



TO: City Council
FROM: Chris Gleissner, Director – Site Design and Neighborhood Development
DATE: May 4, 2026
RE: Denver Zoning Code Text Amendment – Site Development Plan Validity Extension

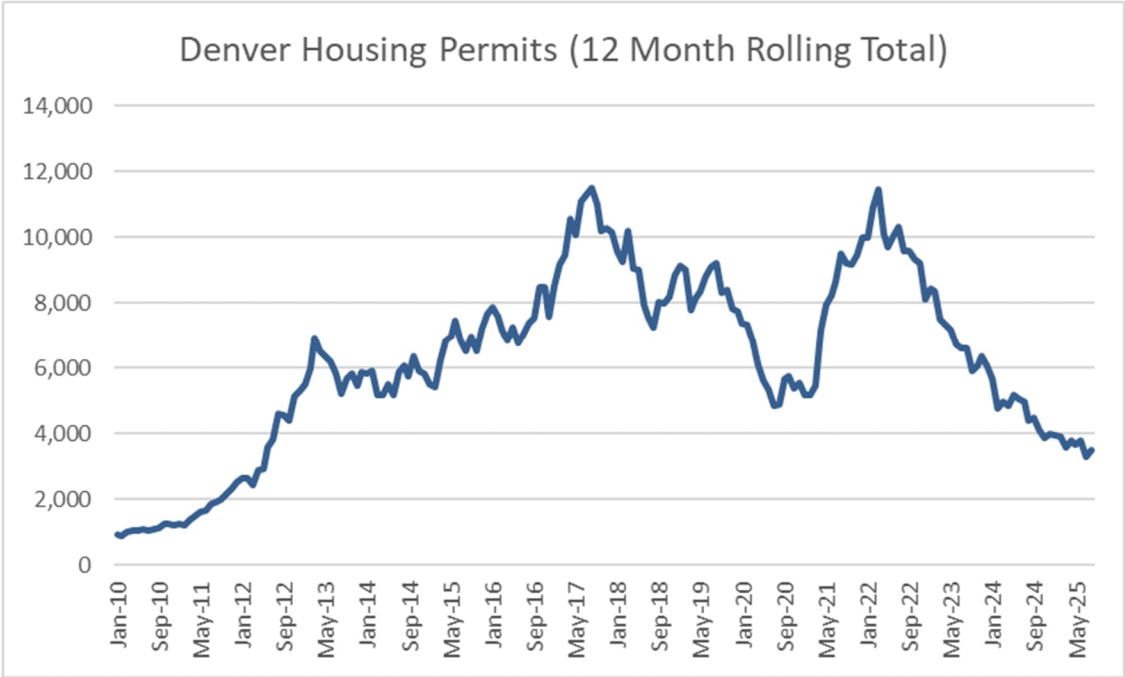
Staff Report and Recommendation

Based on the review criteria for text amendments set forth in the Denver Zoning Code (DZC), Section 12.4.11 (Text Amendment), Community Planning and Development recommends approval of the Site Development Plan Validity Extension text amendment.

Background and Purpose

The proposed Site Development Plan Validity Extension text amendment would grant any Site Development Plan (SDP) approved on or before December 31, 2025 a 3-year extension to the period of validity to obtain building permits.

This amendment is proposed due to unique economic conditions that make it challenging for construction projects to obtain financing. While Denver experienced a construction boom in 2021 and 2022, recent market conditions -- including elevated construction costs, high interest rates, and declining rents – have led to a significant reduction in construction. As the graph below shows, multi-unit permits in Denver declined dramatically in the last three years.



Source: *Denver's Housing Construction Boom Has Reduced Rents, Especially for Lower-Income Renters – January 13, 2026. Matt Fromer and Luke Teater, SWEEP, Housing Forward Colorado, Thrive Economics Denver permit data*

If this trend continues, Denver could quickly face an even greater shortage in housing supply. The proposed amendment will grant more time to projects that already have SDP approval so that the projects are more likely to be constructed in the coming years and provide much needed housing units and commercial services for Denver residents.

Proposed Changes

The text amendment proposes revisions to DZC Article 12: Zoning Procedures & Enforcement. This amendment adds an additional 36 months, for a total of 66 months, of validity for Site Development Plans approved on or before December 31, 2025. The complete review draft is included as an attachment to this staff report.

Outreach and Public Process

Community outreach for the proposed text amendment included a presentation at the Inter Neighborhood Cooperation Zoning and Planning Committee (INC ZAP), an informational notice to all Registered Neighborhood Organizations and City Council, courtesy public review draft with 30-day comment period, and the provision of contact information for comments/questions. Below is a list of the key dates of this process:

City Council Briefings

- City Councilmember Briefings – February 2026

Text Amendment Adoption Process Timeline

- Text Amendment Drafting Initiated – January 30, 2026
- Text Amendment Internal Agency Referral – February 20, 2026
- Text Amendment Courtesy Public Review Draft – February 20, 2026
- Planning Board Hearing Public Notification – March 3, 2026
- Planning Board Public Hearing – March 18, 2026 – Unanimous Recommendation of Approval
- Community Planning & Housing Committee – March 24, 2026
- Mayor Council – March 31, 2026
- City Council First Reading – April 6, 2026
- City Council Public Hearing – May 4, 2026

Planning Board voted unanimously to recommend approval of this text amendment at a public hearing on March 18, 2026. The Community Planning & Housing Committee discussed this proposal and moved it out of committee on March 24, 2026.

Written comments: CPD staff received 3 comments and questions from the public on this project as well as 4 letters of support, prior to the cutoff time for this report (4/30/26). Comments received included feedback about the decision to amend the DZC to implement the extended period of validity, a request for a list of affected projects within the Westwood Neighborhood (none), and clarification of the interplay of amendments or updates to other code and policy related documents. All comments and support letters received are attached to this staff report.

Review Criteria and CPD Staff Evaluation

The criteria for review of a proposed text amendment are found in Section 12.4.11.4 of the DZC. CPD staff analyzed the proposed text amendment for compliance with the review criteria stated below and finds that the proposed text amendment satisfies each of the review criteria:

1. Consistency With Adopted Plans

The proposed text amendment is consistent with the following adopted plans, strategies and policies:

- *Comprehensive Plan 2040* (2019)
- *Blueprint Denver* (2019)

Comprehensive Plan 2040

Comprehensive Plan 2040 is the long-range vision guiding the future of Denver and consists of six vision elements. The proposed text amendment is consistent with the following Comprehensive Plan 2040 vision elements:

Equitable, Affordable and Inclusive vision element:

Goal 2: Build housing as a continuum to serve residents across a range of incomes, ages and needs.

Strategy A: Create a greater mix of housing options in every neighborhood for all individuals and families. (p. 28)

Strategy B: Ensure city policies and regulations encourage every neighborhood to provide a complete range of housing options. (p. 28)

Staff finds that this text amendment will help to create equitable, affordable, and inclusive neighborhoods by maintaining a supply of approved development projects ready for construction citywide. The proposed text amendment allots additional time for approved development projects to deliver built projects that may not otherwise be constructed due to unique market factors. This will enable more units to be constructed in Denver, which provides more housing options across the city and helps to prevent shortages in housing supply.

Economically Diverse and Vibrant vision element:

Goal 2, Strategy B: Facilitate the growth of a diverse business sector that serves as the foundation for a global, innovative economy. (p. 47)

Staff finds that this text amendment will advance the city's goals for a strong economy by enabling the construction of units that house workers and contribute to a growing city.

Blueprint Denver (2019)

Blueprint Denver was adopted in 2019 as a supplement to Comprehensive Plan 2040 and establishes an integrated framework for the city's land use and transportation decisions. The proposed text amendment is consistent with the following *Blueprint Denver* policies:

Land Use and Building Form: General

Policy 3: Ensure the Denver Zoning Code continues to respond to the needs of the city, while remaining modern and flexible. (p. 72)

The proposed text amendment responds to the needs of the city, including feedback received from customers. This amendment is intended to address challenges that exist in the current market for projects that have spent considerable time in the City review process to achieve an approved Site Development Plan, and need more time to obtain building permits due to unique market conditions including interest rates and construction costs. Extending the approval period for Site Development Plans acknowledges current market conditions by accommodating longer timelines to achieve building permit issuance.

Land Use and Building Form: Economics

Policy 6: Ensure Denver and its neighborhoods have a vibrant and authentic retail and hospitality marketplace meeting the full range of experiences and goods demanded by residents and visitors. (p. 93)

The proposed amendment provides extended timeframes to applicants and property owners, supporting a continued healthy pipeline of development applications. Extending the ability for approved commercial development applications to achieve building permits will make it more likely for Denver’s neighborhoods to be served by needed services and amenities.

2. Public Health, Safety and Welfare

The text amendment furthers the public health, safety and welfare of Denver residents, landowners, and community members by addressing unique economic conditions that make it challenging for construction projects to obtain financing. This could result in expiration of approved plans for housing and mixed-use development. The text amendment will maintain economic development and housing opportunities during current market uncertainty, supporting residents and businesses within Denver.

3. Uniformity of District Regulations and Restrictions

The text amendment will result in updated regulations that are uniform within each zone district.

Attachments

1. Review draft of the Site Development Plan Validity Extension text amendment
2. Comments and Questions received from the public