



Site Development Plan Validity Extension Denver Zoning Code Amendment

Public Review Draft Overview - February 2026



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Context



Market conditions – including elevated construction costs, high interest rates, and declining rents – have created a challenging environment for our customers to deliver development projects that have been through the full City review process and received approvals.



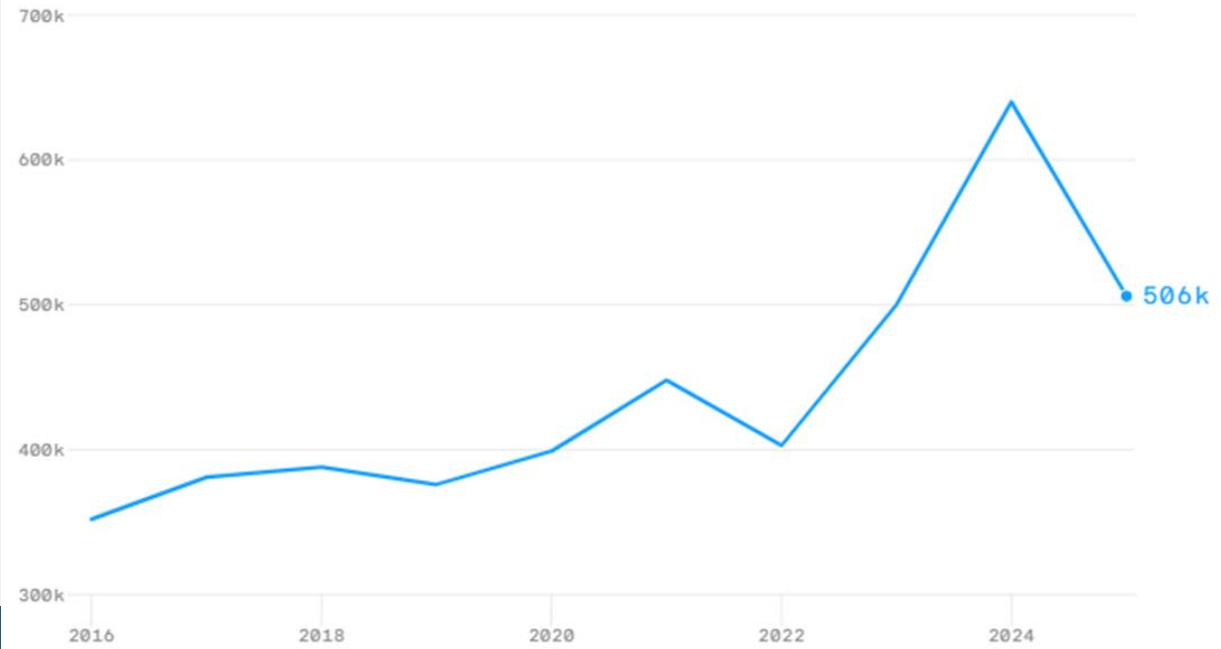
Current state - projects with an approved Site Development Plan (SDP) have 30 months to obtain building permits

Many approved SDPs are increasingly at risk of expiration due to inability to start construction, including a great number of residential units.

National Trends in Multifamily Development: Completions

New U.S. apartment units completed

Annually, 2016 to 2025; 2025 data is estimated



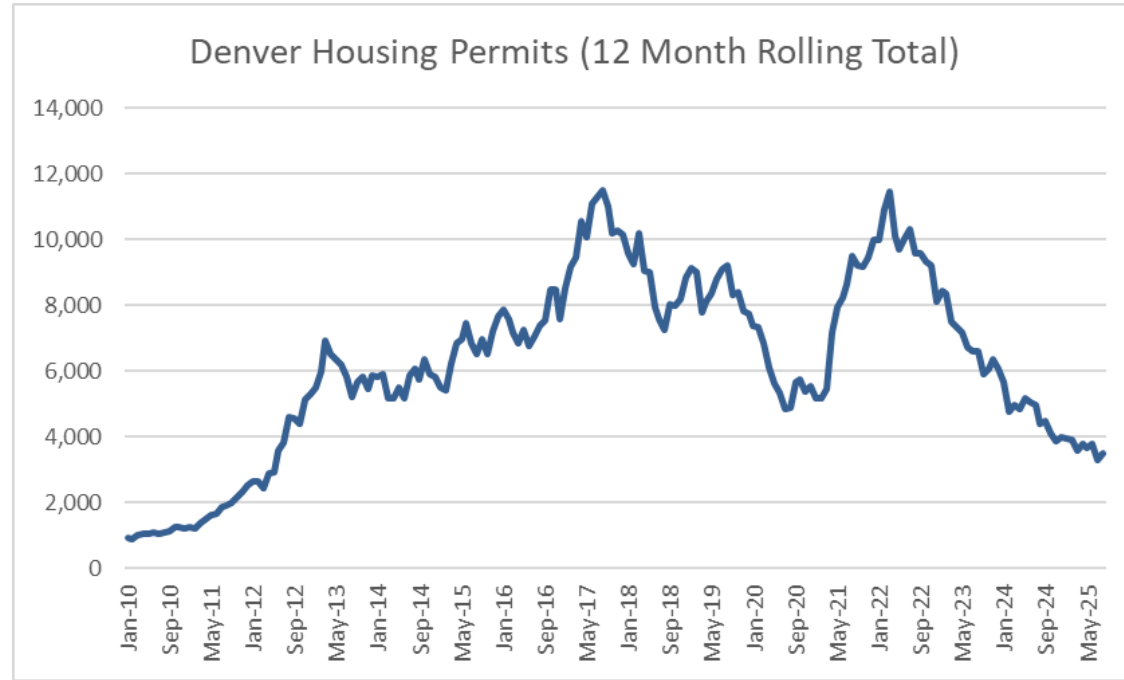
Multi-unit completion down 21% from 2024, which was more than 2x the average since 1990.

Source: RentCafe analysis of Yardi data, chart by Axios visuals

Data: [RentCafe analysis of Yardi data](#); Note: Includes buildings with at least 50 units; Chart: Axios Visuals

New housing permits surged to record levels in 2021 and 2022 as strong rent growth and low interest rates made it easy to finance new apartment projects.

Many of the new projects that began in 2021 and 2022 are now coming online and **driving down rents across the market.**



Source: *Denver's Housing Construction Boom Has Reduced Rents, Especially for Lower-Income Renters – January 13, 2026.* Matt Fromer and Luke Teater, SWEEP, Housing Forward Colorado, Thrive Economics
Denver permit data

Proposal

- Provide all approved Site Development Plans an additional 3 years to obtain building permits
- Any approved Site Development Plan (SDP) approved on or before December 31, 2025 will receive a 3-year extension to obtain building permits
- This will ensure that projects that proceeded through the review process and achieved an approval by December 31, 2025 have an opportunity to achieve success – many projects need more time to obtain financing



*Estimated units in pipeline with
SDP approval: approx. 23,000
units*

Without this Proposal . . .

- Denver could lose thousands of new residential units that are needed to maintain the supply pipeline before the market shifts again and demand exceeds supply resulting in rising rents
- If projects with approved Site Development Plans do not have more time to secure financing and building permits, many will never be built



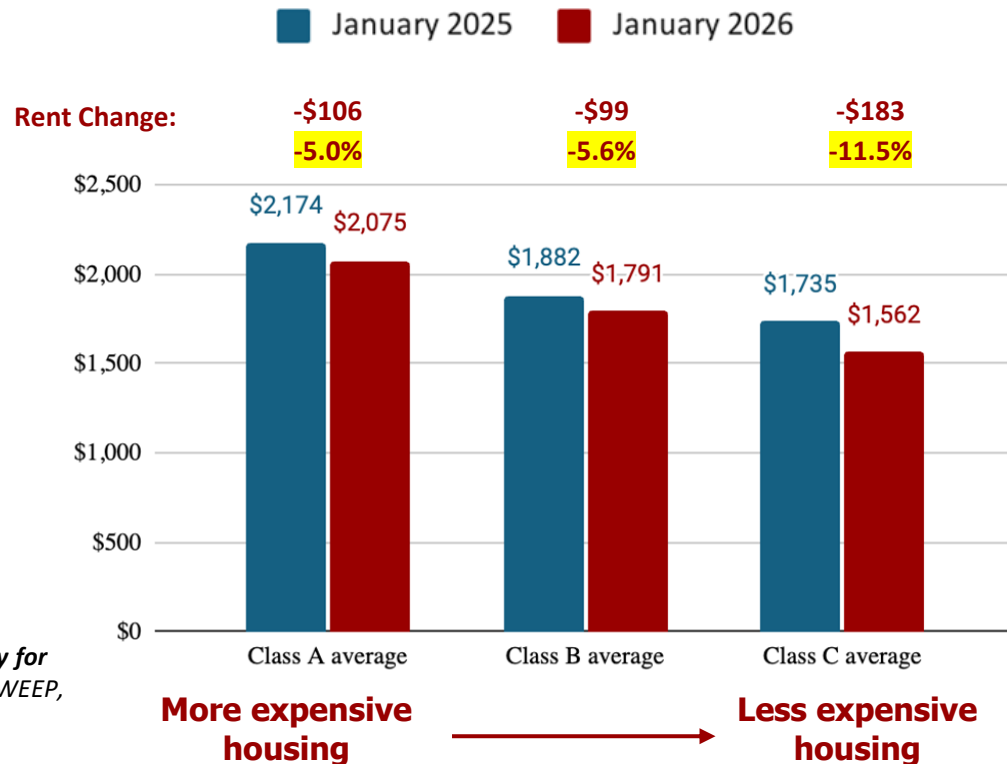
Rent change from January 2025 to January 2026 in Denver:

Overall rents down 7.2% across the board (average \$1,600/year in rent savings)

Rents fell twice as fast for Class C apartments - the most affordable segment, with buildings that tend to be older and have fewer amenities.

Significant savings for Class C residents average \$2,196/year

New supply is driving down rents and improving affordability across the market



Source: *Denver's Housing Construction Boom Has Reduced Rents, Especially for Lower-Income Renters – January 13, 2026.* Matt Fromer and Luke Teater, SWEEP, Housing Forward Colorado, Thrive Economics
RealPage data for City and County of Denver

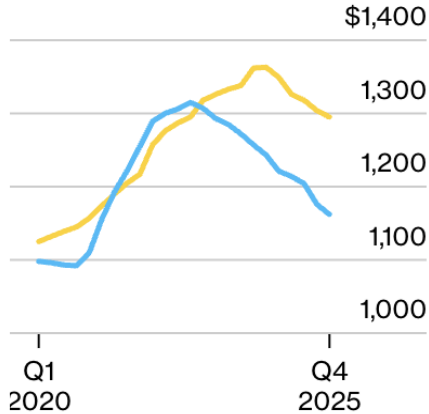
Where Older, Market-rate Units Are Cheaper than “Affordable”

In these cities, apartments in older market-rate buildings are now cheaper, on average, than designated “affordable” units

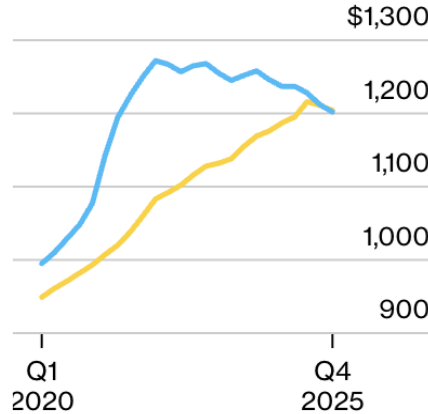
Class C buildings avg. rent

“Affordable” units avg. rent

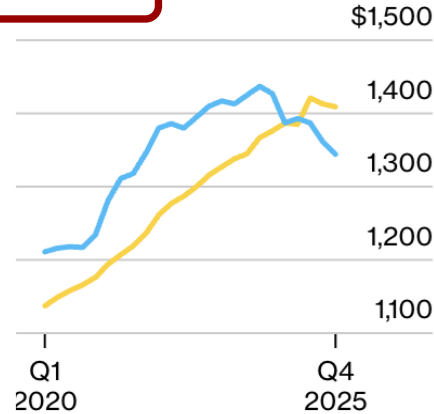
Austin



Phoenix



Denver



Source: CoStar

Note: Affordable units include rent controlled, restricted, stabilized and subsidized.

Source: *Bloomberg’s “Luxury Apartments Are Bringing Rent Down in Some Big Cities”*