DZC and DRMC Amendments to Implement 38th and Blake Station Area Height Amendments

- DZC Text Amendment #2 to establish River North Design Overlay (DO-7) / 38th and Blake Incentive Overlay (IO-1) (CB18-0016)
- DZC Map Amendment #2017I-00121 to rezone properties within existing mixed-use districts to include the DO-7 and IO-1 Overlays (CB18-0017)
- DRMC Amendment to establish new Chapter 27 Article VI Affordable Housing Incentives (CB18-0019)
- Ordinance establishing a new Affordable Housing Incentive Fee Fund (CB18-0014)
Sponsor and Purpose

- Sponsored by City Council President Albus Brooks
- Implement Adopted 38th and Blake Station Area Plan Height Amendments
  - Promote greater design quality in RiNo
  - Promote higher intensity development to support transit while ensuring community benefits
  - Integrate affordable housing around the 38th and Blake station

Public Process for Plan Amendments (13+ Meetings)

- One Year Process (2015-2016)
- Five Community Workshops
- Eight Steering Committee Meetings, including representatives from:
  - Cole
  - Globeville
  - Elyria & Swansea
  - RiNo
  - Curtis Park/NE Downtown
- Presentations to RNOs
- Website & Newsletters
Summary of Proposed Implementation Tools

**River North (RiNo) Design Overlay**
- Promotes greater design quality
- Establishes river as an amenity
- Applies throughout River North (RiNo)

**38th and Blake Incentive Overlay**
- Allows specific incentive heights
- Ties to Municipal Code amendment
- Applies to the area around the station

**DRMC Housing Incentive Amendment**
- Establish unit/fee requirements for incentive projects
- Relate to citywide programs

**Establish New Revenue Fund (CB18-0014)**

**Affordable Housing Incentive Fund**
# 38th & Blake Plan Amendment Proposed Implementation Tools

## Public Process for Zoning Implementation

<table>
<thead>
<tr>
<th>Step</th>
<th>Date</th>
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<tbody>
<tr>
<td>38 &amp; Blake Station Area Height Amendments Adopted</td>
<td>9/19/16</td>
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<tr>
<td>Stakeholder Meetings to Develop implementation Strategy</td>
<td>12-16 to 6-17</td>
</tr>
<tr>
<td>Planning Board info item</td>
<td>7/19/17</td>
</tr>
<tr>
<td>LUTI Info Item</td>
<td>8/8/17</td>
</tr>
<tr>
<td>INC and Other RNO Presentations</td>
<td>8/17 through 9/17</td>
</tr>
<tr>
<td>Stakeholder Meeting on Design Overlay</td>
<td>9/11/17</td>
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<tr>
<td>Feasibility Study Stakeholder Meeting</td>
<td>10/12/17</td>
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<tr>
<td>Postcards Sent to All Property Owners</td>
<td>10/31/17</td>
</tr>
<tr>
<td>Public Meeting on Text and Map Amendments</td>
<td>11/08/17</td>
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<tr>
<td>Notification Signs Posted in Area</td>
<td>11/20/17 – 12/5/17</td>
</tr>
<tr>
<td>Planning Board Hearing</td>
<td>12/6/17 (recommendation to approve)</td>
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<tr>
<td>Land Use, Transportation and Infrastructure Committee</td>
<td>1/2/18</td>
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<tr>
<td>Notification Signs Posted in Area</td>
<td>01/21/18 – 02/12/18</td>
</tr>
<tr>
<td>City Council Public Hearing</td>
<td>2/12/18</td>
</tr>
</tbody>
</table>
What We’ve Heard

- Excitement regarding the future
- Public support for incentive and design requirements
- Some public concern regarding:
  - Growth, change and infrastructure capacity
  - No parking requirements near transit
  - Amount of required affordable housing
- Property owner/developer concern regarding:
  - Non-residential active use requirements
  - Specific rules & regulations for provision of affordable housing units
  - Ease of negotiating community benefits option
What are the proposed amendments?

Denver Zoning Code (DZC) Text Amendment (CB18-0016):

River North Design Overlay (DO-1)
Summary of Design Overlay

• Building Design & Massing
  • Structured Parking Design
  • Incremental Mass Reduction

• Street Level Activation
  • Build-to/Setbacks
  • Transparency
  • Active Uses
  • Street Level Height
  • Street Level Residential Setbacks/Entries
DZC Amendment: River North Design Overlay (DO-7)

Building Design & Massing Tools

- **Structured Parking Design** (structures over 5 stories)
  - Wrap 70% of Parking; or
  - Screen 100% of Parking

- **Incremental Mass Reduction** (zone lots over 150’ wide)
  - Stories 3-5: 10%
  - Stories 6-8: 15%
  - Stories 9-12: 20%
  - Stories 13-16: 30%
DZC Amendment: River North Design Overlay (DO-7)

Building Design & Massing Tools

Not to Scale. Illustrative Only.
River North Design Overlay (DO-7)

Street Level Activation Tools

• Street Level Active Use (zone lots over 150’ wide)
  • No parking or residential on 50% of Primary Street Frontage

• Street Level Height
  • 16’ Minimum

• Street Level Residential
  • 7’ min. primary/side street setback
  • Entry feature for each street level dwelling
River North Design Overlay (DO-7)

Street Level Activation Tools
River North Design Overlay (D0-7)

Additional Tools

• No vehicle parking requirements within ½ mile of transit

• Modified criteria for designation of primary streets
  • The river is always primary
Review Criteria for DZC Amendment: River North Design Overlay (DO-7)

Consistency with Adopted Plans

- **Comprehensive Plan 2000**
  - Land Strategy 3-B: Encourage quality infill development that is consistent with neighborhood character... (page 60)
  - Denver’s Legacies Strategy 2-B: Focus design standards and review efforts on new and evolving districts that are undergoing the most dramatic change (page 98)

- **Blueprint Denver**
  - Create new or modified zone districts where there is not an existing zone district that allows the appropriate uses, densities, and design standards in Areas of Change (page 130).

- **38th and Blake Station Area Height Amendments (2016)**
  - “Adopt a new regulatory approach to ensure greater design quality throughout the station area” (page 8).

- **Northeast Downtown Neighborhoods Plan (2011)**
  - Promote pedestrian orientation and minimize the visual impacts of structure parking (page 74).
  - Locate commercial uses on the ground floor to activate buildings and the street (page 74).
Denver Zoning Code (DZC) Text Amendment (CB18-0016):
38th and Blake Station Area Incentive Overlay (IO-1)

Denver Revised Municipal Code (DRMC) Amendment (CB18-0019):
Incentives for Affordable Housing

Establish a New Fund (CB18-0014):
Affordable Housing Incentive Fee Fund
Summary of Incentive Amendments

**DZC Text Amendment** (CB18-0016 – Required Public Hearing)

- Establish ‘Incentive Overlay’ category
- Allow 1 to 11 stories of ‘incentive height’ above zoning ‘base height’
- Specify height transitions
- Cross reference new DRMC ‘Incentives for Affordable Housing’ affordable housing/fee requirements

**DRMC Amendment** (CB18-0019)

Chapter 27 - HOUSING

Article VI: INCENTIVES FOR AFFORDABLE HOUSING
Division 1. General

- Residential mixed-use projects
  - Require affordable units (no fee option)
  - 1x citywide build-alt on all stories
  - 4x citywide build-alt on incentive stories
- Commercial mixed-use projects
  - Citywide linkage fee applies
  - + 4x fee on incentive height
  - Or units / community use agreement

**Incentive Fee Fund** (CB18-0014)

- Accommodate $ from incentive fee
38th & Blake Incentive Overlay (IO-1)

Incentive Height Map

<table>
<thead>
<tr>
<th>INCENTIVE HEIGHT</th>
<th>Stories (max)</th>
<th>Feet (max)</th>
</tr>
</thead>
<tbody>
<tr>
<td>3</td>
<td>45'</td>
<td></td>
</tr>
<tr>
<td>5</td>
<td>70'</td>
<td></td>
</tr>
<tr>
<td>8</td>
<td>110'</td>
<td></td>
</tr>
<tr>
<td>12</td>
<td>150'</td>
<td></td>
</tr>
<tr>
<td>16</td>
<td>200'</td>
<td></td>
</tr>
</tbody>
</table>
Residential Sample - Citywide Program, 5 story

Incentive Overlay resulted in a net gain of 9 affordable units compared to the citywide program and allowable height with the base zoning.

Additionally, the overlay creates a mixed-income community with affordable units onsite or within the incentive area.

Citywide Linkage Fee: $112,500

OR

Citywide Build Alternative Units: 1 unit

75,000 GSF total

Residential Sample - Incentive Program, 5 to 12 story

Incentive project produces 10x as many affordable units as the 5-story pre-incentive project

Affordable Units Required

Incentive Build Alternative Units: 7 units

Citywide Build Alternative Units: 3 units

Total Build Alternative Units: 10 units

75,000 GSF in base, 105,000 GSF in incentive

75,000 GSF total
## Commercial Sample - Incentive Program, 5 to 12 story

<table>
<thead>
<tr>
<th>Fee Option</th>
<th>Unit Option</th>
<th>Community Use Option</th>
</tr>
</thead>
<tbody>
<tr>
<td>Incentive Fee: $714,000</td>
<td>Incentive Build Alternative Units: 10 units</td>
<td>Community Serving Use Agreement</td>
</tr>
<tr>
<td>+</td>
<td>+</td>
<td>+</td>
</tr>
<tr>
<td>Citywide Linkage Fee: $306,000</td>
<td>Citywide Build Alternative Units: 4 units</td>
<td>Citywide Linkage Fee: $306,000</td>
</tr>
<tr>
<td>=</td>
<td>=</td>
<td>=</td>
</tr>
<tr>
<td>Total Fee: 1,020,000</td>
<td>Total Build Alternative Units: 14 units</td>
<td>Total Fee: $306,000 + Community Serving Use Agreement</td>
</tr>
</tbody>
</table>

**Incentive project produces 14x as many affordable units as a 5-story the pre-incentive project.**

75,000 GSF in base, 105,000 GSF in incentive
Residential Affordability Requirements

Affordability Requirements Match Existing Linkage Fee Provisions

- Required units must be:
  - Within the overlay area
  - Affordable at 80% AMI or lower
  - Comparable in mix and size to market rate units that generated the requirement
- Existing Administrative Rules & Regs for Affordable Housing Will Apply
  - Building units off site (escrow, timeline, etc.)
  - Unit tenure (for-sale or for-rent)
- The Overall System Addresses Equity Across Housing Types
  - Unit requirements address residents at 80% AMI or lower
  - Fees support housing and services for residents at lower AMI thresholds

A New Fund Will Collect Incentive Fees

- Necessary because existing fund is for ‘the exclusive purpose’ of accounting for affordable housing linkage fees
- Fund $ maybe be used for the same purposes as the existing property tax fund
Community Benefits Agreement

- Voluntary Agreement with the City (administered by OED)
- Can Meet Incentive Requirements Only
  - Can meet incentive requirements for square footage above the base
  - Citywide affordable housing linkage fee will apply to all floors of building as it would elsewhere in the city
- Value of Fee Translated to Provision of Community-serving Uses, Such As:*  
  - Art studios and maker spaces
  - Neighborhood services like child care or community kitchens
  - Community-serving non-profit space
- Agreement Addresses:  
  - Rent reduction, terms and timeline for tenant
  - Recourse if agreement not in good standing
*Must meet a demonstrated need in the surrounding neighborhood(s)
Consistency with Adopted Plans

• Comprehensive Plan 2000
  • Land Use Strategy 4-A: Encourage mixed-use, transit-oriented development that makes effective use of existing transportation infrastructure… (page 60)

• 38th and Blake Station Area Height Amendments (2016)
  • “Adopt a new regulatory approach to integrate affordable housing and mixed income development within the 38th and Blake Station area” (page 10).

• Elyria and Swansea Neighborhood Plan (2015)
  • Recommend neighborhood collaboration to determine whether taller building heights may be appropriate near the 38th and Blake Station (page 31).

• 38th and Blake Station Area Plan (2009)
  • Provide financial incentives to include flexible zoning and provision of density bonuses (page 71).
Additional Review Criteria for an Incentive Overlay

1. Application of an Incentive Overlay District will provide community benefits that furthers one or more adopted city policies; and

2. Such community benefits have been determined by the City to be best achieved though incentives, rather than requirements; and

3. Application of an Incentive Overlay District will ensure clear and predictable outcomes consistent with the applicable neighborhood context, building forms, and the stated purpose and intent of the applicable zone district; and

4. Application of an Incentive Overlay District will apply equally to all similar properties in an area or district to provide equitable outcomes consistent with adopted City policies.
Staff Recommendation

CPD recommends approval of the DZC text amendment for the design and incentive overlays based on finding that criteria have been met:

1. Review Criteria for an Incentive Overlay District
2. Consistency with Adopted Plans
3. Furthers the Public Health, Safety and General Welfare
4. Results in Regulations that are Uniform Across the District

OED recommends approval of the DRMC amendment.

BMO & OED recommend establishing the incentive fee fund.
Denver Zoning Code (DZC) Map Amendment (CB18-0017):
Amendment 2017I-00121 to Apply Design (DO-7) and Incentive (IO-1) Overlays to Properties with Existing Mixed Use Zoning
DZC Map Amendment 2017I-00121

Zone Map Amendment 17I-00121

RiNo / 38th & Blake Station Area

Council District 9

Neighborhoods: Cole, Elyria Swansea, Five Points, Globeville
Map Amendment Application

• 38th & Blake + RiNo
  • Apply DO-7
  • Apply IO-1
• RiNo
  • Apply DO-7
Map Amendment
Existing Land Use in Area

- Industrial
- Warehouse
- Single- and Multi-unit residential
- Transportation (rail and freight handling)
- Entertainment (Coliseum)
- Vacant
Map Amendment

Relationship to Proposal 2017I-00122 (separate public hearing)

- Updates some existing mixed use zoning to match plan base height
- Updates some non mixed use zoning for use of overlays
- Applies overlays

Application of Overlays After Both Map Amendments
Review Criteria for Map Amendment

Consistency with Adopted Plans

Blueprint Denver
Future Land Use
• Mixed Use (most of the area)
• TOD (south of station)
• Industrial (north of station)
Review Criteria for Map Amendment

Consistency with Adopted Plans

38th & Blake Height Amendments

• Implementation of adopted incentive heights through overlay map and transition area text
Consistency with Adopted Plans

Elyria & Swansea Neighborhood Plan (2015)
• Recommendation for City Councilmember-initiated rezonings to implement the plan vision (page 29)
Map Amendment 2017I-00121

Staff Recommendation

CPD recommends approval of the map amendment based on finding that criteria have been met

1. Review Criteria for an Incentive Overlay District
2. Consistency with Adopted Plans
3. Furthers the Public Health, Safety and General Welfare
4. Results in Regulations that are Uniform Across the District