

# 27<sup>th</sup> and Larimer Urban Redevelopment Plan

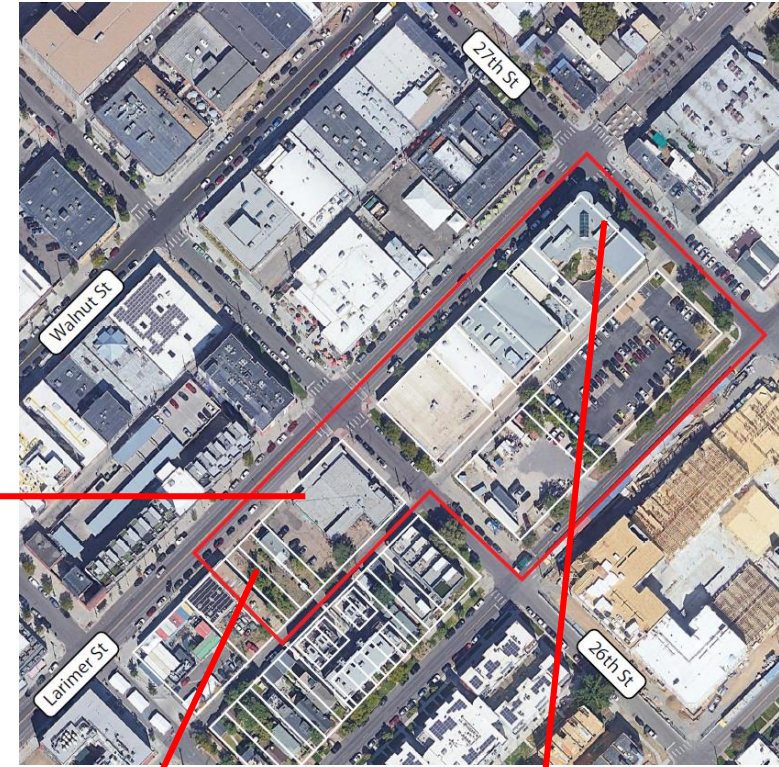




# 27<sup>th</sup> & Larimer Urban Redevelopment Plan: Urban Redevelopment Area (“URA”) Context



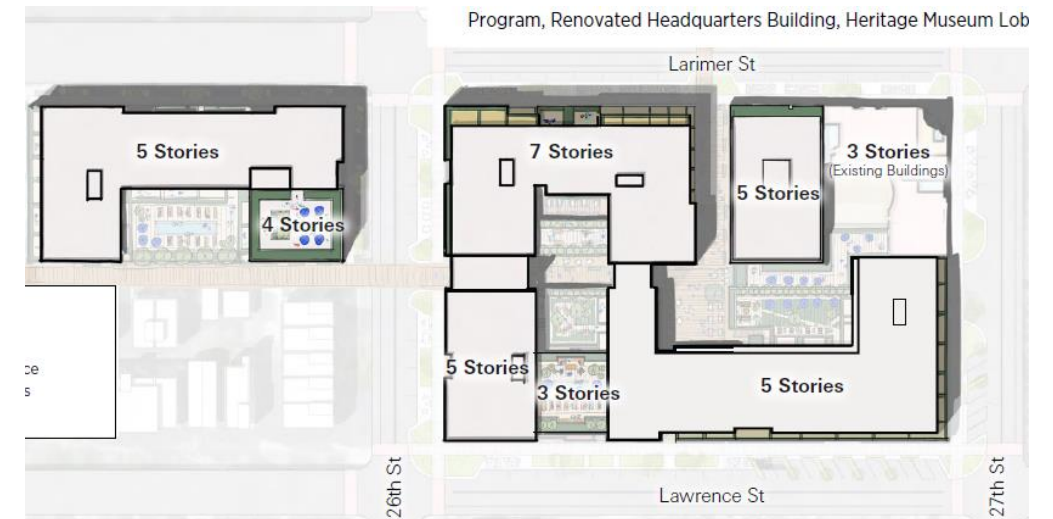
- **Location:** Five-Points, Council District 9
- **URA Size:** Approximately 5-acres
- **Property:** 15 parcels owned by two entities
  - 14 owned by affiliates of Edens (“Redeveloper”)
  - 1 owned by Volunteers of America (“VOA”)
- **Zoning:** PUD-G 28
- **Existing Land Uses:**
  - Several vacant structures (warehouse, sf home, office)
  - Several vacant lots and surface parking lots
  - An active liquor store
  - Commissary kitchen & distribution warehouse
  - VOA office headquarters



# 27<sup>th</sup> & Larimer Urban Redevelopment Plan: Redevelopment Timeline



- 2018: Edens purchase several properties in Five Points surrounding URA
  - Manages portfolio of ≈40 retail businesses across their Five Points holdings with ≈50% of businesses BIPOC or women-owned
  - Established partnership with VOA
    - VOA to sell to Edens commissary kitchen and food distribution warehouse within URA
    - Edens to identify, acquire, refurbish, and transfer new enhanced facilities outside URA to VOA
    - Edens to renovate VOA headquarters within the URA
- January 2022: Edens officially submits application to DURA seeking tax increment assistance
  - Property and sales tax increment requested
- June 2022: PUD zone district is approved by City Council
  - Allow for a mix of open space, commercial and residential land use
  - Series of height allowances between 3- and 7-stories
  - Affordable housing & public benefit requirements
- July 2022: Edens acquires commissary kitchen and food distribution facilities from VOA



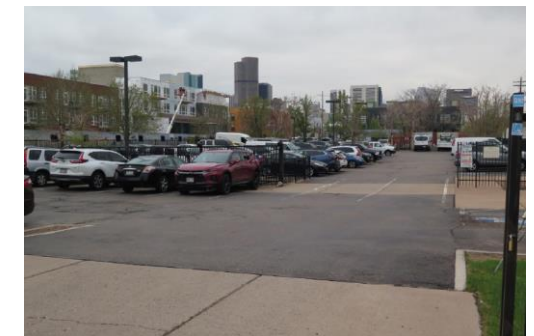


# 27<sup>th</sup> & Larimer Urban Redevelopment Plan: Conditions Study



## Conditions Study was conducted in April 2021

- 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**



# 27<sup>th</sup> & Larimer Urban Redevelopment Plan: The Project



- **Project:** The development of several multi-story buildings within the URA that will provide a mix of uses contemplated to include retail; residential, a portion of which will be affordable to low-income households; a publicly accessible outdoor plaza; and below-grade parking
- **Current Project Affordable Housing Commitment:**
  - 10% of residential units set aside for households making 50% AMI
  - 99-year covenant restriction
- **Other Public Benefitting Commitments in URA as part of Rezoning:**
  - 10,000sf of privately maintained publicly accessible open space with incorporated green infrastructure
  - Affordable business incubator and kitchen program including 3 affordable live/work units on Lawrence Street with affordable ground-floor commercial space
  - Renovation of VOA headquarters
  - Repair and integration of valued existing façades
  - Neighborhood-serving retail and use restrictions along Lawrence Street (grocer contemplated)
  - Off-street underground parking that allows for active public realm and urban design above-grade
- **Redeveloper applied to DURA in tandem with seeking PUD rezoning**

Project Use Mix	Quantity Measurement
Residential	390 Units
Market Rate	351 Units
Affordable (50% AMI)	39 Units
Retail	101,113 sf
Retail	53,250 sf
Restaurant	22,863 sf
Grocer	25,000 sf
Office (VOA)	21,706 sf
Open Space	10,000 sf
Subgrade Parking	565 Spaces
Residential	293 Spaces
Retail	242 Spaces
VOA	30 Spaces

Project Unit Mix	Market-Rate	Affordable	Total
Studio	107	12	119
1BR	142	16	158
2BR	102	11	113
<b>Total</b>	<b>351</b>	<b>39</b>	<b>390</b>

# 27<sup>th</sup> & Larimer Urban Redevelopment Plan: City Plan Compliance



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

“Create people-oriented places that embrace community character with thoughtful transitions, aspirational design and an engaging public realm”

“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.”

“Ensure attractive streets and outdoor spaces in all centers and corridors, giving priority to pedestrian spaces and amenities.”

“Increase open space access”

“Moderate intensity development transitioning to residential neighborhoods”

## Goals related to mixed-use development

“Build a network of well-connected, vibrant, mixed-use centers and corridors.”

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

“Promote and incentivize the development of affordable and family-friendly houses, as well as a full range of job opportunities, in and near regional centers, community centers and community corridors.”

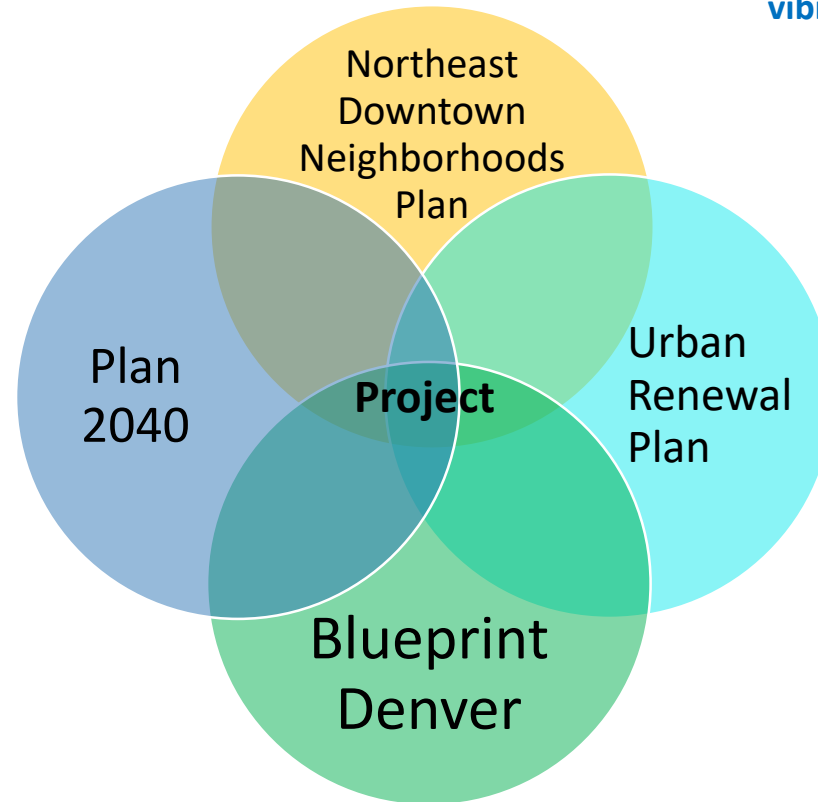
“Promote mixed-use development in all centers and corridors.”

“...promote development that creates walkable, transit-friendly communities”

“Encourage housing density”

“Promote economic and housing diversity”

“Strengthen retail corridors”



## 27<sup>th</sup> & Larimer 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
- **High** Vulnerability to Displacement
- **Low** Housing and **Low** Job Diversity

Staff considerations:

- Project will increase supply of housing opportunities including a portion set aside for households making 50% AMI
- Project will create new open space with green infrastructure elements programmed throughout
- Project to provide community-serving retail options so neighbors can walk or bike for daily shopping needs
- Project will include affordable commercial space and emphasis on growing small/BIPOC/Veteran owned businesses in the neighborhood





## 27<sup>th</sup> & Larimer Urban Redevelopment 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 more effectively use underdeveloped land within the Area.
- To promote a diverse, sustainable neighborhood economy, including mixed use and commercial development opportunities within the Area.
- To encourage land use patterns within the Area and its environs that result in a more environmentally sustainable city.
- To assist the City in cultivating complete and inclusive neighborhoods.
- To encourage land use patterns within the Area and its environs where pedestrians are safe and welcome.
- To improve the economy of the City by stabilizing and upgrading property values.
- Encourage high and moderate density development where appropriate.
- To achieve goals as outlined in adopted City Plans.



# 27<sup>th</sup> & Larimer Urban Redevelopment Plan: Use of Tax Increment



27th & Larimer Project	\$	%
Acquisition	\$33,277,100	14%
Hard Costs	\$165,860,211	69%
Demolition/Remediation	\$1,709,663	1%
Vertical: Retail	\$28,553,220	12%
Vertical: Residential	\$91,901,677	38%
Site Improvements	\$12,618,102	5%
Below-Grade Parking	\$31,077,550	13%
Soft Costs	\$40,813,706	17%
<b>Total Project Budget</b>	<b>\$239,951,017</b>	<b>100%</b>

Anticipated Eligible Costs	\$	%
Demolition/Remediation	\$1,659,663	8%
Façade Restoration	\$900,000	5%
Outdoor Plaza	\$7,557,050	39%
Below-Grade Parking [Retail]	\$5,849,121	30%
<b>Total Eligible Improvements</b>	<b>\$15,965,833</b>	<b>82%</b>
Soft Costs	\$3,193,167	16%
Project Art & CEO Program	\$391,000	2%
<b>Total Eligible Project Costs</b>	<b>\$19,550,000</b>	<b>100%</b>

**Use of Tax Increment:** Reimbursement of Eligible Project Costs up to \$19.55MM [≈8% of Project Budget]

- In addition to reimbursement, tax increment will be used to provide a ≈\$3.5MM impact fee to DPS

## Anticipated TIF Eligible Project Costs:

- Remediation of contaminated soil
  - Removal of deteriorated structures
- } **Remedy Blight**
- Creation of publicly accessible plaza and outdoor space
  - Below-grade public parking
- } **Support Development Vision**

## 27<sup>th</sup> & Larimer Urban Redevelopment Plan: Plan Components

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- Makes required legislative findings
- Describes the Urban Redevelopment Area and Plan Objectives
- Describes Project Activities
- Authorizes Tax Increment Financing
- Requires land use within the Urban Redevelopment Area to conform with Comprehensive Plan 2040 and applicable ordinances and regulations, including zoning, of the City
- Requires application of various DURA programs
  - Project Art
  - First Source Hiring
  - Small Business Enterprise Utilization
  - Construction Employment Opportunities
  - Prevailing Wage (when applicable)

## 27<sup>th</sup> & Larimer Urban Redevelopment Plan: Additional Agreements

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- DURA/City Cooperation Agreement
  - Addresses collection and remittance of property and sales tax increment to support redevelopment
  - Term of Agreement – earlier of DURA obligations 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
- DURA/DPS Intergovernmental Agreement
  - Ability to collect and utilize full amount of incremental property taxes from DPS mill levy
  - DPS has requested an impact fee of ≈3.5MM
    - Payable from tax increment generated in URA
    - Will be paid over 25-year period
- DURA/RiNo Business Improvement District (“BID”) Agreement
  - DURA to pay to BID all amounts collected from BID mill levies



## Schedule

- Denver Planning Board – October 19<sup>th</sup>, 2022
  - Planning Board voted unanimously to recommend the urban redevelopment plan conforms to Comp Plan 2040 and its supplements
- Council Finance & Governance Committee Meeting – November 1<sup>st</sup>, 2022
- City Council Consideration of Urban Redevelopment Plan, Cooperation Agreement:
  - First Reading – November 14, 2022
  - Public Hearing – November 21, 2022

## Questions?

