



TO: Denver Planning Board
FROM: Chelsea Bennouna, Senior City Planner
DATE: August 14th, 2024
RE: Amendment to the Welton Corridor Urban Redevelopment Plan for the 2907 Welton Project

Summary and Recommendation

Colorado law charges Denver’s Planning Board with reviewing a proposed amendment to an urban renewal plan and making a recommendation as to its conformity with the city’s adopted Comprehensive Plan (Colorado Revised Statutes Title 31 Government Municipal § 31-25-107(2)). **Community Planning and Development staff finds that the proposed amendment to the Welton Corridor Urban Redevelopment Plan (URP) conforms to Denver’s Comprehensive Plan and applicable supplements and recommends that Planning Board take formal action at its August 21, 2024 meeting to recommend approval of the Urban Redevelopment Plan Amendment to City Council.** In addition, CPD staff finds that the proposed amendment meets the objectives of the Welton Corridor Urban Redevelopment Plan, and recommends that Planning Board make such finding in addition to its statutory obligation.

Background

In September of 2012, City Council established the Welton Corridor Urban Redevelopment Area (the “Area”). The Area is comprised of approximately 85 acres and is situated immediately to the northeast of downtown Denver centered around Welton Street. The Area is generally bounded by Broadway Street on the west, Glenarm Place and 24th Avenue on the south, Downing Street on the east and on the north either by California Street or the alley between Welton and California Streets. The Area encompasses all or portions of 29 city blocks, which, at the time of Plan adoption in 2012, were predominantly zoned mixed-use due to their proximity to Welton Street and the commercial nature of the area.

The Area lies within the Five Points Statistical Neighborhood and is the primarily zoned for mixed use and transitions between smaller neighborhood areas of Five Points consisting of Arapahoe Square, Curtis Park, Enterprise Hill and San Rafael. The 2011 Northeast Downtown Neighborhoods Plan and the Five Points Welton Street Marketplace Vision Plan and Final Report provide guiding principles, recommendations, and goals for transforming the Area into a vibrant, neighborhood serving commercial area with housing, retail and a mix of uses that activate the street.

Since its adoption in 2012, the URP has been amended four previous times to add projects consistent with the above noted objectives. Each of these projects also have a project-specific property tax increment area. These projects include:

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

Proposed New Project - 2907 Welton

The proposed amendment would add 2907 Welton within the existing Welton Corridor Urban Redevelopment Area (URA).



Figure 1: Welton Corridor Urban Redevelopment Area



Figure 2: Zoomed in aerial image of the 2907 Welton Street location at 29th St. + Welton St.

Elevation Community Land Trust (“ECLT”) and Shanahan Development (“Shanahan”) have presented a proposal to redevelop the 0.43-acre parcel located at the northwest corner of 29th Street and Welton Street. The site is currently owned by the Regional Transportation District (“RTD”) and used for surface parking. For some time, RTD has wanted to sell the parcel to a developer that would provide affordable, for-sale residential condominiums, and had issued several Requests for Proposals attempting to secure such development. The 29th & Welton Urban Redevelopment Project (the “Project”) will redevelop the entire site into a six story, 69,685 square foot building consisting of:

- 62-unit permanently affordable for-sale condominiums
 - 21 three-bedroom units
 - 16 two-bedroom units
 - 25 one-bedroom units
- 6,950 sf ground floor retail or commercial space
- 33 surface parking spaces

The Project will be undertaken in multiple phases with Shanahan developing the site and then transferring the completed project to ECLT who will own the land in perpetuity and sell the 62 condominiums to qualifying purchasers and the commercial space to a commercial owner.

Existing Zoning

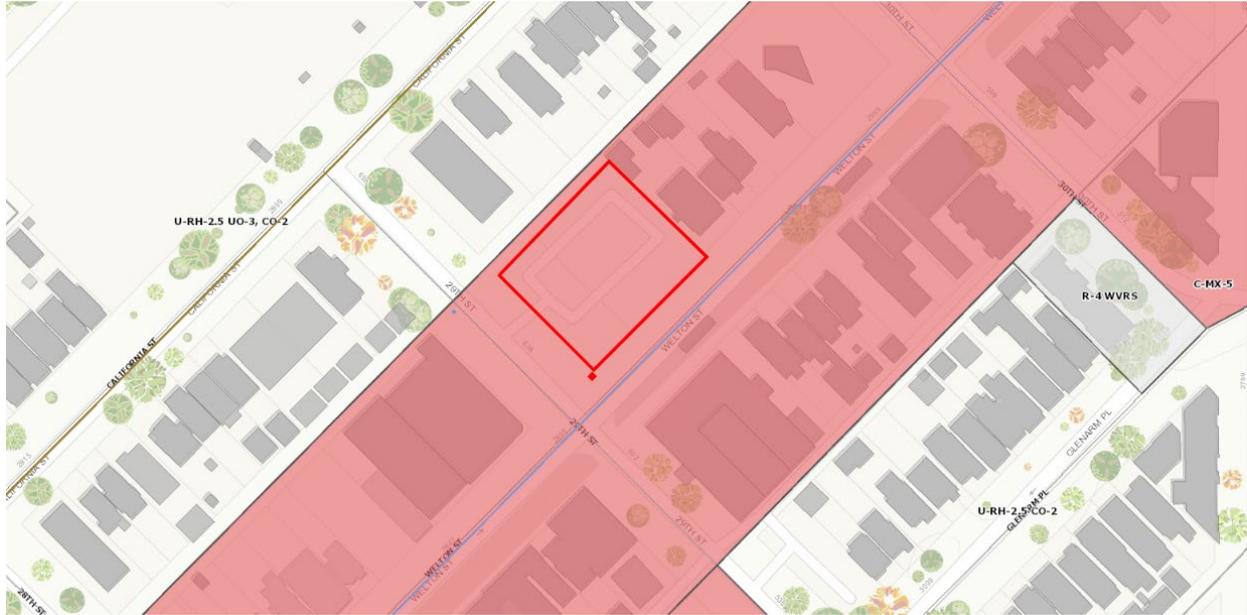


Figure 3: Map showing the zoning for the 2907 Welton Street location as C-MX-5

The subject site is currently zoned as the C-MX-5 (Urban **C**enter-**M**ixed Use-**5** story) standard zone district. This zone district allows a mix of uses that promote safe, active and pedestrian-scaled commercial streets through the use of building forms that clearly define and activate the public street edge.

Existing Land Use

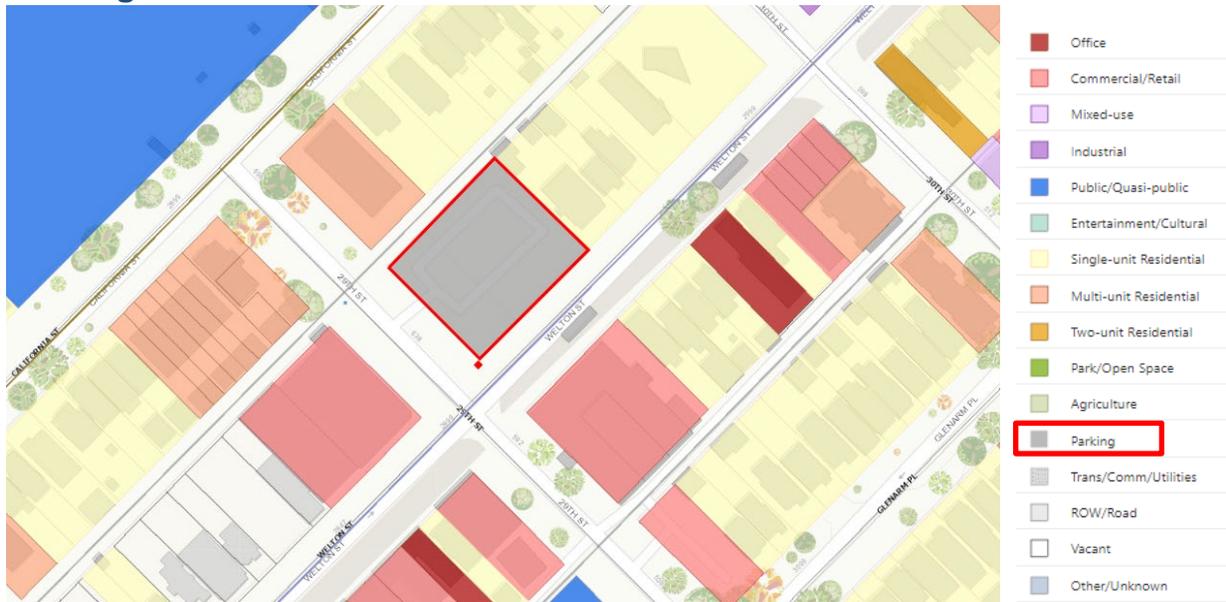


Figure 4: Map showing the current land use for the 2907 Welton Street location as Parking

The subject site is currently utilized as a surface parking lot. There is a mixture of land uses and building forms in the area. The land uses immediately surrounding the site are primarily residential, with some commercial/retail, office, and public uses nearby as well. The residential uses vary and include single-unit, two-unit, and larger multi-unit buildings.

Welton Corridor Urban Redevelopment Plan and Area

The proposed redevelopment project is located within the existing Welton Corridor Urban Redevelopment Area (URA), established in 2012. The Welton Corridor URP was modeled after the Downtown Denver URP and the Arapahoe Square URP in that it authorizes Tax Increment Finance, but it does not set a TIF area or identify projects to be financed with TIF. In order to do that, the URP must be amended on a case-by-case basis for individual projects. If approved, the 2907 Welton Project would become an urban renewal project and TIF area within the Welton Corridor URA.

CPD staff finds that the proposed project meets the following objectives of the Welton Corridor Urban Redevelopment Plan (found on pages 18 – 20):

- To eliminate the present and growing factors which contribute to the blight in the Urban Redevelopment Area. Such blighting factors are detrimental to the community and represent an economic liability to the City.
- 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 that result in a more environmentally sustainable city.
- 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.

Urban Redevelopment Plan Amendment

The Urban Redevelopment Plan provides that the Plan may be amended by City Council approval, to add projects and to create separate property and/or sales tax increment areas within the Area. The Plan is amended with the addition of an appendix giving the name of the Project and the legal description and address of the property and/or sales tax increment areas to be included.

Planning Board Authority

Colorado Revised Statutes, Section 35-25-107(2), requires Denver’s planning board to determine whether the proposed amendment to the Welton Corridor Urban Redevelopment Plan to add 2907 Welton as a project and TIF area conforms to the City’s comprehensive plan. DURA will convey the Planning Board’s finding to City Council.

Analysis of the Comprehensive Plan Conformity

CPD staff finds that the proposed amendment conforms to the Denver Comprehensive Plan and its applicable supplements, Blueprint Denver and the Northeast Downtown Neighborhoods Plan, as described in detail below.

Denver Comprehensive Plan 2040

CPD staff finds that the Urban Redevelopment Plan amendment conforms to Comprehensive Plan 2040 by furthering several city-wide objectives, policies and actions in the plan, including the following under the Equitable, Affordable, and Inclusive vision element:

- *Equitable, Affordable, and Inclusive Goal 1* – Ensure all Denver residents have safe, convenient and affordable access to basic services and a variety of amenities.
 - *Strategy A:* Increase development of housing units close to transit and mixed-use developments (p.28).
- *Equitable, Affordable, and Inclusive 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 C:* Foster communities of opportunity by aligning housing strategies and investments to improve economic mobility and access to transit and services (p.28).
- *Equitable, Affordable, and Inclusive Goal 3* – Develop housing that is affordable to residents of all income levels (p.28).
 - *Strategy B:* Use land use regulations to enable and encourage the private development of affordable, missing middle and mixed-income housing, especially where close to transit (p.28).
- *Equitable, Affordable, and Inclusive Goal 5* – Reduce the involuntary displacement of residents and businesses.
 - *Strategy A:* Advance a comprehensive approach to mitigating involuntary displacement that includes expanding economic mobility, creating new affordable housing and preserving existing affordability (p.29).

The development contemplated by the URP amendment would advance several strategies under the Strong and Authentic Neighborhoods vision element:

- *Strong and Authentic Neighborhoods Goal 1* – Create a city of complete neighborhoods.
 - *Strategy B:* Ensure neighborhoods offer a mix of housing types and services for a diverse population (p.34).

The following strategies under the Connected, Safe, and Accessible Places vision element would also be advanced by the URP amendment:

- *Connected, Safe, and Accessible Places Goal 8 – Strengthen multimodal connections in mixed-use centers and focus growth near transit.*
 - *Strategy B:* Promote transit-oriented development and encourage higher density development, including affordable housing, near transit to support ridership (p.42).

In addition, the URP amendment would help advance the following strategy of the Environmentally Resilient vision element:

- *Environmentally Resilient Goal 8 – Clean our soils, conserve land and grow responsibly.*
 - *Strategy A:* Promote infill development where infrastructure and services are already in place (p.54).

Blueprint Denver (2019)

Blueprint Denver is Denver’s citywide, 20-year land use and transportation plan. It was adopted by City Council in 2019 as a supplement to Comprehensive Plan 2040. The plan calls for an inclusive, equitable city through complete neighborhoods and transportation networks and a strategic growth strategy that focuses growth in key areas.

The proposed Welton Corridor URA amendment area is identified as part of a Community Corridor place in the Urban Center context. These places are described as dense and vibrant mixed-use areas that support residents and visitors, with good street activation and connectivity. These places also have excellent multimodal access to employment, parks, daily needs, and amenities. Building footprints in the Community Corridor place type within the Urban Center context are typically larger, and heights are generally up to 8 stories.

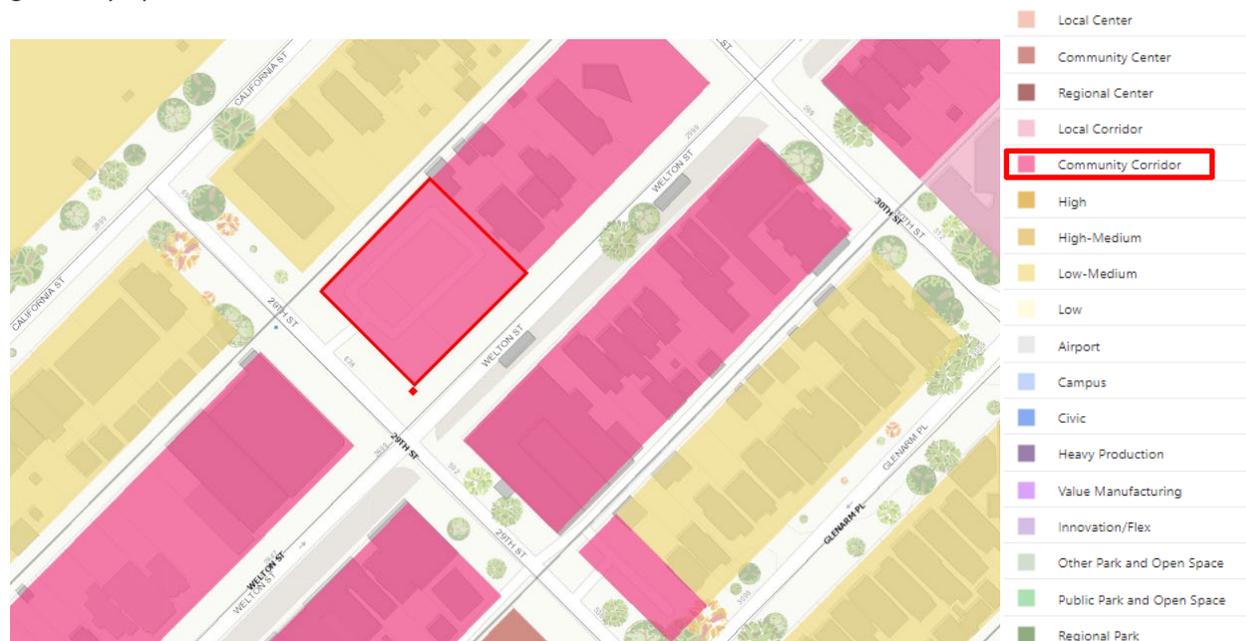


Figure 5: Map showing the Blueprint Future Place Type for the 2907 Welton Street location as Community Corridor

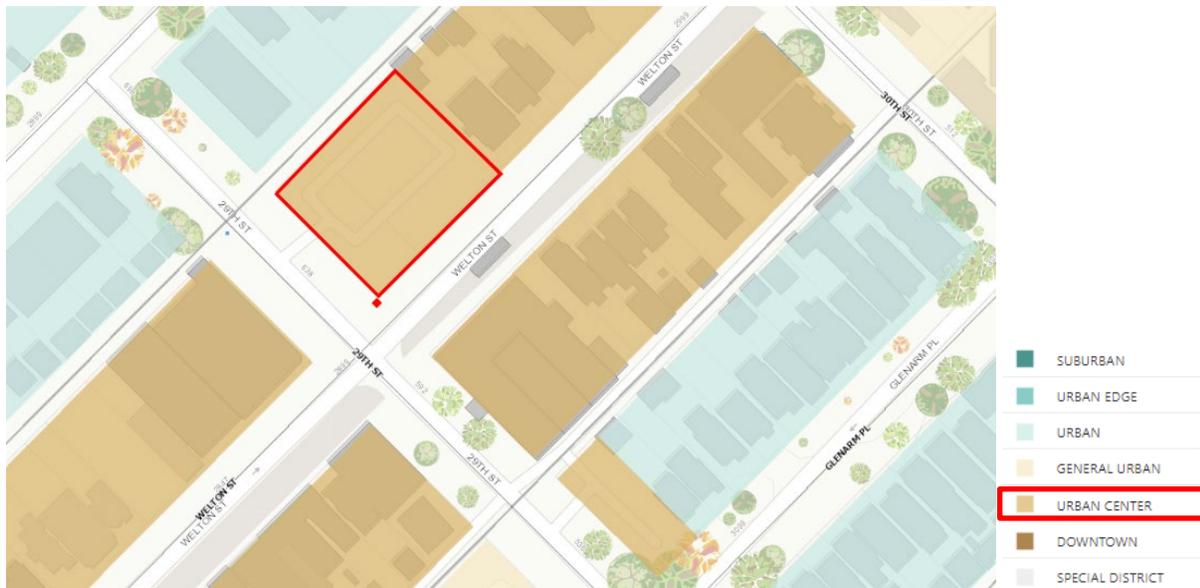


Figure 6: Map showing the Blueprint Future Neighborhood Context for the 2907 Welton Street location as Urban Center

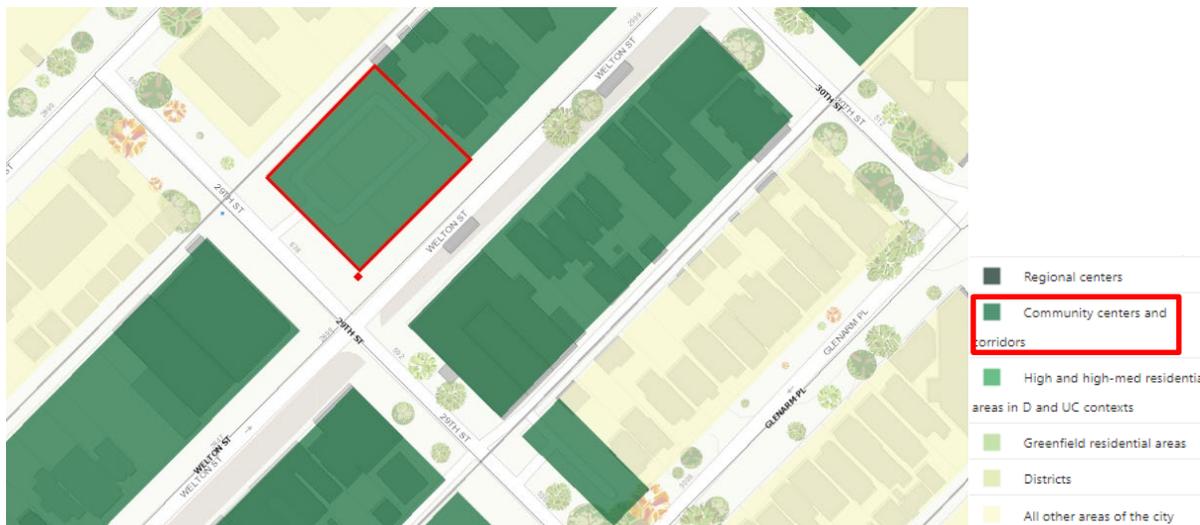


Figure 7: Map showing the Blueprint Growth Strategy for the 2907 Welton Street location as Community Centers and Corridors

The site is located at the intersection of Welton Street, which is categorized as a Mixed Use Collector in Blueprint’s Future Street Types, and 29th Street, which is a local or undesignated future street type. Mixed Use Collectors such as Welton Street are primarily characterized by a “varied mix of uses including retail, office, residential and restaurants” and are designed to “provide a friendly street for people walking or rolling and riding bicycles” (p.159). Regarding 29th Street, Blueprint Denver states that

“Local streets can vary in their land uses and are found in all neighborhood contexts. They are most often characterized by residential uses” (p. 160).

The plan recommends focusing growth in these areas over the next 20 years. The proposed URP amendment will promote development that supports the complete neighborhood and transportation network vision in Blueprint Denver, including neighborhood context, place, street type and growth guidance.

Furthermore, Blueprint Denver includes three major equity concepts to consider for future policies and investments. Integrating these concepts into planning and implementation will help to create a more equitable Denver. The concepts include improving access to opportunity, reducing vulnerability to displacement, and expanding housing and jobs diversity (p. 30). The data used to evaluate these concepts are collected and analyzed at the census tract or neighborhood level and are therefore difficult to apply to specific development proposals such as this one. However, it is still important to consider the equity impacts of programs like URAs. The proposed Welton Corridor URA amendment will improve equitable outcomes in a relatively high-cost area of Denver by supporting new affordable housing opportunities in close proximity to daily services and amenities.

In addition, Blueprint Denver provides policy recommendations and strategies to support the creation of complete neighborhoods and networks, guide future growth, and promote equitable development. The proposed URP amendment furthers many of these recommendations, including the following highlighted below:

- *Land Use & Built Form: General, Policy 1:* Promote and anticipate planned growth in major centers and corridors and key residential areas connected by high- and medium- capacity transit corridors (p. 72).
- *Land Use & Built Form: General, Policy 2:* Incentivize or require efficient development of land, especially in transit-rich areas (p. 72).
- *Land Use & Built Form: General, Policy 5:* Integrate mitigation of involuntary displacement of residents and/or businesses into major city projects (p. 74).
- *Land Use & Built Form: General, Policy 9:* Promote coordinated development on large infill sites to ensure new development integrates with its surroundings and provides appropriate community benefits (p.78).
- *Land Use & Built Form: Housing, Policy 6:* Increase the development of affordable housing and mixed-income housing particularly in areas near transit, services and amenities (p. 84).
- *Land Use & Built Form: Housing, Policy 8:* Capture 80 percent of new housing growth in regional centers, community centers and corridors, high-intensity residential areas, greenfield residential areas, innovation flex districts and university campus districts (p. 86).
- *Land Use & Built Form: Economics, Policy 2:* Improve equitable access to employment areas throughout the city to ensure all residents can connect to employment opportunities (p. 90).
- *Mobility, Policy 1:* Encourage Mode shift - more trips by walking, rolling, biking, and transit - through efficient land use and infrastructure improvements (p. 108).

Northeast Downtown Neighborhoods Plan (2011)

The Northeast Downtown Neighborhoods Plan provides specific land use and building height guidance for the area including the proposed project. The plan’s guidance for the Welton-facing property is Transit Oriented Development, 5 stories maximum.

The plan provides the following objectives:

- Moderate intensity development transitioning to neighborhoods (A-2)
- Promote economic and housing diversity (C-2)
- Promote housing density, including structured parking (C-3)
- Improve access to healthy transportation (D-1)

The proposed project is consistent with these recommendations.



Figure 8: Future Land Use Map from The Northeast Downtown Neighborhoods Plan (2011)

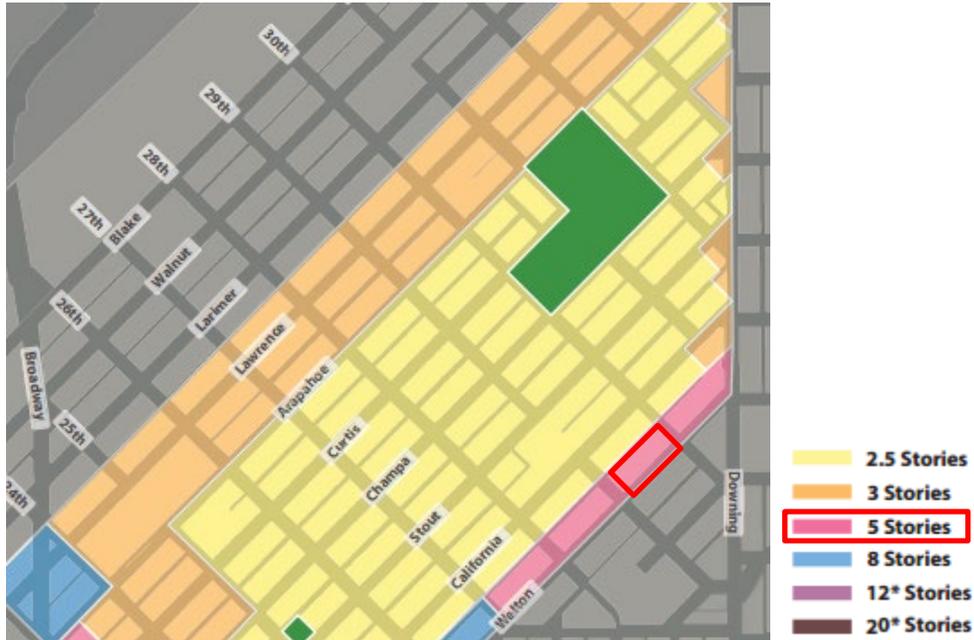


Figure 9: Concept Building Heights Map from *The Northeast Downtown Neighborhoods Plan (2011)*

CPD Staff Recommendation

Based on the analysis presented in this staff report, CPD staff recommends that the Planning Board find the proposed amendment to the Welton Corridor Urban Redevelopment Plan to be in conformance with the Denver Comprehensive Plan and its applicable supplements.

Attachments

1. Welton Corridor Urban Redevelopment Plan
2. Memorandum from Tracy Huggins, Executive Director of DURA on the Amended Welton Corridor Urban Redevelopment Plan