



**Amendment to Welton Corridor Urban Redevelopment Plan  
29<sup>th</sup> & Welton Project  
City Council Public Hearing - September 23, 2024**



# Welton Corridor Urban Redevelopment Plan Amendment

## 29<sup>th</sup> & Welton Project

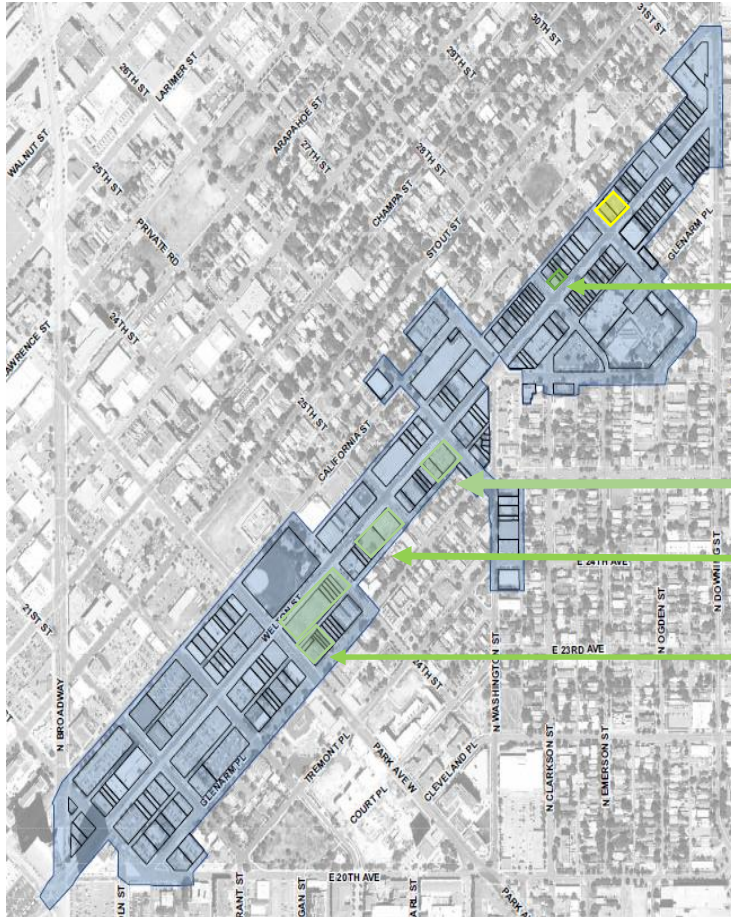
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- City Council approved the Welton Corridor Urban Redevelopment Plan September 2012
  - Urban Redevelopment Area determined to be Blighted
  - Urban Redevelopment Plan found to be in conformance with Denver Comprehensive Plan and its applicable supplements
  - Urban Redevelopment Area appropriate for Urban Redevelopment Projects
- Tax Increment Financing authorized but not approved for any projects.
- Urban Redevelopment Plan Amendment does two things:
  - Approves the 29<sup>th</sup> and Welton Project as an approved Project
  - Establishes the 29<sup>th</sup> and Welton Property Tax Increment Area and Sales Tax Increment Area

# Welton Corridor Urban Redevelopment Plan Amendment

## 29<sup>th</sup> & Welton Project



Urban Redevelopment Area

29<sup>th</sup> and Welton Project

Current Welton Corridor Projects

2801 Welton St. Sales & Property Tax Increment Area

2560 Welton St. Sales & Property Tax Increment Area

2460 Welton St. Property Tax Increment Area

2300 Welton St. Property Tax Increment Area

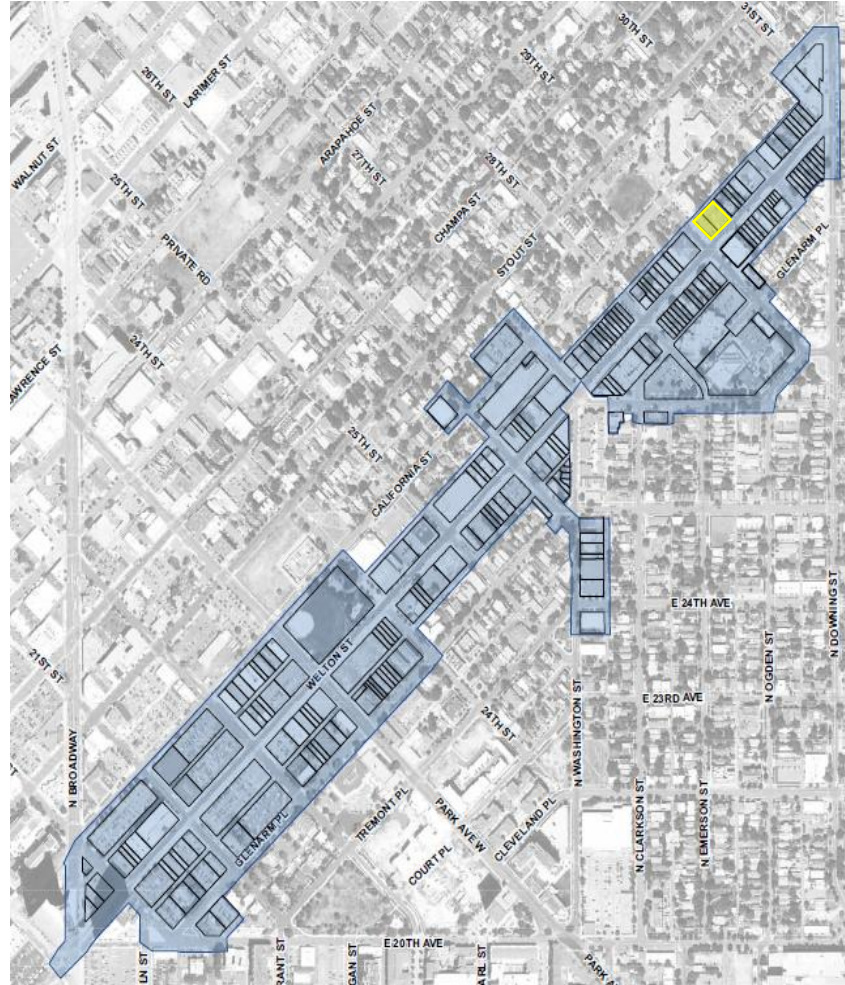
Project Name	Date Approved	Project Description	Termination Date
2300 Welton	July 14, 2014	223 Affordable Rental Units	July 14, 2039
2460 Welton	January 12, 2015	Mixed-Use, Commercial and Residential	January 12, 2040
2801 Welton	January 12, 2015	Commercial	January 12, 2040
2560 Welton	May 31, 2016	Mixed-Use,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

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## 29<sup>th</sup> & Welton Project

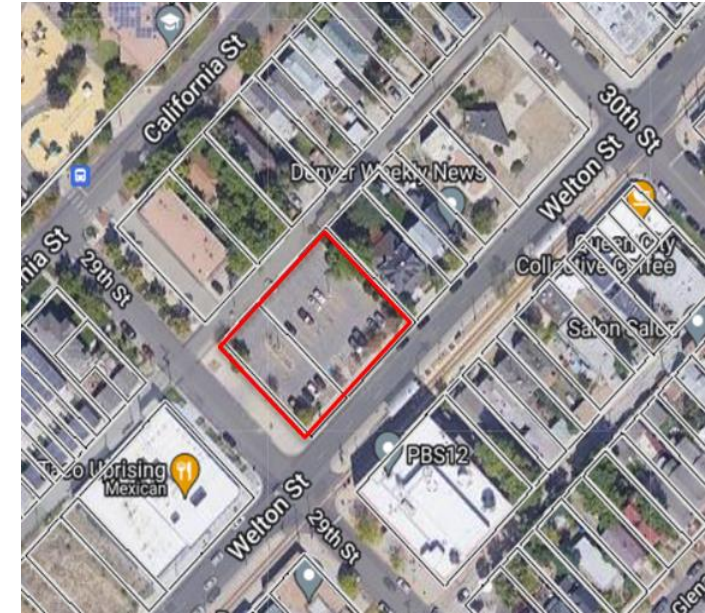


- **Location:** Five Points Neighborhood, Council District 9
- **URA Size:** Approximately 85 acres
- **Size of the 29th & Welton project:** Approximately 0.43-acre parcel
- **Redeveloper:** Shanahan Development and Elevation Community Land Trust
- **Zoning:** C-MX-5
- **Existing Land Use:** RTD Surface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



Urban Redevelopment Area

29<sup>th</sup> and Welton Project



2907 Welton Street Location

# Welton Corridor Urban Redevelopment Plan Amendment

## 29<sup>th</sup> & Welton Project

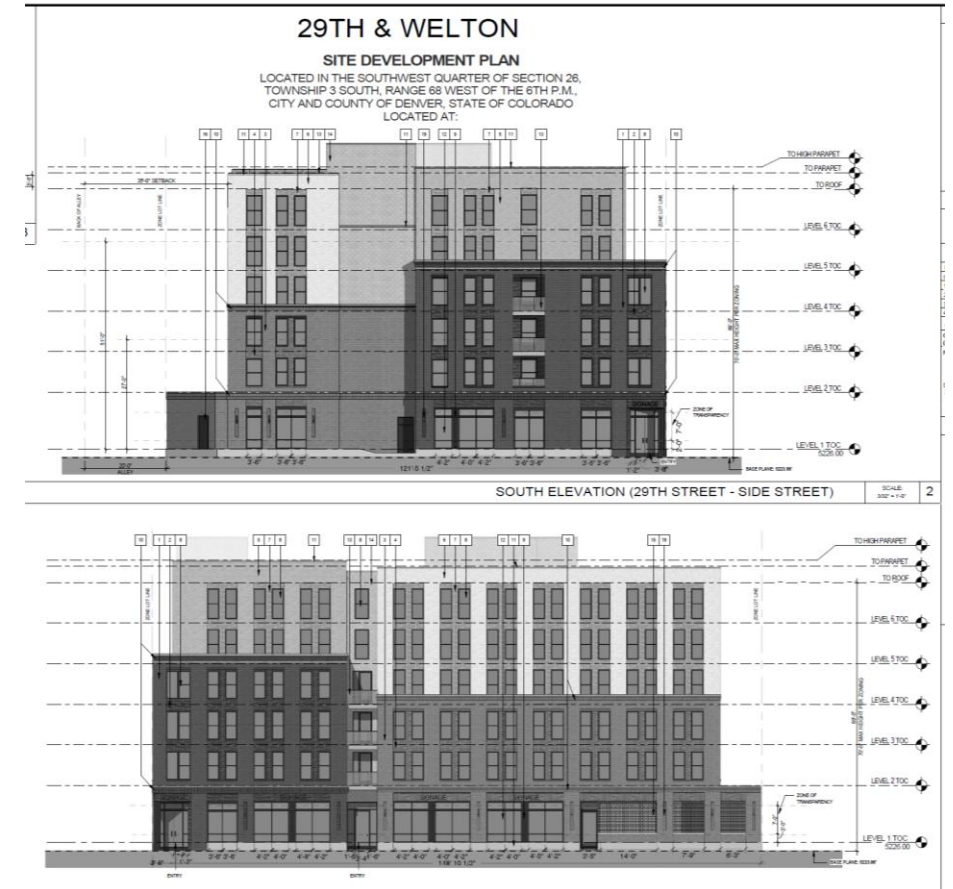


Location – RTD Surface Parking Lot at corner of 29th & Welton in the Five Points Neighborhood

Developer Team – Shanahan Development and Elevation Community Land Trust

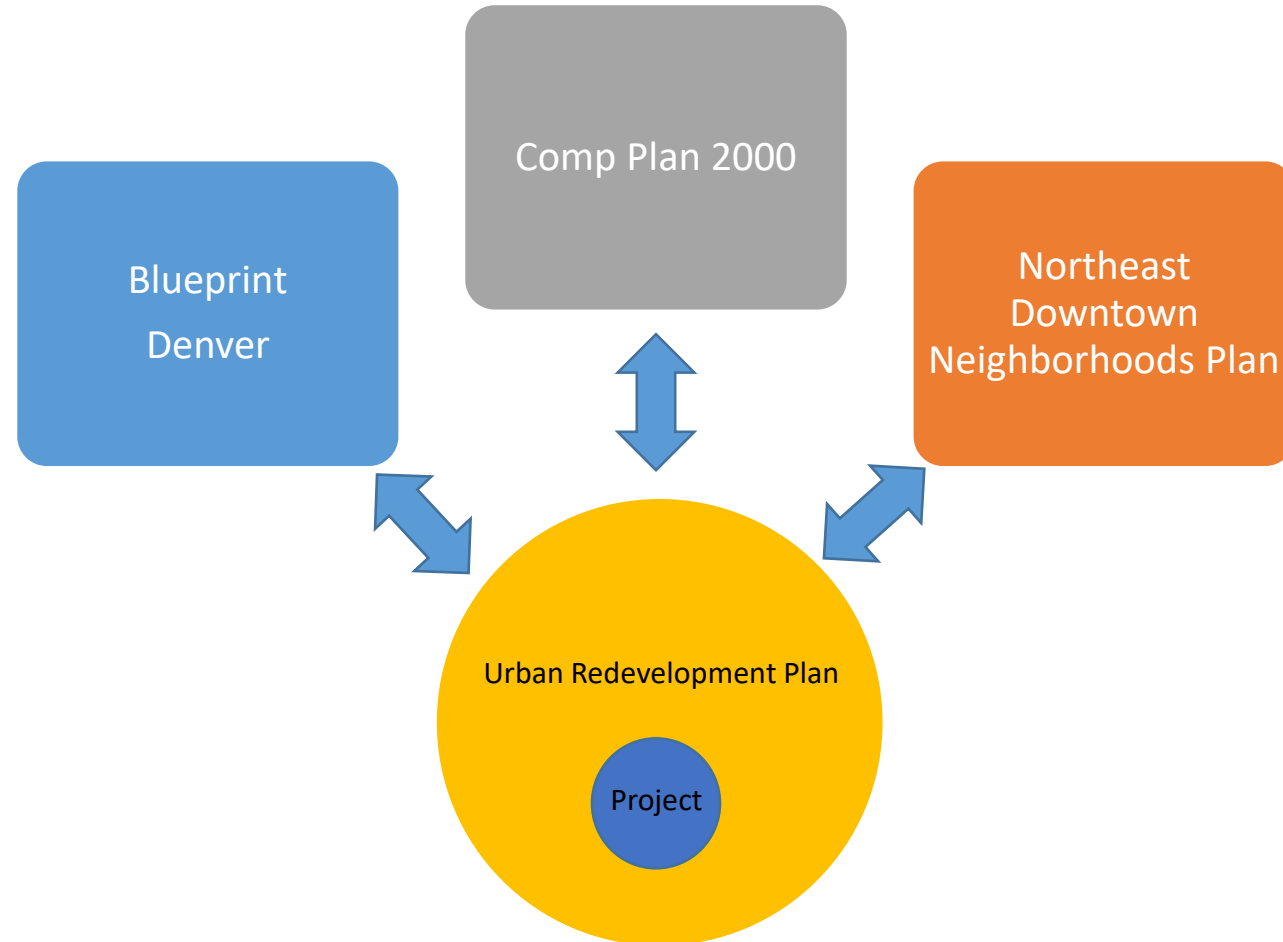
62 Permanently Affordable For-Sale Condominium Units

~6,950 SF Ground Floor Commercial Space



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

### Conformance with Plan Objectives:



# Welton Corridor Urban Redevelopment Plan Amendment

## 29<sup>th</sup> & Welton Project – Plan Conformance



### Goals related to supporting Equitable, Affordable and Inclusive Development and Strong and Authentic Neighborhoods

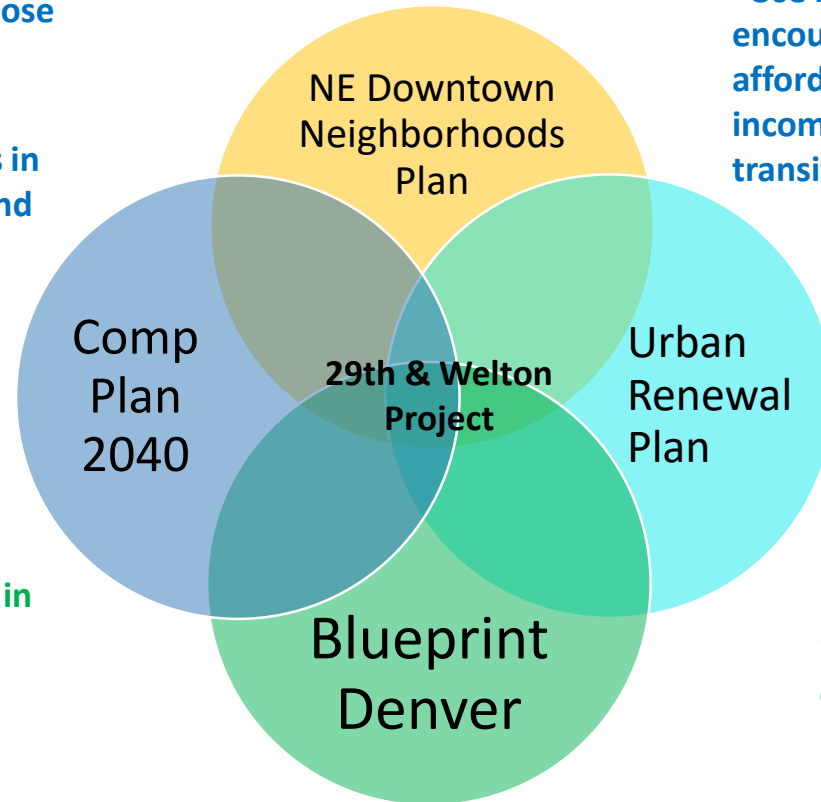
“Increase development of housing units close to transit and mixed-use developments.”

“Create a greater mix of housing options in every neighborhood for all individuals and families.”

“Improve equitable access to employment areas throughout the city to ensure all residents can connect to employment opportunities.”

“Promote and anticipate planned growth in major centers and corridors and key residential areas connected by high- and medium-capacity transit corridors.”

“Moderate intensity development transitioning to neighborhoods.”



“Use land use regulations to enable and encourage the private development of affordable, missing middle and mixed-income housing, especially where close to transit.”

“Advance a comprehensive approach to mitigating involuntary displacement that includes expanding economic mobility, creating new affordable housing and preserving existing affordability.”

“Incentivize or require efficient development of land, especially in transit-rich areas.”

“Integrate mitigation of involuntary displacement of residents and/or businesses into major city projects.”

“Improve access to healthy transportation.”

“Promote economic and housing diversity.”

# Welton Corridor Urban Redevelopment Plan Amendment

## 29<sup>th</sup> & Welton Project

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### Conformance with Urban Redevelopment Plan Objectives:

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



# 29<sup>th</sup> & Welton Project: Tax Increment Commitment



## ECLT Acquisition Budget

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

- Tax Increment Request: \$2,210,000 (~8.2% of ECLT Budget)
- 29<sup>th</sup> & Welton Tax Increment Areas coterminous with Project development area – Capture incremental sales and property tax increment



## 29<sup>th</sup> & Welton Project: Tax Increment Commitment

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

# Amendment to Welton Corridor Urban Redevelopment Plan: 29<sup>th</sup> & Welton Project - Additional Agreements

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

# Amendment to Welton Corridor Urban Redevelopment Plan: 29<sup>th</sup> & Welton Project - Additional Agreements

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

# Amendment to Welton Corridor Urban Redevelopment Plan: 29<sup>th</sup> & Welton Project – Legislative Findings

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- Project is located within the Welton Corridor Urban Redevelopment Area
- Feasible Method exists for Relocation of Displaced Individuals and Families and/or Business Concerns
- Written Notice of Public Hearing Provided to All Property Owners, Residents and Owners of Business Concerns in the Urban Redevelopment Area
- No more than 120 Days Since First Public Hearing – This is the first Public Hearing
- No previous failure to approve Plan Amendment
- Conformance with Comprehensive Plan
- Maximum Opportunity for Redevelopment by Private Enterprise
- Ability to Finance additional City Infrastructure
- Agreements with other property taxing entities
  - Denver Public Schools
  - Urban Drainage & Flood Control



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