

FOCUS GROUP: Business Improvement Districts

Meeting Notes

Tuesday May 19, 2020 4:00 – 5:30 pm
Virtual Meeting Via WebEx

Meeting Objectives:

- Review project objectives, timeline, and scope
- Discuss current barriers to the development and redevelopment
- Discuss solutions to the development and redevelopment
- Discuss ideas around incentives for affordable housing

Welcome, Introductions and Agenda Review

The following organizations were present: *Metro Denver Local Development Corporation (South Broadway), Downtown Denver BID; West Colfax Business Improvements District, Bluebird BID; Colfax Avenue Business District; Mayfair BID; Fax Partnership; RiNo BID; Five Points Business Improvements District*

Project/Focus Group Overview

Barriers to Development/Redevelopment

From the registration survey and prior conversations with stakeholders, the following have been identified as the top barriers to developing affordable housing:

- Parking standards
 - *Often can become the greatest challenge on adaptive reuse sites where a change in use requires far more parking*
 - *The small lot parking exemption was watered down when updated in 2016, need more standards like that to maintain the small lot character of these areas*
 - *Tension between existing businesses and new businesses in RiNO where the overlay removes parking minimums, removing parking standards all together may not be the solution everywhere*
- Protected District Standards
 - *Significantly impact the feasibility of development, especially on smaller lots*
 - *Many transit corridors are directly adjacent to protected districts*
- Adaptive Reuse Standards
- Rezoning Process
 - *DDP has done a study to better understand the soft costs of the entitlement process which can be very costly and add significant cost to a project*
 - *Unpredictability of Council support for taller, high density projects that serve housing need*

Discussion Questions:

- Is there something that is not on this list that should be discussed today?
 - *Community Pushback in Planning or Entitlement*
 - *Community pushback is an impediment. Never characterized as “against” affordable housing, but rather the other development impacts which are effectively against affordable housing*
 - *East Colfax: constraints that the area planning process has put on this neighborhood. Heights are insufficient, especially when combined with first floor retail requirements and parking requirements.*
 - *Permitting and SDP process*
 - *Soft costs associated with permitting process and delays. Predictability in process would be helpful. Inconsistent interpretation of rules frustrating.*
 - *Small Site and height limit challenges*

AFFORDABLE HOUSING ZONING INCENTIVE

- *East Colfax: small sites present challenges. Looking for support on alley vacations, etc. "Legacy uses," such as used car dealerships and motels have "no place else to go" in Denver zoning. Where can we put them or partner with other adjacent cities to aid in relocation*
- *There's a whole world of small development that we need to figure out.*
- *Broader support for alley vacations to enable for larger lot assemblage*
- *MS-3 is not a viable district for redevelopment and housing, need at least 4 or 5 stories*
- *Maintaining Commercial Character*
 - *Broadway: How do we maintain an environment as a "boutique commercial area"? Commercial property taxes, lease and vacancy rates – how do these things impact neighboring residential areas? Commercial property tax issues.*
 - *Continued inequities exacerbated by COVID regarding small business owners with limited resources and access to capital*
 - *Supporting small and micro businesses, shared spaces*
 - *It's important that housing can be affordable for the employees that work along these transits served corridors, they are the most vulnerable and impacted financially, especially due to COVID*
- *Infrastructure Needs*
 - *Some development areas such as RiNo, development has outpaced city infrastructure investment leading to challenges and the need for development to contribute more to these investments*
- Are these barriers unique to specific geographies to Denver?
 - *RiNo: Tension between historic neighborhoods and new development.*
 - *RiNo: Not a lot of infrastructure in the area. "Archaic," the city has difficulty keeping up with tall development happening in the area.*
 - *2016 Small Lot Parking Work Group was a "disappointing process." Single-family neighborhoods pushed back, valuing parking "above all else."*
 - *Look for "smart growth" by implementing smart city infrastructure to entice tech industry to invest in Denver.*

Proposed Solutions to Development/Redevelopment

Some of the following solutions have either been proposed by stakeholders and/or being explored by the city. We would like to know more about what solutions are most important and how they should be approached.

Discussion Questions:

- What are some solutions the city and should explore to reduce parking standard barriers?
 - *Parking reductions should be allowed*
 - *TDMs worth implementing/exploring*
 - *RiNo is exploring a circulator shuttle to promote more multi-modal access*
- What are some solutions that the city should explore regarding protected district standards?
 - *Many centers and corridors such as Colfax, Santa Fe, South Broadway are directly adjacent to protected districts where additional standards (setbacks and setbacks) apply limiting redevelopment opportunity.*
 - *Ground floor residential uses should be allowed. (note, currently allowed in all MS and MX zoning)*
- What are some solutions that the city should explore regarding adaptive reuse?
 - *For example, the existing buildings along corridors such as Colfax, Santa Fe, South Broadway all contribute to the unique character of these streets and neighborhoods. However, the process to change a use can often trigger a variety of costly and prohibitive upgrades – both inside the building and on the property.*
 - *How can the city balance necessary upgrades to protect health and safety while promoting adaptive reuse?*
 - *Marcia Doyle Winter and CO report on barriers on the change of use of any existing building triggers "avalanche" of new requirements.*
- What are some solutions that the city should explore regarding the rezoning process?
 - *Developers sometimes "hide" behind rezoning process to avoid community pushback. A requirement for a more fully developed site plan could help cut down on this.*
- What are other changes or incentives the city should explore to promote the redevelopment and the development of affordable housing?

AFFORDABLE HOUSING ZONING INCENTIVE

- *"Arbitrariness" of certain boards cited as a problem/challenge (e.g. LPC, BOA). Who has the "final authority?"*
- *Should focus on implementing Blueprint Denver which was visionary and a thoughtful document*

Potential Incentives for the Construction of Affordable Housing (20m)

The city has been working with an advisory committee, conducting developer focus groups, peer city research, to build upon citywide policy guidance set in Blueprint Denver and Compressive Plan 2040. Current incentives under exploration include:

- Density/Height Bonus
 - *Projects taking advantage of these density and height bonuses for housing should be considered "by right," and not subject to rezoning requirements or additional public process*
- Expedited Review
 - *Developers are looking for ease of process. "Give developers the benefit of the doubt" – don't require additional oversight*
- Parking Reductions/Waivers
- Additional Financial Incentives*
- Are there any other incentives that should be explored at this time? *None mentioned*
- How might the incentives need to respond to the different neighborhood/market contexts? For example, market demand, existing entitlement, and transit access is very different for Downtown
- What are some considerations that should be noted when exploring these incentives?
 - *Take direction from Blueprint Denver*
 - *Predictability is critical*
 - *More incentive could help strengthen the 38th and Blake overlay*
 - *Five Points: What can be done to provide public funds to deal with issues of homelessness? Immediacy needs.*
 - *Would city allow for "shared facilities" (bathrooms, etc.) for smaller commercial uses?*
 - *Only 30% of the land area in Denver can be used for multi-unit housing (the rest is single family only). Equity issue.*
 - *Is there any work being done with brownfield sites?*
 - *Coordination of this citywide initiative with neighborhood plans is very important.*