

Zoning and Planning Committee Minutes

By Greg Kerwin, Co-chair of the committee

The INC ZAP (Zoning and Planning Committee) met on January 24, 2015 from 9:35 am to approximately noon at 1201 Williams meeting room. CPD Deputy Director, Jill Jennings Golich, attended the meeting.

The Committee discussed the following topics: Denver Housing update, the electrical grid, the Sloan's Lake/St. Anthony's zoning change proposal, and a brief update on planning for the INC forum in February on short-term rentals.

Denver Housing

Rick Padilla, Director of Denver Housing discussed current work by his agency, including the Mayor's Five Year Plan and the Inclusionary Housing Ordinance (IHO).

The IHO was created in 2002 and revised in 2014. The City recently approved new rules and regulations for administering and implementing the IHO.

Padilla discussed recent rapid population growth in Denver, projections that Denver's population may increase by 100,000 in the next ten years, and the need for affordable housing. He described the Mayor's five year strategy that was adopted in October 2014 as a "recipe for opportunity." One goal is to create 3,000 affordable housing units over the next five years. In the first year, Denver Housing has created 741 new units. Specific information is available at: www.denvergov.org/oed

Federal funding for affordable housing has declined so Denver Housing is looking at nonfederal resources. The 4% program has \$8 million now. Denver Housing is developing underwriting guidelines for loans, not grants. They seek to help developers meet a gap in financing.

On February 6, 2015 the Mayor is hosting a regional housing summit, seeking to identify areas for collective regional action. 300 people will attend. They will talk about the experience of other cities with high-cost housing including New York, Boston, Seattle, Washington D.C., Chicago, San Francisco, and Los Angeles.

Denver Housing seeks to provide rental subsidies for 30,000 people. They estimate the average price of single family residence is now \$300,000, and the average rent for a one bedroom apartment is \$1,300. The City is working with both for profit and nonprofit developers to create more affordable housing.

Padilla discussed some of the priorities in the City's housing plan. Those include:

- 1) increase housing resources;
- 2) revise and articulate city's funding process;
- 3) reduce regulatory burden of subsidized housing development;
- 4) provide additional critical needs and homeless housing;
- 5) increase housing diversity;
- 6) preserve workforce and critical needs housing;
- 7) provide greater home ownership opportunities;
- 8) encourage sustainable housing development.

Responding to questions, Padilla discussed an economic development corridor along Colfax. The City sees Colfax as a good location for multifamily housing, in part because it has public transportation.

One committee member asked about a recent land purchase by OED in Elyria near 48th and Race and Vine that was completed through Councilwoman's Montero's office without community input. The commenter noted the community would have liked a say in the future of these properties as part of the ongoing planning process. Seneca Holmes with OED responded that the City saw an opportunity to lock down the land, hoping to put mixed use development there with 100 units for people at 80% AMI and below. So the City went through the Council process quickly so the Urban Land Conservancy (ULC) did not lose the parcel. Committee members asked why the City was not working with neighborhoods once the parcel was locked down, noting they believe ULC is not working with neighborhoods.

One committee member asked whether Denver Housing could provide more affordable housing by supporting restrictions on short-term rentals. Mr. Padilla did not state a position on that issue.

Another committee member noted concern that there is a land grab happening in Globeville now where residents are receiving unsolicited letters from developers asking them to sell their property. She requested better communication from the City, noting that the City selects nonprofit groups to work with that it calls the community, who are not representative of the entire community. Mr. Padilla agreed to meet on Washington Street with land owners there.

Another member suggested the City hire its own well-paid consultant to help acquire properties for the City that are suitable for affordable housing, so the City can compete effectively with private developers.

Electric grid

Next Cody Wertz and Jim Carpenter with Coloradans for Reliable Electricity (CRE) discussed its work in promoting awareness of the electric grid and the need for long-term infrastructure improvements. Their group's goal is to promote education and information sharing about the importance of the electric grid to neighborhoods and economic development.

CRE's primary funder is Xcel Energy. It has attracted support from community leaders and diverse groups. They want people to know the grid is complicated and important to the economy. They describe the electric grid as the largest, most complex machine in the world, which is maintained by thousands of employees. It encompasses a complex mix of energy sources, transmissions lines, power poles, and control systems to bring electricity to homes, schools, and businesses. They note that even rooftop solar and community gardens need the grid. They observed that we all pay for the grid as part of every electric bill and there is an ongoing dialogue about the right pricing structure for use of it.

Most of the existing grid is more than 50 years old. It was built to carry electricity from coal fired power plants. Now the grid is evolving with energy from other sources including wind and solar.

CRE does not have a particular issue or policy agenda beyond supporting modernization of the grid. It has not taken a position on net metering. It seeks to promote a conversation about the safety, reliability, and affordability of grid. For more information see www.ReliableElectricGrid.org

Sloan's Lake Zoning Issues

Larry Ambrose introduced the discussion of proposed rezoning for one block of the St. Anthony's Hospital site along the south side of Sloan's Lake, which is scheduled for a public hearing before the City Council on February 17, 2015.

First, Cameron Bertron with the developer EFG (EnviroFinance Group) presented an explanation of his company's proposed development using large diagrams and photos. EFG is the owner and master redeveloper for the former St. Anthony's site, which is located between West Colfax and West. The current zoning issues concern one of seven blocks EFG is redeveloping.

The block is currently zoned as C-MX-5, which allows for five story buildings. Blueprint Denver designates this block as an area of change. The west light rail line is three blocks away. So their goal is to bring infill housing and density. Mr. Bertron described how EFG has approached the St. Anthony's site, noting that neighbors to the west expressed concern that building heights step up from west to east to avoid tall buildings close to their homes to the west. EFG is proposing tall 12-story buildings on 17th Avenue that run north-south contending these will reduce shadows on Sloan's Lake Park to the north. He compares this to the Pinnacle Development on East 17th Avenue. The South Sloan's Lake GDP allows for 20 story buildings but Bertron says it is not clear those would be built.

EFG's plan includes "for sale" housing on the seven blocks including townhomes and some condos (constructed as concrete buildings to reduce the risk of construction defect lawsuits). EFG contends that two of the four RNOs in the area have voted to support its rezoning plan: the West Colfax Association and the West Colfax Business Improvement District.

Bertron noted that the objections they hear include that the West Colfax Corridor Plan and St. Anthony's Task Force recommendations indicate density on the St. Anthony's site will be pushed to the center, away from the edges and toward Colfax. His response to that is the blocks along Colfax were not owned by the hospital and include existing single family housing. EFG does not want to move its 12-story building to 16th Avenue because it believes that would cast shadows on other buildings.

EFG contends that it has prepared a 13-page document to explain why its development plan complies with the West Colfax Corridor Plan and St. Anthony's Task Force recommendations.

In response to a question about how EFG's plan would create community for the long term, he said they plan to include mixed income and affordable housing. They are working on a plan for a 120 unit for seniors. They include a common area that will be maintained like a business improvement district.

Larry Ambrose then presented a response on behalf of some neighborhood groups. He said their concern is simple. EFG's proposed development does not conform to the small area plan for the area. When EFG came to the neighborhoods in 2011 it understood there was community planning process that had already taken place. That process had led to the West Colfax Plan small area plan and St. Anthony's Task Force recommendations. Those plans call for the tallest of the buildings to be placed toward West Colfax, and not along 17th Avenue. Therefore the neighborhoods believe EFG is placing its tallest buildings in the wrong place by proposing to have them along 17th Avenue along Sloan's Lake Park.

Ambrose stated that EFG has never considered putting the taller buildings back toward West Colfax, and noted EFG does control the area around 16th and Conejos. The community wanted a pyramid shape for the development rather than tall buildings along the park casting shadows on the park. Ambrose noted that a General Development Plan ("GDP") is not an approved plan for rezoning purposes. The GDP is just approved by CPD and the Planning Board, but not City Council. He views this as a dangerous precedent to let a GDP be treated as an adopted plan.

Shirley Schley spoke next. She attended meetings for a year on the St. Anthony's Task Force. The consensus of people who live in the area was they did not want tall buildings placed on 17th Avenue. That was their key concern. Residents expected CPD to listen to them. Neighbors are concerned with EFG's plan, which includes only the minimum open space. They envisioned a project that would connect with the park and be pedestrian-friendly with a community area and open space in the development. EFG's plan does not meet the neighbors' criteria. She urged ZAP committee members to vote against EFG's plan because it is not consistent with the neighborhood's goals for the parcel.

Jude Aiello spoke next. She served as the land use chair for the Sloan's Lake Citizens group. St. Anthony's promised it would sell the land to someone who would follow the St. Anthony's task force plan. Cameron had told residents in the past that he was committed to following that task force plan. Aiello believes the City would be making a mistake letting the St. Anthony's GDP govern the rezoning of the area. The GDP was never approved by the City Council. Allowing this would subject the city to zoning changes that are not consistent with adopted plans.

Aiello also noted that the EFG plan does not include affordable housing units. Cameron responded that the units on the Colfax block are not an IHO project and the project is designed for mixed income residents.

Larry Ambrose then noted that EFG seeks to place tall buildings on the park for economic reasons because it can sell or rent those units for higher dollars per square foot. Ambrose presented a proposed resolution asking the ZAP committee to express its opposition to the proposed rezoning that would come before the City Council on February 17.

During further discussion, one committee member noted that placing tall buildings to the south limits sun exposure in the development while placing them to the north blocks the sun in Sloan's Lake Park. Bertron noted in response to a question that EFG is planning 224 condo units, 26 of which will be townhomes. Another committee member asked Bertron why it would not work

equally well to place the tall buildings on the southern part of the St. Anthony's site. Bertron conceded that they could work there but it is not EFG's preference to place them there.

Jill Jennings Golich of CPD stated CPD's position on EFG's proposed zoning change. CPD recommends City Council approve the zoning change, noting that the Planning Board approved the plan by a 6-1 vote. CPD believes EFG's proposal is consistent with the West Colfax Plan and will provide intensity and energize the area.

In further comments, Shirley Schley noted concern with how the Planning Board approves proposed changes, and mentioned the hearing this past week where it approved a zoning change despite opposition from five or six affected RNOs. She noted concern about Brad Buchanan's role with approval of this project. Bertron responded to note that Brad Buchanan had done some work when he was at RNL on the EFG project, so Buchanan is not participating in the decisionmaking process for CPD on the St. Anthony's site.

Ben Stetler spoke next. He is President of the West Colfax Association of Neighbors, which covers the area between Federal and Sheridan, and 12th and 17th. Stetler says his group has mixed viewpoints, but the majority of his residents support EFG's proposed zoning change. Their concern is with replacing used car dealers and check cashing stores, and reducing prostitution on Colfax. They have met with people from the University of Colorado and believe density will help improve the neighborhood. Their RNO is concerned with the affordability of the new units, but they have been told that it would not be economically feasible to do affordable units without density in the neighborhood. Their RNO's view is that while the project is not perfect, it is very good. They view it as a net positive. They are excited to have a café in the neighborhood. They understand new employers will be hiring people from the neighborhood. He is not sure about his group's support for placing taller buildings on Colfax – he would need to poll neighbors. He believes his group would be okay with placing the taller buildings further south on the St. Anthony's site, but they do not see this as a reason to block EFG's proposal. He expressed concern with criticism that his RNO is just an email list and asked that neighbors not undercut people who oppose your viewpoint.

Anne Elizabeth from Globeville noted the need for developers to walk the neighborhoods and better understand the context of their developments and the residents' concerns with long-term livability. She believes an enlightened development is consistent with the vision of, and relationship with, the neighborhood.

Chris O'Connor noted a concern with piecemeal zoning for the St. Anthony's site, comparable to what is happening with the Lowry/Buckley Annex rezoning in east Denver. Her concern is that developers use that to seek more dense zoning changes with each step, and it leads to a bad overall result. She favors stopping this process and having EFG go back to the bargaining table with all the neighborhoods.

Charles Nadler suggested that the proposed motion be divided into two parts and said he would support chastising the City for a process that is not proper, but he would not vote for the entire motion. He noted that the City has a lousy process, but LoDo negotiated a development in its area that is not perfect but seemed like the best they could get.

Other committee members voiced concerns that the City CPD staff and Planning Board are not representing neighborhoods effectively in discussions with developers. The current process is not functioning as a representative democracy.

Larry Ambrose presented his proposed motion to the committee and received a second for the motion. In further discussion, several committee members noted concern that the ZAP committee not take a position on specific zoning and neighborhood issues in the City and instead focus on issues with city-wide impact.

During discussion of the motion, Bertron stated that the reason EFG cannot move its tall building to another location is because it has already sold the blocks further to the south and the block on West Colfax is planned for a movie theater rather than apartments. He contends the block on Colfax could not be rezoned without a change to the GDP and the design overlay.

In further discussion of the motion, Jerry Frank expressed concern with traffic as someone near the project. He noted that the intersection of 17th and Sheridan has been very dangerous, with approximately one traffic-related death per month. He said the neighborhood wants to reduce traffic on 17th rather than increase it, and EFG's proposed development would push traffic onto 17th.

In response to suggestions about narrowing the scope of his motion, Larry Ambrose suggested narrowing it, initially to just the last paragraph, and then to the last two paragraphs. He withdrew the larger motion. He said the intent of his motion is to say that the small area plans were not followed here.

In discussion about the scope of the motion, Michael Henry noted that the ZAP committee normally defers to local neighborhood groups, partly because they have spent a lot of time working on the issues, and there can be different factions involved within the affected neighborhoods. He indicated he would abstain from voting on today's motion.

The Committee then voted on the following narrowed motion in the context of the proposed St. Anthony's zoning changes:

The INC Zoning and Planning Committee urges INC delegates to communicate to City Council:

- (1) that a GDP does not constitute grounds upon which zoning changes should be granted, does not undergo an approval process which has the integrity and scrutiny of a zoning change process, does not receive Council approval, and does not have the effect of law as to its conformance to small area plans; and
- (2) zoning changes which would violate the clear intent and language of small area plans set a dangerous precedent for zoning changes city-wide, which must conform by law to officially adopted small area plans.

The Committee approved this motion with the following votes by committee members: 26 in favor, 0 against, and 3 abstaining.

Next ZAP meeting:

The next ZAP meeting will be on Saturday, February 28, 2015 at the meeting room at 1201 Williams Street, 19th floor.