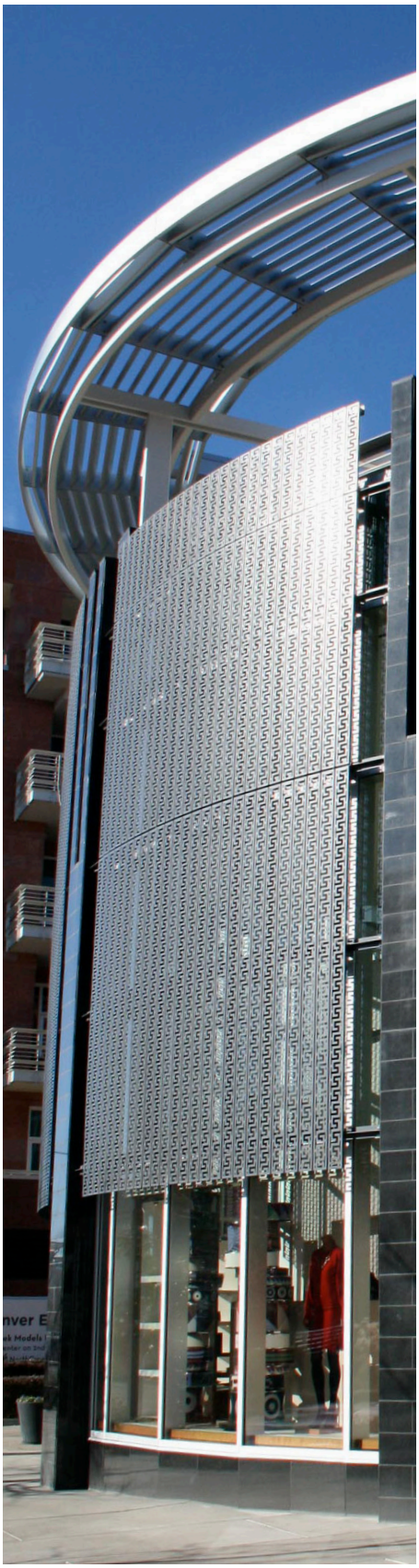
D.2.B DEVELOPMENT OPPORTUNITIES

Plan concepts and recommendations point to the benefit of attracting more people - residents, employees, and visitors - and reinvestment to areas of change, namely the Shopping District and Cherry Creek Triangle. Study of land and development economics point to the need for updated land use and regulatory strategies in these areas. A wide array of development opportunities exist including small residential infill, outdated buildings and underdeveloped parcels. There are a number of surface parking lots with redevelopment potential. Highly visible opportunities include:

- West end of Cherry Creek Shopping Center (approx. 11 acres)
- East end of Cherry Creek Shopping Center (approx. 4.5 acres)
- Josephine / Columbine Street between 2nd and 3rd (approx. 2 acres)
- Cherry Creek Triangle (approx. 10.5 acres)
- 1st Bank site (approx. 1.85 acres)
- Steele Creek site (approx. 1 acre)
- 3000 East 3rd site (approx. 1.2 acres)
- Cherry Creek East village center
- Colorado Boulevard gateways on 1st Avenue and Bayaud

As these sites and areas develop and redevelop over the next ten or twenty years, it will be essential to enhance the quality of design, relationship to surrounding buildings and neighborhoods, mix of uses, quality of the pedestrian experience and overall character of the Cherry Creek Area. Land use regulatory tools including zoning, general development plans, and design standards and guidelines are available tools to establish the regulatory framework to achieve high quality private development.

Key development opportunities map



D.2.C HIGH QUALITY DEVELOPMENT

Recommendations in the "A Distinctive Cherry Creek" chapter address land use and urban design. Assuring the balance of uses to retain the synergy and enhancing pedestrian-friendly design to enliven the street level are key aspects of high quality development. Setting high standards gives the residents, business owners, building owners and the development community the assurance that their investment in high quality will be reinforced in the future. Regulatory tools such as design review with clear design standards and guidelines, transitions between intensities and uses, and investment in the public realm are key implementation strategies.

D.2.D MULTI-MODAL STREETS

Much of the Shopping District's success depends on people being able to access the area from all directions on the street network. Having streets that accommodate cars, pedestrians, bikes, and transit comfortably is important to the area's future success. Arterial streets such as Colorado, 1st Avenue, Alameda and University are the Cherry Creek Area's connection to the region. Making investments that enhance the value and attractiveness of the area and expand the multi-modal access is essential.

D.2.E LOCATIONAL ADVANTAGE AND ACCESS

Cherry Creek is three miles from downtown, connected by regional bus routes, a street grid, and the Cherry Creek Greenway. The 90,000 person trips per day along 1st Avenue help generate visibility and a customer base for Cherry Creek businesses. Convenient access to the

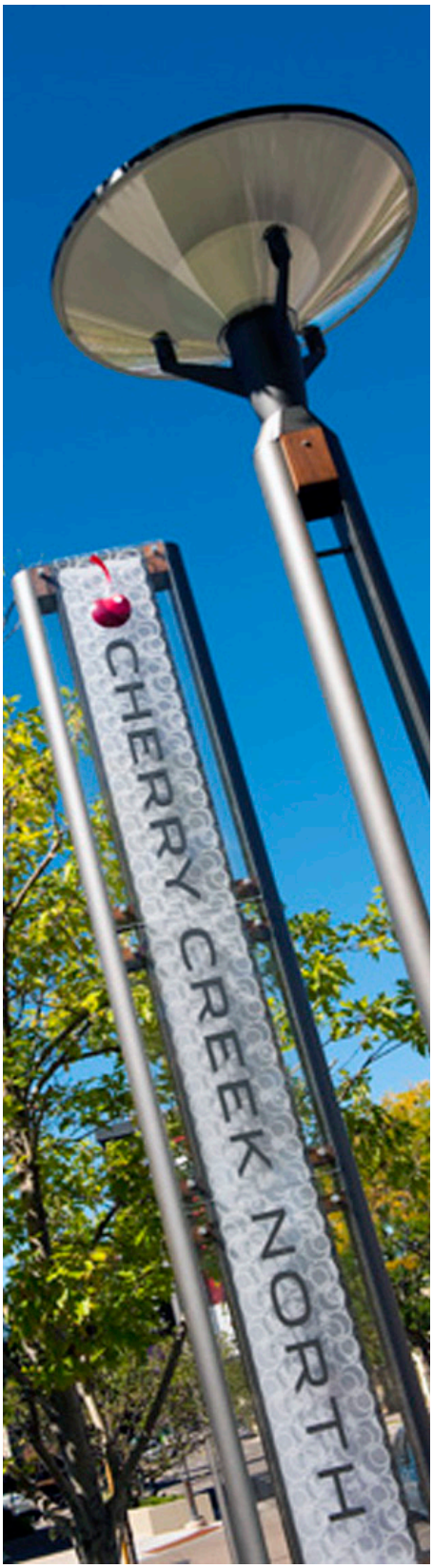
Cherry Creek Area via transit is an important component of remaining competitive. As the "A Connected Cherry Creek" chapter states, regional investment in transit on the Speer/1st/Alameda corridor is a long-term solution. In the short term, Cherry Creek needs to investigate public-private and private solutions to connecting Cherry Creek to destinations such as DIA, Downtown, Denver Union Station, and the regional rail network. Options include supporting expanded RTD service, shuttles, or reduced taxi fares. This multi-modal access should both bring more people to Cherry Creek and encourage Cherry Creek residents and employees to use alternative transportation.

D.2.F STORMWATER IMPROVEMENTS

Without needed stormwater improvements, private development in Cherry Creek faces an additional impediment. Two major projects identified in the City's 2009 Storm Drainage Master Plan include a new 60-inch Cherry Creek outfall along University and the Bayaud outfall in Cherry Creek East. Both projects will provide significant drainage improvements during storm events. Both projects are in design and scheduled for construction in the next few years.

- Over the long term, sustainable stormwater solutions such as green alleys, streets and parking lots should be pursued. The solutions include features such as porous pavement, landscaped swales, and additional plantings.

RECOMMENDATION D.3 ORGANIZATION AND IDENTITY



D.3.A SHOPPING DISTRICT ORGANIZATION

Established in 1989, the Cherry Creek North Business Improvement District (BID) is the second largest BID by budget in Colorado. The BID serves the Cherry Creek North shopping district, a 16-block area that contains over 100 property owners and over 300 retail and personal service businesses. BID powers are established by state statute so some important activities are limited. While the Shopping District is gaining identity in the market, it lacks an organizational entity. Such an entity could be a 501(c) 6 organization that advocates for Cherry Creek business interests and coordinates efforts of the BID, Transportation Solutions, the Cherry Creek Chamber and other organizations.

D.3.B PERIMETER STREET GATEWAYS

Providing gateways at key entrances to the Cherry Creek Area can reinforce the area's identity. The Shopping Center and BID have gateway features, as does Clayton Lane; North Creek uses building design and materials to establish this identity. Other locations that are just as key, Colorado Boulevard at Alameda and 1st Avenue, lack any features that tie these portals to Cherry Creek. Entry monuments, building features, or special street signs are examples of gateways that can assist in reinforcing Cherry Creek's identity and providing more intuitive wayfinding. Public policies can affect building design and quality. Private sector investment will be needed for any monuments or entry features.

D.3.C CITYWIDE RETAIL STRATEGY

Should the city undertake a citywide retail strategy, the Cherry Creek Shopping District must be a primary participant. Any such study should differentiate types of retail centers and develop strategies to ensure the success of various types. Finding ways to increase Denver's overall retail success based on its assets should be the outcome. For example, improving transit access to established retail centers such as Cherry Creek may prove more beneficial than simply increasing competition and diluting success by adding retail centers to more locations.

Perimeter street gateways map

Subarea Strategies

The success of the Cherry Creek Area depends on the health of its individual subareas and surrounding neighborhoods. Maintaining the distinct identity of each district while balancing transitions and improving connections between them in a manner that enhances character, quality, prosperity and livability has always been a key goal in Cherry Creek.

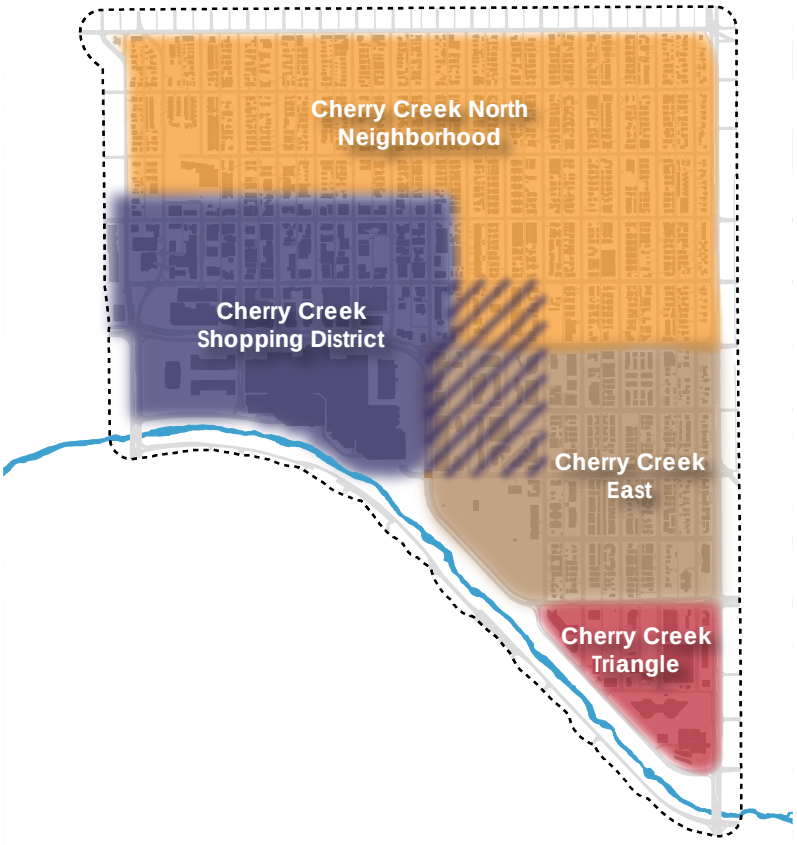
This Plan acknowledges four distinct subareas within Cherry Creek.

- **Cherry Creek Shopping District** - the region's most vibrant upscale retail and mixed-use district
- **Cherry Creek North Neighborhood** - a highly desirable, moderate density residential neighborhood with some embedded neighborhood-serving commercial uses
- **Cherry Creek East** - a highly desirable moderate density residential neighborhood that also includes a high density office and residential district on its western edge
- **Cherry Creek Triangle** - a high density mixed-use district

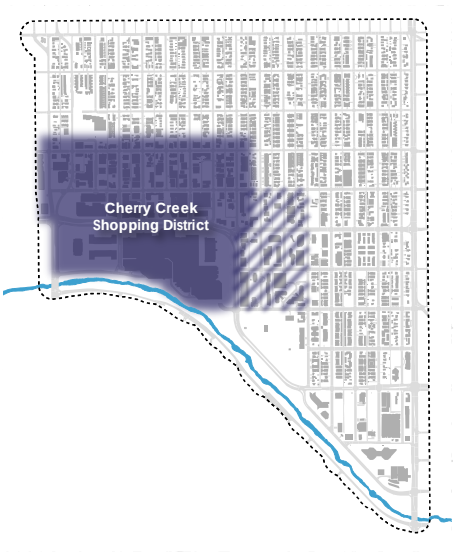
Along 1st Avenue and Steele Street, there is a desire to reflect the overlapping character of subareas. For this reason, the subarea maps intentionally include duplicate blocks across those edges.

Issues and recommendations specific for each subarea are documented in this section of the Plan to supplement the more general recommendations that apply to the entire planning area in the Framework Plan. The sub area goals:

- **Enhance** character and livability.
- Maintain **distinct** identity of each.
- Improve **connections.**
- Balance **transition.**



Cherry Creek Shopping District



The Cherry Creek Shopping District is Denver's premier retail destination, and as such, it creates amenity and value to entire Cherry Creek Area, as well as to the City, region and state. The Shopping District encompasses Cherry Creek Shopping Center (a regional mall) and Cherry Creek North Business Improvement District, (a local mixed-use / retail district)—a synergistic combination found in few other cities. Mixed-use districts east of Steele Street are also included within the Shopping District subarea in order to improve the connectivity of these mixed-use areas across 1st Avenue and Steele Street. While best known for its variety of local and national retailers, both large and small, as well as its exclusive retail, the Shopping District is becoming increasingly mixed-use with the introduction of more housing, hotel and office uses above retail, along with the office and residential towers to the east.

KEY ISSUES: ENTIRE CHERRY CREEK SHOPPING DISTRICT

Retail strength. As all retail districts do, the Shopping District must continually reinvest in and reinvent itself to retain its competitive position and exclusive reputation for high quality and successful retail. Recent improvements include the north elevation of the Shopping Center (especially Nordstrom), the BID's streetscape and Fillmore Plaza improvements, and new development along 1st Avenue. Future opportunities include the east and west ends of the Shopping Center and vacant and underutilized properties throughout the Shopping District.

Regional and local connectivity. The Shopping District's role as an economic generator and its pivotal location within a regional travel shed prioritizes the importance of addressing multi-modal connectivity to and through Cherry Creek. It is important for residents, employees and visitors of every subarea to have easy, convenient access to each other and with the Shopping District, with multiple transportation choices available.

Quality of place. Quality of place and the pedestrian experience is a combination of the public realm (streets, sidewalks, pedestrian amenities) and the adjacent private development and its relationship to the street (entrances, windows, outdoor dining, merchandise displays). Neither one can fully succeed without the other.

1st and Steele intersection. 1st and Steele is one of the Cherry Creek Area's most challenging intersections. In addition to the complex vehicular and pedestrian movements described in the "A Well Connected Cherry Creek" chapter, its width and curvature make the relationship between the public realm and adjacent buildings challenging. All four corners of the 1st and Steele intersection are considered catalytic redevelopment sites.

1st Avenue and Ellsworth intersection. Steele and Ellsworth is an important pedestrian crossing between the high density residential development to the east and the Safeway, Rite-Aide and Shopping Center to the west. A safe, ADA compliant crossing is particularly important for the residents of Allied Jewish Housing.

Shopping District identity. The Shopping District concept is one of the unique attributes of the Cherry Creek Area; however, no single organization serves the entire district to coordinate events, support appropriate development concepts, and to market the mixed-use attributes of the subarea.

KEY ISSUES: CHERRY CREEK SHOPPING CENTER

Redevelopment potential. The Cherry Creek Shopping Center opened in 1990 in the center of a large, continuous property. The original shopping center at the west end was repurposed for big and mid size national retailers and restaurants. The Safeway and Rite-Aide were incorporated into the east end.

Limitations of current zoning. The shopping center's current zoning of B-3 does not provide a predictable set of building forms or patterns. An alternative regulatory framework is needed

to envision and enable contextually appropriate development for the mall property.

Long term success. The Cherry Creek Shopping Center has evolved over time to meet the needs of the regional customer base.

Shopping Center as superblock. As is typical of regional shopping malls, the Cherry Creek Shopping Center sits within a superblock. Vehicular access serves parking garages and parking lots. Pedestrian and bike portals to the site are inconsistent along all sides of the property. The Clayton connection to Nordstrom and its plaza and the Fillmore crossing to the main entrance are examples of improved connection.

Relationship to Greenway. The relationship between the Shopping Center and Cherry Creek Greenway is diminished because of the placement of the east and west parking garages. Plazas connecting the Shopping Center and the Cherry Creek Greenway lack vibrancy. Additionally, connections between 1st Avenue and the Greenway at St. Paul and at Steele are not well marked. There is no bike trail or sidewalk on the east side of University.

KEY ISSUES: MIXED-USE AREAS EAST OF STEELE ST.

Cherry Creek East mixed-use area. The area between Steele and Madison and 1st Avenue and Pulaski Park has emerged as a high-density, mixed-use area. Major developments include offices, condo towers, senior housing, and apartment complexes.

Steele St. Steele St between 1st and Bayaud serves as the front door to Cherry Creek East.

1st Avenue—north side. The north side of 1st Avenue from Steele east to Jackson and north to 2nd is another mixed-use area containing medium density residential and office uses.

KEY ISSUES: CHERRY CREEK NORTH RETAIL DISTRICT (BID AREA)

Streetscape improvements. In 2011, the Cherry Creek North Business Improvement District (BID) streetscape improvements refined the successful concept of highlighting all of the corners with enhanced pavement, planters, banners, wayfinding, and seating, creating visual interest throughout the area.

Development economics. A study of land and development economics conducted for this plan (KHO Consulting, 2011) indicates that the current zoning makes redevelopment challenging in the BID area. In addition to the height limit, the C-CCN zone district's relatively high parking ratios and low floor area ratio are the critical factors in limiting the potential for BID properties to redevelop. Retaining C-CCN zoning as-is will limit the ability of the BID to attract additional mixed-use development including retail, high quality office space, hotels, and more residential units.

Quality retail experience. The quality and continuity of retail storefronts varies from block to block resulting in a fragmented retail district. Disruptions to the continuity of ground floor active uses include surface parking, unscreened parking garages, garden-level retail, and vacant buildings. Furthermore, some older buildings do not meet accessibility codes making access for all difficult.

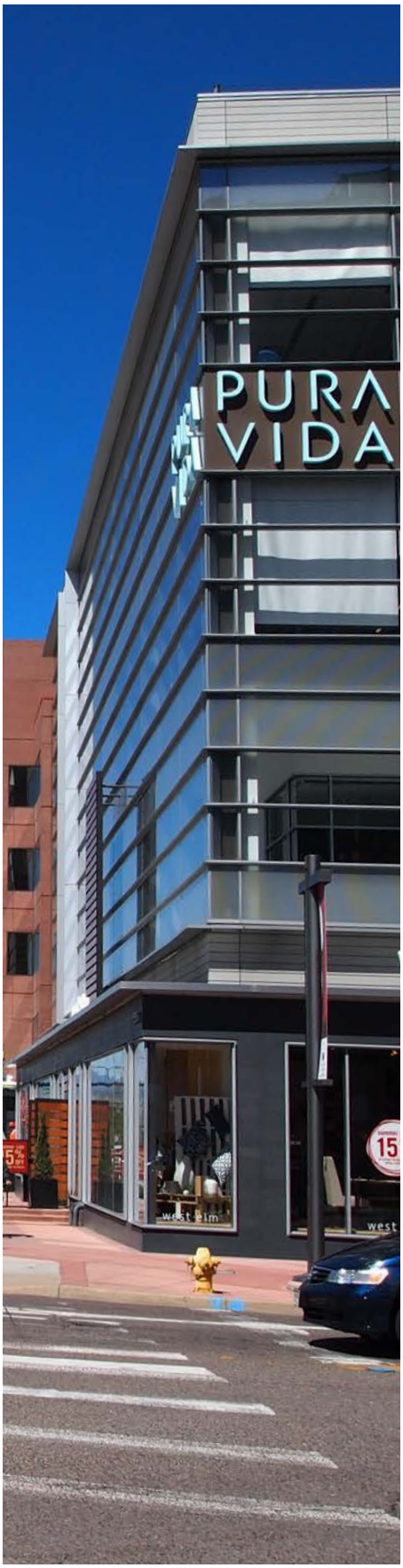
3rd Avenue character. 3rd Avenue is a locally serving retail street dominated by one and two story buildings and small retail tenants, some of which are well-known, long-time local businesses. The north side of the street has the additional role of acting as a height transition from the Shopping District to the Cherry Creek North neighborhood. Many buildings need reinvestment and access improvements for continued viability.

Parking. The perception of a parking "shortage" has been a challenge for Cherry Creek North. A parking study conducted in 2007 as part of Denver's Strategic Parking Plan revealed that there is a generous supply of on- and off-street parking. The transition from parking kiosks to smart meters has helped to better manage on-street parking.

Many Cherry Creek North BID properties have not seen significant reinvestment for 3 or 4 decades. The desirability of the area, high land values, high rents and small parcels create a challenge for property owners to find redevelopment scenarios that are as profitable as no reinvestment.

Properties that have developed in Cherry Creek North BID tend to be owner-occupier situations, which makes redevelopment financially feasible.

High end retail in Cherry Creek North



SUBAREA RECOMMENDATIONS: ENTIRE SHOPPING DISTRICT

Enhance retail quality and district character through appropriate change. Positive change is needed throughout the Shopping District to enhance this vibrant mixed-use regional center. The Cherry Creek Shopping District remains an area of change. Its central location, existing mixture of high end retail, economic development opportunities, walkable streets and access to regional multi-modal connections create an ideal location for encouraging additional residential and employment growth. It needs to retain its combination of national retailers, exclusive retailers, local retailers, and neighborhood serving retailers. Plan guidance and the resulting regulatory framework should encourage appropriate new development throughout the Shopping District.

- **Regional Center and Town Center.** Continue to support a mix of uses in the Regional Center (see Future Land Use Map on page 63) including office, retail, commercial, multifamily residential and hotels. Support compact development patterns and an enhanced public realm including landscaping, wayfinding signage, pedestrian lighting, public art and inviting building entries. The Town Center areas act as an important transition between Regional Center and residential areas.
- **Scale.** Maximum building heights in the Shopping District should range from 4 to 12 stories, per the Maximum Building Heights Map (page 63). Building heights should be lowest adjacent to residential areas in Cherry Creek North and Country Club neighborhoods. Higher development intensity is encouraged along multi-modal streets and at key intersections. Mid rise buildings (maximum of 5 or 8 stories) are recommended as transitions between high intensity and low intensity residential neighborhoods.

Support better regional connectivity. As described in the "A Connected Cherry Creek" chapter, enhanced transit connections between Cherry Creek and downtown Denver, as well as to DIA and the global marketplace, are necessary to keep Cherry Creek competitive within the region.

Continue to attract shoppers. The Cherry Creek Shopping District must continue to attract shoppers from the nearby neighborhoods as well as the city and region. Having daily needs met within walking distance of all parts of the area and nearby neighborhoods is important to quality of life and greater sustainability. The Shopping District thrives because of the large number of people within Cherry Creek and nearby neighborhoods, visitors and the much larger number within the trade area.

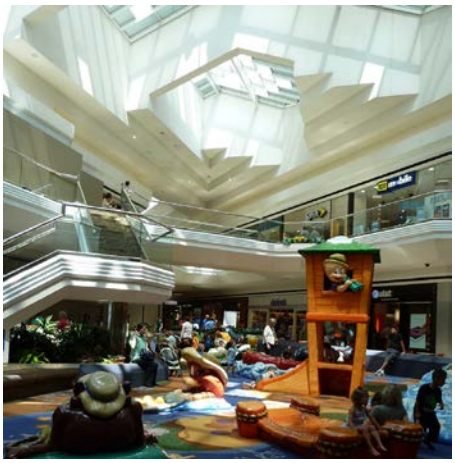
- More residential , hotel and office development in Shopping District and other nearby Areas of Change, such as Cherry Creek Triangle
- More visitors from within Cherry Creek and from Downtown, Colorado Boulevard and Glendale
- Better transit service between the Shopping District, Downtown, DIA and other nearby neighborhoods and urban centers: Capitol Hill, Colorado Boulevard and I-25, University of Denver, Lowry and Glendale.
- Continued auto access from throughout the metro area.

Pedestrian oriented development. All new development should serve to enhance the pedestrian realm. Line streets with storefronts, windows and building entrances. Place active uses at the street and parking at the rear. New developments and reinvestments along Fillmore and 1st Avenue are good examples of pairing public and private investment.

Improve the 1st and Steele intersection. As the primary node of economic opportunity and multi-modal connectivity in Cherry Creek, improving this intersection is critical to the Shopping District's long-term success. A study to identify possible improvements should prioritize making pedestrian and vehicle movements more intuitive as well as considering the relationship of buildings to the street. Enhancements to this intersection should contribute to—rather than detract from—the Shopping District's walkability. Improvements should reconnect the Shopping Center, the Cherry Creek North BID, Cherry Creek East and 1st Avenue.

Improve the Steele and Ellsworth intersection. The Steele and Ellsworth intersection presents conflicts between vehicles and pedestrians crossing from the high density residential area to the east, for bikes using the sidewalk bike lane along Steele, and destinations (mall and one of the area's only full service grocery stores) on the west. Strategies may include shortening intersection crossing distances where possible; more enforcement for the no-turn-on-red signage; ADA compliance; longer crossing times; improving median refuge; and smaller turning radius on the west side of intersection to slow traffic speeds. Intersection improvements should give priority to pedestrian and bike use.

Create a unified Shopping District identity. Look for opportunities to forge a partnership that represents the entire Shopping District. Such a partnership will help with coordinating events, supporting appropriate development concepts, improving regional connections and in marketing and branding.



SUBAREA RECOMMENDATIONS: CHERRY CREEK SHOPPING CENTER

Support appropriate change. The long-term vision for the Shopping Center as stated in the 2000 Neighborhood plan and further refined in this plan includes greater density at the east and west ends, as well as a greater mix of uses that may include higher intensity mixed-use office, hotel and residential along with ground floor retail. The Safeway and Rite-Aid serve the Cherry Creek Area and surrounding neighborhoods; both uses can be incorporated into mixed-use structures. The arrangement of new buildings and modification of the shopping center should reinforce key intersections, pedestrian wayfinding, the Greenway, and vista terminations.

Utilize appropriate land use regulations. Future redevelopment of the east and west ends of the Shopping Center presents the opportunity enhance the success of the area and to establish improved visual and physical connections across 1st Avenue and Steele Street. In addition to form-based and context-based zoning, appropriate regulatory tools such as a general development plan and design standards and guidelines should be developed and applied.

Embrace continued evolution. Ensure the continued evolution and success of the Shopping Center and allow new development to embrace its regional function while providing pedestrian scale, orientation and circulation. This Shopping Center has remained successful even as competition has intensified because of the variety of buildings intended to suit different local/regional functions, its distinctiveness within a shopping district, its central location, and convenient access from the entire region. Public policy actions must enable this evolution.

Create welcoming portals. All of the edges of the Shopping Center need well-defined portals for pedestrians and bicyclists and automobiles. Portal locations should be informed by building entrances, the opposing street grid, and pedestrian oriented perimeter development. To the extent possible, provide physical and visual connections to soften the seams and edges between 1st Avenue and the Greenway.

Celebrate the Greenway. The Cherry Creek Greenway is one of the area's greatest assets. The Framework Plan recommends improvements along all four edges of the Shopping Center. Coordinate these improvements to provide a distinctive and consistent visual identity and recommended connections.

- Enhance the quality and connection of the Greenway plazas on either side of Cherry Creek Drive North. One option for activating the Shopping Center Plaza is to add a bike station.
- As the west side of the shopping center redevelops, look for opportunities to incorporate and embrace the Greenway and creek into the design and provide active uses along the Greenway's edge in a way that does not compromise the natural beauty of the creek channel.
- Continue the Cherry Creek Greenway multiuse trail along the east, west and north edges of the site with a combination sidewalk and bike lane, along with landscaping. Highlight pedestrian and bicycle portals with amenities and signage.
- Tie plazas and building forecourts to the Greenway edge.
- Connect to the bike network as described previously in this plan and in Denver Moves.

SUBAREA RECOMMENDATIONS: MIXED-USE AREAS EAST OF STEELE

Build on success. Continue to develop vacant and underutilized parcels with mid—and high—rise mixed-use buildings that complement Cherry Creek East and the Shopping District on. Quality development is encouraged through the existing zoning and design standards and guidelines. The design quality of development at 1st and Steele is particularly important.

Improve pedestrian friendly character of Steele Street. As redevelopment occurs, new buildings should enhance the streetscape and promote improved pedestrian amenities.

Improve pedestrian friendly character of 1st Avenue. As the street redesign described in the "A Connected Cherry Creek" chapter is implemented, encourage buildings that add pedestrian activation features to the 1st Avenue frontage. Review the C-MX-5 zoning to assure consistency with the subarea vision. Investigate application of design standards and guidelines.

The newly developed Santa Monica Place mall in Santa Monica, CA exemplifies how a visual and physical connection can be made between a mall and a mixed-use district across a busy street.

SUBAREA RECOMMENDATIONS: CCN BUSINESS IMPROVEMENT DISTRICT

Revise land use regulation. Enact zoning and other land use regulatory tools for the C-CCN zone district to encourage rather than inhibit high quality redevelopment and reinvestment across all parcel sizes, large and small. Retain positive elements of current zoning including ground floor retail, design review, quality design and materials, interesting signage, and parking location. Reconsider height, FAR, building form, and parking requirements. Engage in an open, transparent and efficient public process that includes all stakeholder interests and includes the following goals created by the CCN Urban Form Working Group, 2012:

- **Goal #1 - Retain and enhance Cherry Creek North's unique physical character.** The high quality design of buildings, streetscape and public realm within Cherry Creek North are unique urban design attributes that distinguish the area within the city and region. Retaining and enhancing the high-quality architectural and public realm character is critical to the future success of the area. The design intent includes:
  - Variety of building sizes, heights and types on both named and numbered streets
  - High quality public realm: high level of pedestrian amenity, streetscaping and active strorefronts
  - High quality architectural design and building materials
  - Evolving distinctiveness between 2nd and 3rd avenues
  - Compact area with clear boundaries and attractive entry points
- **Goal #2 - Make reinvestment economically viable in the entire district.** Current zoning is insufficient to achieve the Plan's vision for a prosperous Cherry Creek and the need for reinvestment, redevelopment and sustained economic viability. Factors to be addressed include:
  - Height limit of 55 feet throughout the CCN district does not reflect emerging character differences of 2nd and 3rd avenues
  - FAR of 1 with a 0.5 premium is inadequate to achieve desired urban character
  - High parking requirements do not reinforce plan recommendations regarding parking management and alternative transportation. Furthermore, the current parking requirements are among the highest in the city and cannot be met economically on small lots and add substantial cost to development

Making parking intuitive and easy leaves a lasting impression for visitors to the area and cuts down on traffic congestion.

RIGHT SIZING PARKING

Right sizing parking, defined as providing no more or less parking needed to support the use it serves, is critical to both quality of life and prosperity in an urban environment. A residential or office building containing too few parking spaces can result in difficulty for the property owner to find tenants and over use of on-street parking, all of which contributes to a perception of having a "parking problem." Conversely, too much parking creates a substantial financial burden for development because of the expense of parking, especially underground parking. Above grade parking and surface parking - less costly options - can degrade the pedestrian experience and quality of the place.

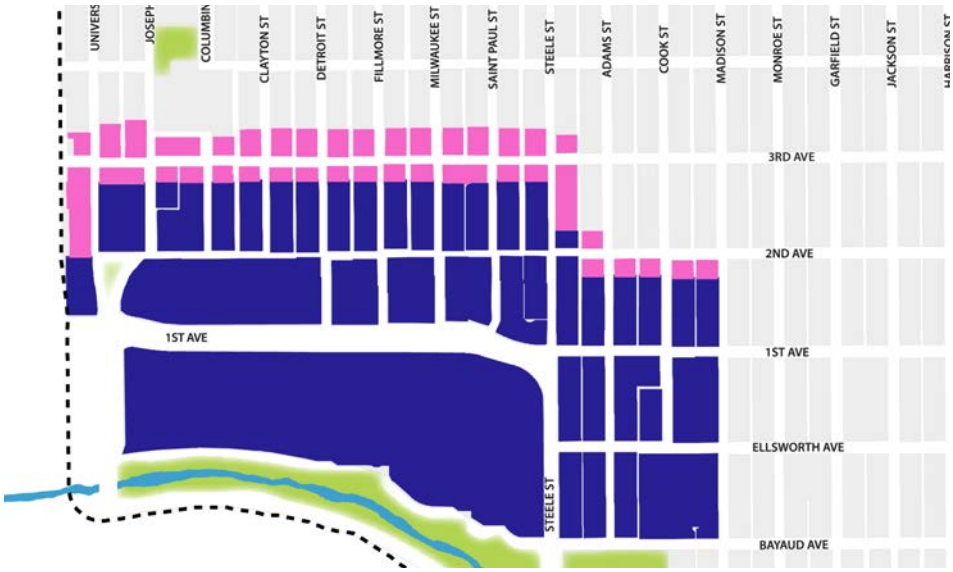
- **Goal #3 - Encourage small lot reinvestment.** Multiple small lots fronting the named streets and 3rd Avenue are among the defining characteristics within the district. A variety of lot and building sizes reinforces the architectural variety and organic character of Cherry Creek North and reinvestment in a variety of small lots throughout the district is desired. Tools such as reduced parking and relaxed building form requirements can be used to encourage redevelopment of smaller parcels and reinvestment in smaller buildings.
- **Goal #4 - Transition from higher buildings along 2nd to lower buildings along 3rd.** Continue to evolve the distinct character of 2nd and 3rd avenues by distinguishing each street with a special character that supports the overall vision for the district. 2nd Avenue will support higher intensity due to its proximity and 1st Avenue and 3rd Avenue is envisioned a boutique street and a transition to the neighborhood. The block between 2nd and 3rd will transition from the greater height of 8 stories along 2nd Avenue to the 4-story height along 3rd Avenue. The transition should reinforce the variety of building heights and widths along the named streets.
- **Goal #5 - Create height transition from the business district to adjacent residential.** The Denver Zoning Code establishes protected and control districts to create height and form relationships between higher and lower intensity zone districts. These designations are appropriate for the transition between the business district and neighborhood.
- **Goal #6 - Retain sunlight on streets and views between buildings.** Sun and sky exposure are among the attributes that make Cherry Creek North a highly walkable district. Building form tools such as breaks between buildings, upper story setbacks and solar bulk planes can be used to provide openness as building heights increase.
- **Goal #7 - Prevent the creation of "walled" or monolithic streets.** Reinforcing the attributes of Cherry Creek such as building size and height variety, breaks between buildings, and street level building articulation contribute to a pedestrian scale, thereby avoiding the sense of street canyons, especially for larger scale development.
- **Goal #8 - Active storefronts and ground floor uses.** Cherry Creek North is best known as a retail district. Continuing the zoning requirement for ground floor retail and the strorefront articulation provided in the Cherry Creek Design Standards and Guidelines is essential to its walkability and vitality.

Assure design quality. The Cherry Creek North Design Standards and Guidelines and Design Advisory Board have been successful and assure that new development engages the street and reinforces the quality of the pedestrian experience.

Enhance 3rd Avenue charm and viability. Any revisions to the land use regulatory documents must both reinforce 3rd Avenue's characteristic rhythm of smaller storefronts and transition to the residential uses to the north.

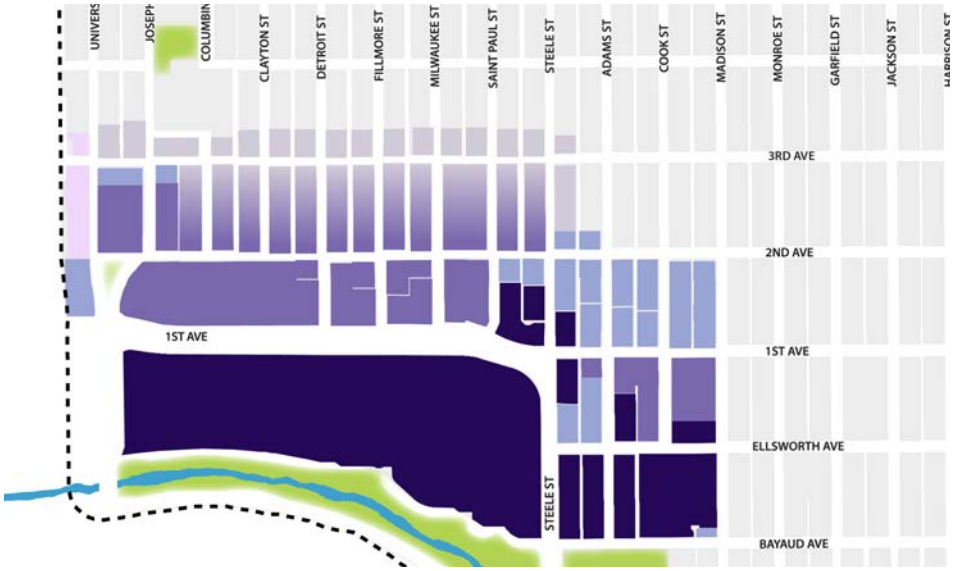
Manage parking. For many shoppers and visitors, parking is an impression that contributes to the overall experience, so providing parking choices that are intuitive and convenient is important for the retail area. Several strategies should be considered as described in the parking management strategy toolbox of the Strategic Parking Plan.

- Marketing existing off-street parking lots to visitors and employees would make better use of existing supply. Additional public parking signs denoting the location of public off-street lots and new technology and emerging mobile phone "apps" may be used.

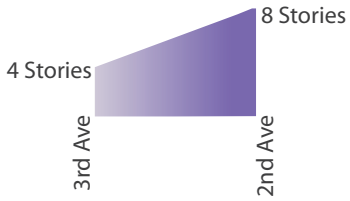


Regional Center
Town Center
Other subareas

Future land use map - Cherry Creek Shopping District



12 Stories
8 Stories
CCN Transition* - see graphic below
5 Stories
4 Stories
3 Stories
Other subareas

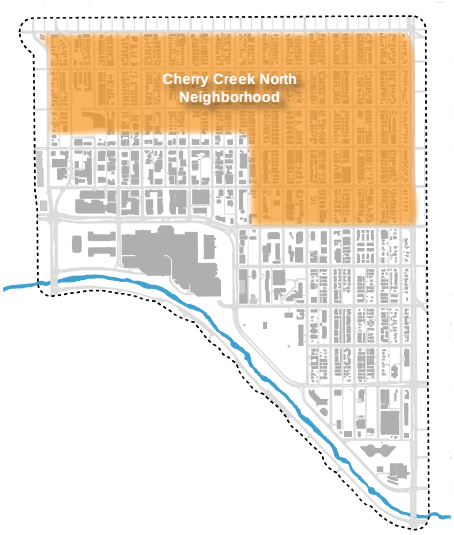


*CCN Transition - 8 stories at 2nd Ave and 4 stories at 3rd Ave

Maximum building heights map - Cherry Creek Shopping District

- Capitalize on shared parking opportunities so that private off-street parking could be shared among retailers as allowed in the Denver Zoning Code.
- In addition, a "park once and walk" strategy can have multiple benefits: reduces overall demand for parking; makes better use of parking supply; minimizes traffic searching for parking; and increases pedestrian traffic.
- A private parking district, through the BID or another entity, could take responsibility for managing all off-street parking and constructing new parking as needed. An off-street parking district relies on paid off-street parking to fund its capital and operating expenses.

Cherry Creek North Neighborhood



The Cherry Creek North neighborhood stretches across the northern edge of the Cherry Creek Area. It is an L-shaped area bounded by 6th Avenue on the north, Josephine on the west and Colorado Boulevard on the east. The southern boundary from Josephine to the Steele-Adams alley is the Cherry Creek Shopping District which extends about 150 feet north of 3rd Avenue; 1st Avenue forms the southern boundary of the remainder of the subarea.

The neighborhood is predominantly residential, though the character of the residential has been changing small bungalows replaced with large duplexes, row houses and single family houses. The neighborhood has developed an identity of being one of the most desirable and upscale residential areas in Denver. The chart below illustrates the housing types, number of housing units, average sizes, average assessed values, and total property tax generated in 2011, according to the City of Denver property records.

Cherry Creek North Neighborhood Housing Types, 2011

House Type	Number (%) Housing Units	Average S.F. (excluding basement)	Average Assessed Value	Total Annual Property Taxes (all houses)
1-Story Bungalow	165 (10%)	1214	$529,157	$465,285
2-Story Single Family	134 (8%)	3575	$1,604,601	$1,145,836
3-Story Single Family	11 (<1%)	4016	$1,462,145	$85,710
Condo	342 (22%)	1335	$454,747	$828,794
Single Family Attached*	938 (59%)	2454	$865,927	$4,328,473
Subtotal / Average	1590	2519	$983,315	$6,854,099
Apartments	75			
Total Residential Units	1665			

Source: Realty Resources; Real Property Records, City and County of Denver Assessor, 2011

*Single Family Attached includes duplexes, row houses and townhouses

Existing land use - Cherry Creek North neighborhood

Several exceptions to the predominant use and scale are important to note:

- Medium height residential buildings immediately north of the business district—two buildings on the 300 block of Detroit Street (4 stories and 5 stories); one building on the 300 block of Fillmore Street (4 stories);
- Mixed-use area consisting of a condo building, banks, offices, and retail between 1st and 2nd on Adams, Cook, and Madison and continuing east along the north side of 1st to Colorado; and,
- Retail uses in one-story buildings along the south side of 6th Avenue between Josephine and Steele.

Urban form and building form are consistent with the street grid. With few exceptions, buildings are oriented to the street and vehicular access is from the mid-block alley. Streets are narrow with detached sidewalks and tree lawns. On-street parking is provided on all streets. Sidewalks are lacking only in locations where older houses have not been replaced. Cherry Creek North is a highly walkable, bikeable neighborhood throughout. East-west transit service is available on the Route 6 (6th and 8th Avenues) and the 1st Avenue routes; north-south service is Route 40 on Colorado Boulevard and Route 24 on University/Josephine.

For the most part, zoning in the Cherry Creek North neighborhood reinforces the existing character. The core of the neighborhood is zoned G-RH-3, which allows for a mix of housing types and development patterns consistent with the current character of the neighborhood and building height of 30 to 35 feet. Portions of the 300 block Clayton, Detroit and Fillmore Streets are zoned G-MU-5, allowing for multifamily residential development up to five stories. Mixed-use zoned districts are located along the 6th Avenue retail strip and in the mixed-use area in the blocks northeast of Steele and 1st.

Community facilities within the neighborhood are limited to Manley Park and Bromwell School on the western edge of the neighborhood. Two of Denver's top public schools provide education to Cherry Creek North residential children. Bromwell Elementary School is located in CCN on the southwest corner of Columbine and 4th Avenue, and Steck Elementary School is east of CCN on Albion Street.

Cherry Creek North has seen much change over the past three decades: small bungalows, duplexes, row houses and single family homes.

Large Cherry Creek North Neighborhood duplex

Low scale retail on 6th Avenue

KEY ISSUES: CHERRY CREEK NORTH NEIGHBORHOOD

Residential character and scale. The Cherry Creek North neighborhood is a walkable upscale residential area with some embedded mixed-use areas. Boundaries between residential and mixed-use areas are well established. Recent development patterns have resulted in low scale development throughout the neighborhood, so transitions between adjacent mixed-use areas and residential areas in both scale and uses are important factors in maintaining the existing character.

Neighborhood traffic. Traffic counts on Cherry Creek North neighborhood streets indicate minimal increase since the 2000 Cherry Creek Area Plan despite substantial new residential and commercial development in the BID. Nevertheless, the perception remains that cut-through traffic, especially between 6th Avenue and the Shopping District, is prevalent. Despite this perception, there are few continuous streets through Cherry Creek North. The addition of regular stop control at alternating intersections is intended to prevent vehicles from easily cutting through the neighborhood.

Perimeter streets. Busy arterial streets lining Cherry Creek North's perimeter, specifically 1st Avenue and Colorado Boulevard can seem like barriers, presenting challenges for pedestrians and adjacent property owners, as described in the "A Connected Cherry Creek" chapter.

Parking. On-street parking is in higher demand in areas that directly border the Shopping District. While two-hour time restrictions discourage employees and visitors from parking in these locations, the CCN residential parking permit (RPP) program excludes residents from the time restriction in order to balance the on-street parking demands.

Pedestrian and bicycle connections. All streets within the Cherry Creek North neighborhood have comfortable pedestrian connections. Marked bike routes connecting to the local and regional system are lacking. Bicycle and pedestrian connectivity across arterial streets is also a challenge. Some sidewalk segments are lacking.

- East-West connections - 4th Avenue leads directly to Bromwell Elementary School and has traffic signals on Josephine and University couplet. 3rd Avenue leads directly to Cranmer Park east of Colorado and 5th Avenue leads directly to Steck Elementary School, also east of Colorado. These two streets have traffic signals to facilitate crossing of Colorado Boulevard.
- North-south connection on St. Paul - The St. Paul bike route extends from City Park to the Cherry Creek Greenway and provides access to the 7th Avenue Parkway bike lanes, but there is no marked bicycle facility and minimal signage associated with this route. The 6th Avenue "platooning" signal is located to the east of St. Paul. The Cherry Creek Greenway is difficult to access from St. Paul and 1st Avenue due to lack of signage and inadequate bicycle and pedestrian facilities on Steele Street.
- Connections across 1st Avenue - There is no designated bike connection between Cherry Creek North and Cherry Creek East across 1st Avenue. A clear route designation and bicycle facilities would provide Cherry Creek North residents with better access to Pulaski Park and the Cherry Creek Greenway. Garfield is the only signalized intersection between Steele and Colorado.

RECOMMENDATIONS: CHERRY CREEK NORTH NEIGHBORHOOD

Reinforce the residential character. Maintain and enhance the existing residential character and walkable environment of Cherry Creek North. New development will respect the predominant urban form of detached sidewalks, tree lawns, landscaped block-sensitive setbacks, alley access to structures, limited curb cuts, and building entry features that are visible from the street. Land uses should conform with existing boundaries between residential and mixed-use areas.

Recommended land use categories are depicted on the Future Land Use Map:

- **Urban Residential - Row House.** Continue to support a mix of housing types including single family, accessory dwelling units, duplexes and row houses.
- **Urban Residential.** Continue supporting a variety of housing types including low- and mid-rise multifamily, row house, duplex, single family and accessory dwelling units.
- **Pedestrian Shopping District.** Support a mix of uses on 6th Avenue including small scale neighborhood serving commercial and retail.
- **Regional Center and Town Center.** Continue to support a mix of uses including office, retail, commercial and multifamily residential. Support compact development patterns and an enhanced public realm including landscaping, wayfinding signage, pedestrian lighting, public art and inviting building entries. The Town Center areas act as an important transition between Regional Center and residential areas in scale and/or use.

Respect the existing scale. Retain the existing pattern of development intensity, with low scale buildings in the residential areas and mid-rise buildings in the transition area between 1st and 2nd Avenue and Steele and Monroe Street, per the Maximum Building Heights Map.

Monitor and discourage "cut-through" traffic. Traffic patterns should continue to be monitored with periodic traffic engineering studies. If traffic counts indicate that street capacity is exceeded, the city and neighborhood should work together to identify appropriate traffic management tools for the area.

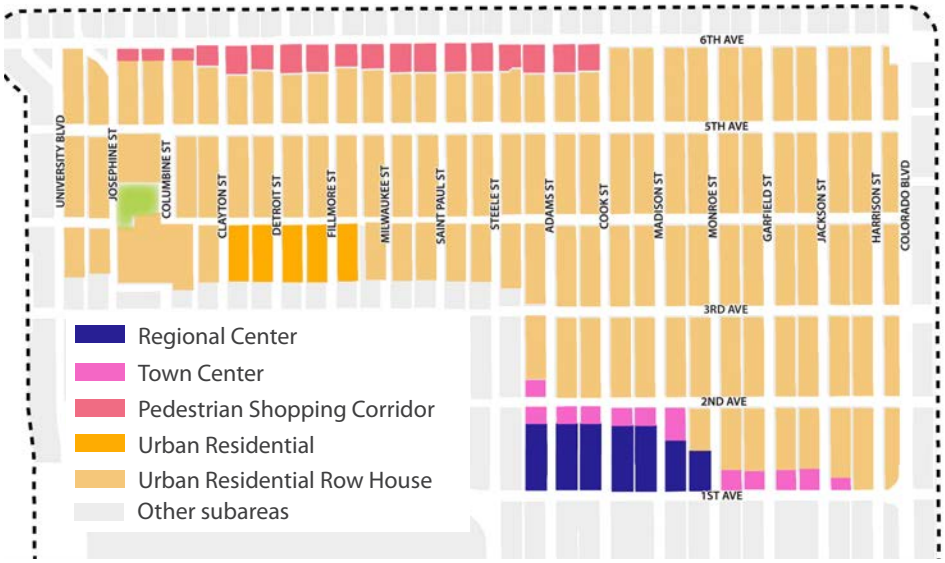
Implement "A Connected Cherry Creek" chapter recommendations regarding perimeter streets. Further study of Colorado Boulevard and finding funding for 1st Avenue improvements are important next steps in addressing challenges with perimeter arterials.

Continue the neighborhood parking permit program. The neighborhood parking permit program has limited visitor parking within the neighborhood. The program should be monitored to ensure consistent applicability of the intent of the residential parking permit program.

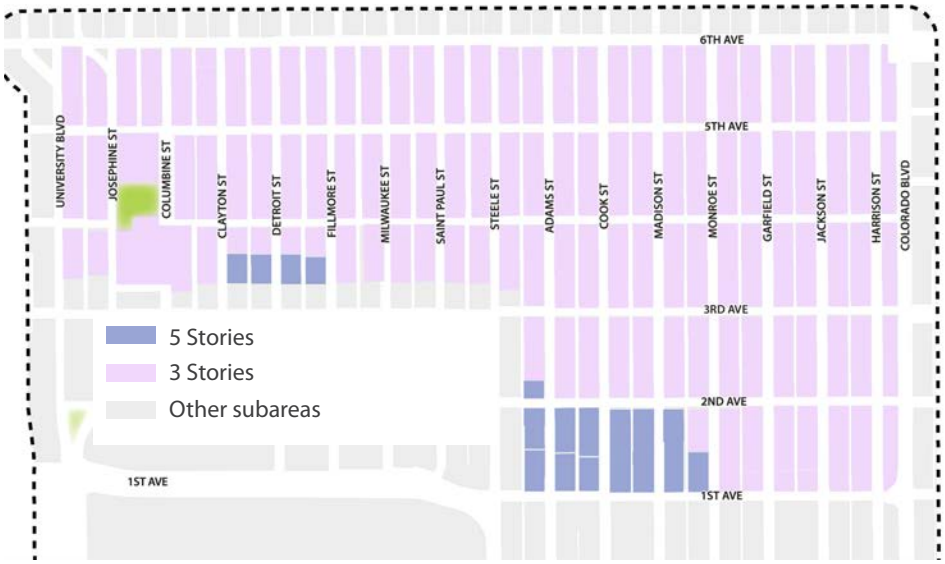
Improve pedestrian connections. Continue to require installation of sidewalks and tree lawns as new development occurs.

- 4th Avenue - Designate a bicycle boulevard along 4th Avenue connecting the Country Club neighborhood, across University Boulevard, to Bromwell Elementary and Manley Park. Include a bicycle connection through the park and continuing to the east. The bike route would turn south on Harrison Street to 3rd Avenue in order to cross Colorado Boulevard at a traffic signal; access to Steck is provided at 5th with a pedestrian activated signal. The 4th Avenue route would effectively connect residents with parks and elementary schools.

- St. Paul - Improve the St. Paul bicycle route by adding destination based signage and route markings. Consider moving the crossing signal on 6th Avenue west to facilitate crossing at St. Paul.
- Garfield bicycle boulevard - Designate a bicycle boulevard along Garfield Street using the traffic light at 1st Avenue to connect Cherry Creek North with Cherry Creek East, Cherry Creek Triangle and the Cherry Creek Greenway to the south and with 7th Avenue, Colfax and City Park to the north.

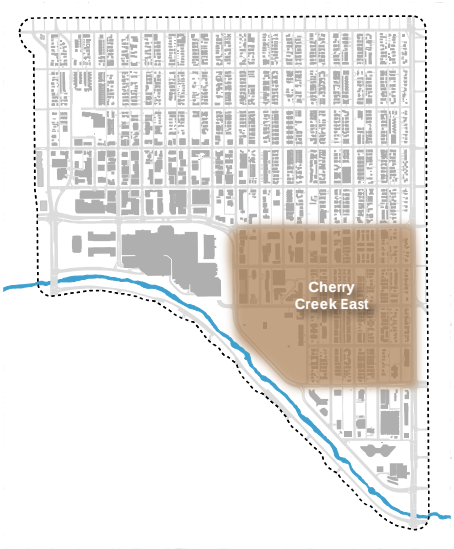


Future land use map - Cherry Creek North neighborhood



Maximum building heights map - Cherry Creek North neighborhood

Cherry Creek East



Located due east of the Cherry Creek Shopping Center, Cherry Creek East (CCE) is bordered by Steele Street, Cherry Creek North Drive, Alameda Avenue, Colorado Boulevard and 1st Avenue. This area supports a mix of residential and office uses and some of the highest residential and employment densities in all of Cherry Creek, as well as the greatest diversity of housing types. Cherry Creek East is cherished as a walkable place to live and work with easy access to great schools, parks and recreation, shopping and entertainment. As a result it has become one of Denver's most desirable neighborhoods for both residents and employees alike.

Madison Street serves to define two character areas: east of Madison Street is low- to medium-scale residential and west is a mid- to high-rise mixed-use area. Similar to the Cherry Creek North neighborhood, the eastern part of Cherry Creek East has seen much redevelopment over the last two decades. As a result, small cottage style houses have been replaced with duplexes, row houses, large single family homes, accessory dwelling units and multi-family structures. Building heights typically range from 1-3 stories, with some 4-5 story buildings along 1st Avenue and Alameda Avenue.

West of Madison, the district supports primarily high-rise residential and office uses with buildings reaching 16 stories. The development intensity and types of uses west of Madison are more consistent with development along the north side of 1st Avenue in the Shopping District. For this reason, this area between Madison and Steele is also considered part of the Shopping District Subarea. Cherry Creek East's "village center" is located at the intersection these two character areas and Pulaski Park at Bayaud and Madison.

The urban form in Cherry Creek East creates a walkable environment. Detached sidewalks, tree lawns and on-street parking as well as block-sensitive setbacks, alley access to structures, limited curb cuts and street-facing building entry features create a comfortable pedestrian realm. The majority of the area has PUD or Denver Zoning Code G-RH-3 zoning. Recent development has resulted in a mix of housing types and an urban form that enhances the character of the neighborhood.

West of Madison Street, Cherry Creek East is characterized by high rise residential and office buildings.

KEY ISSUES: CHERRY CREEK EAST

Aging undeveloped PUDs. There are nearly 100 individually adopted PUDs in Cherry Creek East and some of these properties have not been developed. Because PUD zoning typically does not provide the flexibility needed to react to the changing real estate market and updating a PUD entails a lengthy rezoning process, these unbuilt PUD projects create uncertainty for the owner and community.

Cherry Creek East design guidelines. The Cherry Creek East design guidelines promote high quality development throughout Cherry Creek East. These guidelines envision continued redevelopment of CCE as an urban, mixed-use neighborhood. The regulatory authority of these guidelines is not clearly established.

Pulaski Park/Gates Tennis Center. Pulaski Park and the adjacent Gates Tennis Center are important recreational assets for Cherry Creek East, Cherry Creek Greenway users, and the tennis community. Pulaski Park is underutilized because of it lack of access from the north, which limits use by neighbors, especially residents of Allied Jewish Housing. Challenges for daily use and activation include adjacent buildings turning their backs on the park, lack of a clear entry point from the north, and the tennis court screening. The playground has helped to attract families to the southeast corner of the park; however, few other amenities are in place for community gatherings or daily use.

Madison-Bayaud village center. This small commercial node has historically supported neighborhood-serving commercial uses such a sports bar and grill, a pilates studio and small office uses. Despite widespread growth and redevelopment in Cherry Creek East in the last two decades, this small commercial node has seen little reinvestment or redevelopment since the 1980s. Zoning is in place to support redevelopment; however, the streetscape needs improvement and existing buildings do not have pedestrian friendly ground floor use or design.

Pedestrian and bicycle connections. Pedestrian and bicycle connections across perimeter arterials can be challenging, which impacts connectivity between Cherry Creek East and adjacent subareas across Alameda, 1st Avenue and Steele Street, as well as between Cherry Creek East and the Cherry Creek Greenway.

- Access between Cherry Creek East and the Cherry Creek Greenway is challenging due to the configuration of the Alameda and Cherry Creek North Drive intersection.
- Access to the Shopping District via Ellsworth and Bayaud can be challenging for those with mobility impairments due to the high volumes of traffic and turning movements on Steele Street.
- Connections across Alameda between the Cherry Creek Triangle and Cherry Creek East can be challenging due to the high volumes of traffic on Alameda Avenue and the lack of crossing locations between Cherry Creek North Drive and Colorado Boulevard.

Stormwater. Drainage issues can create ponding and icing on local streets.

Harrison Street. Properties on the east side of Harrison have seen a continued lack of private investment. Existing buildings have deteriorated and vacant lots remain undeveloped. Challenges include adjacency with the heavily travelled Colorado Boulevard and its parkway setbacks, parcel depth, and access. Though there is a desire for change along Harrison to spark private investment, multiple property owners with varied goals, narrow block depth, lack of sidewalks, and high traffic volumes are all challenges.

Connectivity and lack of investment along perimeter arterials. Cherry Creek East is surrounded by busy arterials that create hard edges and inhibit multi-modal connectivity between Cherry Creek East and adjacent subareas. Properties adjacent to Alameda Avenue and Colorado Boulevard and portions of 1st Avenue have seen little reinvestment.

CHERRY CREEK EAST SUBAREA RECOMMENDATIONS

Reinforce the residential character. Maintain and enhance the existing character and walkable environment of Cherry Creek East. New development will respect the predominant urban form of detached sidewalks, tree lawns, landscaped block-sensitive setbacks, alley access to structures, limited curb cuts and building entry features that are visible from the street. Land uses should respect existing boundaries between residential and mixed-use areas.

Recommended land use categories are depicted on the future land use map:

- Urban Residential. Continue supporting a variety of housing types including low and mid-rise multifamily, row houses, duplex, single family and accessory dwelling units.
- Town Center. Support a mix of land uses including ground floor commercial with office or residential above.
- Regional Center. Continue to support a mix of uses including office, retail, commercial, multifamily residential and hotels. Support compact development patterns and an enhanced public realm including landscaping, wayfinding signage, pedestrian lighting, public art and inviting building entries.

Respect the existing scale. Enhance the existing pattern of development intensity with low scale buildings in the residential areas. Mid-rise buildings may be appropriate near Alameda and Colorado. The mixed-use area between Steele and Madison will remain the most intensely developed portion of the neighborhood, with building heights ranging from 5 to 12 stories, per the maximum building heights map.

Rezone PUDs. As opportunities arise with new development or property owner interest, property owners and neighborhood representatives will work together with the City to determine an appropriate Denver Zoning Code district that serves to implement this plan.

Formalize the Cherry Creek East design guidelines. Review and the revise the contents of these guidelines and the area to which they apply. Adopt as rules and regulations through Chapter 12, Revised Municipal Code.

Activate Pulaski Park. Work with Parks and Recreation and the Gates Tennis Center to make the northern entrance to the park more visible and more accessible to all Cherry Creek East residents. Also consider longer term actions to activate the park and to encourage daily use.

Create a "village center". The mixed-use node at the intersection of Madison and Bayaud has long been envisioned as a village center for Cherry Creek East.

- Encourage property owners to reinvest and redevelop in manner that results in a vibrant mixed-use node, including ground floor commercial with office or residential uses above. Small scale, neighborhood-serving retail and commercial uses are encouraged.
- Upgrade the streetscape with detached sidewalks and landscaped tree lawns. Desired enhanced streetscape amenities include removal of the median, on-street parking, curb extensions, pedestrian lighting, benches, and trash receptacles.
- Any reinvestment or redevelopment occurring on the southwest corner should incorporate access to and visibility of Pulaski Park into the design of the structure. Ideas include patio seating fronting the park, and high degrees of transparency on the street and park facades. Such strategies add vibrancy both to the park and the village center.

Improve pedestrian and bicycle connections.

- Utilize the bike connections at Garfield and Steele/St. Paul as the primary connections for Cherry Creek East residents accessing the Cherry Creek Greenway or neighborhoods to the north.
- Improve pedestrian crossings of Steele Street at Ellsworth and Bayaud

- Stripe bike lanes on Bayaud to connect west to the bike route on Steele Street
- Improve north/south pedestrian crossings of Alameda as part of the Alameda Parkway project and of 1st Avenue as part of the East 1st Avenue project.

Stormwater improvements. In addition to implementing the improvements recommended in the Stormwater Master Plan and the Cherry Creek Stormwater Study, look for opportunities to incorporate sustainable stormwater technologies, such as green streets, where possible. Cherry Creek East's wide streets may be appropriate for green street elements.

Address Harrison Street challenges associated with Colorado Boulevard. As part of visioning for Colorado Boulevard, study appropriate mechanisms for improving redevelopment opportunities for properties between Harrison Street and Colorado Boulevard. Having a comprehensive vision in place for Colorado Boulevard will help clarify appropriate strategies and phasing for Harrison Street revitalization. The vacant properties at 1st between Harrison and Colorado are especially important to creating a gateway into the Cherry Creek Area.

Encourage private reinvestment along perimeter streets. As recommendations for Alameda, Colorado, 1st and Steele are implemented, encourage private investment through appropriate public policy actions. High quality development that enlivens the street is a key component of a quality pedestrian experience.

- The northwestern corner of CCE (block between 1st and Ellsworth, Steele and Adams) should be developed with a mix of uses creating a visually iconic landmark at the corner of 1st and Steele which transitions to lower heights toward the southeast.
- Encourage the redevelopment of the existing vacant lots at the corner of 1st and Colorado. Reconfiguring the intersection to create regularly shaped parcels may facilitate redevelopment.

Improve Bayaud Street. Encourage the reconfiguration of Bayaud to include bike lanes, sidewalks, tree lawns and improved urban design. As deemed necessary, introduce traffic management strategies to reduce vehicular impacts.

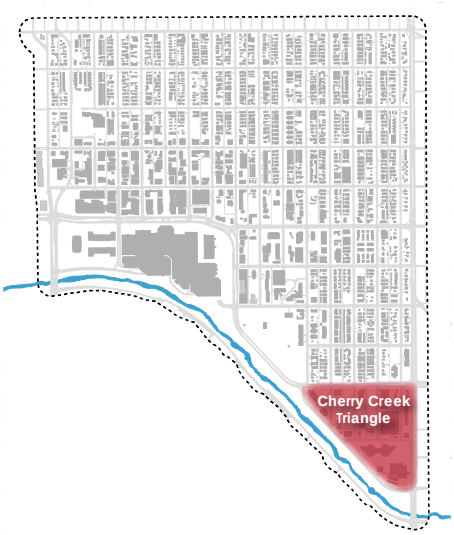
Future land use map - Cherry Creek East neighborhood

- Regional Center
- Town Center
- Urban Residential
- Other subareas

Maximum building heights map - Cherry Creek East neighborhood

- 12 Stories
- 8 Stories
- 5 Stories
- 3 Stories
- Other subareas

Cherry Creek Triangle



Cherry Creek Triangle is located in the southeastern corner of the Cherry Creek Area, just south of Cherry Creek East. It is bounded on all sides by highly travelled arterials including Alameda Avenue to the north, Colorado Boulevard on the east, and Cherry Creek North Drive and the Cherry Creek Greenway on the southwest. Across Colorado Boulevard from Cherry Creek Triangle is the City of Glendale.

Cherry Creek Triangle supports nearly 2,000 jobs and over 300 households within a wide range of land uses, including large office towers such as the Ptarmigan Place, smaller office buildings, new multifamily residential structures such as Monroe Point and Talvera, small scale commercial that primarily serves Colorado Boulevard vehicle traffic, and a Holiday Inn hotel. Numerous large parcels remain vacant or underdeveloped as surface parking lots, offering much opportunity for infill development to create a vibrant mixed-use district. Both sides of Colorado Boulevard have significant regional and local retail destinations.

KEY ISSUES: CHERRY CREEK TRIANGLE

Challenging access and connectivity. Vehicles cannot easily access Cherry Creek Triangle from westbound Alameda, northbound Colorado or southbound Cherry Creek North Drive. This challenge will grow as population and employment densities increase in Cherry Creek Triangle. Existing access to Cherry Creek Triangle also impacts pedestrian movement across these three arterial streets that surround Cherry Creek Triangle somewhat isolating it from adjacent areas. Poor access to the Cherry Creek Greenway and associated parks makes it challenging for people living and working in Cherry Creek Triangle to make use of this major public amenity located across the street. Likewise, it limits the use of the Cherry Creek Greenway as a commuting option for people living and working in Cherry Creek Triangle.

Iconic redevelopment in Cherry Creek Triangle will help to forge an identity for the district.

Internal circulation. Circulation within Cherry Creek Triangle is challenging due to the extra long north/south dimensions of the block structure resulting in Dakota being the only east-west connection. This means that people trying to circulate within the subarea have to rely on Dakota and Alameda for their east/west connections. Also, Dakota near Colorado Boulevard is substandard and does not accommodate two-way traffic.

Walkability. Sidewalks internal to Cherry Creek Triangle are narrow, sloping, attached to the streets and intersected by many driveways, resulting in a challenging pedestrian environment. Recent projects have responded by creating a pedestrian system of improved detached sidewalks with tree lawns and landscaping.

Bikability. Cherry Creek Triangle is served by the Cherry Creek Greenway, a major regional bicycle corridor. However, no existing bicycle facilities actually enter into Cherry Creek Triangle that provide residents and employees of Cherry Creek Triangle more direct and intuitive access to the Greenway. Additionally, no B-Cycle station exists within the subarea.

Connections to the City of Glendale. The City of Glendale, located across Colorado Boulevard from Cherry Creek Triangle, has a population of nearly 5,000 people and is growing. Glendale's proposed Riverwalk development is projected to result in 1.5 million square feet of new retail, entertainment, office and hotel development. This riverwalk is located directly across from Cherry Creek Triangle along the Cherry Creek Greenway with its main access at the intersection of Cherry Creek Drive North and Colorado Boulevard.

Unpredictable zoning. Most properties within Cherry Creek Triangle are zoned B-4 with a variety of waivers and conditions. This zoning district includes no form standards to ensure an improved development pattern as the subarea redevelops. As a result, the B-4 zoning will result in development patterns that do not promote continued urban design improvements reinforcing such elements as uniform building setbacks, screened parking and appropriate building mass and scale. The waivers and conditions placed on existing zoning are difficult to understand and predict, reducing the certainty of what can be built and negatively impacting future investment.

Transit access. Cherry Creek Triangle is serviced by RTD bus routes 1, 3L, 83L, 79L, 40 and DD. Ridership is high, with over 3000 people boarding and alighting at the intersection of Alameda and Colorado. As Cherry Creek Triangle continues to grow, better transit connections will be necessary to serve the residents and employees of this urban district and connect Cherry Creek Triangle to Cherry Creek Shopping District and Glendale.

Cherry Creek Triangle neighborhood identity. Cherry Creek Triangle does not currently have a strong neighborhood identity. The area lacks consistency in streetscapes, architectural and urban design quality. Cherry Creek Triangle's mix of uses and buildings does not result in a synergistic character. The subarea contains no public spaces, "village center" or other amenities around which to organize development and create a sense of community and an identity. Cherry Creek Triangle does not take advantage of its prime location adjacent to the Cherry Creek Greenway, between the Cherry Creek Shopping District and the City of Glendale. Property owners, businesses and residents do not benefit from organized partnerships like those in place for the rest of Cherry Creek.

Harrison Street. Harrison Street, as currently configured, serves as a service street for Cherry Creek Triangle.

Alameda Parkway. Alameda creates a hard edge and inhibits multi-modal connectivity between Cherry Creek Triangle and Cherry Creek East. Properties adjacent to Alameda Avenue and Colorado Boulevard have experienced a lack of investment.

Cherry Creek Triangle needs to embrace its prime location by adding more density, a greater mix of uses, and orienting buildings toward perimeter streets and especially toward the Cherry Creek Greenway.

CHERRY CREEK TRIANGLE RECOMMENDATIONS

Improve connectivity and access across perimeter arterials.

- Continue to monitor traffic patterns on Alameda Parkway and appropriate north-south crossing locations to facilitate pedestrian and bike connections such as the proposed bicycle boulevard on Garfield.
- Study the potential to reconfigure the Cherry Creek North Drive and Dakota/Garfield intersection with the objective of simplifying the intersection and shortening the crossing distance between Cherry Creek Triangle and the Cherry Creek Greenway.
- Work with the City of Glendale and CDOT to improve the intersection of Cherry Creek North Drive and Colorado Boulevard. This will be a primary access point between Cherry Creek Triangle and Glendale's proposed Riverwalk development. This intersection will need to accommodate high levels of pedestrian and vehicle traffic as redevelopment occurs.

Improve internal circulation.

- Improve east/west connectivity - As development concepts are reviewed, work with property owners to find opportunities to improve internal street circulation.
- Improve Dakota, especially near Harrison Street, to meet minimum Public Works street standards, including accommodating one traffic lane in each direction and separated sidewalks.

Improve the pedestrian realm. Cherry Creek Triangle is included in the Cherry Creek Pedestrian Priority Zone. As such, pedestrian mobility should be considered a high priority as streets are reconstructed in this district. The "A Connected Cherry Creek" chapter includes details on the Pedestrian Priority Zone and the Pedestrian Priority Zone toolkit.

Bicycle improvements. The Garfield bicycle boulevard will connect Cherry Creek Triangle directly to the Cherry Creek Greenway via a proposed traffic signal and a reconfigured "Y" shaped intersection at Garfield/Dakota and Cherry Creek North Drive. A bike/ped bridge is also proposed over the creek at or near this traffic signal. The Garfield bicycle boulevard will also connect north across Alameda Avenue, through Cherry Creek East and all the way to City Park.

Encourage positive change to create a vibrant, urban mixed-use district.

- Cherry Creek Triangle remains an area of change, meaning growth and reinvestment should be encouraged. Its prime location, existing mixture of uses, economic development opportunities and access to transit service create an ideal location for encouraging residential, commercial, and employment growth.
- New development should continue to include a mix of land uses, especially office and residential. These uses should continue to be integrated into the neighborhood and serve residents, employees and visitors. Commercial uses on Colorado Boulevard should be better integrated into the fabric of Cherry Creek Triangle.
- New development within the Triangle should respond to the surrounding conditions of parkways, greenways and other development. Special attention should be placed on the Greenway edge of the Triangle to enhance visibility and connectivity to this important amenity. Street facing entries and ground floor transparency will be key elements for activating the pedestrian realm.
- Vehicle access to buildings should be through alleys or service roads. Locate parking in centers of blocks and wrap with active uses on the street. To encourage a walkable district, parking should not be permitted between the building and the street.

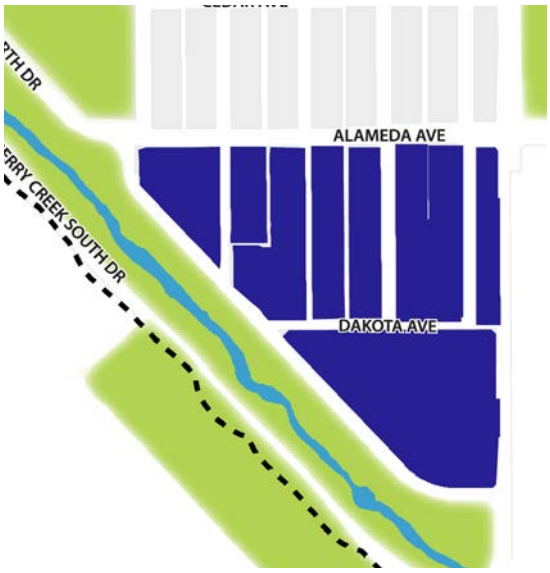
- Appropriate building mass transitions are important adjacent to Cherry Creek East to integrate development and reinvestment into the area. Maximum building heights will range from 5 to 12 stories, with a 5-story edge along Alameda to respond to lower scale residential on the north side of the street. This transition may be accomplished through variations in building height, upper story setbacks or other mass and scale alternatives.
- Adopt form-based and context-based zoning for Cherry Creek Triangle properties to encourage predictable development patterns that reinforce the development quality of Cherry Creek Triangle.

Support better regional connectivity. As described in the "A Connected Cherry Creek" chapter, transit connections between Cherry Creek and downtown Denver, as well as to DIA, and other locations are prioritized to keep Cherry Creek competitive within the region. Direct and convenient transit links between Cherry Creek Triangle and the region are important to this connectivity.

Mid-rise, mixed-use building on a transit line

Create an identity for Cherry Creek Triangle.

- Embrace Cherry Creek Triangle's prime location connecting the Cherry Creek Shopping District and the City of Glendale along the Cherry Creek Greenway.
- Improve placemaking. New infill development should improve the public realm including improved streetscapes and urban public spaces as included in the Pedestrian Priority Zone. Better placemaking will create an identity for Cherry Creek Triangle drawing both residents and employees.
- Create Partnerships. Establishing partnerships would give Cherry Creek Triangle businesses, property owners and residents a common voice, a forum to discuss issues and potentially a means to create a marketing and branding scheme for the area and implement area improvements.



Future land use map - Cherry Creek Triangle

Regional Center
Other subareas

Maximum building heights map - Cherry Creek Triangle

12 Stories
8 Stories
5 Stories
Other subareas

Moving Forward

REALIZING THE VISION

Plan implementation takes place over many years and is the result of large and small actions by the public sector and the private sector, sometimes in partnership. Plan recommendations are intended to provide direction for the actions that are now seen as means to achieve the plan vision. These recommendations are just that because the future will bring unforeseen opportunities and challenges. A successful plan serves a guide to realize the vision for the Cherry Creek Area.

IMPLEMENTATION ACTIVITIES

Blueprint Denver identifies three types of implementation activities: regulatory or policy, public investment, and partnership. These activities focus on public sector actions, many of which create a positive environment that enables actions by other groups, such as property owners, developers, neighborhood organizations, districts or homeowners. These private actions such as constructing new buildings and houses, opening new businesses, and attracting new residents are the most critical elements to implementing the plan vision.

Regulatory and policy strategies change City codes or regulations to affect desired outcomes. Typical examples include Denver Zoning Code text and map amendments, Public Works requirements for infrastructure improvements associated with development projects, and Parks and Recreation requirements regarding open space and plantings.

Regulatory or policy implementation priorities:

- C-CCN Land Use Regulation
  - Revise the C-CCN zone district to better realize the plan goals for distinctiveness and prosperous
  - Evaluate the Cherry Creek North Design Standards and Guidelines and modify if necessary to supplement the plan goals and revised zoning
- Cherry Creek East Design Standards and Guidelines
  - Review the Cherry Creek East Design Standards and Guidelines for clarity and consistency with the plan goals
  - Adopt as rules and regulations through Community Planning and Development

Public investment strategies are those involving public funding of public infrastructure. Examples include street reconstruction, bike lanes, new transit lines, park improvements, or new or expanded recreation centers. The City takes the lead in designing, constructing, and funding these projects and may use a variety of public funding sources such as the annual Capital Improvements Program, bond funds, or state or federal grant programs.

In several cases, public transportation projects are identified as studies because the impacts and consequences of a particular improvement on the transportation system is so complex that the broader system must be examined to determine the feasible options to meet the intent. In many cases, extensive study is needed to meet eligibility criteria to apply for federal funding.

Public investment implementation priorities:

- 1st Avenue/Speer priority transit corridor
  - Seek funding to initiate feasibility study for this regional corridor
  - Continue to seek funding for studies and preliminary design to obtain eligibility for federal funding
- Alameda Parkway design and construction
  - Initiate preliminary design
  - Identify potential funding sources such as General Obligation Bond and complete necessary studies and cost estimates
  - Cherry Creek interests advocate for funding
  - Complete design and construction

- 1st Avenue (Steele to Colorado)
  - Initiate preliminary design
  - Identify potential funding sources such as the Capital Improvement Program and budget and complete necessary studies and cost estimates
  - Cherry Creek interests advocate for funding
  - Complete design and construction
- Bike connections to the Cherry Creek Greenway
  - Confirm connection types along Steele, 1st and University
  - Coordinate with Shopping Center for short and long-term bike and pedestrian connections to the Cherry Creek Greenway and Cherry Creek North and East
  - Initiate connection on Garfield to the Greenway.

Partnership strategies represent the most diverse category. Public-private partnership (PPP) activity has expanded exponentially and has gone well beyond public subsidy of a private development project. Increasingly, public-private partnerships are being used to fund public infrastructure projects. Denver Union Station and RTD's East and Gold lines are among the largest PPP projects in the country. Another example is reconstruction of 14th Street as the Ambassador Street using City Bond funds and a property-owner approved General Improvement District.

Partnership implementation priorities

- Citywide retail strategy
- Shopping District organization

CHAMPIONS AND ADVOCATES

Once a plan is adopted as a supplement to the Comprehensive Plan, the City has direction to implement the plan. Given the number of plans providing this direction, competing interests in the city, and the budget issues at all levels of government, little plan implementation is undertaken without champions for certain actions and advocates for the plan area. Typically registered neighborhood organizations work with the mayor and their City Council representatives to promote certain actions and outcomes. Membership organizations such as merchant associations, business partnerships, and nonprofits do the same for business areas. The Downtown Denver Partnership's focus on implementation of the Downtown Area Plan both as part of their organizational work program and their advocacy with the City is one example of a concerted effort at implementing a plan.

PUBLIC FUNDING SOURCES

Funding sources, especially for public investment and partnership actions, available to public and private entities are continually evolving based on economic, political, legal and neighborhood objectives. Though the names and purposes of funding sources change over time, they fall into three distinct categories.

- Tax Base Support. Tax base supported sources are characterized by the involvement of the local sales and property taxing authorities. The most common tax base support is through the City's annual budget, especially the annual Capital Improvements Program (CIP). Periodically, the City requests its voters to approve a tax increase to pay for specific public improvements. For instance, the citizens of Denver voted in 2007 to raise their

property taxes in a specific amount to support the issuance of over $500 million Better Denver Bonds whose proceeds funded 290 specific public improvements.

- Tax increment finance (TIF) is another means of tax-base support most typically associated with an Urban Renewal Area. Once created by the City Council and Denver Urban Renewal Authority (DURA), property and sales tax over and above the base year are paid to DURA to fund eligible public improvements or financing gaps for private development. To qualify for tax increment financing through urban renewal, an area must meet certain criteria to establish "blight", as defined in state statute.
- Grants. Grants come from public agencies that are interested in encouraging a specific outcome and these grants typically include specific conditions and requirements as to how the funds may be deployed. For instance, a state or federal transportation grant will need to be used for street, mass transit, or regional mobility studies or projects. The Office of Economic Development receives federal funds to support certain types of housing projects. Additionally, foundations provide grants for projects aligned with the organization's goals, such as green spaces, creative enterprises or social services.
- Special Districts. The city charter and state statute enable various types of districts to be created. Examples of special districts include business improvement districts (such as the Cherry Creek North BID), metropolitan districts, local improvement or maintenance districts, and general improvement districts. The districts are classified as special because they are typically created by a localized group of citizens who want to achieve specific outcomes in their locality and are willing to pool their economic resources in order to implement identified projects. For example as in Cherry Creek North, if a majority of business owners desire to improve the streetscape of the street in which they operate, the businesses could organize a business improvement district which would assess the participants an amount of money sufficient to pay for the project. Special districts are a useful tool when a localized population desire and are willing to pay for an enhanced level of public improvement. District revenues can be used to pay for improvements on a "pay-as-you-go" basis, for ongoing operations and maintenance, or to support payment of bonds. Special districts typically require a vote of the electorate within the area and approval of Denver City Council.

PARTNERSHIP TOOLS

In addition to special districts, a variety of public-private partnerships or private organizations will be instrumental in plan implementation. As states and communities reduce use of urban renewal and tax increment finance for improvements, some of these other organizational types will come into broader, more innovative use. Some examples of these organizations include: community development corporations, membership organizations, nonprofits or foundations, parking districts, and transportation management organizations. Quite a number of these organizational types already exist in the Cherry Creek Area. Implementation of the Cherry Creek Area Plan will call on these organizations and others to pursue a variety of activities with existing and new funding sources and coordinated effort among them.

CHERRY CREEK AREA FRAMEWORK PLAN IMPLEMENTATION

RECOMMENDATION	IMPLEMENTATION TYPE
A. A CONNECTED CHERRY CREEK	
■ A.1 Connect to the Region	
▪ A.1.A Improve bus service	Partnership
▪ A.1.B Study priority transit corridors	Public investment
▪ A.1.C Add person-trip capacity	Public investment
▪ A.1.D Recognize priority transit corridors	Public investment
■ A.2 A Walkable Cherry Creek	
▪ A.2.A Pedestrian priority zone	Partnership
▪ A.2.B Pedestrian priority intersections	Partnership
▪ A.2.C Sidewalk improvements	Partnership
■ A.3 A Bikeable Cherry Creek	
▪ A.3.A Expand network and improve Greenway connections	Public investment
▪ A.3.B A more intuitive wayfinding system	Public investment
▪ A.3.C Bring back "The Bike Rack"	Partnership
▪ A.3.D Expand B-Cycle station locations	Partnership
■ A.4 Multi-modal Streets	
▪ A.4.A Improve the Alameda Parkway	Public investment
▪ A.4.B Improve 1st Avenue (Steele-Colorado)	Public investment
▪ A.4.C 1st and Steele intersection	Public investment/Partnership
▪ A.4.D Colorado Boulevard	Public investment
B. A DISTINCTIVE CHERRY CREEK	
■ B.1 Target Growth Appropriately	
▪ B.1.A Areas of Stability	Regulatory
▪ B.1.B Areas of Change	Regulatory
■ B.2 Enhance the Pedestrian Nature and Character	
▪ B.2.A Streetscape	Partnership/Private investment
▪ B.2.B Architecture	Regulatory/Private investment
▪ B.2.C Land use	Regulatory
■ B.3 Concentrate Economic Activity	
▪ B.3.A Higher intensity building locations, multi-modal streets, etc	Regulatory
▪ B.3.B Moderate scale development in mixed-use areas of change	Regulatory
▪ B.3.C Appropriate transitions using design strategies	Regulatory
▪ B.3.D Prominent development at key vistas	Regulatory/Private investment
■ B.4 Great Neighborhoods	
▪ B.4.A Respect the existing character of stable residential areas	Regulatory
▪ B.4.B Encourage the evolution of mixed-use neighborhoods	Partnership/Private investment
▪ B.4.C Investment and development in emerging neighborhoods	Partnership/Private investment

C. A **GREEN** CHERRY CREEK	
■ C.1 Cherry Creek Greenway	
▪ C.1.A Improve visual and physical access	Public investment
▪ C.1.B New bike/ped bridges	Public investment
▪ C.1.C Parkways-University and Cherry Creek Drive North and South	Public investment
■ C.2 Parks	
▪ C.2.A Pulaski Park	Public investment/Private investment
▪ C.2.B Burns Park	Public investment
▪ C.2.C Manley Park	Public investment
■ C.3 Streets and Streetscapes	
▪ C.3.A CCN Festival Streets	Partnership
▪ C.3.B Fillmore Plaza	Partnership
▪ C.3.C Streetscapes and pedestrian amenities	Partnership
▪ C.4.D Privately owned public space	Private investment
D. A PROSPEROUS CHERRY CREEK	
■ D.1 Economic Vitality	
▪ D.1.A Synergistic mix of uses	Private investment
▪ D.1.B More housing	Private investment
▪ D.1.C Importance of visitors	Private investment
▪ D.1.D Walkability equals prosperity	Partnership
▪ D.1.E Creating community	Partnership
■ D.2 Reinvesting in the Future	
▪ D.2.A Local character/national prominence	Private investment
▪ D.2.B Development opportunities	Private investment
▪ D.2.C High quality development	Regulatory/Private investment
▪ D.2.D Multi-modal streets	Public investment
▪ D.2.E Locational advantage and access	Private investment
▪ D.2.F Stormwater improvements	Public investment
■ D.3 Organization and Identity	
▪ D.3.A Shopping District organization	Partnership
▪ D.3.B Perimeter street gateways	Private investment
▪ D.3.C Citywide retail strategy	Partnership

Glossary

Access – The ability to reach desired goods, services and activities. Access also refers to the ability to get into and out of a particular piece of property. See "mobility".

Alley – Narrow access ways mid-block, at the rear of residential and business properties.

Alternative Transportation – Travel by means other than a car. Light rail, commuter rail, bus, bicycling and walking are often grouped together under this heading. Also referred to as "active transportation".

Area of Change – Locations where Denver intends to direct residential and employment growth taking advantage of existing and planned transit and infrastructure.

Area of Stability – Locations that represent an established character to enhance as reinvestment and redevelopment occur.

Arterial – Major roadway designed to provide a high degree of mobility and serve longer vehicle trips to, from, and within major activity centers in Denver and the region.

Bicycle Facilities and Amenities – Includes bike routes, lanes and paths which are interconnected, safe and attractive; bike parking and storage (racks & lockers). These efforts are further defined by Denver Moves.

Bike Station – Attended bike-transit centers that offer secure, covered, valet bicycle parking and other amenities.

Blueprint Denver – Denver's citywide land use and transportation plan adopted in 2002. This plan defines areas of change and stability.

Bulb Out – See curb extension.

Bus Circulator or Shuttle Bus – A bus providing more localized bus service for a specific area -- such as a transit station, shopping area, employment center, the Downtown area, or other activity center.

Bus Rapid Transit – Buses using and occupying a separate right-of-way for the exclusive use of public transportation service.

Capital Improvement Program – Scheduled infrastructure improvements as part of a city budget.

Collector – A roadway that collects and distributes local traffic to and from arterial streets, and provides access to adjacent properties.

Complete Streets – The practice to promote safe and convenient access for all users along and across travelways.

Comprehensive Plan 2000 – The Denver Comprehensive Plan 2000.

Curb Extension – An area where the sidewalk and curb are extended into the parking lane, resulting in a narrower roadway, usually to shorten pedestrian crossing distance. (Often referred to as a "bulbout" or "neckdown")

Density – also referred to as intensity. The quantity of development as measured by dwelling units or square feet on a certain amount of land.

DRCOG – Denver Regional Council of Governments. The Metropolitan Planning Organization for the Denver region.

Floor Area Ratio (FAR) – The ratio of the gross floor area of a building to the area of the land on which it rests.

Frontage – The part of a lot that touches a street.

Geographic Information System (GIS) – Computer generated maps based on data such as land use or population.

Green Streets – Streets with additional landscaping, often linking parks. Defined in the Parks Game Plan.

Infill Development – Development on vacant properties in developed areas.

Infrastructure – Public improvements such as roads and traffic signals, sidewalks and bicycle paths, parks, water and sewer lines, power and telecommunication lines.

Landmark Streets – Streets, typically historic parkways, designated as landmarks under Chapter 30, RMC.

Land Use Regulation – The collection of City laws, codes, and design guidelines used to evaluate proposals for private development.

Light Rail – A rail system with vehicles operating on a fixed track and powered by an overhead electric power source.

Living Streets – A collaborative approach to re-imagining the design of street rights-of-way to accommodate a variety of modes including pedestrians, transit, bicycles and vehicles.

Local Street – A neighborhood or minor street that provides access to adjacent properties only. Mobility on local streets is typically incidental and involves relatively short trips at lower speeds to and from collector streets.

Medians – A linear strip of island in the center of a street often planted with trees, bushes and other landscaping.

Metro Vision – DRCOG's long-range growth strategy for the Denver region. Metro Vision is updated every five years. The current plan is Metro Vision 2035 and 2040 is underway.

Mixed-Use Development – Mixes of residential, commercial and office space within the same buildings and districts.

Mobility – The ability to move from one place to another, or movement of people and goods from one place to another. See "access".

Multi-Modal Streets – Streets that accommodate multiple modes of travel including rapid transit (bus and rail options), bicycles, pedestrians, and vehicles.

Off-Street Parking – Parking that is provided outside of the right-of-way of a public street, typically in a surface parking lot or parking structure.

On-Street Parking – Parking that is provided within the right-of-way of a public street, typically in designated parallel or diagonally striped spaces adjacent to moving traffic lanes.

Parking Management – A tool to address localized parking issues, e.g. Colorado Health Center District, Old South Gaylord area, Commons Neighborhood in the Platte Valley.

Parking Ratio – A ratio expressing the number of parking spaces per dwelling unit, or per certain amounts of square footage of commercial space (office or retail space).

Pedestrian-Friendly – Street design that facilitates safe, comfortable and attractive pedestrian travel.

Pedestrian Realm – Sidewalks, pedestrian signals, crosswalks, benches and other amenities designed to improve the pedestrian friendly nature of both the mixed-use and residential areas.

Person Trips – An estimate of the total number of people moving along a corridor in a variety of transportation modes. Estimate is derived from travel behavior data collected by DRCOG.

Planned Unit Development (PUD) – Specific zoning for a specific parcel of land.

Priority Transit – Frequent, convenient, high quality transit serving both the local and regional needs of the transit system connecting Cherry Creek to Downtown, DIA and other important regional locations.

Public-Private Partnership – An agreement between a public agency (federal, state or local) and a private sector entity through which the skills and assets of each sector are shared in delivering a service or facility for the use of the general public.

Regional Transportation District (RTD) – The regional public transportation agency for the Denver metro area.

Scale – The relative proportion of the size of different elements of the built environment to one another; the measurement of the relationship of one object to another.

Setback – The distance a building is set back from the property line.

Shared Parking – Combining parking spaces for different uses that require peak parking at different times of the day.

Special Improvement Districts – Organizational and financing mechanisms authorized in State Statute and City Charter involving special tax assessments and fees to build, operate, and/or maintain public infrastructure. Examples include Business, General and Local Improvement Districts.

Streetscaping – Physical amenities added to the roadway and intersections, including lighting, trees, landscaping, art, surface textures and colors and street furniture.

Stormwater Improvements – Facilities to control surface runoff from precipitation; alleys, curbs and gutters, and intersection drainage ("cross-pans"), in addition to underground pipes are components of the system.

Structured Parking – Parking that is provided in a structure, either above or below grade, as opposed to surface parking.

Sustainability – The long-term social, economic and environmental health of a community. A sustainable city survives today without compromising the ability of future generations to meet their needs.

Traffic Calming – Methods used to reduce vehicular speed and volume, and increase the sharing of streets by pedestrians and other users.

Traffic Management – Includes various "traffic calming" strategies to address pedestrian safety, traffic speed and cut-through traffic in neighborhoods.

Transit – Public transportation by bus, rail, or other conveyance.

Tree Lawn – The strip of land, usually vegetated, between the sidewalk and street.

Urban Design – Involves the social, economic, functional, environmental, and aesthetic objectives that result in the plan or structure of a city, in whole or in part.

Zoning – Basic means of land use control used by local governments. It divides the community into districts (zones) and imposes different land use controls on each district, specifying the allowed uses of land and buildings, the intensity or density of such uses, and the bulk of buildings on the land.

Zoning Code – The compilation of land use regulations for the City. It includes definitions and land use, and building size and location requirements by zone district.

Reference Appendices*

Cherry Creek North Urban Form Study
Cherry Creek Shopping District Development Study

*Reference appendices are intended to provide direction for future implementation actions. As such, they will provide important guidance, but are not adopted as part of the Cherry Creek Area Plan.

Cherry Creek Shopping District Development Study
Performed by KHO Consulting on behalf of the City of Denver Planning Department
Final Report – February 13, 2012

Executive Summary

KHO Consulting (KHO) was engaged by the City and County of Denver (City) Community Planning and Development Department (CPD) to perform a development feasibility analysis to answer the following questions as they relate to the Cherry Creek North (CCN) study area:

- To what extent does unused development capacity exist within existing C-CCN zoning and why has it not been utilized fully?
- Given the cost of land in Cherry Creek, does development capacity have to increase to make projects feasible from a real estate development perspective?
- What would be the effects (in terms of development feasibility, residential and employment density, and quality of the built environment) of adjusting maximum building heights and building form in CCN, as proposed in the preliminary area plan concepts? Is there a set of "optimal" building heights in Cherry Creek North on 2nd and 3rd Avenues for encouraging feasible investment while also maintaining transitions into the residential neighborhood to the north?
- What market exists for additional hotels, types of hotels, and what types of locations make sense for new hotels?

The answers to these questions can help guide the City as to whether current public policy serves to support or impede reinvestment in Cherry Creek North. When combined with an agreed upon vision for CCN, the feasibility models can also provide insight into which public policy strategies will best bring that vision to fruition.

Development Study Methodology

KHO utilized stakeholder interviews as well as interviews with 3rd party experts to gather information regarding market lease rates, construction costs, community and end user desires, and other relevant details regarding development and redevelopment opportunities in CCN. KHO utilized data gathered from stakeholder interviews and industry background data to develop pro forma models for a series of prototypical development scenarios. KHO worked with CPD staff and key CCN stakeholders to create conceptual development scenarios based on typical parcel sizes, physical conditions, land costs, zoning regulations, real estate products and market assumptions.

Development Study Results

The stakeholder interviews resulted in the following common themes echoed by all stakeholders :

- 3rd Avenue is a buffer between the commercial and residential neighborhood in CCN.
- CCN's unique character is a result of its high quality design and pedestrian environment. Continued high quality design is important to retain and promote CCN's unique character.
- Floor Area Ratio (FAR) is a key feature of the current zoning, serving to govern building height and mass in the Study Area.
- Existing minimum parking requirements are a limiting factor to reinvestment, especially for small lots.

The results of the development pro forma analysis supported the following conclusions:

- Buildings do not achieve maximum allowable heights and building Floor Area Ratios (FARs) because the combination of FAR limitations and minimum parking requirements limit economic feasibility under current market conditions.
- While land price is an important variable in overall economics, the parking ratios and FAR in the current CCN zoning are more of an economic restriction on development than land prices.
- Development feasibility would be positively impacted by increasing the achievable FAR above the current 1.5 CCN zoning limit; adjusting maximum building heights above the current 55' CCN zoning limit; and adjusting parking ratios below the current CCN zoning to reflect current Denver Zoning Code parking minimums in the Urban Center Context districts to more closely match current market parking ratios.
- While there is not a direct correlation between building height limits and FAR, it is generally true that higher allowed building heights will increase FAR. Given the assumptions in the model, an FAR of 3.0 or greater results in potentially feasibly projects. This FAR correlates with a project which uses at least 50% of the project land area to build to a height of at least 5 stories. Future zoning or CCN design guidelines can be modified to ensure that projects maintain and enhance the pedestrian environment should more flexible FAR and building height limitations be considered.
- Developments of 5 – 8 stories will deliver additional economic benefit to the investor, greater likelihood of Class A office space development, and additional development of residential units. Achieving high residential for sale product prices that have historically existed in CCN is an important factor to the economic feasibility of such higher density projects. .
- Reinvestment under the current CCN zoning is not likely under current economic conditions on the north side of 3rd Avenue, except for rehabilitation of existing properties and new construction of "owner occupied" mixed use projects.

Hotel Study Methodology and Results

Hotel recommendations are based on the series of stakeholder interviews and on a review of hotel economics and area specific hotel operating parameters.

Hotel Study Results

- Based on the hotel study there appears to be a relatively strong demand for additional hotel rooms to be built in the Study Area in several hotel product categories including:
    - Upscale to luxury full-service hotel
    - Boutique Hotel (full or limited-service)
    - Upscale focused-service hotel

- Interviews with stakeholders and hotel industry operators indicate that the likely location for a full-service hotel would be within a half block or less of 1st Avenue. This could be on either side of 1st/Steele within the study area.
- The 1st Avenue location for a full service hotel is critical for the visibility while driving on main arterials in CCN and to allow an intuitively obvious and easy access from 1stand/orSteele to the hotel main entry.
- A boutique or upscale focused-service hotel would benefit from a 1st Avenue location, but could be successful in a location between 2nd and 3rd Avenue in CCN.
- The economic feasibility of constructing a boutique or focused-service hotel in a location between 2nd and 3rd Avenue will likely require a minimum of a quarter to a half of a full CCN block with a combination of 3 to 5 story height, and an FAR greater than 1.5.
- New hotel development in the CCN will result in both positive and negative impacts; changes to traffic patterns related to guest, employee and hotel service impacts could be viewed as negative consequences of such a development. Generally, the amount of meeting space in a hotel is directly related to the number of trips generated, meaning that full service hotels will generate more trips than limited-service hotels, etc.
- New hotel development in the CCN would result in making CCN a more attractive location for future redevelopment of office, retail, and residential units.

Cherry Creek Shopping District Development Study
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Final Report – February 13, 2012

Development Study Scope & Methodology

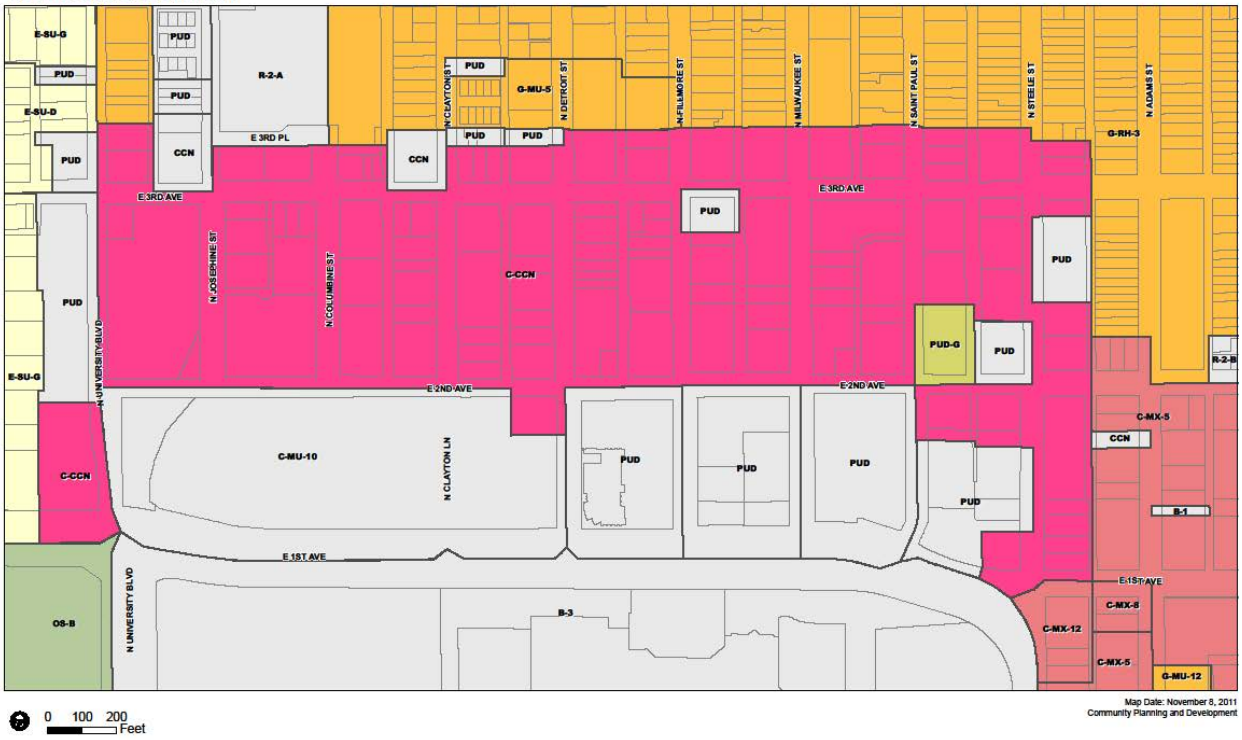
KHO Consulting (KHO) was engaged by the City and County of Denver (City) Community Planning and Development Department (CPD) to perform a development feasibility analysis on the City's behalf in order to answer specific questions relating to development in the Cherry Creek North Study Area. KHO engaged the services of Rick Wells of REGen, LLC to assist in conducting interviews, developing modeling assumptions, analyzing land sales data in the Study Area, creating development pro formas, creating report graphics, and report writing.

The CCN study specifically asks the following questions:

- To what extent does unused development capacity exist within existing C-CCN zoning and why has it not been utilized fully?
- Given the cost of land in Cherry Creek, does development capacity have to increase to make projects feasible from a real estate development perspective?
- What would be the effects (in terms of development feasibility, residential and employment density, and quality of the built environment) of adjusting maximum building heights and building form in CCN, as proposed in the preliminary area plan concepts? Is there a set of "optimal" building heights in Cherry Creek North on 2nd and 3rd Avenues for encouraging feasible investment while also maintaining transitions into the residential neighborhood to the north?
- What market exists for additional hotels, types of hotels, and what types of locations make sense for new hotels?

The Cherry Creek North (CCN) Study Area is generally bounded by Third Avenue on the north, Josephine Street on the west, First Avenue to the south and Steele Street to the east (collectively, the Study Area).

Cherry Creek North Area Zoning



KHO utilized stakeholder interviews as well as interviews with 3rd party experts to gather information regarding market lease rates, construction costs, community and end user desires, and other relevant details regarding development and redevelopment opportunities in Cherry Creek North. To help answer Questions 1-3 above, KHO utilized data gathered from stakeholder interviews to develop pro forma models for a series of prototypical development scenarios. The models utilized general "rule of thumb" assumptions regarding costs, revenues and capital structure. KHO worked with CPD staff and key CCN stakeholders to create conceptual development scenarios based on typical parcel sizes, physical conditions, land costs, zoning regulations, real estate products and market assumptions. For each development scenario KHO compared the economics of what would be possible under existing C-CCN zoning and what could be built under an alternative zoning scenario with higher FAR and height limitation and lower parking requirements. This zoning is similar to some existing zone districts within the Denver Zoning Code, and reflects some of the building forms currently under consideration as part of the Cherry Creek Area Plan (CCAP).

The scenarios described in more detail later in this report were analyzed based on prototypical parcels, rather than actual ones to provide insights into redevelopment drivers without singling out a specific location or property. Generally the prototypical development parcels evaluated were:

- A representative property that illustrates a typical building and parcel with frontage on either the north or south side of 3rd Avenue.

- A representative property that illustrates a development parcel available between 2nd and 3rd Avenues with building heights from 3-5 stories.
- A representative property that illustrates a ¼ block development parcel available between 2nd and 3rd Avenues with building heights from 5-8 stories.

For each of these prototypical development parcels, KHO worked with CPD staff and CCN stakeholders to create development assumptions using C-CCN zoning and an alternative zoning approach. Parking ratios in the alternative zoning were chosen based on what KHO heard was minimally acceptable to the marketplace.

The following table briefly summarizes the relevant features of the C- CCN (Urban Center-Cherry Creek North) zoning and how they compare with the assumptions utilized in the alternative zoning approach.

Figure A: Comparison of C-CCN to Alternative Zoning

Parameter	C-CCN	"Alternative" CCN
Height Limit	55'	45', 70' or 110'
Stories	N/A	3, 5 or 8
FAR	1.0	N/A
FAR Bonus	Up to 0.5 for underground parking, residential uses, open space	N/A
Uses	Mixed-Use	Mixed-Use
Parking – Retail	3.33 : 1000 sf	1.25 : 1000 sf
Parking – Office	3.33 : 1000 sf	2 : 1000 sf
Parking – Residential	2 : D.U.	1.5-2 : D.U.
Parking – Restaurant	3.33 : 1000 sf	2.5 : 1000 sf

Summary of Prototypical Development Scenarios

The following figure shows a summary of the prototypical development scenarios utilized in the study. The figure highlights the variances between the various scenarios.

Figure B: Summary of Prototypical Development Scenarios

Parameter	3rd Avenue Frontage C-CCN Zoning	3rd Avenue Frontage Alternative Zoning	2nd to 3rd Avenue C-CCN Zoning	2nd to 3rd Avenue Alternative Zoning
Parcel Size	18,750 s.f.	18,750 s.f.	31,250 s.f.	31,250 s.f.
Parcel Frontage	125' x 150'	125' x 150'	125' x 250'	125' x 250'
Height Limit	55’	Form Standards	55'	Form Standards
Stories	3 and 4	3	3 and 4	3, 5 and 8
Maximum FAR	1.5	N/A	1.5	N/A
Modeled FAR	1.3 - 1.5	2.3	1.5	3.2 - 4.8
Uses	Mixed-Use, no hotels	Mixed-Use	Mixed-Use, no hotels	Mixed-Use
Parking – Retail	3.33 : 1000 s.f.	1.25 : 1000 s.f.	3.33 : 1000 s.f.	1.25 : 1000 s.f.
Parking – Office	3.33 : 1000 s.f.	2 : 1000 s.f.	3.33 : 1000 s.f.	2 : 1000 s.f.
Parking – Residential	2 : D.U.	1.5-2 : D.U.	2 : D.U.	1.5-2 : D.U.
Parking – Restaurant	3.33 : 1000 s.f.	2.5 : 1000 s.f.	3.33 : 1000 s.f.	2.5 : 1000 s.f.

Hotels

Question #4 specifically seeks to explore the viability and impact of hospitality uses within the Study Area. Currently, hotels are an allowable use in Denver’s mixed use and main street zone districts, but they are not an allowable use in C-CCN district. KHO was asked by CPD to generally evaluate the demand for hotels in the Study Area. The intent was not to perform a comprehensive market study, but rather identify the potential demand for hotel uses in CCN and, if so, identify the typical characteristics of those hotel uses.

Specific tasks included:

- Analyze the market for additional hotels in Cherry Creek, including type of hotels.
- Describe the attributes and characteristics of locations considered appropriate for a hotel within Cherry Creek. Consider large hotels versus small, boutique hotels.
- Identify the potential impacts of hotels in a place like Cherry Creek on traffic, shopping and dining revenue and, if possible, associate those impacts with the type of hotels identified in task #1 above.

Because the hospitality industry is a very specific subset of the real estate industry as a whole, KHO engaged a hospitality expert Robert S. Benton & Associates to develop this section of the report.

General and Limiting Conditions

The feedback expressed in this report assumes market conditions favorable to development and assumptions current as of December 2011, and other information gleaned by KHO Consulting, LLC (KHO) based on its independent research, general knowledge of the industry and information provided to KHO through consultation with neighborhood stakeholders and Client representatives a list of which is included in the Appendix. The report will not focus on site-specific technical issues such as traffic conditions, geotechnical issues or ownership structure since that is outside the scope of the project and such conditions will vary widely throughout the Study Area. Because future events and circumstances not known as of the date of this report may have a material impact on the feasibility of the following

development concepts, no warranty or representation is made by KHO that any of the projected results will actually be achieved.

INTERVIEW SUMMARY FINDINGS

The following summarizes the findings from KHO's CCN stakeholder interviews. In order to encourage candor, stakeholders were promised anonymity. The following reflects what we heard; statements have not been reviewed for accuracy. Statements should not be assumed to reflect consensus, unless specifically identified as such. Since the focus of this study was on development feasibility, the intent of the interviews was to gather information relevant to pricing, market viability and uses. That said we heard additional feedback about CCN in general summarized below. The following summarizes points for which there was broad consensus:

- **3rd Avenue is a buffer between the commercial and residential neighborhood in CCN** – 3rd Avenue was universally recognized as an important buffer between the commercial and residential areas within CCN. It is on this edge that transitions must be most sensitive to surrounding uses and scale. Stakeholders agreed that increased development intensity would be more desirable as one moves south toward 2nd and 3rd Avenues. The amount of development intensity, building heights and specifically where height can increase was not agreed upon.
- **Desire for high quality design and construction quality** - each stakeholder recognized that the unique environment that exists in CCN contributes to its economic vitality. Regardless of building height and uses, high quality design and construction was desired by all in order to maintain that vitality and character.
- **FAR is a key feature of the current zoning –** The current C-CCN FAR limitations are a critical feature of the current zoning. Whether stakeholders were in support or against the current underlying zone district, both sides recognized the FAR limitations currently govern building height and mass in the Study Area.
- **Existing minimum parking requirement is a limiting factor, especially for small lots –**Parking requirements in the C-CCN zoning have also been an important determining factor in the type of development found in CCN. The preponderance of buildings with below grade retail or office space is directly attributable to that space not being counted against FAR and parking limitations. For smaller lots, the inefficiency and cost of underground parking can be a challenge to denser redevelopment.

The remainder of the interview findings will focus on the assumptions utilized in the development pro forma.

ASSUMPTIONS

KHO utilized data gathered from stakeholder interviews to develop pro forma models for a series of prototypical development scenarios. The models utilized current construction cost and market based "rule of thumb" assumptions regarding costs, revenues and capital structure. The key assumptions used as inputs to the development pro forma's are shown in the following Figure C.

Figure C: Pro Forma Model Input Assumptions

Zoning and Market Based Parking Ratios			
Description	CCN Zoning	Market Based	Unit
Parking Requirements - Retail	3.33	1.25	per 1,000 s.f.
Parking Requirements - Restaurant	3.33	2.50	per 1,000 s.f.
Parking Requirements - Office	3.33	2 - 3	per 1,000 s.f.
Parking Requirements - Residential	2	1.5 - 2	per d.u.

Lease Rates, CAM, and Tenant Improvement Allowance			
Description	North Side of 3rd Avenue per s.f.	3-5 Story 2nd to 3rd per s.f.	5-8 Story 2nd to 3rd per s.f.
Ground Floor Retail NNN Rent	$ 30.00	$ 35.00	$ 40.00
Ground Floor Retail CAM	$ 10.00	$ 10.00	$ 10.00
Ground Floor Retail T.I. Allowance	$ 30.00	$ 50.00	$ 75.00
Restaurant T.I. Allowance	$ 50.00	$ 100.00	$ 150.00
Office NNN rent	$ 25.00	$ 27.50	$ 30.00
Office CAM	$ 10.00	$ 10.00	$ 10.00
Office T.I. Allowance	$ 30.00	$ 40.00	$ 50.00
Underground Office Parking Revenue per month	$ 100.00	$ 100.00	$ 100.00

Project Construction Hard Costs			
Description	North Side of 3rd Avenue	3-5 Story 2nd to 3rd	5-8 Story 2nd to 3rd
Land Purchase Price (land s.f.)	$ 150.00	$ 225.00	$ 225.00
Demolition (Building s.f.)	$ 7.00	$ 7.00	$ 7.00
Retail and Office (Building s.f.)	$ 100 - $ 150	$ 175.00	$ 195.00
Residential Space (Building s.f.)	$ 175.00	$ 250.00	$ 300.00
Lobby and Common Area (Building s.f.)	$ 175.00	$ 275.00	$ 275.00
Parking - Surface ($ per space)	$ 5,000.00	$ 5,000.00	$ 5,000.00
Parking - Above Grade ($ per space)	n/a	$ 15,000.00	$ 15,000.00
Parking - Below Grade ($ per space)	$ 30,000.00	$ 25,000.00	$ 25,000.00

Residential Sales Assumptions			
Description	North Side of 3rd Avenue	3-5 Story 2nd to 3rd	5-8 Story 2nd to 3rd
Residential Sale Price	$ 450.00	$ 600.00	$ 750.00
Presale Requirement	100%	50%	50%
Absorption (Units per year)	N/A	4	4

Financial Assumptions			
Description	North Side of 3rd Avenue	3-5 Story 2nd to 3rd	5-8 Story 2nd to 3rd
Cap Rate Applied to 3rd year NOI	10%	8%	8%
Interest Rate	7%	6%	6%
Loan to Cost Ratio	0 - 50%	80%	80%

A brief discussion of the key variables follows:
Parking Ratios – The C-CCN zoning carries off-street parking requirements for all lots greater than 15,000 s.f. as indicated in Figure A and Figure C. Smaller lots have reduced parking requirements under the CCN zoning. The parking ratios which were used in creating the alternative zoning pro forma's are a combination of the City of Denver "urban center" parking ratios for retail and restaurants, and a higher market-based ratio for office and residential uses. As will be seen in the pro forma results, parking ratios are a key driver in defining the form and economics of redevelopment projects which can be built under the C-CCN zoning.

Floor Area Ratio (FAR) – FAR refers to the relationship between the amount of surface floor area in a building compared to the size of the lot the building sits on. For example, a 40,000 s.f. building on a 40,000 s.f. lot would have an FAR of 1.0 (40,000/40,000), while a 60,000 s.f. building on that same lot would have an FAR of 1.5 (60,000/40,000). The surface floor area counts all the floors in a building, so a two story building with a 15,000 s.f. floor plate will have a total surface floor area of 30,000 s.f.. FAR can be a tool used to control the density of development as well as the height of a development. As an example, if the maximum FAR on a 10,000 s.f. lot is 1.0, a developer could build a one-story, 10,000 building (assuming parking requirements are addressed underground), or the developer could develop a two-story 5,000 floor plate building which would leave 5,000 s.f. of the lot uncovered by building. The FAR limit means buildings could get higher and higher but would require smaller and smaller floor plates.

Lease Rates, Common Area Maintenance ("CAM"), and Tenant Improvement ("TI") Allowance–All redevelopment scenarios modeled assume a mix of uses including ground floor restaurant and retail; upper floor offices; and upper floor residential. Lease rates for each type of space were based on research provided from stakeholder interviews and from broker reports focused on current asking rates in the Study Area. Given that redevelopment will create new, Class A space, the models assumed lease rates at the higher end of market ranges. TI allowances are the investment the developer makes in improvements to a tenant space over the existing core and shell. TI allowances tend to be higher for newly built space, Class A space and restaurant spaces, as such; the assumed TI allowances in the model were again at the high end of market ranges. CAM represents developer costs related to operating expenses for un-leased space and common areas that are not specifically allocated to and reimbursed by a tenant (e.g., hallways, lobbies, etc.). The model assumes an optimistic vacancy factor of 5%, given that current CCN vacancy rates are in the mid to high teens.

Land Purchase Price - The land prices assumed in the models are based on historical data from all of the Study Area land sales from the last decade. The data used for this analysis is shown in Appendix B. The data was sorted based on age and location and was also filtered to eliminate "outlier" sales which were clearly outside the normal range of resulting purchase price per s.f. of land. The ratio of the assessed building value to the purchase price was examined to determine if the purchase was likely a land acquisition or whether the building was a valuable part of the acquisition. The resulting purchase price assumption per land s.f. was then tested with stakeholders and against industry standards to ensure that they were a reasonable estimate of current land costs in the Study Area.

Project Construction Hard Costs – These cost assumptions were based on research provided from stakeholder interviews, general cost rules of thumb, and from builders and architects with recent construction experience in the Study Area. The underlying assumption is that any 3-story product built in the area will be a concrete and steel frame base on the first floor above a concrete below grade parking structure with wood or steel frame construction on the 2nd and 3rd stories. Any 3-5 or 5-8 story

product built in the area will be a concrete and steel frame structure above a 2 story concrete below grade parking structure. Below grade parking costs increase significantly as the lot size is reduced and the amount of space required per parked car increases due to the inefficiencies of building ramps to below grade parking on smaller lots. 5-8 story building code requirements also result in higher constructions cost relative to 3 story buildings. Higher residential construction costs were assumed for the 3-5 and 5-8 stories pro forma's because higher end finishes were assumed to justify the higher residential prices described below.

Residential Sale Assumptions – Residential sales in the Study Area during the recent economic downturn have been very slow resulting in a lack of comparable data. The residential sales price per s.f. and absorption rates were based on information received from developers currently evaluating projects in the Study Area and from a sample of residential sales in the area over the last decade. Rather than taking current distressed pricing, sales price assumptions were based on a "return to normal" scenario, assuming a developer will not proceed with a project of this type until pricing justifies development. Since residential sales return capital to investors quickly relative to leased space, residential sales prices and timing are a critical assumptions in the higher density pro formas. Residential condominium sales contribute significantly to the financial returns of these scenarios, further necessitating the "return to normal" assumption.

Financial Assumptions –All of the pro forma's made the same "project exit" assumption that the project will be sold to a third party at market rates in year 5 of the project after full occupancy is achieved. Debt is only applied in cases in which the use of debt is accretive to project economics. In these cases, debt is applied at current, commercially available rates and ratios. Residual value for the property is calculated using a standard income-capitalization approach in which the annual net operating income ("NOI") generated by the project is capitalized by an interest rate representing the buyers expected yield on the project (the "Cap Rate"). Lower Cap Rates translate to higher purchase prices (i.e., an investor is willing to accept a lower yield based on a given level of NOI. Cap Rates for the larger projects are lower, reflecting a higher quality of construction, higher tenant credit quality, and greater institutional investor appeal. The lower interest rates and higher loan to cost ratios apply to the denser projects for the same reasons.

PRO FORMA PROCESS AND STRUCTURE

KHO utilized data gathered from stakeholder interviews and industry background data to develop pro forma models for a series of prototypical development scenarios. KHO worked with CPD staff and key CCN stakeholders to create conceptual development scenarios based on typical parcel sizes, physical conditions, land costs, zoning regulations, real estate products and market assumptions. The results of those pro forma's along with a sketch-up representation of the resulting project are shown below. The sketch-up models are not intended to portray an actual building design, but are rather intended to convey massing and scale of possible buildings on the development parcel. The assumptions used in the pro forma for sales rates and lease rates are at the upper end of the reasonable range based on the current and past market rates. This bias was imbedded in the analysis to compensate for the relatively depressed economic and real estate market conditions that currently exist in CCN, Denver and across the country.

Mix of Uses – For all of the development scenarios in this study, the mix of uses was presumed to be a ground floor retail use (restaurant and/or general retail). The upper floors are assumed to be a

combination of commercial office space and residential units. The study results are not sensitive to the size of the individual retail, restaurant, or office spaces except to the extent that market rate parking requirements for the different uses differ slightly as described below. The size of the residential units varies between the development scenarios primarily due to the need to limit the number of parking spaces required for the residential space, while still maintaining marketable unit sizes.

General Building Assumptions – The development scenarios and related pro forma's do not attempt to describe an actual building type. The footprint of the pro forma building is adjusted to meet the current CCN setbacks and the need for surface parking, open space, and sub-grade parking access as dictated by the scenario constraints. Below grade parking is assumed to be accessed via a single two-way ramp and the sizing of the parking spaces in each scenario are adjusted to account for drive aisles and lot size. Typical allocations are applied to each floor of the pro forma buildings to account for elevators, stairs, common area hallways, and lobby areas as non-sellable or non-leasable space. All buildings are assumed to have elevators. The upper floor sizing is adjusted to be realistic and representative of real building forms including setbacks and allowances for balconies, patios, and open space. The footprint and upper floor plates are adjusted to maximize the project financial results within the scenario constraints while maintaining realistic building forms.

Development Pro Forma Structure – For all of the development scenarios, the following financial modeling assumptions were used:

- The development scenario was analyzed using a quarterly cash flow model with sources and uses of funds modeled to reflect typical cash flows for real estate development projects in the Study Area.
- The pro forma was constructed assuming that the developer purchases a parcel with an existing under-utilized building on the parcel.
- Costs include the estimated cost to demolish and remove an existing structure.
- Construction periods vary by assumed building type and size.
- After completion of construction, the pro forma assumes that a third party leasing agent with typical commissions is used to lease the commercial spaces.
- A vacancy factor of 5% is applied to the project as being representative of long-term vacancy rates in the area.
- The pro forma assumes that the project achieves stabilized leasing in Year 3 and that the project is sold 5 years after initial purchase.
- Sales expenses assume the project is sold using commercial brokers with typical commissions.
- The sales price for the project is determined based on the modeled stabilized net operating income and the assumed capitalization rates as described above for each scenario.
- Where debt financing can be applied to a project at current typical interest rates and provide an accretive impact on the project economics, it is assumed that debt is used during the construction period and then paid down using the proceeds of lease income, residential sales, or the sale of the project until the debt is paid off.
- All remaining funds are distributed to the equity investor and represent either the return of invested capital or return on invested capital.
- In addition to the assumed hard construction costs (i.e. materials and labor) project soft costs are added based on industry standard percentages and rates.

- Soft costs include costs for legal, permitting, entitlements, architecture, engineering, contracting costs, permitting, developer fees, construction management, bonding, and marketing.
- For residential product the pre-sold units close the quarter after completion of construction with remaining units sold at the assumed absorption rate using a residential broker with typical commissions.

Ownership and Investment Structure – The development pro formas project the economic performance of the development scenario regardless of ownership structure. KHO recognizes that ownership structure and risk tolerance matters when evaluating the attractiveness of a real estate investment. If the investor is an "owner-occupant" they could conceivably mitigate their investment risk by occupying either or both the residential or the retail product in the project. This type of investor is looking to fix operating costs for their professional business (lawyers, architects, etc.) by owning their own work space and/or offsetting the costs and risk of developing residential units by occupying one of the residential units in the project. A reasonable return on the un-owned portion of the investment is important, but not as critical as maintaining positive cash flow to cover any personal project related debt. There are several successful examples of this type of project development in the study area and this type of development should be encouraged as it tends to stabilize existing neighborhoods due to the longer term view of the owner occupier. That said, the size and scale of a typical "owner-occupier" project would be limited by the owner's personal or corporate balance sheet.

Third party developers and investors who rely on institutional capital can have a different risk and return profile. This type of investor will be capable of undertaking larger scale and higher cost projects due to their ability to attract capital from investment funds, high net worth investors, institutional investors, and debt placed with large commercial lenders. These institutional investors demand higher returns and shorter investment periods to achieve the returns demanded by their investors. This type of investor will be attracted to projects in the study area due to the success of the Cherry Creek Mall, the exceptionally strong demographics in the area, and the area's history of successful development projects. These developers will, however, also be comparing development projects in the study area to investment alternatives throughout the Denver metro area and on a national and international scale. As such, the economics of the projects must meet return standards set by the real estate industry in general, not project or location specific economics. This type of development should be encouraged if the intent is to increase the amount of Class A office and residential product in the study area, as only this type of developer will likely have the financial capacity necessary to successfully complete such projects.

Pro Forma Financial Results – The results of the pro forma model are conveyed using several standard real estate investment measures.

- **Project IRR** represents the internal rate of return that is achieved by the equity investor in the project. The IRR is measured using the quarterly cash flow of the equity investor with outflows for project costs and inflows for lease revenue and sale of residential units and the final exit sale of the project. Typical target IRR for this type of real estate investment range from 12 – 25% depending on real estate and general investment risk and metrics.
- **Project Profit/ (Loss)** represents the absolute net amount of profit or loss achieved by the project, a positive number indicating a profit. This metric does not take into account the time value of money.
- **Project Multiple** is determined by dividing the total project cash returned to the investor by the total project cash outlay by the investor. A 1.0 project multiple reflects a project that breaks

even by returning an investors original cost basis. Typical target Project Multiples for equity investments of this type range from 1.5 to 2.5.

- **NPV @ 20%** represents the Net Present Value of the equity investment with cash flows discounted to present value using a discount rate of 20%. This measure takes into account the return to the investor over the life of the project as compared to a target return of 20%. A positive number represents a return rate of greater than 20%, while a negative number indicates the project is returning less than the target return of 20% to the investor.
- **Year 3 Cash on Investment** represents the annual cash flow return to the investor after the project is leased and stabilized as a percentage of the total project investment. A typical target cash on investment return rate ranges from 6% for a low risk investment to 12% or greater for high risk investment.
- **Stabilized Cash on Cash Return** represents the annual cash flow return to the investor after the project is leased and stabilized as a percentage of the actual cash invested by the investor. This accounts for the impact of debt applied to the project. A typical "Cash on Cash" return ranges from 6% for a low risk investment to 15% or greater for high risk investments.
- **NOI** represents the Net Operating Income being produced by the commercial product in the project. This is essentially the net of lease revenues minus leasing expenses such as utilities, insurance, cleaning, etc., but not including the cost of financing.
- **Cap Rate** is the Capitalization Rate applied to the NOI of the project to determine the project exit sales price. The Cap Rate is a proxy for the income yield an investor would expect to achieve from the project after rent stabilization. The higher the expected yield (Cap Rate) applied to a given NOI would result in a lower purchase price and vice versa, a lower expected yield would allow the buyer to pay a higher purchase price for a given NOI cash flow stream.

DEVELOPMENT SCENARIO SUMMARY

The following scenarios were evaluated:

3rd Avenue Frontage Scenarios on an 18,750 s.f. lot

- C-CCN 3-Story
- C-CCN 4-Story
- Market Based 3-Story

South of 3rd Avenue and North of 2nd Avenue Scenarios on a 31,250 s.f. lot

- C-CCN 3-Story
- C-CCN 4-Story
- Market-Based 3-5 Story
- Market-Based 5-8 Story

PRO FORMA ANALYSIS RESULTS AND OBSERVATIONS

Representative Property on 3rd Avenue - The representative development parcel on 3rd Avenue was modeled as a corner lot measuring 125' by 150' (18,750 total s.f.) which could be on either the north or south side of 3rd Avenue. The 125' side of the lot represents the standard lot frontage from the mid-block alley to the corner of a named street (i.e. Fillmore Street) with the longer frontage of the site running along the named street with vehicular access to the site from either the alley or the named street. There are a significant number of lots with exactly this configuration in the Study Area.

Development that maxes out C-CCN Zoning – 3-Story

Description – This development scenario is designed to maximize the amount of development on the prototypical lot using the current C-CCN zoning. This pro forma contemplates a 3-story building with one level of below grade parking, ground floor retail, second floor office, and third floor residential. Using several iterations of various product mixes attempting to maximize project return and density on the 3 story building with C-CCN zoning, the resulting FAR of 1.3 was not able to reach the maximum allowable FAR of 1.5.

Financial Results – The pro forma results for this development scenario indicate a very low IRR, a small project gain, a project multiple of 1.05, and a negative NPV20; all indicators that the project would not be economic for a typical real estate investor. No debt could be applied to the project due to the low project returns relative to the cost of debt. The stabilized cash-on-cash return of 6.8% is too low for a typical real estate investor with the level of project risk inherent in this type of project. The cash return may however be attractive to an investor who could minimize the risk of the project by occupying or pre-selling both residential units and who might also utilize some of the retail or commercial office space for their own business operations, i.e. an "owner-occupied" project.

Cherry Creek North Development Pro Forma
Representative 3rd Avenue Property - Surface and Below Grade Parking
CCN Zoning - 3 Story, mixed use

Example Lot Description, FAR, Building Parameters		
Lot Size (Land s.f.)		18,750
Allowable Building Footprint (Land s.f.)		17,400
Maximum Bldg. Footprint (Land s.f.)		11,400
FAR Premium for Parking (FAR #)	0.3	5,625
FAR Premium for Open Space (s.f.)	800.00	1,600.0
FAR Premium for Residential Units (s.f.)	5600.00	4,687.5
Total Allowed Bldg. s.f. with FAR Premiums		28,125
Residential Unit s.f. based on (# Units per floor)	2	2,520.0
Construction Period (months)	18	

Parking Requirements, Revenue, and Parking Plan		
Monthly Parking Revenue per space	$ 100	
Parking Requirements - Retail	3.33	per 1,000 s.f.
Parking Requirements - Restaurant	3.33	per 1,000 s.f.
Parking Requirements - Office	3.33	per 1,000 s.f.
Parking Requirements - Residential	2	per d.u.
Average Parking Space s.f.	350	

Parking Plan	# of spaces	S.F.
Surface Parking	13	4,550
Below Grade Level 1	53	18,550
Below Grade Level 2	0	-
Above Grade Level 1	0	-
Above Grade Level 2	0	-
Total Parking	66	23,100

Development Plan				
Description	Gross Bldg. Area (s.f.)	Loss % for Core	Rentable Area (s.f.)	Off-Street Parking
Ground Floor Retail		15%		
Tenant 1 - Restaurant	4,000	15%	3,400	13
Tenant 2	3,700	15%	3,145	12
Tenant 3	3,000	15%	2,550	10
Subtotal Retail	10,700		9,095	35
Upper Floor Office		10%		
2nd Floor	8,000	10%	7,200	27
3rd Floor	-	10%	-	0
4th Floor	-	10%	-	0
5th Floor	-	10%	-	0
6th Floor	-	10%	-	0
7th Floor	-	10%	-	0
8th Floor	-	10%	-	0
Subtotal Upper Floor Office	8,000		7,200	27
Upper Floor Residential		10%		
2nd Floor	-	10%	0	0
3rd Floor	5,600	10%	5040	4
4th Floor	-	10%	0	0
5th Floor	-	10%	0	0
6th Floor	-	10%	0	0
7th Floor	-	10%	0	0
8th Floor	-	10%	0	0
Subtotal Upper Floor Residential	5,600		5,040	4
Total Building	24,300		21,335	66

Retail and Office Rents, CAM Charges, and Tenant Improvement Allowance	
Ground Floor Retail NNN Rent per s.f.	$ 30.00
Ground Floor Retail CAM per s.f.	$ 10.00
Ground Floor Retail T.I. Allowance per s.f.	$ 30.00
Office NNN rent per s.f.	$ 25.00
Office CAM per s.f.	$ 10.00
Office T.I. Allowance per s.f.	$ 30.00
First Quarter with Rents	9/30/2013

Project Construction Hard Costs			
Description	Units	Cost per Unit	Total Cost
Land Purchase Price (land s.f.)	18,750	$ 150.00	$ 2,812,500
Demolition (Building s.f.)	15,000	$ 7	105,000
Retail and Office (Building s.f.)	16,295	$ 100	$ 1,629,500
Residential Space (Building s.f.)	5,040	$ 175	$ 882,000
Common Areas/Lobbies (Building s.f.)	2,965	$ 150	$ 444,750
Parking - Surface (# of spaces)	13	$ 5,000	$ 65,000
Parking - Above Grade (# of spaces)	-	$ 20,000	-
Parking - Below Grade (# of spaces)	53	$ 30,000	$ 1,590,000

Sales Assumptions for Residential Units		
Residential Sale Price per s.f.		$ 450.00
Sales price per Unit		$ 1,134,000
Number of Residenital Units		2
Number of Pre-Sale Units	100%	2
Absorption Rate - Unsold Units (units per year)		N/A
Date of Closing for Pre-Sales		9/30/2013

Sale Assumption for Retail and Office Project	
Year 3 Net Operating Income	$ 615,790
Cap Rate Applied to NOI	10%
Estimated Gross Sale Amount	$ 6,157,900
Sale Date for Project	3/31/2017

Financing Assumptions	
Interest Rate	7%
Loan to Cost Ratio	0%
Loan Fees	1.5%

Economic Model Results	
Resulting Actual FAR	1.30
Total Project Costs Including Land	$ 9,108,565
Maximum Equity Invested	$ 9,108,565
Project IRR	1.41%
Project Profit/(Loss)	$ 468,633
Project Multiple	1.05x
NPV @ 20%	($3,722,135)
Year 3 Cash on Investment	6.8%
Year 3 Cash Return on Cash Invested	6.8%
Sales Price per Land s.f.	$ 328
All in Construction Costs per Building s.f.	$ 227

Issues and Observations – This redevelopment scenario could not reach the maximum 1.5 FAR allowed under C-CCN zoning with bonuses. This lower FAR causes the project to be uneconomical to a typical real estate investor. The FAR was limited by the amount of parking spaces that could reasonably fit in one level of below-grade parking on this lot. Utilizing the entire footprint of the lot as underground parking limits the underground spaces to 53 per level with room on the surface for only an additional 13 spaces, allowing a maximum of 66 spaces. With the relatively high parking ratios required under the current C-CCN zoning, the limitation on parking capacity therefore limits the buildable s.f. for the project, negatively impacting the project economics. The additional cost to create a second level of below grade parking is not justified to reach the maximum allowed FAR of 1.5. The pro forma is not particularly sensitive to land cost as the parking ratio limitations create an uneconomic project at virtually any land cost.

Development that maxes out C-CCN Zoning – 4 Story

Description – This development scenario is designed to maximize the amount of development on the prototypical 3rd Avenue lot using the current C-CCN zoning. The pro forma contemplates a 4 story building that fits within the C-CCN height limit of 55' with one level of below grade parking, ground floor retail, two levels of commercial office space, and one level of residential units. The 4 story project is able to achieve the maximum allowable FAR of 1.5 utilizing a combination of bonuses for open space, below grade parking, and residential units. As compared to the previous 3 story case, the total parking spaces under this scenario has increased from 68 to 78 by virtue of having a smaller building foot print and more surface space available for parking.

Financial Results – The pro forma results for this development scenario have a very low positive project IRR, a small net profit, a low project multiple, and a negative NPV20; all measures indicating that the project would not be economic for a typical real estate investor. No debt could be applied to the project due to the low project returns relative to the cost of debt. The stabilized cash on cash return of 6.7% is too low for a typical real estate investor with the level of project risk inherent in this type of project. The cash return may however be attractive to an investor who could minimize the risk of the project by occupying or pre-selling the residential units and who might also utilize some of the retail or commercial office space for their own business operations, i.e. an "owner occupied" project.

Cherry Creek North Development Pro Forma
Representative 3rd Avenue Property - Surface and Below Grade Parking
CCN Zoning - 4 Story, mixed use

Example Lot Description, FAR, Building Parameters		
Lot Size (Land s.f.)		18,750
Allowable Building Footprint (Land s.f.)		17,400
Maximum Bldg. Footprint (Land s.f.)		11,400
FAR Premium for Parking (FAR #)	0.3	5,625
FAR Premium for Open Space (s.f.)	800.00	1,600.0
FAR Premium for Residential Units (s.f.)	6125.00	4,687.5
Total Allowed Bldg. s.f. with FAR Premiums		28,125
Residential Unit s.f. based on (# Units per floor)	3	1,837.5
Construction Period (months)	18	

Parking Requirements, Revenue, and Parking Plan		
Monthly Parking Revenue per space	$ 100	
Parking Requirements - Retail	3.33	per 1,000 s.f.
Parking Requirements - Restaurant	3.33	per 1,000 s.f.
Parking Requirements - Office	3.33	per 1,000 s.f.
Parking Requirements - Residential	2	per d.u.
Average Parking Space s.f.	350	

Parking Plan	# of spaces	S.F.
Surface Parking	25	8,750
Below Grade Level 1	53	18,550
Below Grade Level 2	0	-
Above Grade Level 1	0	-
Above Grade Level 2	0	-
Total Parking	78	27,300

Development Plan				
Description	Gross Bldg. Area (s.f.)	Loss % for Core	Rentable Area (s.f.)	Off-Street Parking
Ground Floor Retail		15%		
Tenant 1 - Restaurant	4,000	15%	3,400	13
Tenant 2	4,000	15%	3,400	13
Tenant 3	-	15%	-	0
Subtotal Retail	8,000		6,800	26
Upper Floor Office		10%		
2nd Floor	7,000	10%	6,300	23
3rd Floor	7,000	10%	6,300	23
4th Floor	-	10%	-	0
5th Floor	-	10%	-	0
6th Floor	-	10%	-	0
7th Floor	-	10%	-	0
8th Floor	-	10%	-	0
Subtotal Upper Floor Office	14,000		12,600	46
Upper Floor Residential		10%		
2nd Floor	-	10%	0	0
3rd Floor	-	10%	0	0
4th Floor	6,125	10%	5512.5	6
5th Floor	-	10%	0	0
6th Floor	-	10%	0	0
7th Floor	-	10%	0	0
8th Floor	-	10%	0	0
Subtotal Upper Floor Residential	6,125		5,513	6
Total Building	28,125		24,913	78

Retail and Office Rents, CAM Charges, and Tenant Improvement Allowance	
Ground Floor Retail NNN Rent per s.f.	$ 30.00
Ground Floor Retail CAM per s.f.	$ 10.00
Ground Floor Retail T.I. Allowance per s.f.	$ 30.00
Office NNN rent per s.f.	$ 25.00
Office CAM per s.f.	$ 10.00
Office T.I. Allowance per s.f.	$ 30.00
First Quarter with Rents	9/30/2013

Project Construction Hard Costs				
Description	Units	Cost per Unit	Total Cost	
Land Purchase Price (land s.f.)	18,750	$ 150.00	$ 2,812,500	
Demolition (Building s.f.)	15,000	$ 7	105,000	
Retail and Office (Building s.f.)	19,400	$ 150	$ 2,910,000	
Residential Space (Building s.f.)	5,513	$ 175	$ 964,688	
Common Areas/Lobbies (Building s.f.)	3,213	$ 150	$ 481,875	
Parking - Surface (# of spaces)	25	$ 5,000	$ 125,000	
Parking - Above Grade (# of spaces)	-	$ 20,000	-	
Parking - Below Grade (# of spaces)	53	$ 30,000	$ 1,590,000	

Sales Assumptions for Residential Units		
Residential Sale Price per s.f.		$ 450.00
Sales price per Unit		$ 826,875
Number of Residenital Units		3
Number of Pre-Sale Units	100%	3
Absorption Rate - Unsold Units (units per year)		N/A
Date of Closing for Pre-Sales		9/30/2013

Sale Assumption for Retail and Office Project	
Year 3 Net Operating Income	$ 729,790
Cap Rate Applied to NOI	10%
Estimated Gross Sale Amount	$ 7,297,900
Sale Date for Project	3/31/2017

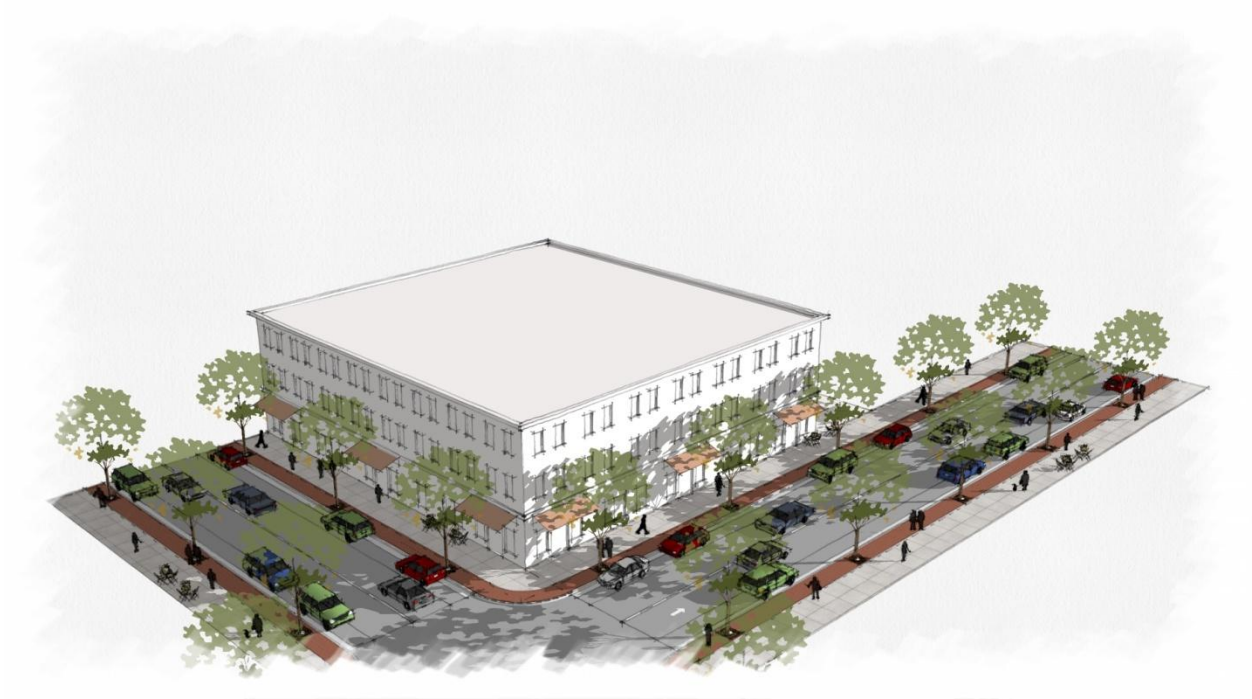
Financing Assumptions	
Interest Rate	7%
Loan to Cost Ratio	0%
Loan Fees	1.5%

Economic Model Results	
Resulting Actual FAR	1.50
Total Project Cost Including Land	$ 10,895,047
Maximum Equity Invested	$ 10,895,047
Project IRR	0.65%
Project Profit/(Loss)	$ 256,427
Project Multiple	1.02x
NPV @ 20%	($4,538,128)
Year 3 Cash on Investment	6.7%
Year 3 Cash Return on Cash Invested	6.7%
Sales Price per Land s.f.	$ 389
All In Construction Costs per Building s.f.	$ 287

Issues and Observations – The additional story and smaller building floor plate allow this development scenario to achieve the maximum 1.5 FAR allowable under C-CCN zoning. Even at this density however, the project does not generate sufficient return for a typical real estate investor to pursue the development. The land cost under this development scenario would have to be less than $50 per land s.f. for the pro forma to reach even a minimal threshold IRR over 10%. Land prices in the Study Area are not likely to be below $50 per s.f. based on current pricing and market economics.

Development that maxes out "Market Based 3 Story"

Description – This development scenario is designed to maximize the economic return and density on the prototypical 3rd Avenue lot using a 3 story height limit and market-based parking ratios described in Figure A. In this scenario, there was no limit on FAR other than the 3-story height limits and alternative zoning limitations on massing. The resulting building has the largest ground floor footprint with upper floors increased in size also, compared to the two previous CCN zoning based cases. The scenario assumes one level of below grade parking, ground floor retail with multiple tenants including a restaurant use, second floor office, and third floor residential units.



Financial Results – The pro forma results for this scenario are clearly the best of the 3rd Avenue development scenarios. The IRR of 10.9%, the project profit and the project multiple of 1.6 are low, but may be sufficient to justify an investment by a typical real estate investor, if the risks of tenant leasing and residential sales are significantly mitigated. Debt can be applied to the project which adds approximately 2 % points to the IRR of the project. The leveraged stabilized cash on cash return of 28.8% is sufficient to attract a typical real estate investor with the level of project risk inherent in this type of project. The cash return coupled with an overall project profit would be attractive to an investor who could minimize the risk of the project by occupying or pre-selling the residential units and who might also utilize some of the retail or commercial office space for their own business operations, i.e. an "owner occupied" project.

Cherry Creek North Development Pro Forma
Representative 3rd Avenue Property - Below Grade Parking
Corner Lot - 3 story, mixed use, no FAR limit, market based parking ratios

Example Lot Description, FAR, Building Parameters			
Lot Size (Land s.f.)			18,750
Allowable Building Footprint (Land s.f.)			17,400
Ground Floor Rentable Space (Land s.f.)			15,000
FAR Premium for Parking (FAR #)	N/A	N/A	
FAR Premium for Open Space (s.f.)	800.00	N/A	
FAR Premium for Residential Units (s.f.)	N/A	N/A	
Total Allowed Bldg. s.f. with FAR Premiums		N/A	
Residential Unit s.f. based on (# Units per floor)	6		1,957.5
Construction Period (months)	18		

Parking Requirements, Revenue, and Parking Plan			
Monthly Parking Revenue	$ 100	per space	
Parking Requirements - Retail	1.25	per 1,000 s.f.	
Parking Requirements - Restaurant	2.50	per 1,000 s.f.	
Parking Requirements - Office	1.25	per 1,000 s.f.	
Parking Requirements - Residential	1.5	per d.u.	
Average Parking Space s.f.	350	per space	
Parking Plan	**# of spaces**	**% of Total**	**S.F.**
Suface Parking	0	0%	-
Below Grade Level 1	53	100%	18,550
Below Grade Level 2	0	0%	-
Above Grade Level 1	0	0%	-
Above Grade Level 2	0	0%	-
Total Parking	53		18,550

Development Plan				
Description	**Gross Bldg. Area (s.f.)**	**Loss % for Core**	**Rentable Area (s.f.)**	**Off-Street Parking**
Ground Floor Retail		15%		
Tenant 1 - Restaurant	6,000	15%	5,100	15
Tenant 2 - Retail	5,000	15%	4,250	6
Tenant 3 - Retail	4,000	15%	3,400	5
Subtotal Retail	15,000		12,750	26
Upper Floor Office		12%		
2nd Floor	14,500	12%	12,760	18
3rd Floor	-	12%	-	0
4th Floor	-	12%	-	0
5th Floor	-	12%	-	0
6th Floor	-	12%	-	0
7th Floor	-	12%	-	0
8th Floor	-	12%	-	0
Subtotal Upper Floor Office	14,500		12,760	18
Upper Floor Residential		10%		
2nd Floor	-	10%	0	0
3rd Floor	13,050	10%	11745	9
4th Floor	-	10%	0	0
5th Floor	-	10%	0	0
6th Floor	-	10%	0	0
7th Floor	-	10%	0	0
8th Floor	-	10%	0	0
Subtotal Upper Floor Residential	13,050		11,745	9
Total Building	42,550		37,255	53

Retail and Office Rents, CAM Charges, and Tenant Improvement Allowance	
Ground Floor Retail NNN Rent per s.f.	$ 30.00
Ground Floor Retail CAM per s.f.	$ 10.00
Ground Floor Retail T.I. Allowance per s.f.	$ 30.00
Office NNN rent per s.f.	$ 25.00
Office CAM per s.f.	$ 10.00
Office T.I. Allowance per s.f.	$ 30.00
First Quarter with Rents	9/30/2013

Project Construction Hard Costs				
Description	**Units**	**Cost per Unit**		**Total Cost**
Land Purchase Price (land s.f.)	18,750	$ 150.00	$	2,812,500
Demolition (Building s.f.)	15,000	$ 7		105,000
Retail and Office (Building s.f.)	25,510	$ 100	$	2,551,000
Residential Space (Building s.f.)	11,745	$ 175	$	2,055,375
Common Areas/Lobbies (Building s.f.)	5,295	$ 150	$	794,250
Parking - Surface (# of spaces)	0	$ 5,000	$	-
Parking - Above Grade (# of spaces)	-	$ 20,000		-
Parking - Below Grade (# of spaces)	53	$ 30,000	$	1,590,000

Sales Assumptions for Residential Units		
Residential Sale Price per s.f.		$ 450.00
Sales price per Unit		$ 880,875
Number of Residenital Units		6
Number of Pre-Sale Units	50%	3
Absorption Rate - Unsold Units (units per year)		2.0
Date of Closing for Pre-Sales		9/30/2013

Sale Assumption for Retail and Office Project	
Year 3 Net Operating Income	$ 929,290
Cap Rate Applied to NOI	10%
Estimated Gross Sale Amount	$ 9,292,900
Sale Date for Project	3/31/2017

Financing Assumptions	
Interest Rate	7%
Loan to Cost Ratio	75%
Loan Fees	1.5%

Economic Model Results	
Resulting Actual FAR	2.3
Total Project Cost Including Land	$ 12,201,864
Maximum Equity Invested	$ 3,222,588
Project IRR	10.9%
Project Profit/(Loss)	$ 1,955,413
Project Multiple	1.61x
NPV @ 20%	($971,433)
Year 3 Cash Return on Total Investment	7.6%
Year 3 Cash Return on Cash Invested	28.8%
Sales Price per Land s.f.	$ 496
All In Construction Costs per Building s.f.	$ 221

Issues and Observations – Compared to the two C-CCN based scenario's, this development scenario clearly shows the positive economic impact of reducing parking ratios to more market-based levels and removing the C-CCN FAR limit of 1.5. The size of the project is limited in this case by the number of cars that can be parked in the below grade parking garage which covers the entire lot size. With the overall increase in density and the commensurate increase in residential product, the pro forma return also becomes very sensitive to the residential sales price per s.f. indicating that an improved residential market could possibly make this development scenario more economic. Conversely, deterioration in the residential market that would lower residential sales prices would negatively impact the project. Comparison of the three 3rd Avenue pro forma's indicates that developments are not likely to reach 4 stories and 55' heights along 3rd Avenue. The relatively high minimum parking ratios and the current 1.5 FAR limit prevent this type of development from being economically viable, hence the dominant development pattern is of small, one or two story buildings with adjacent surface parking.

Representative Property on 2nd Avenue - The representative development parcel on 2nd Avenue was modeled as a lot measuring 125' by 250' (31,250 total s.f.). The lot could be either a corner lot fronting either 2nd or 3rd Avenues or a mid-block lot on a named street. The 125' side of the lot represents the standard width between the alley and the named streets in the Study Area with the longer frontage of the site running along the named street. Vehicular access to the site could be from either the alley or the named street. Lots in the Study Area range from 3,500 s.f. to more than 50,000 s.f. The prototypical pro forma lot size of 31,250 was chosen as a reasonable representation of existing lots as there are several lots in the Study Area with exactly this configuration and several smaller lots could be assembled to get to an economically feasible development lot of this size.

Development that maxes out C-CCN Zoning

Description – This development scenario is designed to maximize the amount of development on the prototypical lot between 2nd and 3rd Avenues using the current C-CCN zoning. The pro forma contemplates a 3 or 4 story building with one or two levels of below grade parking, ground floor retail, second floor office, and one or two floors of residential units. Unlike the smaller lot assumed in the previous development scenarios, the larger lot size allows for more efficient ramping and parking lay out. This efficiency makes a 2nd level of underground parking economical under the right conditions. With this additional parking capacity the project easily meets the maximum allowed FAR of 1.5 utilizing bonuses for open space, below grade parking, and residential units.

3-Story C-CCN Zoning

4-Story C-CCN Zoning

Financial Results – The project size increases substantially with the larger lot size and two levels of below grade parking with the total project costs for these scenarios estimated at over $ 23 million. The pro forma results for these scenarios have a very low project IRR, a small net profit, a low project multiple, and a negative NPV20; all indicators that the project would not be economic for a typical real estate investor. No debt could be applied to the project due to the low project returns relative to the cost of debt. The cash-on-cash returns of 4.2 – 5.1% are too low for a typical real estate investor with the level of project risk inherent in this type of project. The larger project cost and low cash returns do not make this scenario reasonable for an "owner occupied" project.

Cherry Creek North Development Pro Forma
Quarter Block between 2nd and 3rd - Surface and Below Grade Parking
CCN Zoning - 3 story, mixed use

Example Lot Description, FAR, Building Parameters		
Lot Size (Land s.f.)		31,250
Allowable Building Footprint (Land s.f.)		29,400
Max. Ground Floor Gross Footprint (Land s.f.)		22,475
FAR Premium for Parking (FAR #)	0.3	9,375
FAR Premium for Open Space (s.f.)	800.00	1,600.0
FAR Premium for Residential Units (s.f.)	13875.00	7,812.5
Total Allowed Bldg. s.f. with FAR Premiums		46,875
Residential Unit s.f. based on (# Units per floor)	8	1,560.9
Construction Period (months)	18	

Parking Requirements, Revenue, and Parking Plan			
Monthly Parking Revenue	$ 100	per space	
Parking Requirements - Retail	3.33	per 1,000 s.f.	
Parking Requirements - Restaurant	3.33	per 1,000 s.f.	
Parking Requirements - Office	3.33	per 1,000 s.f.	
Parking Requirements - Residential	2	per d.u.	
Average Parking Space s.f.	300	per space	
Parking Plan	**# of spaces**	**% of Total**	**S.F.**
Surface Parking	13	10%	3,900
Below Grade Level 1	57	45%	17,100
Below Grade Level 2	56	44%	16,800
Above Grade Level 1	0	0%	-
Above Grade Level 2	0	0%	-
Total Parking	126		37,800

Development Plan				
Description	**Gross Bldg. Area (s.f.)**	**Loss % for Core**	**Rentable Area (s.f.)**	**Off-Street Parking**
Ground Floor Retail		15%		
Tenant 1 - Restaurant	6,000	15%	5,100	20
Tenant 2 - Retail	6,000	15%	5,100	20
Tenant 3 - Retail	6,000	15%	5,100	20
Subtotal Retail	18,000		15,300	60
Upper Floor Office		12%		
2nd Floor	15,000	12%	13,200	50
3rd Floor	-	12%	-	0
4th Floor	-	12%	-	0
5th Floor	-	12%	-	0
6th Floor	-	12%	-	0
7th Floor	-	12%	-	0
8th Floor	-	12%	-	0
Subtotal Upper Floor Office	15,000		13,200	50
Upper Floor Residential		10%		
2nd Floor	-	10%	0	0
3rd Floor	13,875	10%	12487.5	16
4th Floor	-	10%	0	0
5th Floor	-	10%	0	0
6th Floor	-	10%	0	0
7th Floor	-	10%	0	0
8th Floor	-	10%	0	0
Subtotal Upper Floor Residential	13,875		12,488	16
Total Building	46,875		40,988	126

Retail and Office Rents, CAM Charges, and Tenant Improvement Allowance	
Ground Floor Retail NNN Rent per s.f.	$ 35.00
Ground Floor Retail CAM per s.f.	$ 10.00
Ground Floor Retail T.I. Allowance per s.f.	$ 50.00
Office NNN rent per s.f.	$ 27.50
Office CAM per s.f.	$ 10.00
Office T.I. Allowance per s.f.	$ 40.00
First Quarter with Rents	9/30/2013

Project Construction Hard Costs			
Description	**Units**	**Cost per Unit**	**Total Cost**
Land Purchase Price (land s.f.)	31,250	$ 225.00	$ 7,031,250
Demolition (Building s.f.)	46,875	$ 7	328,125
Retail and Office (Building s.f.)	28,500	$ 175	$ 4,987,500
Residential Space (Building s.f.)	12,488	$ 250	$ 3,121,875
Common Areas/Lobbies (Building s.f.)	5,888	$ 175	$ 1,030,313
Parking - Surface (# of spaces)	13	$ 5,000	$ 65,000
Parking - Above Grade (# of spaces)	-	$ 17,500	-
Parking - Below Grade (# of spaces)	113	$ 25,000	$ 2,825,000

Sales Assumptions for Residential Units		
Residential Sale Price per s.f.		$ 600.00
Sales price per Unit		$ 936,563
Number of Residenital Units		8
Number of Pre-Sale Units	50%	4
Absorption Rate - Unsold Units (units per year)		4.0
Date of Closing for Pre-Sales		9/30/2013

Sale Assumption for Retail and Office Project	
Year 3 Net Operating Income	$ 1,181,325
Cap Rate Applied to NOI	8%
Estimated Gross Sale Amount	$ 14,766,563
Sale Date for Project	3/31/2017

Financing Assumptions	
Interest Rate	6%
Loan to Cost Ratio	0%
Loan Fees	1.5%

Economic Model Results	
Resulting Actual FAR	1.50
Total Project Cost Including Land	$ 23,254,934
Maximum Equity Invested	$ 23,254,934
Project IRR	1.31%
Project Profit/(Loss)	$ 1,070,819
Project Multiple	1.05x
NPV @ 20%	($9,209,618)
Year 3 Cash Return on Total Investment	5.1%
Year 3 Cash Return on Cash Invested	5.1%
Sales Price per Land s.f.	$ 473
All In Construction Costs per Building s.f.	$ 346

Cherry Creek North Development Pro Forma
Quarter Block between 2nd and 3rd - Surface and Below Grade Parking
CCN Zoning - 4 story, mixed use

Example Lot Description, FAR, Building Parameters		
Lot Size (Land s.f.)		31,250
Allowable Building Footprint (Land s.f.)		29,400
Max. Ground Floor Gross Footprint (Land s.f.)		22,475
FAR Premium for Parking (FAR #)	0.3	9,375
FAR Premium for Open Space (s.f.)	800.00	1,600.0
FAR Premium for Residential Units (s.f.)	20000.00	7,812.5
Total Allowed Bldg. s.f. with FAR Premiums		46,875
Residential Unit s.f. based on (# Units per floor)	12	1,500.0
Construction Period (months)	18	

Parking Requirements, Revenue, and Parking Plan			
Monthly Parking Revenue	$ 100	per space	
Parking Requirements - Retail	3.33	per 1,000 s.f.	
Parking Requirements - Restaurant	3.33	per 1,000 s.f.	
Parking Requirements - Office	3.33	per 1,000 s.f.	
Parking Requirements - Residential	2	per d.u.	
Average Parking Space s.f.	305	per space	
Parking Plan	**# of spaces**	**% of Total**	**S.F.**
Surface Parking	13	11%	3,965
Below Grade Level 1	102	89%	31,110
Below Grade Level 2	0	0%	-
Above Grade Level 1	0	0%	-
Above Grade Level 2	0	0%	-
Total Parking	115		35,075

Development Plan				
Description	**Gross Bldg. Area (s.f.)**	**Loss % for Core**	**Rentable Area (s.f.)**	**Off-Street Parking**
Ground Floor Retail		15%		
Tenant 1 - Restaurant	5,000	15%	4,250	17
Tenant 2 - Retail	5,000	15%	4,250	17
Tenant 3 - Retail	5,000	15%	4,250	17
Subtotal Retail	15,000		12,750	51
Upper Floor Office		12%		
2nd Floor	11,875	12%	10,450	40
3rd Floor	-	12%	-	0
4th Floor	-	12%	-	0
5th Floor	-	12%	-	0
6th Floor	-	12%	-	0
7th Floor	-	12%	-	0
8th Floor	-	12%	-	0
Subtotal Upper Floor Office	11,875		10,450	40
Upper Floor Residential		10%		
2nd Floor	-	10%	0	0
3rd Floor	10,000	10%	9000	12
4th Floor	10,000	10%	9000	12
5th Floor	-	10%	0	0
6th Floor	-	10%	0	0
7th Floor	-	10%	0	0
8th Floor	-	10%	0	0
Subtotal Upper Floor Residential	20,000		18,000	24
Total Building	46,875		41,200	115

Retail and Office Rents, CAM Charges, and Tenant Improvement Allowance	
Ground Floor Retail NNN Rent per s.f.	$ 35.00
Ground Floor Retail CAM per s.f.	$ 10.00
Ground Floor Retail T.I. Allowance per s.f.	$ 50.00
Office NNN rent per s.f.	$ 27.50
Office CAM per s.f.	$ 10.00
Office T.I. Allowance per s.f.	$ 40.00
First Quarter with Rents	9/30/2013

Project Construction Hard Costs			
Description	**Units**	**Cost per Unit**	**Total Cost**
Land Purchase Price (land s.f.)	31,250	$ 225.00	$ 7,031,250
Demolition (Building s.f.)	46,875	$ 7	328,125
Retail and Office (Building s.f.)	23,200	$ 175	$ 4,060,000
Residential Space (Building s.f.)	18,000	$ 250	$ 4,500,000
Common Areas/Lobbies (Building s.f.)	5,675	$ 175	$ 993,125
Parking - Surface (# of spaces)	13	$ 5,000	$ 65,000
Parking - Above Grade (# of spaces)	-	$ 17,500	-
Parking - Below Grade (# of spaces)	102	$ 25,000	$ 2,550,000

Sales Assumptions for Residential Units		
Residential Sale Price per s.f.		$ 600.00
Sales price per Unit		$ 900,000
Number of Residenital Units		12
Number of Pre-Sale Units	50%	6
Absorption Rate - Unsold Units (units per year)		4.0
Date of Closing for Pre-Sales		9/30/2013

Sale Assumption for Retail and Office Project	
Year 3 Net Operating Income	$ 962,944
Cap Rate Applied to NOI	8%
Estimated Gross Sale Amount	$ 12,036,797
Sale Date for Project	3/31/2017

Financing Assumptions	
Interest Rate	6%
Loan to Cost Ratio	0%
Loan Fees	1.5%

Economic Model Results	
Resulting Actual FAR	1.50
Total Project Cost Including Land	$ 23,092,138
Maximum Equity Invested	$ 23,092,138
Project IRR	1.75%
Project Profit/(Loss)	$ 1,289,380
Project Multiple	1.06x
NPV @ 20%	($8,277,863)
Year 3 Cash Return on Total Investment	4.2%
Year 3 Cash Return on Cash Invested	4.2%
Sales Price per Land s.f.	$ 385
All In Construction Costs per Building s.f.	$ 343

Issues and Observations – Even with higher lease rates, higher residential sales prices, and the ability to get to the maximum 1.5 FAR, these projects do not generate sufficient return for a typical real estate investor to pursue the development. The land cost under this development scenario would have to be less than $50 per land s.f. for the pro forma to reach even a minimal threshold IRR over 10%. Land prices in the Study Area are not likely to be below $50 per s.f. based on current pricing and market economics. While the higher than market parking ratios of the current C-CCN zoning drive higher parking construction costs, the limiting factor for this larger lot size is the maximum FAR of 1.5. The 3 or the 4 story scenarios are essentially equivalent from a pro forma perspective with the 4 story case having slightly, but not significantly better economics. Lower market based parking ratios would improve the economics of either case, as well, but not sufficiently to overcome the negative impact of the 1.5 FAR.

Development that maxes out "Market Based 5 Story"

Description – This development scenario was designed to maximize the development capacity of an alternative zone district with a height limitation of 5 stories and no FAR limitation. The pro forma contemplates a building with two levels of below grade parking, ground floor retail with both restaurant and general retail space, two floors of office use with the same floor plate as the ground floor, and two floors of residential units with a smaller floor plate. The smaller 4th and 5th floor building floor plates are intended to incorporate alternative zoning height limitations of 3 stories for the portion of the lot fronting 3rd Avenue. Increased density could be accommodated within the parking spaces provided by 2 stories of underground parking. The resulting FAR for this project is 3.2 with the possibility of project FAR's for this type of project to approach 4.0.

Financial Results – With the larger lot size and higher density, this project's total cost including land is estimated at over $41 million. A project of this size is likely to be pursued only by an experienced real estate developer with significant financial capacity. The project economics for this scenario are sufficient to attract investors of this type to pursue the development. The project IRR of 13.8% is adequate, but not robust; the project generates a significant profit; the project multiple of 1.8 is adequate, but not robust; and the NPV20 is negative, but not large compared to the project size. The project benefits from the ability to put market priced debt on the project at an assumed 80% of loan to cost ratio. The ability to put construction and permanent debt on the project in order to minimize the equity investment is critical to attract the size of investor that would pursue this project. The returns are adequate to allow such an investor to acquire institutional debt and equity capital. The ability to put leverage on the project also significantly boosts the cash on invested equity to over 25%.

Cherry Creek North Development Pro Forma
Quarter Block between 2nd and 3rd - Surface and Below Grade Parking
3-5 story, mixed use, no FAR limit, market based parking ratios

Example Lot Description, FAR, Building Parameters		
Lot Size (Land s.f.)		31,250
Allowable Building Footprint (Land s.f.)		29,400
Ground Floor Gross Footprint (Land s.f.)		21,775
FAR Premium for Parking (FAR #)	N/A	N/A
FAR Premium for Open Space (s.f.)	1500.00	N/A
FAR Premium for Residential Units (s.f.)	N/A	N/A
Total Allowed Bldg. s.f. with FAR Premiums		N/A
Residential Unit s.f. based on (# Units per floor)	20	1,575.0
Construction Period (months)	18	

Parking Requirements, Revenue, and Parking Plan			
Monthly Parking Revenue	$ 100	per space	
Parking Requirements - Retail	1.25	per 1,000 s.f.	
Parking Requirements - Restaurant	2.50	per 1,000 s.f.	
Parking Requirements - Office	2.00	per 1,000 s.f.	
Parking Requirements - Residential	2	per d.u.	
Average Parking Space s.f.	300	per space	
Parking Plan	**# of spaces**	**% of Total**	**S.F.**
Surface Parking	6	4%	1,800
Below Grade Level 1	80	48%	23,850
Below Grade Level 2	80	48%	23,850
Above Grade Level 1	0	0%	-
Above Grade Level 2	0	0%	-
Total Parking	165		49,500

Development Plan				
Description	**Gross Bldg. Area (s.f.)**	**Loss % for Core**	**Rentable Area (s.f.)**	**Off-Street Parking**
Ground Floor Retail		15%		
Tenant 1 - Restaurant	7,000	15%	5,950	18
Tenant 2 - Retail	7,000	15%	5,950	9
Tenant 3 - Retail	7,775	15%	6,609	10
Subtotal Retail	21,775		18,509	37
Upper Floor Office		12%		
2nd Floor	21,775	12%	19,162	44
3rd Floor	21,775	12%	19,162	44
4th Floor	-	12%	-	0
5th Floor	-	12%	-	0
6th Floor	-	12%	-	0
7th Floor	-	12%	-	0
8th Floor	-	12%	-	0
Subtotal Upper Floor Office	43,550		38,324	88
Upper Floor Residential		10%		
2nd Floor	-	10%	0	0
3rd Floor	-	10%	0	0
4th Floor	17,500	10%	15750	20
5th Floor	17,500	10%	15750	20
6th Floor	-	10%	0	0
7th Floor	-	10%	0	0
8th Floor	-	10%	0	0
Subtotal Upper Floor Residential	35,000		31,500	40
Total Building	100,325		88,333	165

Retail and Office Rents, CAM Charges, and Tenant Improvement Allowance	
Ground Floor Retail NNN Rent per s.f.	$ 35.00
Ground Floor Retail CAM per s.f.	$ 10.00
Ground Floor Retail T.I. Allowance per s.f.	$ 50.00
Office NNN rent per s.f.	$ 27.50
Office CAM per s.f.	$ 10.00
Office T.I. Allowance per s.f.	$ 40.00
First Quarter with Rents	9/30/2013

Project Construction Hard Costs				
Description	**Units**	**Cost per Unit**		**Total Cost**
Land Purchase Price (land s.f.)	31,250	$ 225.00	$	7,031,250
Demolition (Building s.f.)	46,875	$ 7		328,125
Retail and Office (Building s.f.)	56,833	$ 175	$	9,945,731
Residential Space (Building s.f.)	31,500	$ 250	$	7,875,000
Common Areas/Lobbies (Building s.f.)	11,992	$ 175	$	2,098,644
Parking - Surface (# of spaces)	6	$ 5,000	$	30,000
Parking - Above Grade (# of spaces)	-	$ 20,000		-
Parking - Below Grade (# of spaces)	159	$ 25,000	$	3,975,000

Sales Assumptions for Residential Units		
Residential Sale Price per s.f.		$ 600.00
Sales price per Unit		$ 945,000
Number of Residenital Units		20
Number of Pre-Sale Units	50%	10
Absorption Rate - Unsold Units (units per year)		4.0
Date of Closing for Pre-Sales		9/30/2013

Sale Assumption for Retail and Office Project	
Year 3 Net Operating Income	$ 2,256,862
Cap Rate Applied to NOI	8.0%
Estimated Gross Sale Amount	$ 28,210,770
Sale Date for Project	3/31/2017

Financing Assumptions	
Interest Rate	6%
Loan to Cost Ratio	80%
Loan Fees	1.5%

Economic Model Results	
Resulting Actual FAR	3.2
Total Project Cost Including Land	$ 41,167,135
Maximum Equity Invested	$ 8,069,890
Project IRR	13.8%
Project Profit/(Loss)	$ 6,455,274
Project Multiple	1.80x
NPV @ 20%	($1,806,881)
Year 3 Cash Return on Total Investment	5.5%
Year 3 Cash Return on Cash Invested	28.0%
Sales Price per Land s.f.	$ 903
All In Construction Costs per Building s.f.	$ 318

Issues and Observations – This scenario demonstrates why redevelopments between 1st and 2nd Avenue in the Study Area have required rezoning with building heights greater than 55 feet and higher FAR allowances. The market-based parking ratio, larger lot size, and higher density all contribute to the positive project economics. Limiting the height to 3 stories even with higher FAR's would not provide adequate project economics to promote development. A key to the economics of this pro forma is the ability to include high value residential product on the upper floors. These "view" units command the higher sales prices that make the project economic. This height/value premium for residential product combined with the higher density provided by allowing 5 story development indicate that an "optimum" development envelope would allow at least 50% of this 2nd to 3rd Avenue lot to be 5 stories. Going to two levels of below grade parking combined with the use of market based parking ratios allows the below grade parking to be built completely within the ground floor foot print and allows the ramping to occur outside the garage footprint. This and the larger lot size allows for lower costs for below grade parking, improving project economics.

Development that maxes out "Market Based 8 Story"

Description – This development scenario was designed to maximize the development capacity of a theoretical new alternative zoning with bulk plane limitations, a height limitation of 8 stories, and no FAR limitation. The pro forma contemplates a building with two levels of below grade parking, ground floor retail with both restaurant and general retail space, three floors of office use, and four floors of residential units with a smaller floor plate and smaller yet 8th floor penthouse which assumes generous setbacks and outdoor living spaces. The smaller 5th thru 8th floor building floor plates are intended to test an alternative zoning with an 8 story height limitation for a portion of the lot. Second floor above grade parking is an economic alternative in this configuration, but would then limit the higher value commercial office space or residential units. The resulting FAR for this project was 4.8; however, higher density could be achieved within these height limits.

Financial Results – With the larger lot size and higher density, this development scenario's total cost including land is estimated at over $59 million. A project of this size is likely to be pursued only by an experienced real estate developer with significant financial capacity. The project economics for this scenario are sufficient to attract investors of this type to pursue the development. The project IRR of 23.3% is good; the project generates a significant profit; the project multiple of 2.48 is good; and the NPV20 is slightly positive. The project benefits from the ability to put market priced debt on the project at an assumed 80% of loan to cost ratio. The ability to put construction and long term debt on the project is critical to attract the size of investor that would pursue this project. The returns are adequate to allow such an investor to acquire institutional debt and equity capital. The use of debt significantly boosts the stabilized cash on cash return to over 25%.

Cherry Creek North Development Pro Forma
Quarter Block between 2nd and 3rd - Surface and Structured Parking
5-8 story, mixed use, no FAR limit, market based parking ratios

Example Lot Description, FAR, Building Parameters		
Lot Size (Land s.f.)		31,250
Allowable Building Footprint (Land s.f.)		29,400
Maximum Ground Floor Gross Footprint (Land s.f.)		20,150
FAR Premium for Parking (FAR #)	N/A	N/A
FAR Premium for Open Space (s.f.)	3125.00	N/A
FAR Premium for Residential Units (s.f.)	N/A	N/A
Total Allowed Bldg. s.f. with FAR Premiums		N/A
Residential Unit s.f. based on (# Units per floor)	22	2,536.4
Construction Period (months)	24	

Parking Requirements, Revenue, and Parking Plan			
Monthly Parking Revenue	$ 100	per space	
Parking Requirements - Retail	1.25	per 1,000 s.f.	
Parking Requirements - Restaurant	2.50	per 1,000 s.f.	
Parking Requirements - Office	2.00	per 1,000 s.f.	
Parking Requirements - Residential	2	per d.u.	
Average Parking Space s.f.	300	per space	
Parking Plan	**# of spaces**	**% of Total**	**S.F.**
Surface Parking	6	3%	1,800
Below Grade Level 1	104	49%	31,050
Below Grade Level 2	104	49%	31,050
Above Grade Level 1	0	0%	-
Above Grade Level 2	0	0%	-
Total Parking	213		63,900

Development Plan				
Description	**Gross Bldg. Area (s.f.)**	**Loss % for Core**	**Rentable Area (s.f.)**	**Off-Street Parking**
Ground Floor Retail		15%		
Tenant 1 - Restaurant	7,000	15%	5,950	18
Tenant 2 - Retail	7,000	15%	5,950	9
Tenant 3 - Retail	7,775	15%	6,609	10
Subtotal Retail	21,775		18,509	37
Upper Floor Office		13%		
2nd Floor	21,775	13%	19,053	44
3rd Floor	21,775	13%	19,053	44
4th Floor	21,775	13%	19,053	44
5th Floor	-	13%	-	0
6th Floor	-	13%	-	0
7th Floor	-	13%	-	0
8th Floor	-	13%	-	0
Subtotal Upper Floor Office	65,325		57,159	132
Upper Floor Residential		10%		
2nd Floor	-	10%	0	0
3rd Floor	-	10%	0	0
4th Floor	-	10%	0	0
5th Floor	16,000	10%	14400	11
6th Floor	16,000	10%	14400	11
7th Floor	16,000	10%	14400	11
8th Floor	14,000	10%	12600	11
Subtotal Upper Floor Residential	62,000		55,800	44
Total Building	149,100		131,468	213

Retail and Office Rents, CAM Charges, and Tenant Improvement Allowance	
Ground Floor Retail NNN Rent per s.f.	$ 40.00
Ground Floor Retail CAM per s.f.	$ 10.00
Ground Floor Retail T.I. Allowance per s.f.	$ 75.00
Office NNN rent per s.f.	$ 30.00
Office CAM per s.f.	$ 10.00
Office T.I. Allowance per s.f.	$ 50.00
First Quarter with Rents	3/31/2014

Project Construction Hard Costs				
Description	**Units**	**Cost per Unit**		**Total Cost**
Land Purchase Price (land s.f.)	31,250	$ 225.00	$	7,031,250
Demolition (Building s.f.)	46,875	$ 7		328,125
Retail and Office (Building s.f.)	75,668	$ 195	$	14,755,284
Residential Space (Building s.f.)	55,800	$ 300	$	16,740,000
Common Areas/Lobbies (Building s.f.)	17,632	$ 175	$	3,085,578
Parking - Surface (# of spaces)	6	$ 5,000	$	30,000
Parking - Above Grade (# of spaces)	-	$ 15,000		-
Parking - Below Grade (# of spaces)	207	$ 25,000	$	5,175,000

Sales Assumptions for Residential Units		
Residential Sale Price per s.f.		$ 750.00
Average Sales price per Unit		$ 1,902,273
Number of Residenital Units		22
Number of Pre-Sale Units	50%	11
Absorption Rate - Unsold Units (units per year)		4.0
Date of Closing for Pre-Sales		3/31/2014

Sale Assumption for Retail and Office Project	
Year 3 Net Operating Income	$ 3,201,702
Cap Rate Applied to NOI	8.0%
Estimated Gross Sale Amount	$ 40,021,273
Sale Date for Project	3/31/2017

Financing Assumptions	
Interest Rate	6.0%
Loan to Cost Ratio	80%
Loan Fees	1.5%

Economic Model Results	
Resulting Actual FAR	4.8
Total Project Cost Including Land	$ 59,140,567
Maximum Equity Invested	$ 12,588,026
Project IRR	23.3%
Project Profit/(Loss)	$ 18,584,098
Project Multiple	2.48x
NPV @ 20%	$696,688
Year 3 Cash Return on Total Investment	5.4%
Year 3 Cash Return on Cash Invested	25.4%
Sales Price per Land s.f.	$ 1,281
All In Construction Costs per Building s.f.	$ 355

Issues and Observations – The market based parking ratio, larger lot size, and higher density all contribute to the positive project economics. The pro forma indicates that a mixed height limit of up to 8 stories would allow for economic development. A key to the economics of this development scenario is the ability to include high value residential product on the upper floors. These "view" units command the higher sales prices that make the project economic. The higher costs associated with this type of construction require higher residential sales rates and lease rates. The building would need to be a Class A building in every regard to command these market premiums. The height/value premium for residential product is critical at these residential sales rates that are at the high end in the Denver area. While it is not critical to project economics to go to 8 stories, having this flexibility should result in a higher quality of product with higher likelihood of economic success due to the flexibility to increase density and the ability to go to a two tower configuration and to segregate office from residential building forms. An 8 story height limit appears to be adequate for this type of redevelopment to be successful.

Summary and Conclusions - Development Pro Forma's and Zoning

Following is a table summarizing the development pro forma results for each of the scenarios.

Cherry Creek North Development Pro Forma
Comparison of Study Pro Forma Results

Description	3rd Avenue Prototypical Lot			2nd to 3rd Avenue Prototypical Lot			
	Current C-CCN Zoning - 3 Story	Current C-CCN Zoning - 4 Story	"C-CCN-3" Alternative Zoning	Current C-CCN Zoning - 3 Story	Current C-CCN Zoning - 4 Story	"C-CCN-5" Alternative Zoning	"C-CCN-8" Alternative Zoning
Lot Size (Land s.f.)	18,750	18,750	18,750	31,250	31,250	31,250	31,250
Resulting Actual FAR	1.3	1.5	2.3	1.5	1.5	3.2	4.8
Parking Spaces - Total	66	78	53	126	115	165	213
Parking Spaces per 1,000 Bldg. S.F.	2.7	2.8	1.2	2.7	2.5	1.6	1.4
Total Project Cost Including Land	$ 9,108,565	$ 10,895,047	$ 12,201,864	$ 23,254,934	$ 23,092,138	$ 41,167,135	$ 59,140,567
Maximum Equity Invested	$ 9,108,565	$ 10,895,047	$ 3,222,588	$ 23,254,934	$ 23,092,138	$ 8,069,890	$ 12,588,026
Project IRR	1.41%	0.65%	10.90%	1.31%	1.75%	13.80%	23.30%
Project Profit/(Loss)	$ 468,633	$ 256,427	$ 1,955,413	$ 1,070,819	$ 1,289,380	$ 6,455,274	$ 18,584,098
Project Multiple	1.05x	1.02x	1.61x	1.05x	1.06x	1.80x	2.48x
NPV @ 20%	($3,722,135)	($4,538,128)	($971,433)	($9,209,618)	($8,277,863)	($1,806,881)	$696,688
Year 3 Cash Return on Total Investment	6.8%	6.7%	7.6%	5.1%	4.2%	5.5%	5.4%
Year 3 Cash Return on Cash Invested	6.8%	6.7%	28.8%	5.1%	4.2%	28.0%	25.4%
All In Construction Costs per Building s.f.	$ 227	$ 287	$ 221	$ 346	$ 343	$ 318	$ 355

The results of the development pro forma analysis supported the following conclusions:

- Buildings do not achieve maximum allowable heights and building Floor Area Ratios (FARs) because the combination of FAR limitations and minimum parking requirements limit economic feasibility under current market conditions.
- While land price is an important variable in overall economics, the parking ratios and FAR in the current CCN zoning are more of an economic restriction on development than land prices.
- Development feasibility would be positively impacted by adjusting the maximum allowed FAR above the current 1.5 CCN zoning limit; adjusting maximum building heights above the current 55' CCN zoning limit; and adjusting parking ratios below the current CCN zoning to reflect current CCD limits in other zoning categories and more closely match current market parking ratios.
- While there is not a direct correlation between building height limits and FAR, it is generally true that higher allowed building heights will increase FAR. FAR limits in the range of 3.0 or higher will result in encouraging feasible development investment. This FAR correlates with a project which has at least 50% of the land area covered by building to a height of at least 5 stories but other building forms can achieve this FAR as well. The CCN design guidelines can be integrated into more flexible FAR and building height limitations to ensure that projects maintain and enhance the pedestrian environment.
- Developments of 5 – 8 stories will deliver additional economic benefit to the investor, greater likelihood of Class A office space development, and additional development of residential units. The economic feasibility of such higher density projects is very sensitive to achieving high residential for sale product prices that have historically existed in CCN.

- Reinvestment under the current CCN zoning is not likely under current economic conditions on the north side of 3rd Avenue, except for re-habilitation of existing properties and new construction of “owner occupied” mixed use projects.

Hotels

NATIONAL LODGING MARKET CONDITIONS

According to Smith Travel Research, the U.S. lodging market achieved a 57.6 percent occupancy rate and a $98.08 average daily rate during 2010. RevPAR (Revenue per Available Room), which is calculated by multiplying occupancy and average daily rate, is a measurement tool that hotel managers use to analyze the impact of various pricing strategies on hotel room revenues. Market observers use RevPAR to assess the overall health of a market in comparison to its past, as well as to other markets. The following table summarizes occupancy, average daily rate and RevPAR trends in the Denver Metropolitan Area (DMA) lodging market for the period 2000 through 2010, as well as for the first ten months of 2011 compared to a similar period in 2010, as reported by *The Rocky Mountain Lodging Report*, Denver Edition.

HISTORICAL LODGING TRENDS - DENVER METROPOLITAN AREA

Year	Occupancy Percent	Average Daily Rate	REVPAR
2011 YTD[1]	69.3%	$111.24	$77.10
2010 YTD[1]	66.7%	$108.23	$72.14
2010	64.6%	$107.77	$69.39
2009	59.0%	$106.85	$63.09
2008	65.0%	$118.27	$76.88
2007	67.0%	$111.21	$74.51
2006	66.4%	$101.54	$67.46
2005	64.1%	$91.10	$58.40
2004	61.9%	$84.42	$52.26
2003	59.5%	$84.79	$50.45
2002	60.3%	$86.05	$51.89
2001	62.5%	$88.52	$55.32
2000	68.6%	$89.57	$61.44

(1) Year-to-date through October

Source: Rocky Mountain Lodging Report (2000-2011)

After a period of economic weakness during the period 2001 and 2003, lodging market conditions in the DMA began to improve in 2004, a trend that continued through 2007. During 2008, DMA hotels

achieved an occupancy rate of 65.0 percent and an average daily rate of $118.27. Lodging market conditions in the DMA remained strong through September 2008, and then declined dramatically during the fourth quarter of the year reflecting the impact of the financial crisis on business and travel. Market conditions continued to weaken in 2009 due to the deterioration of national and regional economic conditions.

Lodging market conditions in the DMA began to stabilize during the fourth quarter of 2009, and then began to improve during 2010. Occupancy rates increased by 5.4 percentage points in 2010 to 64.4 percent, from 59.0 percent during 2009. Average daily rates increased 0.9 percent during 2010 to $107.77, from $106.85 during 2009. With increases in occupancy and average daily rate, RevPAR increased ten percent to $69.37 from $63.09.

Lodging market conditions continued to improve during the first ten months of 2011. RevPAR in the DMA increased 6.9 percent to $77.10 through October 2011, compared to $72.14 during the first ten months of 2010. Occupancy rates increased by 2.6 percentage points during the first ten months of 2011 to 69.3 percent, from 66.7 percent during a similar period in 2010. During the first ten months of 2011, average daily rates increased 2.8 percent to $111.24, from $108.23 during a similar period in 2010.

Despite slowing in the national and regional economy during mid 2011, the DMA lodging market continued to strengthen. Assuming that national and regional economic conditions don't decline further in 2012, lodging market conditions should continue to strengthen into 2012. It is anticipated that occupancy rates in the DMA during 2011 will end the year between 67 and 68 percent. During 2012, occupancy rates are likely to be flat in comparison to 2011, assuming stable or improving economic conditions. While the number of conventions booked is strong, they are smaller in number of attendees and downtown hotels are expected to push less business to the surrounding sub-markets due to capacity constraints. Average daily rates in the DMA are likely to range between $109 and $110 in 2011 and then increase at or slightly above inflation during 2012.

Under normal economic conditions, when market occupancy rates reach the mid to upper 60's, average daily rates typically increase at a significantly faster rate of growth. During this recovery, we have not seen this occur as travelers remain sensitive to room rate increases and hotel operators are hesitant to push room rates. In addition, there would typically be a surge of new hotel development occurring when occupancy reaches the mid 60's. As of October 2011, there were five hotels with 620 guestrooms under construction in the DMA. As economic conditions improve, it is anticipated that hotel operators will become more aggressive in pushing room rate increases and average daily rates will begin to rise at a faster rate than anticipated inflation. New additions to the lodging supply will also occur, although it will take several years for new additions to impact the market.

DENVER SOUTH LODGING SUB-MARKET

Hotels in the Cherry Creek North Shopping district are included in the Denver South Lodging Sub-Market, as reported by The Rocky Mountain Lodging Report, Denver Edition. The Denver South Lodging Sub-Market is generally bounded by Sixth Avenue on the north, University Boulevard on the west, Hampden Avenue on the south and Quebec Street on the east. The following table summarizes occupancy, average daily rate and RevPAR trends in the Denver South Lodging Sub-Market for the period 2000 through 2010, as well as for the first ten months of 2011 compared to a similar period in 2010.

HISTORICAL LODGING TRENDS - DENVER SOUTH LODGING SUB-MARKET			
Year	Occupancy Percent	Average Daily Rate	REVPAR
2011 YTD[1]	69.7%	$119.92	$83.58
2010 YTD[1]	67.4%	$113.48	$76.47
2010	65.7%	$113.93	$74.85
2009	58.0%	$107.10	$62.10
2008	64.7%	$116.63	$75.44
2007	68.1%	$111.18	$75.68
2006	68.2%	$99.81	$68.06
2005	63.1%	$89.77	$56.64
2004	56.2%	$78.26	$43.98
2003	55.9%	$74.05	$41.39
2002	53.3%	$77.19	$41.14
2001	54.8%	$80.16	$43.92
2000	65.8%	$80.46	$52.94

(1) Year-to-date through October

Source: Rocky Mountain Lodging Report (2000-2011)

The Denver South Lodging Sub-Market has experienced significant changes over the last decade with two older hotels closing, several new hotels opening and others completing renovations. In 2002, the 182-room Quality Inn that was located in the southeast quadrant of I-25 and Hampden Avenue closed, while the 595-room former Marriott Hotel in the northeast quadrant of this interchange closed in 2009. New hotels in this sub-market include the 196-room JW Marriott, which opened in 2004 and was the first hotel to open in the Cherry Creek North Shopping District. The 37-room Inn at Cherry Creek opened in 2005 in the Cherry Creek North Shopping District. Two significant hotel renovations occurred along South Colorado Boulevard. The 240-room Courtyard by Marriott opened in 2007 after a significant renovation of an older property, while the 210-room Hilton Garden Inn opened in 2009 after a renovation of an older hotel. Due to the changes in supply that has occurred since 2000, the Denver South Lodging Sub-Market experienced significantly greater improvement in RevPAR during the period 2000 through 2010 than the overall DMA. RevPAR at hotels in the Denver South Lodging Sub-Market

improved at a 3.5 percent compound annual rate during the period 2000 through 2010, from $52.94 in 2000 to $74.85 in 2010. In comparison, RevPAR at hotels in the DMA increased at a 1.2 percent compound annual rate, from $61.11 in 2000, to $69.39 in 2010.

As the economic conditions nationally and in the DMA improve, lodging demand in the Denver South Lodging Sub-Market is expected to increase, enhancing the feasibility of future hotel projects. As of November 2011, one hotel is currently under construction in the Denver South Lodging Sub-Market. A 135-room Residence Inn is under construction in the southeast quadrant of Colorado Boulevard and South Cherry Creek Drive, just east of the Hilton Garden Inn. This hotel is part of the CitySet project, which is a cornerstone in the City of Glendale's planned Riverwalk development just east of Cherry Creek. The Residence Inn is expected to open in early 2013.

The Denver South Lodging Sub-Market is a relatively established area, with limited vacant land available for future hotel development. Colorado Boulevard and Hampden Avenue are the primary arteries in this market where hotels have historically located. There are relatively few sites along these arterials that could be utilized for hotel development. The site of the former Marriott in the northeast quadrant of I-25 and Hampden Avenue is vacant, and a hotel that is smaller than the previous hotel may be a viable use, as part of a mixed-use project. However, recent activity indicates that hotel developers would prefer to be closer to Cherry Creek. The City of Glendale would like additional hotel development to occur within the Riverwalk development, where the Residence Inn is currently under construction. Hotel development in Cherry Creek may also be feasible. This will be discussed in greater detail in the following section.

Cherry Creek Lodging Market

The Cherry Creek area currently offers two hotels, the 196-room JW Marriott and the 37-room Inn at Cherry Creek. As previously discussed, the JW Marriott opened in 2004 and the Inn at Cherry Creek opened in 2005. Both hotels were absorbed quickly by the market reflecting the interest that visitors to the DMA have in lodging in the Cherry Creek area. Reportedly, both hotels achieve RevPAR's significantly above the DMA and South Denver Lodging Sub-Market. The above market RevPAR is primarily attributed to average daily rates that are well above the market average.

Based on our analysis and knowledge of the market, Cherry Creek is a desirable lodging destination in the DMA. In our opinion, the combination of shopping, dining and entertainment is attractive to visitors to the area. The hotels located along South Colorado Boulevard identify themselves as being in the Denver-Cherry Creek area. Utilizing Cherry Creek in the hotel's formal name not only identifies a location in the DMA, but also provides these hotels with a way to project an upscale image.

Demand for lodging within a metropolitan area typically emanates from three general market segments: business travelers, leisure travelers and group/conference attendees. In all lodging markets, there needs to be a healthy balance between demand generators, such as office space and area support amenities such as restaurants, retail and other services. However, the quality level of a neighborhood's amenities can attract business visitors who may be visiting companies in other parts of the DMA, as well as leisure visitors who may be visiting various neighborhoods in the DMA. With meetings, conventions and social events, having the right facilities available are critical to attracting the meeting and its attendees to a specific market. The quality level and amenities available in the surrounding neighborhood adds to the success a hotel would have in attracting group business.

In evaluating lodging needs in a market, demand that is actually accommodated can be measured by utilizing occupancy rates at the hotels in a market to determine the number of room nights captured. Guests currently staying at the JW Marriott and Inn at Cherry Creek are considered accommodated demand. However, a market may not be capturing all of the potential demand available to it. Lodging demand that is not being accommodated in a lodging market can occur for a variety of reasons, including capacity constraints at existing hotels, limited facilities at hotels in the market (meeting space that cannot accommodate certain size groups), as well as the quality level and price level of existing hotels. In addition, more intensive marketing efforts by public entities, as well as by individual hotels, can attract additional lodging demand to a market.

While an in-depth analysis of future lodging demand in the Cherry Creek District is beyond the scope of this assignment, it is our opinion that significant un-accommodated lodging demand exists in this market. From a market feasibility perspective, we believe that additional hotels could be supported in the Cherry Creek Area. However, we are uncertain about the financial feasibility of new projects in Cherry Creek given the cost of land and current zoning ordinances. In addition, providing underground parking is a significant cost that may not be recovered in a hotel development.

In evaluating the characteristics of the Cherry Creek area, we believe that there are three potential types of hotels that could potentially be viable in the Cherry Creek District, including:

- Upscale to luxury full-service hotel
- Boutique Hotel (full or limited-service)
- Upscale focused-service hotel

The following paragraphs describe hotel attributes and characteristics of a site that might be appropriate for each hotel. It should be noted that land cost for a hotel development typically range from ten to twenty percent of total project cost.

Upscale to Luxury Full-Service Hotel
This type of hotel would be similar in quality, amenities and services to the JW Marriott. In our opinion, this hotel would likely offer between 175 to 250 guestrooms and would offer full food and beverage services, including extensive meeting and banquet space. Other potential amenities that the hotel could potentially offer include a full-service exercise facility and/or health spa, as well as retail space on the first floor. The type of traveler staying at this hotel will have a high disposable income and would utilize local restaurants and services, and shop in local retail outlets.

In our opinion, the group/conference market segment would likely be a significant source of lodging demand for this hotel. This property should offer more extensive meeting & banquet space than the JW Marriott, which offers approximately 6,000 square feet of meeting space. Based on our knowledge of Cherry Creek and the DMA lodging market, this hotel should attract a significant amount of un-accommodated group/conference business to the Cherry Creek market. While this hotel would compete with the JW Marriott for commercial and leisure travelers, this hotel is also expected to attract un-accommodated commercial and leisure demand to Cherry Creek due to its anticipated franchise affiliation and marketing efforts.

An upscale to luxury full-service hotel with 175 to 250 guestrooms would be a high density development, a minimum of eight stories in height. In addition, this hotel would likely offer underground parking for guests. The building area for a hotel of this size and quality level offering 175 to 250 guestrooms would likely range from 140,000 to 175,000 square feet, excluding an underground parking garage. Utilizing the maximum Cherry Creek North floor-area-ratio of 1.5, this type of hotel would require a minimum parcel of approximately 95,000 to 116,000 square feet. Increasing the FAR in the study area to 3.0 would reduce the required lot size to a more reasonable 40,000 to 60,000 square feet.

Given the height and density required for an upscale to luxury full-service hotel, this type of hotel should be located along First Avenue. Accessibility to a large number of visitors will be an important consideration in developing this type of hotel. While many of this hotel's guests are expected to fly to Denver and use transportation services to get to the subject property from Denver International Airport, this hotel will also attract a significant number of regional residents to its restaurant and meeting/event space. Regional guests will arrive by automobile. By locating along First Avenue, traffic impacts on the North Cherry Creek District will be minimized, as the majority of traffic would likely be contained on First Avenue, University Avenue and Colorado Boulevard. It is not critical that the hotel be located north of 1st Avenue as the same results would be achieved by a project located either north or south of 1st Avenue, or on either side of 1st Avenue as it turns south into Steele Street on the east edge of the Cherry Creek Mall.

Boutique Hotel (full or limited-service)

This type of hotel would be a luxury-level hotel with a limited number of guestrooms, offering guests a very unique and intimate experience. While similar in quality to the JW Marriott, it would offer a lower room count and more personal service. In order to provide an intimate experience, the room count would likely be less than 100 guestrooms. The Boutique Hotel may be similar to, or superior in quality to The Inn at Cherry Creek. Food and beverage service may range from an upscale complementary menu that is available only to guests to an upscale sit-down restaurant that is open to the public. Meeting space would likely be limited in size and oriented toward very small groups. Amenities at this hotel would include a fitness center. Retail space would be incorporated onto the ground level, and be affiliated with the hotel. Potential uses include a restaurant, health spa or upscale retail shop. This type of hotel could be operated as an independent hotel or affiliated with a brand such as Edition Hotels by Marriott, Conrad Hotels by Hilton, Avia Hotels by Hyatt or St. Regis Hotels by Starwood. Similar to the Upscale to Luxury Full-Service Hotel, the traveler staying at a Boutique Hotel in Cherry Creek North would have a high disposable income and will utilize local restaurants and services, and shop in local retail stores.

Based on the market characteristics of Cherry Creek, we would estimate that a Boutique Hotel would offer 70 to 90 guestrooms, and would be situated between Second and Third Avenue. The building area for this type of hotel would likely range between 650 and 750 square feet per guestroom, excluding parking area, depending upon uses incorporated into the first floor of the building. The hotel would likely be four stories and have a foot print of 13,000 to 15,000 square feet.

Traffic impacts from a Boutique Hotel would be significantly less than a full-service hotel and Upscale Focused-Service Hotel due to the lower room count and limited meeting space. This hotel is expected to generate limited automobile traffic during a guests stay in the area, although the amount of traffic will vary by the type of guest. Commercial guests with automobiles are expected to leave the hotel in the morning before activity in the neighborhood picks up and return in the late afternoon or evening as

activity slows in the neighborhood. Leisure guests are expected to drive less frequently, spending more time in the Cherry Creek district.

Upscale Focused-Service Hotel

An Upscale Focused-Service Hotel is defined as a property that combines aspects of full and limited-service hotels. While offering a food & beverage service, this outlet is primarily oriented toward hotel guests and is generally not aggressively marketed to the general public. These types of hotels may offer a restaurant with defined seating or an open seating lounge where guests can order a variety of food and beverage items. An Upscale Focused-Service Hotel typically offers limited meeting and banquet space, which is primarily oriented toward smaller corporate meetings. Due to the limited meeting space, this type of hotel is primarily oriented toward commercial and leisure travelers. Other amenities typically incorporated into an Upscale Focused-Service Hotel would include a fitness center, swimming pool and hot tub. A developer of this type of hotel in Cherry Creek would likely attempt to incorporate retail space into the project on the main level of the hotel, with guestrooms on the upper level floors. Lodging brands that are considered Upscale Focused-Service Hotels include Courtyard by Marriott, Hilton Garden Inn, HyattPlace and Aloft. Although the traveler staying at this type of hotel is not expected to have as high an income level as guests staying at the Upscale to Luxury Full-Service Hotel or Boutique Hotel, this guest will utilize area restaurants, shops and services.

As previously mentioned, this type of hotel would cater primarily to commercial and leisure travelers, and secondarily to small corporate and social groups. In our opinion, an Upscale Focused-Service Hotel would compete with the higher quality properties located along Colorado Boulevard for commercial and leisure travelers who would prefer to be in Cherry Creek due to the support amenities available, but do not want to pay the higher rates currently charged by existing hotels in the market. In addition, we believe that the development of an Upscale Focused-Service Hotel would attract un-accommodated leisure and commercial travelers to the Cherry Creek area from other parts of the DMA due to the reputation of the area and support amenities available in market.

Taking into consideration the market characteristics of Cherry Creek, this hotel would likely offer between 100 and 125 guestrooms, and would range from four to six stories in height. The building area for an Upscale Focused-Service Hotel would likely range from 525 to 625 per guestroom, or 55,000 to 70,000 square feet of area. We have not reflected building area for a parking garage in this estimate. The building foot print would vary depending on the number of floors constructed, but would likely range from 13,000 to 18,000 square feet.

From a market perspective, an Upscale Focused-Service Hotel should be located between Second and Third Avenues. Automobile traffic generated by this type of hotel would be significantly less than a full-service hotel, as this type of hotel does not offer a restaurant marketed to the public or significant meeting space, which attract local residents to the area. This type of hotel would likely generate more automobile traffic than the Boutique Hotel due to a higher room count. Similar to the Boutique Hotel, the Upscale Focused-Service Hotel is expected to generate limited automobile traffic during a guests stay in the area, although the amount of traffic will vary by the type of guest. Commercial guests with automobiles are expected to leave the hotel in the morning before activity in the neighborhood picks up and return in the later afternoon or evening as activity slows in the neighborhood. Leisure guests are expected to drive less frequently, spending more time in the Cherry Creek district.

IMPACT OF HOTEL DEVELOPMENT

Hotel development can have various impacts on a community, both positive and negative. In the following paragraphs, we will explore the various impacts of hotel development on a community.

Economic Impact

Dean Runyon Associates completed a report for the Colorado Tourism Office in September 2011 entitled "The Economic Impact of Travel on Colorado 1996-2010." The report analyzes the economic impact of travel on the state, various tourism districts in the state, as well as by county. For purposes of this analysis, we have presented data for the Denver District, which includes Adams, Arapahoe, Boulder, Broomfield, Denver, Douglas and Jefferson counties. According to Dean Runyon's report, travelers spent almost $5.4 billion in the Denver Metro Area during 2010. The breakdown of travel expenditures is shown in the following table. It should be noted that these figures reflect expenditures for travelers staying in hotels, as well as with friends and family.

VISITOR SPENDING-DENVER DISTRICT 2010

	Estimated Spending	Percent of
Accommodations	$936.0	17.3%
Food Service	931.0	17.3%
Food Stores	176.0	3.3%
Local Transportation/Gas	906.0	16.8%
Arts, Ent. & Rec	525.0	9.7%
Retail Sales	662.0	12.3%
Visitor Air Transportation	1,258.0	23.3%
Total	$5,395.0	100.0%

Source: Dean Runyon Associates

As shown in the previous table, Accommodations and Food Service are a significant expenditure for all visitors to the Denver area, accounting for 34.6 percent of total visitor expenditures. While a new hotel in the Cherry Creek District will capture the traveler's accommodation expenditure, as well as a portion of the Food Service expenditure, hotel guests are likely to visit numerous restaurants in Cherry Creek North. As a result, restaurateurs are likely to benefit from hotel development in the Cherry Creek District. Given the retail and arts base in Cherry Creek, Retail Sales and Arts, Entertainment & Recreation are important considerations in evaluating hotel development impacts. Combined, these categories comprise 22.0 percent of visitor spending in the Denver District. Given the higher level of

disposable income of visitors likely to lodge in Cherry Creek, hotel development will likely have a significant impact positive impact on expenditures in this neighborhood.
Travel has a significant impact on employment. According to Dean Runyon Associates, employment generated by travel spending in the Denver District was estimated to be 51,400 jobs in 2010. The following table shows the breakdown in employment attributable to travel during 2010 in the Denver District.

EMPLOYMENT GENERATED BY TRAVEL DURING 2010
DENVER DISTRICT

Employment Category	Number of Jobs	Percent of Total
Accommodations & Food Service	25,200	49.0%
Arts, Ent. & Rec	8,400	16.3%
Retail	4,200	8.2%
Ground Transportation	2,200	4.3%
Visitor Air Transportation	5,000	9.7%
Other Travel*	6,400	12.5%
Total	51,400	100.0%

* Includes resident air travel and travel agencies

Source: Dean Runyon Associates

The opening of new hotels in the Cherry Creek North District should have a positive impact on employment in the area. Not only will hotels hire employees, local restaurants, shops and service providers will also hire new employees to provide services to additional visitors. An increase in visitor traffic generated by hotels should provide existing businesses in the Cherry Creek North District with new customers. In addition, an increase in traffic will likely attract additional businesses to the Cherry Creek North District, which will hire employees.

It should also be noted that the building of a new hotel will generate construction employment prior to the opening of a hotel.

Local governments also benefit from new hotel development. Not only will the hotel generate sales tax revenue, visitors staying at the hotel will also pay sales taxes when making purchases at local shops. According to Dean Runyon Associates, travel spending generated $186.0 million in local tax receipts and $141.0 million in state tax receipts in the Denver District during 2010. A Hotel development should also

improve the value of an existing property in the Cherry Creek North District, resulting in increased property taxes.

Non-Economic Impact
New hotels can have other impacts on neighborhoods that are not necessarily economic, but positively impact a community. These impacts are listed below:

Positive Impacts

- Hotels are typically a very public building in a neighborhood as they are gathering places, and can be a point of pride for a community.
- The development of a hotel and the visitation it generates may result in other property owners making improvements to their property.
- The development of a hotel may enhance visitor counts to a nearby cultural attraction or event due to its proximity to the hotel.

Adverse Impacts
Hotel development can have adverse impacts on a community, although the impact could be mitigated or reduced through proper planning. Potential adverse impacts are listed below:

Traffic congestion – hotels, especially those with significant amounts of conference and meeting space often create vehicular trips beyond those from hotel guests. Because of the uneven timing of these events, the associated trips can happen during peak commute hours as well as throughout the day and night and can cause spikes in trips that can briefly stress road infrastructure.

Environmental impacts, including air and noise pollution – similarly, the event-related traffic can create air and noise pollution related to traffic congestion and/or the event itself. Increased stress on public services such as police, fire and emergency health services can occur simply related to having more people in the neighborhood or city. Higher end hotels tend to have lower incidents requiring public services. For the most part, the incremental stress on public services is more than compensated for by the additional tax revenue generated by the hotel.

Appendix A: List of Stakeholder Interviews

The following is an alphabetical list of stakeholder interviews performed by KHO in the data gathering process. KHO wishes to thank each of the stakeholders for their time and candor:

Julie Bender, Cherry Creek North BID

Brad Buchanan, RNL Design

Eric Bush, Bush Development

Mike Case, JW Marriot

Pat Dawe, RNL Design

Chris Dunn, Dunn + Kiley

Steven Markey, CBRE

Bob Mattucci, Sturm Group

Pat McHenry, Larimer Associates

Bill Reynolds, WW Reynolds

Martin Roth, CBRE

Jonathan Saiber, Saiber Saiber Inc.

David Steele, Western Development

APPENDIX B: LAND SALE COMPARABLES

Cherry Creek North Planning Study
Land Sales Comparison Analysis
Sources: City of Denver Public Records and CBRE Sales Data

Description	Location	Propety Type	Sales Price	Most Recent Sales Date	Actual Property Valuation Land	Actual Property Valuation Building	Lot Size or Building S.F. Lot	Lot Size or Building S.F. Building	Sales Price per Land s.f.
3rd Avenue Frontage									
Sales made prior to 2001									
3113 E. 3rd Ave. (Angel Lou Inv.)	NE corner; 3rd and St. Paul	Commercial - Retail	$ 1,000,000	1/21/1999	$ 853,100	$ 198,800	6,250	4,950	$ 160.00
270 St. Paul (270 St. Paul Office Partners	SE corner; 3rd and St. Paul	Commercial - Office Building	$ 950,000	2/10/1999	$ 3,281,300	$ 1,062,000	18,750	20,757	$ 50.67
2615 E. 3rd Ave.	NE corner 3rd and Columbine	Commercial - Retail	$ 1,100,000	11/30/1999	$ 834,200	$ 135,700	8,425	3,032	$ 130.56
Sales made 2001 and After									
2619 E. 3rd Ave. (Angel Lou)	3rd mid-block north side	Commercial - Retail	$ 300,000	4/2/2002	$ 177,500	$ 270,400	1,950	1,422	$ 153.85
300 Fillmore St.	NE corner; 3rd and Fillmore	Commercial - Restaurant	$ 3,000,000	8/5/2005	$ 2,843,800	$ 1,000	18,750	9,365	$ 160.00
3003 E. 3rd Ave. (3003 East 3rd Ave, LLC)	Paul	???	$ 3,000,000	3/1/2007	$ 2,843,800	$ -	18,750	-	$ 160.00
278 University Blvd.	SE corner; 3rd and University	Commercial - Financial Bldg.	$ 569,000	4/4/2007	$ 956,300	$ 568,700	7,500	6,356	$ 75.87
314 Columbine (Kayi, LLC)	Columbine Frontage, N of 3rd	Commercial - Retail	$ 560,000	1/9/2008	$ 284,400	$ 39,200	3,125	1,157	$ 179.20
Average of Sales After 2001									**$ 148.36**
Core CCN 2nd to 3rd									
Sales made prior to 2001									
240 St. Paul St.	St. Paul; 2nd to 3rd	Commercial - Office Building	$ 685,000	10/15/1993	$ 2,812,500	$ 1,000	18,750	23,274	$ 36.53
201 Steele St. (201 Steele Investments, LLC)	NW corner; 2nd and Steele	Commercial - Retail	$ 2,313,335	12/15/1995	$ 3,281,300	$ 1,000	18,750	26,402	$ 123.38
257 Fillmore St. (WS West, Ltd.)	West side, mid-block; 2nd to 3rd	Commercial - Retail	$ 334,000	2/21/1997	$ 367,500	$ 137,600	3,500	2,276	$ 95.43
3023 E. 2nd Ave.	NW Corner; 2nd and St. Paul	Commercial - Office Building	$ 1,410,000	9/2/1998	$ 3,046,900	$ 2,000	18,750	12,258	$ 75.20
3023 E. 2nd Ave. (DBC Properties)	NW Corner; 2nd and St. Paul	Commercial - Office Building	$ 1,410,000	9/2/1998	$ 3,046,900	$ 2,000	18,750	12,258	$ 75.20
3250 E. 2nd Ave. (Adams & Second, LLC)	SW corner; 2nd and Adams	Commercial - Office Building	$ 325,000	2/2/2000	$ 656,300	$ 660,300	6,250	7,463	$ 52.00
222 Detroit St. (ALMJ Properties)	NE Corner; 2nd and Detroit	Commercial - Retail	$ 3,656,675	2/17/2000	$ 4,481,300	$ 1,000	27,500	21,164	$ 132.97
Sales made 2001 and After									
255-259 Clayton St. (Saiber)	Clayton between 2nd and 3rd	Commercial - Office	$ 1,225,000	10/23/2001			8,276		$ 148.02
299 Milwaukee St. (Gart)	3rd and Milwaukee	Commercial - Office Building	$ 8,700,000	6/2/2004			31,363		$ 277.40
200 Fillmore Street (Fillmore St. Assoc.)	NE corner; 2nd and Fillmore	Commercial - Office Building	$ 6,000,000	11/5/2004	$ 4,218,800	$ 2,331,900	25,000	31,872	$ 240.00
200 Josephine (CharMar, LLC)	2nd between Josephine and Columbine	Commercial - Retail	$ 37,250,000	4/20/2005			185,566		$ 200.74
216 Clayton St.	Clayton and 2nd	Commercial - Office	$ 1,300,000	7/26/2005			4,792		$ 271.29
2600 E. 3rd Ave. (Western Develop.)	Columbine between 2nd and 3rd	Commercial - Office Building	$ 4,100,000	11/3/2006	$ 3,555,200	$ 1,000	20,619	24,413	$ 198.85
235 Fillmore Street (235 Fillmore St. Assoc.)	West side, mid-block; 2nd to 3rd	Commercial - Retail	$ 5,500,000	11/3/2006	$ 2,849,900	$ 1,482,600	18,999	20,713	$ 289.49
3225 E. 2nd Ave. (Robert Fuller)	mid-block north side 2nd; Steele to Adams	Commercial - Office Building	$ 740,000	5/14/2007	$ 291,700	$ 77,100	4,167	1,791	$ 177.59
255 Detroit St. (EB Holdings, LLC)	West side, mid-block; 2nd to 3rd	Commercial - Office Building	$ 2,100,000	11/8/2007	$ 796,900	$ 578,400	6,250	6,775	$ 336.00
180 Adams St. (Adams Street Properties)	SE corner; 2nd and Adams	Commercial - Medical Building	$ 2,105,000	12/1/2007	$ 819,000	$ 925,000	7,800	7,940	$ 269.87
234 Columbine (Western Develop.)	Columbine between 2nd and 3rd	Commercial - Office Building	$ 4,130,747	12/11/2007	$ 2,505,000	$ 1,057,600	16,700	25,056	$ 247.35
3000 E. 3rd Ave. (DGV Investments)	Purchase of Operating Property	Commercial - Retail	$ 18,000,000	4/3/2008	$ 8,191,000	$ 182,000	51,481	35,384	$ 349.64
261 Fillmore St. (Angel Lou Fillmore, LLC)	West side, mid-block; 2nd to 3rd	Commercial - Retail	$ 1,300,000	4/15/2008	$ 492,200	$ 289,900	4,688	3,008	$ 277.30
200 Columbine (Western Develop.)	Columbine between 2nd and 3rd	Commercial - Retail	$ 6,250,000	12/31/2008	$ 4,218,800	$ 1,000	25,000	13,004	$ 250.00
264-268 Detroit St. (Max Squared, LLC)	East side, mid-block; 2nd to 3rd	Commercial - Retail	$ 2,600,000	6/25/2010	$ 1,265,600	$ 237,200	9,375	6,214	$ 277.33
210 St. Paul St. (EDLCT, LLC)	NE corner; 2nd and St. Paul	Commercial - Retail	$ 2,300,000	8/24/2010	$ 4,218,800	$ 1,000	25,000	19,030	$ 92.00
231 Detroit St. (Diamond Prop Group)	West side, mid-block; 2nd to 3rd	Commercial - Retail	$ 1,700,000	2/25/2011	$ 796,900	$ 1,409,800	6,250	8,868	$ 272.00
Average of Sales After 2001									**$ 233.31**

Sales in the Study Area Not Considered	**Reason for Exclusion**								
2819 E. 2nd Ave. (Injans Properties, LLC)	Purchase of Operating Property	Commercial - Retail	$ 2,200,000	1/5/2005	$ 337,600	$ 1,032,100	3,751	6,657	$ 586.51
265-299 Detroit Street (Simon David Trust)	Purchase of Operating Property	Commercial - Retail	$ 7,000,000	11/13/2006	$ 3,281,300	$ 1,468,700	18,750	23,735	$ 373.33
2630 East 3rd Ave. (Dwyer fam., corner lot on 3rd)	Purchase of Operating Property	Commercial - Retail	$ 4,000,000	7/28/2008	$ 1,181,300	$ 1,303,500	7,500	9,157	$ 533.33
2659 E. 2nd Ave. (Cherry Cricket Land II, LLC)	Purchase of Operating Property	Commercial - Restaurant	$ 1,125,000	5/11/2009	$ 499,500	$ 1,000	2,852	1,130	$ 394.46
2625-35 E. 3rd Ave. (Pro-Dance)	Purchase of Operating Property	Commercial - Retail	$ 4,957,500	6/3/2009	$ 2,925,000	$ 1,000	18,750	10,510	$ 264.40
2719-21 E. 3rd Ave. (IWP - Bolderdash)	Purchase of Operating Property	Commercial - Retail	$ 1,590,000	5/5/2011	$ 375,600	$ 967,400	4,127	4,849	$ 385.27
Sales Between 1st and 2nd									
Adams between 1st and 2nd									
167-169 Adams St. (Western Realty Capital, LLC)	Adams between 1st and 2nd	Commercial - Office Building	$ 430,000	12/7/2010	$ 531,399	$ 1,000	6,250	2,153	$ 68.80
159 Adams (Viski-Hanka, Tamas)	Adams between 1st and 2nd	Commercial - Retail	$ 300,000	11/24/1997	$ 690,600	$ 1,000	6,250	1,462	$ 48.00
153 Adams (Steele Street Ventures)	Adams between 1st and 2nd	Vacant Land	$ 1,150,000	10/1/1993	$ 750,000	$ 1,000	12,500	-	$ 92.00
128 Adams (ID One, LLC)	Adams between 1st and 2nd	Commercial - Office Building	$ 220,000	7/30/1997	$ 892,200	$ 672,500	9,913	8,576	$ 22.19
Steele St. between 1st and 2nd									
165 Steele St.	Steele between 1st and 2nd	Commercial - Restaurant	$ 850,000	8/4/2006	$ 531,300	$ 207,700	6,250	2,856	$ 136.00
100 Steele St.	Steele between 1st and 2nd	Vacant Land	$ 125,000	7/10/1995	$ 853,100	$ -	6,250	-	$ 20.00
114 Steele St. (Plada LLC)	Steele between 1st and 2nd	Parking Lot	$ 1,700,000	2/11/2009					$ 260.00
Steel St. south of 1st									
88 Steele St.			$ 5,450,000				18,787		$ 290.09
56 Steele St.			$ 1,350,000				6,262		$ 215.59
48 Steele St.			$ 2,775,000				6,262		$ 443.15
University Boulevard									
210 University (Offices at Univ. - U.S. Bank)			$ 38,790,000				119,790		$ 323.82
Josephine									
Hillstone Restaurant	2nd between Univ. and Josephine	Commercial - Restaurant	$ 5,000,000	8/10/2006			25,000		$ 200.00
Full Block - 1st to 2nd; Fillmore to Milwaukee									
100 - 158 Fillmore St. (SE Fillmore Place, LLC)	Full Block Commercial E of Fillmore	Commercial - Office Building	$ 36,250,000	1/4/2000	$ 9,500,800	$ 21,808,500	89,111	191,384	$ 406.80
Full Block - 1st to 2nd; Milwaukee to St. Paul									
3033 E. 1st Ave. (SE BCC Building, LLC)	1st to 2nd; Milw. To St.Paul	Commercial - Office Building	$ 23,699,000	4/19/2000	$ 10,191,100	$ 16,966,200	99,345	160,436	$ 238.55
151 Detroit St. (151 Detroit St. CF, LLC - Janus)	West side of Detroit; 1st to 2nd	Commercial - Office Building	$ 64,000,000	1/11/2007	$ 10,196,500	$ 32,906,600	108,967	162,540	$ 587.33

Cherry Creek North Urban Form Study
Created by City of Denver Planning Development on behalf of the Urban Form Working Group
White Paper Findings and Recommendations May 2012

Urban Form Working Group Task Force:

Neighborhood and Business Participants:
Brian Klipp, Bob Mattucci, Jonathan Saiber, Pat Dawe, and Chris Dunn
CPD Staff:
Todd Wenskoski, Chris Gleissner, Ellen Ittelson, Steve Nalley

Introduction and Purpose

The Cherry Creek Area Plan process is nearing its conclusion after nearly two years of research, analysis and community outreach. A public draft of the plan was issued March 14, 2012 and the Planning Board draft on May 9, 2012. One of the major outstanding issues is the urban form for the C-CCN zoned portion of Cherry Creek North (CCN) and the finding that the plan vision cannot be achieved without public policy changes that encourage reinvestment and redevelopment consistent with neighborhood scale and BID character.

The Urban Form Working Group was formed and charged with identifying urban design, building form, height and design strategies that would reflect the plan vision for a prosperous, attractive and walkable Cherry Creek while respecting the cherished attributes of Cherry Creek North and its adjacent residential neighborhoods. The intent is to determine how appropriate urban form can help achieve a balance between commercial and mixed-use development and adjacent residential neighborhood scale. The group participants included Cherry Creek residents, representatives from Cherry Creek North Business Improvement District, local architects and planners.

The findings described in this white paper provided input for modification to the draft plan and will provide a framework for future discussion about development regulations for the area currently zoned C-CCN. This may include amendments to the CCN Design Standards & Guidelines, new zoning for the area and subsequent studies.

How do these findings get implemented?

The initial findings this white paper provides will require further study, review and discussion over the subsequent months before any final recommendations are determined. Once complete, the final recommendations will be implemented in three ways:

1. Revisions to CCAP Draft Plan.
2. Revised design standards and guidelines.
3. Revised zoning for C-CCN District based on framework outlined in this white paper.

Urban Form Working Group Process

The group met 12 times over the course of a 12 week period. The initial meetings were organized to address the urban form in CCN, specifically the urban design issues related to the barriers to retaining and enhancing the thriving and vibrant shopping district and neighborhood. Early on, the group agreed that change was vital and essential for the District's success and survival, monolithic blocks or walls of buildings were not desired, and that high quality design and pedestrian delight should be the standard.

As an initial step, the group reviewed the KHO Consulting Development Study, Denver Zoning Code regulations for similar areas, including regulatory mechanisms affecting urban form, and reviewed the current CCN Design Standards & Guidelines adopted in 2011. The team discussed the role and relationship between the area plan, zoning code and design standards & guidelines to further explain the regulatory tools available. The group discussed the importance of the Cherry Creek North Design Advisory Board to review projects and sustain high quality design, and the role it plays in sustaining a high quality district. The group also determined that building height and development intensity are not goals in and of themselves. They are among the means to achieve the plan vision and other public benefits.

As an initial finding, the group agreed on the following: 1) **Remove barriers for reinvestment** in the area and to **retain existing qualities** while allowing it to flourish. 2) **Retaining small property owners** in the district and discussing ways to eliminate current barriers for small property reinvestment. 3) **More detailed case studies and design tests were required** to analyze properties in CCN, including small, medium and large lots.

The group proceeded to focus on reviewing case studies, identifying barriers to reinvestment and determining urban form and design solutions that retain the quality of CCN. The case studies were selected based on the following criteria:

1) Sites most likely to redevelop in the next ten years
2) Lot size variety, including small, medium and large
3) Lots in various locations throughout the district, including 2nd Avenue, 3rd Avenue and different named streets

Given the unique character of CCN, the case studies exercise proved to be an essential tool in analyzing the urban form, reinvestment opportunities and overall character of the district. By studying a variety of lot sizes, the study was able to explore the overall impacts on specific properties while considering the broader implications for the entire area. The dual approach of site specific case studies and overall context analysis provided the basis for defining the overarching goals and suggested solutions. The case studies were developed using building assumptions based on the KHO Consulting Study and input from group members based on their professional knowledge and experience in the area.

Based on comparison projects and feedback from the group, the following building height assumptions were developed:

Building Heights Working Assumptions

- 18' ground floor (Average)
- 13' upper stories (Average)
  (Note: the 18' ground floor and 13' upper story listed above result in the district-wide datum of 31')
- 3 story building height =44'
- 4 story building height =57'
- 5 story building height =70'
- 7 story building height = 96'
- 8 story building height =110'

It is acknowledged that story heights differ between residential and office uses. In addition to developing case studies, the group discussed other projects in the area to provide a comparative tool for analyzing the FAR and intensity of the case studies. The recommendations developed by the group also took into account the life safety code requirement which would be required for construction reaching 6 stories. It was acknowledged that this code requirement would add significant cost to construction of a project making it unlikely 6 story buildings would be constructed. Thus building height discussions anticipated a stepping of height from 70' (5 stories) to 96' (7 stories).

CCN FAR Project Comparisons

FAR provides a useful tool for comparing density among local CCN projects. The group reviewed the Floor Area Ratio* (FAR) of various developments in CCN. The developments reviewed include:

(*FAR=building square footage/land square footage)

C-CCN FAR (current)	1:1 with 0.5 premium available
JW Marriott FAR	3.98:1
Whole Foods FAR	0.86:1
Combined JW & Whole Foods	1.5:1
North Creek FAR	2.13:1
First Bank FAR	3.62:1
ANB FAR	1.47:1

<u>Urban Form Ideas</u>

The initial discussions by the group resulted in a variety of ideas related to urban form appropriate for CCN. The ideas provided a basis for the goals and regulatory examples developed by the group. A summary of design ideas brought forth by the group following the case study analysis and discussion includes:

- Higher buildings along north side of 2nd Avenue – up to a maximum of 8 stories
- Lower buildings along 3rd – 3-4 stories with 2nd story datum at 31' and set backs on the south side of 3rd.
- Medium height buildings in between – 5 to 7 stories
- Building datum line at the 2rd story (31')
- Stepbacks
  - Minor Stepback at 2nd story (31') and /or finish material change
  - Major Stepback at 5th story
- Floorplate size controls along north side of 2nd.
  - 13,750 SF maximum or percentage of overall site floorplate.

- Horizontal breaks and articulation at ground floor and upper levels to prevent walled or overly monolithic streets
- Protected district for north, east and west edge along CCN G-RH-3 zoning; i.e. solar access building angle.
- Promote mid-block east-west pedestrian connections
- Potential of alleys to be more active—more attractive
- Corner highlights with entries or additional building mass
- Parking underground or at rear; especially avoid surface parking at corners
- Balance urbanity (building height to street width) with view of sky and sun on north side of streets.

Urban Design/Urban Form Goals

The Urban Form Working Group identified eight goals as a result of group discussions, analysis and knowledge of the area and review of the detailed case study analysis. The goals, included below, represent the high level wants and desires, and provide a guide for subsequent findings or recommended solutions. Each goal listed below includes examples of means to achieve each goal. The goal statements are included in the plan; the "ways to achieve the goal" provides a framework for future discussion.

Goal #1 - Retain unique physical character.

Ways to achieve goal:

- Require high quality development character as outlined in the Design Standards & Guidelines (DS&G)
- Promote variation in building type, height and variety within the district (encourage a mixture of small and large lots).
- Four-sided architecture (especially for taller and corner buildings)
- Encourage properly scaled (District wide scale and pedestrian scaled) massing and building composition to align with the character of the District.

Goal #2 - Make reinvestment economically viable in the entire district.

Ways to achieve goal:

- The current FAR of 1.0 and 1.5, with bonuses, is insufficient for adequate reinvestment and sustained economic viability. FAR example tests conducted during the case study analysis ranged from 2.5 to 4.0 in an effort to identify FAR parameters and viable reinvestment opportunity thresholds consistent with good urban form practice. The KHO study recommended 2.5 as a minimum FAR for viable reinvestment opportunities. Building massing and height studies performed by the Working Group, and resulting in an FAR above 1.5, range from building heights of approximately 45' along the south side of 3rd Avenue to 110' along the north side of 2nd Avenue, with a range of 70' to 90' height in the midblock area. Retaining the 5' setback was seen as important for pedestrian activation along the streets.
- The Urban Form Working Group determined that an FAR of 2.5 should be used as a basis for the intensity of development within CCN. A .5 bonus for additional residential use would be allowed. Although a specific FAR recommendation will not be included in the

CCAP, the group determined that the ranges described above should be uses as a basis for future zoning code discussions.

- Encourage higher density which results in vibrant mixed-use developments to achieve complimentary and socially rich environments within the District. Mixed-use types which are encouraged are; retail, commercial, local neighborhood services, office and housing.

Goal #3 - Encourage small lot reinvestment.

Ways to achieve goal:

- Define small lot size based on analysis of current parcel configurations. The Working Group recommends the small lot definition to be less than 9,375 SF.
- Vary parking requirements from smaller lot sizes 9,375 SF to larger lot sizes. Similar to the existing C-CCN, allow a gradation of parking requirements from smaller lots to larger lots.
- While requiring parking standards on small lots, also allow small lots to develop shared parking arrangements with adjacent or surrounding properties in conjunction with their own on-site requirements. The flexibility in small lot parking approach is based on the understanding that there is additional parking capacity within the district due to underutilized parking structure spaces. While this is not preferable for retail and short term visitors to the District, this could serve as employee parking within the district.
- Simplify or eliminate stepback/bulk reduction requirements for small lot developments.

Goal #4 - Transition from higher buildings along 2nd to lower buildings along 3rd.

Ways to achieve goal:

- Building heights should transition from maximum of eight stories along 2nd Avenue to three and four stories along 3rd Avenue.
    - 2nd Avenue – Maximum 8 story on north side
    - Mid-block – 5-7 stories
    - 3rd Avenue – 4 story with bulk plane south side and 4 story north side of the street
    - Steel Street – Same neighborhood protection as the north side of 3rd Avenue.
    - University Boulevard – 8 story between street and mid-block alley east of University Boulevard.

Goal #5 - Create height transition from 3rd Avenue to adjacent residential.

Ways to achieve goal:

- Building mass along north side of 3rd Avenue should be required to comply with bulk plane standards that provide transitions to adjacent residential neighborhoods (protected and control district provisions of DZC between CCN and G-RH-3 or other protected districts)

Goal #6 - Retain solar exposure to allow adequate sunlight on streets and between buildings.

Ways to achieve goal:

- Solar exposure standard recommended providing sun to the north side of 3rd Avenue for the winter shopping season.
- A bulk plane standard applied to side property line of larger lots will allow for more adequate sunlight on smaller lots and help prevent 'walled' streets.

Goal #7 - Prevent the creation of 'walled' or overly monolithic streets.

Ways to achieve goal:

- Horizontal building massing breaks above the 31' datum required to prevent continuous walls along street edges for building frontages over a certain length.
- Horizontal street level fenestration, modulation and articulation to encourage pedestrian scaled streetscape environment.
- Height variation along north-south block length of 500 feet strongly encouraged

Goal #8 - Activate ground floor.

Ways to achieve goal:

- 2nd story datum to reinforce pedestrian and neighborhood scale
- Require active street level with more doors and 20'-25'wide façade modules (note: 25' relates better to existing lot widths)
- Retain the 5' ground level setback currently in the CCN zone district

*Note: The existing DS&G already cover most aspects of ground floor activation

CCN Urban Form Example Regulatory Requirements

As a result of the goals and ideas created by the group, the following examples of standards and guidelines were developed to illustrate how the general goals developed by the Working Group can be translated into subsequent regulatory tools. This may include future regulatory instruments such as a new zoning for CCN, revised standards and guidelines or additional recommendations to the draft CCAP. This group was not charged with rewriting the new zoning code for CCN, and new code process will require an extended effort and require broad community involvement and input. These examples are intended to set the stage for future discussions and will require further testing before detailed zoning provisions can be finalized.

1. **FAR: The FAR discussed by the group include**:
    a. FAR Base 2.5
    b. FAR Incentives .5
        i. .5 FAR premium is allowed if for additional residential uses above the 2.5 FAR base.

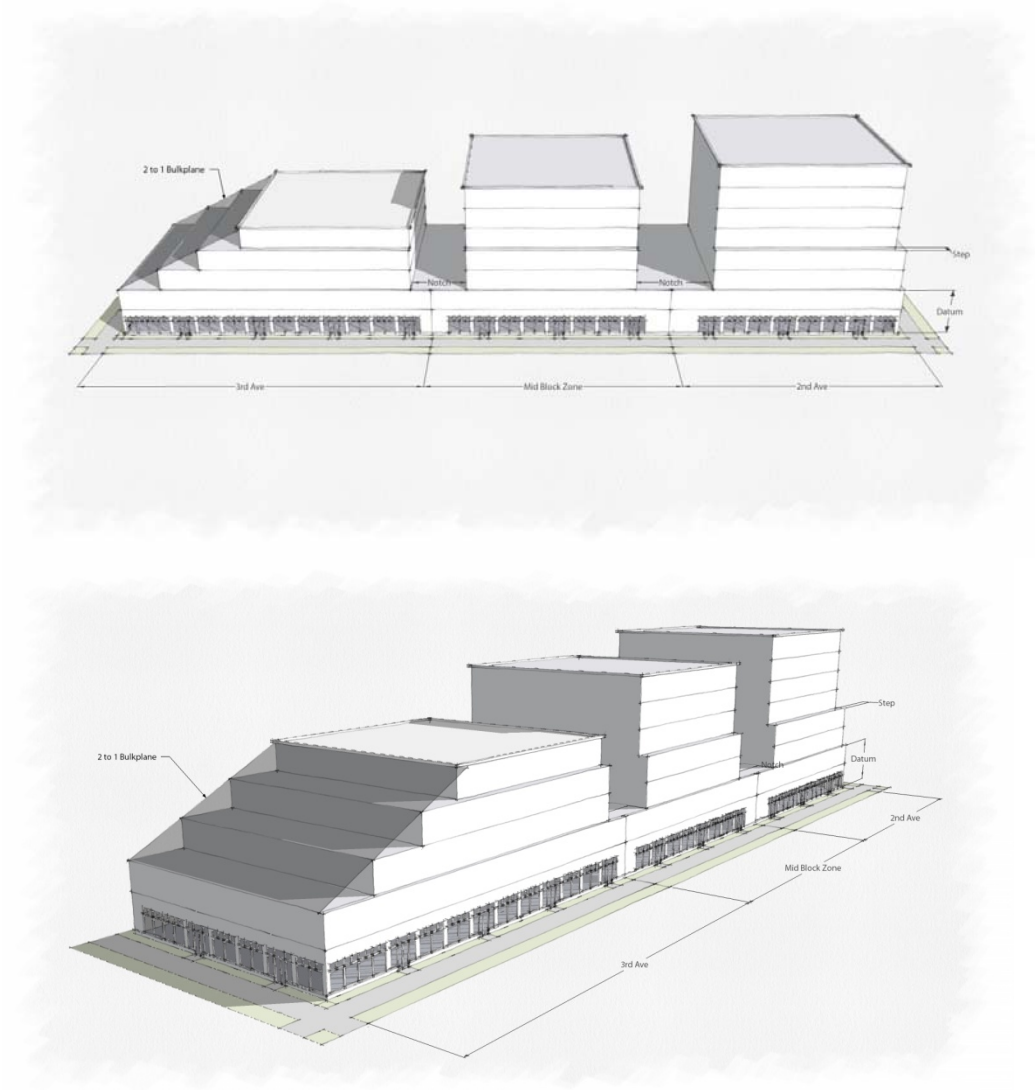
2. General Building heights Between 2nd and 3rd Avenue

a. 2nd Avenue - 8 story (approximately 110' maximum) along north side of 2nd Avenue to a depth of 150' (30% of block length) measured from the right of way line.

b. Mid-Block - 5 to 7 story range (approximately 70' to 96' maximum) for mid block lots between 2nd and 3rd Avenue. 5 to 7 story buildings can be allowed from 150' north of 2nd Avenue to 200' south of 3rd Avenue. The distance should be measured from the north and south right of way lines.

c. 3rd Avenue - to preserve solar access to the north side of street, a step backs with a 1:2.25 ratio, beginning at the 31' height, except for small lots (see Example Regulatory Requirement, item 5. C).

d. 4 story along the north side of 3rd Avenue with bulk plane requirement next to adjacent residential along north side of 3rd Avenue (see Building Form, item d)



Illustrative Example: Potential building envelope for general building height and massing between 2nd Avenue and 3rd Avenue. (for illustrative purposes only) *Note: The illustrations above depict allowable building envelope only. This illustration does not illustrate buildings or architecture.

3. Building Form and Mass

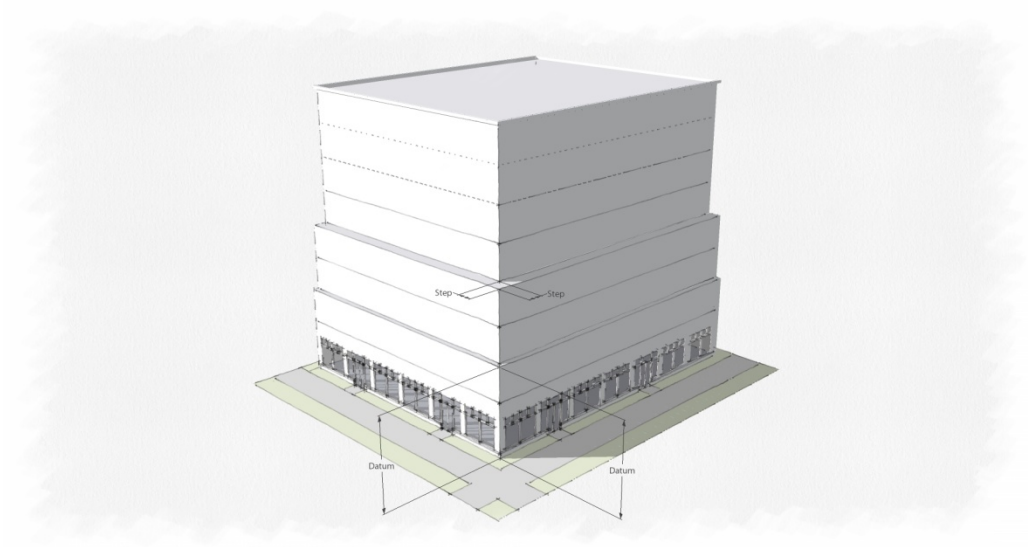
a. Datum - 2nd level (approx. 31') datum should be required throughout the district to break down building mass to neighborhood scale and provide architectural consistency. The datum will create a smooth transition between the residential areas to the north and the taller buildings south of 3rd Avenue. Portions of buildings beginning at the datum line, including balconies, should be set back a minimum of 12" for a minimum of two-thirds length of the building facing the street.

b. 5th Story Setbacks - portions of buildings beginning at the 5th story, including balconies, should be set back a minimum of 5' for a minimum of two-thirds length of the building facing the street.

c. Taller Buildings along 2nd Avenue

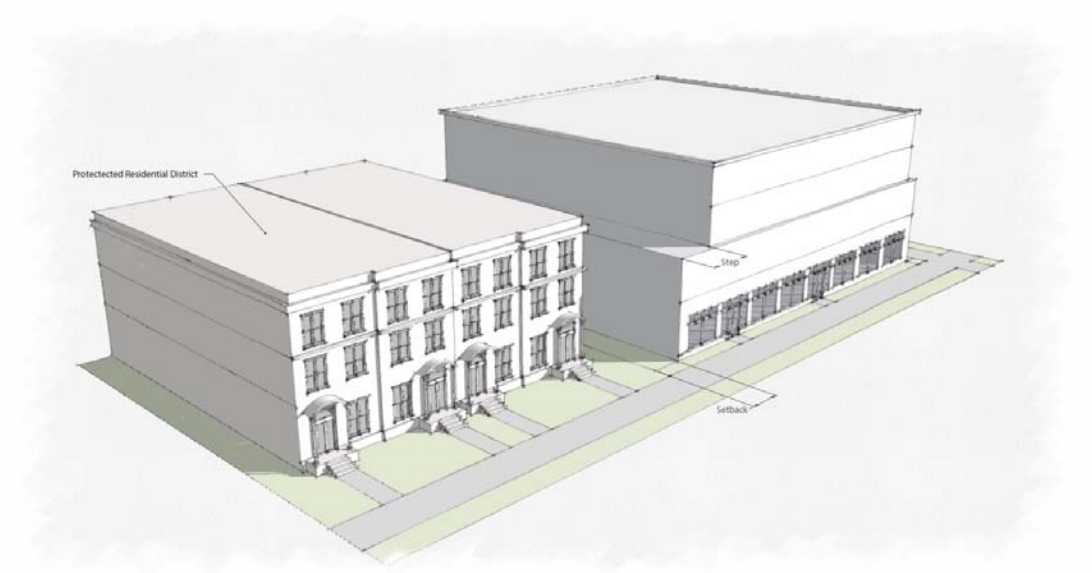
   i. Taller buildings along the north side of 2nd Avenue should be located within the area immediately adjacent to 2nd Avenue, measured 150' from the property line along 2nd Avenue. Buildings are encouraged to provide a street-level setback for enhanced outdoor seating (sun pockets), café spaces and other activities that takes advantage of sun exposure on the north side of the street.

   ii. Taller buildings along the north side of 2nd Avenue are allowed to have a maximum gross floor area per floor of 13,750 SF, including enclosed space within the building.



Illustrative Example: Taller building envelope along the north side of 2nd Avenue (for illustrative purposes only)

d. Buildings Adjacent to Residential Neighborhoods - Although buildings can reach a maximum of 4 stories on the north side of 3rd Avenue, the building must insure it respects the residential neighborhood. Portions of the building immediately adjacent to residential properties should be no higher than the height of the adjoining building. This can be controlled through the protected district provisions of the DZC where CCN and G-RH-3 abut.



Illustrative Example: Adjacent residential transition along north side of 3rd Avenue (for illustrative purposes only)

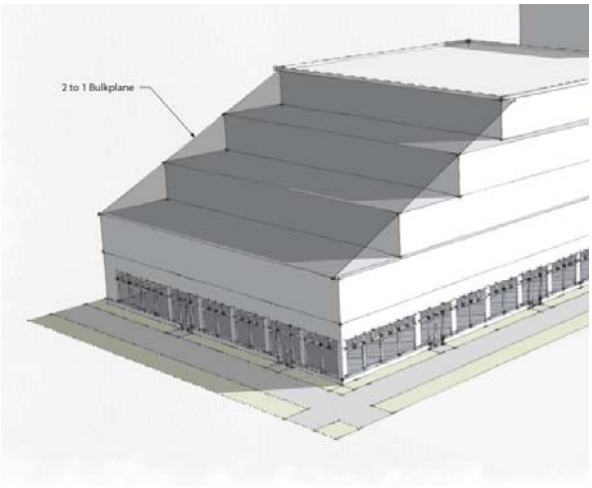
4. Horizontal Building Length (Horizontal Mass and Scale)

a. Facades above 31' in height and longer than 150' in length and fronting a named street are required to provide an upper level notch to allow sun and exposure and to break up the building mass when viewed from a distance. The notch width should be approximately one third the height of the upper level building mass above 31'. This is intended to physically separate the upper level building massing into smaller volumes, or be designed to appear so. The aim to create identity, rhythm and variety.
b. Individual building lengths that exceed 400' in length and fronting a named street are required to provide a mid-block pedestrian connection to the alley.
c. Where the need for longer buildings can be demonstrated, consideration should be given to elements which break up the scale of building form.

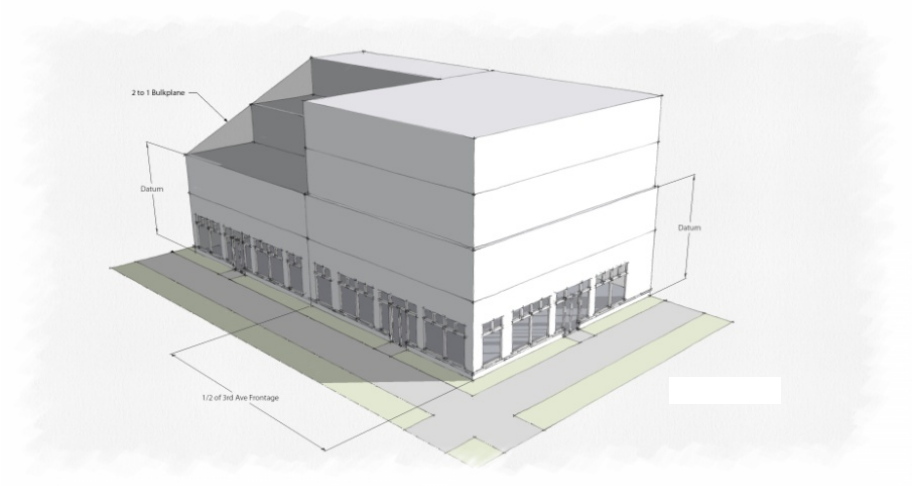
5. Solar Exposure to Streets and Sidewalks

a. Buildings along the south side of 3rd Avenue will be required to adhere to bulk limits which are defined by an imaginary plane beginning at the 31 foot height and set back 5 feet from the property line and extending up at a 1:2.25 ratio. This is to allow sun exposure on the northern sidewalk for the winter shopping season.

b. Small Lot- to provide flexibility for properties along the south side of 3rd Avenue less than 9,375 SF, a maximum of 50% of the building frontage and resultant mass may intrude into the bulk plane.



Illustrative Example: Solar exposure along the south side of 3rd Avenue (for illustrative purposes only)

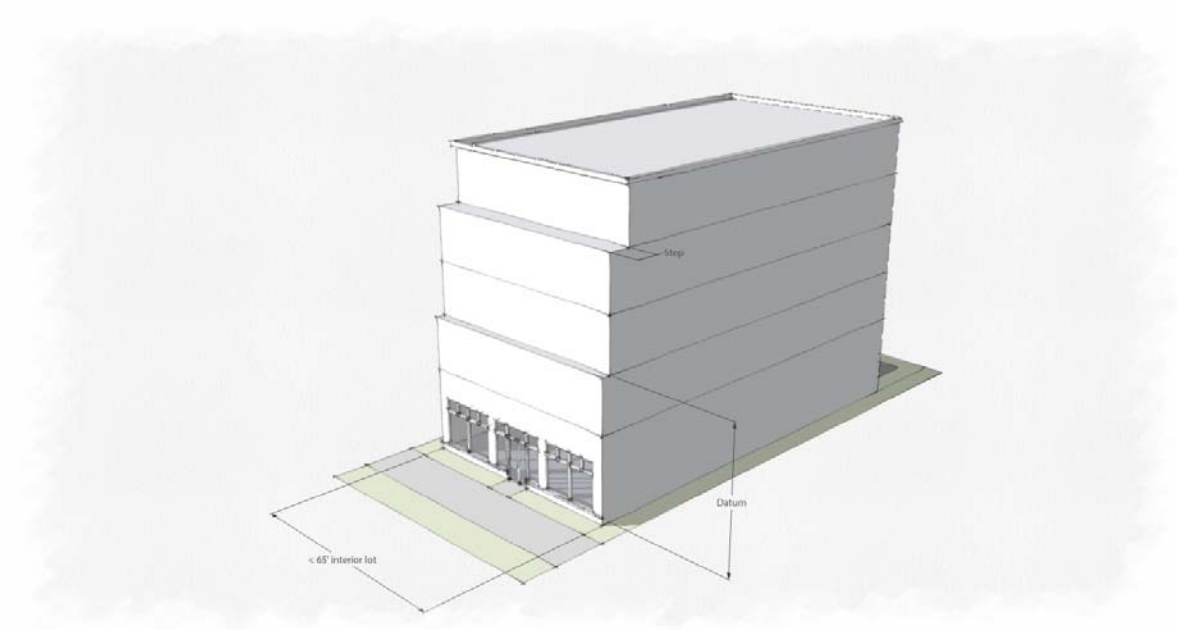


Illustrative Example: Small lot along the south side of 3rd Avenue (for illustrative purposes only)

6. Small Lots

a. Buildings on small lots (less than 9,375 SF) are too small to comply with the setbacks and bulk plane requirements. A building on such a site will not be required to adhere to setback or bulk plane requirements, but the 31' datum should be included as part of the building's architectural expression.

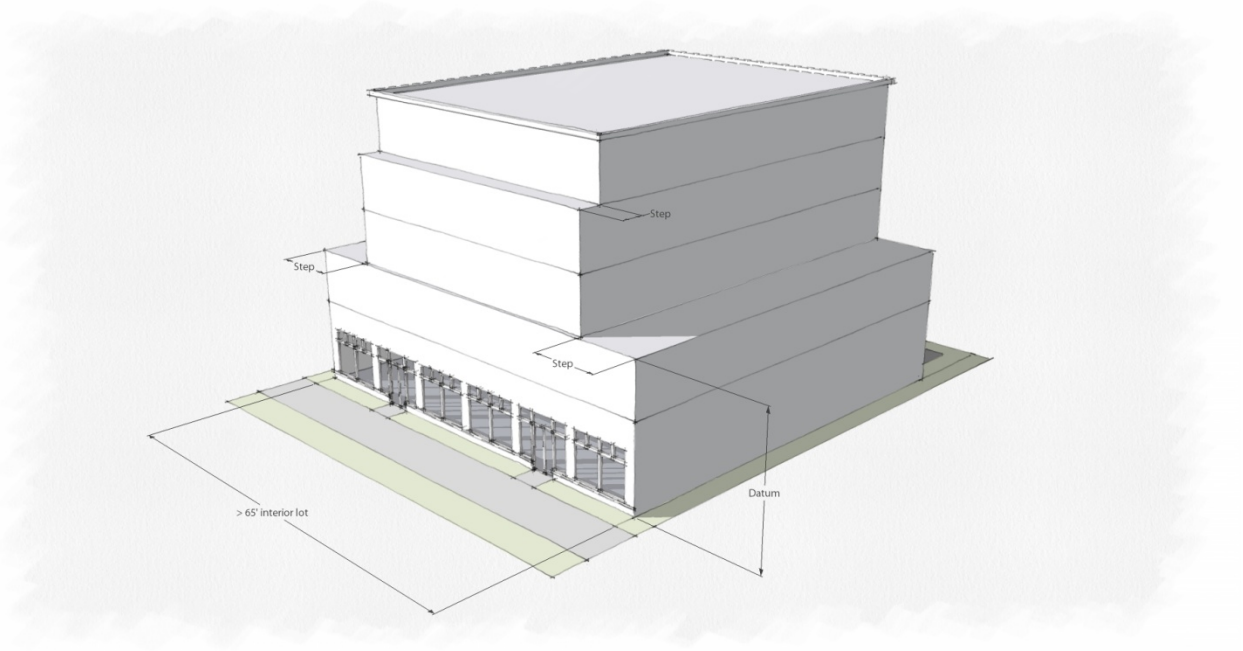
b. Parking requirements on small lots should be reduced for non-residential use and residential use. 25% or some portion of the small lot parking requirement can also be achieved through shared parking agreements with adjacent properties or publicly accessible off-street parking within the district.



Illustrative Example: Small building envelope (for illustrative purposes only)

7. Large Lot Bulk Plane

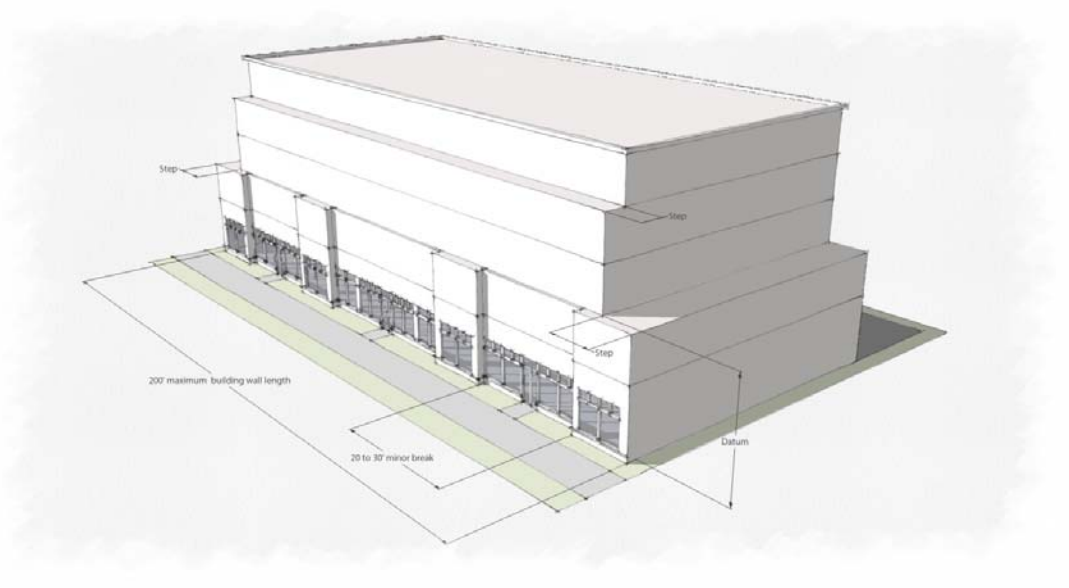
Lots that are 18,750 or larger (large lots) should comply with the setbacks and bulk plane requirements. A building on a large lot should be required to provide a side set back of 1:3, width to height ratio, beginning at the 31' height to allow sun and exposure to adjacent lots. The width of the side set back will be 1/3 the height of the building above the 31' datum level.



Illustrative Example: Large building envelope (for illustrative purposes only)

8. Building Base

a. The building base below the datum will be designed to include human scale treatment of building mass, materials, texture and composition. Facades should be well articulated with interplay of rhythm between transparent glass and solid materials. Blank walls will be avoided and, if necessary must be well articulated. Air vents and mechanical equipment will not be located adjacent to the public realm or visible from the street level.



Illustrative Example: Horizontal breaks and modulation at street level (for illustrative purposes only)

9. Street Level or Surface Parking

a. Surface parking shall only be allowed along the alley or at the rear of a site and no parking allowed above street level without a special review process.

b. Street level parking garages shall be required to be buffered by street level commercial uses which are a minimum of 30' in depth along any public street.

Zoning Parking Requirement Comparison

The Denver Zoning Code sets minimum parking requirements for each use in each Neighborhood Context. Parking requirements are lower for more urban contexts. This table provides a comparison of these minimums for the C-CCN district with the Urban Center context (of which C-CCN is part) for the primary uses in Cherry Creek North. Parking requirements in C-CCN are higher than for the Suburban Context, which has the highest minimum parking.

Zone District/Context	Current C-CCN	Urban Center	Urban Form Working Group
Land Use			
Office	1/300 SF (3.33/1000)	1.25/1000 SF	Proposed 2/1000 SF
Retail	1/300 SF (3.33/1000)	1.25/1000 SF	Proposed 3/1000 SF
Residential	2/DU	.75/DU	Proposed 1.5 per unit