FAR NORTHEAST AREA PLAN AMENDMENT

Steering Committee Meeting #2

February 8, 2022
4:00PM - 5:00PM

Virtual via Zoom
AGENDA

4:00pm Welcome

4:10pm Presentation
  • Amendment need
  • Feedback from Public Meeting #1
  • Market Study Report
  • Plan Amendment (text and maps)
  • Next steps
  • Pepsic Co. presentation

Discussion

4:40pm • Questions and Comments
1. **Why is Pepsi Relocating?**

   Pepsi is in need of expansion to continue operations and fulfill the demand in production.

2. **Why relocate to the DIA Neighborhood?**

   Department of Economic Development (DEDO) understands the importance of retaining light-industrial and manufacturing facilities within Denver to attain the jobs and workforce within the city. DEDO aided Pepsi in the search of a new site that would allow Pepsi to grow and expand in the next 50-100 years, retaining jobs in Denver.

3. **Does this fit with FNE Area Plan vision?**

   DIA Neighborhood scored low on jobs, and the 2019 plan recommended that the large amounts of undeveloped land in many of Far Northeast’s areas present a strong opportunity to attract more jobs.

4. **How many jobs will it create?**

   Pepsi will continue to employ all existing workers and will bring 475-525 jobs to the DIA neighborhood.
Plan Guidance, Rezoning, Job Creation, Coordination with DEN

**Why do we need a Plan Amendment?**

1. **F3E Area Plan projected a long-term vision for UAA**
   - This vision was based on a short-term projection of the planned development at Colorado A Line.
   - Since plan adoption, we’ve learned that this transit stop will not be realized within the 20 year planned horizon at this plan.
   - We still need to promote development and job creation, understanding that without a transit line, we need to rethink the appropriate uses and development typology in UAA especially along 72nd and nearby stations.

2. **F3E Area Plan proposed a granular mobility network**
   - The mobility network is designed to support proposed placetypes and land uses. Any changes to these will require an on-going evaluation of the mobility network.

**Applicant has applied for a Rezoning**

1. **Why would zoning be needed?**
   - Current Zoning does not support proposed use.
   - Proposed use will be supported by either:
     - I-MX Zone (Industrial mixed-use, 8 stories)
     - S-MX Zone (Suburban mixed-use, 8 stories, 3 stories)
     - I-A Zone (Light-industrial)
   - Rezoning needs to be supported by City Council Adopted Plan.

**Benefits of Manufacturing in the Area**

1. **Plan Consistency with 2019 F3E Area Plan**
   - Rezone Former Chapter 59 properties into the Denver Zoning Code.
   - Far Northeast residents identified existing high-profile employers such as DEN and Panasonic as key assets to build upon, or follow suit with similar development, as a strategy for attracting jobs.
   - Use major regional transportation infrastructure including I-70 and Pena Boulevard to attract more businesses.
   - Coordinate with (DENO) for tenant recruitment.
   - Establish new districts through market-driven growth.

**Coordination with Denver International Airport**

1. **DEN's Vision for Pena Station**
   - A mixed-use, transit-oriented development that promotes renewable energy and emerging smart city technologies to prioritize health and sustainability.

2. **DEN's Vision for Second Creek Campus**
   - A hub of research, development, and advanced, manufacturing adjacent to the wildlife refuge with unobstructed views west toward their bison yard and the Rocky Mountains.

3. **DEN's Vision north of 72nd Ave**
   - Recent conversations with DEN revealed that they’re looking at this area as light-industrial, manufacturing, and/or innovation flex. Development blocks will be larger here.
How are the light industrial and manufacturing markets performing?

- The immediate market area shows strong support for industrial uses at this location.

- Salaries for industrial jobs significantly higher than those of hospitality
  
  Average industrial wages of nearly $30 per hour ($62,400 per year) are more than twice the average hospitality wage of $12.60 per hour ($26,200 per year).

- Nearby Adams County is seeing growth in industrial.

- Lack of available land in other areas of Denver, provides opportunity for industrial development in DIA neighborhood.
  
  Additionally, its proximity to I-70 and DIA makes it competitive with other potentially lower-cost areas.
I. What is the anticipated demand for new development in the study area?

- Hospitality sector has been the strongest performing use along Tower Rd. 
  *Hotels are expected to remain a strong use within one block east and west of Tower*

- The remaining land in this area has strong potential for industrial development, particularly given DEN’s vision across 72nd Ave.

II. How does growth and development in the study area relate to anticipated growth and change at DEN?

- Will impact and catalyze development on DEN’s property

- Potential to bring additional industrial development/large employment sectors to this portion of DIA
Public Feedback

WHAT WE’VE HEARD

• Establish community engagement strategy between Pepsi Co. and local organizations, NGO, RNO’s, community meetings, etc.
  ○ SC - recommended job fairs/info sessions
  ○ CPC, DEDO, Councilwoman’s Gilmore’s office, and Pepsi Co, have been working together on identifying those opportunities

• Questions about affordable housing, community benefits, salaries, job trainings, job postings, career fares, and works with local schools

• What type of agglomeration is expected as a result of Pepsi coming here?
  ○ Market Report - provides some insight to this

• How can the company support the use of public transportation where there’s less of a need to drive?
  ○ Pepsi Co is looking to facilitate a shuttle to and from the 61st and Pena light rail stop engagements.
Future Place Recommendations Continued:

LU-2. Maintain and expand light industrial uses in areas identified as value manufacturing.

2.1. Preserve and grow the existing job base in western Montbello's value manufacturing areas.

2.2. Protect industry by prohibiting the introduction of residential uses to value manufacturing areas.

2.3. Encourage new industrial employment centers in the DIA Neighborhood, especially adjacent to DEN's projected manufacturing and industrial uses along 72nd Ave.

2.3. c. Encourage a mix of uses including industrial and manufacturing uses north of 64th street

- Provide visual buffers such as trees and landscaping to screen big-box light-industrial and manufacturing uses or large surface parking lots from mixed-use corridors, arterials, and gateways
- Encourage massing shifts and architectural details of big-box light-industrial and manufacturing uses along mixed-use corridors, arterials, and gateways

17.4. Support rezoning efforts when a rezoning will result in development of significant job employment sectors even

18.5. Establish partnerships between local community organizations and new employment sectors for job recruitment by collaborating with DEDO and Council offices

a. Provide opportunities for youth training and recruitment at high school level
3.3.6B - TRANSFORMATIVE PROJECT – EMPLOYMENT CENTERS NORTH OF 64TH AVE

What is it?
As previously noted, because the A0 precludes the development of residential north of 64th Ave, it allows for an opportunity for a variety of commercial, value manufacturing, innovation-flex, industrial, and other mixed uses to flourish in this area. As land value increases and development patterns change, impacts Denver's ability to retain industrial and manufacturing jobs, a significant employment sector for the city. The vast greenfield sites north of 64th Ave provide an opportunity for Denver to retain employment centers that require large footprints for operational needs and ample additional space for expansion.

This transformative project plans for the area nestled between Argonne St, 72nd Ave, Himalaya and Dunkirk streets respectively, and High Point Blvd provides an opportunity to support manufacturing and or innovation-flex. Moreover, growth projected by DEN immediately across 72nd Ave also resembles this type of development pattern and uses.

Although beyond the trajectory of this plan’s 20-year vision, there’s some anticipation that in the future a light rail stop may be developed around 72nd and Himalaya Street intersection. Although these streets did not exist at the time of the writing of this plan, if such a station is to be implemented it would tremendously benefit the area, and this plan recommends pursuing a future rail transit station at this location or close by.

Why is it important for the DIA Neighborhood?
The greenfield sites of the DIA coupled with the restriction on housing development create an opportunity to support employment centers in this area. Maintaining those jobs in Denver is of top priority and FNE has the competitive advantage of supporting industrial uses by capitalizing on its proximity to DEN, Interstate 70, Pena Blvd, and E-470. The ability to retain those jobs in the DIA also creates prospects for employment for Montbello and GVR residents. Market analysis report in 2022 indicates demand and support for industrial use and hospitality use north of 64th Ave. The degree of support for industrial and the long-term economic benefits associated with a growing industrial node at this location and surrounding properties, suggests that value manufacturing place-type will generate greater benefit to the community and reinforce a growing market trend for the area.

○ Previously was transformative project for light rail stop at 72nd Ave and Himalaya St (now outside this plans horizon)

○ Maintain some of that language here and throughout the plan, to offer support, if RTD’s priorities were to change

○ Recommending this area to support large value manufacturing employment sector

be needed to support growth of large scale employment centers between 64th and 72nd Ave

» If a station at 72nd and Himalaya is facilitated within the timeline of this plan, streets and utilities would need to be extended to the station and surrounding parcels to serve new development. When a future station is constructed at 72nd and Himalaya, an evaluation process should be undertaken to determine whether an amendment to this plan or a standalone station area plan is needed in order to sufficiently guide and promote Transit Oriented Development at this location.

Facilitation of LDR’s and/or GDP updates may
Surface Parking
Surface Parking is still an essential component in supporting retail and industrial uses. Site planning and design of surface parking lots can be laid out to minimize their impact on community’s environmental quality and character.

Recommendations

LU-13. To ensure that Surface Parking contributes positively to a sustainable environment

13.1. Surface Parking designs should incorporate low impact development (LID) principles for stormwater management.

13.2. Provide generous planting areas to provide shade and screen parking visibility along arterials and gateways.

13.3. Promote natural drainage like bioswales and permeable pavers to captures stormwater runoff closer to the source.
FNE Area Plan - Amendments
PROPOSED AUTO AND GOODS PRIORITY ROUTES
MEMORANDUM

To: Sarah Nurmela and Lilly Djaniants, City and County of Denver
From: Andrew Knudtsen and Rachel Shindman, Economic & Planning Systems
Subject: Far Northeast Market Evaluation; EPS #213111
Date: January 26, 2022

This memorandum summarizes EPS’s evaluation of market conditions for a plan amendment to the Far Northeast area plan (FNE NPI), as initiated by the relocation of the Pepsi bottling plant from Brighton Boulevard to Tower Road and E. 71st Ave. A plan amendment is required to accommodate this use, and Economic & Planning Systems (EPS) was retained by the City of Denver to review the targeted area of the amendment (roughly bounded by 72nd Ave. to the north, High Point Boulevard to the south, Argonne St. to the west, and Himalaya St. to the east, as shown in Figure 1) and provide a market analysis to underpin consideration of the amendment.

This study addresses four specific questions, outlined below. Findings based on these guiding questions are detailed in the final section of this memo.

1. How are the light industrial and manufacturing markets performing in the study area and surrounding areas, and how does that impact the overall market in the study area?

2. What is the anticipated demand for new development in the study area, and what concentrations of industry are expected? Will there be agglomeration potential around any given industry?

3. How does growth and development in the study area relate to anticipated growth and change at DEN?

4. What is the scope and scale that should be considered as part of a plan amendment, based on market conditions?

Upcoming Public Meeting & Document Reviews

- Public Meeting #2 - February 24th
  - Help us promote it!

- Email you Market Analysis
  - Help us promote it!

- Share with you internal Review Draft
  - Provide comments by February 15th
  - Preference for document full or only redlines?
Next Steps

1. Public Meeting #2 February 2022
   Public Review Draft should go out on Feb 24th

2. Planning Board Public Hearing - March 16
   Approval needed to move to City Council Hearing

3. City Council Adoption- May 16
   City Council Hearing