

The Five Points Business District

VISION PLAN IMPLEMENTATION & REVITALIZATION STRATEGY

May 2013

A PROJECT OF THE FIVE POINTS BUSINESS DISTRICT OFFICE

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Executive Summary

Timing is everything and though population decline and tough economics persisted for decades in Five Points, change is occurring and is redefining the future for the Five Points Business District (FPBD) or "district". Urban growth is a national trend and Five Points was the fourth fastest growing urban neighborhood in Denver from 2000-2010. The only faster growing neighborhoods were in outlying neighborhoods to the east and northeast (Green Valley Ranch, Stapleton, Lowry Field).

The quantitative impact of this growth is important, but what is proving more critical is that new and old residents have come together to identify a shared vision for the future. In 2010, residents, business owners and community members articulated their vision for the Five Points Business District. Participants were candid about past efforts and hopes unfulfilled, but persistence prevailed. To quote a longtime resident and business owner "we are going to have to find common ground on this vision, because we have waited a long time for change and it isn't going happen out of nowhere."

The Project...The goal of this Vision Plan Implementation and Revitalization Strategy is to describe how the Five Points Welton Street Marketplace Vision Plan (January 2011) can be implemented and to provide answers to key questions raised by the community and property owners:

- Why mixed-use for a business district?
- Is there a market to support the vision?
- Is the public utility infrastructure capable of supporting the desired growth?
- Is zoning consistent with the vision?
- What are the options for my site?
- Can the envisioned projects be financed?
- The most poignant question: how will this effort be different from previous planning efforts?

What has been different about the Sustainable Main Street projects is that the community agreed on a vision and they supported the recommendations of the Vision Plan in the Northeast Downtown Neighborhoods Plan (adopted 2011). The community has identified needs of the district with eyes wide open and now a vision and assessment of supporting policies can replace uncertainty. Leaders and champions are emerging and even federal policy seems to be operating in support as more and more programs support urban, centrally located, transit oriented and diverse communities.

There cannot be a different outcome if there is not a different approach. The approach and recommendations of this project are based on the lessons of the past, existing obstacles, current opportunities and new revitalization tools. The lessons that guide and distinguish the 'Revitalization Strategy' are simple:

- There is no catalyst project that will singlehandedly create a tipping point in the district. Rather, a range of businesses and an order of magnitude is needed to consistently draw customers. Until a 'marketplace' with a broader





range of services or uses is established, the market potential will remain irrelevant because Welton will be unable to capture its share. Both new construction projects AND small renovation projects are needed to generate the variety of services and revitalization momentum that broadcasts the district is 'open for business'.

- The Five Points Business District has an African American jazz, business, and cultural history that is unique. 'Unique' alone has not launched the district, but it will prove very important to setting the district apart and making the district more competitive once the envisioned destination is established. The fact that revitalization success will always be measured within the community by the gain or loss of the historical attributes of Five Points helps ensure that what makes the district 'unique' will be maintained. Historic, business and cultural amenities will both wane and grow as the district matures, but they should no doubt be embedded in the marketing, branding, business development and in the public realm.
- Though light rail and one-way traffic were created for regional mobility, they are not designed to best support a pedestrian friendly neighborhood business district. Together the street and alleys are 32% of land in the study area, more than enough area to rebalance cars, pedestrians and transit thereby improving safety and activating sidewalks. The community vision for a mixed-use neighborhood commercial district requires a safe pedestrian environment, business visibility and accessibility to redevelopment sites. Efforts, both public and private, must work jointly to create a safer pedestrian environment and a street that supports business access in the short and long term, including the potential of a two-way Welton.
- And lastly, a lesson from a developer on the corridor and long time Five Points advocate: *"The excitement for new projects creates pressure to accomplish multiple expectations; it will be very important to understand that every project cannot deliver everything to everyone without rendering itself weak or infeasible."*

This Project Scope & Report... This project analyzed: district wide needs for implementing the community Vision Plan, the market potential for mixed-use, the capacity of existing public utilities, development financing and policy impacting site development options. The sections of this report detail the revitalization strategy, describe the study area, and then cover the key topics impacting revitalization:

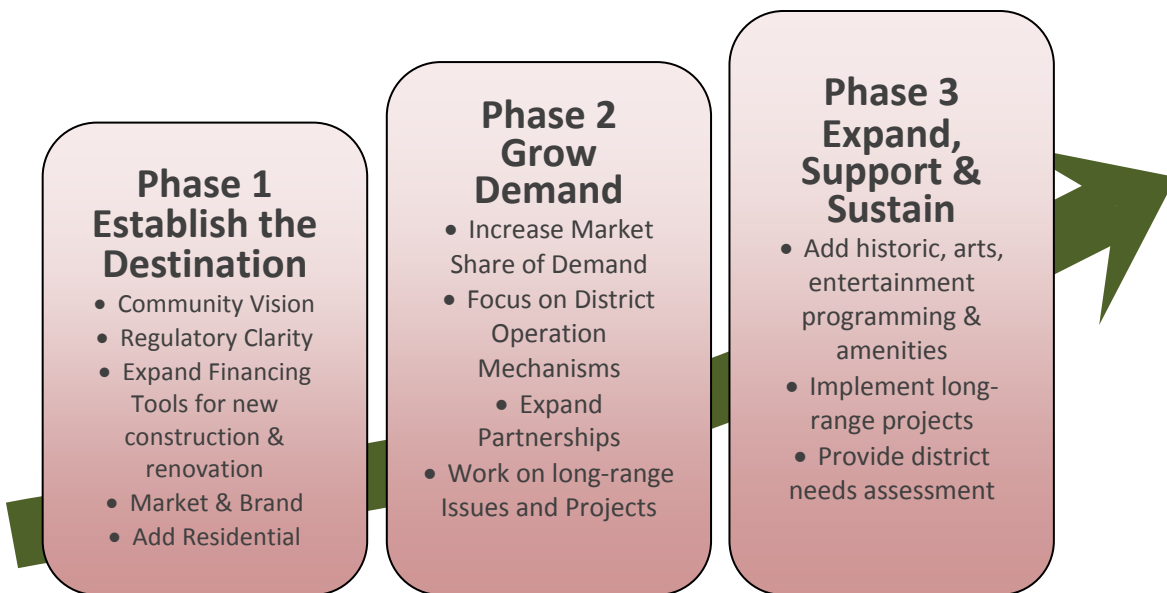
- zoning and urban design
- market demand
- public utilities
- development financing

The Revitalization Strategy...The ultimate build-out of the Five Points Business District requires an approach that builds on the assets of the district and delineates what short, mid and long term steps are needed to achieve a more competitive, mixed-use, and sustainable district. The market area in which the FPBD/Welton Corridor resides is changing and the niche market needs definition. Both baby boomers and the younger Generation Y show a preference for urban living, cultural opportunities and nontraditional work environments. While continuing to serve its local market, the FPBD needs to shift with the times to capture some of this growing urban spirit and energy. The district will offer an

alternative to LoDo or downtown with mid-priced, intimate, neighborhood restaurants and entertainment experiences anchored in local history, culture and arts. Residents who seek an urban lifestyle will live on Welton, providing more activity and consistent support for service oriented business.

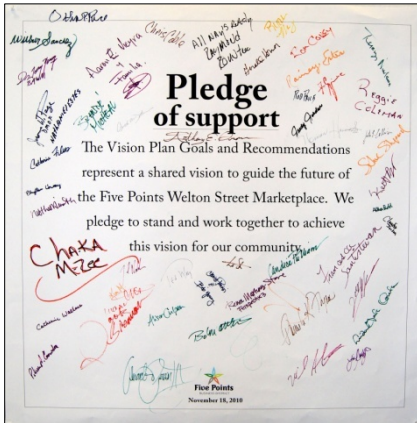
The history, culture and arts will characterize the district, not just in the physical setting but also in the uses and amenities of the district. Restaurants are desired and residents have expressed a preference for a range of 'ethnic' or specialty food restaurants that reflect the multicultural past of Five Points. New residential units should be marketed to a multi-generational and racially diverse audience: international students, current residents of the Five Points neighborhoods, and to residents of Denver neighborhoods with high levels of racial diversity. Indoor retail locations for the visual and performance arts are desired and partnerships with the arts community are central to securing future opportunities. Along Welton, the creation of outdoor locations for community interaction and performance will offer inexpensive ways to create an ever changing stage of people, creativity, and activity; all components of a healthy community.

This district revitalization strategy builds upon the assets of the district and maps how the district can compete, grow, and sustain a destination over time. Three phases of revitalization are: Phase 1) Understand and establish the district with new uses, tools, and a rebranding program. Phase 2) Grow 'market demand' by increasing business opportunities and district competitiveness. Phase 3) Support, expand and mature district offerings and mechanisms that maintain district competitiveness.



Each phase strengthens the district, increases potential for market share and provides support and predictability for private investments. Guiding objectives link the vision plan elements to the revitalization strategy and should be the basis for future decisions within the district. The guiding objectives provide a blueprint for the 'critical actions' which are identified district wide and for market demand, zoning, urban design and project financing.

Revitalization Strategy: Guiding Objectives



- A. **The Community Vision Matters** - Utilize the Vision Plan and Implementation Plan for setting priorities, in key decisions and in future policy.
- B. **Leadership is Essential to Increase District Competitiveness** - The focus and leadership of the FPBD Office on revitalization, branding and on economic and business development is critical for the district to compete and thrive.
- C. **The Historic Cultural District is an Asset** - Keep history and culture visible within the district by balancing the preservation of the district 'culture' with new development.
- D. **Renovation is as Important as New Development** - Renovated buildings play an important role in re-establishing the district early on and balancing the 'old and new' in decades to come.
- E. **A Mix of Uses will Create a Sustainable Destination** - Live and work opportunities on Welton will help to support the desired services, restaurants and entertainment venues.
- F. **Maintain Business Development Priorities** - Targeted marketing and business development will be necessary to draw desired restaurants, entertainment venues, service retail, and office uses.
- G. **A People & Pedestrian Friendly Place** - Advocate, invest, build and require improvements that support a pedestrian friendly and safe environment on Welton Street.
- H. **Transition to District-based Support Mechanisms** - As businesses and needs of the district grow, explore the expansion of the maintenance district and implementation of a Business Improvement District or a General Improvement District.
- I. **Financing Tools** - A range of financing tools are available and must continue to be targeted to current and future redevelopment, renovation or district projects.
- J. **Welton Street** - A two-way Welton Street is better suited to the goals of economic development, a mixed-use destination and a safe pedestrian neighborhood commercial district.
- K. **Transit** - Work towards a long term transit solution for the central corridor that supports the needs and vision of the FPBD, the economic development potential of Welton, and a transit connection from the convention center to the east corridor (DIA).
- L. **Partnerships** - A range of new partnerships will provide efficiencies, innovation, and investment opportunities with momentum.
- M. **Tourism Complements Downtown** - A mixed-use neighborhood commercial district with a unique history and a range of cultural/entertainment attractions will be a tourist attraction that complements downtown Denver.
- N. **Sustainable (Green Mile)** - Sustainable living, decisions and practices align with the district vision to be a sustainable urban destination.
- O. **Health & Wellness** - Health and wellness are directly linked to the built environment and health conscious initiatives, if upheld as a community priority, can be embedded throughout the district.

See section I. Revitalization Strategy: Guiding Objectives for more details.

Many district foundational needs were identified in 2010 and many critical steps have been taken. The Five Points Business District applied for and is now a tax-exempt nonprofit charity, under section 501(c)(3). An urban renewal area has been created to enable qualifying projects to benefit from tax increment financing (TIF). Phase 1 is well under way, but efforts to establish, grow and sustain a successful district are needed. Additional critical actions are identified throughout this report. **The top four priorities for critical actions include:**

1. First, secure ongoing financing for the Five Points Business District Office to build upon prior investments, lead the revitalization strategy, market project opportunities, foster partnerships and provide leadership on projects impacting the future of the district.
2. Second, work with City partners to identify funding for the preparation of historic cultural district design guidelines. Ensure the guidelines balance community revitalization goals and the intent of the historic cultural district with the Landmark Preservation review process.
3. Third, create a branding and marketing program targeted to the district vision and niche market: a mixed-use neighborhood commercial district with emphasis placed on small business opportunity, retail services, visual arts, music venues, healthy and/or ethnic restaurants and urban living.
4. Fourth, Welton Street and the Welton Street right-of-way, as currently designed, do not support the level of pedestrian safety, sidewalk activity and business accessibility envisioned or needed for a neighborhood commercial district. There are many opportunities to improve pedestrian safety on Welton. A two-way street, redesigned for cars and pedestrians, would have the biggest impact on the district's ability to redefine the access and perceptions of neighbors, future residents, the community and Denver tourists.

All recommendations and critical actions are summarized by phase in the table below. Chapter numbers are listed where more details and 'critical actions' may be found for district-wide, zoning/urban design, market demand, and financing.



	District-Wide Actions	Zoning, Urban Design & Utilities	Market Demand/Growth
	chapter VII	chapter II & IV	chapter V
Phase 1	Identify operational funding for the FPBD Office	Rezone areas of C-MX-3 to C-MX-5	Create a business attraction, marketing & branding program for the district
	The FPBD Board and staff will work with the Landmark Preservation Commission and the Community Planning & Development staff to identify a solution to balance the intent of the Historic Cultural District, community goals, and the LPC project review process	Require new construction to provide a ground floor front setback of 3'-5' (within the build-to area) on Welton Street; exclude ground floor parking along Welton	Focus business development on the core of the district to bring a jazz club, 2 new ethnic or niche restaurants
	Work to change Welton to a 2-way street and provide safety amenities: a rail between the sidewalk and light rail, curb bumpouts, pedestrian lighting	All studies and projects must improve safety and provide street level elements or improvements consistent with the vision for a pedestrian friendly street	Diversify the business mix by identifying and targeting businesses that align with the niche market
	Work with health experts to identify opportunities and priorities for healthy community initiatives within the district	See Actions Z.4-Z.7 in the Zoning section for height limit for Protected Districts, alley width, maximum surface parking modifications that achieve the desired intent, but support development feasibility	Target 400-500 new residential units including mixed income rental and townhomes in non-core areas and priority commercial uses for a mixed-use district
	Identify the needs of the district and the benefits of a Business or General Improvement District	Work with designers to identify official district streetscape plan and furnishings. Establish streetscape fund for projects prior to agreed street section. A safety railing or other safety feature is needed where light rail directly abuts the sidewalk	Marketing of existing space on the corridor to targeted businesses.
	Support both renovation and new construction and ensure any funding to the district balances core and noncore needs and prioritized, targeted uses	Request a parking evaluation of current RTD lots to identify usage and replacement needs balanced with goals for TOD opportunities on existing lots	Market the current demand for neighborhood services; recruit small creative office space users and connect them with building owners
	Explore the creation of a community investment program to support building renovation, to create locally driven support and involvement in the future	Consider district identity signage or banners and ensure the ongoing maintenance of signage, banners, streetscape elements and street trees is included in a future district funding mechanism	Market existing and renovated space to small creative office space users
	Continue to pursue the community's vision for streetcar as the most effective choice for the future of the Welton corridor, for economic development and for improved pedestrian safety.	Advocate for stormwater funding of the CCOD's Stormwater Master Plan to alleviate varied ground floor elevations; in the interim use architectural expertise to study solutions for raised floor	
Phase 2	Community leaders w/ the FPBD assess the evolving historic, cultural and public art in district and follow with plans for new partners, expanded programming, and pursuit of grants	Prepare a streetscape needs assessment and pursue sources of funding for priority improvements (trees, benches, lighting, and way-finding).	Create partnerships with office, entertainment, nonprofits and creative industries to grow demand for existing and future office space; plan for new development projects in the core of the district

	District-Wide Actions	Zoning, Urban Design & Utilities	Market Demand/Growth
	chapter VII	chapter II & IV	chapter V
	Utilize the FPBD Board to promote the progress of the district to stakeholders, the neighborhood and to target markets. Include the value of working, shopping, living (or returning) in the district.	Review and document district parking needs	Promote retail to capture 10,000 to 15,000 square feet (SF) of eating and drinking and 10,000 to 15,000 SF of miscellaneous retail market demand. Support residential uses to capture the demand for 1000 residential units
	Review and publish sustainable solutions available for new construction and renovation	Review with Public Works, the sewer capacity in one block with potential need for new sewer line	Target marketing, branding and information to visitors in Denver
Phase 3	Market the district and identify businesses and nonprofits with mission, services or products that align with the district goals to improve health and to advance district healthy living initiatives	Review district needs for a public, shared or structured parking in the core of the district with a large project or together with existing Denver Health parking.	A strong BID and a more competitive FPWS district could support additional development: residential 1050 units; 30-40k SF of eating , drinking and retail; 75-135k SF of office (larger office configurations) Target large office users and support the planning and predevelopment of 1-2 large infill projects in the core of the district
All Phases	Retain the annual district festivals: Juneteenth Music Festival and the Five Points Jazz Festival. Include all ages and promote the festival throughout the city and in tourist brochures.	Maintain bi-monthly community meetings to provide a venue for the dissemination of accurate information about proposed or ongoing district projects	Marketing, branding and outreach will continue to be necessary in order to ensure that the Corridor remains competitive, captures market share and complements the downtown Denver market.
	Identify the potential for seasonal or quarterly events in the district themed to showcase businesses, ethnic restaurants, healthy food, or arts		Keep updated summaries of renovation and redevelopment progress along with a database of businesses in the district to identify gaps and share current information about the progress of the district
	Maintain the FPBD quarterly community meetings to keep owners/businesses informed of district issues		

FPWS: Five Points Business District; FPBD: Five Points Business District, OED: Office of Economic Development, DURA: Denver Urban Renewal Authority, RTD: Regional Transit District; LIHTC: low income housing tax credit, TOD: transit oriented development, Urban Land Conservancy, ULC

Development/Financing Tools - Chapter VI			
All Phases	Market the potential of small-medium scale projects that are financially feasible in phase 1 (see financing case studies); consider sponsoring a series of 'Developer Forums' for retail, office, residential and mixed-use developers	The FPBD and DURA together might want to develop a simplified TIF project approval process (standardized TIF agreement, project approval process and application template)	FPBD office should continue to work with Property Owners to analyze the potential for creating larger development sites
	The FPBD with OED should work to provide a range of renovation or small project resources and financing	A clear, simple and quick review process should be established to expedite building permits (including demolition permits) for projects on the Welton Corridor	OED should provide business loans, incentives and programs to encourage tenants to locate on the Welton Corridor; coordination of this effort with the FPBD, DURA, LPC and RTD will be important
	Urban townhomes are financially feasible; identify and market the district to townhome builders	The Urban Land Conservancy (ULC) could be available to participate with a property owner to provide a land lease that helps a development project to be financially viable	FPBD office and the City should continue work with RTD to analyze the pros and cons of RTD issuing an RFP for 29 th Street property
Phased Projects	PROJECTS: property owners renovating and developing small lots for live/work or revenue; business owners purchasing buildings, small developments or LIHTC (workforce housing)	PROJECTS: 40-100 unit townhome or condominium projects, 30,000 to 60,000 office project with ground floor retail; market rate apartments or 4% LIHTC project 100-250 units	PROJECTS: Larger projects feasible: 75,000 to 100,000 sf office projects and opportunities for regional retail, cultural or entertainment venues 30,000 to 40,000 sf

I. District Revitalization Strategy

Individual property investments have brought projects with professional businesses and residential property improvements scattered here and there along the corridor. The recent residential apartment boom has missed the district, but still households have increased by 1,500 in the Five Points Neighborhood between 2000-2010. Safety has improved and crime (crime/ 1,000 persons) has fallen 54% from 1996-2007 (source: Piton). Five Points was the fastest growing urban neighborhood in Denver between 2000-2010. This growth reinforces the overall belief held by property owners and stakeholders that perceptions about the future of the Five Points Business District continue to improve.



District opportunities and challenges have changed over the past decade. Property owners and stakeholders have set a new vision and want new solutions and tools. This section describes current opportunities and challenges and details how a three phased approach to the revitalization of the district can establish, grow, expand and sustain the district. The land use framework identifies subareas along the 1-mile corridor where location, zoning, existing buildings and lot size create opportunity for the envisioned uses and business types. District revitalization actions are detailed by phase.



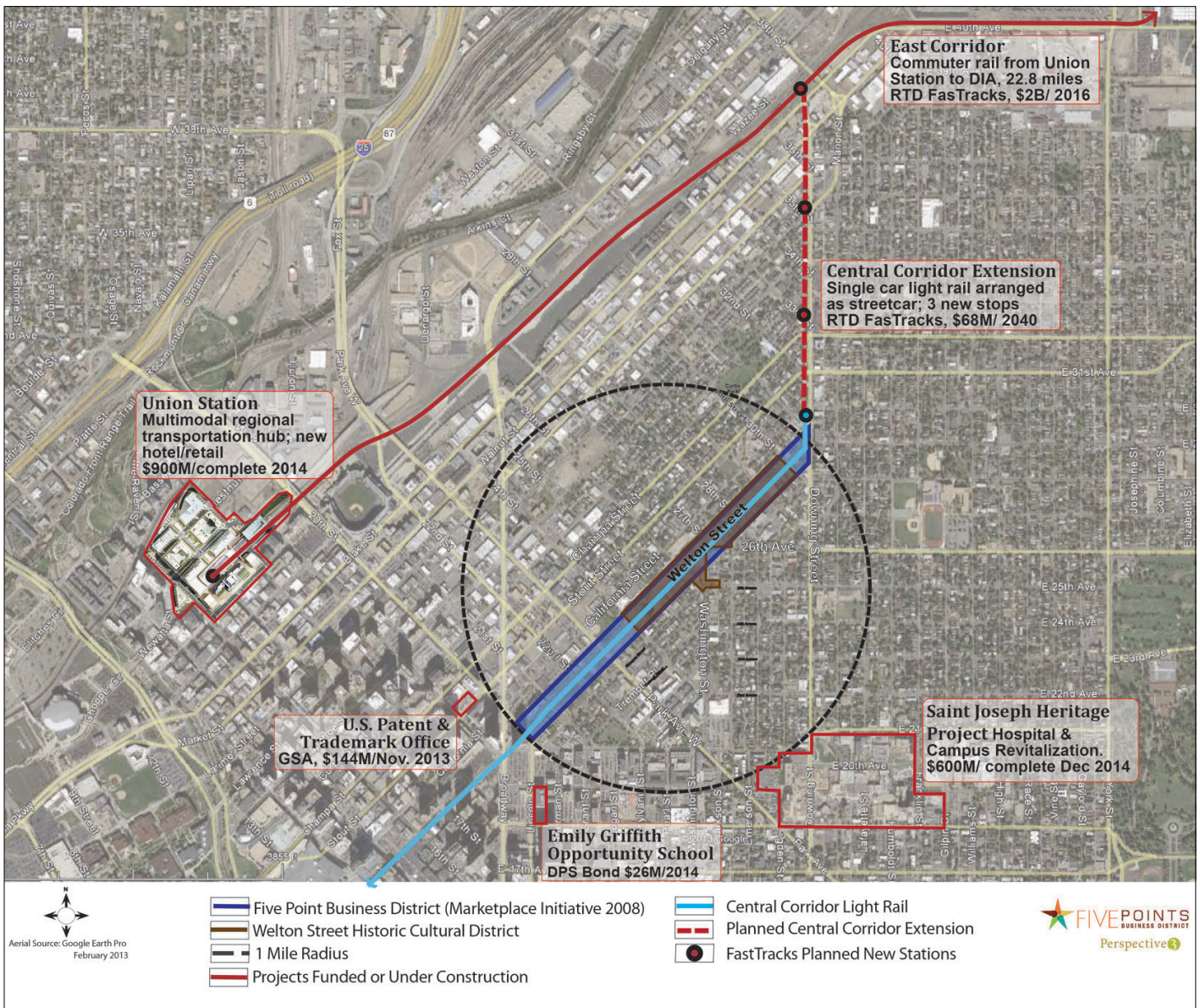
District Opportunities

- The Five Points Business District has never had the regulatory clarity that it has now: the Community Vision Plan (2010), the Northeast Downtown Neighborhoods Plan (NEDNP) (2011) and the new Zoning Code (2010). The zoning supports transit oriented densities and heights desired for the district, though larger lots are often necessary to achieve maximum heights.
- Consistent community direction on the future of the district is resulting in new tools and partnerships that may provide redevelopment projects with the resources to move ahead. The urban renewal area, created in 2012 with support from property owners, created a new and optional mechanism for qualifying projects to access financing for gaps left by traditional loans.
- Leadership and investment in the FPBD have brought funding for top needs and helped breathe new optimism and resolve into the stakeholders, owners, and leaders working on behalf of the district. Lessons from the past are guiding work and helping leaders to cooperatively identify opportunities and tackle complex obstacles in order to achieve new outcomes.
- There are fewer property owners than in prior years. Twelve owners hold 48% of the land and 26 owners hold 67% of the land in the district. Owners are increasingly identifying their goals and actively taking steps to position their properties to contribute towards a renewed district.
- 'What is old is new again' and the trend of 'urbanism' is resonating across the country. The nation's urban population increased by 12.1% between 2000-2010, while the overall growth rate for the same period was 9.7%. The U.S. population living in urban areas in 2010 was 81%, up



from 79% in 2000. Urbanism is increasingly characterized by trends of sustainable living, reuse, multiculturalism, and active/healthy living in urban or transited oriented neighborhoods. The values of "Generation Y" are redefining how they live and work and are impacting market opportunities. Denver has the opportunity to renew the entrepreneurial, jazz and business spirit that created the district and combine it with 21st century values to create a legacy destination and national model for urban reinvestment.

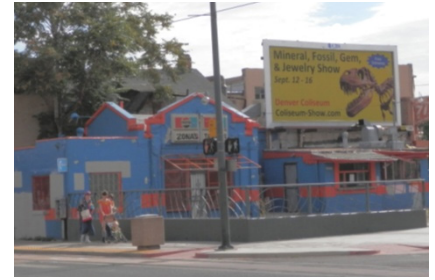
- Several large projects are planned or are under construction in the immediate area surrounding the Welton corridor. There are significant investments that might be leveraged by the revitalization of the FPWS District.



Redevelopment Biggest Challenges

- The needs of the district to increase competitiveness, rebrand, recruit business, and market for new partnerships and opportunities will require ongoing district leadership. The Five Points Business District office will need operational funds until a locally funded district mechanism such as a Business or General Improvement District (BID) is implemented.
- The historic cultural district is an asset, but the review of additions and new construction by the Landmark Preservation Commission (LPC) without district specific guidelines may prove challenging because the current guidelines have an emphasis on properties with architectural, versus geographic and cultural/historic significance. It is possible the LPC review process could take longer than normal until new district specific guidelines are created or until a custom review process is identified. Even though Welton is designated for history and geography, there are still architectural characteristics to consider in design review, just somewhat less compared with districts designated for architecture.
- Build out of the district will require public investments. Some development projects will move ahead, but some of the public infrastructure needs will continue to be at odds with the needs and optimal function of the district. Pedestrians need to feel safe and additional pedestrian traffic on narrow sidewalks with no buffer to light rail vehicles. Businesses need visibility and accessibility not currently available on a one-way street. And, what is a challenging pedestrian environment will be broken up by floor area elevation requirements affected by the existing stormwater drainage incapacities.
- Top priorities for business development are ethnic or niche restaurants, jazz clubs, entertainment, service business and 'creative' business opportunities for the arts. A community-based arts council is needed to represent community interests and desires for performance, entertainment, visual and creative arts and to maintain festivals within the district.
- Welton was originally a two-way street, but was reconfigured as a one-way street when the trend was to move people into the CBD for work and then back out to the residential neighborhoods outside the CBD. The perception that Welton is a one-way street out of town does not align with the goal of creating a pedestrian friendly destination where residents and visitors enjoy the mix of business, restaurants and entertainment in a setting rich with history. An Urban Land Institute Technical Advisory Panel recommended in October 2011:

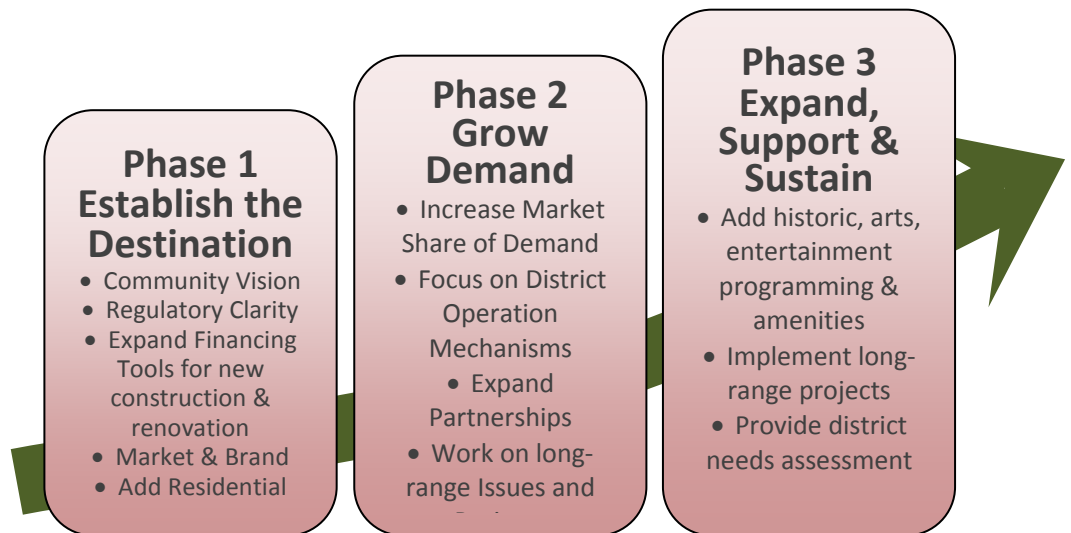
Pursue reconfiguring the street cross section and repositioning light rail as a solution to support commercial revitalization of the Five Points. Aggressively pursue alternate funding strategies to get this done. The panel strongly supports developing a new street cross section that places transit in the middle of the street.



DISTRICT REVITALIZATION STRATEGY: PHASED APPROACH

The hopes and expectations of the Five Points Business District have waxed and waned over the years. Most often emphasis was placed on the ultimate outcome, but neighborhood commercial districts are more the result of an evolution of ideas and opportunities building and growing year after year. They mature into destinations with amenities, art and features that represent the people who champion them; they are not 'created' like the building of a shopping center.

Three phases have been identified to identify the broader range of uses, amenities, and support mechanisms that the district needs to attract investment, compete for market share and ultimately to be sustainable and lasting. Phase 3 is not possible without addressing the needs of the district identified in phase 1 and phase 2. The multifaceted nature of revitalization means there will be periods where multiple objectives and initiatives overlap.



PHASE 1: Establish the Destination (years 1-6)

Phase 1 is underway and started (with clear regulatory direction) in 2009. The desired future of the district and the improvements necessary are identified in the Vision Plan, the Northeast Downtown Neighborhoods Plan and supported by zoning and the Implementation Strategy. The Urban Renewal Area has been created to allow qualifying projects in the district to pursue tax increment financing (TIF). However, several critical needs still exist that will keep the district from growing into its potential. District wide needs and actions, the land use framework and the public realm requirements are identified in this section.

PHASE 2: Grow Demand (years 5-10)

Five years after momentum has continued, the regulatory predictability and initial investments of Phase 1 transition into phase 2 where market potential will increase allowing the mix of uses to grow and for the recognition of the district to increase and attract investment.

PHASE 3: Expand, Support & Sustain the District (years 9-25)

By Phase 3, the Five Points Business District will have established a brand and will have expanded what today's market supports by creating a destination with live, work and business opportunities. The visibility and role of history, arts and culture will be seen in the uses, built environment and businesses located on Welton. Demand for residential, retail and office will continue to grow due to the historic, mixed-use, urban, sustainable and transit-accessible qualities of the district. A mixed-use neighborhood will emerge with a range of new opportunities and needs.



LAND USE FRAMEWORK

The Five Points Business District Vision Plan calls for a mixed-use destination. In the vision statement arts, culture and entertainment as well as neighborhood-serving businesses are identified as uses that should be found in the district.

Our vision is that Welton Street, at the heart of Five Points, becomes a multi-cultural entertainment district, rooted in African American history and seen as a destination for arts, culture and entertainment. The corridor also provides neighborhood-serving retail and services and is the focal point and central gathering place for the surrounding neighborhoods including San Rafael, Curtis Park, Cole, Whittier and Five Points



The goals of the Vision Plan also describes that jobs, tourism, and an expanded range of mixed-uses could help extend the activity of the district and support business. The 'mixed-uses' identified were office, education, service, retail, live-work, residential and restaurants. The mix of uses were evaluated for market feasibility and a framework was prepared and refined with property owner review.



The core of the district was identified as the focal point for restaurants, retail, office (both small and large format), entertainment and music venues, particularly jazz. A few blocks in the core have a handful of historic structures and the mix of renovated buildings along with new projects that replace poorly altered or inefficient buildings would show off the old with the new. The zoning provides for ground floor commercial uses, but extra effort may be needed to promote large commercial spaces. Businesses should be located on the ground floor in the core of the district.

Noncore areas have been identified as bookends to the core and are target locations for live-work, urban residential and service retail. Towards downtown between 20th and Park Avenue, several large parcels provide the opportunity and the zoning to create a more dense section of Welton dominated by a mix of residential or buildings up to 12 stories in height.

The land use framework is a guide and identifies a preferred use for the ground floor that is consistent with the desired level of street activity. There will be exceptions, but the district core should be the most closely managed to ensure there are active uses on the ground floor to contribute to the sidewalk activity.

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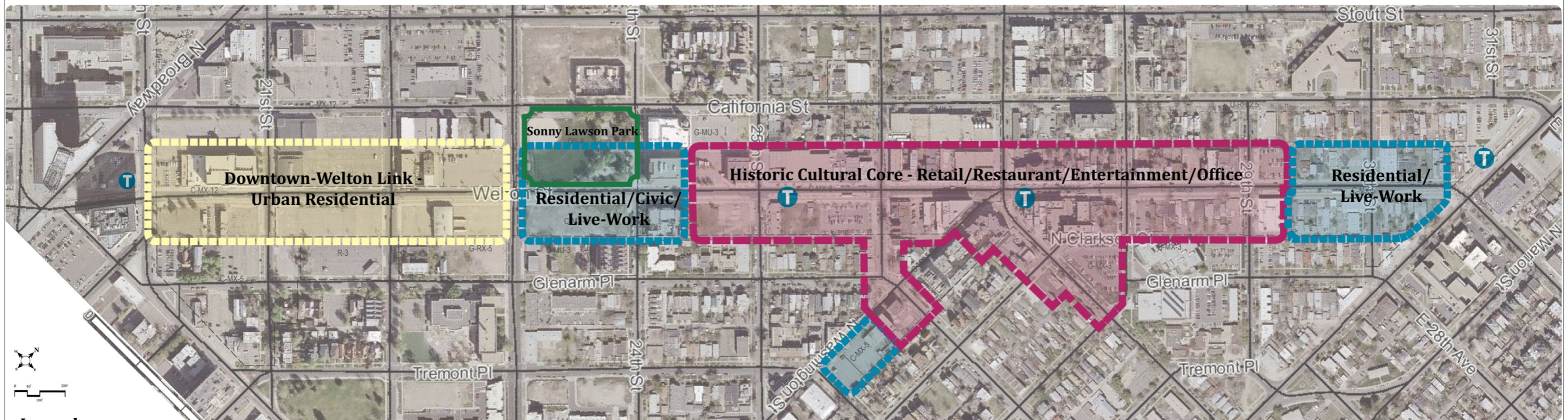
LAND USE FRAMEWORK



Downtown-Welton Link
zoning: C-MX-12 and D-AS
height: up to 12 stories
priority uses: residential/office
groundfloor: services for residential or office

Residential/Civic/Live-Work
zoning: C-MX-8
height: up to 8 stories
priority uses: residential/office/civic
groundfloor: residential/service/office

Historic Cultural Core - Retail/Restaurant/Entertainment/Office
zoning: C-MX-8/C-MX-5/C-MX-3
height: up to 8 stories, primarily 5
priority uses: retail/restaurant/entertainment/office
groundfloor: commercial, existing residential excepted

Residential/Live-Work
zoning: C-MX-3/C-MX-5
height: 3 to 4 stories
priority uses: residential/live-work
groundfloor: residential/service/office



- Legend**
-  Land use Subareas
 -  Existing Transit Stop

Five Points Business District: Phase 2 Planning

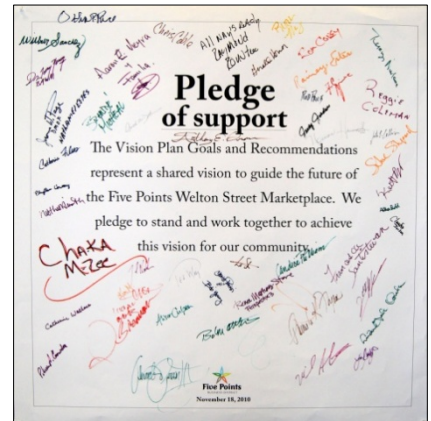


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DISTRICT REVITALIZATION STRATEGY: Guiding Objectives

The redevelopment of the Five Points Business District is built upon 15 guiding objectives essential to the repositioning, rebranding and renewal of the district. These objectives should be used to guide district management priorities, regulatory decisions, future partnerships and investments.

- A. **The Community Vision Matters** - The Five Points Business District is envisioned to be a mixed-use business destination for the northeast neighborhoods with elements of the creative arts, entertainment, history and culture to attract regional and national visitors. The community Vision Plan and the Revitalization Strategy shall serve as a guide in setting priorities, in key decisions and in future policy.
- B. **Leadership is Essential to secure District Competitiveness** - The focus and leadership of the FPBD Office on redevelopment, branding and on economic and business development is critical for the district to compete and thrive. The FPBD office needs stable funding through phase one and will be critical in identifying ongoing funding in phase two.
- C. **The Historic Cultural District is an Asset** - Landmark Preservation design guidelines are one of the final regulatory steps needed to give the cultural district more clarity and to balance how the cultural heritage is maintained with the goal of new development and revitalization.
- D. **Renovation is as Important as new Development** - Renovated buildings play an important role in re-establishing the district early on and balancing the 'old and new' in decades to come.
- E. **A Mix of Uses will create a Sustainable District** - Just as the varied businesses, professions, and interests defined the Five Points Welton corridor at its peak from 1930-50, varied projects will reestablish the corridor in the 21st century. The number and varied size of land parcels will create small, medium and large projects that provide a variety of new mixed-use projects along with several building renovation projects. Each project will provide a different use and benefit, but together all projects must provide the qualities, uses, improvements and values that are envisioned by the Five Points community.
- F. **Maintain Business Development Priorities** - Arts/Entertainment (a jazz club), restaurants, and business services are the top three priorities for project creation, marketing, outreach, business recruitment, branding, grants, and partnerships (private/public, nonprofit/private etc). The OED and the FPBD together should package support and appropriate financial incentives to find and bring a high quality jazz club to the core of the business district.
- G. **A People and Pedestrian Friendly Place** - Individual projects must contribute to the public features that make the district special, comfortable and safe. Examples of elements that contribute to the community vision for Welton include: public art, elements that provide a glimpse of history, culture, safety, lighting, places to sit and enjoy or contribute to the legacy of the Five Points Business District.
- H. **Transition to District Support Mechanisms are Needed** - The current maintenance district should be expanded to include the core of the district (or TBD by the FPBD Board). The maintenance district should include: appearance and upkeep, lighting, public art and amenities at key





community focal points. Explore transitioning the Maintenance District into a Business Improvement District or a General Improvement District to ensure ongoing branding, affirmative marketing, and management of the district to increase the competitiveness of the Welton corridor.

- I. **Financing Tools** - The potential of tax increment financing (TIF), provided through the Urban Renewal Authority, will be significantly increased if 'opportunities' or 'templates' are identified that target specific opportunities on Welton such as building renovations, residential or townhome projects, mixed-use projects or the possibility of TIF payments channeled through a improvement fund for smaller qualifying projects.
- J. **Welton Street** - A two-way Welton Street is better suited to the goals of economic development, a mixed-use destination and a safe pedestrian neighborhood commercial district. The two-way street will help balance slow traffic, help activate both sides of the street and eliminate the perception that Welton is a street to get 'out of town' rather than a destination.
- K. **Transit** - Welton is a transit corridor that dead ends at 30th/Downing. Connecting the East Corridor at 38th/Blake to downtown along Downing and Welton is critical to the future of the FPWS district and Arapahoe Square. Regardless of technology or alignment into downtown, a long term solution is needed to transition the central corridor into a vital urban connection from the convention center and upper downtown through Five Points to the East Corridor.
- L. **Partnerships** - Partnerships must be used to create opportunities and to help the district to compete with similar TOD and neighborhood commercial districts. Partnerships between property owners, business owners, and developers will help to reduce costs and optimize development opportunities. The Five Points neighborhood has much to offer and opportunities for community participation will help to keep the community invested in the revitalization. Close coordination and joint efforts between the Five Points Business District and the Downtown Denver Partnership, the Denver Urban Renewal Authority, the Office of Economic Development, as well as others will prove beneficial to the FPWS District.
- M. **Tourism Complements Downtown** - A mixed-use neighborhood commercial district with a unique history and range of cultural, workplace, and entertainment venues will be a tourist attraction that complements downtown Denver.
- N. **Sustainability (Green Mile)** - Sustainable living, decisions and practices align with the district vision to be a sustainable urban destination. Renovation and new construction projects are encouraged to utilize sustainable practices and standards and to leverage the urban and transit oriented benefits of the district.
- O. **Health & Wellness** - Health and wellness are directly linked to the built environment. Health conscious initiatives, if upheld as a community priority, can include: health related businesses, nonprofits and programs, projects built to healthy sustainable standards, better access to healthy food, amenities that promote activity, opportunities for community interaction, and publicly visible and accessible health related education.

DISTRICT-WIDE: Revitalization Actions by Phase

PHASE 1: Establish the Destination (years 1-6)

DW.1 Secure **ongoing financing for the Five Points Business District Office** to build upon prior investments, lead the revitalization strategy, market project opportunities, foster partnerships and provide leadership on projects impacting the future of the district. The FPBD needs to be the focal point, leader and champion working to attract new housing and retail businesses to create the setting in which the Welton Corridor becomes the Main Street of the Five Points/Curtis Park/San Rafael/Whittier neighborhoods.

DW.2 **Work with the Landmark Preservation Commission (LPC) and staff to clarify the intent and scope of the Welton Street Historic Cultural District.** Coordinate a LPC and FPBD strategy, including the possibility of custom historic preservation standards and guidelines, that balance the cultural heritage of the district with the community's desire to revitalize the district through new development and renovation.

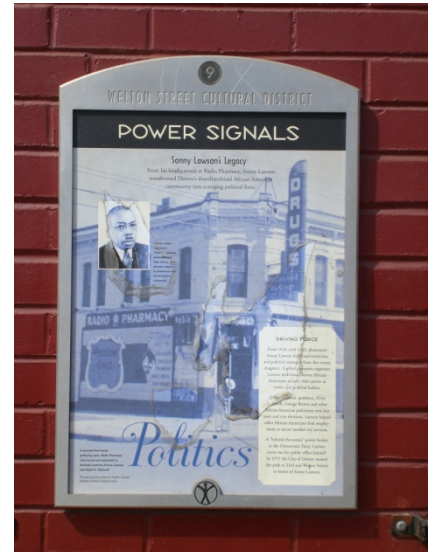
DW.3 **Work to change Welton to a two-way street** that maximizes business access and visibility and balances the street for cars, sidewalk activity and pedestrian safety. Change Welton Street from a one-way street heading 'out of town' to a two-way street with on-street parking maximized to support access to business.

DW.4 Work with health experts to **identify opportunities and priorities for healthy community initiatives** within the district.

DW.5 **Identify the needs of the district and the benefits of a local Business Improvement District (BID) or a General Improvement District (GID).** Understand if a BID or GID is a better match for the district given the land use mix and explore what each might provide for the district over time, when those services are needed and how district branding, marketing and maintenance needs may be addressed.

DW.6 **Support both renovation and new construction projects balancing the needs of the historic business core of the district.** New construction projects are likely to occur in the first phase on Welton closer to downtown. To balance and maintain the connection of these new projects to the core of the Five Points Business District, provide renovation expertise and support for long term new construction projects needed in the core. Target funding opportunities or grants to the core of the district to support renovations and new construction.

DW.7 **Explore the creation of a community investment program** and fund to assist with the renovation of the many structures in the district that are currently unleaseable due to deferred maintenance by owners either unable or unwilling to invest in their buildings. This Phase 1, locally funded and grassroots effort could help to generate economic activity, provide assistance for owners willing to renovate and potentially incorporate local youth with skilled labor to be a part of the revitalization of the district.



DW.8 **Continue to pursue streetcar** as a solution that balances the benefits of light rail with the challenges created in terms of safety, economic development, livability, TOD and the character of Welton. The community has long supported transit on Welton and the light rail, which originally opened as a pilot project in 1994, has provided important connectivity into downtown. However, the rising cost of light rail (FTA New Starts reports 2008-2013) along with consistent community support for streetcar suggests there might be a different long term solution for the proposed Central Corridor extension, 30th/Downing to 38th/Blake. If streetcar continues to be upheld by FPBD stakeholders as the best way to weave the 38th/Blake station, Downing, Welton and Araphoe Square with downtown Denver, it will be important that there is a future community outreach coordinated with the FPBD. RTD will be evaluating alternative connections to Downtown through the Central Rail Extension Planning and Conceptual Mobility Study scheduled for 2013. The potential for a connection to the Convention Center will be studied as part of this process.

PHASE 2: Grow Demand (years 5-10)

DW.9 **Create a local historic and arts council for the district** with leadership from community art leaders and representatives from the FPBDO and the City historic, cultural and public art offerings. After defining district needs, identify potential partners, uses, and programming and target grants funding. Emphasis should be placed on projects that increase the visibility of history, culture and corridor. The State Historical Office and the Creative Industries office offer many ideas, programs and grants that might be applicable for the district.

DW.10 The FPBD Board, as the liaisons to the community, must **document and actively present the progress of the district** to stakeholders, community leaders, and active business or service providers throughout Five Points. Beyond the neighborhood, it will be important to also reach targeted demographics, services, business and partners throughout the city. The outreach should update any progress, new projects and businesses, but also promote the vision and the value of working, living, shopping and staying near (or returning to) the district.

DW.11 **Review and publish sustainable solutions available for new construction and renovation.** Recruit project managers and sustainability experts to share local sustainable solutions and to identify appropriate sustainable certifications, targets or awards for the district. Incorporate 'sustainability' examples into branding and share with property owners in the district.

PHASE 3: Expand, Support & Sustain the District (years 9-25)

DW.12 **Elevate healthy living** within the district in business services, access to healthy food, programming, festivals and in the selection of district partners. Market the district and identify for profits and nonprofits with a mission, services or products that align with the district goals, needs and opportunities to elevate healthy living knowledge and improve the health of Five Points residents.



ALL PHASES

DW.13 **Retain the annual festivals of the Five Points:** Juneteenth Music Festival and the Five Points Jazz Festival. Ensure the festivals evolve to include the interests of all ages. Promote the festivals throughout the city and include the calendar of district events on tourist information.

DW.14 **Maintain quarterly community meetings** to provide a venue for the dissemination of accurate information about proposed or ongoing district projects and a venue for owners, developers and district partners to interact with district stakeholders.

DW.15 **Identify the potential for bi-monthly, seasonal or quarterly events in the district** that are themed to align with the creative businesses, ethnic restaurants, healthy food, visual or performing arts. Provide venues, stages and open microphones both indoors and outdoors for local youth and exploring artists to perform. Ideally these events are business led and efforts should coordinate for all businesses to be open during these events. Market the events early and throughout Denver to showcase the district progress. Possibilities include: Art in the District (Thursday or Friday nights, three times in the summer), Halloween Spook walk (October), Launch Spring in the District (Spring), District Harvest Celebration (September).



II. Project Background

This section describes the issues that defined this project and important factors that influenced the project, but were not the focus of the scope of work. Project outreach is summarized below to illustrate how analysis and recommendations were reviewed by property owner and customized around owner needs.

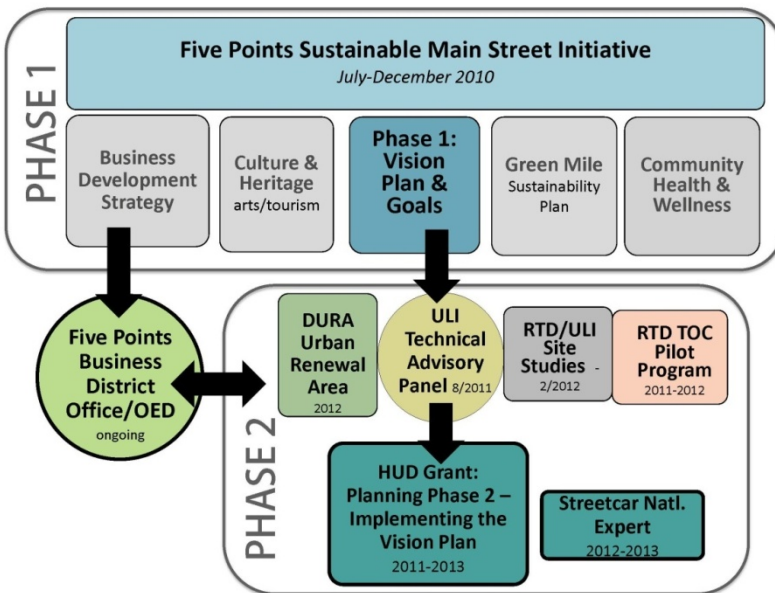
PROJECT PURPOSE

The Five Points Business District (FPBD or 'district'), was one of four communities identified by the Colorado Division of Local Affairs (DOLA) in 2010 for the Sustainable Main Street Initiative. One of the projects for the 2010 initiative was a Community Vision Plan. The Community Vision Plan was identified as the first step in mapping how the district could be revitalized. In December 2011, a Housing and Urban Development (HUD) Challenge Grant was awarded to the Five Points Business District (FPBD) office, through the Division of Local Affairs (DOLA), to pursue implementation of the community Vision Plan, a Phase 2 project of the Sustainable Main Street Initiative (SMSI).

The Five Points Business District with DOLA proposed the following projects to HUD for the Phase 2 planning grant:

- Efforts to ensure the 2010 Five Points Welton Street Marketplace Community Vision Plan was completed and incorporated into the Northeast Downtown Neighborhoods Plan (2011)
- Local district funding for a portion of the Denver Urban Renewal blight study
- Project coordination for the Urban Land Institute Technical Advisory Panel (ULI TAP) and ULI RTD Site Studies
- Project coordination for the Regional Transit District-Transit Oriented Community Pilot Program
- A Phase 2 planning project focused on implementation of the Community Vision Plan
- Procurement of a transportation and streetcar expert to evaluate general streetcar feasibility and coordination of that feasibility with RTD and the staff of the City and County of Denver

From the beginning, the project was to study the opportunities, obstacles, and recommendations necessary for the transition from vision to redevelopment. A degree of flexibility was built in to ensure the concerns and needs of the property owners would be addressed. The project team for the Phase 2: Implementing the Vision Plan project was selected in January 2011 and was contracted through the DOLA procurement process. After property owner interviews in summer of 2011, the objectives of the project were refined to identify obstacles, clarify policy and identify a range of projects appropriate for development, redevelopment and investment on the Welton corridor. Critical to this work was how policy, land use and implementation tools could inform property owners of their revitalization options and how the recommendations of the community Vision Plan may be implemented.



Project Need

Critical needs identified by in the Vision Plan process were:

- Identifying how mixed-use development would support district goals of attracting investment, new development and business consistent with the Vision Plan goals for the district;
- Determining if there was market support for mixed-use development;
- Clarifying how new zoning, infrastructure and the cultural historic district would support the overall vision for redevelopment, but also the impact on individual projects.

Other top questions raised by the FPBD Board members and property owners:

- Why mixed-use for a business district?
- Is there a market to support the vision?
- Is the public utility infrastructure capable of supporting the desired growth and density of zoning?
- Is zoning consistent with the vision?
- What are the options for my site?
- Can you bring me new tenant? Who are they?
- Can the envisioned mixed-use projects be financed?

An Urban development panel of professionals (ULI TAP 2011) identified several findings and recommendations to help guide the transition from visioning to redevelopment. The ULI TAP recommendations were:

1. Upgrade the Five Points Business District so it can do its job of economic development and support of local property owners and residents (including making the FPBD office a 501(c)(3)).
2. Pursue reconfiguring the street cross section and repositioning light rail as a solution to support commercial revitalization of Five Points. Aggressively pursue alternate funding strategies to get this done. The



panel strongly supports developing a new street cross section that places transit in the middle of the street.

3. Form an urban renewal district.
4. Drill down to specific sites with further analysis to set the stage for redevelopment.
5. Work on the Five Points "brand".

PROJECT APPROACH



The Welton corridor's (street on the left) vacant parcels stand in sharp contrast with the many new projects in the surrounding residential neighborhoods. 1,500 new households have been added to the Five Points neighborhood in the past ten years.

The most commonly asked question about the Five Points Welton corridor is 'why hasn't development taken off on this transit oriented corridor?'. Residential investment and rising values have resulted in a 49% increase in households in the surrounding Five Points neighborhoods.

There is no single reason development didn't take off on Welton Street in the past two decades. Several factors have been at play and like many burgeoning commercial districts across the country, the economy has slowed investments.

- 'The Points' project opened just prior to September 11, 2001 and the resulting economic downturn slowed the project start. The project is a community asset, but the 'Points' wasn't the catalyst many hoped it would be. Like with the Blair Caldwell Library and Light Rail, too many expectations were tied to the Points rather than embracing it as one of the many steps toward a revitalized Welton Corridor.
- As the market rebounded, many projects were in process and several land offers were in place until the 2007-2008 market decline and resulting recession. Development projects have returned in only specific markets (apartments primarily) and not to the Five Points Business District (largely because of small parcel size and diverse ownership).
- Welton is described as a 'one-way arterial that leads out of town'
- Light rail draws riders but has an impact on pedestrian safety, business visibility and property access.
- Properties have deteriorated and the resulting vacancies have sent the message that the district was not on the upswing.

The needs of the property owners and the Five Points Business District guided the project approach and included four steps:

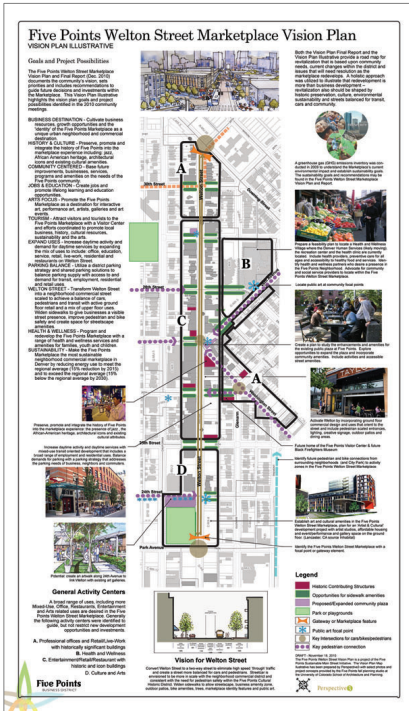
Phase 2: Implementing the Vision Plan - project approach



The Role of History, Culture and the Arts

Always guiding the discussions and assumptions about the future of the Five Points Welton corridor is the goal of weaving the business, African-American arts, and cultural history into the identity and future of the district. The historic blocks, streets, alleys and architectural patterns will influence and combine with new buildings to shape the future physical environment. Similarly, it will be imperative that the jazz history, the stories of Five Points, and local and national African American artists and leaders play a role in new projects and programming. If new project incorporate public art, signage, or messaging with reminders of the rich history, the district will retain its authenticity.

The physical infrastructure, the policies impacting redevelopment, the financing tools and the testing of zoning on project potential are the focus of this project and report. The business mix and the specific programming of history, arts and cultural are also central issues and will warrant continued community dialogue as the district evolves and begins to draw more opportunities. History, arts and entertainment priorities should be established to help guide business development, business recruitment, grant opportunities and district branding.



2010 Vision Plan executive summary poster.

Incremental Projects or a Large Visionary Investment?

The community's vision and desire to preserve the historic and cultural legacy of (particularly service retail) ethnic restaurants and arts/culture venues are also top priorities for the future of the Five Points Business District. Both need leadership and direction and both require the district stewardship and investments in public amenities and existing infrastructure. Ultimate build-out of business and development opportunities combined with efforts targeted at the specific needs of the district. Both public and private investment will be needed to help the district be more competitive and to establish demand for the 'destination' envisioned by the community.

There are differing opinions about how to redevelop Welton. One perspective is that a large transformational project is necessary to reset expectations and establish the new vision for the Five Points Business District, much like the transformation of Cinderella City or Villa Italia Mall. Many valuable lessons can be gleaned from those two redevelopments, primarily the extent of the private-public partnership and the size of land parcels needed. Both Cinderella City and Villa Italia were led by one developer and ownership was consolidated. No doubt a large multi-block project would jumpstart Welton, but major redevelopment is more likely to happen only after a base level of residents, businesses and property owners have proven that the district can attract and support new small, medium and large business opportunities.

A large multi-block, single developer approach has worked in many locations, but the findings of this project suggest and the current conditions make this approach an impossibility in the near to mid-term. The current conditions that support a more incremental approach are: the number of property owners (though fewer than in decades past), the need to balance renovation with new construction and current inability of the district to demand and sustain both large and small projects. The market and demand of the district must be established and expanded. The project recommendations are based on rebuilding a foundation for a strong district and ways to support all future projects, beginning with what is feasible today. Large full block, not multi-block, projects were studied with groups of owners to explore in Phase 2 or 3 as development possibilities in the core of the district (see zoning site studies), but the revitalization strategy is not dependent upon the success of one large development opportunity or any single project.

The revitalization strategy for this project, Implementing the Vision Plan, identifies opportunities for many simultaneous projects, large and small, new and rehab. The timeframe encourages short, medium and long term projects to renew and rebrand the district with a mix of both old and with community champions both old and new. Local demand for renovation and preservation of existing buildings must lead to investment in those buildings with a measured acknowledgment that new construction is also a vital part of the revitalization.

COORDINATION WITH PROPERTY OWNERS

Who contributed to the project?

Three meetings were planned exclusively for the Five Points Business District property owners to provide first hand review of the data compiled by the project team. Community outreach was structured consistent with the project approach:

- 1) identifying and building relationships with property and business owners,
- 2) informing community stakeholders
- 3) defining critical issues, and
- 4) making vision plan development recommendations.

It was critical for the FPBD office to connect with each and every property owner along the Welton Street corridor to network and strategize about the vision plan goals and policies impacting the district. The owners, contacted by mail and email, were invited to attend 3 work sessions (July 19 & September 27, 2012, and January 17, 2013). There are approximately 103 distinct property owners on Welton from 20th to Downing Streets and surrounding locations identified in the urban renewal area. There are also approximately 20-25 condo owners at the Points and in buildings along the corridor. Letters from the Five Points Business District office were mailed to each property owner at the owner address listed with the county Assessor's Office. Owners were asked to contact the Five Points Business District office to provide current contact information including email addresses and for any updates or changes in development and investment interests that might need their immediate attention.

Prior to the first property owner work session, telephone calls were made to remind owners of the meeting and to inquire of any needs and/or issues the development team should address. The development team wanted to address any circulation misconceptions and address top concerns. It was also important that the presentation of detailed data on July 19th was framed within the larger context of 'redevelopment' efforts. The top insights from the initial property owner meeting included:

- Many owners, both longtime and new, were frustrated and impatient with the lack of reinvestment and development tools they felt were available in other redevelopment areas
- The need to understand the new zoning code
- How owners might be connected to new tenants and developers
- The inability to cover the necessary improvement costs for existing buildings that need significant structural, aesthetic and infrastructure improvements

Jointly with the FPBD office, the team began by illustrating that on Welton Street, redevelopment would include many things: leadership, vision plan articulation (land uses, zoning, supporting infrastructure), financing/district tools, small, medium and large redevelopment opportunities. Other factors targeted for study were market data, commercial district strategies, development prototypes, pro-forma analysis, and direction for branding/marketing of the district.



How input was received

The work sessions generally followed a progression from a detailed description of the corridor, to a study of needs, opportunities and obstacles for the ‘district’ with analysis of what has helped other neighborhood commercial districts to be competitive. A review of applicable policy and infrastructure on site development opportunities was studied for up to 24 sites with more specific financing analysis on three to five 'case study and prototypical' sites. All work presented material in a variety of formats: large group, break-out groups by topic and at the end of the meeting one-on-one opportunities to speak with members of the consultant team. Large format notepads and note cards were available for written comments and participants were encouraged to write ideas, concerns or questions directly on project maps and graphics posted on the walls.



<p>Project Work Session #1, July 19, 2012 Participants: 25</p>	<p>Meeting Objective: to describe the project, show why each project topic was important for implementing the vision for the Five Points Business District, describe the redevelopment components and illustrate the evolution of other neighborhood commercial districts. Desired outcome: hear from property owners on their needs and issues.</p>
<p>Meeting Agenda/Inclusions:</p> <ol style="list-style-type: none"> 1. Introductions 2. Project Background & Purpose 3. Project Data on Existing Conditions <ul style="list-style-type: none"> • study area facts • close up: lessons learned from other neighborhood commercial districts • market demographics • market gaps 4. Break out Discussions & Questions with Team 	<p>Top Owner questions/comments:</p> <ol style="list-style-type: none"> a. Identify the need for residential – do we have room for new business AND new residential directly on Welton? b. The homeless population creates issues of safety and use, particularly in the park; this needs to be addressed on a City level c. Owner says her new renters are fitting the projected demographic profile d. Owner wanted to know what could be accomplished on a 75’ wide lot and wanted to redevelop and would like to be a case study e. Are there pending residential projects and is TIF financing available for residential projects? f. Several property owners were excited and optimistic about seeing possible opportunities for their parcels and seeing zoning illustrated at the site level

Concurrent outreach by the FPBD

In August and September, the Five Points Business District office held several important meetings:

- The Five Points Business District office in conjunction with the Denver Urban Renewal Authority (DURA) and the Office of Economic Development (OED) held a meeting on August 8 to give the property owners more information about financing dollars for redevelopment, Tax Increment Financing (TIF), and clarifications regarding eminent domain. At that time, the Welton Street corridor was in the procedural pipeline for being approval by Denver City Council as an Urban Renewal Area (September 10th Public Hearing) and misinformation was swirling. The urban renewal designation would make TIF financing a viable tool for qualifying projects within the area. Turnout for the meeting about urban renewal included 25 property owners and 20 key stakeholders along with Denver City Council members and other city officials.
- A Business Owners meeting was held September 6 to network and strategize about how to promote business and increase foot traffic in the Five Points Business District.
- Over 40 stakeholders attended the September 8 FPBD monthly community action meeting to review and discuss the research being done by the Phase 2 planning and development strategy team. Negative letters that had been sent to property owners about eminent domain were also addressed.

Who were the project stakeholders?

A broad range of people are excited by or interested in the revitalization of the historic Welton corridor. The list includes: property owners and business owners, members of the community at-large including the property and business owners of surrounding neighborhoods (Cole, Whittier, San Rafael, Curtis Park), Urban League of Denver, Black Chamber of Commerce, YouthBiz, Denver City Council, Denver Urban Renewal Authority (DURA), Office of Economic Development (OED), Five Points Board of Directors, and a host of city team policy makers and non-profit organizations throughout the Denver Metropolitan area. The future of the Five Points Welton Street Marketplace is important to individuals in Five Points and the Denver metro area, and with many others around the country who understand the corridor's significant role in the birth of jazz, the African American heritage and the multicultural history of Five Points and Denver. Effort should be made on behalf of public and private investors to leverage stakeholder interest into participation and support of future

<p>Project Work Session #2, September 27, 2012 Participants (excluding project team): 31</p>	<p>Meeting Objective: Address factors that implement the general vision in more detail and discuss impacts of market demand, infrastructure, and zoning on potential redevelopment efforts. Identify case studies & prototypes.</p>
<p>Meeting Agenda/Inclusions:</p> <ol style="list-style-type: none"> 1. Introductions 2. Review of Mtg #1 3. Land Use Framework <ul style="list-style-type: none"> • why a land use framework? • factors impacting development • the historic cultural district 4. Infrastructure: sanitary sewer, water, stormwater. <i>specific Q&A</i> 5. Market Demand: residential, office, retail - <i>specific Q&A</i> <ul style="list-style-type: none"> • existing demand & what will help to create future demand 6. Zoning, Prototypes & Case Studies <ul style="list-style-type: none"> • describe zoning in detail • identify prototypes & case studies • specific Q&A 7. Break-out for review of maps with project team members 	<p>Top Owner questions/comments:</p> <ol style="list-style-type: none"> a. Questions and concerns were raised about the possibility of infrastructure financing? where would the financing come from since TIF has been targeted for more development. b. Concerns around preserving culture and incorporating many different cultural and socioeconomic needs and benefits into the future of the project. c. Small lot owner concerns for redevelopment; how do smaller parcels contribute? d. Will the utilities reach capacity? e. Several new owners (residential primarily) expressed much relief and excitement about existing and new residential uses being an important part of the redevelopment plans. f. Support was expressed for a two-way Welton and there were many questions about the Public Works "next steps" projects. g. Regarding future property value, there was a discussion that hypothetical long term 'high property values' would not be achieved until projects and investments begin to set the district on a path towards the future 'vision'. h. Positive feedback was received on the meeting information and details provided.

Studying project potential at the site level was a need identified by property owners and by the 2010 ULI Technical Advisory Panel. A review of lot sizes was conducted to determine what lot sizes were the most prevalent in the study area and which site studies would have the most benefit (see section III, for a study area description). In addition, several 'case study/prototype' potential sites were identified to further test site assumptions and financial feasibility. From a list of eight potential properties, the project team with the Five Points Business District selected five case studies to study in more detail.

The development team set up meetings with property owners to look in more detail at development options. The case studies included three steps:

- 1) understanding what owners were hoping to accomplish,
- 2) review of initial site options and
- 3) review of a preferred site option and a financial feasibility analysis to identify owner options.

This process allowed the development team to “test the waters” for project feasibility while also distilling project requirements in the zoning code and in utility/parking requirements. Case studies provided owners with valuable information which was then helpful in refining the development prototypes for the corridor. Prototypes and other findings were shared with all owners in the project work session #3.

The final workshop was held on Thursday, January 17, 2013 and property owners were notified by email and U.S. mail; reminders were also emailed the week of the meeting.

Project Work Session #3, January 17, 2013 Participants (excluding project team): 40	Meeting Objective: Present findings of key issues impacting development potential: market demand, infrastructure, zoning and site opportunities. Also present key recommendations that structure the Redevelopment Strategy for the district.
Meeting Inclusions: 1. Welcome & Schedule 2. Project Background & Project Purpose 3. Findings & Recommendations <ul style="list-style-type: none"> • market demand • market demand potential • infrastructure: public utilities • zoning and financing • land use framework • redevelopment strategy guiding principles • district recommendations by phase Q & A Break-out Session (for detailed questions)	Owner questions/comments: a. As a residential property owner, what do I have to do with my property? <i>(Nothing, the redevelopment vision includes residential uses and this plan supports owners who want to live in and maintain their homes or pursue a building renovation or new construction.)</i> b. What are the first steps if we want to begin the process of building on our site? Where do we start? c. One option very well received was the prototype site study for a 25'x125' lot; lots of questions on that study: the uses, the access, the parking and why the layout looked like it did. d. There was a question about parking requirement related to transitional housing e. Very positive feedback on the information provided by the project team; when will the final report be available? f. Participants commented how good it was to see so many owners out thinking about what they want for their property and what their land contributes to the district.

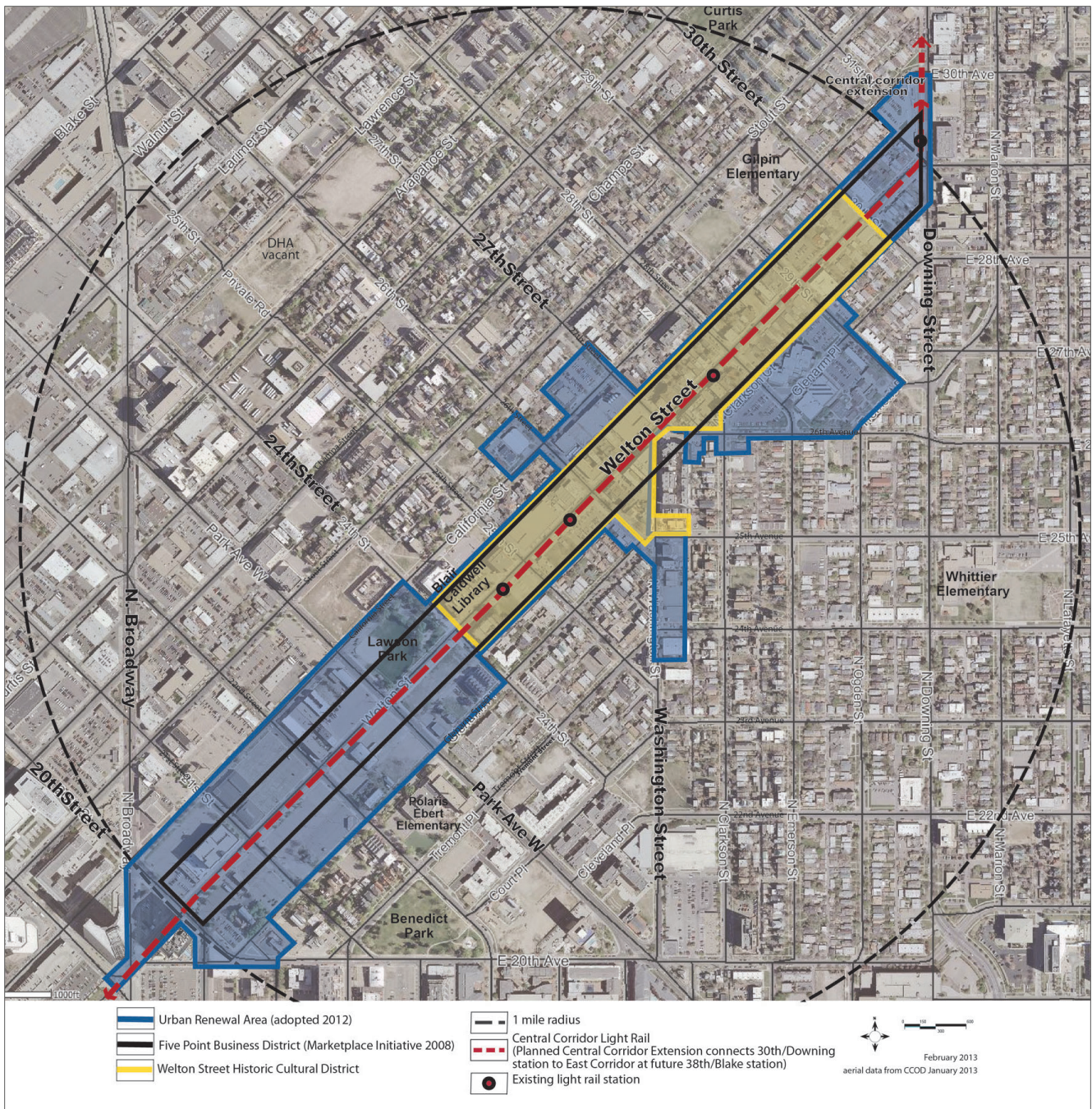
The following table summarizes meetings with property owners, business owners and district stakeholders. Meetings with City and County of Denver staff, DURA, Landmark Commission staff, the Five Point Business District board, the Downtown Denver Partnership, RTD staff and DOLA are not included; input and direction from these coordination meetings are incorporated into specific sections of this final report.

Community Outreach key dates		FPBD & Attendees
Winter 2011	Property Owner interviews	Property Owners
July 19, 2012	Property Owner work session #1	Property Owners
August 8, 2012	TIF Financing, DURA/OED Workshop	Property Owners, Stakeholders, DURA staff
September 6, 2012	Business Owners Meeting	Business Owners
September 8, 2012	Monthly Community Action Meeting Update	Community members, project Stakeholders, Property & Business Owners
Sept. 10, 2012	Denver City Council Public Hearing – Five Points Urban Renewal Plan Approved	Property Owners, Community Members, FPBD Board members
Sept. 13, 2012	Case Study 1 Meeting #1 RTD	Project team, RTD site 1
Sept. 17, 2012	Case Study 2 Meeting #1 Property Owners	Project team, Property Owners site 2
Sept. 27, 2012	Property Owner work session #2	Property Owners, Stakeholders representing owners
October 6, 2012	Monthly Community Action Meeting Update	Community members, project Stakeholders, Property & Business Owners
October 8, 2012	Case Study 2 Meeting #2	Project team, Property Owners site 2
October 8, 2012	Case Study 3 Meeting #1 Property Owners	Project team, Property Owners site 3
October 9, 2012	Case Study 1 Meeting #2 RTD	Project team, RTD representatives site 1
October 29, 2012	Case Study 3 Meeting #2	Project team, Property Owners site 3
October 29, 2012	Case Study 1 teleconference Meeting #3	Project team, RTD representatives site 1
December 12, 2012	Case Study 2 Meeting #3	Project team, Property Owners site 2
January 9, 2013	Case Study 3 Meeting #3	Project team, Property Owners site 3
January 17, 2013	Property Owner work session #3	Property Owners, Stakeholders representing owners

III. Study Area & Existing Plans

STUDY AREA DESCRIPTION

The project study area for the Five Points Business District Vision Plan and Implementation strategy includes the properties on Welton Street, from 20th Street to Downing, and the properties along 26th Avenue and Washington Street. The study area is the same as the Urban Renewal Area. The Historic Cultural District is a smaller subarea extending from 24th to 30th (map below). The Five Points Business District and the 'study area' are the same and are used interchangeably in this report, often called the 'district'.



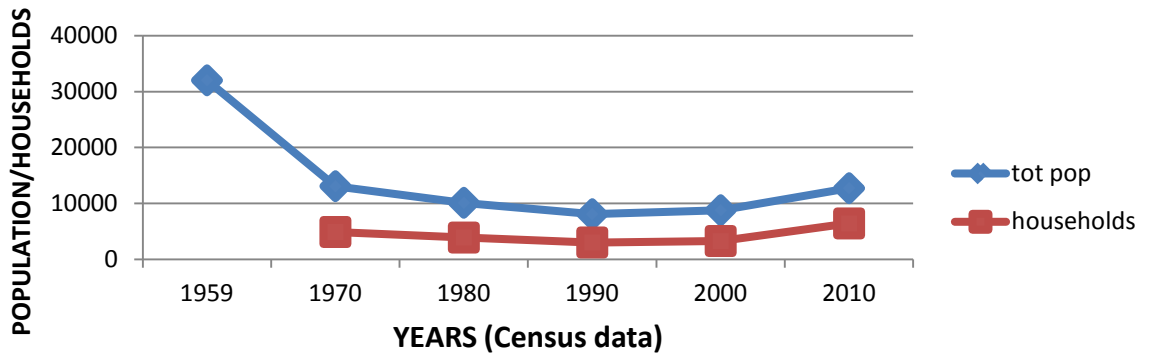
CURRENT DEMOGRAPHICS

Demographic trends

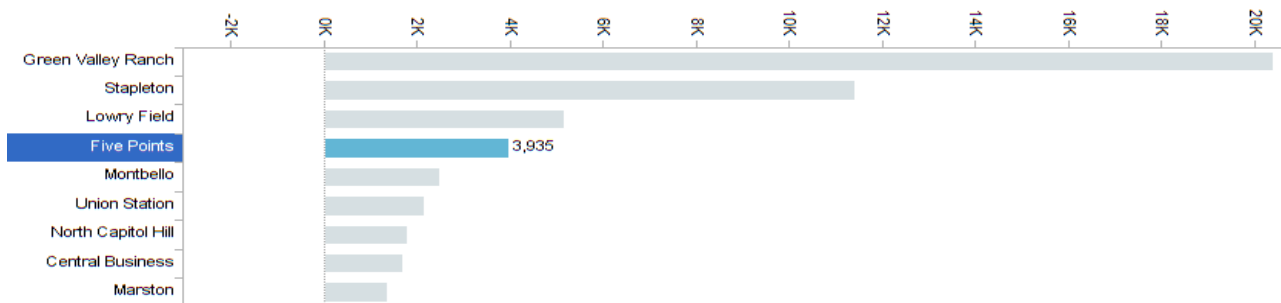
The Five Points neighborhood has undergone significant change in the past 30 years. Population declined significantly in the 1950s and many residents and property owners moved out. The number of households and the population dropped between the 1960s and the mid-1990s. Between the mid-1990s and 2010 new urban dwellers slowly returned to the neighborhood increasing overall population and creating shifts in the racial composition. In terms of growth, Five Points was the fourth fastest growing Denver neighborhood between 2000-2010 and was the fastest growing urban neighborhood with transit and a location adjacent to the central business district. For this data, the Five Points neighborhood is bound by Downing Street on the east, Park Avenue and 20th Street on the south, by the South Platte River on the west and a short stretch of 36th Street on the north. Seventy-three (73) other Denver neighborhoods grew slower or declined in population between 2000-2010.

Between 2000-2010, Five Points shifted from 'No Majority' to a 'White Majority'. Both African American and Hispanic population declined in Five Points. Similar racial shifts were visible in the three surrounding neighborhoods where the African American majority in 2000 (Northeast Park Hill, North Park Hill and Skyland) changed, with Northeast Park Hill the only African American majority by 2010. Several other Denver neighborhoods saw racial shifts or a shift from various categories to 'No Majority'. (Source: Piton Census Brief, Neighborhood Focus Report. Report online at: <http://www.piton.org/census2010/>)

Five Points Total Population & Households 1959-2010

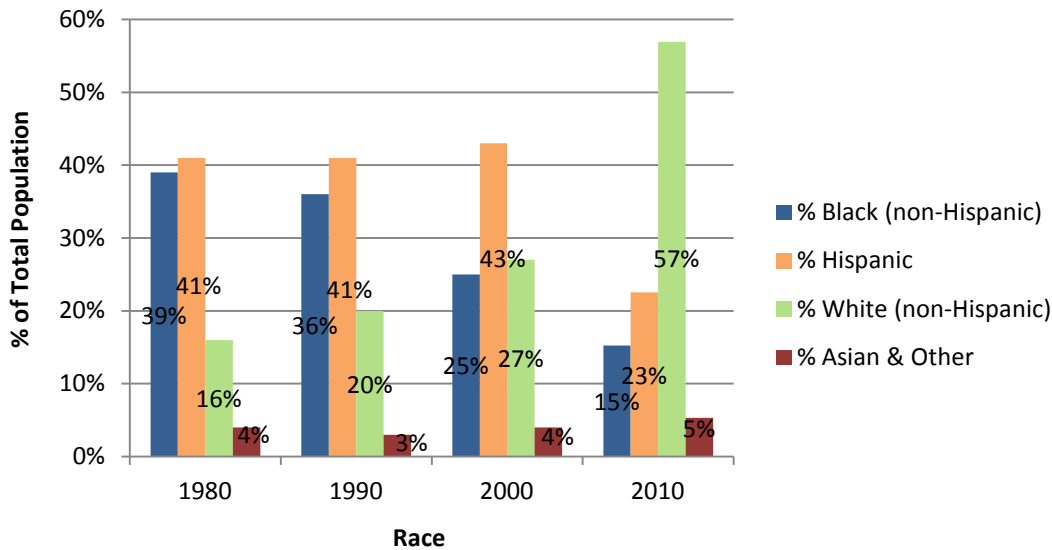


Denver Neighborhood Population Change, 2000-2010



Excerpt of the table: top growth neighborhoods; 77 Denver neighborhoods. Source: Piton Foundation, 2010 Census Project, Population Change by Neighborhood.

Five Points Population by Race 1980-2010

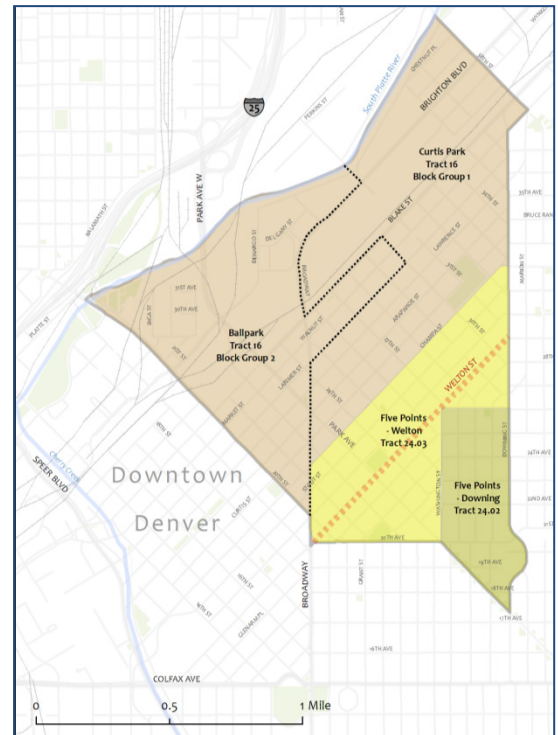


Existing Demographic Conditions

The US Census divides up the Welton Corridor area into Census Tracts and Block Groups as shown in the adjoining figure. The tracts or block groups are also shown with approximate neighborhood names. While the exact boundaries do not match, they generally correspond to each other, and are helpful for discussion purposes.

Much like the rest of Denver, the Welton Corridor area has changed over the past ten years. Some of it is due to larger demographic shifts taking place as “Generation Y” (ages 25-34) begins to drive new household formation. Downtown Denver, which is adjacent to the corridor, continues to thrive with its mix of retail, entertainment, jobs, and housing, and in addition to being attractive to Baby Boomers, is increasingly attractive to persons in the Generation Y age category. Some of the demographic changes seen in the area are as follows:

- **Growth in Households** - The area has seen an influx of new population and households, although some areas have seen more growth than others. Between 2000 and 2010, 333 households were added in the Welton and Downing neighborhoods. The Curtis Park and Ballpark neighborhoods saw an additional 2,812 households in the same time period.
- **Smaller Households** – The average household in the area (Welton, Downing, Ballpark, and Curtis Park) is smaller than the Denver average at fewer than 2 persons per household compared to the Denver average of 2.49 persons.
- **Younger Households** - In general, this area and other parts of Northeast Denver are popular with the younger 20-34 age group. There is a higher percentage of this age group throughout this area compared to the City as a whole.



- Race / Ethnicity – While there have been changes, the area remains ethnically diverse with a higher percentage of African Americans in the area compared to the City as a whole.
- Median Household Incomes - In 2010, the median household income in the City of Denver was \$45,501. Median household incomes in the Welton area were lower at \$31,195, and in the Downing area were \$28,455. In the Curtis Park / Ballpark neighborhoods, they were higher at \$51,607.
- Mix of Employment - The majority of persons throughout the area are employed in Professional, Scientific, Technical and Administrative jobs. There is a higher percentage of persons in the Welton and Downing areas employed in Construction, Maintenance, and Retail.

Psychographics

The psychographics of the Welton Corridor area were also analyzed in order to provide broader perspective on some of the demographic characteristics. Psychographics is a term to describe characteristics of people and neighborhoods which, instead of being purely demographic, speak more to attitudes, interests, opinions and lifestyles. Commercial retail developers are interested in understanding a community's psychographic profile, as this is an indication of its residents' propensity to spend across select retail categories. Residential developers are also interested in understanding this profile as it tends to suggest preferences for certain housing products.

The current Welton Corridor area psychographic has been dubbed the "Industrious Urban Fringe, NeWest, and International Marketplace". In general, these groups (throughout the US):

- Live in Urban Outskirts or Urban Centers
- Majority married couple families
- Young. Median age is 25-30
- Building careers and starting families
- Diverse; Hispanic, some foreign born
- Household incomes of \$30,000 to \$50,000
- Work in manufacturing, retail, construction, administrative, health care jobs

The groups described here tend to drive demand for affordable housing. Their commercial service needs are basic including grocery stores, convenience stores, general merchandise, health and personal care stores.

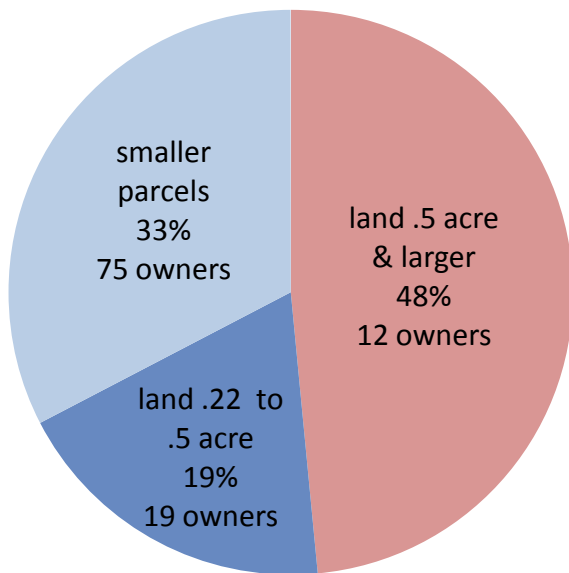
Psychographic source: ESRI

Study Area Ownership

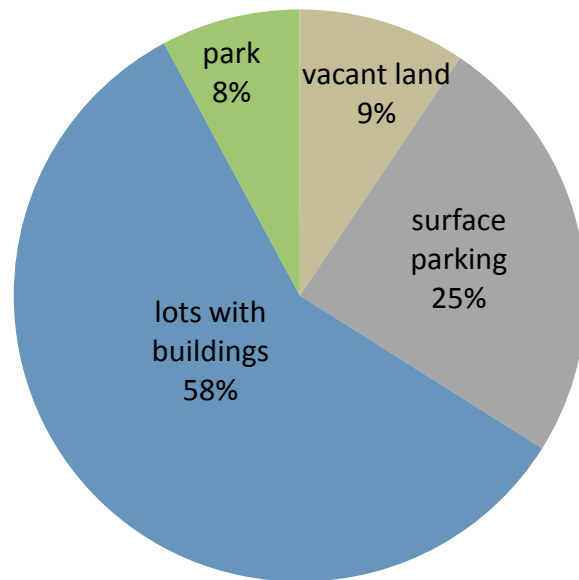
The total acreage of land in the study area, alley to alley is approximately 44 acres (alley edge to alley edge). Private property totals 32 acres (73%) and the public street right-of-way area is 12 acres (27%). Alley area is not included in the study area total acreage, but if it were the public right-of-way percentage would be approximately 31%.

The 32 acres of property are owned by approximately 100 different owners. However, 12 property owners hold 48% of total property and the largest parcels .5 acre and larger. To further simplify ownership in the entire study area, 26 owners hold 67% of total property which are the largest parcels (.22 acres and larger); many of the owners overlap. The balance, approximately 75 owners, hold smaller parcels mostly towards the north end of the study area and equal 33% of total property.

Study Area Property by Size



Study Area Property Coverage



GUIDING & ADOPTED PLANS



Prior to 2009, there was limited adopted policy (other than zoning) to guide decisions, investments and no explicit goals that represented community desires or consensus. This created an environment where there was no guidance or reassurance that a project was aligned with community expectations nor was there any vision to support, brand or promote projects or to maintain momentum between projects. Between projects, it appeared as though nothing was happening. Change and transformation need visibility.

The RTD Central Corridor Extension analysis, that would impact the light rail located on Welton and the connectivity of the district, started in 2003 as a part of the I-70 East Corridor Environmental Impact Study (EIS). In 2007, the central corridor extension was removed from the East Corridor and remained on hold until the East Corridor (EIS) was complete in 2009. The Central Corridor Extension Environmental Evaluation then replaced the EIS process and concluded with recommendations in a report published February 2010. Community outreach meetings occurred between 2003-2009 and the final draft of the evaluation was available for public comment December 2009-January 2010. The

Denver Zoning Code update was underway in the same period, 2005-2010 creating, in the words of a property owner, “more uncertainty about the future of the corridor”. The new zoning code was adopted June 21, 2010.

In 2008 the Office of Economic Development (OED) launched the Denver Marketplace Initiative and identified the Welton Corridor (20th to 30th) as a pilot district. The District Development Plan process and recommendations created a launching point and blueprint for actions that would guide the future of the district. The Five Points Business District Board and Office was created in November 2009 and the Sustainable Main Street program selection was made in April 2010. Building upon the OED Marketplace District Plan, the Five Points Welton Street Marketplace Community Vision Plan and the Northeast Downtown Neighborhoods Plan would be coordinated to identify specific corridor input, to achieve corridor specific recommendations and to incorporate needs of the district into neighborhood recommendations. This project, the Phase 2: Implementing the Vision Plan project, will build upon many of the prior plan recommendations.

A summary of the OED 2009 Welton Marketplace District Development Plan, the 2010 Community Vision Plan and the Northeast Downtown Neighborhoods Plan (2011) recommendations are included below. Zoning description and site studies are included in section IV. The general overview of plans in this document does not include all details relevant to a redevelopment or renovation project; a review of plans, regulations and ordinances (where applicable) is recommended.

The Office of Economic Development's 2009 Marketplace Initiative

In August of 2009, a Welton District Development Plan was published summarizing recommendations for the Welton Corridor. The Welton District Development Plan included a market snapshot, stakeholder interviews, a survey and district recommendations. The final plan identified 7 program and 3 organizational recommendations.

Programs:

- Business Development and Support
- Community Development Initiatives
- Identifying the Best Zoning for the Corridor
- Improved Public Realm
- Multi-Modal Access
- Clean and Safe
- Public Art

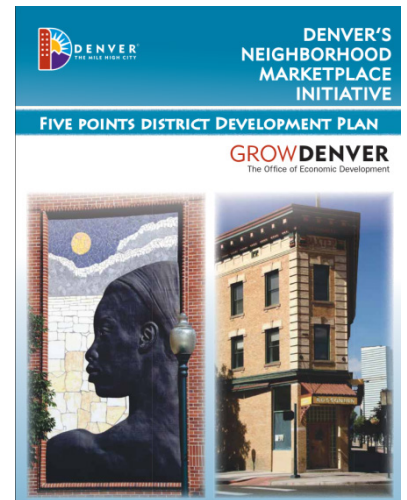
Organizational Leadership & Administration:

- Create the Welton Stakeholder Group that, in collaboration with the Office of Economic Development and neighborhood groups representing the area guides for the vision for the corridor
- Work closely with the Local Maintenance District (LMD) to leverage efforts to achieve the vision for the corridor
- Foster a supportive business environment that encourages communication between business, property owners, residents, and civic leaders

Several recommendations have been implemented: the Five Points Business District Office and citizens' Board was created in November 2009. The mission of the FPBD is included in attachment B and the office has several programs that create a supportive business environment. In November 2009, the FPBD's first Executive Director, Wil Alston, began by initiating conversations between businesses, property owners, residents and civic leaders and began promoting the potential for the Five Points Business District. The district office worked with local owners and business to promote the needs and potential of the corridor.

In April 2010, the State of Colorado announced Five Points was one of five communities selected as a Sustainable Main Street project. Five priorities were identified for the Five Points Business District: Community Vision/Goals, Business Development, Visitor & Heritage, Sustainability and Community Health. Expert teams from Colorado State offices and the targeted industry worked with the Five Points Board, staff and community on the priority issues.

Establishing a common vision for Welton Street with community input on vision details and the critical next steps was a top priority. Other than the Marketplace Development Plan, no policy or plan existed to direct investment activities, programs or decisions within the district.



Five Points Business District Board Members (April 2013)

- Albus Brooks
- Ryan Cobbins
- Jill Dorancy-Williams
- Anthony Graves
- Joy Harris
- David Hicks
- Carlos Lando
- Genia Larson
- Jimmy Miller
- Terry Nelson
- Joel Noble
- Mike Perez
- Alison Wadle
- Tracy Winchester

The Five Points Welton Street Marketplace Vision Plan (2010-2011)

The Five Points Welton Street Marketplace Vision Plan & Final Report was published in January 2011 and summarizes the community input, the vision, recommendations and important next steps. The Vision Plan and process was funded by the Colorado Sustainable Main Street Initiative. The full Vision Plan final report is available on the Five Points Business District website.

The main objective of the plan was to identify and align community expectations into a general 'roadmap' of recommendations, hopes and ideas guiding future decisions and investments in the Five Points Business District.

The Five Points Business District (FPBD)

The vision planning process was facilitated by the Five Points Business District Office (FPBDO), led by a consultant Perspective3 (P3) and was directed by a Community Advisory Team with 26 members representing business, property owners and representatives from adjacent neighborhood associations.

Three public community meetings, four Advisory Team review meetings and a widely distributed survey identified community hopes, desired outcomes and provided a range of opportunities for input. When interest or clarification was needed on specific topics, additional outreach was arranged. Two focus group sessions targeted zoning and Welton street design and were jointly led by the FPBDO (P3) team and the City of Denver Community Planning & Development Office. Two roundtables on culture and business development were hosted by the FPBDO. Widely distributed meeting notification helped the community meetings and focus group sessions to include up to 425 participants and the community survey added the desires of 793 respondents.

The prevailing theme that guided the visioning and united the wide range of participants was the strong desire to see regeneration of the district, new businesses, retail services, and restaurants, and to ensure the Five Points history and culture were retained. The participants want the district to do what it takes to launch the district into a new chapter of redevelopment and reinvestment with new tools and information. Ensure all parties understand the district vision and then, anchor marketing, branding and business recruitment to the cultural, arts and entertainment uses, spirit and history that make the district such a valuable destination.

The Colorado Sustainable Main Street Initiative (SMSI) was created to improve access, innovation and efficiencies between state agencies and local communities striving to achieve sustainability. The Sustainable Main Streets Initiative used a collaborative, integrated process to leverage technical and financial resources to help communities enhance the sustainability of their downtowns. The program was highly successful, bringing together state, federal, local, nonprofit, foundation and private sector resources to help develop better solutions and outcomes to sustainable communities. This broader network maximized resources, opened up new possibilities and ideas for problem solving and built new partnerships that ultimately strengthened community resiliency.



In the Community Meeting #1, several groups identified what they imagined, as a group, for the district using words and images.

The Five Points community was vocal on priorities and firm in the opinion - conveyed by participants old, young, new, longtime and with diverse racial backgrounds- that fear of getting it wrong must be replaced by a agreement on the vision, recommendations and a pledge of support to the outcomes decisions, investments and redevelopment the vision would generate. The Planning, Phase 1 FPWSM Community Vision Plan was endorsed by the community in November 2010 and the Vision Plan final report was published in January 2011. Many of the Vision Plan ideas and recommendations were incorporated into the Denver Community Planning and Development Department's Northeast Downtown Neighborhoods Plan. The Neighborhood Plan was adopted by City Council in May 2011.

The Planning, Phase 1 FPWSM Community Vision Plan was endorsed by the community in November 2010 and the Vision Plan final report was published in January 2011. Many key ideas from this report informed the Northeast Downtown Neighborhoods Plan process for the Welton and Downing Corridors. The Neighborhood Plan was adopted by City Council in May 2011.



The pledge of support from the November 2010 final Community Meeting to review the Vision for the Five Points Business District and key recommendations.



November 18, 2010 final Community Meeting to review the vision and key recommendations.

The 2010 Five Points Business District Community Vision Plan Goals:



GOAL A - BUSINESS DESTINATION - Cultivate business resources, growth and the 'identity' of the Five Points Business District as a unique urban neighborhood and commercial destination.

GOAL B - HISTORY & CULTURE - Preserve, promote and integrate the history of Five Points into the district experience: the presence of jazz , the African-American heritage, architectural icons and existing cultural attributes.

GOAL C - COMMUNITY BASED - Base future improvements, targeted businesses, services, programs and amenities on the needs of the existing Five Points community. Plan and provide for public amenities, features and activities that are accessible and free of charge, to promote an inclusive 'community' and enable people of all ages to engage in the vitality of the Five Points Business District.



GOAL D - JOBS & EDUCATION - Create jobs and promote lifelong learning and education opportunities.

GOAL E - ARTS FOCUS - Promote the Five Points Marketplace as a destination for interactive art, performance art, artists, galleries and art events.



GOAL F - TOURISM - Attract visitors and tourists to the Five Points Marketplace with a Visitor Center and efforts coordinated to promote local business, history, culture, sustainability and the arts.

GOAL G - WELTON STREET - Transform Welton Street into a neighborhood commercial street scaled to achieve a safe balance of cars, pedestrians and transit with active ground floor retail and a mix of upper floor uses. Widen sidewalks to give businesses a visible street presence, on-street parking, safe pedestrian and bike access and interactive streetscape amenities.



GOAL H - EXPAND USES - Increase daytime activity and demand for daytime services by expanding the mix of uses to include: office, education, service retail, live-work, residential and restaurants on Welton Street.

GOAL I - PARKING BALANCE - Utilize a district parking strategy and shared parking solutions to balance parking supply, **access to and demand for transit, employment , residential and** retail uses.



GOAL J - HEALTH FOCUS - Program and redevelop the Five Points Business District with a range of health and wellness services and amenities for families, youth and children.

GOAL K - SUSTAINABILITY - Make the Five Points Business District the most sustainable neighborhood commercial district in Denver by reducing energy use to meet the regional average (15% reduction by 2015) and to exceed the regional average (15% *below* the regional average by 2030).

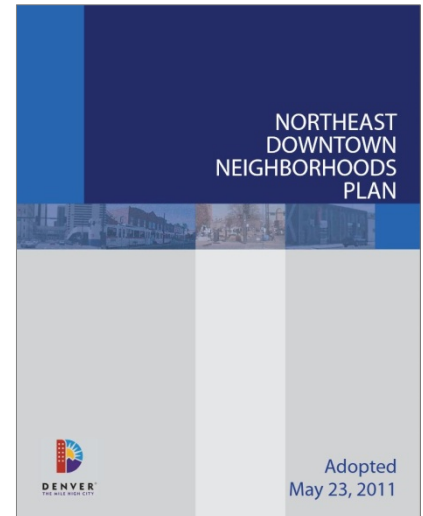
The Northeast Downtown Neighborhoods Plan

The Northeast Downtown Neighborhoods Plan (NEDN) process occurred between January 2010 and May of 2011. The plan establishes a long range vision and a city-adopted guidance on elements that affect the form and function of Northeast downtown.

Welton Street is envisioned as a neighborhood-serving commercial corridor that is an attraction with regional appeal. As a cultural destination, the corridor will achieve a balance of automobile, pedestrian, bicycle, and transit mobility with active ground-floor retail and a mix of upper floor uses, including residential. Widened sidewalks will give businesses a visible street presence as well as places for art, social gatherings, and streetscape amenities. Health, wellness, sustainability, and tourism will be integral to the build-out and development of the area.

Transformative Concepts Affecting Downing/Welton

- **Streetcar** - The NEDN streetcar concept features a true modern streetcar vehicle operating in mixed traffic for the length of the Downing/Welton Corridor. This would benefit the Welton corridor, in particular, because the right-of-way that is currently devoted to light rail operations could be repurposed for wider sidewalks and a pedestrian amenity zone.
- **21st Street** - The festival street intersects Welton at 21st Street. A new light rail/streetcar stop between 21st Street and Park Avenue would serve the festival street. Cyclists/pedestrians utilize that route to get to Coors Field.
- **Transit Oriented Development** - Focusing appropriately scaled development that is oriented towards the transit investment on Welton and Downing encourages walkable urban neighborhoods that have easy access to daily needs and amenities.
- **TOD On Welton – Arapahoe Square Station** – The most promising opportunity for development in the corridor is located between 20th and 24th Streets on Welton, where multiple parcels have already been assembled for redevelopment. To help facilitate TOD at this location, a new station between 21st Street and Park Avenue is recommended to provide better access to these parcels. A new station in combination with the conversion of light rail to a streetcar couplet on Welton and California would expand the area where TOD could occur.



NEDN Concepts and Recommendations

Building Form:

- **Height** – The recommended height map shows a range of heights for the corridor, generally promoting a main street feel for Downing and Welton Streets that capitalizes on transit service, while respecting nearby historic neighborhoods. An eight story height maximum was recommended from Park Avenue to 27th Street as a step-down from the taller building heights that are proposed for Arapahoe Square. A five story maximum was then called for north of 27th Street and along Downing where a parallel alley was available to provide a transition to adjacent residential neighborhoods. Greater heights are recommended to support transit at 38th and Blake and between Park Avenue and 20th on Welton. The combination of development opportunity near transit, the desire for a main street character, and adjacency to historic neighborhoods makes building height transitions very important along the Downing/Welton Corridor.
- **Siting** – The desired street character of Welton and Downing is a main street feel that acknowledges the important presence of high quality transit service in the corridor. Buildings in the corridor should maintain the build-to line to provide a consistent street edge and promote pedestrian activity. Buildings should be placed to best assist with transitions to adjacent neighborhoods. The visual impacts of parking should be minimized by being located at the rear of the building.
- **Design Elements** – Building scale should promote a main street character and be oriented towards either Downing or Welton, with prominent main entrances situated for pedestrian access. A high level of transparency on the ground floor is desired.
- **Transition to Adjacent Residential Neighborhoods** – Within the study area, large segments of both Welton and Downing are adjacent to low-scale residential neighborhoods. Where this condition exists, it is recommended that zoning standards pertaining to height, setbacks, building sculpting, upper story setbacks and other design elements, as appropriate, be utilized along the adjacent edge to create a transition between infill development along the main street corridor and the residential neighborhood.
- **Land Use** – The Downing/Welton Corridor is identified as transit-oriented development (TOD) in the concept land use map. Transit-oriented developments have land uses with a direct correlation to the function of a mass transit system. These development sites are located at stations or stops along bus or rail lines within mass transit network. Transit-oriented developments provide housing, services, and employment opportunities for a diverse population in a configuration that facilitates pedestrian and transit access. Along the Welton/Downing corridor, TOD occurs at several different scales, reacting to the amount and type of transit service and the context of the existing neighborhood. Higher density development, defined by the NEDN building height map, should be focused near Downtown and between 35th and 38th Street at the Commuter Rail station. Lower density development, defined by the NEDN building height map, should be focused adjacent to historic neighborhoods.

- **Support Work of Five Points Business District Office** - Continuation of marketing and business support activities are necessary to create a sustainable commercial district. The Five Points Business District Office, with key partners, should identify opportunities to focus on a key redevelopment project or major private investment that could serve as a catalyst for attracting more investment to the area.

Neighborhood Key Concepts and Recommendations for the Welton/Downing Corridor:

- A.1 High intensity development near downtown, transit stations and along key streets
- A.2 Moderate intensity development transitioning to neighborhoods
- A.3 Adaptive reuse and historic preservation
- B.1 Undertake a Downtown Strategic Transportation Plan Travelshed Analysis
- B.2 Evaluate potential one-way to two-way conversions
- B.3 Consider new or modified transit routes
- B.4 Consider an Arapahoe Square Rail Station on Welton
- C.1 Strengthen retail corridors
- C.2 Promote economic and housing diversity
- C.3 Encourage housing density
- C.4 Establish and support business development offices
- C.5 Establish urban renewal areas
- C.6 Utilize OED Lending Programs
- D.1 Promote access to healthy transportation
- D.2 Promote access to healthy foods



The Northeast Downtown Neighborhoods Plan Map: Concept Building Heights Map.

- 2.5 Stories
- 3 Stories
- 5 Stories
- 8 Stories
- 12 Stories (see NEDN for more details)
- 20 Stories (see NEDN for more details)

The Historic Cultural District

In 2002, a Historic Cultural District application was submitted and approved by City Council. The 'Intent' section of the application reads:

Due to the limited number of contributing structures, the goal of this district is to recognize its past and stimulate its redevelopment. History is repeating itself; Welton Street is once again a major transit corridor. The Design Guidelines included as part of this application are intended to provide perspective for future development as opposed to preservation of poorly altered and inefficient building stock. The building of the new library, a new retail and housing development at 26th Avenue & Washington and the conversion of two existing structures into condominiums are first steps towards the next evolution of transit oriented development.

No accompanying design guidelines were adopted either by the Landmark Commission or the City Council. As such, the Denver Landmark Commission must utilize the Secretary of Interior's Standards for Rehabilitation of Historic Buildings and Districts (1995) to guide the review and approval of alteration and additions to all individually designated structures and all other proposed structures located within historic districts where specific district design guidelines do not exist.

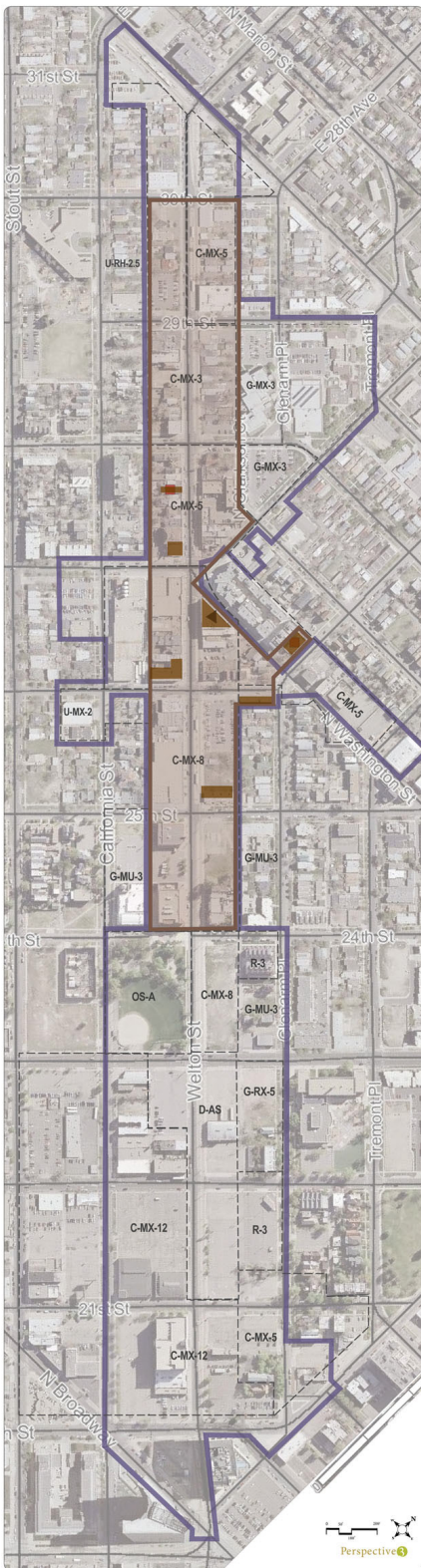
The resulting situation is a five block district, with seven contributing buildings, where all building additions, modification and new construction must first be reviewed with guidelines prepared for 'historic' districts based on architecture, not a district designated for history and geography with the goal of stimulating redevelopment. It is a situation of fitting a square peg into a round hole. The *Design Guidelines for Landmark Structures and Districts* are not a true match for the Welton Street Cultural/Historic District, but are the only current regulatory policy available to the LPC for review.

Next Steps

The Landmark Preservation Commission is scheduled in May 2013 to review and discuss next steps with the FPBD. The Commission will assess the historic district issue, identify solutions and potentially move forward with the creation of design guidelines or an appropriate policy – albeit with public information and stakeholder input. The Commission may come to conclusions other than the option of creating customized design guidelines, potentially including reduced district boundaries, changing the status of the district from regulatory to honorary, etc.

The Five Points Business District Board and staff should be a part of the LPC discussion and could help raise the issue and options with the district property owners, business owners and stakeholders. It is important that property owners and stakeholders understand:

- a. The intent of the Historic Cultural District application and the resulting ordinance requirements on the review of additions, modifications and new construction.



- b. The valued role that building renovations play in the FPBD community vision and revitalization strategy.
- c. How the Historic Cultural District and zoning are balanced in design review
- d. An understanding of the positive impacts of historic district designation in Denver including: the long term value of defining and preserving key elements of a neighborhood's character, the contribution to an area's 'sense of place' and also the Landmark Preservation's documentation of increased permit activity and higher property values.
- e. The resources and financial incentives available to properties within the district for building renovation and preservation (see list below).

Historic District Financial Incentives & Resources

- **State historic preservation rehabilitation tax credits** are available for properties which are contributing to a local/state historic district or which are individually designated Note: a state register listing does not have regulatory/design review restrictions and the state and federal tax credits can be combined. (<http://www.historycolorado.org/grants/available-tax-credit-programs>)
- **Federal historic preservation rehabilitation tax credits 10% and 20%** - The 10% credit does not require designation, only that a property is 1935 or older and is rehabilitated for a commercial purpose. The 20% tax credit requires (federal) National Register designation. Note: national register listings do not have regulatory/design review restrictions. (<http://www.nps.gov/tps/tax-incentives.htm>)
- **Historic brick and mortar grants** – There are direct competitive brick and mortar grants available for state/locally designated properties from History Colorado.
- **State Historical Fund Competitive Grants and Non-Competitive Grants** – This fund can include brick and mortar rehabilitation grants, as well as grants to help with historic building assessments. (<http://www.historycolorado.org/grants/available-grants>)
- The **Colorado Historical Fund** is a revolving loan program which can offer loans for historic building rehabilitation projects. (<http://www.historycolorado.org/grants/colorado-historical-foundation-revolving-loan-fund>)
- **The National Trust for Historic Preservation** offers small grants for economic feasibility assessments, stabilization work and historic rehabilitation work on threatened/challenging historic buildings. Go to: <http://www.preservationnation.org/resources/find-funding/>. There are a couple additional grant funds that the National Trust oversees, including Southwest Intervention Fund that offers small grants for stabilization work on historic buildings <http://www.preservationnation.org/resources/find-funding/special-funds/#Southwest>
- **The Peter Grant fund for historic preservation** (<http://www.preservationnation.org/resources/find-funding/special-funds/grant-fund-guidelines-eligibility-1.html>)
- Federal **HUD funds** can also be used for rehabilitation of historic buildings (usually via local governmental entities). (<http://www.achp.gov/funding-community.html>)

Streetcar Update



In 2010, the Five Points Welton Street Marketplace Vision Plan project incorporated a community survey and a number of community meetings to explore top priorities for the district. Questions and suggestions about the possibility of streetcar began to emerge in several discussions about Welton Street, economic development, safety and business development. The potential for streetcar became one of the key elements in the community's final Vision Plan. Streetcar gained more momentum when the City and County of Denver's Northeast Downtown Neighborhoods Plan (NEDN) identified streetcar as one of the plan's eight transformative concepts that, "if constructed, would likely have a catalytic effect stimulating additional investment in the Northeast Downtown Neighborhoods area."

The streetcar concept envisions a modern streetcar vehicle operating on rails in mixed traffic on Welton and Downing streets. Streetcar service, in the NEDN plan and in the FP Vision Plan, was seen as providing a key opportunity to improve pedestrian safety, create space for a pedestrian environment on Welton (with the removal of existing light rail infrastructure), increase the level of transit service to the local community, and provide additional stops - and thereby access to transit - through the growing neighborhoods adjacent to downtown, including the Five Points neighborhood.

Partly in response to the streetcar preference expressed in the Sustainable Main Street Initiative project and in the NEDN Plan, RTD is re-examining the issues associated with streetcar implementation in the corridor, both for the Welton Street corridor and for the extension to 38th/Blake. In anticipation of that formal RTD re-examination (to be called the **Central Rail Extension Planning and Conceptual Mobility Study scheduled for the spring of 2013**), the Five Points Business District worked with the Colorado Department of Local Affairs, the City and County of Denver, and other entities to undertake a transportation, planning, and funding options analysis for the potential implementation of a streetcar in the Welton Street corridor. The Five Points Business District Streetcar Coordination plan took place October 2012 to March 2013.

The Five Points Business District Streetcar Coordination Plan (2013)

The Five Points Business District Streetcar Coordination plan was conducted as a response to the goals and desires of local stakeholders and the Five Points business community regarding the future of the Welton Street corridor as embodied in the Northeast Denver Neighborhoods Plan, the Five Points Sustainable Main Streets Initiative Vision plan, and other local plans.

The scope of the Five Points Business District Streetcar Coordination Plan included the following tasks:

- Establish and manage an Agency Working Group (AWG) with leaders from the FPBD, RTD, City and County of Denver, and other stakeholders to review project issues, potential alternatives, collected data and project progress
- Develop and refine streetcar options, including AWG workshops to examine streetcar operations and running options
- Analysis of funding and financing options
- Preparation of a final report with recommendations and conclusions from the AWG

The project was conducted as a response to the goals and desires of local stakeholders and the Five Points business community regarding the future of the district. Those goals include:

1. Improve the pedestrian environment in the Welton Street corridor to make it a more vibrant, economically viable community
2. Convert Welton Street from one-way to two-way auto traffic to increase visibility of and connectivity to the neighborhood
3. Convert the existing light rail investment to a lower-profile streetcar system to promote walkability, improve safety, and encourage economic development

The project report, available in May 2013 at the Five Points Business District office, details all of the project tasks and the AWG recommendations on: vehicle characteristics, alignments, Welton Street design options and implementation issues. Lessons from streetcar projects in other communities highlight important factors such as political will, design, funding strategies, operation and economic impact. Funding scenarios and a blueprint of critical steps for the potential of streetcar on Welton illustrate not only the sources of potential funding, but the local factors that position Downing/Welton streetcar to be competitive for federal funds.

Conclusions: The Five Points Business District Streetcar Coordination Study sets a very positive foundation for interagency cooperation and communication. Next steps are identified drawing on lessons from streetcar projects around the country and a synthesis of the Central Corridor extension and streetcar studies to date. Four conceptual funding scenarios are identified and a few key conclusions are drawn about the potential for funding sources:

- *Streetcar projects need a combination of federal/state grants and local (including private) sources.*
- *To enhance grant competitiveness and to anticipate non-federal grant options, streetcar projects are increasingly focusing on various forms of value capture, including local development districts and tax increment finance.*
- *Sales taxes and city support also serve as valuable sources of funds, although these monies are scarce.*
- *The federal TIFIA loan program could serve as a useful financing mechanism for a streetcar project as long as steady and reliable repayment revenues (such as sales taxes or assessments) are identified.*



IV. Zoning & Urban Design

The Denver Zoning Code was updated and adopted in June 2010. This section describes the zoning and identifies the requirements that are consistent with the desired character, development and density from the FPWS Vision Plan and the Northeast Downtown Neighborhoods Plan. Urban design recommendations focus on specific requirements to activate sidewalks, create room for public amenities and to improve pedestrian safety. Urban design opportunities are identified and analyzed in several zoning site studies throughout the district in order to understand impacts to development and benefits to Welton Street. Specific zoning actions are identified by phase to support the revitalization of the district followed by examples of the zoning site studies (all zoning site studies may be found in Appendix D).

Zoning Description & Site Requirements

The code is organized by neighborhood context, meaning the existing and desired land uses, density, level of activity, street types, and patterns that characterize an area. Specific zone districts are applied to each Neighborhood Context. The Five Points Business District is largely zoned C-MX. 'C' is the Urban Center Neighborhood context - mixed-use with both residential and commercial, high pedestrian activity, and multi-modal transportation. The 'MX' is for a Mixed-use District and is consistent with the vision plan goals. The number following the C-MX, is the maximum number of allowed stories. For example, C-MX-8 applies to areas served primarily by collector or arterial streets where a building scale of 1 to 8 stories is desired.

Along Welton, the zoning includes C-MX-3 and C-MX-5 from Downing to 27th, C-MX-8 from 27th to Park Avenue, then C-MX-12 and D-AS between Park Avenue and 20th Street. The D-AS zoning district allows more than 12 stories and has a base floor area ratio (FAR) of 4:1 or 7:1 with premiums. Not all parcels are large enough to build the zoned maximum stories. Understanding what can be built on a site is critical to the site potential and the land value. A series of site studies follows the zoning summary.

The zoning code uses graphics to illustrate concepts. The code is objective rather than subjective (not requiring a staff judgment) and is organized so the majority of requirements may be found in the neighborhood description section. The zone districts have a general description followed by the elements that define the allowed building form:

- building form options
- allowed uses and required parking
- design standards for building placement, and height
- requirements for ground floor activation or transparency
- upper level height setbacks triggered by an adjacency to a Protected District



The selection of a building form is an important factor in selecting the desired uses for a development project. For example, the C-MX land use tables indicate that single family residential **use** (single unit dwelling use) is allowed, but there is not a single family building form option in the C-MX districts. Therefore, single-family residential **structures** cannot be built in a C-MX district. However, the City is willing to allow a single family residence under the 'General' building form category if it is sufficiently 'urban'. The example that they use is the 'Red House' in Lower Downtown which is not 'free-standing' but is built, like a commercial building, up to the side lot lines.

C-MX Zoning District Requirements

Below is a summary of some of the main requirements for a general building form and lessons learned while preparing a number of site studies on Welton Street. Comments specific to Welton **are noted in bold italics and are not text from the zoning code**. See the full zoning code for details and requirements for all building types allowed in C-MX.

Building Forms: Buildings Forms are chosen by the applicant, but once chosen, they can't be changed without some form of rezoning. There are subtle but sometimes important differences between Building Forms in terms of building heights, ground floor requirements, and where uses may occur or be restricted. However, many of the restrictions can be avoided by choosing the 'General' building form. **The 'General' building form is the most flexible form** and can be chosen for almost any building type, even a Row House. The 'General' building form will allow for entrances to row houses off of an internal courtyard or car court, where the Row house form restricts entrances to only the street frontage. The following requirements apply to the 'General' building form and are found in the Denver Zoning Code Articles 7, 13 and 10.

GENERAL							
HEIGHT		C-MX-3	C-MX-5	C-MX-8	C-MX-12	C-MX-16	C-MX-20
A	Stories (max)	3	5	8	12	16	20
A	Feet (max)	45'	70'	110'	150'	200'	250'
	Feet, within 175' of Protected District (max)	na	na	75'	75'	75'	75'
SITING		C-MX-3	C-MX-5	C-MX-8	C-MX-12	C-MX-16	C-MX-20
ZONE LOT		C-RX: Second Story and Above: Residential or Lodging Accommodations Uses Only; Buildings with No Residential or Lodging Accommodation Uses: 10,000 sf GFA max C-MX: na					
Use Restrictions							
REQUIRED BUILD-TO		70%	70%	70%	70%	70%	70%
B	Primary Street (% within min/max)	0'/10'	0'/10'	0'/10'	0'/10'	0'/10'	0'/10'
SETBACKS							
C	Primary Street (min)	0'	0'	0'	0'	0'	0'
D	Side Street (min)	0'	0'	0'	0'	0'	0'
E	Side Interior (min)	0'	0'	0'	0'	0'	0'
	Side Interior, adjacent to Protected District (min)	10'	10'	10'	10'	10'	10'
F	Rear, alley and no alley (min)	0'	0'	0'	0'	0'	0'
	Rear, adjacent to Protected District, alley/no alley (min)	0'/10'	0'/10'	0'/10'	0'/10'	0'/10'	0'/10'
PARKING							
Surface Parking between building and Primary Street/Side Street		Not Allowed/Not Allowed					
Surface Parking Screening Required		See Article 10, Division 10.5					
Vehicle Access		Shall be determined as part of Site Development Plan Review					



An extra 3-5' ground floor setback along Welton Street can create areas for outdoor dining or display of products.

Required Build-To Zone (or building minimum and maximum setback) Along a primary street the build-to zone is 0 to 10 ft from the front property line. Welton Street would be determined to be a Primary Street. Along the front property line, 70% of the parcel frontage must have at least the ground floor of a building within the build-to zone (zoning code Articles 7 and 13.1.5.5.2a). Upper floors **create additional space for customers, display or sitting areas outside the existing sidewalk width**. No Build-To Zone is required on Side Streets. (see urban design section for recommendations). For corner lots the Administrator may determine that both streets are Primary Streets.

Ground Story Activation: No restrictions are placed on the type of uses on the ground floor as long as they are allowed in the zone district. This includes ground floor parking, which can occur as long as the transparency and entrance requirements are fulfilled. Transparency requirements also activate the ground floor. On the Primary Street 40% transparency is required and on the Side Street 25% transparency is required. The zone of transparency is defined as the area 2 feet to 9 feet above the finished ground floor height across the entire ground floor building facade (zoning code 13.1.6.2.3b). **It is strongly recommended that non-parking active uses such as retail, restaurants, offices and entertainment line the ground floor street frontage along Welton.**

Drainage and stormwater: Properties over ½ acre in area must provide stormwater and water quality detention on site, which is generally 10 to 15% of the site.



A building with a raised ground floor that required steps and a ramp to provide access to the building entrance.

Due to the flooding conditions in the neighborhood, site plan review will trigger a Public Works requirement that all new construction raise the main floor elevations 24" above the flow line of the street. A finished floor elevation study may be prepared by a development project engineer, but without the study the default height of 24" applies (see more on this in section V: Public Utilities, stormwater system). This creates a situation where the first floor and entrances must be above the sidewalk 18 +/- inches. Steps and ramps for disability access are required per ADA guidelines. Multiple retail spaces within one building might be better served by one central entrance instead of several entrances and ramps. This requirement doesn't add unreasonable cost, but impacts sites that are already limited by 125' lot depths, and could chop up pedestrian access while also reducing active outdoor space.

A City of Denver Stormwater Master plan estimates the cost of the project to improve the flooding situation at \$17-20M. This project is not currently funded in the City's capital improvement budget. An important consideration is that these improvements will only accommodate the 1 and 5-year storm. A 'finish floor elevation', even after full implementation of the stormwater improvements, could still result in a raised main floor due to the 10 and 100 year storms (see section V on public utilities, stormwater).

Protected District Setbacks and Tiered Setbacks: The new tiered setbacks are based on the old code's 45 degree angle bulk plane when adjacent to a protected district. With an alley, at the rear property line, any building height that is above 27 ft must be stepped back 20 ft from the rear property line, and above 51 ft a 35 ft step back is required. There is no flexibility to these rules, even though the numbers make it difficult if not impossible to design a three story residential structure or a two story office building that extends to the rear of the lot under these dimensions.

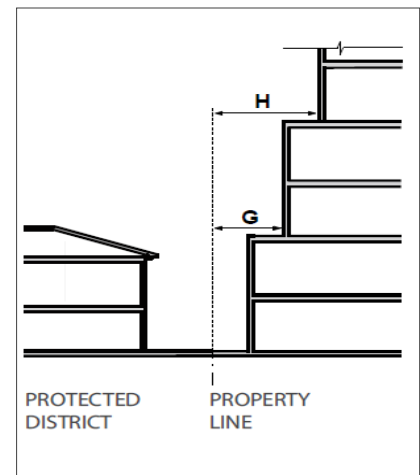
There are also overall height restrictions that apply within 175 ft of a Protected District. These height restrictions don't affect the adjacent C-MX-3 or 5 districts along Welton Street's northwest side, but they have serious effects to higher districts. There is one C-MX-8 area on the northwest side of Welton Street that is affected. It extends 300 ft from the corner of 25th Street toward 26th Street where in addition to alley upper level step backs, the height limit is 75 feet instead of the C-MX-8's 110 Ft. The combined effect of the Protected District height limit and the public works raised ground floor requirement, can significantly impact what can be built and development project feasibility.

Parking requirements: Generally the parking requirements of the new code are less restrictive than the old code. However, within 1/4 mile of a rail transit station, a parking maximum is required for surface parking: 110% of the minimum required parking (zoning code 10.4.3.2.B). This could be a potential problem for residential development in the C-MX zone where the minimum required parking is .75 space/unit and 110% yields .825 space/unit. The market generally requires a minimum of 1 space/unit and often more. Where structured parking can be afforded, this maximum is waived. However, for lower density multifamily residential development in the 3 to 5 story range that can't support structured parking, the maximum requirement might inhibit financing for the project. The studies provided in this report all meet the maximum surface parking requirement partly because the waived retail parking is counted toward the maximum, and partly because the larger parcels have been studied at higher densities which require structured parking.

Parking is required for all newly constructed office, residential and retail uses (zoning code Article 7). Up to 5,000 square feet (sf) of retail and restaurant gross floor area located on the ground floor of a multi-story mixed-use building may be exempt from parking requirements provided no single retail use is more than 10,000 square feet of gross floor area or if no single eating or drinking establishment is more than 3,500 square feet of gross floor area (zoning code 10.4.4.1.B.)

Site or Parking access driveway: The 'throat' of a driveway curb cut must be located a minimum of about 41- 42 ft from the 'throat' of an alley, once all of the transitions and alley pan widening standards are included. This standard is not consistently required.

Parking off of the alley: Parking directly off of an alley is allowed if the alley width is at least 23 – 24 ft wide, or the width of a typical two way drive aisle. Garage doors must be set back 5 ft from the alley.



Protected District Setback: A property line (rear or side) that is adjacent to a Protected District has required setbacks and height limits: any portion of the building 27'-50' high (G) must be set back 20' from the alley or 25' if there is no alley; the required setback for a building structure 51' high and above (H) is 35' from the alley or 40' with no alley.

Image Source: from Denver Zoning Code

Zoning Flexibility: The form-based code has a great deal of flexibility built into its approach: that of allowing virtually any building form and many combination of uses so long as the building doesn't extend beyond its allowed envelope and is brought up to the street by the build-to requirements. There is also a menu of alternatives that count toward satisfying the percentage of the development required within the build-to zone, as well as alternatives to other standards. There is also some ability to make administrative adjustments. Where a building type or development site plan cannot take full advantage of the alternatives, and/or the ability to make administrative adjustments isn't sufficient to allow the desired form or layout, the recourse, as in many other zoning ordinances, is to seek a variance from the Board of Adjustment.

Design Review: Design review in the zoning ordinance consists of simple determinations of acceptable fulfillment of largely quantifiable criteria. While there are qualitative objectives that underlay the criteria, these objectives aren't used in the determinations.

Additional design review is required within overlay districts such as landmark or historic districts and zone districts carried forward by the old zoning code. These reviews are largely administered by advisory or regulatory groups of lay and professional memberships. Near downtown, the D-AS zone district has its own design review standards administered by Planning Board. Landmark design review in the Welton Historic Cultural District is administered by the Landmark Preservation Commission.

URBAN DESIGN

Welton Street Desired Character

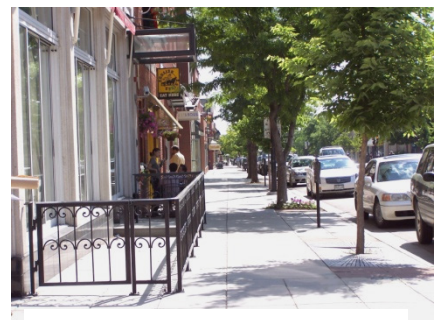
There are currently no streetscape standards for Welton Street. The Northeast Downtown Neighborhoods Plan addresses Welton Street with the NEDN streetcar concept, high intensity TOD along key streets, and the identification of Welton for potential conversion from one-way to two-way operations. The concept strategies identified for "enhancing the pedestrian experience of Welton Street...to achieving the goal of creating a Five Points Marketplace" include:

- The adaptation of light rail service to mixed traffic streetcar service
- The desire for a main street character
- Main entrances situated for pedestrian access
- A high level of transparency on the ground floor

The zoning along Welton does largely support the main street character, but closer evaluation of street and site conditions shows that a consistent approach to building placement and street amenities will help achieve the desired main street character. The following urban design recommendation for the FPWS district identify a few design recommendations that can help to improve safety, activate the sidewalk and orient outdoor activity to the street. The improvements may be implemented by both public and private entities incrementally.

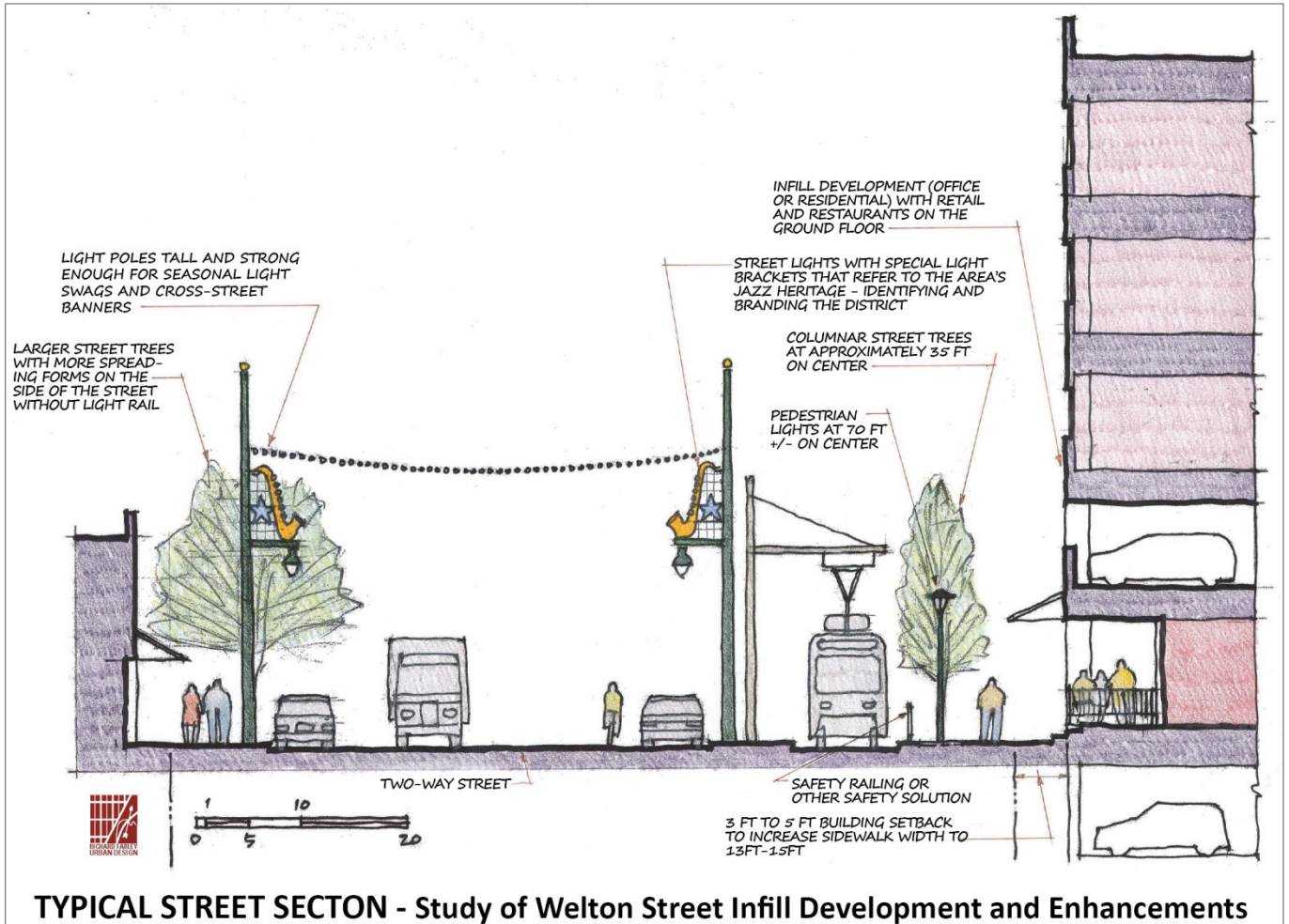
Urban Design Recommendations for the Five Points Business District

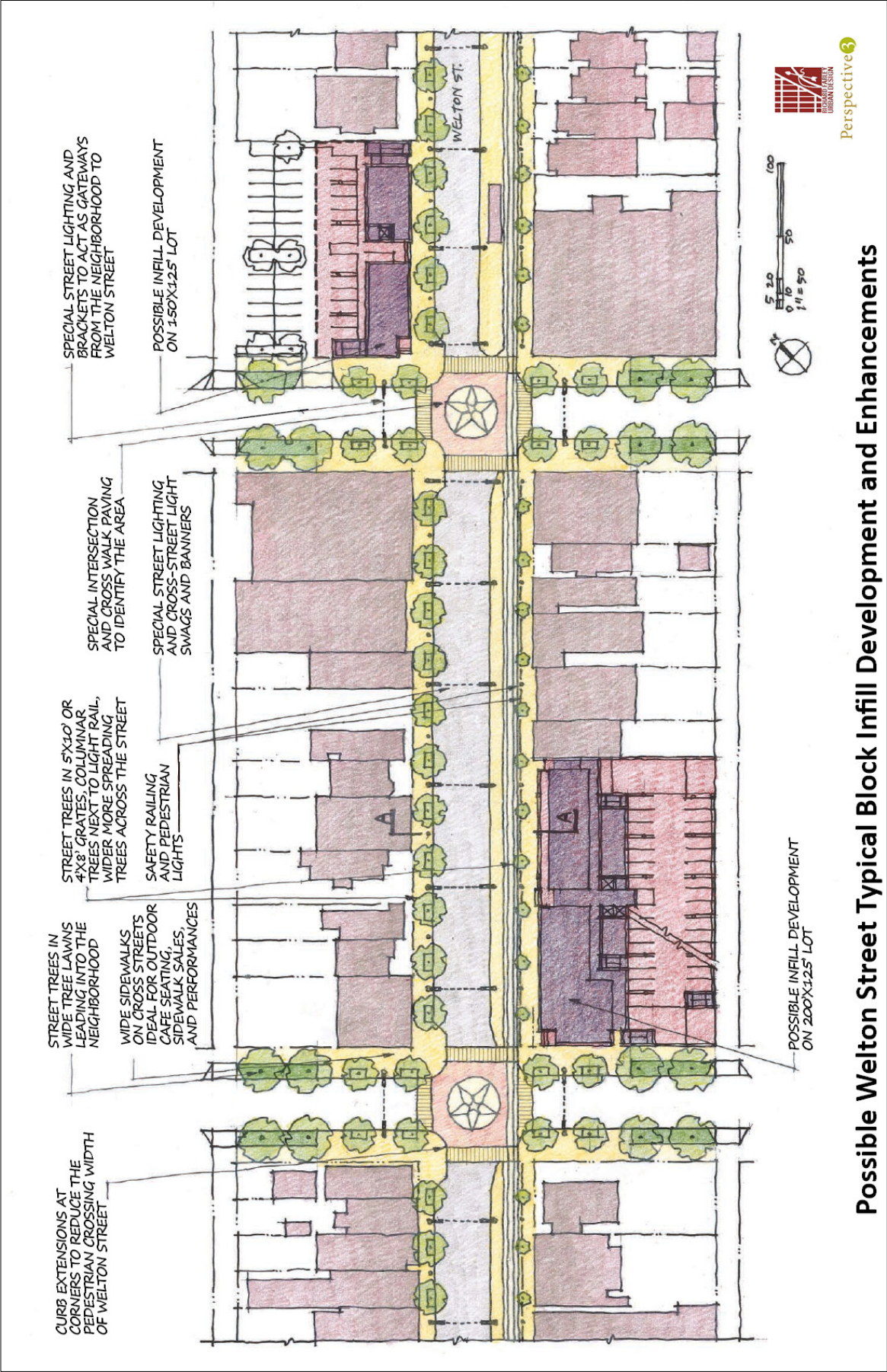
- a. A new construction ground floor setback of 3-5' to create a wider sidewalk (within the zoning build-to zone).
- b. Where light rail service directly abuts the sidewalk, install a railing and pedestrian lighting for improved pedestrian safety.
- c. Official district street furnishings for the right-of-way are recommended, including: pedestrian street lights, signage posts and sign framing, street lights, tree vault covers and safety and patio railings.
 - street lights could be custom designed to include brackets that refer to the area's jazz heritage
 - tall street lights or poles could be located to hold cross-street light swags or banners in the core of the district.
- d. Columnar street trees in 5'x10' or 4'x8' spaced approximately 35' on center in vaults and topped with district tree vault covers (grates).
- e. Curb extensions or bump-outs at the corners to reduce the pedestrian crossing width.
- f. Maintain the wide sidewalks on streets perpendicular to Welton. These sidewalks from Welton to the alley are good locations for outdoor seating sidewalk sales, and public art. In the future they might be attract seating for food trucks, seasonal healthy food stands or bicycle parking.
- g. Street trees in wide tree lawns of streets perpendicular to Welton, transitioning to the residential neighborhoods surrounding Welton.
- h. Special intersection designs and crosswalk paving would help identify the district and potentially slow traffic.



Display and eating area on a public sidewalk. Commercial uses on the ground floor with office on upper floors.

The section drawing below illustrates how the Welton right-of-way may be improved with select urban design enhancements. The illustrative plan rendering shows how the urban design enhancements may combine with new development to begin to change the look and feel of Welton Street. **It will be imperative that the RTD 2013 feasibility study evaluating the future of the central corridor as an urban connector between downtown and the east corridor, and the City and County of Denver's 2013 Next Steps evaluation, be coordinated to achieve a preferred street cross-section for Welton Street.**





Possible Welton Street Typical Block Infill Development and Enhancements

Perspective 3



ZONING & URBAN DESIGN: Revitalization

Actions by Phase

Zoning Phase 1



Z.1 Support the legislative rezoning of areas from C-MX-3 to C-MX-5 in the district consistent with the FPWS Vision Plan, the NEDN recommendations and the findings of the zoning studies of this project. The case studies illustrate that the workforce affordable housing (LIHTC) project would not be feasible in the C-MX-3 area, but would be feasible in the C-MX-5 zone (see financing section VII). To increase the probability of developing an LIHTC project that brings more residential, the area that is currently zoned C-MX-3 should be re-zoned to the C-MX-5 zoning designation.

Z.2 Create a standard ground floor front setback with new construction (within the build-to-area) of 3'-5' to widen the sidewalk and provide space for a business zone for advertising, display or outdoor eating/sitting space. A 15' sidewalk on both sides of Welton Street will provide adequate space. Work with Community Planning and Development and the City Council District 9 office to determine how to achieve this setback.

Z.3 Within the core of the FPWS District, ground floor off-street parking along Welton or a side street is not consistent with the historic commercial district and will not activate the street. Work with Community Planning and Development and the City Council Office to create an overlay or zoning amendment that prohibits ground level parking facing the street (even with structure or screening) on Welton Street between 24th and 30th Streets.

Z.4 Where a development adjoins a protected district, work with community planning and development to modify the upper level setbacks to increase the first tier height limit to at least 30 ft, and possibly 32 ft because of the raised ground floor (finished floor elevation) requirement. In addition, increase the second tier height limit to at least 54 ft to allow a four story office building or possibly 56 ft because of the raised ground floor requirement.

Z.5 Work with the City and County of Denver Public Works department to minimize any increased alley widths required for access to structured parking. Encourage features that make alleys safe and functional connections for vehicles and pedestrians.

Z.6 Work with the City and County of Denver Community Planning and Development office to increase the maximum surface parking requirements within a 1/4 mile of a rail transit stop to allow at least one space per unit.

Z.7 Work with the City and County of Denver Community Planning and Development office to eliminate the elevator penthouse and stair-to-roof enclosure setback at least in the C-MX-3 and C-MX-5 districts.



Both historic and new setbacks can be used to create a variety of district amenities and experiences.

PHASE 1: Urban Design

UD.1 Hold a high standard for improving the safety and creating a pedestrian friendly street for all projects evaluating, planning or constructing on the Welton corridor. All projects, public or private, should consider, provide or not conflict with the FPWS urban design recommendations or official district streetscape plans or furnishings. Establish streetscape fund for projects prior to a street section endorsed by FPBD, the City and County of Denver and RTD.

UD.2 Work with a qualified landscape architect or street furnishings expert to identify official district streetscape plan, furnishings and street trees. Allow a review period of preferred furnishing options for the community to comment and/or help select furnishings in special or quarterly district update meetings. Identify sources of funding for street furnishings, to complement sections of privately funded new construction. Ensure street enhancements and element selections are coordinated with the most recent street or transit recommendations. Provide the opportunity for donors to provide street benches, tables or a pedestrian lampposts with their name listed on a donor plate.

UD.3 Work with RTD to identify safety improvements such as a railing, or other solutions, where light rail directly abuts the sidewalk.

UD.4 Request an evaluation of how the existing RTD parking lots are being utilized, how this compares with the intent of the parking lots and jointly review (RTD and the FPBD) the need to maintain a portion or any of the existing public off-street parking. Review parking use, intent and approach with corridor stakeholders before or along with the evaluation of future transit oriented development (TOD) planning for RTD parcels at 29th and 26th. Weigh the contribution of TOD to further the community vision with the intent and use of current public parking.

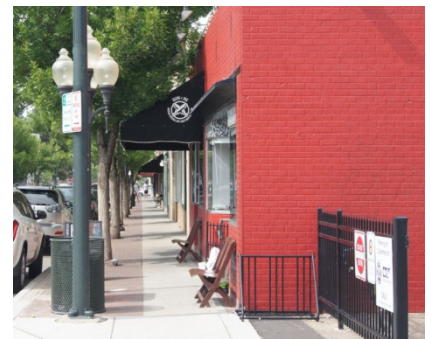
UD.5 Pursue funding for district identity, way-finding signage, and public art that is consistent with the branding and marketing program.

UD.6 Expand the maintenance district or create a general or business improvement district to maintain street trees, pedestrian lights, special light brackets, banners, and other street and pedestrian amenities.

PHASE 2: Grow Demand (years 5-10)

UD.7 Prepare a streetscape plan for all subareas of the Welton corridor and pursue sources of funding for priority improvements: street trees, benches, pedestrian lighting, bulbouts, intersection art to slow traffic, crosswalk clarity, signage for pedestrian crossing, wayfinding/identity signage and banners (see urban design above).

UD.8 Parking is currently abundant within the Five Points Business District and is likely to continue to be adequate through phase 1. In the core of the district, 24th to 30th, there is metered on-street parking. Review the status of off-street and on-street parking. Zoning requires parking for new construction with maximum and minimum ratios determined by use type to balance what the development market will want to build with transit accessibility within the district. However as more businesses come to the district, shared parking



Source: Scott Ezzell

opportunities may emerge and time-limited parking zones may be needed to keep spaces available for shoppers versus commuters and employees.

PHASE 3: Expand, Support & Sustain the District (years 9-25)

UD.9 Assess district needs for public, shared, or centralized employee parking. Consider the possibility of district leased parking or a parking structure in the core of the district constructed with a large project or in partnership with Denver Health parking. Work with the surrounding neighborhoods to identify locations where parking sits empty during the day and could support business and the district by providing employee parking.

ALL PHASES

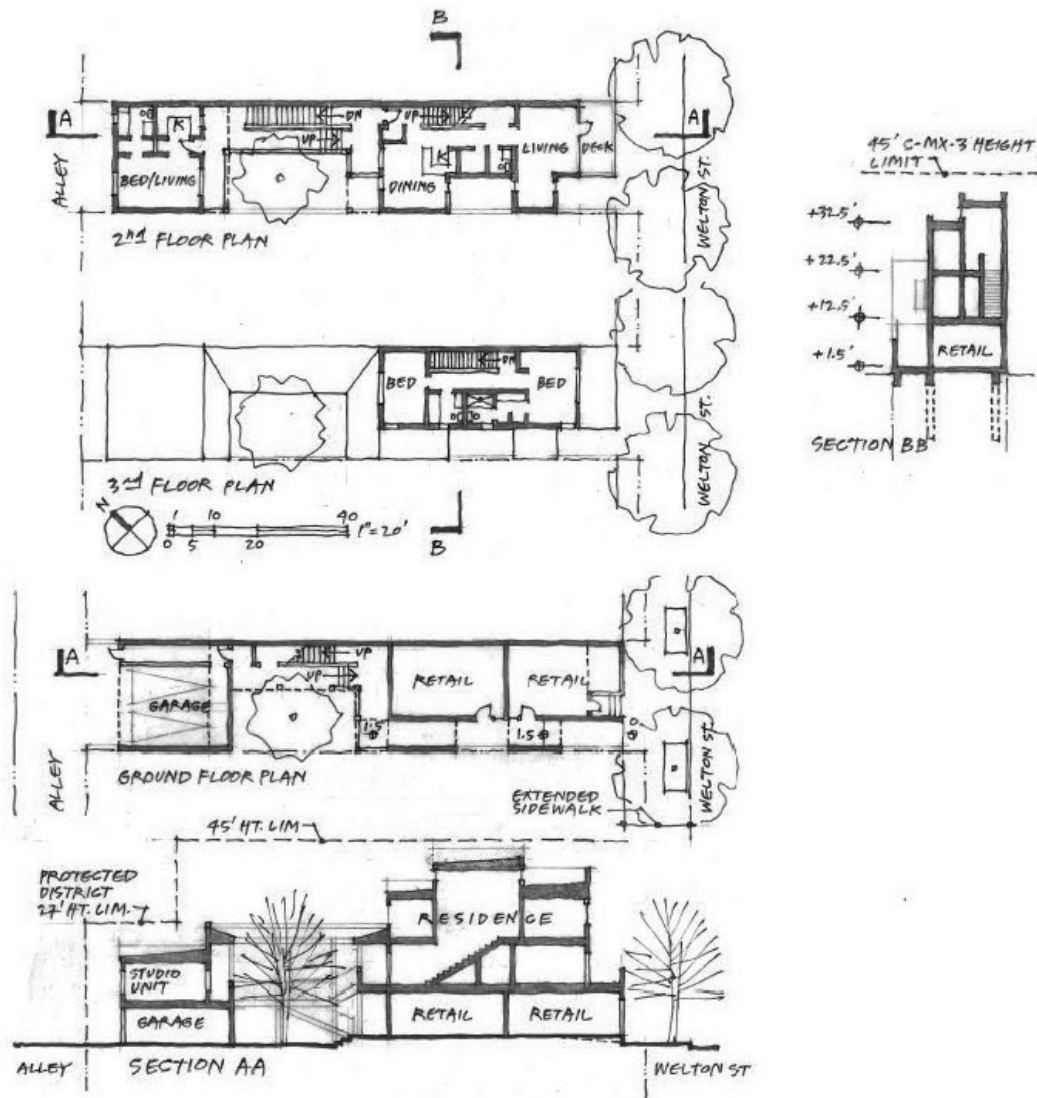
UD.1 Maintain quarterly community meetings to provide updates on city projects and or RTD projects. Consider adding links to the FPBD website to connect stakeholders to projects, zoning updates or studies impacting the district.

ZONING: Site Studies

Through the course of this study, many property owners wanted to better understand zoning and what could be developed on their site. Others wanted to see what type of projects could be developed on vacant sites. The chart below shows the types of sites that were studied. The site options included mixed-use projects and/or explored uses identified in the land use framework. In all cases, the zoning was optimized. In many situations, site size limited buildings to heights far below the maximum zoning height. Structured parking was only utilized where the size of the property could accommodate the development height and density necessary to cover the much higher construction costs.

The studies included small and large sites across zone districts. Building form, site coverage and build-out potential were studied. Details such as parking lot landscaping and bicycle parking were not included. Each site study includes a ground floor concept plan, a typical upper floor concept plan, a section across the project and a summary of the project area by use and the parking requirements and provisions. No attempt was made to design works of architecture. The studies show standard building types applied to typical lot sizes under the zone districts found along Welton Street. Four site studies follow in this section, and 13 are included in Appendix A.

Lot Size	C-MX-3	C-MX-5	C-MX-8	C-MX-12	D-AS	Stories	Options Studied
25 x 125 Mid Block						3	Res over Retail
75 x 125 Corner						4	Res over Retail
75 x 125 Corner						3	Residential
100 x 125 Corner						4	Res over Retail
100 x 125 Corner						3	Residential
100 x 125 Mid Block							
150 x 125 Corner						5	Res over Retail
50 x 125 Corner						3	Residential
150 x 125 Mid Block						5	Res over Retail
150 x 125 Mid Block						3	Residential
200 x 125 Corner						7	Office over Retail
200 x 125 Corner						8	Res over Retail
200 x 125 Corner						12	Res over Retail
200 x 125 Corner						12	Res over Retail
350 x 125 Corner						4	Office over Retail
350 x 125 Corner						8	Res over Retail
350 x 125 Corner						1	Retail
400 x 125						8	Res over Retail



Zoning Site Study 1 - Lot size 25' wide x 125' deep

Zone: C-MX-3 or 5

Mixed-Use

SITE: 25' wide x 125' deep

Lot Area (apprx.): 3,125 SF

PROGRAM

Residential:

2 Units: 1,2 Bed Unit = 1800 GSF +/-

1, Studio Unit = 400 GSF +/-

Retail/ Commercial = 950 GSF +/-

PARKING

Residential required = 2 x 0.75/DU: 1.5 Spaces

Retail/Commercial: if less than 3500 SF for Eating and

Drinking = 0 Spaces, if under 5000 SF Retail = 0 Spaces

Total Required = 1.5 Spaces rounded up to 2

Total Provided = 2 Spaces

Total Development = 3150 GSF (not including garage or exterior stairs)

FAR = 1.0

Note 1: Ground floor is elevated 2 feet above the flow line to avoid flooding issues, requiring ramps for ADA accessibility and steps either within the building or exterior to the building.

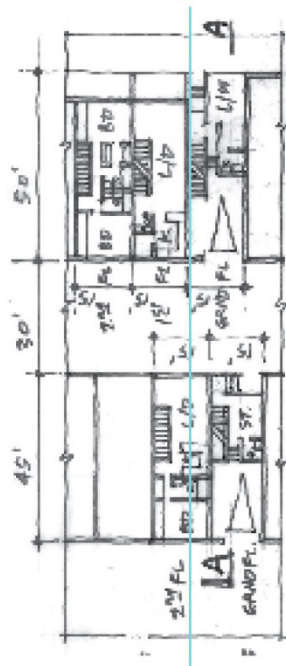
Note 2: Flat roof sloped to drain to alley is chosen to keep drainage off adjoining property.

Note 3: Units are sprinkled to allow some unprotected doors and windows within 5' to 10' of property line.

Note 4: Exterior walls built to side property lines to maximize development width. To avoid shoring of adjoining property, no basements are provided, and foundations are possibly cantilevered or supported on piers.

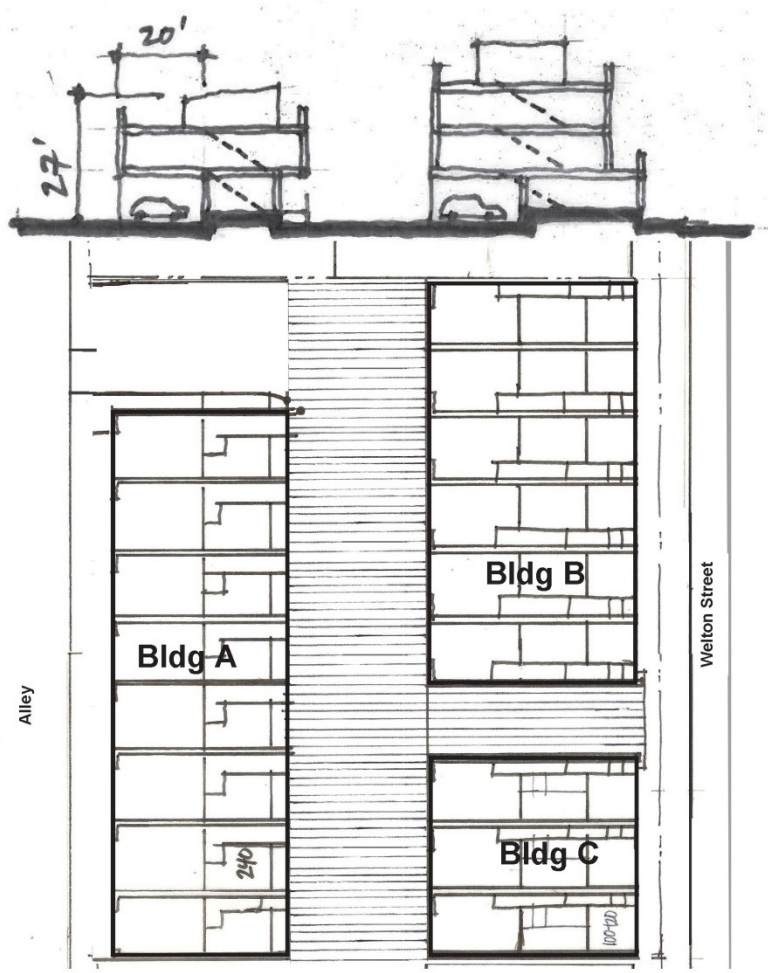
Note 5: 'General' building form used in zoning determinations.

Conceptual form, development yield and site plan created to study development possibilities under Denver's new zoning code. Not for architectural and/or construction use. Not all sites will have the same requirements as the site study illustrated above (i.e. the protected district setback). Check your site to identify all applicable zoning requirements.



EXAMPLE OF UNIT LAYOUTS,
ALL FLOORS SHOWN

SECTION A



GROUND FLOOR PLAN

Zoning Site Study 4a - Lot size 150' wide x 125' deep
Zone: C-MX-3 and C-MX-5 (pending C-MX-5 legislative rezone)
 Residential (urban townhome/live-work)

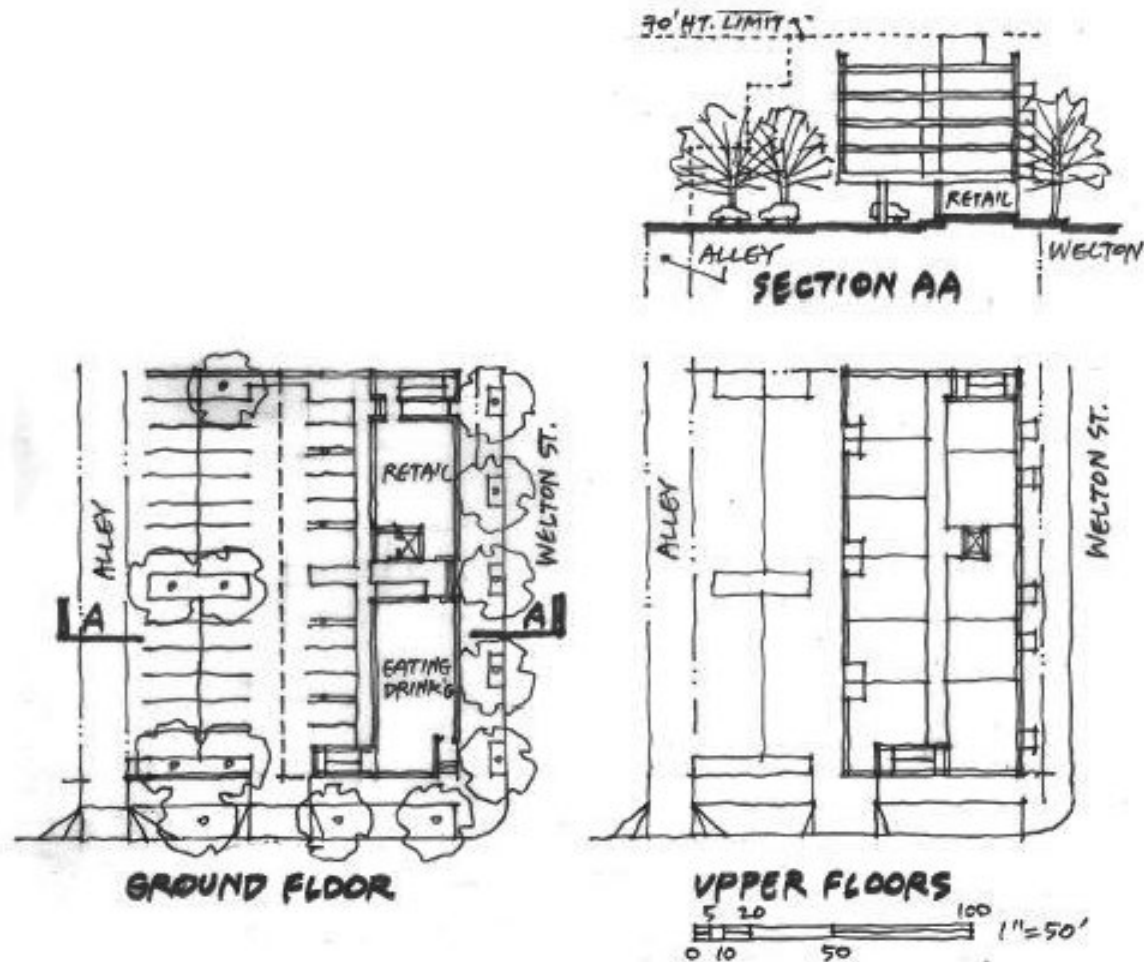
SITE: 150' wide x 125' deep
 Lot Area (apprx.): 18,750 SF

PROGRAM
 Residential:
 Bldg A: 8 units: 1BD/studio - 800 SF
 Bldg B: 6 units: 2BD/LW: 1450 SF
 Bldg C: 3 units: 2BD/LW: 1450 SF
 Total Units: 17 townhomes with live-work space (120 SF)

PARKING
 Residential/LW : 17 @.75/DU = 13 spaces
 Required = 13 spaces
 Provided = 17 spaces

Note 1 : Ground floor is elevated 2 feet above the flow line to avoid flooding issues, requiring ramps for ADA accessibility and steps either within the building or exterior to the building.
 Note 2: Rooftop deck desirable particularly for alley units but difficult on alley side because of protected district setbacks.

Conceptual form, development yield and site plan created to study development possibilities under Denver's new zoning code. Not for architectural and/or construction use. Not all sites will have the same requirements as the site study illustrated above (i.e. the protected district setback). Check your site to identify all applicable zoning requirements.



Zoning Site Study 4b- Lot size 150' wide x 125' deep
Zone: C-MX-3 and C-MX-5 (pending C-MX-5 legislative rezone)
 Mixed-Use (residential over retail)

SITE: 150' wide x 125' deep
 Lot Area (apprx.): 18,750 SF

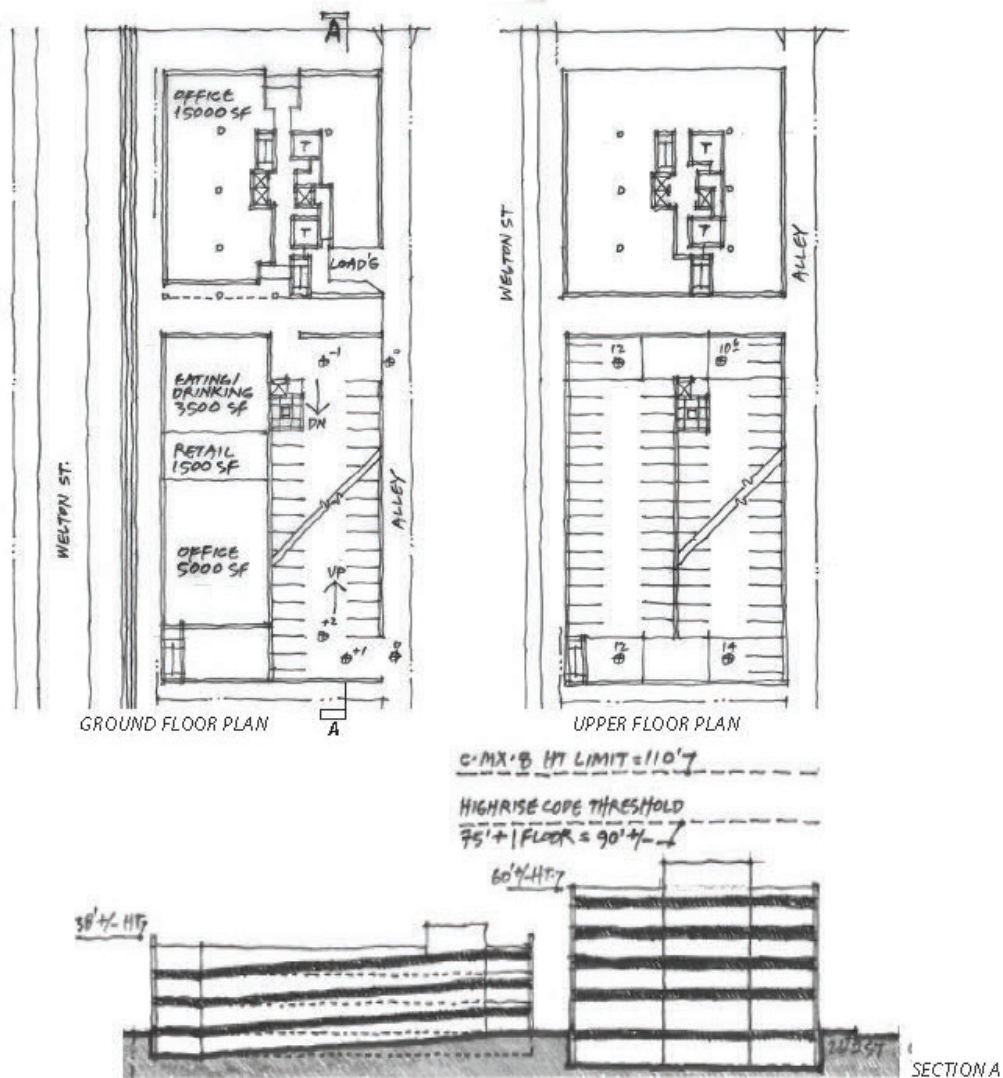
PROGRAM
 Retail/Restaurant (street level):
 1750 SF +/- Eating/Drinking
 1320 SF +/- Retail
 Total = 3070 +/- SF Retail/Restaurant

Residential:
 44 Units: 1 BD @ 790 SF +/- aver

Note: Ground floor is elevated 2 feet above the flow line to avoid flooding issues, requiring ramps for ADA accessibility and steps either within the building or exterior to the building.

PARKING: for each building that has 10,000 or less retail/restaurant, a total of 5000 SF of these uses can have no parking requirements. However, only 3500 SF of restaurant uses can have no parking.
PARKING Required:
 Residential = @0.75/DU; 44 x 0.75 = 33 Spaces
 Restaurant if less than 3500 SF=0 sp
 Retail if less than 5000 SF=0 sp
 Total Required = 33 Spaces
 Total Provided = 39 +/- Spaces

Conceptual form, development yield and site plan created to study development possibilities under Denver's new zoning code. Not for architectural and/or construction use. Not all sites will have the same requirements as the site study illustrated above (i.e. the protected district setback). Check your site to identify all applicable zoning requirements.



Zoning Site Study 6 - Parcel size 350' wide x 125' deep Zone: C-MX-8

Mixed-Use (office building with parking garage/retail)

SITE: 350' wide x 125' deep
Lot Area (apprx.): 43,750

PROGRAM
Office Building: 60,000 SF (15,000 SF Floor Plate x 4)

Parking Garage:
Retail/Restaurant/Office (street level)
3,500 SF Restaurant
1,500 SF Retail
5,000 SF Office
Totals: 65,000 SF Office/3,500 SF Restaurant/
1,500 SF Retail

PARKING
Required:
Office: 65,000 SF @ 1.25/1,000 = 82 Spaces
Restaurant if < 3,500 SF & Retail if < 5,000 SF = 0 required
Total Required = 82 Spaces

Provided:
Garage: 4 levels @ 60 sp/level = 240 Spaces

Using typical unreduced standards
Retail/Restaurant: 25 sp = 5/1,000 SF
Office: 215 sp = 3.3/1,000 SF
Total: 240 Spaces

Note 1: Additional level in pkg. garage either increases Office pkg. ratio to 4.5/1,000 or adds another 15,000 SF to Office building.

Note 2: This scenario is likely to be long term, by which time it is assumed that the area's storm-water system deficiencies have been corrected by the city.

Conceptual form, development yield and site plan created to study development possibilities under Denver's new zoning code. Not for architectural and/or construction use. Not all sites will have the same requirements as the site study illustrated above (i.e. the protected district setback). Check your site to identify all applicable zoning requirements.

V. Public Utilities & Infrastructure

Sanitary Sewer System

The Five Points Business District is served by City and County of Denver wastewater infrastructure. Wilson & Company applied the base data gathered from the City and County of Denver's GIS data, a meeting with City and County of Denver Wastewater Division personnel, and the "Sanitary Sewer Master Plan" document prepared in October 2009 by Matrix Design Group to identify existing sanitary sewer line capacity constraints for the future developments potential for the Five Points Business District.

The City and County of Denver provided Wilson & Company with meter flow measurements for five various sanitary sewer manholes across the Five Points Business District (see appendix E for existing sanitary sewer flow measurements). Using these metered flow measurements, Wilson & Company was able to break the potential development sites into seven (7) separate areas to be analyzed for sanitary sewer capacities based on how the City and County of Denver's sanitary sewer system is laid out.

- Extra Southwest Area (no existing sanitary sewer manhole measurement to compare with)
 - Map ID Numbers 1, 2, and 3
- Manhole Number 13672 – Point A
 - Map ID Numbers 4, 5, 6, and 8
- Manhole Number 12176 – Point B
 - Map ID Numbers 7 and "No Impact Redevelopment"
- Manhole Number 12555 – Point C
 - Map ID Numbers 9, 10, 11, and 12
- Manhole Number 11458 – Point D
 - Map ID Numbers 13, 17, 18, and 19
- Manhole Number 11621 – Point E
 - Map ID Numbers 14, 15, 16, and 20
- Extra Northeast Area (no existing sanitary sewer manhole measurement to compare with)
 - Map ID Numbers 21 and 22

Based upon the proposed uses for the various potential development properties, sanitary flow calculations were analyzed across the site for both early to midterm potential developments and mid to long term potential developments (see appendix E for potential development sanitary sewer calculations). This allowed for Wilson & Company to analyze the existing sewer capacities for any potential problems for the earlier proposed developments, as well as the later potential development sites.

The potential development sanitary sewer calculations were then compared to the remaining existing sanitary sewer capacities to determine if there was any near term or long term capacity issues with the existing sanitary sewer system.

Early to midterm proposed developments in the district would not create capacity issues with the existing sanitary sewer system. Even mid to long term potential development (based on zoning) does not create capacity issues for the majority of the district. However, there is one area where a capacity issue could be triggered, “Manhole Number 12555 – Point C” area (see sanitary sewer map). At this location, mid to long term potential developments could create a condition of the existing sanitary sewer system to be over capacity by approximately 0.46 cfs. This problem could be alleviated by replacing the existing 8” sanitary sewer with a 10” sanitary sewer (see sanitary sewer map). The timing of capacity issues at this location are specifically tied to new project demand and the density of new projects that feed into the specific sewer line. Full build out potential was used for this study, but may not prove to be the reality. If full build out did occur, the capacity problem would be identified during project review and the project approval would be contingent on the sewer upgrade. Upgrade costs would be the responsibility of the proposed project triggering the capacity issue.

Water Distribution System

The Five Points Business District is served by Denver Water infrastructure. Wilson & Company applied the base data gathered from Denver Water’s GIS data and a meeting with Denver Water personnel to identify existing water main capacity constraints for the future developments potential for the Five Points Business District.

According to the Denver Water Department, a new 12” water main was installed in 1993 along the northwest portion of Welton Street from 20th Street to Downing Street at an approximate depth between 4.5 and 5.5 feet. **The Denver Water Department believes that this water main would adequately serve all potential early to midterm and mid to long term developments.** Measurements of existing flow and pressures for the Five Points Business District were provided by the Denver Water Department.

- 22nd and Welton – NW Fire Hydrant (No. 656)
 - Static Pressure = 65 psi
 - Residual Pressure = 41 psi
 - Flow = 3,479 gpm
- 25th and Welton – NE Fire Hydrant (No. 1327)
 - Static Pressure = 67 psi
 - Residual Pressure = 55 psi
 - Flow = 4,028 gpm
- 29th and Welton – NE Fire Hydrant (No. 974)
 - Static Pressure = 69 psi
 - Residual Pressure = 56 psi
 - Flow = 4,062 gpm

The Denver Water Department has identified two areas located within the Five Points Business District where there are currently issues with their water mains (see water map). These two items are to be discussed and negotiated with the Denver Water Department at a future date, prior to construction around the two

areas, to determine the total compensation by the Denver Water Department. The first issue is located at the intersection of 22nd Street and Welton Street where they have a dead end fire hydrant lateral. When construction occurs in this area, Denver Water hopes that they would be able to coordinate the removal of the existing dead end fire hydrant lateral, reconnecting the existing fire hydrant directly to the new 12" main along the northwest portion of Welton Street. The second issue is located at the intersection of 26th Street and Welton Street where again they have a dead end fire hydrant lateral. Denver Water would want to coordinate, when construction occurs in the area, the extension of the existing dead end fire hydrant lateral so the loop is completed by connecting directly to the new 12" main along the northwest portion of Welton Street.

Finally, Wilson & Company looked at the potential development areas for proximity to adjacent water mains to make sure every property was able to have adequate water service, and all potential development areas had immediate access to a water main in the adjacent roadways. Once this access was confirmed, Wilson & Company then looked at which potential development locations along the southeast (SE) side of Welton Street that would not have immediate access to a water main except for the new 12" main along the northwest portion of Welton Street. **This water main is located on the other side of the existing light rail tracks and stations, therefore potential developments on the SE side of the street on mid-block properties (corner properties often have access to water mains in side streets would have to bore under the existing light rail tracks and stations).**

The cost of creating a new water line for domestic water supply and fire service costs approximately \$40/linear foot. The cost to bore under light rail will increase this cost to approximately \$120/linear foot. Although the cost of boring is three times the normal cost, it is important to keep in mind that water construction averages .5% of the total construction budget. The need to bore, will increase the water construction cost to an approximate average of 1% of the construction budget for new development. The potential developments that would require the water services to be bored under the existing light rail tracks and stations are: Map #'s 1, 6, 10, 11, 12, 15 and 16 (See Water System Map #'s 11 and 12 could potentially be removed from this list should Denver Water follow through with the coordination of their second issue mentioned in the paragraph above). **This would also occur for any potential developments where renovation of the site would result in a water demand greater than the existing water service could provide for that site.**

Storm Sewer System

The Five Points Business District is served by City and County of Denver stormwater infrastructure. Wilson & Company applied the base data gathered from the City and County of Denver's GIS data, a meeting with City and County of Denver Stormwater Division personnel, and the "Storm Sewer Master Plan" document revised in June 2010 by Matrix Design Group to identify existing storm sewer line capacity constraints for the future development potential for the Five Points Business District.

The majority of the Five Points Business District is within the 36th and Downing (0062-01) drainage basin of the above mentioned CCD Storm Sewer Master Plan, with a small portion at the southwestern most portion of the corridor being within the Central Business District (4600-01) drainage basin. Based upon the CCD Storm Sewer Master Plan documents, **the storm sewer within the Five Points Business District conveys less than the 1-year storm within the existing storm sewer system.** Approximately 94 percent of all Denver rainfall events produce a precipitation depth less than 0.95 inches, that is roughly equal to the 2-year storm event, and is why an unusually smaller storm produces localized flooding along the Welton corridor.

The CCD Storm Sewer Master Plan has also identified that this area needs a 96" storm sewer outfall installed in the future to relieve the localized flooding throughout the drainage basin. The addition of this storm sewer outfall is currently planned by the City and County of Denver, but unfortunately this infrastructure improvement is not currently on the five year Capital Improvements Plan (CIP), and therefore is not funded in the near future and flooding within this drainage basin will continue to occur. The total storm sewer construction estimate for this infrastructure improvement is approximately \$13 million, with the portion of the system that occurs between the intersection at Blake Street and 27th Street to the intersection at Welton Street and 27th Street to be estimated at between approximately \$5 million and \$7 million for construction.

Since the above mentioned improvements will not occur in the near future, it is key for property owners and the potential developers to understand the likely requirements related to the Finish Floor Elevation (FFE) for individual buildings (new construction only). The establishment of a hydrology and hydraulic study is required to meet the City guidelines for the formal site plan approval for all new development in the City and County. Due to the large amount of stormwater runoff that passes through the Five Points Business District corridor, a raised Finish Floor Elevation (the level of the ground floor) will be required by the City and County of Denver Public Works during the site plan and building review process. The required finish floor elevation may be determined in one of two ways: 1) an owner or developer provides a finish floor elevation study, prepared by a Civil Engineer, for the specific parcel and submits the study with the site plan and ground floor drawings; or 2) the City's default finished floor elevation must be applied. The current default requirement for Welton Street is a ground floor finished elevation 24 inches above the flow line of the adjacent street at the main entry, or 18 inches above the sidewalk. An elevated ground floor, means all entrances along the sidewalk will be at an elevation different from the

sidewalk and will require ramps or need steps to provide adequate building access.

This situation will impact all new construction projects in four ways:

- the site plan will need to accommodate room for steps and a ramp to each building entrance (American with Disabilities Act),
- the property will need to be big enough for the step and ramp space not to impact required space for parking or the net leasable area,
- the 'walk out' potential for outdoor eating space is eliminated as any outdoor space will need to be raised consistent with the main floor or lowered to be consistent with the sidewalk, and
- the blocks with several new development projects will have a variety of ramps and steps along building fronts and the sidewalk.

Finished floor elevations requirements are typical though out the city; but particularly where infill development is occurring in areas where the geographic location or the stormwater infrastructure, or both, put projects at risk for flooding. It is likely that finished floor elevation requirements would not drop to zero even with the stormwater drainage improvements because those improvements will only accommodate the 20 year flood. Other measures will be necessary to protect against the 100 and 200 year floods. A 6-12" finished floor elevation reduces the need for several steps and if a property is wide enough can be accommodated much easier than 24" and with less impact on the pedestrian environment.

On Site Detention

Detention, for all new developments is required for projects that are greater than 0.5 acres. This includes providing water quality that meets the MS-4 State permit, as highlighted within the rules and regulations of the City and County of Denver. Providing detention and water quality on a high density urban project, is sometimes difficult, but can be designed in several different applications, depending on the layout and final site plan for the project. Underground detention, in a concrete vault with or without mechanical discharge, is one option predominantly used in an urban environment. Other more green options, is the use or porous landscape detention, surface detention within the parking lot, roof top detention all in combination with infiltration or sand filtration to provide water quality. A rule of thumb, is that you'll approximately need 8500 cubic feet of storage for a fully developed, 1.0 acre site.

PUBLIC UTILITIES: Revitalization Actions

Phase 1: Establishing the Destination

PU.1 Advocate for stormwater funding of the City and County of Denver's Stormwater Master Plan to prevent flooding and alleviate varied finished floor elevations that disrupt sidewalk continuity and indoor/outdoor retail space.

PU.2 Promote the benefits of property consolidation: increase in development potential, infrastructure costs per finished square feet are reduced, potential reduction in the cost to access a water main and more linear feet to meet the finished floor elevation requirements.

PU.3 Utilize architectural expertise in Five Points to study good solutions to finished floor elevation requirements. Share this information with property owners and developers.

PHASE 2: Grow Demand (years 5-10)

PU.4 One area was identified to have potential sewer capacity issues. Meet with Public Works to evaluate the capacity in this vicinity as development in that area occurs.

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SWITCH OUT WITH 4 DOUBLE SIDED GRAPHICS

VI. Market Demand

This section describes the existing housing and commercial characteristics along with current real estate and land values. Market potential is quantified to illustrate how the district can begin to attract the mix of uses in the community vision plan and increase market competitiveness. The phases of the revitalization strategy are used to illustrate growth potential by use and to identify what will help the district move from attracting a greater share of the current market to a destination that creates additional demand opportunities. Lessons learned from case studies of neighborhood commercial districts inform recommendations and the market demand critical actions.

WHY A THREE PHASED REVITALIZATION STRATEGY?

There are three stages to neighborhood commercial revitalization that apply to the Welton Corridor. These stages can be described as follows:

- **Phase 1 (years 1-6) - Establish the Destination** from a market perspective means understanding current and near term market potentials in order to most realistically begin the redevelopment process and target the uses and projects that will complement current business offerings. This is where the Welton Corridor is currently.
- **Phase 2 (years 5-10) - Build and Grow Demand** is where the Welton Corridor is heading, but is the period of growth where a broader range of retail, restaurants, restaurants and new residential projects together begin to increase activity and the demand for services.
- **Phase 3 (years 9-25 - Expand, Support and Sustain Demand** is “maturity”, although it does not mean becoming complacent. Competitive and changing markets require constant vigilance complemented by the constant need to expand, maintain and support business and activities that continue to draw people to the district.

Phase 1: Establishing the Destination

Existing Housing Characteristics

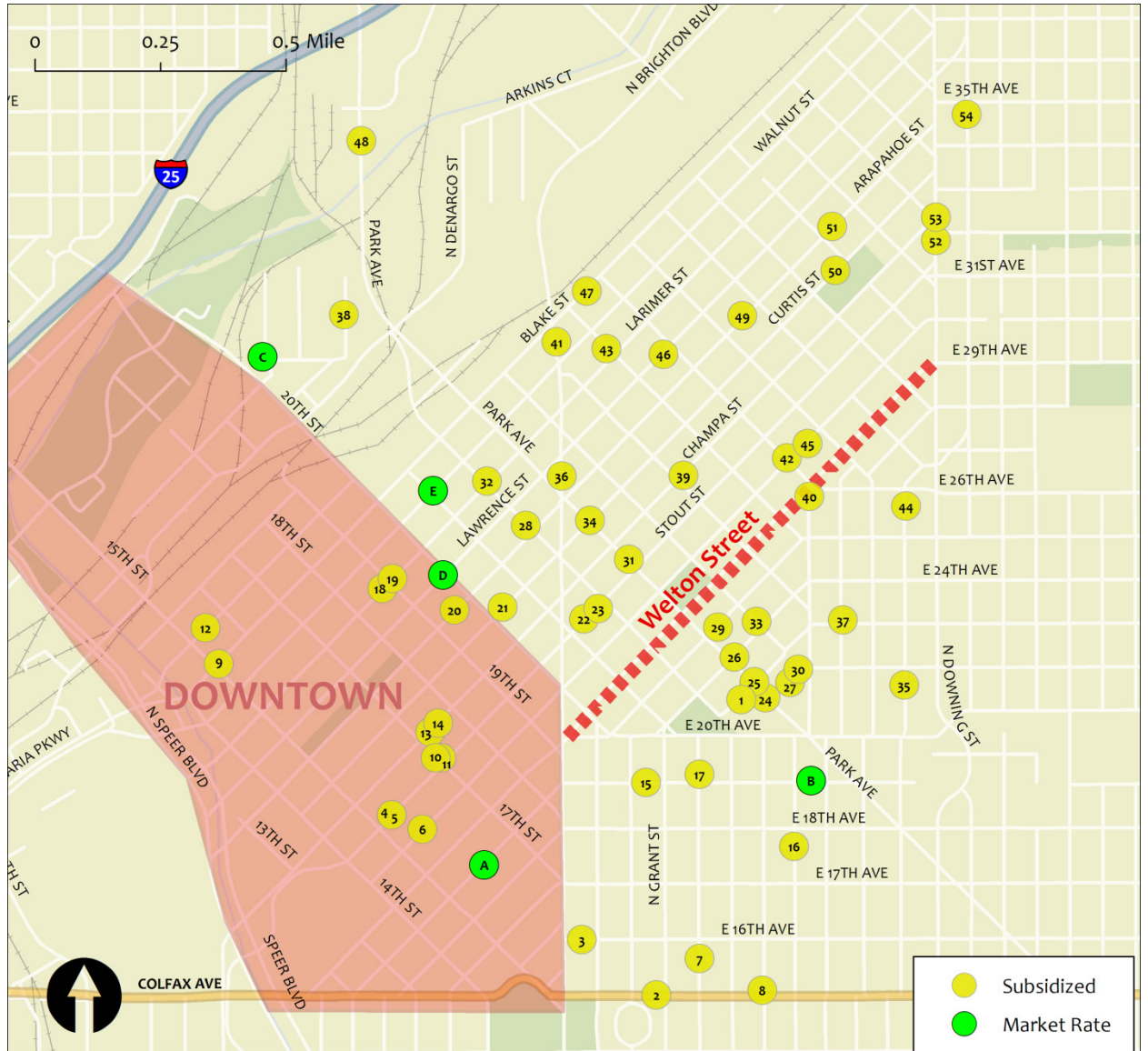
The immediate area has seen the influx of for-sale townhomes interspersed with the historic structures. Additionally, the Ballpark neighborhood has seen large-scale multifamily redevelopment as has the Park Avenue corridor.

- **Redevelopment** – In the Ballpark neighborhood the majority of structures are relatively new – between 8 and 12 years old, according to the US Census. Comparatively, the majority of structures in the Welton area are older – built prior to 1939 – reflecting less redevelopment. There has been very little redevelopment in the Downing area.

- **New Residents** – Reflecting the influx of new people, residents throughout the area tend to be newer with most of them moving in after 2005.

During the project process (2012), the apartment market was especially active as a result of the “Great Recession” which severely impacted the for-sale market. Demographic shifts also played a role in the demand for apartment units close to the downtown area. The following figure shows select residential rental projects in the Welton Corridor area.

Select Residential Rental Units in the Welton Street Area



Source: ArLand, Apartment Appraisers and Consultants, CHFA

ID	Name	Total Units	ID	Name	Total Units
1	Benedict Park Place III	50	31	Park Avenue West Residences	122
2	Argonaut and El Tovar Apartments	109	32	Burlington Hotel Apartments	38
3	Renaissance at Civic Center	216	33	Sunnyside Apartments I and II	19
4	A.T. Lewis Building	51	34	Cornerstone Residences	51
5	Rio Grande	69	35	San Rafael	3
6	Denver Dry Goods	51	36	Broadway Plaza Lofts	223
7	Hilltop Apartments	77	37	Carolton Arms	22
8	Renaissance Uptown Lofts	98	38	Diamond at Prospect	140
9	Stuedebaker Building	33	39	Avery Apartments	23
10	Boston Lofts	158	40	Point Apartments	35
11	Bank Lofts The	117	41	Clocktower Lofts	37
12	Mercantile Square	94	42	Martin Luther King I and II	18
13	Chamber Building	39	43	Brunetti Lofts	23
14	Buerger Brothers Lofts	31	44	New Points Apartments	22
15	Drehmoor Apartments	75	45	California Park East	69
16	Twin Gables	6	46	Arapahoe Co-op	44
17	Beldame Apartments	28	47	Blake Street Apartments	94
18	Sunset Park Apartments	242	48	Renaissance Riverfront Lofts	100
19	Sunset Towers Apartments	100	49	Villages at Curtis Park I	155
20	Halcyon House	197	50	Curtis Park Flats	9
21	2033 Curtis Street	15	51	Villages at Curtis Park II	125
22	Off Broadway Lofts	81	52	Fourth Quarter	36
23	Renaissance Stout Street Lofts	78	53	Downing Square	50
24	Park Avenue Redevelopment Block 1	89	54	Marion Street Apartments	2
25	Benedict Park Place IV	89	A	1600 Glenarm Place	333
26	Benedict Park Place II	91	B	AMLI Park Avenue	194
27	Thomas Bean Towers	189	C	Skye 2905 Urban flats	400
28	Paris Hotel	17	D	Solera	120
29	Villages at Curtis Park III	43	E	TwentyOne01 on Market	226
30	Benedict Park Place 1B	124		Total	5,390

The area has a real mix of subsidized and market rate units. Forty (40%) percent of the units listed are market rate while sixty (60%) percent are subsidized. The average size project is 90 units. Recently built projects have the following characteristics.

Mixed Income – the newest projects in the market area have been the units built at the Denver Housing Authority site along Park Avenue, Benedict Park Place. The project has been a successful mixed income project. Most of the market rate projects in the market area were built in the last six years.

Unit Mix – the majority of recently built units are 1 bedroom / 1 bath units followed by 2 bedroom / 2 bath units, in line with unit mixes (smaller number of bedrooms) typically seen in urban areas.

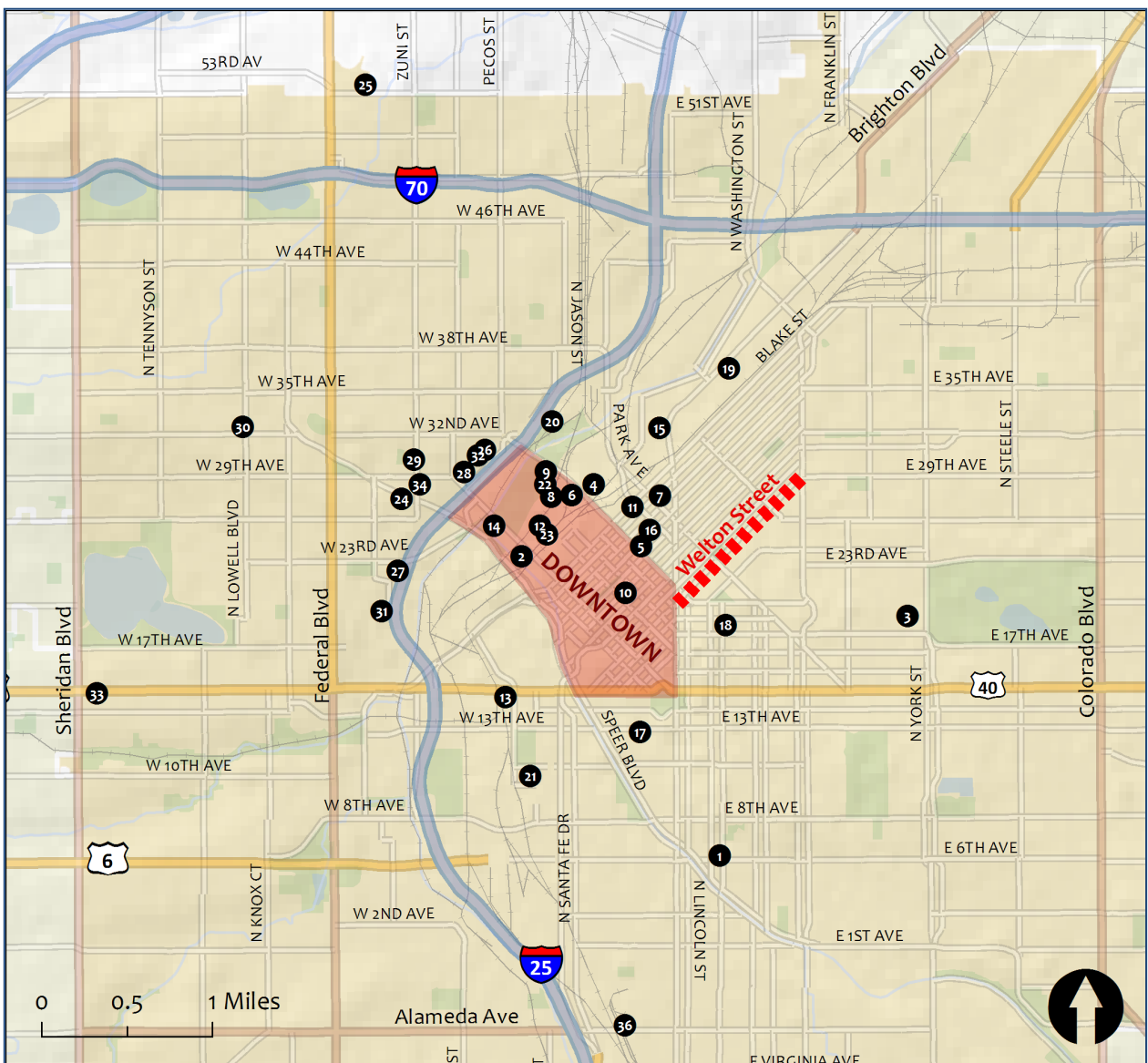
Rents – Rents average \$1.40 per square foot, although they range from less than \$1.00 per square foot up to \$1.70 per square foot (for market rate properties). Developers have reportedly been seeking rents in the \$2.00 per square foot range. A 1,000 square foot unit would rent for \$2,000 per month. Rents at Denver Housing Authority’s Benedict Park Place average \$1.20 per square foot.

Unit Sizes – Units are sized at an average of 840 square feet. 1 bedroom / 1 bath units average 510 square feet while 2 bedroom / 2 bath units are 1,127 square feet. There has been a recent trend of even smaller units in order to provide some measure of affordability.

Vacancies – at all properties are very low at less than 5%, reflecting current economic conditions which have seen low vacancies, increasing rental prices, and low for-sale inventory.

In response, the residential rental development market has seen a large number of rental projects being constructed, planned, and developed. This map, from 1st Quarter of 2012 shows the large number of projects in all stages of the construction, planning and development cycles.

Residential Rental Projects in the Development and Planning Pipeline, 1Q 2012



<u>Map #</u>	<u>Name</u>	<u>Total Units</u>	<u>Map #</u>	<u>Name</u>	<u>Total Units</u>
1	The Logan	57	19	RiNo Center	205
2	15th & Delgany	282	20	Rockmont	400
3	1899 Gaylord St.	61	21	South Lincoln Park Redevelopment *	457
4	2000 Delgany	164	22	The Manhattan Lofts	134
5	2020 Lawrence	231	23	Union Station Site-Holland	292
6	20th & Chestnut Place	312	24	2785 Speer	338
7	2300 Walnut Street	310	25	Aria Townhome Apts *	72
8	Alta City House	280	26	Boulder Street	73
9	AMLI at Riverfront	242	27	Element 47	265
10	Block 109	375	28	Highlands Bridge Lofts	130
11	Broadstone on Blake	165	29	Highlands Park	126
12	Cadence	220	30	Highlands Square	160
13	Colfax & Osage	288	31	Hotel VQ Site	338
14	Confluence Park	300	32	LoHi City View	100
15	Denargo Market	301	33	Renaissance West End Flats *	101
16	Legacy 2200	219	34	Skyline View	104
17	O2XYGEN	289	35	1050 S. Broadway	260
18	ONE City Block (RedPeak Uptown)	291	36	Alta Alameda Station	338
				TOTAL	8,280

Of note is the large number of units being planned in the lower downtown (LoDo) area, as well as the LoHi area (just west of I-25), and the relative lack of units being planned along the Welton Corridor, despite its proximity to downtown. While a significant number of units are under construction, it should be noted that not all units will be ultimately developed.

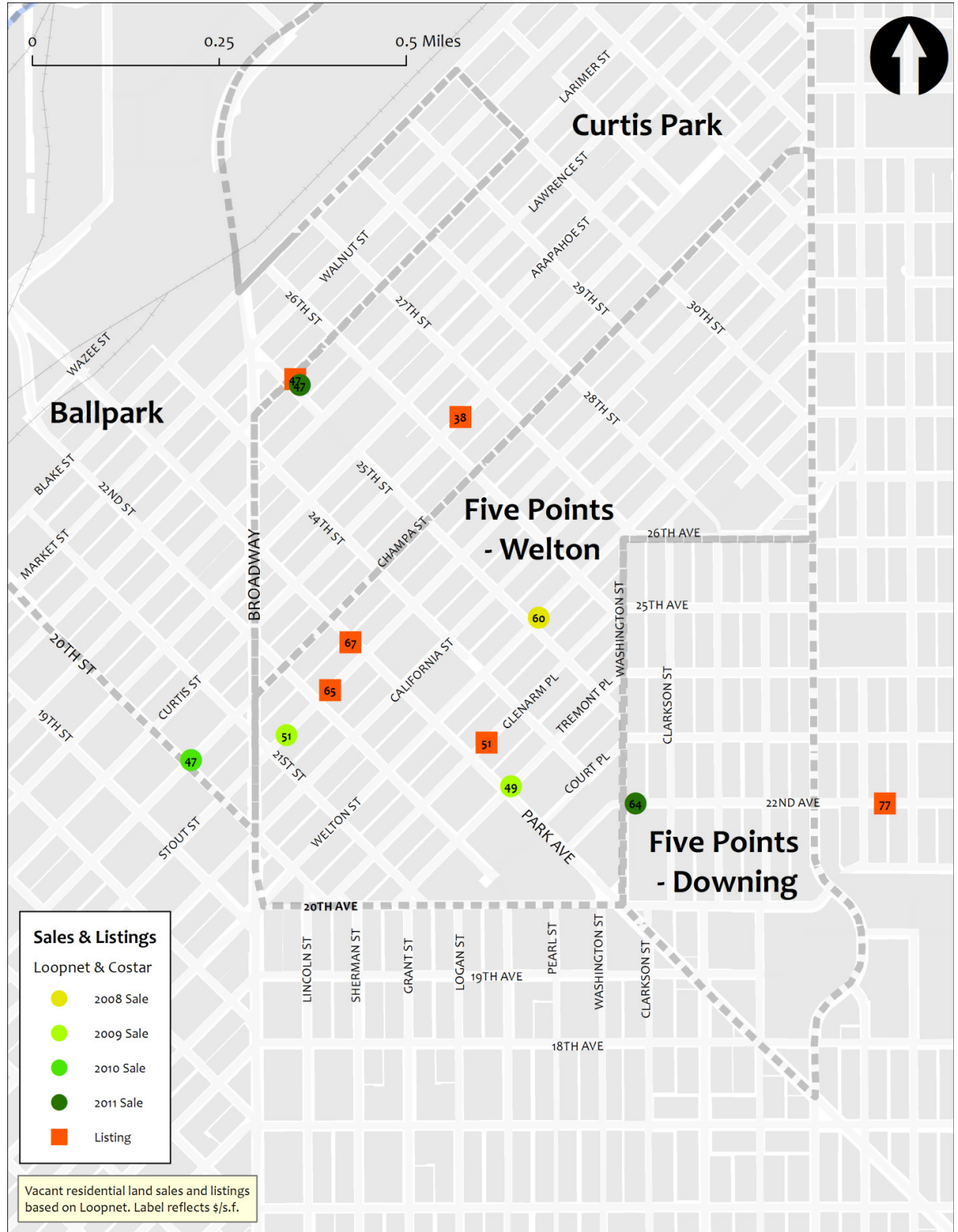
Land Values

The higher rental values in the larger market area has resulted in higher land values. The following map based on CoStar and Loopnet research depicts the dollar per square foot sales seen in the past few years. While the run up to the Great Recession may have skewed numbers somewhat, prices in the last five years appear to be in the \$50 per square foot to \$65 per square foot range. Listings researched in the 1st quarter of 2012 were in the \$50 to \$78 per square foot range. Anecdotally, residents are seeking prices in these land value ranges.

The high land values present challenges to redevelopment in the Welton Corridor, particularly since land values of \$50 per square foot for land require:

- Rents of \$1.60 to \$2.05 per square foot per month. A 800 square foot apartment would rent for \$1,280 to \$1,640 per month. Minimum income requirements would be \$50,000 to \$65,000 per year.
- Sales prices of \$260 to \$360 per square foot. A 1,000 square foot condo would be \$260,000 to \$360,000 with fairly significant down payment requirements.

Land Values, 1Q 2012



Source: Loopnet and CoStar research, ArLand

The numbers within the labels indicate the sales dollar per square foot price while the label color depicts the year the sale took place.

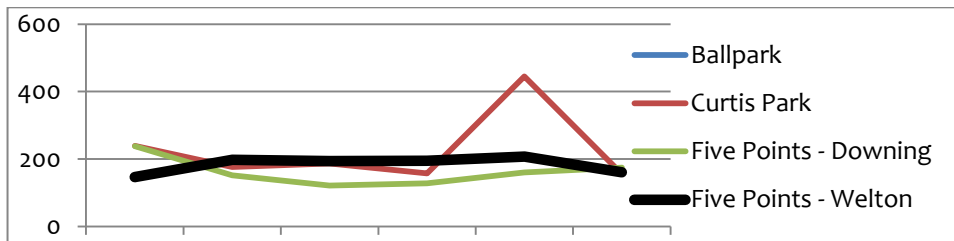
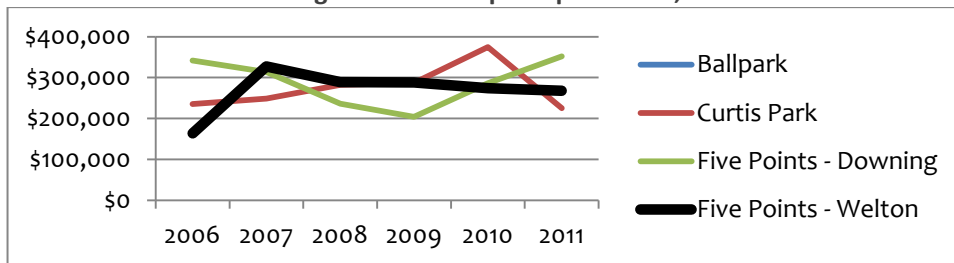
One of the primary challenges to redevelopment is the land values and related zoning. Although zoning is in place which allows up to 8 stories in some places, it is not attainable because the lot sizes are typically not large enough to allow a building to reach the heights suggested.

For Sale Projects:

While the immediate Welton Corridor area has seen recent town home development, the area surrounding the corridor is primarily single family.

- **Single Family Residential** – In 2007, single family home prices in Five Points were, on average, approximately \$325,000. Between 2008 and 2011, they were consistently below \$300,000. On an average price per square foot basis, which is a more consistent measure of home value, prices have hovered between \$150 to \$200 per square foot and despite the Great Recession, hovered around the \$200 per square foot range during the entire time period.

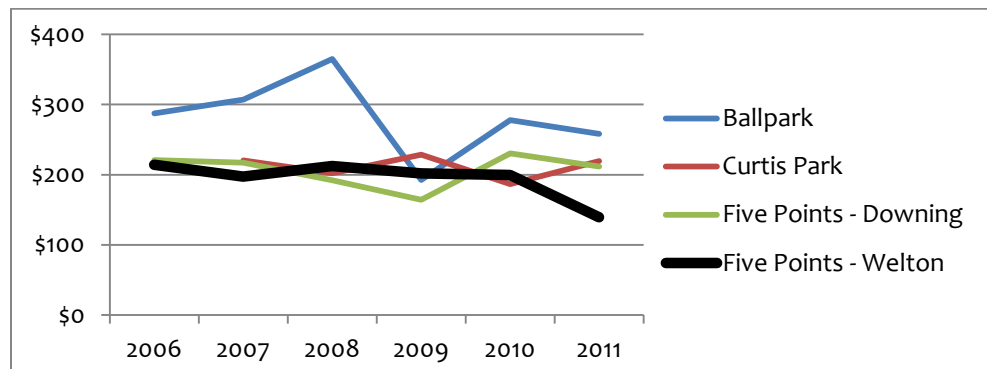
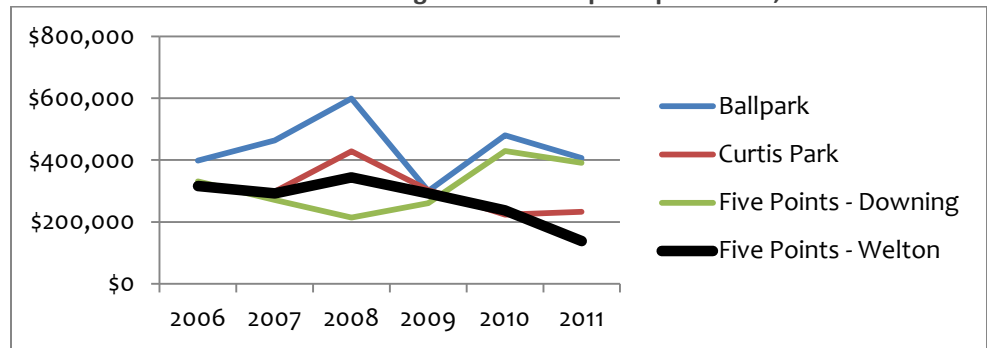
**Single Family Residential:
Total and Average Sales Prices per Square Foot, 2006-2011**



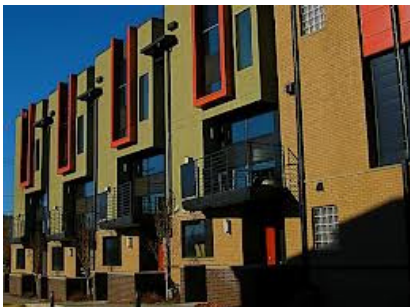
Source: Denver County Assessor’s Office, ArLand

- **Townhomes** – The average price for townhomes sold in the Five Points Welton corridor saw a dip and then increase between 2006 to 2008 from \$316,000 to \$344,000, but since then has seen a steady decline generally corresponding to the time period of the Great Recession. Average sales prices per square foot hovered around \$200 per square foot. In the Welton Corridor, townhome style development has been popular and has fit in well with the architectural character of the neighborhood.

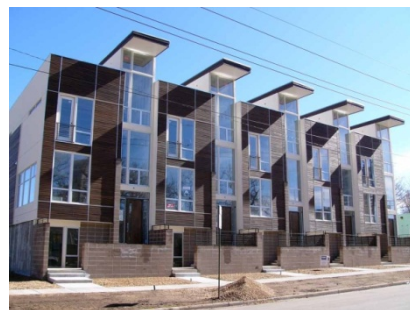
**Townhome Residential:
Total and Average Sales Prices per Square Foot, 2006-2011**



Source: Denver County Assessor's Office, ArLand

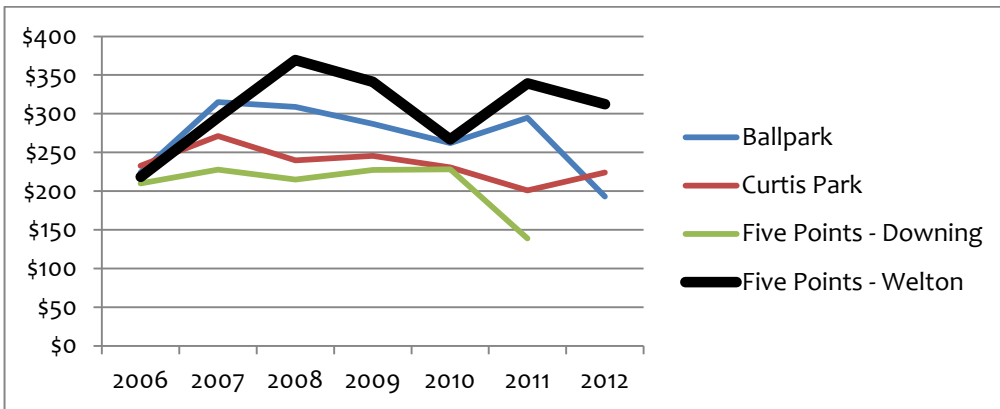
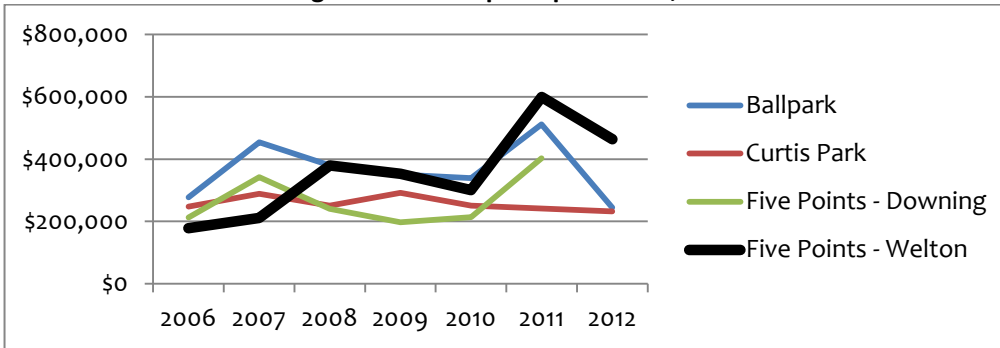


Condos – While condos appear to be the most successful market segment climbing to over \$600,000 with prices per square foot ranging from \$200 to \$350 per square foot, it should be noted that the high prices are skewed considerably by higher priced projects on Park Avenue which are included in the Five Points – Welton census tract area.



One of the primary challenges currently to condo development is the current state of construction defect litigation for this particular housing development type. Lawsuits, resulting settlements, and judgments have raised the cost of insurance and depressed condominium construction. There hasn't been an agreement on how to balance the effect of frivolous lawsuits with the need to protect consumers who have been the victims of shoddy construction.

**Condo Residential:
Total and Average Sales Prices per Square Foot, 2006-2011**



Source: Denver County Assessor's Office, ArLand

Existing Commercial Characteristics

The Vision Plan provided greater detail about the current inventory along the corridor. While there have been some changes, commercial revitalization remains a challenge.

- Retail- The corridor contains approximately 100,000 -125,000 square feet of existing retail space with the average size space at 3,000 square feet. Rents are estimated at \$12 -\$15 per square foot. Eating and drinking establishments (including bars / nightclubs) account for the largest concentration of retail. There are several barber shops / salons. The commercial area is anchored by Coffee at the Points and Five Points Plaza, which houses a branch of the Denver Motor Vehicles, and a number of other services.
- Based on the psychographic characteristics of the neighborhood and an analysis of demand and supply, there is current demand for grocery stores, convenience stores, general merchandise, health and personal care stores.
- Office – There is an estimated 74,000 square feet of office. Two banks, USBank and Wells Fargo are found along the corridor. Most of the space along the corridor is in small space configurations: 1,200 to 6,500 square feet, however, there are a couple of larger office spaces at 10,000 square feet and 30,000 square feet. There is anecdotal demand for small office demand serving neighborhood needs, as well as potentially creative business types, which have more of a need for “incubator” type space.

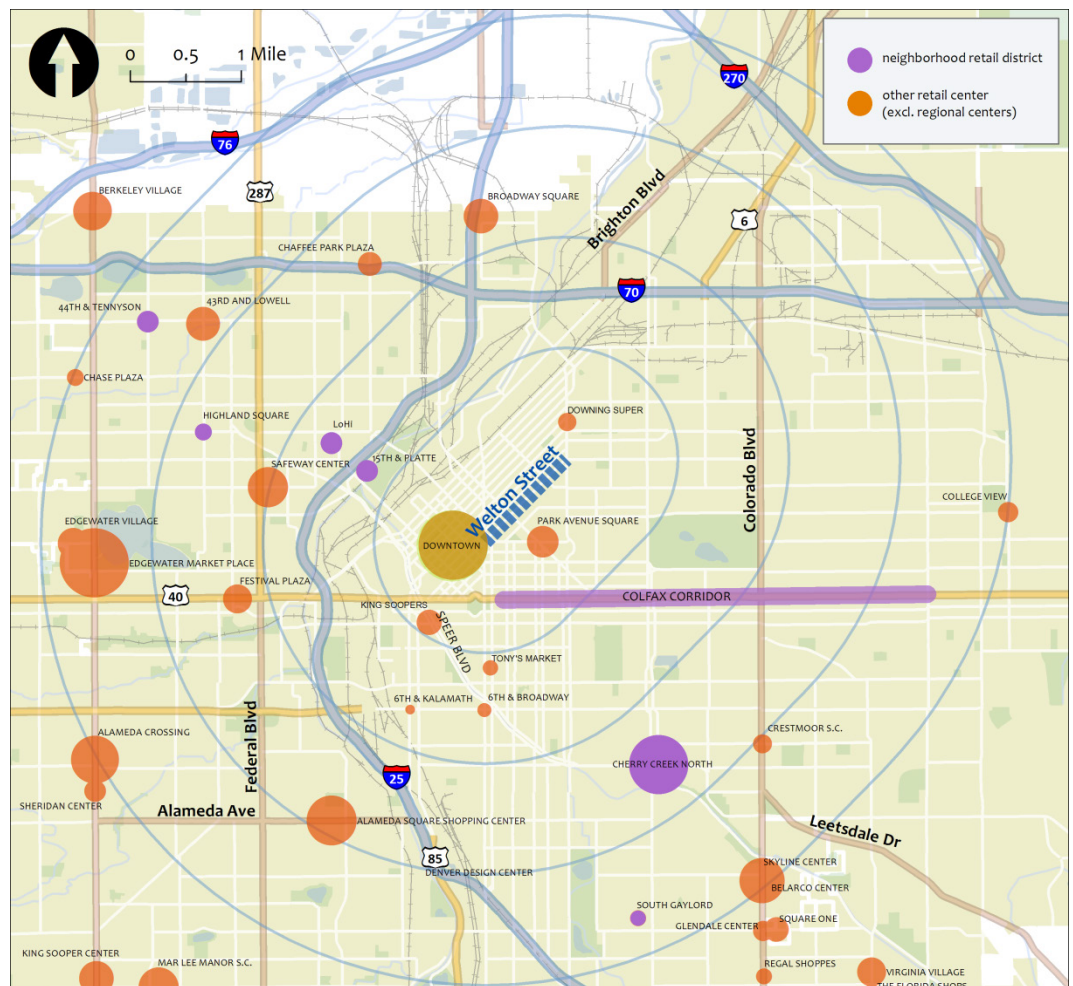


Phase 2: Build & Grow Demand

In the Vision Plan process, residents indicated that they wanted to attract new businesses and activities to the Welton Corridor including the following:

- More and different restaurants
- Better, neighborhood servicing shops
- Cleaner / safer environment
- Pedestrian friendly streetscape
- More arts / culture / jazz & entertainment
- Convenience shopping
- More / different special events
- More professional services
- Improved public transportation

The following figure depicts the major commercial areas in the Northeast Denver area.



Source: Arland

The areas in purple depict the neighborhood commercial districts. Downtown is its own regional commercial and entertainment destination. Colfax is in the process of revitalization. There is very little to the east of the Welton Street area, north of Colfax and Colorado Boulevard.

Neighborhood commercial corridors that were depicted in case studies and have seen successful changes in the last decade include:

- 15th and Platte
- Tennyson Street
- The 1800 block of South Pearl

Our case studies lessons learned demonstrate that:

- ***Housing is important to a commercial corridor*** – Both Tennyson Street and 15th and Platte have multi-family housing mixed into their commercial corridors.

Areas surrounding downtown have seen an increased interest in residential living and developers have responded by developing a significant number of apartment buildings, recently.

The psychographic characteristics of residents moving to and living in residential areas close to downtown are generally as follows:

Metro Renters (south of downtown)

- Young, educated, single
- Beginning their professional careers
- Median age is 34; 30% are in their 20s; 15% are in their early 30s
- Racially diverse
- Median household income is \$56,000
- Professional and management occupations
- Most are renters, some have roommates
- Work out regularly and are physically active
- Dance, listen to music, visit museums, attend concerts, eat out, and travel
- Seldom watch television: only news and movies

Metropolitans (LoHi, south of downtown)

- Prefer to live in older city neighborhoods in an eclectic mix of single family homes and multiunit buildings
- 50% live alone; 40% married couple families
- Median age is 38; 25% are between 20-34
- Median household income is \$60K
- 60% homeowners
- Active, urbane lifestyle: travel, music, concerts, films
- Physically active: yoga, outdoor sports, skiing
- Active members of their communities



- ***The mix of retail is important*** – It is helpful to have an “anchor tenant” or a defining retail tenant(s) to help attract not only local residents, but regional residents as well as visitors to the area. The attractor can be an entertainment venue such as a high quality jazz club. Tennyson Street has a number of restaurants. 15th and Platte benefits from the presence of a Vitamin Cottage, and the 1800 block of South Pearl has benefitted from a Park Burger.
- ***Multiple reasons to be in the neighborhood*** – While having an anchor retailer or defining tenant is helpful, it is also helpful to have a mix of regional and local serving retail or services to help make the area convenient as a shopping destination.

Neighborhood services might include the following:

- Bakery / bagels / doughnuts
- Bank / credit union
- Childcare
- Clothing
- Coffee / juice / smoothies / ice cream / yogurt
- Dry cleaning
- Flowers
- Groceries
- Health (massage) / Grooming (hair, nails)
- Library / books
- Pets
- Professional offices
- Restaurants: take out, prepared foods, and sit down
- Yoga / physical fitness

A good example is Tennyson Street which has a real mix of different types of services, retail, restaurant destinations which is constantly changing. At one point in time, the street had the following tenant mix.

Tennyson Street Retail Mix

Shopping	Dining	Services/Offices
<ul style="list-style-type: none"> ▪ Pzazz (Antiques) ▪ NW Denver Toy Library ▪ Paula P Designs Handbags ▪ Metro Frame Works ▪ Clothes Horse ▪ Mob Cyclery ▪ Tennyson Hardware ▪ Magpie Market ▪ Alice’s Secret Garden 	<ul style="list-style-type: none"> ▪ Estiatorio Axios ▪ Tenn Street (Coffee) ▪ Amadeo’s Italian ▪ DJ’s Berkeley Café ▪ Parisi ▪ Swing Thai ▪ Hops & Pie ▪ Tacos Jalisco ▪ Big Hoss BBQ & Steakhouse 	<ul style="list-style-type: none"> ▪ Art galleries and artists (12) ▪ Yoga Center / fitness (6) ▪ Elitch Lanes ▪ Churches (5) ▪ Construction / Remodeling (4) ▪ Consultants (2) ▪ Ballet Denver Co. ▪ Mountain View Dental ▪ Flower Shops (3) ▪ Hair Salon (2) ▪ Kristin Eklund Massage Therapy ▪ Music Studios (4) ▪ Pet Grooming and Pet Supplies ▪ Photographers ▪ Celebrity Tattoo ▪ Realtors (2) ▪ Planned Pethood Plus (vet)

Retrofit Existing Buildings – All of these neighborhoods have seen small businesses retrofit existing buildings to use as commercial space to great success. It adds to the overall charm and helps maintain the neighborhood character. The cost of retrofitting a building can sometimes be significantly lower than developing a new building depending on the conditions of the building and the improvements needed (vary by proposed use). Renovation may also provide more affordable options for neighborhood businesses needing less expensive space.





- **Greater accessibility can make a huge difference** – the 15th and Platte Street neighborhood has been bolstered considerably by better connections to downtown and the recently built pedestrian/bike bridge over Interstate 25. A recently built bridge connects the LoHi neighborhood to downtown through the 15th and Platte Street area. The greater pedestrian activity has led to an increase in the type and variety of retail establishments in this block.
- **Districts constantly evolve with changing values and opportunities** – South Pearl and Tennyson Street are long standing neighborhood districts which have seen ups and downs over the years. Small businesses tend to come and go, yet the overall business mix, activities, and support from the surrounding neighborhoods has sustained these areas over time. Once primarily offering local services, there is a mix of restaurant, retail, and service uses that makes these areas destinations.

The Welton Market Niche

Because the Welton Corridor is located so close to downtown, its market niche should complement downtown offerings. While the previous paragraphs described specific market-related steps and demand, the overall vision of the corridor is consistent with community desires, and works well with downtown. The strength of surrounding neighborhoods – across all market sectors including residential and commercial - is imperative for downtown's continued growth and success. The business districts examined in the course of this project were all neighborhood oriented business districts like those on Old South Pearl, Tennyson Street and 15th and Platte. Each of these districts serve multiple purposes; they are regional destinations, house residents, and serve local neighborhood needs. The most appropriate niche for the Five Points Business District would be similar; however, in order to distinguish it from other neighborhood districts it should have all those attributes and more. The Five Points area is rich in culture, history and arts, and all those important attributes should continue to be celebrated and expanded. Music has long had an important role and should continue to serve a role in the district.

At the same time, the market area in which the Five Points / Welton Corridor resides is changing. There is a younger population with an entrepreneurial, open spirit. While continuing to serve its local market, the Welton Corridor also needs to shift with the times to capture some of this youthful spirit and energy. The corridor can be an alternative to LoDo or downtown entertainment offering lower-scaled, more intimate, neighborhood restaurant and entertainment experiences with an eye toward celebrating local history and arts. Restaurants are desired and residents have suggested targeting a range of 'ethnic' food restaurants to reflect the multicultural past of Five Points. At the same time, opening up the corridor to a mix of uses, including housing, different restaurant and retail experiences all at a neighborhood scale – would make the Corridor a local as well as regional destination.

While Five Points has changed, it is still one of the more diverse neighborhoods in the Denver metro area. Distinguishing itself, yet while maintaining its connection to its past, providing regional destinations through arts, culture, and history, local neighborhood services and housing is the balance that the District should seek and to maintain.

MARKET DEMAND: Revitalization Actions by Phase

The Five Points / Welton Corridor's market niche should be complementary of downtown; consistent with neighborhood desires; a celebration of the arts, culture and history of the district; and open to different experiences and changes. Music has played an important role historically in the district and should continue to be fostered. There is the potential for increased tourism once the district is more established with a greater number of destinations.

However, in order to redevelop the corridor in a way that builds upon current activity and interest and meets the community and owners goals and objectives, a phased holistic approach is suggested. One catalyst project won't be sufficient to dramatically turn the corridor around and get the "market" to look at the corridor differently. Supporting activities on the part of the Five Points Business District, the Office of Economic Development and the Denver Urban Renewal Authority are critical as well as ongoing interest and support on the part of the property and business owners.

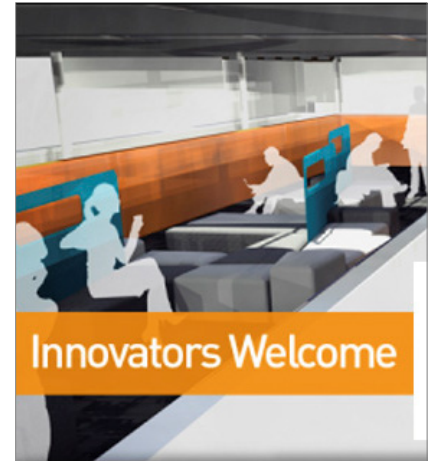
From a Market perspective, the three stages of neighborhood commercial revitalization need specific actions to increase market size, share and to utilize redevelopment to create to market opportunities.

PHASE 1: Establish the Destination (years 1-6)

This is a time period when the Welton Corridor needs to begin to establish itself as a destination for both residents and businesses. The Welton Corridor has the potential to be the neighborhood services corridor for some of the surrounding redeveloping neighborhoods. At the same time, the market is extremely competitive and as the surrounding neighborhoods are redeveloping, supporting commercial services and restaurants, and the like are also moving into these adjoining neighborhood areas.

MD.1 Business Attraction, Marketing, and Branding – from a market perspective, one of the commercial revitalization challenges is the proximity of the Welton Corridor to downtown. Downtown, particularly, the Lodo area has become a popular restaurant and entertainment destination. Pursue grant funding and local expertise to participate in a technical workshop to identify a **marketing and branding program for the district**. Create a phased approach that aligns with the revitalization strategy, the FPBD resources and incorporates district partners whose success is tied with the success of the district.

MD.2 Welton is a long corridor, so it is important to focus retail efforts on key areas rather than in scattered locations. The 'core' of the district is at the geographic heart of the five points intersection and will provide the best opportunity for redevelopment to include old buildings and new construction. The FPBD with the Office of Economic Development should place high priority on bringing **a jazz club and 2 new ethnic restaurants and/or businesses to the core of the district**. There has been interest shown by entrepreneurial restaurateurs in the corridor, but more proactive targeting and matching of tenants to spaces and owners will be necessary to make the district more competitive. While not being proscriptive, residents have indicated a desire for a wide variety of different ethnic restaurants. Food could also be one of the focal points of an



increased series of events designed to showcase Five Points to the broader community.

MD.3 Foster creativity in the business mix in the community – At this point, the business mix in the community lacks diversity. There has been ongoing business interest from a wide variety of different entrepreneurs including different restaurants, yoga studios, exercise studios, small grocery stores, and the like. Providing assistance to new businesses in identifying potential locations, working with property owners and others to foster ventures that are new to the area is critical. A guide for business types for the Five Points Business District to pursue and/or embrace would be the variety of business types seen in other corridors profiled as well as businesses in the music, arts, culture and entertainment vein that would be unique to Five Points.

MD.4 Target 400-500 residential units including mixed income rental and townhomes (as for-sale market returns) in non-core areas. In some of the larger blocks closer to downtown, there has been strong interest in developing mixed income rental products which is appropriate for the corridor at this point in time. Student housing is also a possibility given the relative proximity of several institutions of higher education. Residential development brings in new residents, incomes, and activities and is helpful in supporting potential commercial redevelopment activity in the core.

MD.5 There is demand for neighborhood services needs such as **small grocery stores, convenience stores, general merchandise, health and personal care stores.** While there is demand, finding the appropriate retail location with sufficient space to locate parking, supporting retail pads, etc. is difficult given the current ownership patterns and lot configurations. Create and maintain a building space directory to recruit small creative office space users and connect them with building owners

MD.6 Market small creative office space users (5,000 square feet). The majority of office space in the corridor is in small space configurations currently. Remodeling and building upon this small business base and attracting the small office space users interested in competitively priced office space in an emerging corridor is a potential niche for the corridor.

PHASE 2: Grow Demand (years 5-10)

MD.7 Create partnerships with office, entertainment and creative industries to grow demand for existing space and pursue new construction projects in the core to expand the employment base. Office space demand is dependent on job growth. We are currently emerging from one of the worst recessions in the nation's history, and while job growth has returned, it takes some time to translate into demand for office space. During this time period, there is an estimated demand for 25,000 to 45,000 square feet of space.

MD.8 There is significant retail competition in the corridor because of the proximity to downtown. If we assume that the Welton Corridor is competitive for 10% of future retail demand (currently the corridor represents less than 1% of regional trade area retail supply so it would need to be much more competitive than it is now), it can potentially capture in the range of **10,000 to 15,000 square feet of eating and drinking and 10,000 to 15,000 square feet of miscellaneous retail** during this time period. This, however, assumes that there has been significant business outreach, marketing and branding activities.

ALL PHASES

MD.14 Marketing, branding and outreach will continue to be necessary in order to ensure that the Corridor remains relevant. As seen from the case studies, corridors constantly evolve with new businesses and services. Staying competitive with an attractive mix of businesses and services is critical for Welton's Corridor health.

MD.15 Keep a database of development and renovation projects, a building inventory and a current business listing for business development and to market the district.

VII. Development Financing & Tools for Implementation

As indicated in previous sections of this report, implementation of the vision for the Welton Corridor and redevelopment of the Five Points area will be an incremental process. This process will include small, medium and large projects. In addition, as the neighborhood has learned from projects like The Points, the Blair Caldwell Library and RTD's Light Rail, there is probably not one catalytic project that will single handedly change the market dynamics of the Welton Corridor. While these projects have been beneficial, they also illustrate that the corridor will change and redevelop as a function of numerous projects.



The first few projects may require public/private partnerships and public financial support. As the area strengthens and the market matures, projects will become based more on market rate private sector demands. That is, with the implementation of a series of diverse projects, the area will eventually reach a tipping point where private market forces will stabilize and sustain the development process. As discussed in “Market Demand” section of this report and in the overall revitalization strategy, the redevelopment will probably occur in the three revitalization phases:

Phase 1: Establishing the Destination with tools to achieve the vision for the future.

Phase 2: Building and Growing the Demand - increasing business opportunity & competitiveness

Phase 3: Expand, Support and Sustain Demand

Project Examples

To further explore these phases and to attempt to answer the questions of what is financially feasible today and what may be financially feasible in the future, 5 case studies or potential development prototypes were analyzed in the small, medium and large project categories. The Case Studies/zoning site studies included:

1. Small: Analysis of the renovation a 2 story, 5000 square foot existing house on a 50' by 125' lot (6,250 square foot lot) into ground floor retail or office and 2nd floor residential or office. (For the sake of simplicity, a 5000 square foot model was tested. However, the same general economics apply to smaller units ranging from 1600 to 5000 sf.
2. Small: Analysis of new construction of a 3 story, 3,150 Mixed-Use Live/Work Unit on a 25' by 125' lot (3,125 square foot lot) including an 1800 square foot residence, a 400 square foot studio apartment, over the garage, and 950 square feet of ground floor commercial or retail space (See site study 1, 25x125).
3. Medium: Analysis of approximately 17 - 20 for-sale, 3 story live/work, townhomes on a 150' by 125' lot (18,750 square foot lot) with CMX-3 Zoning (See site study 4a).

4. Medium: Analysis of a Mixed-Use project including 44 units of Low Income Housing Tax Credit Apartments and approximately 3,000 square feet of retail or office on a 150' by 125' lot (18,750 square foot lot) with CMX-5 Zoning (See site study 4b).
5. Large: Analysis of a Mixed-Use Project including 65,000 square feet of office, 8500 square feet of retail/restaurant and a 4 level parking garage (240 spaces) on a 350' by 125' lot (43,750 square foot lot) with CMX-8 Zoning.

All zoning site studies evaluated in this section are detailed in Zoning, section IV.

In evaluating these cases it was assumed that to be financially feasible, the projects would need to produce land sales prices in the range of \$25 to \$50 per square foot for the existing owner. For the mixed-use apartment/retail projects it was assumed that the project would generate, at least, a 10% cash on cash annual return, including annual tax increment payments to the general partner. The same 10% cash on cash feasibility requirement was utilized for the office project and for renovation of the existing buildings. The LIHTC Project was assumed to require a 10% cash on cash return but a lower 5% IRR because it is likely that this project would be developed by a non-profit developer and because of the larger developer fee associated with the LIHTC project. Finally, the financial feasibility requirement for the townhome project was to create a land sales price of at least \$25 per square foot with a profit of 10% and an Internal Rate of return (IRR) of 15%. Using these parameters Cases 1- 4 appear to be Financially Feasible, today, with land prices ranging from \$25 to \$50 per square foot. Potentially higher land prices could be generated in the future as the market matures. See Chart on the next page:

Welton Corridor Financial Feasibility Matrix (based on 2012 data)		1	2	3	4	
		Lot Size	25 'X 125'	50' X 125'	150'X 125"	350'X 125"
Project Type	Project Description	Sq. Ft.	3,125	6,250	18,750	43,750
1. Small	Renovate 1600 to 5000 Sq. Ft. House for Ground Floor Commercial 2nd Floor Office					
	Market Land Cost (\$50 psf)	NA	NO	NA	NA	
	\$10 - \$25 psf Land Cost	NA	YES	NA	NA	
2. Small	New Construction: mixed-use on 25' X 125' Sq. Ft Lot: Ground Floor Commercial 2nd Floor					
	Market Land Cost (\$50)	YES	NA	NA	NA	
	\$10 - \$25 psf Land Cost	YES	NA	NA	NA	
3. Medium	New Construction: 17 -20 Unit For-Sale Townhomes					
	Market Land Cost (\$50)	NA	NA	NO	NA	
	\$10 - \$25 psf Land Cost	NA	NA	YES	NA	
4. Medium	New Construction Mixed-use: Affordable Apartments/ Retail/ Restaurant					
	Market Land Cost (\$50)					
	4% Tax Credits	NA	NA	NO	NA	
	9% Tax Credits	NA	NA	YES	NA	
	\$10 - \$25 psf Land Cost					
	4% Tax Credits	NA	NA	NO	NA	
	9% Tax Credits	NA	NA	YES	NA	
	\$0 - \$10 psf Land Cost					
	4% Tax Credits	NA	NA	NO	NA	
9% Tax Credits	NA	NA	YES	NA		
5. Large	New Construction: 5 Story: 65,000 Sq. Ft Office, 5000 Sq. Ft. Retail, 240 Parking Places					
	Market Land Cost (\$50)	NA	NA	NA	NO	
	\$10 - \$25 psf Land Cost	NA	NA	NA	NO	
	\$0 - \$10 psf Land Cost	NA	NA	NA	NO	

As, indicated above, Case Study 5 did not meet the necessary threshold requirements to be considered financially feasible, **at this time**. Using a land price ranging from \$0 to \$10 per square foot, and today's estimated office rents of \$14 psf, this case generated less than 3% annual cash on cash return and a minimal IRR. Therefore, Case study 5 was considered to be financially infeasible, today. However, it is possible that this type of project could become feasible in the near future through the use of New Market Tax Credit Financing. NMTC financing could be used for large-scale projects (minimum range of \$20M) that produce a significant number of jobs, some combination of office, retail and

market rate/rental housing. At least 25% of the project must be commercial. In order to finance a project with NMTC, it will be necessary to pre-lease almost 100% of the project to credible high quality tenant(s). In addition, the storm water impacts, discussed in the Public Utilities Section of this report, will need to have been either addressed by the City or they will add some additional cost to the project. Independent of the planned stormwater drainage conditions that impact finished floor elevation, sites over 0.5 acre of land will be required to provide onsite water detention. These costs are not included in the case studies on sites greater than 0.5 acre below. Case studies 1- 4 are described below:

1. RENOVATE 1600 - 5000 SQUARE FEET OF EXISTING HOUSE/ BUILDING

The first type of project that appears to be economically feasible would be to renovate an existing 5000 square feet house or building on a 6,250 square foot lot and develop the 4000 square feet of ground floor space for two retail tenants and renovate the 1000 SF of 2nd floor space as a rental apartment. The retail spaces would be leased for \$14 psf NNN (one restaurant space consisting of 2000 square feet and one retail space of 2000 square feet). A restaurant or Jazz Club could also occupy the entire 4000 sf ground floor with essentially the same economics. The apartment would be leased for \$1,120 per month or \$1.40 per sf. See Chart Below:



Examples of buildings recently renovated within the FPWS District. These projects are renovation examples, but are not the exact projects evaluated in example 1.

Development Information	
Finished Project Costs	\$ 1,003,136
Finished Project Cost Per SF	\$ 207
Land Price: \$25 Per Square Foot	\$ 156,250
Residential Renovation Hard Cost Per Square Foot (\$100)	\$ 100,000
Commercial Core & Shell Hard Cost per Square Foot (\$100)	\$ 400,000
Tenant Improvement (TI) Retail (\$40 psf)	\$ 80,000
Tenant Improvement (TI) Restaurant (\$80 psf)	\$ 160,000

Operating Information	
Stabilized Net Operating Income	\$ 57,968
Average Monthly Residential Rent per Square Foot	\$ 1.40
Annual Operating Expenses per Residential Unit	\$ 3,969
Annual Operating expense for Commercial	NNN
Property Tax Per Apartment Unit	\$ 1,000
Average Retail and Restaurant Rent NNN	\$ 14.00
Property Tax per Commercial Square Foot	\$ 3.00
Commercial Operating Cost per Square Foot	\$ 8.00
Average Sales per Square Foot Restaurant and Retail	\$ 125.00
Commercial Pre Leasing	100%

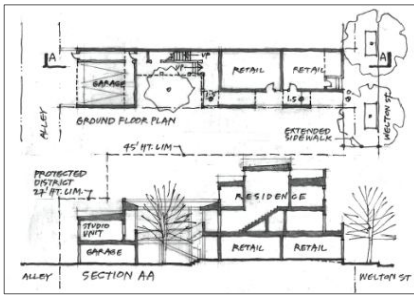
The rent for the retail and restaurant space is assumed to be \$14 per square foot (psf), (NNN) triple net. Triple Net (NNN) means that the tenant would pay all taxes, insurance and common area expenses, in addition to the rent. That is, the tenant would pay the projected expenses of approximately \$8.00 psf for a total monthly rent expense of \$3,667 for the restaurant. The retail would also pay \$3,667 per month in total rent and expenses.

Project Capitalization	
Conventional Debt	\$ 694,564
Equity: Owner	\$ 308,442
TIF reimbursed to Owner Annually	\$ 24,075
Total	\$ 1,003,136
Conventional Loan Interest Rate	6.08%
Cash on Cash Return to Owner w/o TIF	4.28%
Cash on Cash Return with TIF	20.47%
IRR to Owner without TIF	5.82%
IRR to Owner with TIF	13.26%

The Project Capitalization Chart illustrates that the renovation project is financially feasible today. The project will require with approximately \$300,000 of owner equity and will produce approximately \$24,000 per year of TIF income to the owner. The project will produce cash on cash returns of over 20% with an IRR of 13%. While the IRR is in the lower range for economic feasibility, the strong cash on cash return (due to the TIF) indicates that this project is feasible.

All financial projections are preliminary estimates based on conceptual plans, 2012 data, and baseline standard industry assumptions about the level and forms of financing that might be applied to various prototypical projects. Therefore, the projections regarding the amount of equity, debt, LIHTC equity, secondary financing, and TIF that a project might generate should be treated as general assumptions that will need to be refined for specific real projects. Once a specific project has been identified, designed and pre-leased, the levels and forms of financing will need to be discussed with lenders, equity providers, public agencies and DURA to determine the types and levels of financing that may be available for a specific project.

2. NEW CONSTRUCTION OF 3,150 MIXED-USE, LIVE/WORK UNIT ON 25' BY 125' LOT



The second type of project that appears to be economically feasible today on a small lot would be to build an innovative, new construction mixed-use building including an 1800 square foot residence, a 400 square foot studio apartment over the garage, and 950 square feet of ground floor commercial or retail space. The retail space would be leased for \$14 psf NNN. The 1800 residential space could be lived in by the owner or leased for \$2,520 per month or \$1.40 per sf. The 400 sf carriage unit over the garage could be leased for \$560 per month or \$1.40 per sf. The charts below describe the key economic assumptions of the renovation project.

Development Information	
Finished Project Costs	\$ 634,245
Finished Project Cost Per SF	\$ 201
Land Price: \$25 Per Square Foot	\$ 156,250
Residential New Const. Hard Cost Per Square Foot (\$110)	\$ 242,027
Commercial Core & Shell Hard Cost per Square Foot (\$110)	\$ 105,000
Tenant Improvement (TI) Retail (\$40 psf)	\$ 38,000
Tenant Improvement (TI) Restaurant (\$80 psf)	\$ NA

Operating Information	
Stabilized Net Operating Income	\$ 40,783
Average Monthly Residential Rent per Square Foot	\$ 1.40
Annual Operating Expenses per Residential Unit	\$ 2,965
Annual Operating expense for Commercial	NNN
Property Tax Per Apartment/Residential Unit (\$1.2 psf)	\$ 2,644
Average Retail and Restaurant Rent NNN	\$ 14.00
Property Tax per Commercial Square Foot	\$ 3.00
Commercial Operating Cost per Square Foot	\$ 8.00
Average Sales per Square Foot Restaurant and Retail	\$ 125.00
Commercial Pre Leasing	100%

The rent for the retail and restaurant space is assumed to be \$14 per square foot (psf), (NNN) triple net. Triple Net (NNN) means that the tenant would pay all taxes, insurance and common area expenses, in addition to the rent. That is, the tenant would pay the projected expenses of approximately \$8.00 psf for a total monthly rent expense of \$1750 for the commercial space.

Project Capitalization	
Conventional Debt	\$ 468,713
Equity: Owner	\$ 145,533
TIF reimbursed to Owner Annually	\$ 7,953
Total	\$ 634,245
Conventional Loan Interest Rate	6.08%
Cash on Cash Return to Owner w/o TIF	3.26%
Cash on Cash Return with TIF	20.29%
IRR to Owner without TIF	8.31%
IRR to Owner with TIF	13.13%

The Project Capitalization Chart illustrates that the renovation project is financially feasible today. The project will require with approximately \$145,000 of owner equity and will produce approximately \$8,000 per year of TIF income to the owner. The project will produce cash on cash returns of over 20% with an IRR of 13%. While the IRR is in the lower range for economic feasibility, the strong cash on cash return (due to the TIF) indicates that this project is feasible.

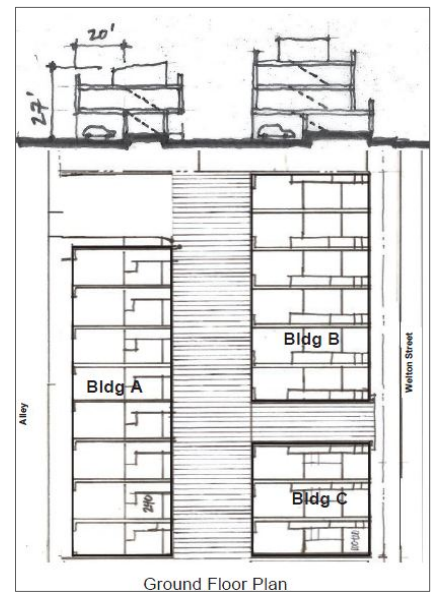
All financial projections are preliminary estimates based on conceptual plans, 2012 data, and baseline standard industry assumptions about the level and forms of financing that might be applied to various prototypical projects. Therefore, the projections regarding the amount of equity, debt, LIHTC equity, secondary financing, and TIF that a project might generate should be treated as general assumptions that will need to be refined for specific real projects. Once a specific project has been identified, designed and pre-leased, the levels and forms of financing will need to be discussed with lenders, equity providers, public agencies and DURA to determine the types and levels of financing that may be available for a specific project.

3. 17 LIVE/WORK TOWNHOMES

Case Study Number 3: Analyzed the development of 17 townhome live/work units and appears to be financially feasible today.

The charts below describe the key economic assumptions of the Live/Work project.

Project Summary	
17 Live Work Townhomes	
Program Summary	
Number of Units	17
Total Square Footage	30,956
Average Unit Size (including Garage)	1800
Land Size	18,750
Density (Units per Acre)	39
Parking Residential: Spaces Per Dwelling Unit	1



The Live/Work Townhome Project consists of two unit types including eight 1-bedroom units, and 9 2-bedroom units. Prices for the units range from \$190,000 for a 800 sf 1 bedroom townhome with garage to \$319,000 for a two bedroom, 1450 square foot, townhome with a garage.

Development Information	
Finished Project Costs	\$ 3,750,993
Finished Project Cost Per Unit	\$ 220,643
Land Price (Paid to owners):	\$ 525,000
Land Cost Per Square Foot	\$ 28
Average Sales Price per Unit	\$ 258,553
Completion Period:	12 Months
Property Tax Per Townhome Unit	\$ 1,000.00
Sales Velocity: 1 Units Per Month	1

The 17-unit live/work townhome project is a \$3.75M transaction with a construction cost per unit of approximately \$220,000. The estimated hard construction cost is \$92 per square foot for the residential units with soft costs of approximately \$58 per square foot. Under these assumptions, the project will support a land price of \$525,000 to be paid to the existing owner of the land. That is, approximately \$28 per square foot for the 18,750 square foot site or a land cost of \$30,000 per unit. Therefore, the land price is approximately 12% of the average sales price of \$258,000. The units are projected to sell at one unit per month.

Project Capitalization	
Construction Loan	\$ 2,281,271
Townhome Sales Proceeds	\$ 4,131,682
Developer Equity	\$ 1,228,700
Total	\$ 7,642,252
Construction Loan Interest Rate	5.25%
Profit	10.00%
IRR	15.00%

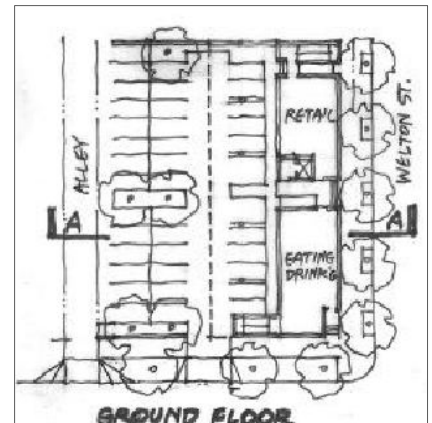
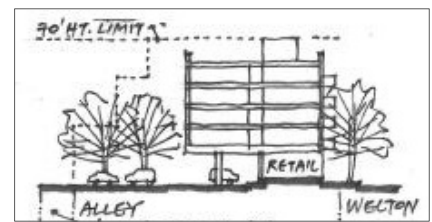
The Project Capitalization Chart shows that the live/work townhome project is financially feasible. It creates a 10% profit and 15% IRR for the two year period, with a \$28 psf land price.

All financial projections are preliminary estimates based on conceptual plans, 2012 data, and baseline standard industry assumptions about the level and forms of financing that might be applied to various prototypical projects. Therefore, the projections regarding the amount of equity, debt, LIHTC equity, secondary financing, and TIF that a project might generate should be treated as general assumptions that will need to be refined for specific real projects. Once a specific project has been identified, designed and pre-leased, the levels and forms of financing will need to be discussed with lenders, equity providers, public agencies and DURA to determine the types and levels of financing that may be available for a specific project.

4. BUILD NEW 5 STORY MIXED-USE 44 UNIT LOW INCOME HOUSING TAX CREDIT PROJECT ON SITE WITH C-MX-5 ZONING OR ON A SITE THAT IS REZONED FROM C-MX-3 TO C-MX-5

Under Case study 4, if the current zoning is C-MX-5 or C-MX-3 zoning were changed to C-MX-5, and 9% Low Income Housing Tax Credit Rental project were developed including 44 rental units and 3600 square feet of ground floor retail (a 1900 square foot restaurant space and a 1700 square foot retail space) the project would be financially feasible producing a 5% cash on cash return in year one (including TIF Payments of approximately \$57,000 per year for 14 years). The returns on this project would increase to a average 11% cash on cash assuming the sale of the property in year 15 at an 6.5% Capitalization Rate. While the IRR for this project is only 5%, the cash on cash returns and development fee would probably make the project feasible for a non-profit developer. The land sales price, which could be paid to the owner(s) under this scenario, would be \$1,125,000 or \$60 per square foot. However, this is only possible because of the additional \$50,000 in income provided by the TIF and the \$700,000 soft second HOME Loan.

The charts below describe the key economic assumptions of the 44 Unit LIHTC project:



Development Information	
Finished Project Costs	\$ 10,363,916
Finished Project Cost Per Unit	\$ 235,543
Land Price (Paid to Owners) \$60 psf	\$ 1,125,000
Land Cost Per Unit	\$ 25,568
Core & Shell Cost Commercial per Square Foot	\$ 120
TI Retail (\$40 psf)	\$ 40
TI Restaurant (\$80 psf)	\$ 80
Completion Period: Residential	12 Months

Operating Information	
Stabilized Net Operating Income	\$ 214,856.00
Average Monthly Residential Rent per Square Foot	\$ 0.99
Annual Operating Expenses per Residential Unit	\$ 4,016.00
Annual Operating expense per Residential Square Foot	\$ 5.61
Property Tax Per Apartment Unit	\$ 1,000.00
Average Retail and Restaurant Rent NNN	\$ 14.00
Property Tax per Commercial Square Foot	\$ 3.00
Commercial Operating Cost per Square Foot	\$ 8.00
Average Sales per Square Foot Restaurant and Retail	\$ 125.00
Lease-up Velocity: Units Per Month	8
Commercial Pre Leasing	50%

All financial projections are preliminary estimates based on conceptual plans, 2012 data, and baseline standard industry assumptions about the level and forms of financing that might be applied to various prototypical projects. Therefore, the projections regarding the amount of equity, debt, LIHTC equity, secondary financing, and TIF that a project might generate should be treated as general assumptions that will need to be refined for specific real projects. Once a specific project has been identified, designed and pre-leased, the levels and forms of financing will need to be discussed with lenders, equity providers, public agencies and DURA to determine the types and levels of financing that may be available for a specific project.

As indicated in the operating information above, the transaction is structured as a 9% Low Income Housing Tax Credit Project and will provide affordable workforce housing apartments to lower income employees and artists earning from 30% to 60% Area Median Income for Denver County. That is, the Apartments will serve individuals earning \$18,000 to \$43,000 per year and rents will range from \$338 per month to \$785. This is an average rent of approximately \$.99 per square foot in monthly residential rent. The operating expenses are estimated at \$4,016 per unit (CHFA requires expenses of \$3,900 per unit in the LIHTC Allocation Application).

The rent for the retail and restaurant space is assumed to be \$14 per square foot (psf), (NNN) triple net. Triple Net (NNN) means that the tenant would pay all taxes, insurance and common area expenses in addition to the rent. That is, projected expenses of approximately \$8.00 psf for a total monthly rent expense of \$3500 for the restaurant. The retail would pay \$3100 per month in total rent plus expenses.

Project Capitalization	
Conventional Debt	\$ 2,281,996
Home Loans (State, Local) 1% Interest	\$ 700,000
Equity: Low Income Housing Tax Credit	\$ 5,980,259
Equity: Owner	\$ 956,043
Equity Deferred Development Fee	\$ 385,618
Total	\$ 10,363,916
Conventional Loan Interest Rate	6.08%
Cash on Cash Return to Tax Credit Investor	9.32%
IRR to Tax Credit Investor	8.46%
Cash on Cash Return to Owner w/o TIF	3.01%
Cash on Cash Return with TIF	11.03%
IRR to Owner without TIF	-2.41%
IRR to Non-Profit with Additional TIF	5.51%

The Project Capitalization Chart illustrates that the 44 Unit LIHTC project is financially feasible if a Tax Credit Allocation can be secured from CHFA and a HOME loan can be secured from the Colorado Division of Housing and/or the City of Denver. These Tax Credits and low interest loans are highly competitive but fairly typical for affordable housing projects in transitional areas. When these soft sources are combined with the conventional loan and LIHTC Tax Credit Equity, the project will require the owner to provide approximately \$956,043 of additional equity. This is a relatively high amount of equity for a tax credit project. However the project will produce cash on cash returns of over 11% with an IRR of 5.5%. While the IRR is in the lower range for economic feasibility, the strong cash on cash return (due to the TIF) indicates that this project could be feasible. In addition, LIHTC projects would be more viable if a land assemblage that would allow the development of approximately 70 units of LIHTC apartments could be located.

Financing Tools

The financing tools that could be used to finance each of the projects described above are summarized in the following table:

Welton Corridor Financing Sources								
Project Type	Project Description	Funding Sources						
		Owner Equity	Debt	TIF (Owner Reimbursement)	OED Business Loans	LIHTC	HOME Loans	New Market Tax Credits
1. Small	Renovate 1600 to 5000 Sq. Ft. House for Ground Floor Commercial 2nd Floor Office	X	X	X	X			
2. Small	New Construction: mixed-use on 25' X 125' Sq. Ft Lot: Ground Floor Commercial 2nd Floor Office	X	X	X	X			
3. Medium	New Construction: 17 -20 Unit For-Sale Townhomes	X	X	X				
4. Medium	New Construction Mixed-use: Affordable Apartments/ Retail/ Restaurant	X	X	X	X	X	X	X
5. Large	New Construction: 5 Story: 65,000 Sq. Ft Office, 5000 Sq. Ft. Retail, 240 Parking Places	X	X	X	X			X

As indicated above, sources of financing for these projects may include owner equity (in the 30% to 50% of project cost range), Conventional, CHFA or HUD loans, Office of Economic Development Subordinate Business Loans, historic renovation grants or loans, TIF owner reimbursement from the Tax Increment generated by the projects, TIF Bond Issue(s), LIHTC Equity, Home Loans. It is also possible that New Market Tax Credit Financing could be used for the Office project or some combination of office, retail and market rate rental housing project in which at least 25% of the project is commercial.

Key Partners for Financing & Project Success

As the preceding chart indicates, the key partners for financing and Project success are:

1. FPBDO: Leading Marketing and Branding and Connect Developers with Property Owners
2. Downtown Denver Partnership
3. DURA, Provide TIF
4. OED – Soft Cost Business Start-up Loans, CDBG and HOME Loans (see Appendix C for more details)
5. RTD, Light Rail, Streetcar, Connection to East line TOD Pilot Project, Landowner
6. Landmark Commission, Historic Design Guidelines and Regulations
7. HUD 221 (d) (3) and (4) Financing, Sustainable Communities Program
8. DOLA, Main Street and Sustainable Communities Programs, HOME loans
9. Non Profits Housing Developers, Arts and Cultural Organizations
10. Denver Housing Authority (DHA), Landowner and Neighbor
11. Urban Land Conservancy (ULC) TOD Landowner and Neighbor (20th and Welton)

Lessons Learned

1. Although the Five Points neighborhood is the 4th fastest growing neighborhood in the City of Denver, the majority of this growth has occurred in the Ballpark and Curtis Park Sectors (2000 units) and less of this growth has occurred in the Welton Corridor (300 units).
2. The slower pattern of growth on the Welton Corridor is due to at least two factors:
 - a. Availability of larger lots for market rate multifamily development in Ballpark/Curtis Park or vice versa, the predominance of smaller lots along the Welton Corridor.
 - b. Recent developments or maturing of the Ball Park and Curtis Park markets and their ability to command higher apartment rents (\$2.00 psf) and higher for-sale housing prices along with complementary smaller retail uses.
4. Given its proximity to downtown and, the predominance of parking lots between 20th and 24th and larger lots/land assemblies in the area between 20th and 24th, it is likely that larger multi-family developments or mixed-use office/residential/retail complexes will initially be developed between 20 and 24th.
5. The Welton Corridor is perceived as being characterized by deteriorating poorly maintained buildings, slightly unsafe, lacking a critical mass of vibrant businesses. The Corridor is not seen as the Main Street of the Five Points/Curtis Park/Ball Park neighborhoods and this perception needs to be changed.

7. In order to implement the vision to maintain and reinvigorate the African American art and cultural heritage of the Welton Corridor, it will be necessary to focus attention and Gap financing on development of the Core Area between 24th and 29th along Welton.
8. The Core Area has opportunities for small, medium and large developments. However, it includes more opportunities for renovation of existing houses and buildings than any other segment of the Corridor.
9. Although the new zoning code requires no parking for retail uses less than 10,000 sf and requires only .75 parking spaces per residential uses (less with the application of other bonuses), lenders may require at least 1 parking space per residential unit until the district is in high demand. Also more retail parking spaces may be necessary in order to attract new retailers (approximately 5 spaces per 1000 sf of retail).
10. The Core Area is within the boundaries of the Cultural and Historic Landmark District and also contains most of the 7 contributing buildings identified within the Landmark District. Complying with the Landmark District regulations will make the development process in the Landmark District more difficult and time consuming than standard development in non-historic areas.
11. The renovation of existing buildings creates the opportunity for small mixed-use retail/restaurant/office/residential projects that may be attractive to landowners with low basis in the land, entrepreneurs and Gen-Y businesses/residences (the technological and creative class).
12. The ongoing development of housing (both rental and for-sale, affordable and market, large projects and small) is an important part of the Welton Corridor redevelopment strategy. Many residents have and will continue to live on Welton and the creation of a critical mass of residential units is a prerequisite to attracting more retail uses.
13. Today's market for new construction, along with the lack of precedents on Welton for higher lease rates, make the financing of new construction on Welton difficult without creative partnering and/or innovative gap financing.
14. Use of innovative gap financing will make development projects on the Welton Corridor more complex and time consuming than standard market rate developments.

Development Financing: Projects & Actions by Phase

POTENTIAL PROJECTS BY PHASE

As suggested above the redevelopment of the Welton Corridor will be multi-facet incremental approach. There may be opportunities for small, medium and/or large projects in each phase. However, Phase 1 will most likely include a focus on small to medium size projects with Phases 2 and 3 including the continuation of small projects but focusing on implementation of medium and larger sized projects. The priorities for each phase are outlined below:

Phase 1: 0-5 years Establishing the Destination

Phase 1 could focus on 5 types of Small to Medium Scale Projects.

1. Current property owners, who might renovate an existing building for office, retail or restaurant use.
2. Current property owners, who might develop an existing 25' x 125' lot as a single family dwelling, or live work unit with commercial space on the ground floor and living or office space above.
3. Business owners or small entrepreneurs who might purchase existing buildings or vacant lots and develop the same type of projects described in numbers 1 and 2 above.
4. Small entrepreneurs would probably be able to develop small to medium size townhome projects (consisting of 5 to 20 units). It appears that this type of project is financially feasible on Welton today and those efforts to market the Welton Corridor to creative townhouse/ mixed-use developers/entrepreneurs should continue.
5. An experienced Low Income Housing Tax Credit (LIHTC) Developer could develop a 45 to 70-unit mixed-use mixed income (workforce housing) property with a small amount of commercial space on the ground floor. At least CMX-5 Zoning would be required to proceed with a LIHTC development.

Phase 2: 6-10 years Growing the Demand

Phase 2 would continue the development of the 5 types of small to medium projects listed above and might include the development of one or more medium to large sized projects including:

1. A 40 to 100-unit Townhome or Condominium project
2. A 30,000 to 60,000 Office Project, including ground floor retail or entertainment.
3. A Market Rate Apartment or 4% LIHTC Project including 100 to 250 units.

Phase 3: 10 – 25 years Supporting, Expanding, and Maturing.

Phase 3 would continue the types of development in Phases 1 and 2 above and might include the development of larger projects such as:

1. 75,000 to 100,000 square feet of office
2. A Regional Retail, Cultural or Entertainment Venues (30,000 -40,000 sf)

REVITALIZATION ACTIONS ALL PHASES

F.1 Welton is a good match for creative or pioneering businesses. However, marketing and partnering is essential to attract these businesses. FPBDO (perhaps with input from the Downtown Denver Partnership) should take the lead in marketing and branding the Welton Corridor to creative businesses such as jazz clubs, ethnic restaurants, artists and small high tech start-up offices. In addition to other creative marketing techniques. To accomplish this, **the FPBD might consider sponsoring a series of 'Developer Forums' for retail, office, residential and mixed-use developers.**

F.2 Small-scale property renovation and perhaps small-scale new construction of mixed-use projects are financially feasible. **FPBDO should work with OED and others to develop a renovation or small projects tool kit, training programs, financing incentives, and an expedited approval processes to promote these projects.**

F.3 Urban townhouse projects appear to be financially feasible. **FBDO should encourage townhome developers to develop new urban townhomes along Welton** and should also prepare for the resurgence of the Condominium Market (Conduct Developer Forums).

F.4 FPBDO should work with DURA to **develop a simplified TIF Project Approval Process (Standardized TIF Agreement, Project Approval Process and Application Template)** to expedite TIF approval for projects.

F.5 **A clear, simple and quick review process should be established to expedite building permits (including demolition permits) for projects on the Welton Corridor.** The FPBD should work with the Denver Landmark Commission to develop a custom process or design guidelines that are appropriate to the cultural heritage intent of the Welton Corridor Historic District. The area development review planners should be included and appraised of the outcomes and urban design recommendations of this plan.

F.6 The Urban Land Conservancy (ULC) supports the goals and vision for the FPWS District and could be available to participate with a property owner to structure a land lease to make a development project financially viable by reducing land costs. ULC and the FPBD should work together to understand how this process would work and to identify any incoming projects where land lease may be applicable.

F.7 FPBD office should continue to work with Property Owners to analyze the potential for creating larger development sites and should encourage planning efforts to produce innovative and creative development plans for the few remaining potential large site assemblages along the corridor.

F.8 OED should provide business loans and other incentives and programs to encourage tenants to locate on the Welton Corridor. OED should coordinate these efforts with FPBOD, DURA, the Denver Landmark Commission and RTD.

F.9 FPBD office and the City should work with RTD to analyze the pros and cons of RTD issuing an RFP for 29th Street Property (with RTD perhaps considering a land lease, or other long-term incentives to encourage for the development of a model mixed-use project including residential/ethnic restaurant/retail.

Financing Conclusions

It appears that the creation of the Welton Urban Renewal District and the potential of applying TIF to individual small and medium projects have enhanced the possibility of developing financially feasible projects on the Welton Corridor, today. In the past, such projects did not create the economic returns necessary to make them viable. The details of how TIF can be applied to such projects will have to be worked out with DURA. However, the use of TIF Funds seems to have the potential of making a variety of types of projects financially feasible, immediately.

The amount of tax increment available to each project is generally calculated as indicated in the following example. The property and sales tax for the 5000 sf renovation is calculated as follows:

1,000 sf of new residential times the average residential property tax of \$1.20 psf	= \$ 1,200
4,000 of new commercial times the average Commercial property tax of \$3.00 psf	= \$12,000
Sales Tax = 4000 sf X \$125 psf (estimated sales) X .3% (percentage of sales tax)	= <u>\$15,000</u>
Total new Property and Sales Tax = \$28,200	

Calculate previous property and sales tax (this is called the BASE)

5000 square foot residential property. Property Tax = 5000 X 1.20 psf or BASE	= \$6,000
Subtract the Base from new taxes to calculate the Tax Increment (TIF)	= \$22,200
Subtract 5% for DURA Fees (legal, origination, admin., Public Art, ETO, First Source)	= <u>\$ 1,110</u>
Annual TIF Available to Owner or Developer: \$21,090	

In summary, if the developer or landowner is patient and is willing to receive TIF reimbursement over a 15 to 25 year period, it seems financially feasible to develop at least 4 different types of projects today: (1) renovate existing properties for residential, office and/or retail uses. New entrepreneurial businesses may be willing to lease such spaces and the promise of opportunity and diversity may also generate interest in such projects from Gen-Y entrepreneurs, developers and/or owners. (2) Develop new construction small infill mixed-use projects on 25' X 125' (3,125 square foot) lots. (3) It appears that the development of for-sale live/work townhome projects are financially feasible today. (4) In the C-MX-5 it seems feasible to develop larger mixed-use projects including 45 to 70 units of affordable housing combined with 3000 to 5000 square feet of restaurant or retail. In the future, if the zoning on the CMX-3 sites

is changed to CMX-5, such tax credit developments will also be viable on the former CMX-3 sites.

Landowners have several options for pursuing such projects. If the land price in the range of \$25 to \$50 per square foot is an acceptable sales price, the landowners may be able to sell their parcels to developers, entrepreneurs or "generation Y" businesses that may start to take advantage of the heritage and convenient location of the Welton Corridor and of the new TIF financing. Alternatively, the landowner could simply develop their land themselves using the TIF and other financing techniques. Finally, it may be possible for the landowner to joint venture with an experienced developer and to leave their land in the transaction as equity. Under this scenario, the landowner would have the prospect of sharing proportionately in the 5% to 10% annual cash on cash returns that these projects have the potential of generating. As small and medium sized incremental projects like those discussed above begin to be implemented, additional development activity will be attracted and eventually a critical mass or tipping point will be reached, stimulating additional market rate development activity along the corridor.

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APPENDIX A

Five Points Business District Mission Statement

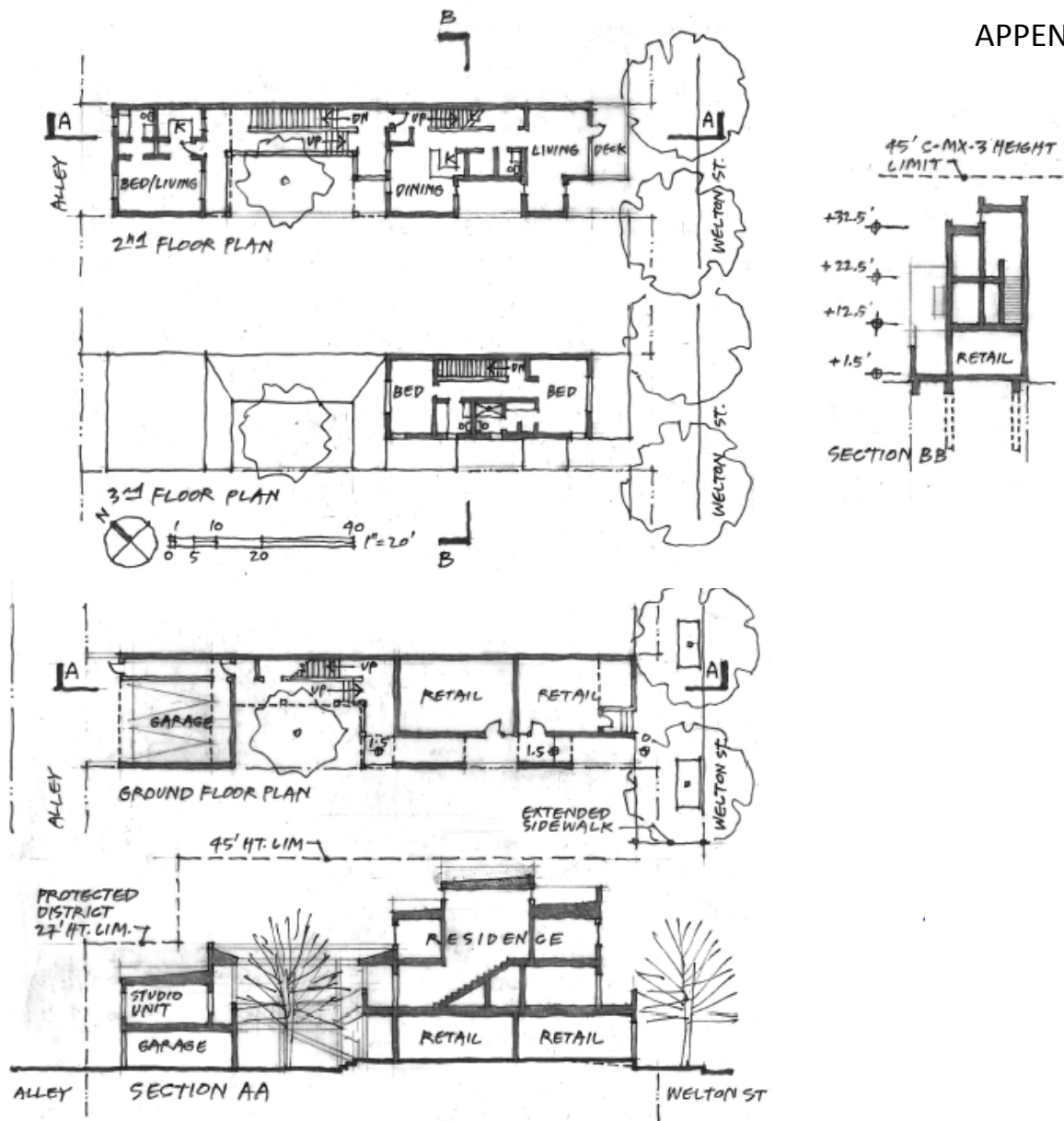
Our mission is to create a thriving, prosperous, business corridor that provides retail, goods and services relevant to the needs of our diverse community and to become the central gathering place for surrounding neighborhoods which include San Rafael, Curtis Park, Whittier, and Cole.

Our vision is to develop the Historic Five Points Welton St. Commercial Corridor into a multi-cultural entertainment district with roots in African American history and to create an international tourism destination for performance arts, culture & music.

The key initiatives of the Five Points Business District Board of Directors are as follows:

- Create a more accessible and relevant business district for nearby residents by attracting and supporting the right mix of services, amenities and retail on Welton Street.
- Respond to the development, land use and small business challenges currently facing the FPBD.
- Develop strong relationships between existing business and property owners, residents and community leaders to strengthen and improve Welton Street.
- Attract new development and investment to Welton Street.
- Build the Five Points brand and promote the Five Points Business District as a tourist destination.
- Empower and unify the broader Five Points community and neighborhoods.

April 2013



**Zoning Site Study 1 - Lot size 25' wide x 125' deep
Zone: C-MX-3 or 5**

Mixed-Use

SITE: 25' wide x 125' deep
Lot Area (apprx.): 3,125 SF

PROGRAM

Residential:

2 Units: 1,2 Bed Unit = 1800 GSF +/-
1, Studio Unit = 400 GSF +/-

Retail/ Commercial = 950 GSF +/-

PARKING

Residential required = 2 x 0.75/DU: 1.5 Spaces
Retail/Commercial: if less than 3500 SF for Eating and Drinking = 0 Spaces, if under 5000 SF Retail = 0 Spaces
Total Required = 1.5 Spaces rounded up to 2
Total Provided = 2 Spaces
Total Development = 3150 GSF (not including garage or exterior stairs)
FAR = 1.0

Note 1: Ground floor is elevated 2 feet above the flow line to avoid flooding issues, requiring ramps for ADA accessibility and steps either within the building or exterior to the building.

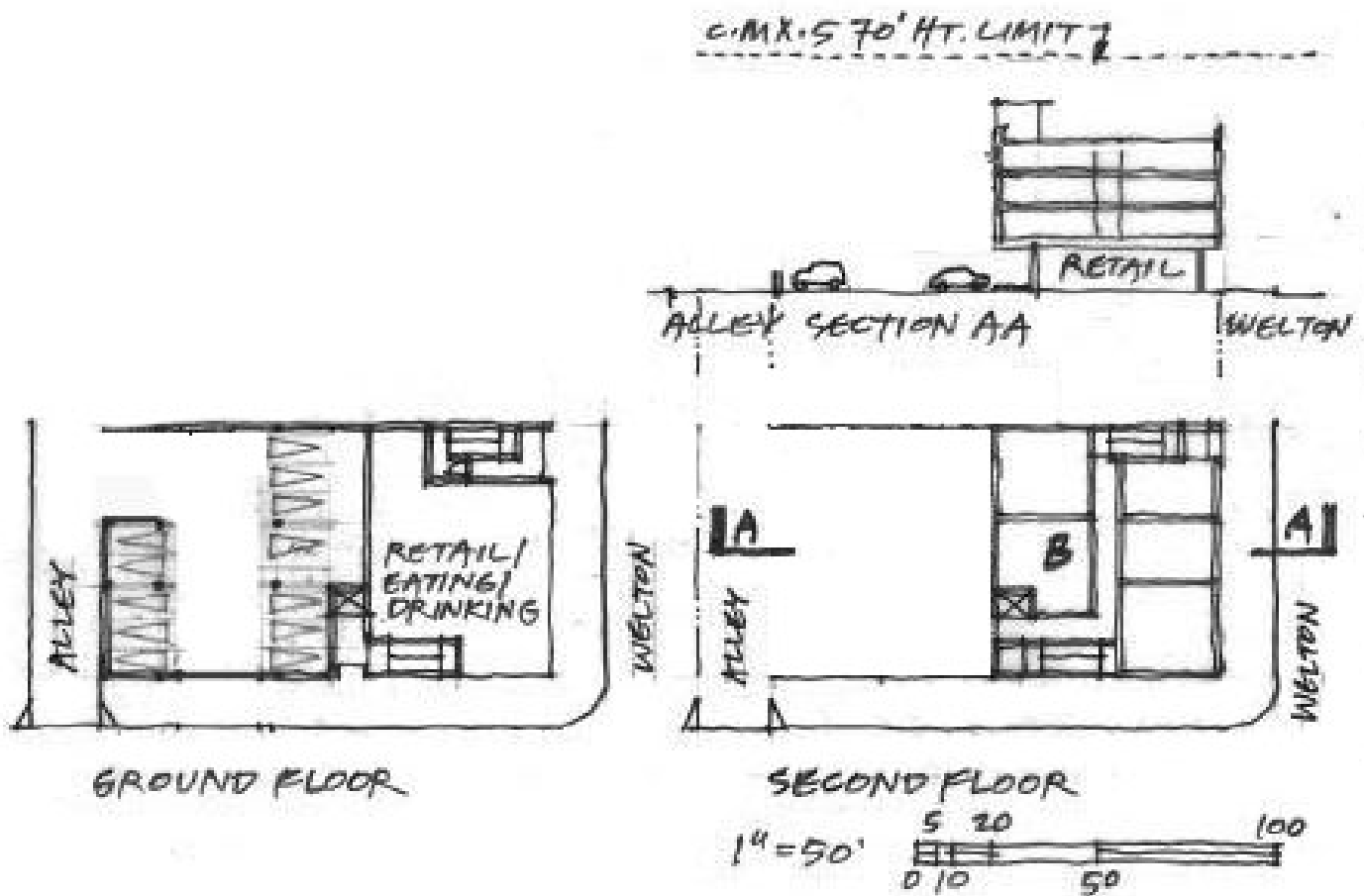
Note 2: Flat roof sloped to drain to alley is chosen to keep drainage off adjoining property.

Note 3: Units are sprinkled to allow some unprotected doors and windows within 5' to 10' of property line.

Note 4: Exterior walls built to side property lines to maximize development width. To avoid shoring of adjoining property, no basements are provided, and foundations are possibly cantilevered or supported on piers.

Note 5: 'General' building form used in zoning determinations.

Conceptual form, development yield and site plan created to study development possibilities under Denver's new zoning code. Not for architectural and/or construction use. Not all sites will have the same requirements as the site study illustrated above (i.e. the protected district setback). Check your site to identify all applicable zoning requirements.



Zoning Site Study 2 - Lot size 75' wide x 125' deep

Zone: C-MX-5

Mixed-Use (residential over retail)

SITE: 75' wide x 125' deep
 Lot Area (apprx.): 9,375 SF

PROGRAM

Residential:

BLDG. B: 14 Units, 1 BD @ 665 SF +/- AVG.

Total Units: 14

Retail:

Total: 3100 SF

DENSITY

11 DU on 0.22 AC.= 64 DU/AC.

1,700 GSF = 1.8 FAR (excluding parking)

Note: Ground floor is elevated 2 feet above the flow line to avoid flooding issues, requiring ramps for ADA accessibility and steps either within the building or exterior to the building.

PARKING: for each building that has 10,000 or less retail/restaurant, a total of 5000 SF of these uses can have no parking requirements. However, only 3500 SF of restaurant uses can have no parking.

PARKING Required:

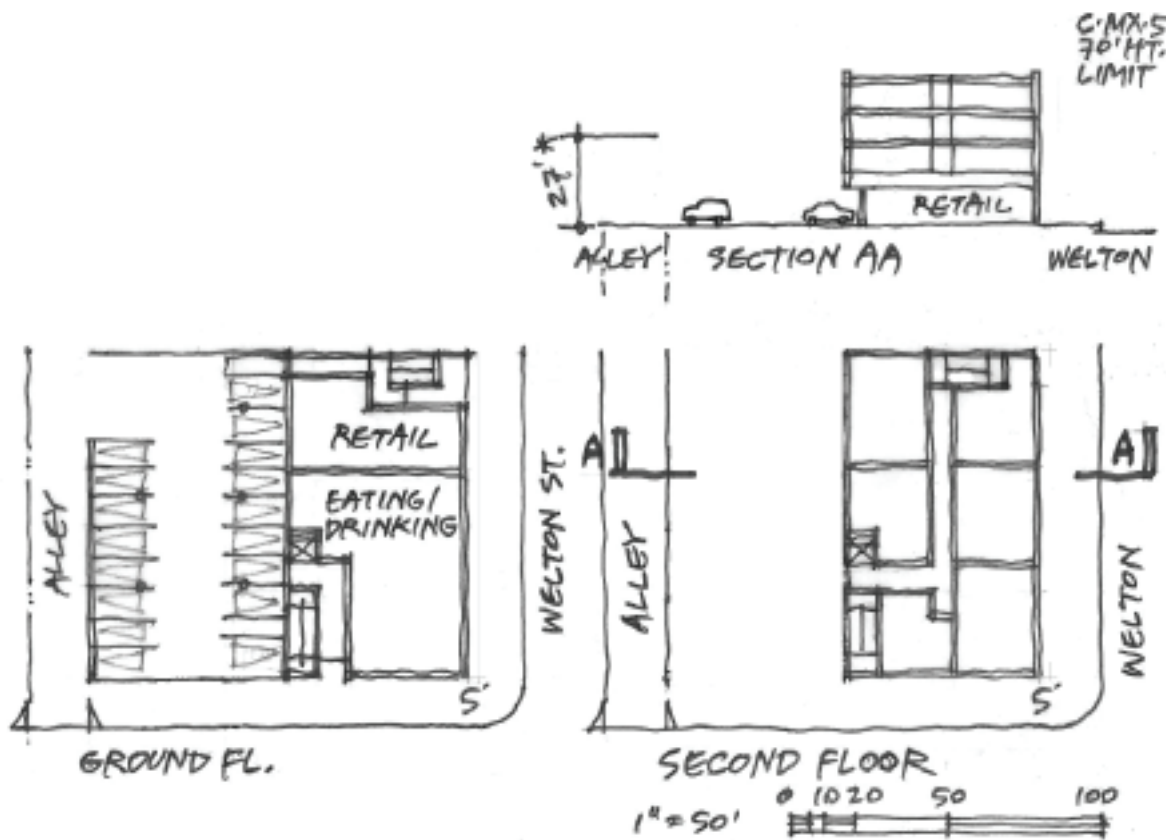
Residential 14 x 0.75/DU: 11 Spaces

Retail/Restaurant: if less than 3500 SF=0 sp

Total Required = 11 Spaces

Total Provided = 11 Spaces

Conceptual form, development yield and site plan created to study development possibilities under Denver's new zoning code. Not for architectural and/or construction use. Not all sites will have the same requirements as the site study illustrated above (i.e. the protected district setback). Check your site to identify all applicable zoning requirements.



Zoning Site Study 3 - Lot size 100' wide x 125' deep

Zone: C-MX-5

Mixed-Use (residential over retail)

SITE: 100' wide x 125' deep
 Lot Area (apprx.): 12,500 SF

PROGRAM

Retail/Restaurant (street level):

3100 SF +/- Restaurant

1450 SF +/- Retail

Total = 4550 SF Retail/Restaurant

Residential:

18 Units, 1 & 2 BD @ 800 NSF +/- avg.

Total Units: 18

DENSITY: 18 DU on 0.286 AC.= 63 DU/AC.

22,500 GSF = 1.8 FAR

Note: Ground floor is elevated 2 feet above the flow line to avoid flooding issues, requiring ramps for ADA accessibility and steps either within the building or exterior to the building.

PARKING: for each building that has 10,000 or less retail/restaurant, a total of 5000 SF of these uses can have no parking requirements. However, only 3500 SF of restaurant uses can have no parking.

PARKING Required:

Residential = $18 \times 0.75 = 14$ Spaces

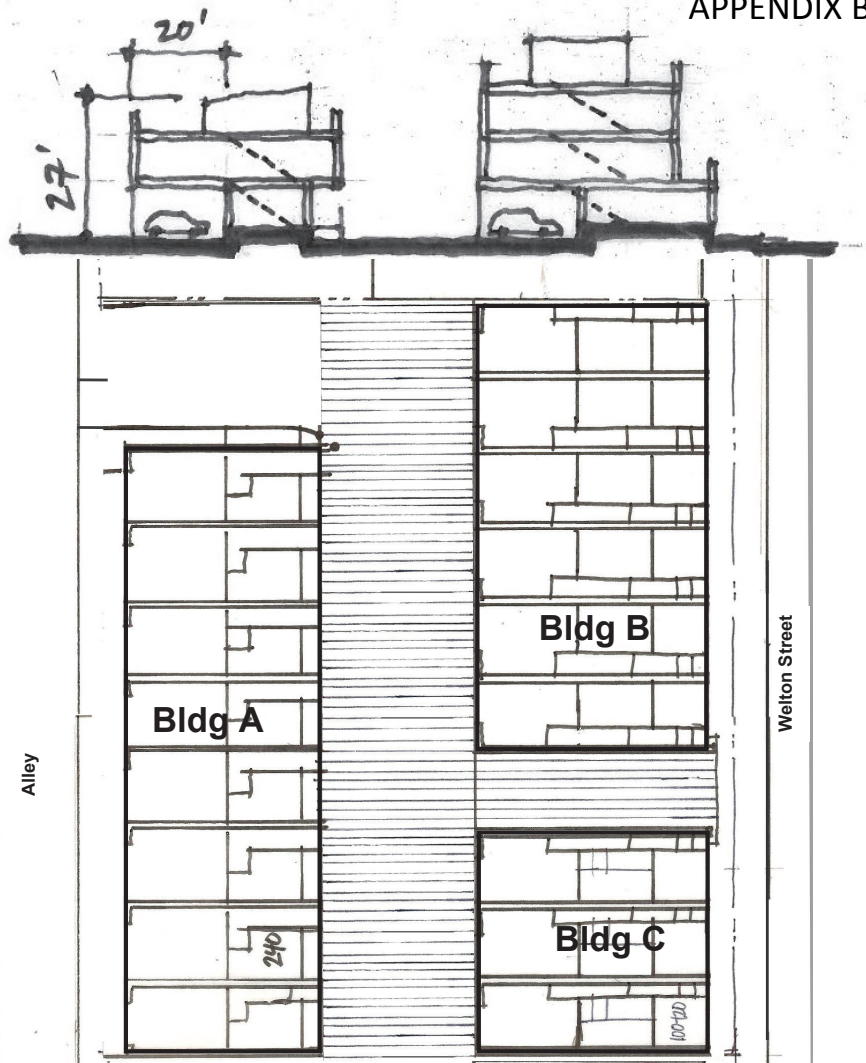
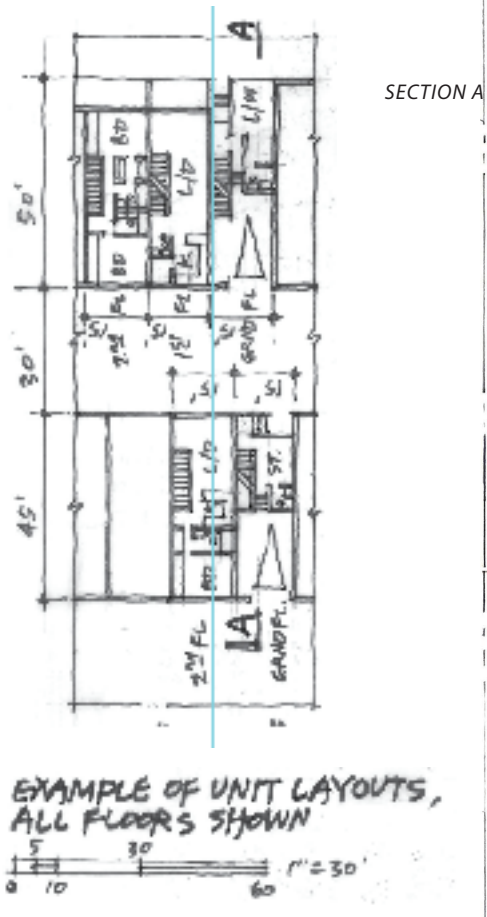
Eating/Drinking if less than 3500 SF = 0 sp

Retail is less than 10,000 SF = 0 sp

Total Required = 14 Spaces

Total Provided = 17 Spaces

Conceptual form, development yield and site plan created to study development possibilities under Denver's new zoning code. Not for architectural and/or construction use. Not all sites will have the same requirements as the site study illustrated above (i.e. the protected district setback). Check your site to identify all applicable zoning requirements.



GROUND FLOOR PLAN

Zoning Site Study 4a - Lot size 150' wide x 125' deep
Zone: C-MX-3 and C-MX-5 (pending C-MX-5 legislative rezone)
 Residential (urban townhome/live-work)

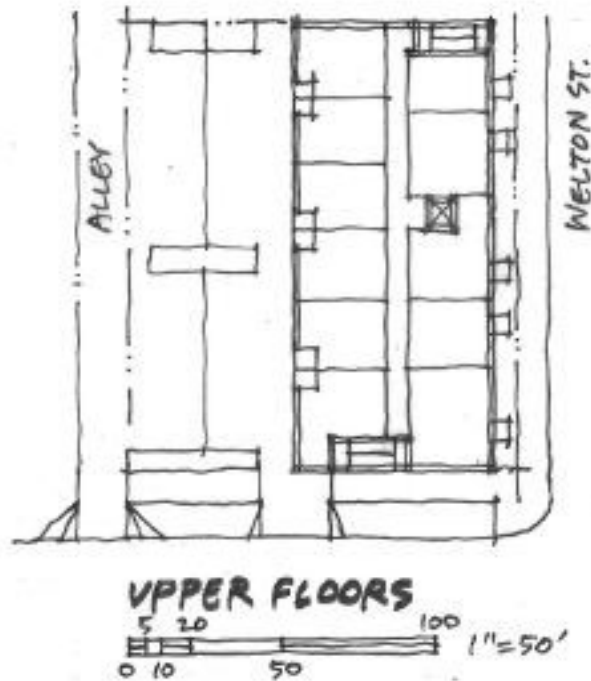
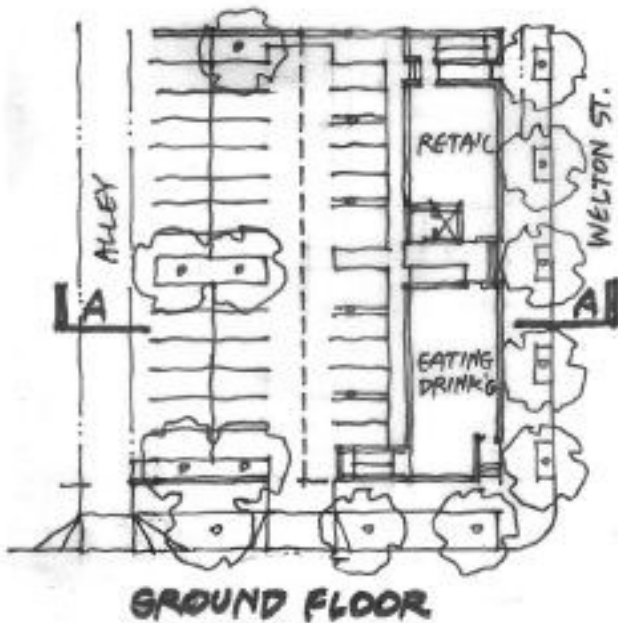
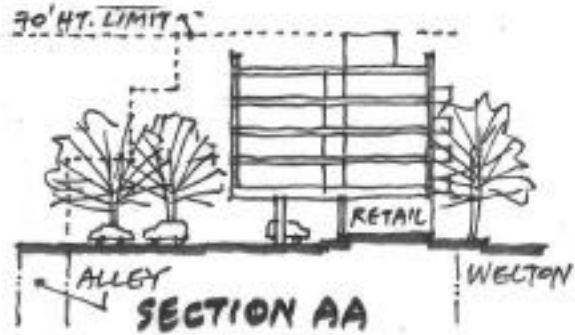
SITE: 150' wide x 125' deep
 Lot Area (apprx.): 18,750 SF

PROGRAM
 Residential:
 Bldg A: 8 units: 1BD/studio - 800 SF
 Bldg B: 6 units: 2BD/LW: 1450 SF
 Bldg C: 3 units: 2BD/LW: 1450 SF
 Total Units: 17 townhomes with live-work space (120 SF)

PARKING
 Residential/LW : 17 @ .75/DU = 13 spaces
 Required = 13 spaces
 Provided = 17 spaces

Note 1 : Ground floor is elevated 2 feet above the flow line to avoid flooding issues, requiring ramps for ADA accessibility and steps either within the building or exterior to the building.
 Note 2: Rooftop deck desirable particularly for alley units but difficult on alley side because of protected district setbacks.

Conceptual form, development yield and site plan created to study development possibilities under Denver's new zoning code. Not for architectural and/or construction use. Not all sites will have the same requirements as the site study illustrated above (i.e. the protected district setback). Check your site to identify all applicable zoning requirements.



Zoning Site Study 4b- Lot size 150' wide x 125' deep
Zone: C-MX-3 and C-MX-5 (pending C-MX-5 legislative rezone)
 Mixed-Use (residential over retail)

SITE: 150' wide x 125' deep
 Lot Area (apprx.): 18,750 SF

PROGRAM
 Retail/Restaurant (street level):
 1750 SF +/- Eating/Drinking
 1320 SF +/- Retail
 Total = 3070 +/- SF Retail/Restaurant

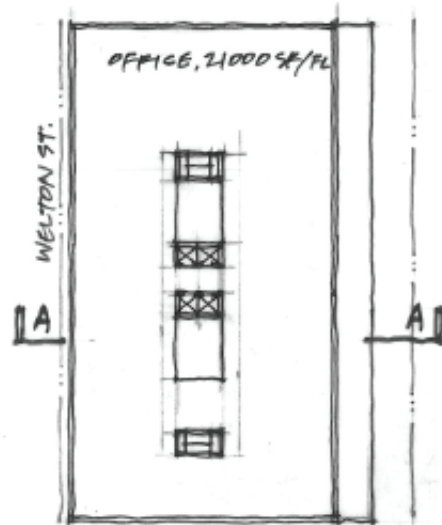
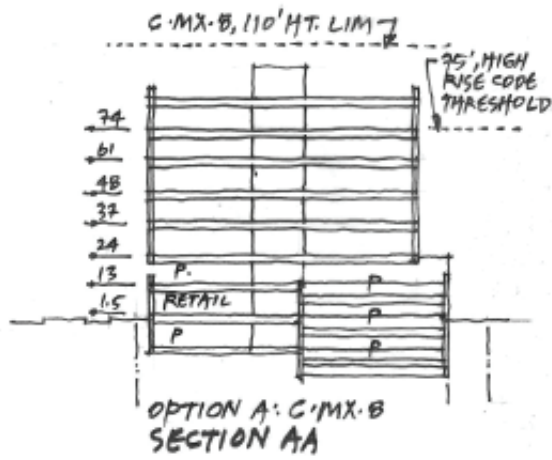
Residential:
 44 Units: 1 BD @ 790 SF +/- aver.

Note: Ground floor is elevated 2 feet above the flow line to avoid flooding issues, requiring ramps for ADA accessibility and steps either within the building or exterior to the building.

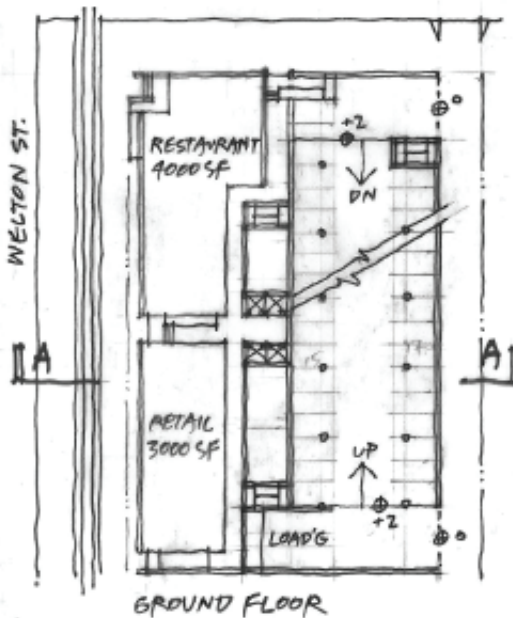
PARKING: for each building that has 10,000 or less retail/restaurant, a total of 5000 SF of these uses can have no parking requirements. However, only 3500 SF of restaurant uses can have no parking.

PARKING Required:
 Residential = @0.75/DU; 44 x 0.75 = 33 Spaces
 Restaurant if less than 3500 SF=0 sp
 Retail if less than 5000 SF=0 sp
 Total Required = 33 Spaces
 Total Provided = 39 +/- Spaces

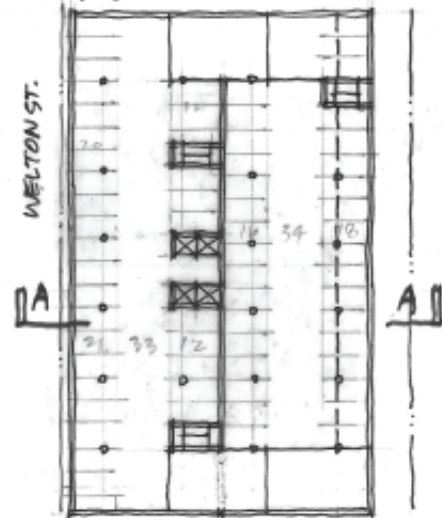
Conceptual form, development yield and site plan created to study development possibilities under Denver's new zoning code. Not for architectural and/or construction use. Not all sites will have the same requirements as the site study illustrated above (i.e. the protected district setback). Check your site to identify all applicable zoning requirements.



UPPER LEVEL OFFICE



GROUND FLOOR



UPPER LEVEL PARKING

Zoning Site Study 5a - Parcel size 200' wide x 125' deep

Zone: C-MX-8

Mixed-Use (office over retail/restaurant)

SITE: 200' wide x 125' deep
 Lot Area (apprx.): 25,000 SF, 0.57 AC.

PROGRAM

Office: 105,000 SF (105' +/- x 200' = 21,000 SF Floor Plate x 5); Retail: 7,000 SF +/- ; 4,000 SF Restaurant, 3,000 SF Retail
 Total: 112,000 SF

Note: Ground floor is elevated 2 feet above the flow line to avoid flooding issues, requiring ramps for ADA accessibility and steps either within the building or exterior to the building.

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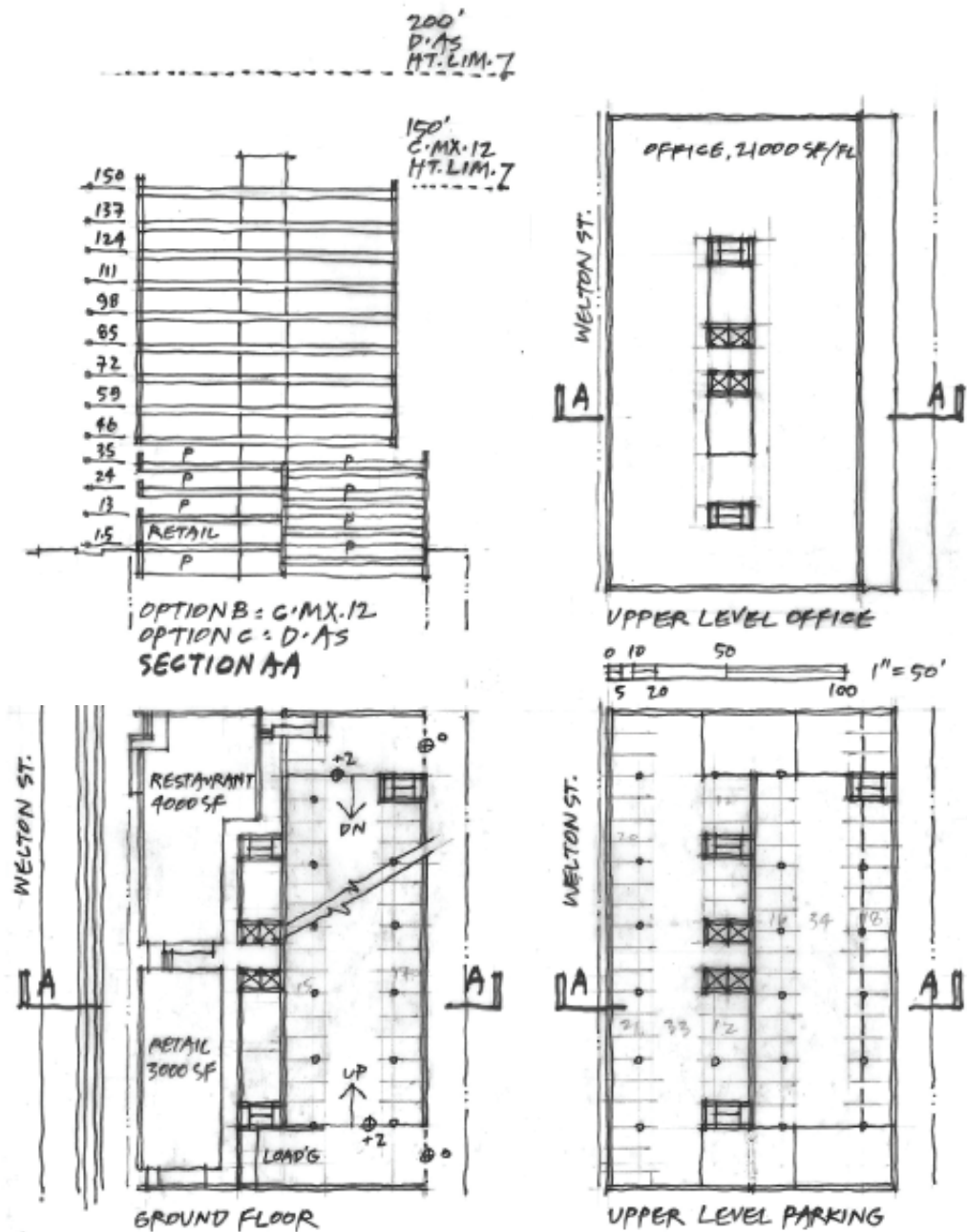
PARKING: for each building that has 10,000 or less retail/restaurant, a total of 5000 SF of these uses can have no parking requirements. However, only 3500 SF of restaurant uses can have no parking.

Required:

Office: 105,000 SF @ 1.25/1,000 SF = 132 Spaces
 Restaurant/Retail: 7,000 SF - 5,000 SF = 2,000 SF where parking is required at Max.
 Restaurant 2,000 @ 2.5/1,000 SF = 5 spaces.
 Total parking required: 137 Spaces

Provided:

1 level above grade = 65 +/- Spaces
 1 1/2 levels below grade = 100 Spaces
 Total provided: 165 Spaces



**Zoning Site Study 5b - Parcel size 200' wide x 125' deep
Zone: C-MX-12**

Mixed-Use (office over retail/restaurant)

SITE: 200' wide x 125' deep
Lot Area (apprx.): 25,000 SF, 0.57 AC.

PROGRAM

Office: 168,000 SF (105' +/- x 200' = 21,000 SF Floor Plate x 8); Retail: 7,000 SF +/- ; 4,000 SF Restaurant, 3,000 SF Retail
Total: 175,000 SF

Note: Ground floor is elevated 2 feet above the flow line to avoid flooding issues, requiring ramps for ADA accessibility and steps either within the building or exterior to the building.

PARKING: for each building that has 10,000 or less retail/restaurant, a total of 5000 SF of these uses can have no parking requirements. However, only 3500 SF of restaurant uses can have no parking.

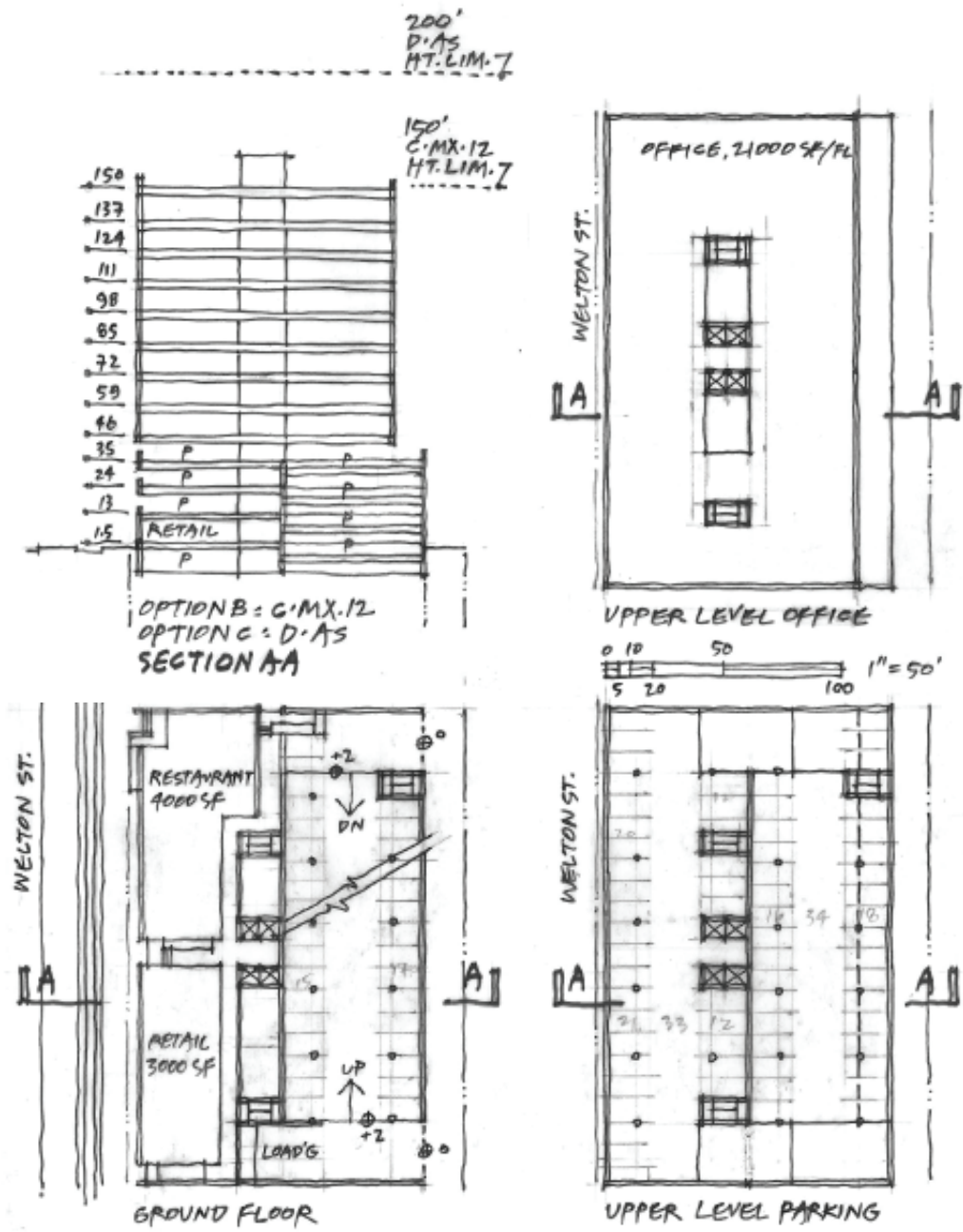
PARKING Required:

Office: 168,000 SF @ 1.25/1,000 SF = 210 spaces
Restaurant/Retail: 7,000 SF - 5,000 SF = 2,000 SF where parking is required at Max.
Restaurant 2000 SF @ 2.5/1,000 SF = 5 spaces
Total parking required: 215 Spaces

Provided:

3 levels above grade = 195 +/- Spaces
1 level below grade = 65 Spaces
Total provided: 260 Spaces

Conceptual form, development yield and site plan created to study development possibilities under Denver's new zoning code. Not for architectural and/or construction use. Not all sites will have the same requirements as the site study illustrated above (i.e. the protected district setback). Check your site to identify all applicable zoning requirements.



Zoning Site Study 5c - Parcel size 200' wide x 125' deep

Zone: D-AS

Mixed-Use (office over retail/restaurant)

SITE: 200' wide x 125' deep
Lot Area (apprx.): 25,000 SF, 0.57 AC.

PROGRAM: Assume 7:1 FAR with all incentives
25,000 SF x 7 = 175,000 SF allowable

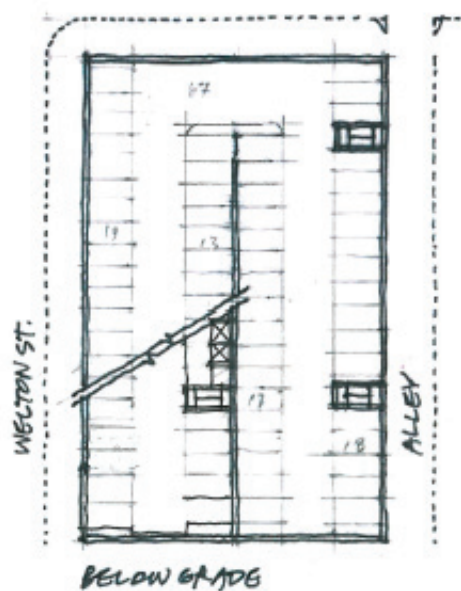
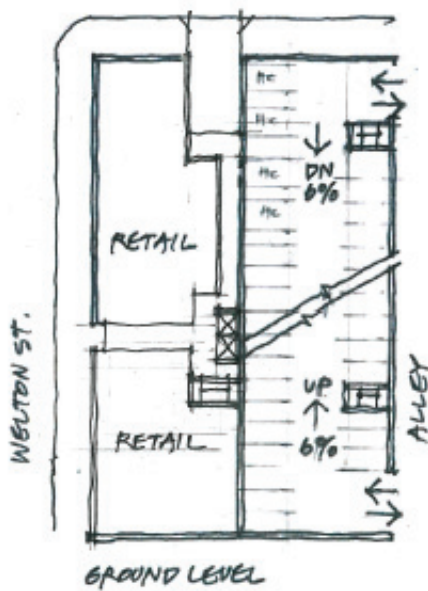
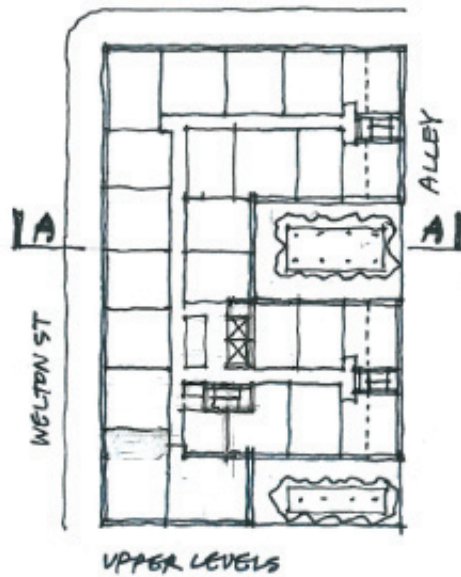
Office:
168,000 SF (105' +/- x 200' = 21,000 SF Floor Plate x 8)
Retail: 7,000 SF +/- ; 4,000 SF Restaurant, 3,000 SF Retail
Total Development: 175,000 SF

Note: Ground floor is elevated 2 feet above the flow line to avoid flooding issues, requiring ramps for ADA accessibility and steps either within the building or exterior to the building.

PARKING: for each building that has 10,000 or less retail/restaurant, a total of 5000 SF of these uses can have no parking requirements. However, only 3500 SF of restaurant uses can have no parking.

PARKING Required:
Office: 168,000 SF @ 1.25/1,000 SF = 210 spaces
Restaurant/Retail: 7,000 SF - 5,000 SF = 2,000 SF where parking is required at Max.
Restaurant 2000 SF @ 2.5/1,000 SF = 5 spaces
Total parking required: 215 Spaces

Conceptual form, development yield and site plan created to study development possibilities under Denver's new zoning code. Not for architectural and/or construction use. Not all sites will have the same requirements as the site study illustrated above (i.e. the protected district setback). Check your site to identify all applicable zoning requirements.



Zoning Site Study 5d - Parcel size 200' wide x 125' deep

Zone: C-MX-8

Mixed-Use (residential over retail)

SITE: 200' wide x 125' deep
 Lot Area (apprx.): 25,000 SF, 0.57 AC.

PROGRAM

Residential:
 23 DU/FL x 6 FL = 138 DU +/-
 20,500 SF/FL x 6 = 123,000 SF
 Retail/ Restaurant: 8,500 SF
 Total: 131,000 SF
 5.25 FAR, 240 +/- DU /AC.

Note: Ground floor is elevated 2 feet above the flow line to avoid flooding issues, requiring ramps for ADA accessibility and steps either within the building or exterior to the building.

PARKING: for each building that has 10,000 or less retail/restaurant, a total of 5000 SF of these uses can have no parking requirements. However, only 3500 SF of restaurant uses can have no parking.

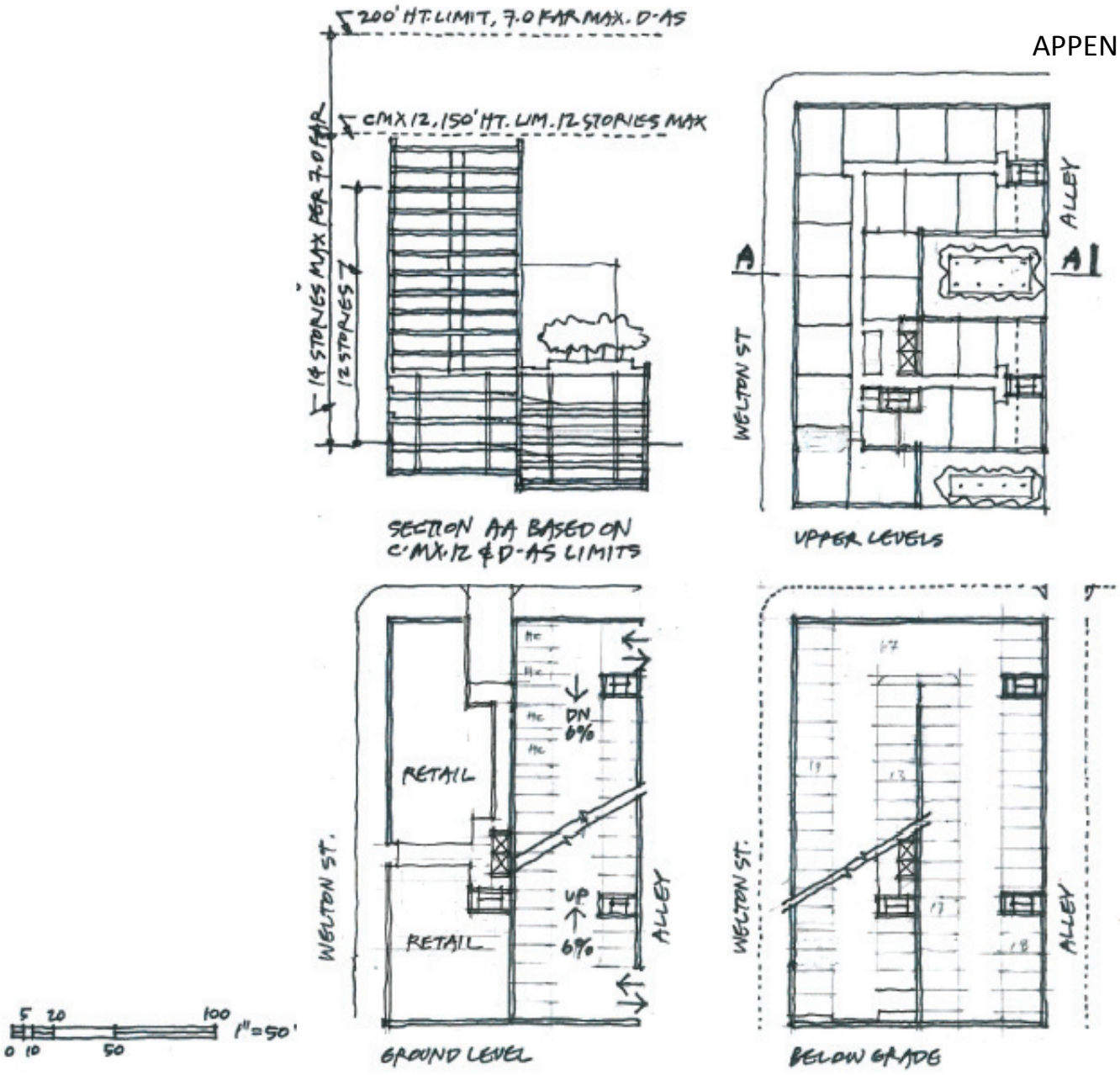
PARKING Required:

Residential: $138 \times 0.75 = 104$ Spaces
 Restaurant/Retail: $8,500 \text{ SF} - 5,000 \text{ SF} = 3,500 \text{ SF}$ where parking is required at Max.
 Restaurant $3,500 \times 2.5/1000 = 9$ Spaces
 Total parking required: 113 Spaces

Provided:

1 levels above grade = 65 +/- Spaces
 1 1/2 levels below grade = 97 +/- Spaces
 Total provided: 162 +/- Spaces

Conceptual form, development yield and site plan created to study development possibilities under Denver's new zoning code. Not for architectural and/or construction use. Not all sites will have the same requirements as the site study illustrated above (i.e. the protected district setback). Check your site to identify all applicable zoning requirements.



Zoning Site Study 5e - Parcel size 200' wide x 125' deep

Zone: C-MX-12 (residential over retail)

Mixed-Use

SITE: 200' wide x 125' deep
 Lot Area (apprx.): 25,000 SF, 0.57 AC.

PROGRAM

Residential:
 21 DU/FL x 5 FL = 105 DU +/-
 18,500 SF/FL x 5 = 92,500 SF
 13 DU/FL x 4 FL = 52 DU +/-
 12,400 SF/FL = 49,600 GSF
 Total Residential: 157 DU, 142,100 GSF
 Retail/ Restaurant: 8,500 SF
 Total: 175,000 GSF +/-

5.7 FAR, 275 +/- DU /AC.

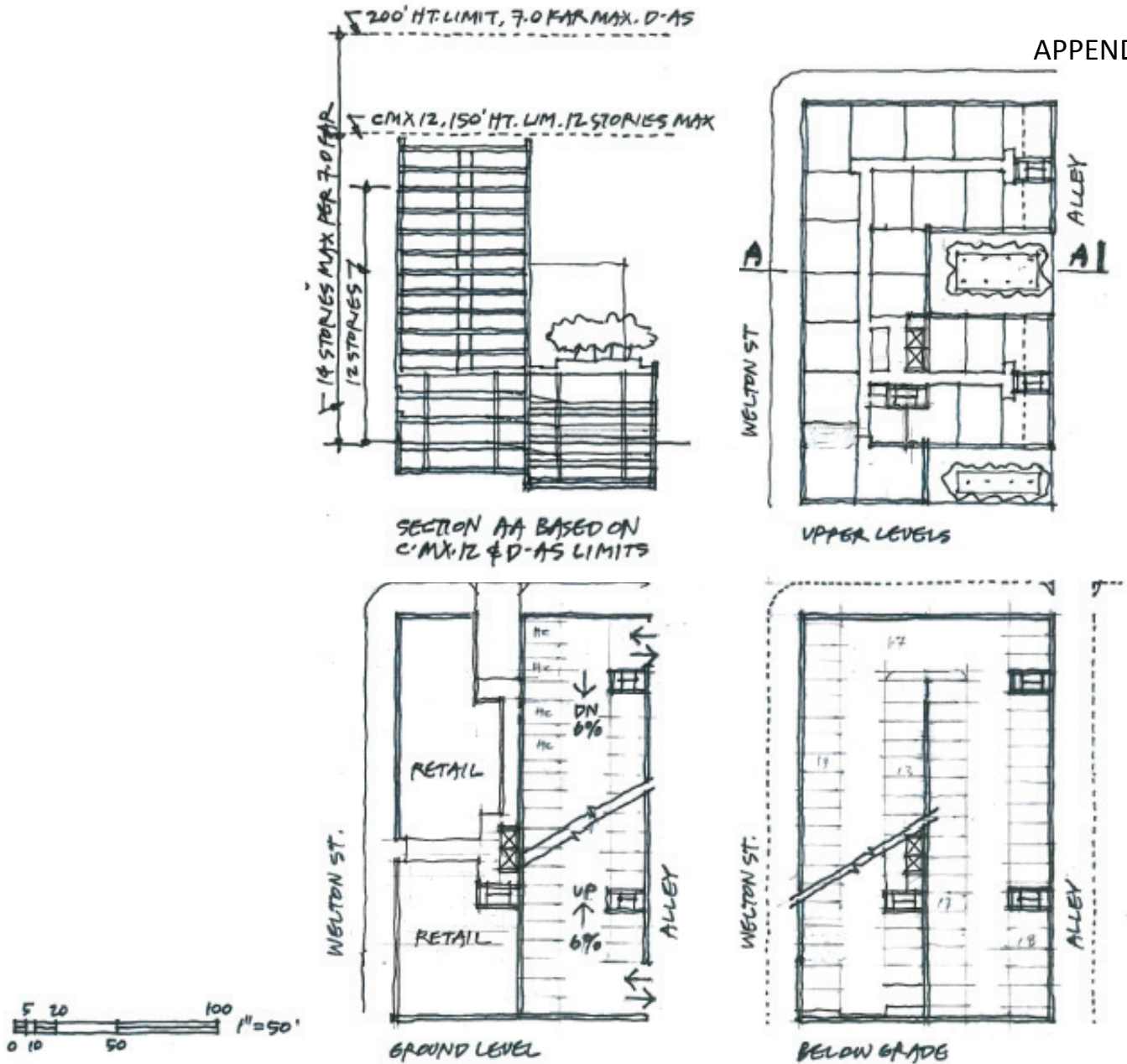
Note: Ground floor is elevated 2 feet above the flow line to avoid flooding issues, requiring ramps for ADA accessibility and steps either within the building or exterior to the building.

PARKING: for each building that has 10,000 or less retail/restaurant, a total of 5000 SF of these uses can have no parking requirements. However, only 3500 SF of restaurant uses can have no parking.

PARKING Required:
 Residential: 157 x 0.75 = 118 Spaces
 Restaurant/Retail: 8,500 SF -5,000 SF=3,500 SF where parking is required at Max.
 Restaurant 3,500 X 2.5/1000 =9 Spaces
 Total parking required: 127 Spaces

183 x 1/ DU Market = 183
 Retail x 3/1000 @ 8,500 SF = 26
 Total parking required: 127 Spaces
 Provided: 3 levels @ 65 +/- Spaces/Level = 195 Spaces

Conceptual form, development yield and site plan created to study development possibilities under Denver's new zoning code. Not for architectural and/or construction use. Not all sites will have the same requirements as the site study illustrated above (i.e. the protected district setback). Check your site to identify all applicable zoning requirements.



Zoning Site Study 5f - Parcel size 200' wide x 125' deep

Zone: D-AS

Mixed-Use (residential over retail)

SITE: 200' wide x 125' deep
 Lot Area (apprx.): 25,000 SF, 0.57 AC.

PROGRAM

Residential:
 21 DU/FL x 5 FL = 105 DU +/-
 18,500 SF/FL x 5 = 92,500 SF
 13 DU/FL x 6 FL = 78 DU +/-
 12,400 SF/FL = 74,400 SF
 Total Residential: 183 DU, 166,500 GSF
 Retail/ Restaurant: 8,500 SF
 Total: 175,000 GSF +/-

7.0 FAR, 321 +/- DU /AC.

Note: Ground floor is elevated 2 feet above the flow line to avoid flooding issues, requiring ramps for ADA accessibility and steps either within the building or exterior to the building.

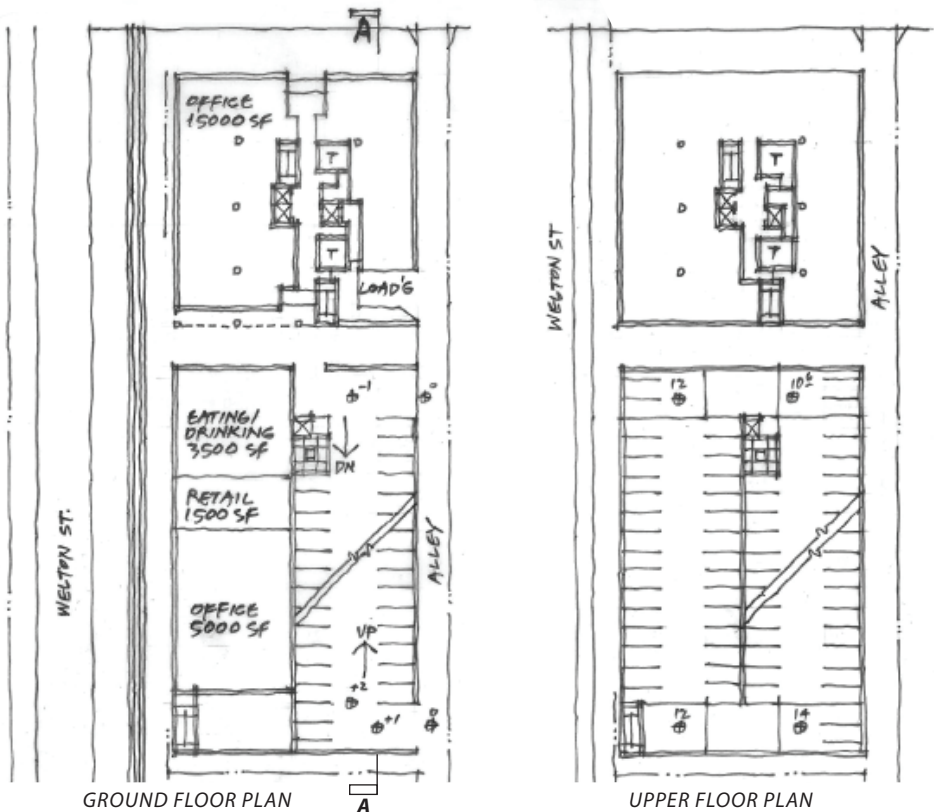
PARKING: for each building that has 10,000 or less retail/restaurant, a total of 5000 SF of these uses can have no parking requirements. However, only 3500 SF of restaurant uses can have no parking.

PARKING Required:

Residential: 183 x 0.75 = 137 Spaces
 Restaurant/Retail: 8,500 SF -5,000 SF=3,500 SF where parking is required at Max.
 Restaurant 3,500 X 2.5/1000 =9 Spaces
 Total parking required: 146 Spaces

183 X 1/ DU Market = 183
 Retail x 3/1000 @ 8,500 SF = 26
 Total parking required: 209 Spaces
 Provided:3.5 levels above grade @ 65 +/- Spaces/Level = 227 Spaces

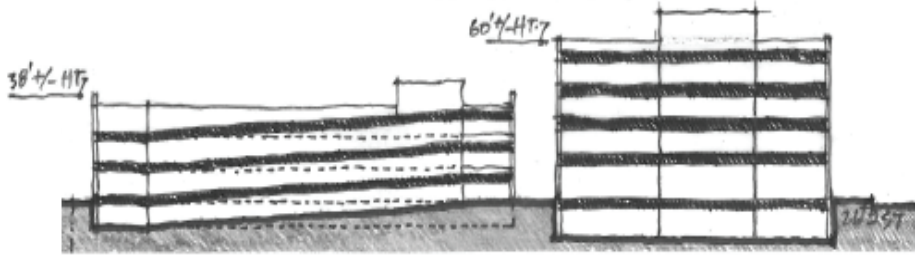
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GROUND FLOOR PLAN

UPPER FLOOR PLAN

C-MX-8 HT LIMIT = 110'7"
 HIGHRISE CODE THRESHOLD
 75' + 1 FLOOR = 90'7" - 1'



SECTION A

Zoning Site Study 6 - Parcel size 350' wide x 125' deep
Zone: C-MX-8

Mixed-Use (office building with parking garage/retail)

SITE: 350' wide x 125' deep
 Lot Area (apprx.): 43,750

PROGRAM
 Office Building: 60,000 SF (15,000 SF Floor Plate x 4)

Parking Garage:
 Retail/Restaurant/Office (street level)
 3,500 SF Restaurant
 1,500 SF Retail
 5,000 SF Office
 Totals: 65,000 SF Office/3,500 SF Restaurant/
 1,500 SF Retail

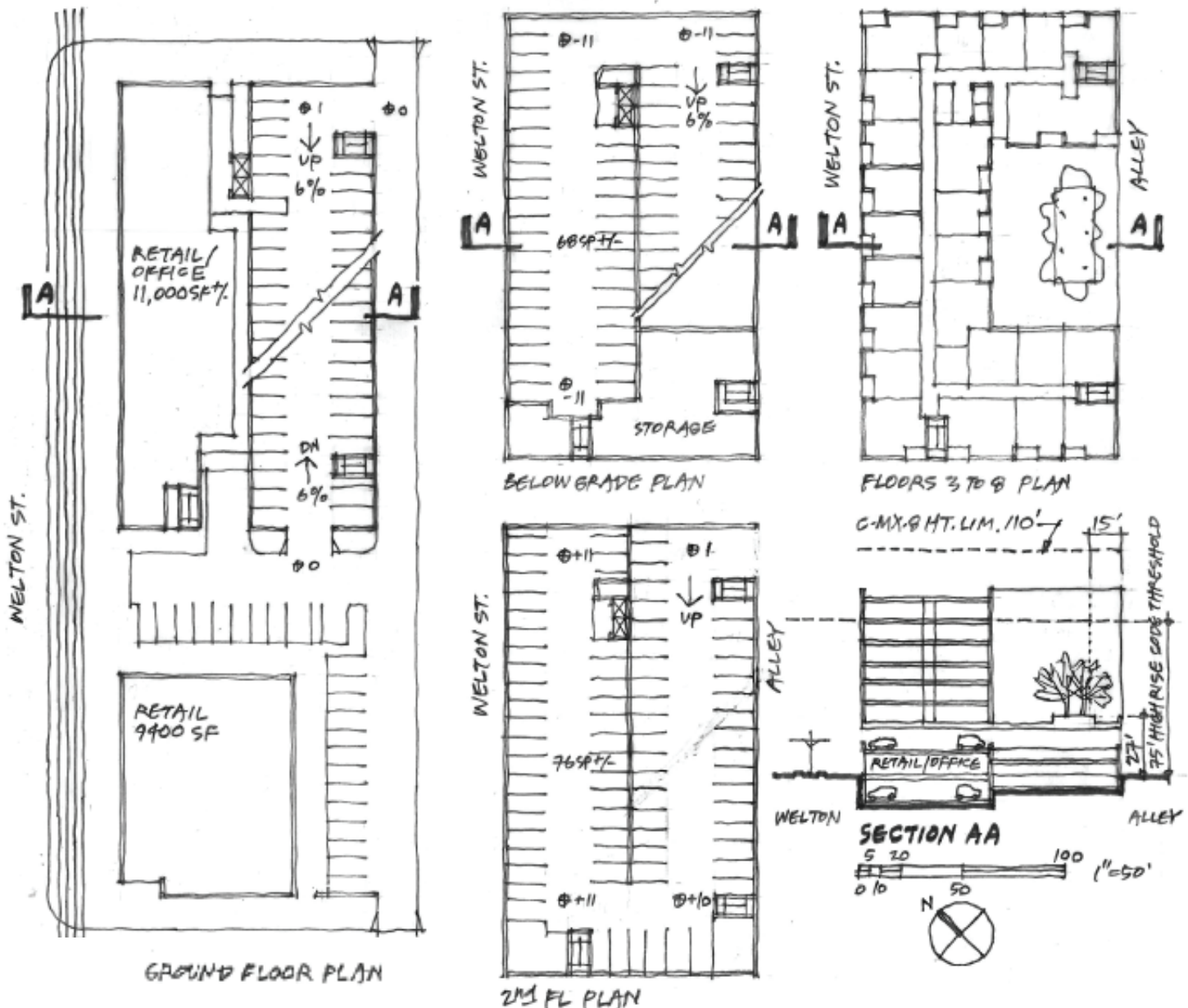
PARKING
 Required:
 Office: 65,000 SF @ 1.25/1,000 = 82 Spaces
 Restaurant if < 3,500 SF & Retail if < 5,000 SF = 0 required
 Total Required = 82 Spaces

Provided:
 Garage: 4 levels @ 60 sp/level = 240 Spaces

Using typical unreduced standards
 Retail/Restaurant: 25 sp = 5/1,000 SF
 Office: 215 sp = 3.3/1,000 SF
 Total: 240 Spaces

Note 1: Additional level in pkg. garage either increases Office pkg. ratio to 4.5/1,000 or adds another 15,000 SF to Office building.
 Note 2: This scenario is likely to be long term, by which time it is assumed that the area's storm-water system deficiencies have been corrected by the city.

Conceptual form, development yield and site plan created to study development possibilities under Denver's new zoning code. Not for architectural and/or construction use. Not all sites will have the same requirements as the site study illustrated above (i.e. the protected district setback). Check your site to identify all applicable zoning requirements.



Zoning Site Study 7 - Parcel size 400' wide x 125' deep

Zone: C-MX-8

Mixed-Use (residential above retail)

SITE: 400' wide x 125' deep
 Lot Area (apprx.): 50,000 SF

PROGRAM - Residential:
 130,980 GSF x 82% EFF.= 107,400 NSF
 150 Units @ 720 NSF +/-
 (21,830 GSF/FL. ; 17,900 NSF, 25 DU/FL., 6 Floors)

Retail/Restaurant/Office in Mixed Use Bldg: 11,000 SF +/-
 Free Standing Retail/Restaurant: 9,400 GSF +/-
 Totals Residential and Commercial Area: 151,380 SF / 50,000
 = 3.03 FAR; 130 DU/AC

- Note 1: If a 15' Step Back above 27' at the alley is instituted, then 24 units would likely be lost.
- Note 2: On-Site detention will be required if it is not already provided.
- Note 3: Ground floor is elevated 2 feet above the flow line to avoid flooding issues, requiring ramps for ADA accessibility and steps either within the building or exterior to the building.

PARKING: for each building that has 10,000 or less retail/restaurant, a total of 5000 SF of these uses can have no parking requirements. However, only 3500 SF of restaurant uses can have no parking.

PARKING Required:
 Residential = 150 DU x 0.75 SP = 113 Spaces;
 Retail/Office: 11,000 SF x 1.25/1000= 14 Spaces
 Restaurant/Retail: 9,400 - 5,000= 4,400; 4,400 @ MAX 2.5/1000 SF = 11 Spaces; Total Required = 138 Spaces

Provided:
 Garage: 140 Spaces +/-
 Lot: 23 Spaces
 Total provided: 158 Spaces

Conceptual form, development yield and site plan created to study development possibilities under Denver's new zoning code. Not for architectural and/or construction use. Not all sites will have the same requirements as the site study illustrated above (i.e. the protected district setback). Check your site to identify all applicable zoning requirements.

APPENDIX C

Funding/grant opportunities available for redevelopment through the Office of Economic Development

- The **Revolving Loan Fund program** (RLF) used to enhance the ability of business owners to secure the necessary capital to finance start-up ventures or business expansion projects. This gap financing program works by lending up to 25% of project costs, thereby inducing banks to provide the bulk of the financing for small businesses.

Besides filling the financial gap, the RLF program helps to stimulate job creation and revitalize under-utilized or deteriorated commercial and industrial properties. OED also works to assist businesses that locate in the RLF target area with the permitting process.

- The **Neighborhood Business Revitalization program** (NBR) helps local entrepreneurs start or expand their businesses in targeted Denver neighborhoods. OED provides gap financing, technical and permitting assistance, design consultation, and public improvement construction to enhance investment opportunities in NBR target areas (see map below).
- Also any of Denver's community development corporations (CDC), in partnership with the Small Business Administration (SBA), can provide below market rate, long-term financing on commercial and industrial fixed assets located in the City and County of Denver.
- **Section 108** is the loan guarantee provision of the Community Development Block Grant (CDBG) program. Section 108 is a source of financing for economic development, housing rehabilitation, public facilities, and large-scale physical development projects
- The **Enterprise Zone** (link listed and map below), Tax Increment Financing (TIF), and New Market Tax Credits (NMTC's) are also tools. A map of the Denver Enterprise Zone is attached below and is available online at <http://www.milehigh.com//resources/custom/pdf/business/EZ2009.pdf>.

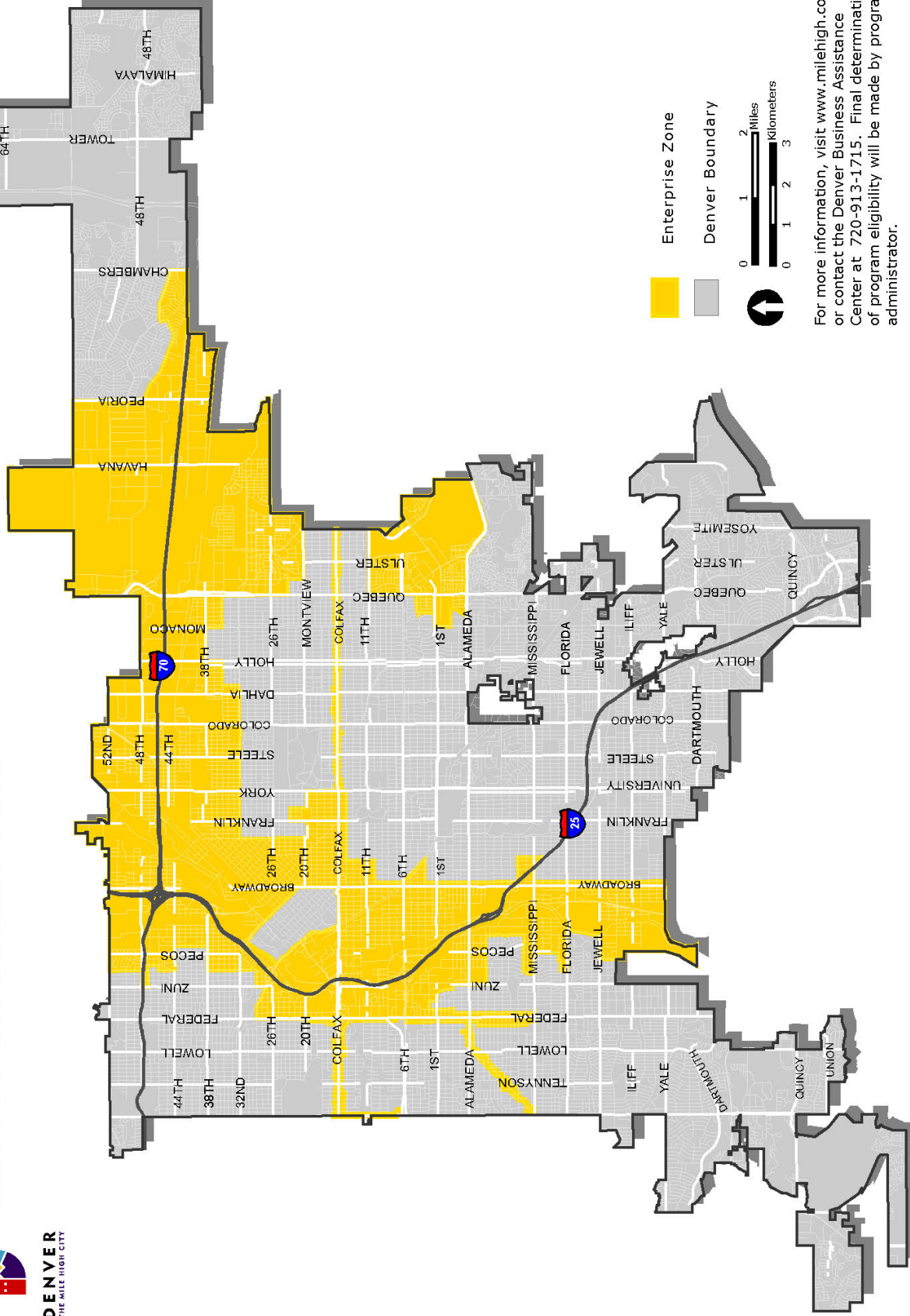
Rehabilitation of Vacant Buildings

- Businesses in the enterprise zone that completely rehabilitate a building for commercial use that is at least 20 years old and has been vacant for at least two years, are eligible for a 25-percent tax credit. The credit cannot exceed \$50,000 and is based on the business's hard costs (construction, materials, etc.) to rehabilitate the building.

DENVER ENTERPRISE ZONE



DENVER
THE MILE HIGH CITY



Enterprise Zone
 Denver Boundary

For more information, visit www.milehigh.com or contact the Denver Business Assistance Center at 720-913-1715. Final determination of program eligibility will be made by program administrator.

Map created by Denver Office of Economic Development
Data source: DenverGIS. Map date: January 30, 2009

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