



**Evans School Urban Redevelopment Plan  
Finance and Governance Committee June 25, 2024**



# Evans School Urban Redevelopment Plan

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Two Ordinances for Committee Consideration:

CB24-0851 – Evans School Urban Redevelopment Plan

CB24-0850 – Evans School Cooperation Agreement between the City and County of Denver and DURA

# Evans School Urban Redevelopment Plan: Context

- **Location:** Civic Center (Golden Triangle), Council District 10
- **URA Size:** Approximately .8 acres
- **Property:** Single parcel owned by Redeveloper
- **Redeveloper:** Schoolhouse Investors, LLC
  - Joint Venture between Columbia Holdings, LLC and City Street Investors
- **Zoning:** D-GT
- **Existing Land Uses:**
  - Underutilized Historic former School Building



# Evans School: History



- 1904: Building Constructed
  - Designed by Denver Public Schools architect David W. Dryden. Dryden designed 23 schools during his 11-year tenure as supervising architect for School District No. 1 (including North High School).
  - The Evans School is considered to be one of his best works. The elementary school was built to serve as a model for other schools in the district in the midst of Denver's City Beautiful movement, which produced the State Capitol and Civic Center Park.
- 1974: Building Closed
  - Sold to Eber Family
  - Partially rehabbed over next 45 years
- 1980: Listed on National Register of Historic Buildings
- 2001: Designated Denver Local Landmark
- 2019: Sold to Evans Partners LLC (Lennar)
- 2020: Sold to Schoolhouse Investors
  - (Columbia Holdings and City Street Investors)
- June 2022: Conditions Study Completed
- January 2023: Application officially submitted to DURA seeking property and sales tax increment assistance
- January 2024: Revised application received



# Evans School Urban Redevelopment Plan: Conditions Study

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## Conditions Study was conducted in June 2022

- 1) Deteriorated or deteriorating structures
- 2) Defective or inadequate street layout
- 3) Faulty lot layout in relation to size, adequacy, accessibility, or usefulness
- 4) Unsanitary or unsafe conditions
- 5) Deterioration of site or other improvements
- 6) Unusual topography or inadequate public improvements or utilities**
- 7) Defective or unusual conditions of title rendering the title non-marketable
- 8) Conditions that endanger life or property by fire or other causes
- 9) Buildings that are unsafe or unhealthy for people to live or work in**
- 10) Environmental contamination of buildings or property**
- 11) Existence of health, safety, or welfare factors requiring high levels of municipal services or **substantial underutilization or vacancy of buildings, sites, or improvements**

# Evans School: The Project

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The Redeveloper has submitted a proposal to redevelop the entire 33,695 square foot building and 33,750 square foot site into the following:

## First Floor:

- 3,956 sf full-service restaurant and beer garden.

- 1,080 sf combined coffee shop and ice cream parlor.

- Retail spaces to be leased to local businesses.

## Second Floor:

- Update the existing 5,500 sf auditorium to host private and community events.

- Retail spaces to be leased to wellness providers, makers/craftspeople.

## Third Floor:

- Retail, office, and studio spaces in existing classroom spaces.

## Overall Building Preservation & Improvements:

- Remove lead oxide paint and restore the historic roof; Restore exterior masonry and decorative metals.

- Construct interior storm liners to the original windows to improve energy performance.

- Build out first floor HVAC, plumbing, electrical systems to allow for restaurant uses.

- Create 3,000 sf of outdoor patio space for the beer garden and coffee/ice cream spaces.

- Remove steeply raked auditorium floor and make entire building more ADA accessible.

- Update existing classroom spaces to provide low-cost rent opportunities

# Evans School: East Side Rendering



# Evans School Urban Redevelopment Plan: Plan Objectives

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## The main objectives of the Urban Redevelopment Plan are to:

- **To eliminate the present factors which contribute to the blight in the Area. Such blighting factors are detrimental to the community and limit the development potential of the surrounding area.**
- To renew and improve the character and environment of the Area and its surroundings by preventing or ameliorating economic, physical and environmental deterioration.
- **To encourage commercial and retail development that is socially and economically inclusive and from which the Urban Redevelopment Area and its environs can draw economic strength.**
- **To encourage the reuse of existing buildings where appropriate, including historic preservation and adaptive reuse.**
- **To promote a diverse, sustainable neighborhood economy.**
- To encourage land use patterns within the Area and its environs where pedestrians are safe and welcome.
- To encourage the participation of existing property owners within and adjacent to the Urban Redevelopment Area in the redevelopment of their property.
- To improve and provide for employment centers at areas proximate to multimodal transit centers and access.
- **To assist the City in cultivating complete and inclusive neighborhoods.**
- To improve the economy of the City by stabilizing and upgrading property values.
- **To achieve goals as outlined in adopted City Plans.**



# Evans School Urban Redevelopment Plan: City Plan Compliance



## Goals related to supporting high-quality design & engaging public realm

“Ensure civic buildings and public spaces enhance and contribute to the design legacy of Denver.”

“Use urban design to contribute to economic viability, public health, safety, environmental well-being, neighborhood culture and quality of life”

“Ensure an active and pedestrian-friendly environment that provides a true mixed-use characters in centers and corridors.”

“Work with public and private partners to improve access to shops, restaurants, entertainment, civic uses, services, and a variety of daily needs for all Denver residents”

“Activate the restored Evans School and develop compatible infill on the remainder of the site to facilitate appropriate development along Acoma Avenue of the Arts”

## Goals related to Denver neighborhoods

“Support the stewardship and reuse of existing buildings, including city properties”

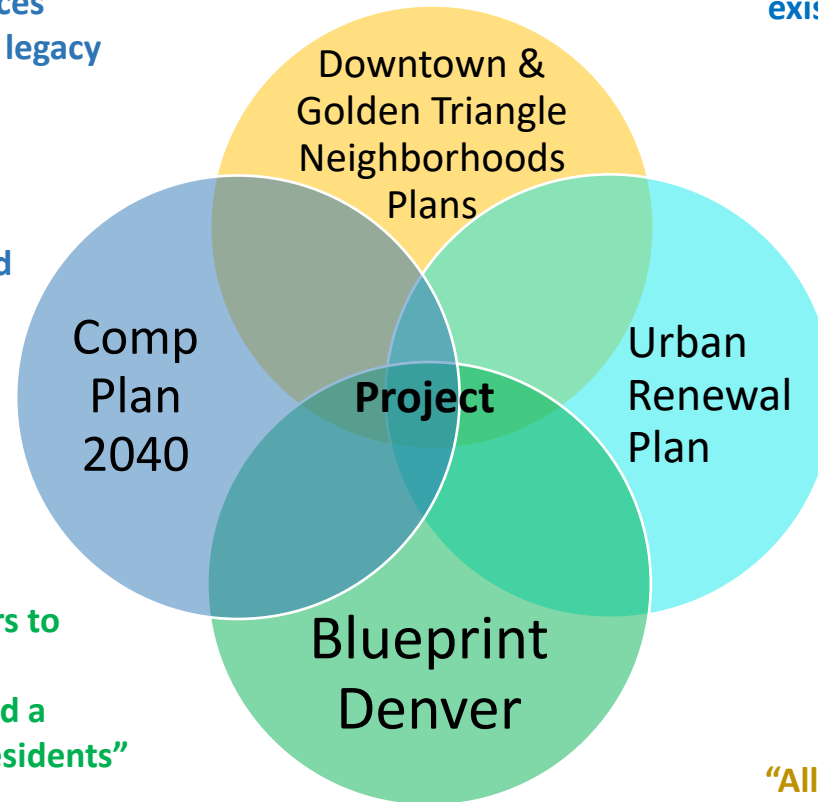
“Design public spaces to facilitate social connections and enhance cultural identity”

“In historic areas, balance efficiency with preservation through strategies that encourage the reuse of structures

“Develop programs and identify potential incentives to maintain existing spaces, reduce rent costs and other business costs and help create new spaces for hand crafted manufacturing, maker spaces, artists and other small, locally-owned businesses, especially in areas that score high for Vulnerability to Displacement”

“Allow for and promote a range of arts-related land uses, to preserve the distinctive artistic character and cultivate a new “creative class” of artists to enrich the neighborhood”

“Encourage the creative reuse of the Evans School as a space for arts and culture programming”



# Evans School Urban Redevelopment Plan: Blueprint Denver Equity Indicators



## An Equitable City

Planning for social equity and guiding change to benefit everyone

- The Project area and surroundings have:
- **Moderate** access to Opportunity
  - **Moderate** Vulnerability to Displacement
  - **Low** Housing Diversity and **Moderate** Job Diversity



- Staff considerations:
- Project will transform an underutilized historic building into an accessible, neighborhood-serving retail and arts-serving community space.
  - Project will provide community-serving retail options accessible so neighbors can walk or bike for shopping.
  - Project will include affordable commercial space and emphasis on supporting artists and makers/creators in the neighborhood.
    - Redeveloper has agreed to provide reduced lease rates for artist space and free use of Auditorium to non-profits/neighborhood organizations – will be memorialized in agreement with City.

# Evans School: Financial Overview



Sources of Funds	Amount	%	Uses of Funds	Amount	%
Equity	16,036,296	62%	Acquisition	15,825,000	61%
Debt	10,000,000	38%	Hard Costs	4,651,490	18%
			FF&E	173,000	1%
			Soft Costs	5,386,806	21%
<b>Total Sources of Funds</b>	<b>26,036,296</b>	<b>100%</b>	<b>Total Uses of Funds</b>	<b>26,036,296</b>	<b>100%</b>

- Project requires assistance due to cost associated with environmental remediation, life safety repairs, ADA compliance and historic building rehabilitation
- Tax Increment Request: \$3,300,000 (12.8% of Total Project Costs)
- Tax Increment Area coterminous with Urban Redevelopment Area – capture incremental sales and property tax increment

## Anticipated Eligible Costs:

Rehabilitation of Existing Structure, including façade	\$2.1 million
ADA Compliance	.8 million
Environmental Remediation	.3 million
Life Safety Repairs and Installations	<u>.1 million</u>
Total Reimbursable Costs	<u>\$3.3 million</u>

## Evans School Urban Redevelopment Plan: Additional Agreements

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- DURA/City Cooperation Agreement
  - 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 Urban Drainage and Flood Control District Letter Agreement
  - Ability to collect and utilize full amount of incremental property taxes from UDFCD mill levy
  - Project must be commenced by December 31, 2026
- DURA/DPS Intergovernmental Agreement
  - No DPS contribution required – Commercial Project
  - Ability to collect and utilize full amount of incremental property taxes from DPS mill levy
  - Project must be commenced by December 31, 2026



## Evans School Urban Redevelopment Plan: Schedule

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- Denver Planning Board – June 5, 2024 – Found in conformance with City Plans (7-0)
- Resolution to Set Public Hearing – June 11, 2024
- DURA Board Meeting – June 20, 2024
  - Urban Redevelopment Plan
  - DURA City Cooperation Agreement
  - DURA Urban Drainage and Flood Control District Letter Agreement
  - DURA/DPS Intergovernmental Agreement
- Council Finance and Governance Committee Meeting - June 25, 2024
- City Council Consideration of Urban Redevelopment Plan, Cooperation Agreement:
  - Public Hearing July 22, 2024

# Evans School Urban Redevelopment Plan: Questions?

