

ORDINANCE/RESOLUTION REQUEST

Please email requests to the Mayor's Legislative Team
at MileHighOrdinance@DenverGov.org by **3:00pm on Monday**. For any questions please contact Skye Stuart.

****All fields must be completed.****
Incomplete request forms will be returned to sender which may cause a delay in processing.

Date of Request: 12-22-2017

Please mark one: Bill Request or Resolution Request

1. Has your agency submitted this request in the last 12 months?

Yes No

If yes, please explain:

2. Title: (Include a concise, one sentence description – please include name of company or contractor and contract control number - that clearly indicates the type of request: **grant acceptance, contract execution, contract amendment, municipal code change, supplemental request, etc.**)

An amendment to the Denver Revised Municipal Code to create a new Article enabling incentive-based affordable housing requirements and setting forth specific affordable housing requirements for projects using the proposed Denver Zoning Code 38th and Blake Station Area Incentive Overlay.

3. Requesting Agency:

Office of Economic Development

4. Contact Person: (With actual knowledge of proposed ordinance/resolution.)

- **Name:** Laura Brudzynski
- **Phone:** 720-913-1575
- **Email:** Laura.brudzynski@denvergov.org

5. Contact Person: (With actual knowledge of proposed ordinance/resolution who will present the item at Mayor-Council and who will be available for first and second reading, if necessary.)

- **Name:** Laura Brudzynski
- **Phone:** (720) 913-1575
- **Email:** Laura.brudzynski@denvergov.org

6. General description/background of proposed ordinance including contract scope of work if applicable:

This amendment implements adopted 38th and Blake Station Area Height Amendments recommendations for an incentive system to require additional affordable housing for structures using incentive heights enabled by a new Denver Zoning Code incentive overlay district (will be considered by City Council concurrent with this amendment).

****Please complete the following fields:** (Incomplete fields may result in a delay in processing. If a field is not applicable, please enter N/A for that field – please do not leave blank.)

- a. **Contract Control Number:** N/A
- b. **Contract Term:** N/A
- c. **Location:** N/A
- d. **Affected Council District:** All
- e. **Benefits:** N/A
- f. **Contract Amount (indicate amended amount and new contract total):** N/A

7. Is there any controversy surrounding this ordinance? (Groups or individuals who may have concerns about it?) Please explain.

There is general support from stakeholders that have been involved in the project.

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Date Entered: _____

ORDINANCE/RESOLUTION REQUEST

Executive Summary

38th & BLAKE STATION AREA *Proposed Incentive Height Overlay District*



BACKGROUND: Denver City Council adopted a proposal for height amendments to the 38th and Blake Station Area Plan in September 2016. These height amendments reflect community support for taller buildings near the transit station, with the goal of encouraging development that is transit-oriented and provides benefit to the community.

PURPOSE: To implement this height amendment concept in the Station Area Plan, Community Planning and Development Department (“CPD”) is creating a new incentive height Overlay District. The system aims to leverage the public investment in transit around the 38th and Blake RTD Station area to allow taller building heights in return for integrated affordable housing and space for community-serving uses.

REQUIREMENTS: To obtain the right to build to incentive heights, 38th and Blake developers must first meet the requirements of the Dedicated Funding for Affordable Housing Ordinance (“Ordinance”), adopted by the Denver City Council in 2016. This ordinance established the requirement of Linkage Fees for all new development projects in the City and County of Denver. The fees are based on the gross square footage (GSF) of a development and requirements vary depending on the type of development (e.g. commercial, residential, industrial, etc.).

$$\text{Fee: } \text{Development type-specific fee} \times \text{GSF} = \$ \text{Fee project must pay}$$

However, as an alternative, developers may provide affordable units in lieu of paying the fee. Similarly, unit calculations are also based on the gross square footage (GSF) of a development and requirements vary depending on the type of development (e.g. commercial, residential, industrial, etc.).

$$\text{Units: } \text{Development type-specific "Build Alternative" coefficient} \times \text{GSF}/1,000 = X \text{ units}$$

(Note: unit fractions above 0.5 are rounded to the next whole unit)

The 38th & Blake Station Area Height Amendments establish a set of "base" and "incentive" heights for development. Development to base heights would be assessed according to the Ordinance. Above the base height, the Ordinance requirements would apply, plus additional fees or units¹ calculated at four

¹ Note: Residential units provided to meet incentive height requirements must be affordable to households earning below 80% Area Median Income and located within the development or in the 38th and Blake Incentive Height Overlay District.

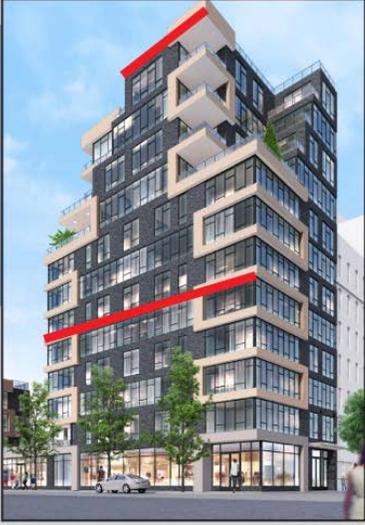
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times (4x) the requirement.

EXAMPLE SCENARIO: RESIDENTIAL DEVELOPMENT TO MAXIMUM INCENTIVE HEIGHT

<p>Incentive Height 7 Additional Stories 105,000 GSF</p>		<p>Example Residential Development</p> <p>Incentive Required Units: $(105,000/1000) \times (0.0168 \times 4)$ = 7 units</p> <p>+</p> <p>Citywide Required Units (For Total Project GSF): $(180,000/1000) \times 0.0168$ = 3 units</p> <p>Total Units Required: 10</p>
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Example Residential Development to incentive height (12 Stories, 180,000 GSF)

Image: Kutnicki Bernstein Architects

EXAMPLE SCENARIO: COMMERCIAL DEVELOPMENT TO MAXIMUM INCENTIVE HEIGHT

<p>Incentive Height 7 Additional Stories 105,000 GSF</p>		<p>Example Commercial Development Fee Option</p> <p>Incentive Fee: $\\$(1.70 \times 4) \times 105,000$ square feet = \$714,000</p> <p>+</p> <p>Citywide Fee: $\\$1.70 \times 180,000$ square feet = \$306,000</p> <p>Total Fee: \$1,020,000</p>
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REFERENCES: Details about the proposed height incentive overlay are available on CPD's website at: www.denvergov.org/38blake.

PROCESS: The 38th and Blake Incentive Height Overlay District will be proposed for adoption by the Denver City Council via a text and map amendment in the Denver Zoning Code. Requirements for the affordable housing contribution within the Overlay District will be proposed for adoption by the Denver City Council through the creation of a new Article VI, Chapter 27 (Housing) of the Denver Revised Municipal Code.

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