



TO: Denver City Council
FROM: Scott Robinson, Senior City Planner
DATE: May 20, 2021
RE: Official Zoning Map Amendment Application #2018I-00139

Staff Report and Recommendation

Based on the criteria for review in the Denver Zoning Code, Staff recommends approval for Application #2018I-00139.

Request for Rezoning

Address: 2650 Arkins Court, 3205 & 3280 Denargo Street, and 2700 Wewatta Way

Neighborhood/Council District and CM: Five Points / Council District 9, CM CdeBaca

RNOs: Globeville First, UCAN, Northeast Denver Friends and Neighbors, Globeville Civic Partners, Rio Norte, Reclaim the East Side, United Neighbors of Northeast Denver Residents, Inter-Neighborhood Cooperation, RiNo Art District, Elyria Swansea/Globeville Business Association, Center City Denver Residents Organization, Ballpark Collective, Opportunity Corridor Coalition of United Residents

Area of Property: 12.967 acres

Current Zoning: R-MU-30 with waivers & conditions; I-A UO-2; I-B UO-2; and PUD 605

Proposed Zoning: C-MX-8 DO-7; C-MX-12 DO-7; C-MX-16 DO-7; C-MX-20 DO-7

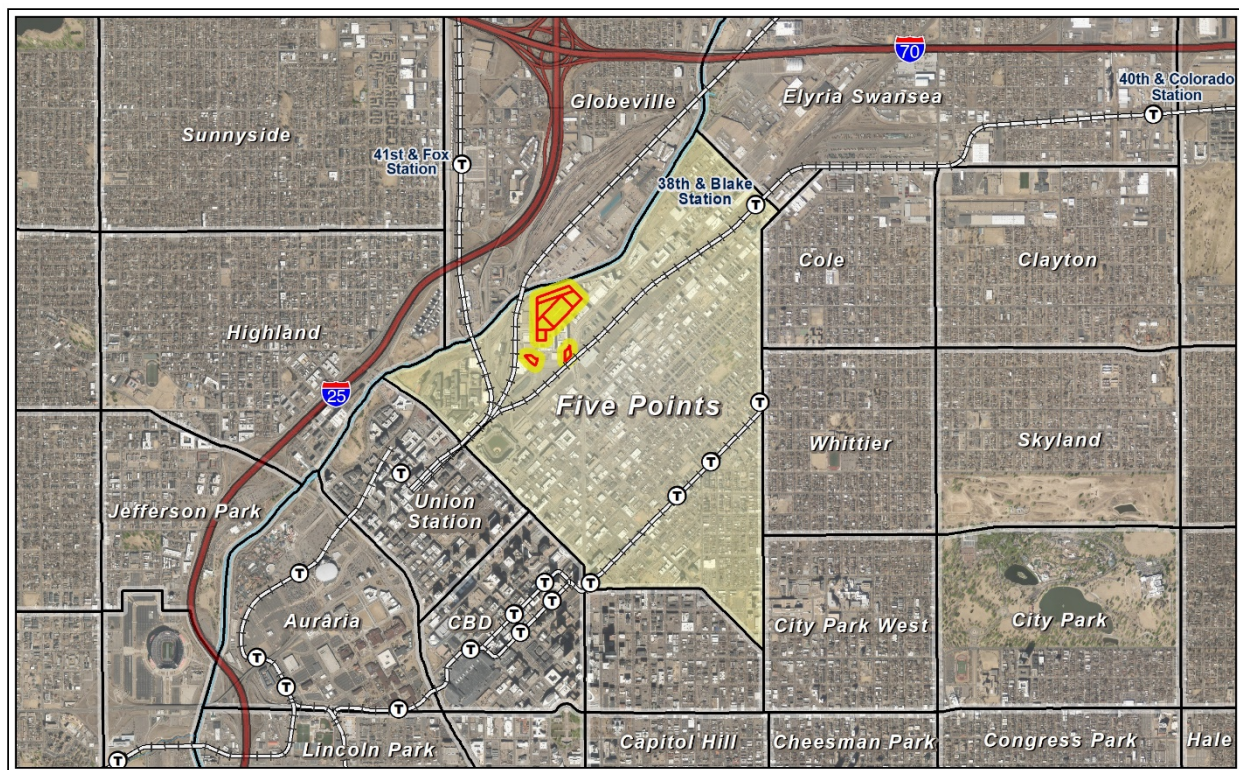
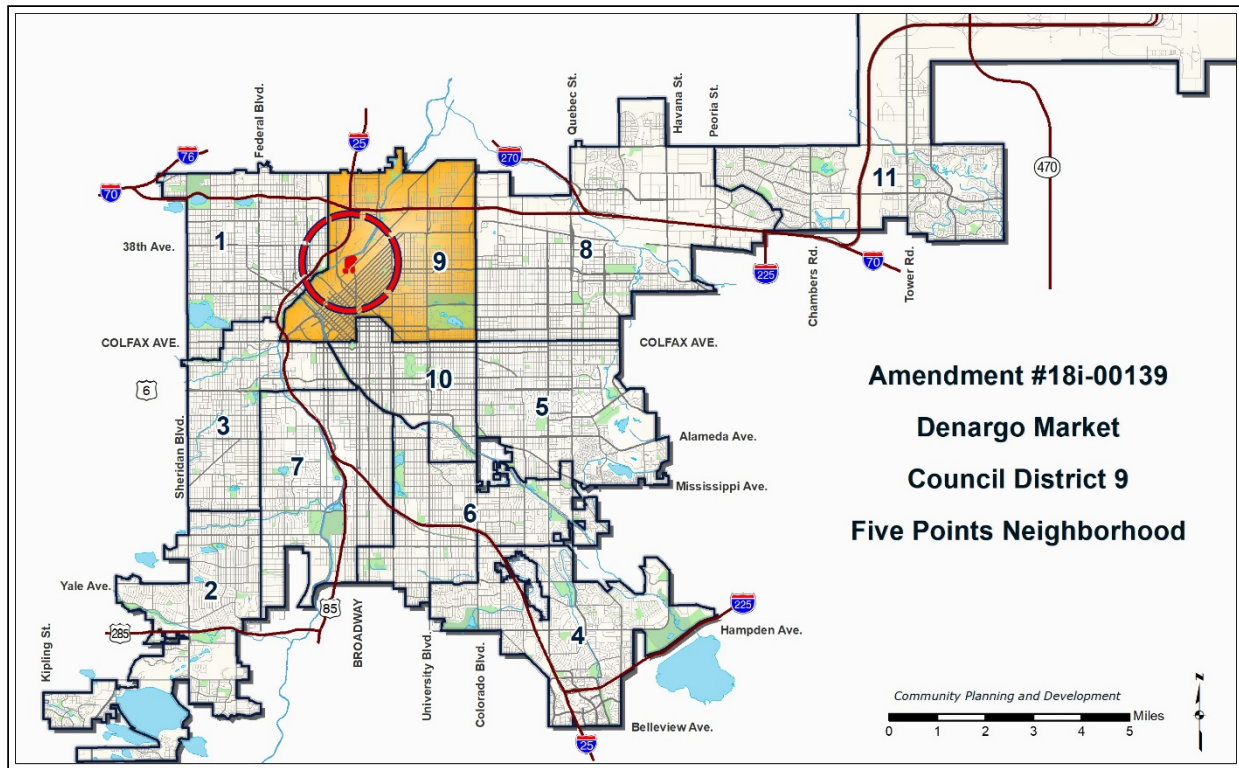
Property Owner(s): JV Denargo LLC

Owner Representative: Tryba Architects

Summary of Rezoning Request

- The subject property is located in the Five Points Neighborhood, within the Denargo Market redevelopment site, between Brighton Blvd. and the South Platte River.
- The site is currently vacant.
- The applicant is requesting the rezoning to facilitate development of the property.
- The proposed C-MX-8, C-MX-12, C-MX-16, and C-MX-20 (Urban Center, Mixed-use, 8, 12, 16, or 20 story) zone districts allow a wide range of residential and commercial uses in the Town House, Drive Thru Services, Drive Thru Restaurant, General, and Shopfront building forms. Further details of the requested zone districts can be found in the proposed zone district section of the staff report (below) and in Article 7 of the Denver Zoning Code (DZC).

Existing Context



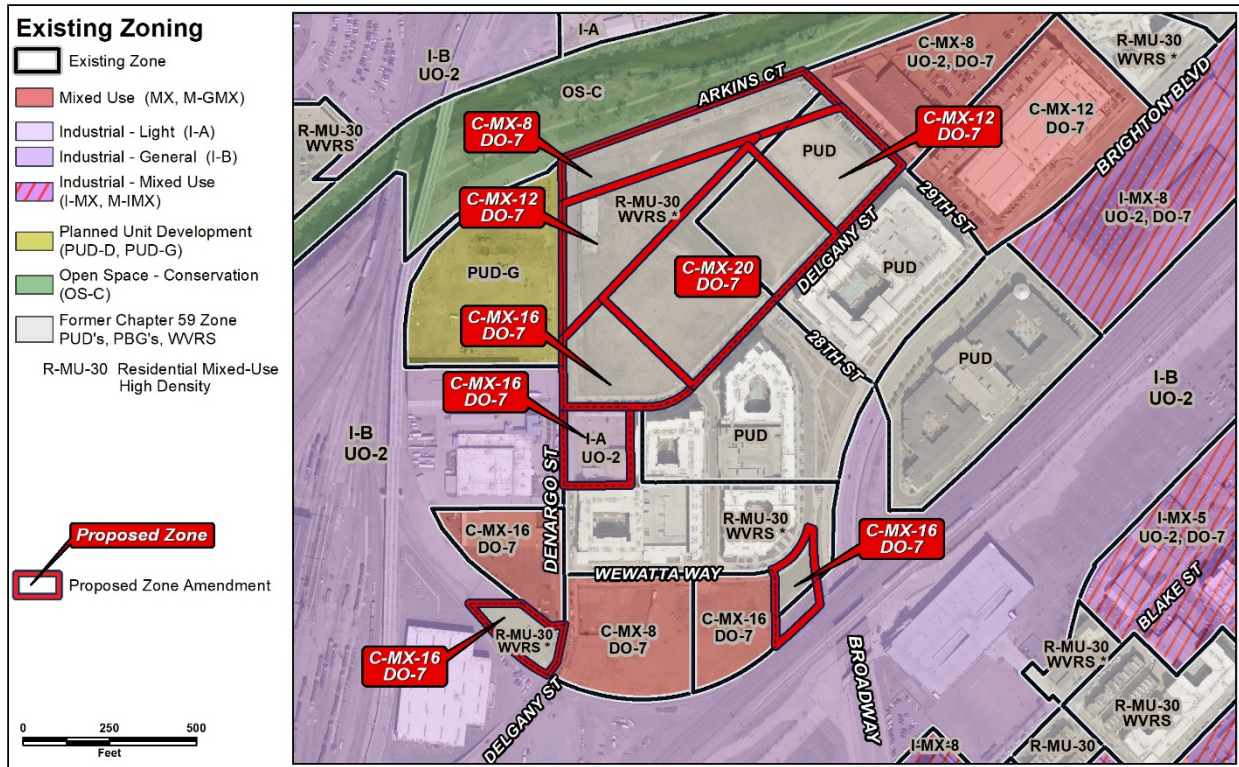


The subject property is just north of downtown and at the southwest end of the Brighton Blvd. corridor. There are several newer apartment buildings that were constructed in the last 10 years in earlier phases of the Denargo Market redevelopment, with two additional apartment buildings under construction nearby. The property is adjacent to the South Platte River and greenway, with access to the South Platte trail. City of Cuernavaca Park is about ½-mile to the southwest. There is RTD bus service on Brighton Blvd. and Park Avenue West. Union Station is just under a mile to the southwest and the 38th and Blake RTD station is just over ¾-mile to the northeast.

The following table summarizes the existing context proximate to the subject site:

| | Existing Zoning | Existing Land Use | Existing Building Form/Scale | Existing Block, Lot, Street Pattern |
|-------|--|------------------------------------|---|--|
| Site | R-MU-30 with waivers and conditions, PUD 605, I-A UO-2, I-B UO-2 | Vacant | N/A | An irregular street grid cut off by the river to the north and railroad tracks to the south and west. Block sizes and shapes vary. Vehicle parking in structures or surface lots accessed from the street. |
| North | OS-C | South Platte River | N/A | |
| South | R-MU-30 with waivers and conditions, PUD 604, PUD 606, C-MX-8 DO-7, C-MX-16 DO-7 | Multi-unit residential | 5-story apartment buildings, with an 8-story apartment building under construction | |
| East | C-MX- UO-2 DO-7, C-MX-12 DO-7 | Office, shelter | 1-story industrial buildings and a 5-story parking garage | |
| West | PUD-G #12, I-B UO-2 | Industrial, multi-unit residential | 1-2 story industrial buildings with a 12-story apartment building under construction. | |

1. Existing Zoning



The largest portion of the site is zoned R-MU-30, which is described in Former Chapter 59 (FC59) Section 301(a)(3) as a “primarily residential district allowing higher density multiple unit dwellings of a density appropriate to the center-city and other activity centers such as light rail transit stations. Supporting commercial development, such as consumer retail and service uses and small-scale office uses, is encouraged to create a truly mixed-use environment.” The maximum height allowed under the base zoning is 140 feet, and there is no required front setback, except for one and two unit residential structures, which have a 10 foot required front setback. The minimum required amount of open space varies between zero and 35 percent of the lot area, depending on use.

The property was not rezoned into the Denver Zoning Code in 2010 because, when the property was rezoned in 2007, there were four waivers and a condition applied. One waiver limits the maximum height to 75 feet on the property, in line with the GDP described above. Another waiver requires 12 percent open space but allows it to be aggregated for the entire Denargo Market development. The third waiver allows zero-foot setbacks, and the fourth extends the vesting period for the GDP to 10 years. The condition requires that an Affordable Housing Plan be approved by the city for the Denargo Market development.

A portion of the site is zoned PUD 605, which is based on the same R-MU-30 with waivers and conditions that covers the majority of the site. The main difference allowed by the PUD is a tower of up to 220 feet in height at the southwest end of the PUD. Allowed uses, setbacks, and

open space requirements are the same as the R-MU-30 with waivers and conditions described above.

One lot on the west side of the site is zoned I-A UO-2. The I-A Light Industrial District is defined in the Denver Zoning Code (DZC) Section 9.1.2.1.B as “an employment area containing offices, business and light industrial uses that are generally compatible with adjacent Residential or Mixed Use Commercial Zone Districts.” The zone district allows the General and Industrial building forms, with a maximum floor area ratio of 2.0. The UO-2 use overlay allows billboards on the property.

A small portion at the southeast corner of the site is zoned I-B UO-2. The I-B General Industrial District is defined in DZC Section 9.1.2.1.C as “an employment area containing industrial uses that are generally more intensive.” The zone district allows the General and Industrial building forms, with a maximum floor area ratio of 2.0. Again, the UO-2 use overlay allows billboards on the property.

2. Existing GDP

The property falls within the Denargo Market General Development Plan (GDP), adopted in 2007, which covers approximately 33 acres between Denargo St. and 29th St., and between Broadway/Brighton Blvd. and Arkins Ct. The GDP lays out the locations of streets and open spaces, and calls for 2,000-2,500 residential units and 125,000-200,000 square feet of commercial space. The intended use for the subject site is given as “residential/retail.” Heights of most buildings are limited to 75 feet, with shorter buildings close to the river and three towers, of 180, 200, and 220 feet, allowed in the center of the site. The GDP also includes design intent statements, which are further articulated in the Urban Design Standards and Guidelines, described below.

As part of the Large Development Review described below, the GDP is being amended and restated to address the revised development proposal of the applicant. The proposed amended and restated GDP would apply only to the areas requested for rezoning under this application and contemplates 1,000-1,400 dwelling units, 1,250,000-1,500,000 square feet of commercial space, and 80,000 square feet of retail on the subject property. The locations of streets and opens spaces would also be modified, though the overall amount of open space would remain 12 percent of the net GDP area. The amended and restated GDP will be approved by the Development Review Committee following this rezoning, if approved by Council.

3. Urban Design Standards & Guidelines

The Cypress Development of the Denargo Market Urban Design Standards and Guidelines (UDSGs), adopted in 2008, apply to development on this site. The document is concerned with site design, building design, signs, landscaping, and streetscape. The standards and guidelines apply to the area within the Denargo Market GDP and are intended to “create a diverse mixed-use urban area, celebrate the public realm, protect and enhance the environment, reconnect with the community, be a good neighbor, and create a collaborative process.” The standards

and guidelines are enforced by Community Planning and Development through the development review process. They will apply to this property regardless of whether this rezoning application is approved. The UDSGs are additional standards that supplement those in the zoning code, and where there are conflicts the stricter requirements apply.

Along with the GDP, the UDSGs have been updated to reflect changes to the GDP and address conflicts with the DO-7 design overlay. The amendments to the UDSGs also include a height limit of 55 feet for buildings within 40 feet of the river (i.e. north) property line. The revised UDSGs have been reviewed by Planning Board and the public and are only pending the approval of the GDP following this rezoning.

4. Large Development Review

This application went through the Large Development Review (LDR) process, with a Large Development Framework (LDF) approved in April 2020 and amended in November 2020. The LDR process identified regulatory processes needed to complete review of the proposed development and the sequence of those processes. In addition to this rezoning and the GDP and UDSG amendments described above, the LDF calls for a development agreement (described below), a site development plan, and various infrastructure plans. The rezoning, GDP amendment, UDSG amendment, and development agreement are prerequisites for approval of the site development plan and infrastructure plans.

5. Development Agreement

Concurrent with the rezoning, the city has negotiated a development agreement with the applicant. The development agreement covers construction, maintenance, and funding responsibilities for public amenities called for in the GDP, including rights-of-way and open spaces, environmental standards and materials management, vesting of property rights, transportation demand management, and voluntary affordable housing commitments from the applicant. The development agreement requires approval by City Council and is before you as Bill 21-0515, to be voted on following the rezoning ordinance.

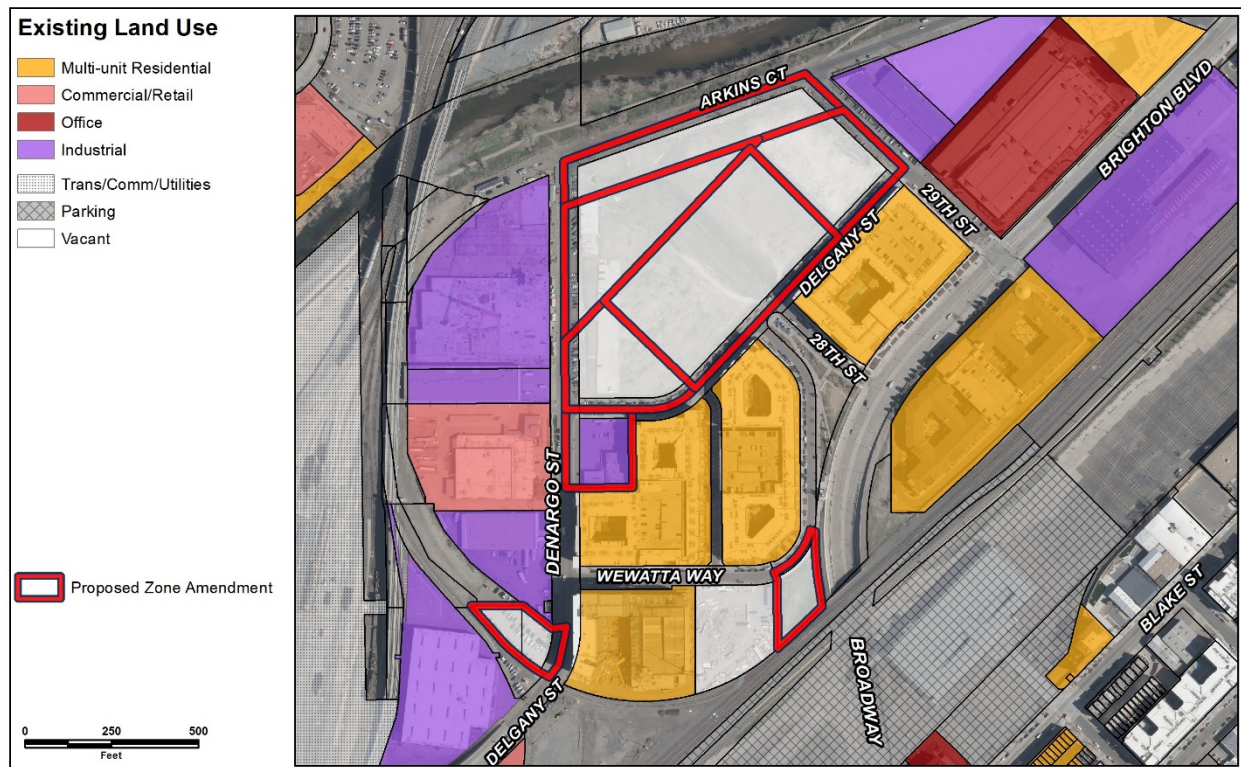
The vested property rights include height, building form, and use standards of the C-MX zone districts as well as the open space requirements of the GDP. Under the terms of the agreement, these rights will be vested for a period of 10 years. The transportation demand management plan includes provisions for promoting walking, biking, car-pooling, and transit, and requirements for investment in mobility improvements such as trails and shared streets.

The affordable housing commitments include that a minimum of 15% of residential units will be income-restricted units (IRUs) for a covenant length of 60 years. Rental IRUs will be restricted at up to 80% of the Area Median Income (AMI), with at least 25% of those IRUs further restricted to 60% AMI. For sale IRUs will be restricted to 100% AMI, with at least 30% of those IRUs further restricted to 80% AMI (see chart below). The southeasterly parcel will developed as an entirely affordable project at 60% AMI, with a minimum of 40 units built on the parcel. The

number and mix of bedroom count will match the market rate units, with at least 30% of IRUs being 2 bedrooms or larger. This agreement will replace the affordable housing plan put in place in 2008, which is based on the former inclusionary housing ordinance and requires 10% of for-sale units to be “Moderately-Priced Dwelling Units” with no requirement for affordable rental units.

| Type of unit | Percent affordable | AMI | Of those, percent at a lower AMI | Lower AMI |
|--------------|--------------------|------|----------------------------------|-----------|
| For rent | 15% | 80% | 25% (3.75% total) | 60% |
| For sale | 15% | 100% | 30% (4.5% total) | 80% |

6. Existing Land Use Map



7. Existing Building Form and Scale



Site – 2650 Arkins Ct. – from Arkins Ct. and Denargo St.



Site – 3280 and 3282 Denargo St. – from Denargo St. and Delgany St.



Site – 2700 Wewatta Way – from Wewatta Way



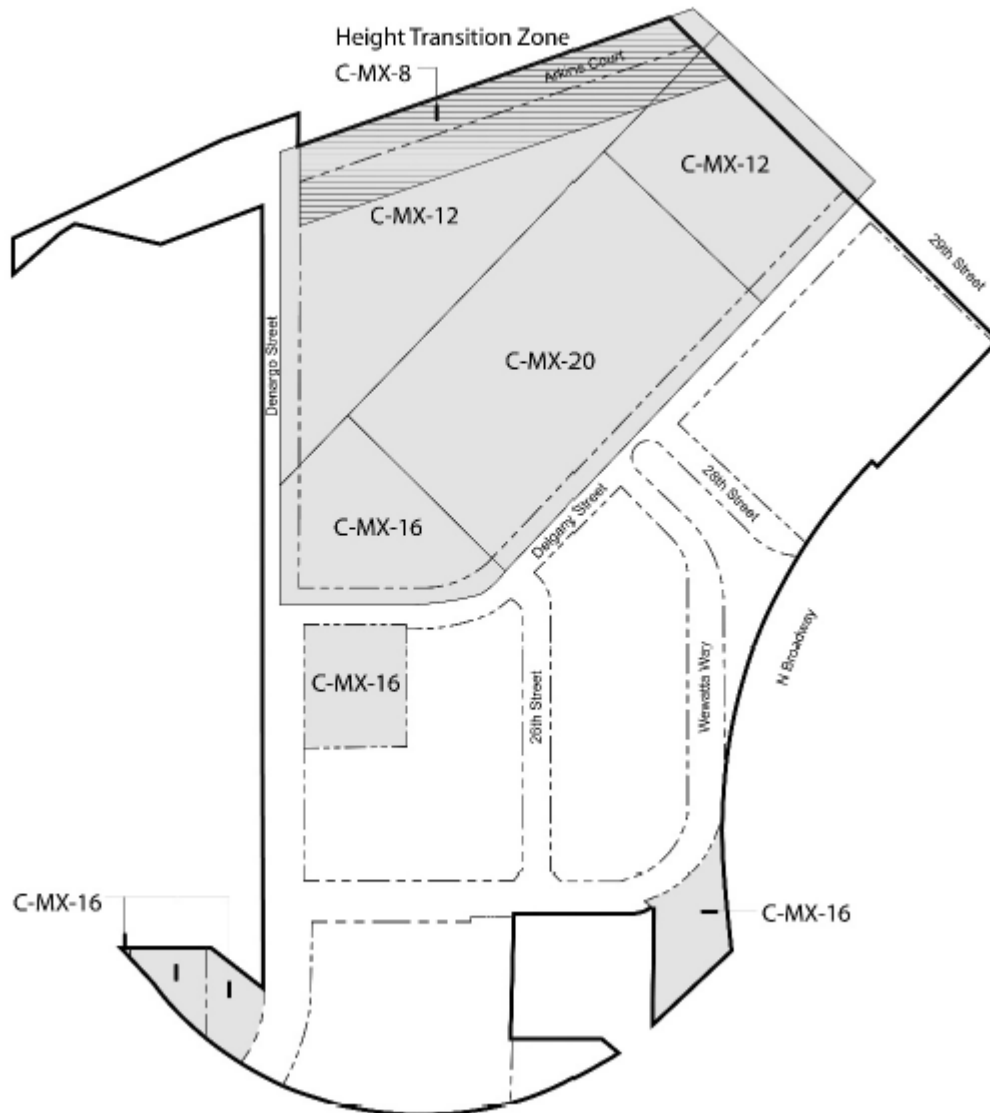
Site – 3205 Denargo St. – from Denargo St.

Source: Google Maps

Proposed Zoning

The applicant is proposing a range of zone districts across the site. The main portion of the site would transition from C-MX-8 closest to the river, to C-MX-12 and C-MX-16 before reaching C-MX-20 in the center. The three smaller lots are all proposed for C-MX-16.

The requested C-MX-8, C-MX-12, C-MX-16, and C-MX-20 zone districts all allow a wide range of residential, commercial, and institutional uses in the Town House, Drive Thru Services, Drive Thru Restaurant, General, and Shopfront building forms. All of the requested zone districts have the same setback requirements, with the minimum primary street front setback as 0', except for the town house building form which has a 10' minimum primary street setback. They also have the same build-to requirements, ranging from 50% to 75% depending on building form. All four districts allow the same maximum building heights in the town house (five stories, 70 feet) and drive-thru (three stories, 45 feet) building forms, but they differ in their maximum allowed heights in the general and shopfront building forms, with the C-MX-8 allowing eight stories and 110 feet, C-MX-12 allowing 12 stories and 150 feet, C-MX-16 allowing 16 stories and 200 feet, and the C-MX-20 allowing 20 stories and 250 feet. Parking requirements are 0.75 spaces per multi-unit residential unit, and two spaces per 1,000 square feet of office space. For additional details of the requested zone district, see DZC Sections 7.2.2, 7.3 and 7.4.



The primary building forms allowed in the existing zone district and the proposed zone district are summarized below.

| Design Standards | R-MU-30 with waivers and conditions; PUD 605 (existing) | I-A; I-B (existing) | C-MX-8; C-MX-12; C-MX-16; C-MX-20 (proposed) |
|--------------------------------|---|---------------------|--|
| Primary Building Forms Allowed | N/A | General, Industrial | Town House; Drive Thru Services*; Drive Thru Restaurant*; General; Shopfront |

| | | | |
|------------------------------------|-------------------|---------|-------------------------------------|
| Stories/Heights (max) | N/A/75'; N/A/220' | N/A | 8/110'; 12/150'; 16/200' 20/250' |
| Primary Build-To Percentages (min) | N/A | N/A | 50-75%** |
| Primary Build-To Ranges | N/A | N/A | 0' to 15'*** |
| Minimum Zone Lot Size/Width | N/A | N/A | N/A |
| Primary Setbacks (min) | 0' | 20' | 0' to 10'*** |
| Building Coverages | 88% max | 2.0 FAR | N/A |

*Building form not allowed within a ¼ mile of a transit station platform

**Standard varies between building forms

The DO-7 is the River North (RiNo) Design Overlay, which addresses a variety of urban design objectives. Per DZC Section 9.4.5.11, the purpose of the overlay district is to promote high-quality, human-scale design, vibrant pedestrian-oriented streets, and active transportation. Specifically, the overlay addresses build-to requirements, residential setbacks, parking location and access, and building design such as mass reduction and transparency. The DO-7 sets forth the following requirements in addition to any base DZC zone district:

- A 16-foot minimum street level height.
- 50% transparency along primary streets (compared to 40% in the C-MX zone districts) and 40% transparency along side streets (compared to 25% in the C-MX zone districts).
- For lots over 18,750 square feet in area or wider than 150 feet, 70% of all street level building frontages on Primary Streets must be occupied by street level nonresidential active uses. DZC Section 9.4.5.11.F.3 of the DO-7 overlay district defines street level nonresidential active uses by prohibiting several uses including all types of residential, Light Automobile Services, Mini-Storage Facilities, and Light Wholesale Trade or Storage.
- A limitation on visible parking above street level for structures over 5 stories or 70 feet in height.
- Incremental mass reduction for stories 3-16, where buildings that are 16 stories in height must provide a 30% mass reduction

Where standards in the DO-7 overlay zone district differ from standards in the C-MX zone districts, the DO-7 zone district standards shall apply.

Summary of City Agency Referral Comments

As part of the DZC review process, the rezoning application is referred to potentially affected city agencies and departments for comment. A summary of agency referral responses follows:

Assessor: Approved – No Response

Asset Management: Approved – See comments:

- City of Denver has an easement along 2700 Wewatta Way that we want to make sure isn't hindered by the rezoning/development.

Denver Public Schools: Approved – No Response

Department of Public Health and Environment: Approve rezoning only – will require additional information at Site Plan Review:

- Due to the potential of adverse environmental conditions at the properties being considered for rezoning, DDPHE will require additional environmental information if property is to be conveyed to the City through the development process. Specifically, DDPHE will require an approved Voluntary Cleanup Program (VCUP) application with the Colorado Department of Public Health and Environment (CDPHE) be made available to DDPHE for review prior to the Site Plan Review.

Denver Parks and Recreation: Approved – No Response

Public Works – R.O.W. - City Surveyor: Approved – No Comments

Development Services - Transportation: Approved – No Response

Development Services – Wastewater: Approved – See comments:

- DES Wastewater approves the subject zoning change. The applicant should note that redevelopment of this site may require additional engineering including preparation of drainage reports, construction documents, and erosion control plans. Redevelopment may require construction of water quality and detention basins, public and private sanitary and storm sewer mains, and other storm or sanitary sewer improvements. Redevelopment may also require other items such as conveyance of utility, construction, and maintenance easements. The extent of the required design, improvements and easements will be determined during the redevelopment process. Please note that no commitment for any new sewer service will be given prior to issuance of an approved SUDP from Development Services.

Development Services – Project Coordination: Approved – No Response

Development Services – Fire Prevention: Approved – No Response

Public Review Process

| Date | |
|---|----------|
| CPD informational notice of receipt of the rezoning application to all affected members of City Council, registered neighborhood organizations, and property owners: | 10/15/20 |
| Property legally posted for a period of 15 days and CPD written notice of the Planning Board public hearing sent to all affected members of City Council, registered neighborhood organizations, and property owners: | 12/1/20 |

| | |
|--|----------|
| Planning Board recommended approval by a vote of 5 to 4: | 12/16/20 |
| CPD written notice of the Land Use, Transportation and Infrastructure Committee meeting sent to all affected members of City Council and registered neighborhood organizations, at least ten (10) working days before the meeting: | 1/18/21 |
| Land Use, Transportation and Infrastructure Committee of the City Council moved the bill forward: | 2/2/21 |
| Property legally posted for a period of 21 days and CPD notice of the City Council public hearing sent to all affected members of City Council and registered neighborhood organizations: | 5/3/21 |
| City Council Public Hearing: | 5/24/21 |

- **Public Outreach and Input**
 - **Registered Neighborhood Organizations (RNOs)**
 - As of the date of this staff report, three letters of support have been received from the Ballpark Collective RNO, the Denver North Business Association, and the RiNo Art District. The letters cite improvements to health, safety, and welfare from the project as the reason for the support.
 - **General Public Comments**
 - As of the date of this staff report, 34 letters of support and two letters of opposition have been received. The letters of support refer to the benefits of investment in open space and mobility, while the letters of opposition refer to the impacts of the development and compatibility with the neighborhood.

Criteria for Review / Staff Evaluation

The criteria for review of this rezoning application are found in DZC, Sections 12.4.10.7 and 12.4.10.8, as follows:

DZC Section 12.4.10.7

1. Consistency with Adopted Plans
2. Uniformity of District Regulations and Restrictions
3. Public Health, Safety and General Welfare

DZC Section 12.4.10.8

1. Justifying Circumstances

2. Consistency with Neighborhood Context Description, Zone District Purpose and Intent Statements

1. Consistency with Adopted Plans

The following adopted plans apply to this property:

- Denver Comprehensive Plan 2040 (2019)
- Blueprint Denver (2019)
- River North Plan (2003)
- Housing an Inclusive Denver (2018)

Denver Comprehensive Plan 2040

The proposed rezoning is consistent with many of the adopted Denver Comprehensive Plan 2040 strategies, which are organized by vision element.

The proposed rezoning would allow for mixed-use development, including an increase in allowed housing density, while also enabling additional affordable housing units close to services and amenities. It is therefore consistent with the following strategies in the Equitable, Affordable and Inclusive vision element:

- Equitable, Affordable and Inclusive Goal 1, Strategy A – Increase development of housing units close to transit and mixed-use developments (p. 28).
- Equitable, Affordable and Inclusive Goal 2, Strategy B – Create a greater mix of housing options in every neighborhood for all individuals and families (p. 28).
- Equitable, Affordable and Inclusive Goal 2, Strategy D – Increase the development of senior-friendly and family-friendly housing, including units with multiple bedrooms in multifamily developments (p. 28).

The proposed rezoning would enable mixed-use infill development at a location where services and infrastructure are already in place. The proposed C-MX zoning would allow for a broad variety of uses including housing, retail services, and employment while the DO-7 overlay will require enhanced building forms at an intensity consistent with the desire for urban, walkable, mixed-use neighborhoods around transit, and is therefore consistent with the following strategies in the Strong and Authentic Neighborhoods vision element:

- Strong and Authentic Neighborhoods Goal 1, Strategy D – Encourage quality infill development that is consistent with the surrounding neighborhoods and offers opportunities for increased amenities (p. 34).
- Strong and Authentic Neighborhoods Goal 2, Strategy D – Use urban design to contribute to economic viability, public health, safety, environmental well-being, neighborhood culture and quality of life (p. 34).

Similarly, the land use pattern detailed in the previous paragraph is also consistent with the following strategies in the Environmentally Resilient vision element:

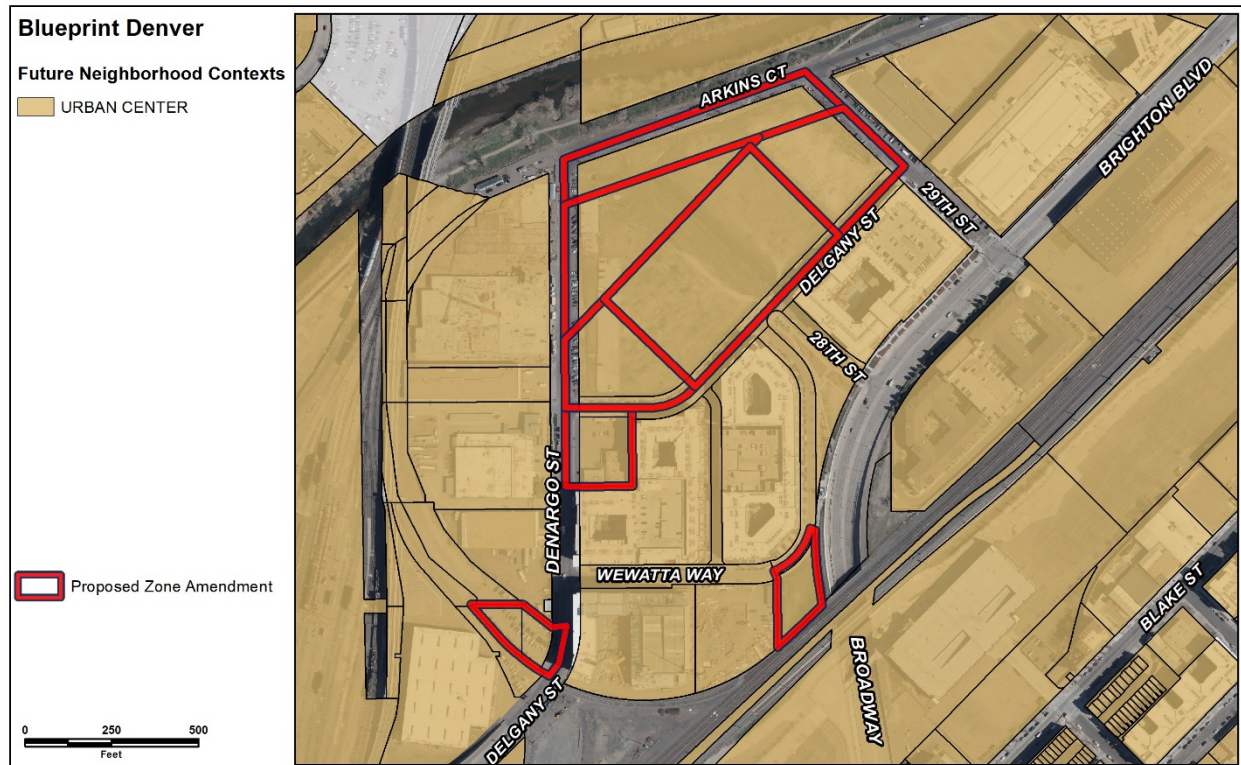
- Environmentally Resilient Goal 8, Strategy A - Promote infill development where infrastructure and services are already in place (p.54).
- Environmentally Resilient Goal 8, Strategy B – Encourage mixed-use communities where residents can live, work and play in their own neighborhoods (p. 54).

The requested map amendment will enable mixed-use development at an infill location where infrastructure is already in place. The requested C-MX zone districts allow a broad variety of uses allowing residents to live, work and play in the area; therefore, the rezoning is consistent with Denver Comprehensive Plan 2040 recommendations.

Blueprint Denver

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. Blueprint Denver identifies the subject property as part of a High Residential place within the Urban Center Neighborhood Context and provides guidance from the future growth strategy for the city.

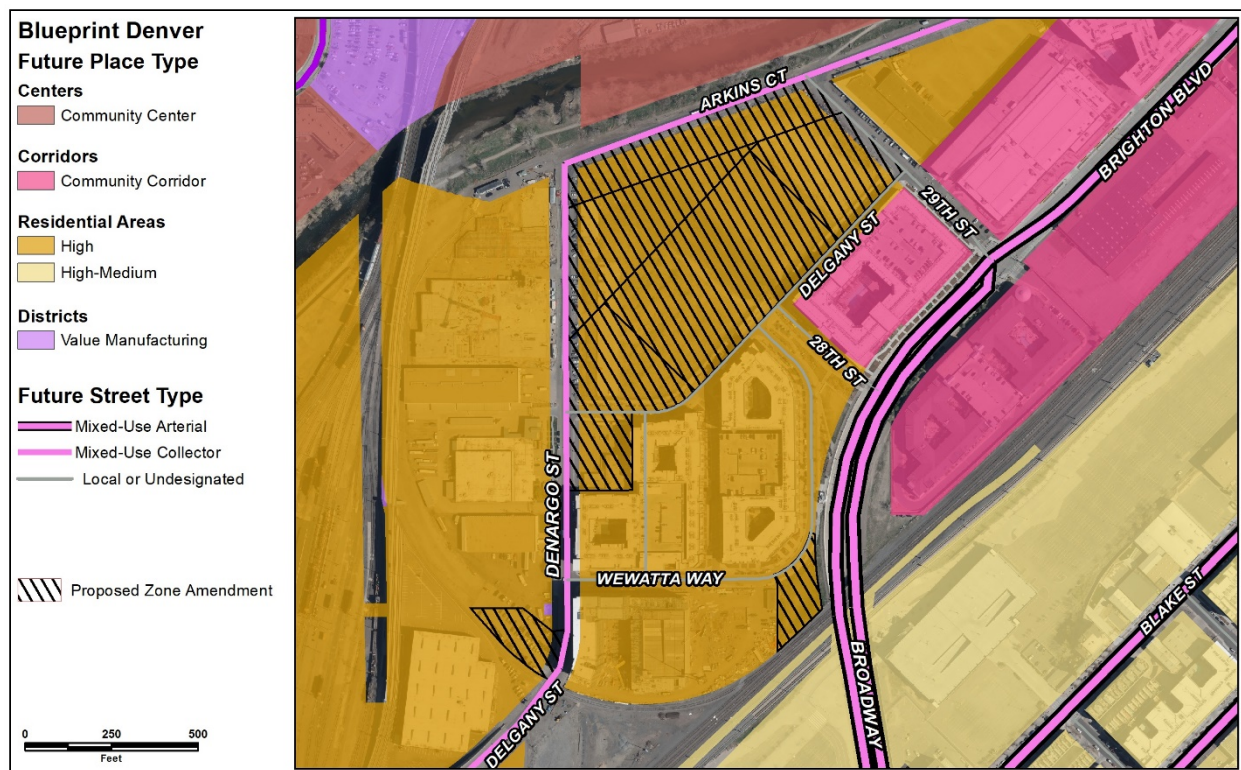
Blueprint Denver Future Neighborhood Context



In Blueprint Denver, future neighborhood contexts are used to help understand differences in things like land use and built form and mobility options at a higher scale, between neighborhoods. The subject property is shown on the context map as Urban Center neighborhood context. The neighborhood

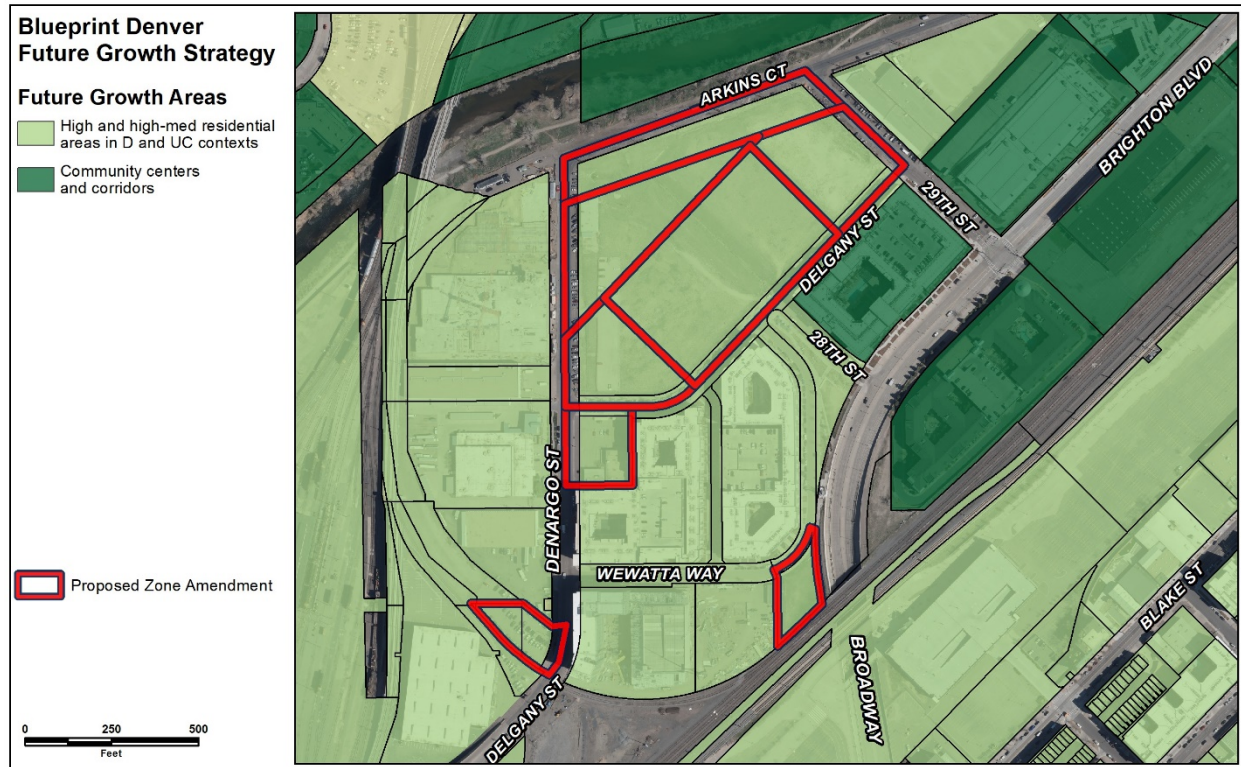
context map and description help guide appropriate zone districts (p. 66). The Urban Center neighborhood context is described as containing “high intensity residential and significant employment areas. Development typically contains a substantial mix of uses, with good street activation and connectivity” (p. 252). The proposed C-MX zone districts are part of the Urban Center context and is “intended to promote safe, active, and pedestrian-scaled diverse areas through the use of building forms that clearly activate the public street edge” and “the Mixed-Use districts are focused on creating mixed, diverse neighborhoods” (DZC 7.2.2.1). Since the proposed districts allow a substantial mix of uses and allowable building forms that contribute to street activation, the proposed rezoning to an Urban Center context is appropriate and consistent with the plan.

Blueprint Denver Future Places



The Future Places map designates the subject property as High Residential. Blueprint Denver describes the aspirational characteristics of High Residential Places in the Urban Center context as having a “high mix of uses throughout including many large-scale multi-unit residential uses. Commercial uses are prevalent. Buildings are the tallest of the residential places of this context. There is high lot coverage and shallow setbacks” (p. 260). Consistent with this guidance, the proposed C-MX districts combined with the design overlay provide for a mix of uses and stringent building form standards that create an active street level presence. Given the High Residential height guidance in Blueprint Denver, the requested heights of eight to 20 stories are consistent with the surrounding context and appropriate for High Residential in this location.

Growth Strategy



Blueprint Denver designates the subject property as part of a High Residential Area in an Urban Center neighborhood context. High and High-Medium Residential Areas in Downtown and Urban Center neighborhood contexts are anticipated to see 15% of new housing growth and 5% of new employment growth by 2040 (p. 50-51). Focusing growth in these areas helps to provide a variety of housing, jobs and entertainment options within a comfortable distance to all Denverites and is a key element of building complete neighborhoods throughout Denver (p. 49). The proposed map amendment will allow for continued residential and employment growth in a High Residential Area where it has been determined to be most appropriate. Therefore, the proposed rezoning is consistent with the Blueprint Denver growth strategy.

Blueprint Denver Street Types

Blueprint Denver classifies Denargo Street and Arkins Court as Mixed-Use Collectors. According to the plan, this street type supports a "varied mix of uses including retail, office, residential and restaurants. Buildings are pedestrian-oriented, typically multi-story, usually with high building coverage with a shallow front setback" (p. 159). Wewatta Way and Delgany Street are classified as Local Streets, which "can vary in their land uses and are found in all neighborhood contexts" and "provide the lowest degree of through travel but the highest degree of property access" (p. 161). The proposed C-MX zone districts with the DO-7 design overlay would allow a mix of residential and commercial uses at an intensity and orientation consistent with these street type classifications.

Blueprint Denver Strategies

The proposed rezoning, with the inclusion of a design overlay, is also consistent with policies and strategies related to creating exceptional design outcomes in high-profile areas throughout Denver. The plan recommends that “mixed-use buildings should engage the street level and support pedestrian activity. The bulk and scale should be respectful of the surrounding character” (p. 102).

- Land Use & Built Form: Design Quality & Preservation Policy 3, Strategy D – Use design overlays in limited areas to direct new development towards a desired design character unique to the area that cannot be achieved through other tools. Design overlays are most effective where a design vision has been articulated through a planning process (p. 102).

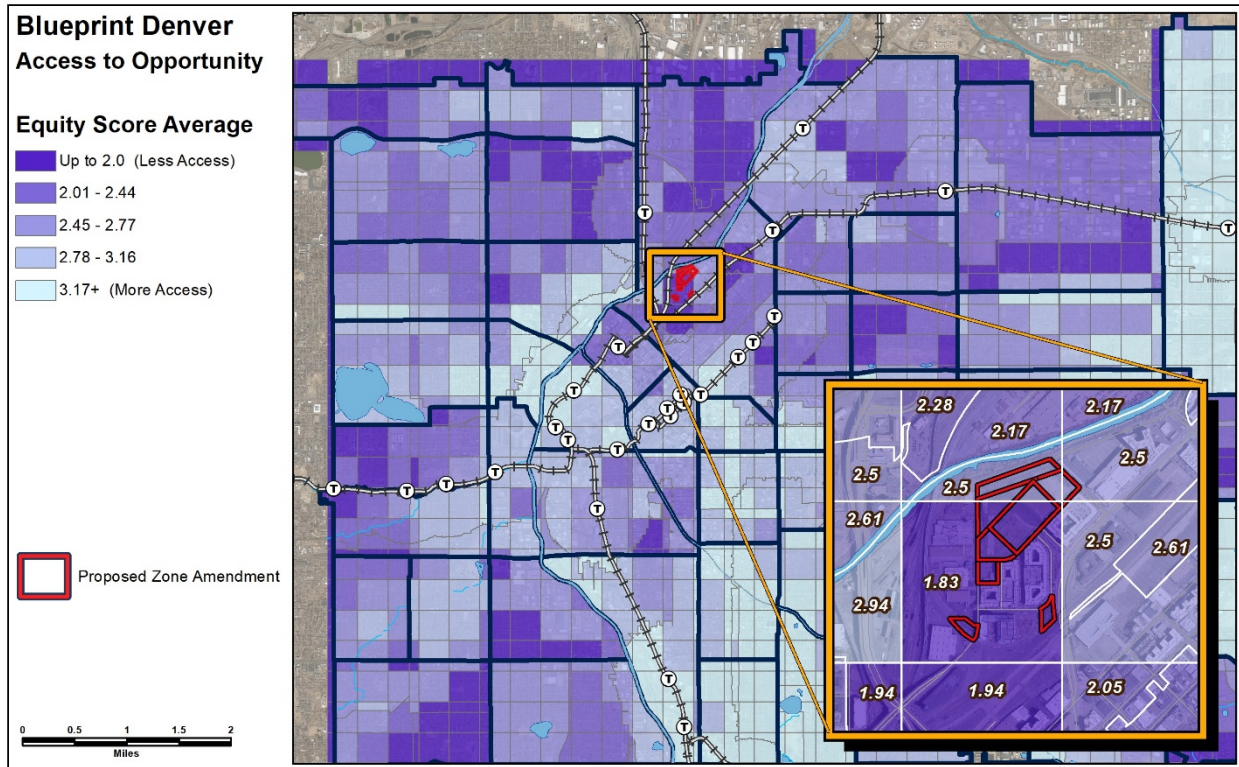
The plan also recommends rezoning properties still in Former Chapter 59 zoning into the Denver Zoning Code, which the proposed rezoning would do.

- Land Use & Built Form: General Policy 3, Strategy A: Rezone properties from the Former Chapter 59 zoning code so that the entire city is covered by the DZC, including continuing to incentivize owners to come out of the old code.

Blueprint Denver Equity Concepts

Blueprint Denver contains three equity concepts to help guide change to benefit everyone. Each equity concept has associated measurements that helps inform implementation actions through large rezonings along with other implementation actions.

I. Access to Opportunity



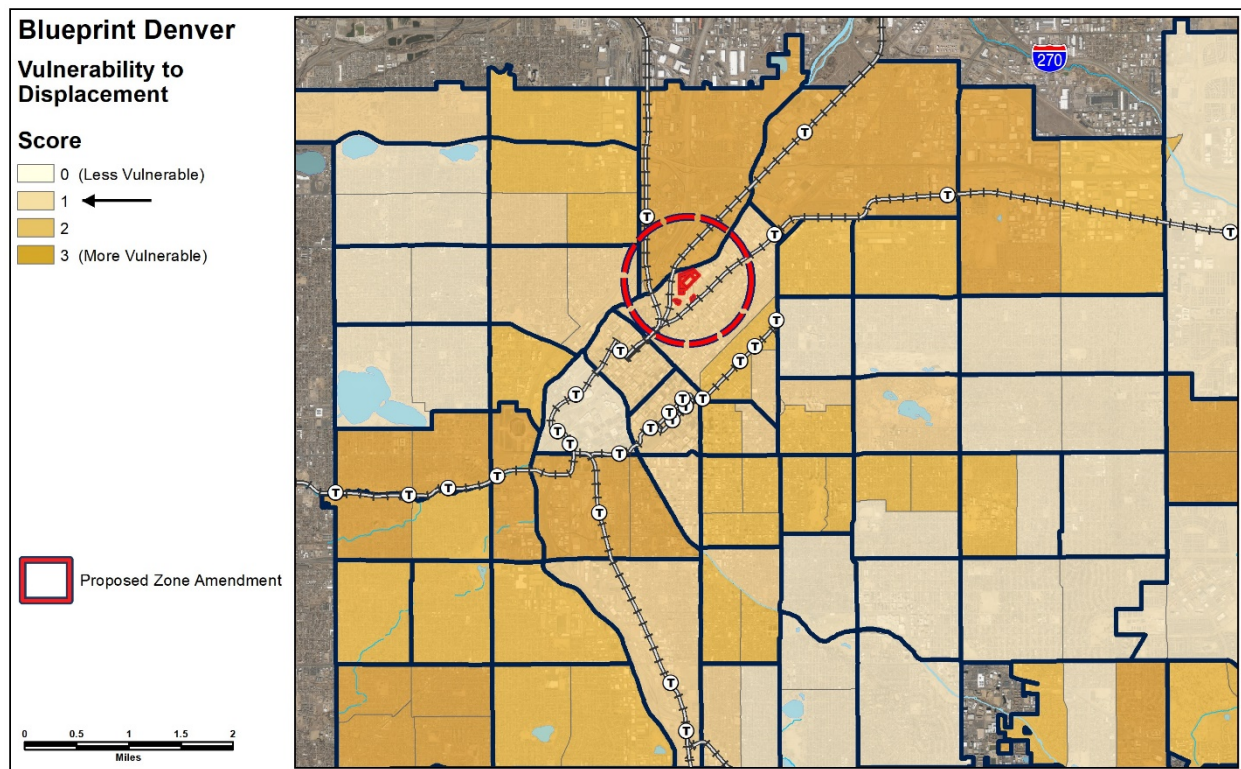
The subject property is in an area with low to medium access to opportunity. The basis for measuring access to opportunity is a composite of the neighborhood equity index developed by Denver's Department of Public Health and Environment (DDPHE), proximity to high-capacity and frequent transit, and access to centers and corridors. Access to opportunity helps us to consider if we are making progress towards achieving the vision for complete neighborhoods across the city. In areas with higher access to opportunity, it is important to increase the range of affordable housing options so that residents of all income levels can live in these neighborhoods.

To address the issues identified in the equity analysis, concurrent with the rezoning, the applicant facilitated a voluntary affordable housing agreement as previously mentioned above. Through the agreement, the property owner has committed to construct a minimum of 15% of the residential units as affordable to residents earning no more than 80% of the Area Median Income (AMI) for rental units and no more than 100% of AMI for the for-sale units, with some of those units at lower AMI levels. The units will be affordable for a minimum period of 60 years.

Also, as part of the development, the applicant will be creating over three acres of publicly accessible open space, helping to improve health and access to parks, which are components of the DDPHE neighborhood equity index. The proposed development will also improve access to recreational amenities, including the South Platte trail, and create a more walkable environment, facilitating better health outcomes. One of the areas where the property scores

low is proximity to high-capacity and frequent transit, which is defined as rail and frequent bus, though the area does have convenient access to RTD bus service just on the edge of the property. The transportation demand management plan in the development agreement also includes elements to improve transit access, such as working towards a shuttle to connect the area to transit stations. The voluntary housing agreement, transportation demand management plan, and open space commitment will help improve access to opportunity in the area and strengthen the application's consistency with Blueprint Denver.

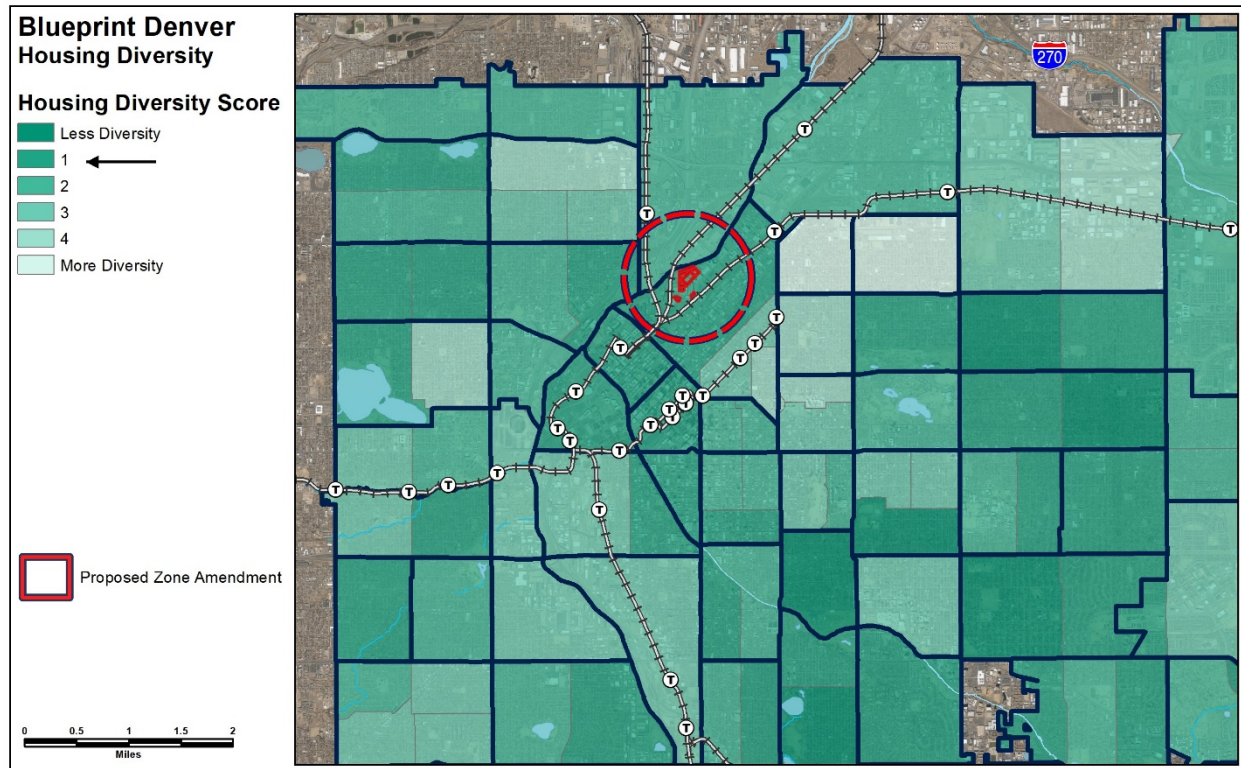
II. Vulnerability to Involuntary Displacement



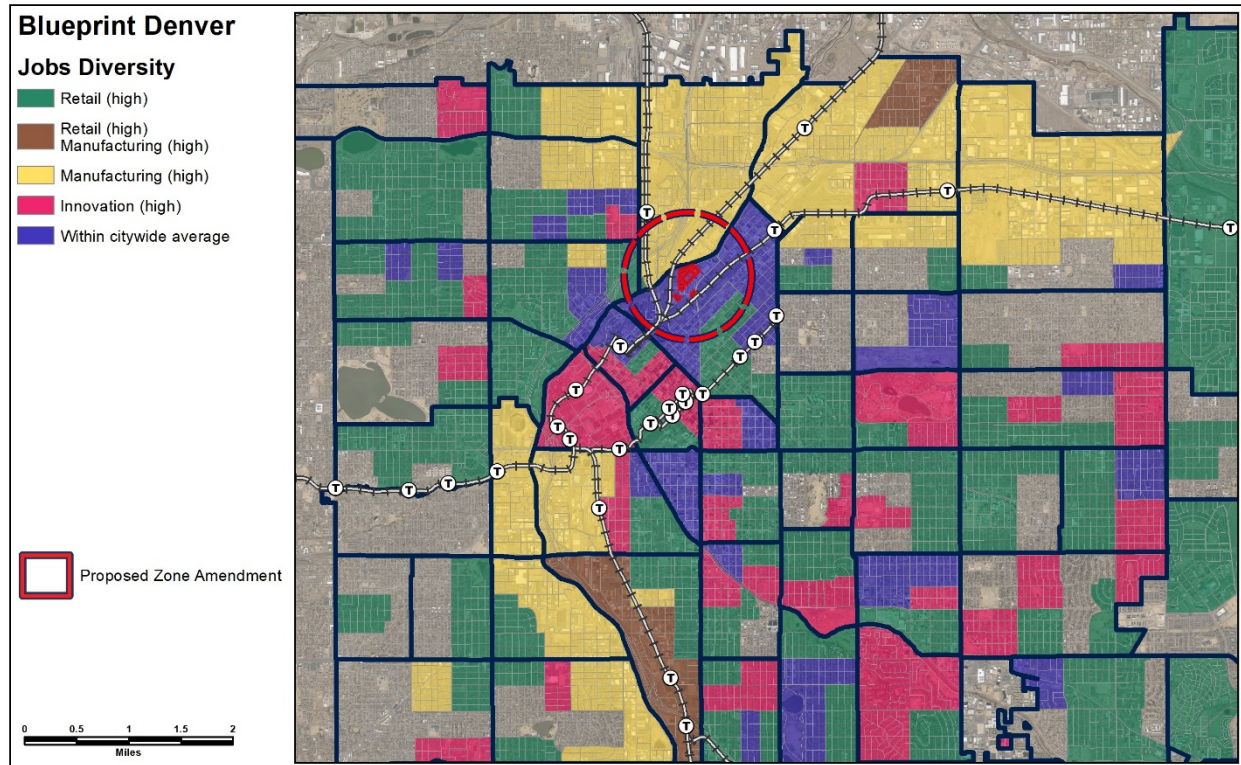
The subject property is located in an area that has moderate vulnerability to involuntary displacement. The basis for measuring vulnerability to involuntary displacement is the vulnerability to displacement index developed by Denver's Economic Development and Opportunity office. This combines data from median household income, percentage of people who rent housing, and percent of population with less than a college degree. The area has a lower percentage of residents without a college degree than the city overall (40% in the census tract versus 51% in Denver); a higher percentage of renter occupied housing units (82% in the census tract versus 50% in Denver); and a higher median income (\$86,000 in the census tract versus \$69,000 in Denver). In areas with moderate vulnerability to involuntary displacement, it is important to increase affordable housing options so that residents of all income levels can continue to live in these neighborhoods. The affordable housing commitment described above helps mitigate involuntary displacement and may help to keep current residents in place. This

voluntary affordable housing commitment helps strengthen the application's consistency with Blueprint Denver.

III. Expanding Housing and Jobs Diversity



The subject property is located in an area that has low housing diversity. The housing diversity map combines census tract-level data measuring the percentage of middle-density housing (housing with 2-19 units), home size diversity, ownership vs. rental, housing costs and the number of income-restricted units. In areas with a low level of housing diversity, increasing the number of affordable housing units and the size of units can improve diversity. As previously mentioned, concurrent with the rezoning request, the applicant entered into a voluntary affordable housing agreement, increasing the number of income-restricted units. As part of that agreement, 30% of the affordable units will be two bedrooms or larger. This commitment helps the area by providing an additional, more inclusive variety of housing options.

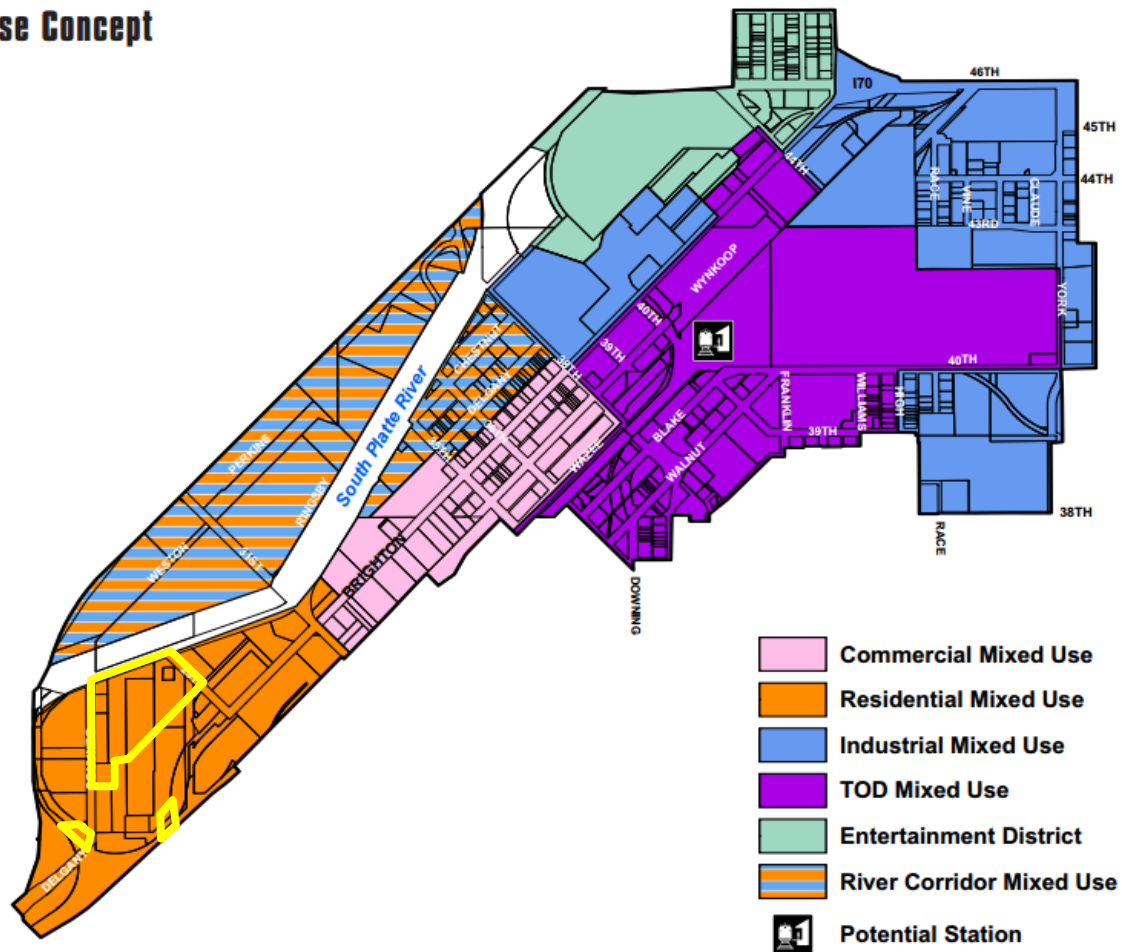


The area around the subject property has a mix of jobs similar to the city's overall mix of job types. The proposed zone district allows for various commercial, office and retail jobs and increasing access to a range of many quality jobs enables people of different incomes and education levels to find employment and wealth-building opportunities. The proposed rezoning and associated GDP and development agreement will help improve the equity measures for the subject site and, being consistent with the future context, place, growth strategy, street types, and strategies of the plan, are consistent with Blueprint Denver.

River North Plan

The River North Plan was adopted by City Council in 2003 and applies to the subject property. It designates the area Residential Mixed-Use and includes specific recommendations for the Denargo Market area, including "facilitate the redevelopment of the Denargo Market area into an exciting mixed-use community" (p. 59).

Land Use Concept



The plan recommends “Residential Mixed-Use zoning, Commercial Mixed-Use zoning, or a combination of both” for the Residential Mixed-Use areas (p. 84). The plan recommendations for the Denargo Market area are to “create a compact, mixed-use, pedestrian friendly development” and “insure that urban design reinforces the pedestrian oriented and transit-supportive character of the area and creates friendly and useable public spaces” (p. 76). The plan does not include specific building height recommendations, but suggests there should be “appropriate massing, scale, building heights and building size for new development with height limits along the South Platte River” (p. 76). Along the river, the recommends design guidelines with the objectives of “maintaining the view to the river corridor, encouraging construction that is low to medium in height, (not more than 55 feet) and creating pedestrian ‘friendly’ architecture that incorporates ground floor windows, direct entrances from buildings to the street, and human-scaled facades” (p.66).

The proposed C-MX zone districts are consistent with the recommendations of the River North Plan by allowing a residential, office, and retail uses in a pedestrian-friendly form. The allowed heights of eight to 20 stories are appropriate for an urban development near downtown. The design and build-to requirements of the C-MX zone districts, along with DO-7 design overlay and the urban design standards

and guidelines described above, would ensure an urban form compatible with a new, pedestrian-oriented development. While the allowed height in the zoning of eight stories and 110 feet along the South Platte River exceeds the 55 feet recommended in the plan, the Urban Design Standards and Guidelines described above would limit the height along the river to the plan-recommended 55 feet, so the proposed C-MX-8 DO-7 zoning and UDSGs achieve the plan's goals of creating a transition to the river and pedestrian-friendly development, while being consistent with the transition height of PUD-G #12 immediately to the west along the river, adopted in 2015, and the C-MX-8 zoning immediately to the east along the river, adopted in 2010. The proposed rezoning is consistent with the intent and recommendations of the River North Plan.

Housing and Inclusive Denver

Housing an Inclusive Denver is not adopted as a supplement to the Comprehensive Plan, but the plan was adopted by City Council in 2018. Housing an Inclusive Denver provides guidance and strategies to create and preserve strong and opportunity-rich neighborhoods with diverse housing options that are accessible and affordable to all Denver residents (p. 6). Core goals of the plan include creating affordable housing in vulnerable areas and in areas of opportunity; preserving affordability and housing quality; promoting equitable and accessible housing; and stabilizing residents at risk of involuntary displacement (p. 7). The plan includes several recommendations to advance these goals, including "promote development of new affordable, mixed-income and mixed-use rental housing" (p. 83).

As described above, the proposed development would include a housing commitment requiring 15% of residential units to be income-restricted units (IRUs) for a covenant length of 60 years. Rental IRUs would be restricted at up to 80% of the Area Median Income (AMI), with at least 25% of those IRUs further restricted to 60% AMI, with a minimum of 40 units meeting this requirement. For sale IRUs would be restricted to 100% AMI, with at least 30% of those IRUs further restricted to 80% AMI. Given this commitment, the proposed rezoning would facilitate additional affordable housing opportunities consistent with the goals and strategies of Housing an Inclusive Denver.

The requested zone district meets the consistency with adopted plans code criterion without additional support from Housing an Inclusive Denver and the inclusion of a voluntary affordable housing agreement. However, these items further strengthen an already fully consistent application.

2. Uniformity of District Regulations and Restrictions

The proposed rezoning to C-MX-8 DO-7, C-MX-12 DO-7, C-MX-16 DO-7, and C-MX-20 DO-7 would result in the uniform application of zone district building form, use and design regulations.

3. Public Health, Safety and General Welfare

The proposed official map amendment furthers the public health, safety, and general welfare of the City through implementation of the city's adopted land use plan and fostering the creation of a walkable, mixed-use area, additional affordable housing opportunities, publicly accessible open space, and connections to recreational amenities like the South Platte River. These improvements will increase access to opportunity, provide more options for recreation and exercise, make moving around the area

safer and easier, and result in equitable growth consistent with adopted plans. The proposed C-MX zone districts, along with the DO-7 overlay and UDSGs, will require development with active and engaging ground floors, promoting safety and encouraging physical activity.

4. Justifying Circumstance

The application identifies several changed or changing conditions as the Justifying Circumstance under DZC Section 12.4.10.8.A.4, “Since the date of the approval of the existing Zone District, there has been a change to such a degree that the proposed rezoning is in the public interest. Such a change may include: Changed or changing conditions in a particular area, or in the city generally; or A City adopted plan; or That the city adopted the Denver Zoning Code and the property retained Former Chapter 59 zoning.”

The majority of the site has retained Former Chapter 59 zoning, so rezoning those lots into the DZC is justified. For the lots with DZC Industrial zoning, rezoning is justified by changed conditions and newly adopted plans. Recent physical changes near the subject site include several new apartment buildings in the Denargo Market area, reconstruction of Brighton Boulevard, the addition of bicycle and pedestrian connections through the area, and a new neighborhood park. The character of River North, and Denargo Market in particular, is rapidly changing and the rezoning request is justified to recognize the changing conditions. In addition, the City has adopted Comprehensive Plan 2040, Blueprint Denver, and Housing an Inclusive Denver since the approval of the existing I-A UO-2 and I-B UO-2 zone districts. As stated throughout this report, the proposed rezoning meets the intent of these plans.

The application also is justified by DZC Section 12.4.10.8.A.5, which says “It is in the public interest to encourage a departure from the existing zoning through application of supplemental zoning regulations that are consistent with the intent and purpose of, and meet the specific criteria stated in, Article 9, Division 9.4 (Overlay Zone Districts), of this Code.” This application proposes applying the supplemental zoning regulations of the DO-7. As further detailed below, application of the DO-7 to this site is consistent with the intent and purpose of the Design Overlay district, supplementing the otherwise generally applicable zone district standards with additional design limits appropriate to the River North area.

5. Consistency with Neighborhood Context Description, Zone District Purpose and Intent Statements

The requested C-MX-8, C-MX-12, C-MX-16, and C-MX-20 zone districts are within the Urban Center Neighborhood Context. The neighborhood context generally consists of multi-unit residential and mixed-use commercial strips and commercial centers (DZC, Division 7.1). As described above, the Blueprint future neighborhood context description is Urban Center, and recent rezonings in the area have also been to the Urban Center context. The neighborhood is developing in a manner consistent with the Urban Center neighborhood context description, and this rezoning would be consistent with that development.

The general purpose of the Urban Center Mixed Use zone districts is described in DZC 7.2.2.1 as “to promote safe, active, and pedestrian-scaled, diverse areas” and “creating mixed, diverse

neighborhoods.” The proposed rezoning would allow for mixed-use development in pedestrian-friendly building forms in a diverse neighborhood, consistent with the zone district purpose.

According to the zone district intent stated in DZC Section 7.2.2.2, the C-MX-8 district “applies to areas or intersections primarily served by arterial streets where a building scale of 2 to 8 stories is desired” while the C-MX-12, C-MX-16, and C-MX-20 districts apply “to areas or intersections primarily served primarily by major arterial streets where a building scale of 3 to (12, 16, or 20) stories is desired” The site is located on collector and local streets but is in an area served by nearby arterial streets. The nearest arterial streets are one block east (Broadway/Brighton Boulevard) and one block south (Park Avenue West). Thus, the street classifications and desired building heights in this area are consistent with the zone district purpose and intent statements.

The River North Design Overlay (DO-7) has many purposes including “implement adopted plans; promote creative, high-quality, design in the general area covered by the adopted 38th and Blake Station Area Height Amendments and the RiNo Business Improvement District; provide flexibility to support the diverse design traditions of RiNo; activate the South Platte River frontage to promote the river as a neighborhood asset; maintain human scale and access to daylight as heights and densities increase throughout the district; promote vibrant pedestrian street frontages with active uses and street-fronting building entries; provide transitions between residential frontages and mixed-use streets; ensure that buildings are designed to adapt to new uses as the district changes and evolves; promote active transportation options, such as walking and biking; minimize potential conflict points between pedestrians and motor vehicles; minimize the visibility of surface and structured parking areas for vehicles; and encourage small, privately-owned, open spaces to increase design diversity along the street frontage and support pedestrian activity.” (DZC Section 9.4.5.11.B). The site, with its adjacency to the South Platte River and proximity to the newly constructed Brighton Boulevard warrants special attention to detail with regards to activation, building entries and other human-scaled elements. The site is located within the area of the RiNo Business Improvement District. Thus, the proposed map amendment is consistent with the purpose statements of the design overlay district.

Attachments

1. Application
2. Existing zoning waivers and conditions and PUD
3. Large Development Framework
4. Public comments