

73RD AND LOWELL UPDATE OCTOBER 17, 2022

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PROPERTY ACQUISITION

ADDRESS	PARCEL #	TRANSACTION	SUMMARY
3630 West 73 rd Ave	0171931416014	Purchased by WHA in 2004	Two parcels originally purchased by WHA for \$550,000; 2014: Acquired by CoW with Section 108 for \$450,600
7287 Lowell Blvd	0171931416013	Purchased by WHA in 2004	
7277 Lowell Blvd	0171931416012	Purchased by CoW 2012	2012: Acquired with Section 108 for \$305,000
7253 Lowell Blvd	0171931416010	Purchased by CoW 2012	2012: Acquired with Section 108 for \$222,000
7247 Lowell Blvd	0171931416009	Purchased by CoW 2012	2012: Acquired with Section 108 for \$226,000
7235 Lowell Blvd	0171931416008	Purchased by CoW in 1998	1998: Purchased by City General Fund; not part of Section 108 acquisition*
		Total acquisition cost:	\$1,203,600

* 7235 Lowell was acquired separately from the Section 108 land acquisition, yet was included in the collateral deed for the loan.



PROPERTY DEVELOPMENT HISTORY

- 2012: Proposed Mixed used building with first floor commercial/retail and two-floors of housing.
 - Venue at 73rd: Attempted by two developers
 - Complicated by two sites separated by private property, aka the Penguin Building
- Included proposed use of Section 108 loan to capitalize a revolving loan fund for LMI business support
- 2018: Development Partnership with CRHDC to build on 73rd and Lowell corner
 - 17 units of senior housing; 9 for residents earning less than 80% of AMI; 8 market rate
 - Southern parcels to be addressed once corner site under construction

ENVIRONMENTAL REMEDIATION

Filings, Reports and Documents Associated with 73 rd and Lowell Environmental Clean-up		
Authority	Issue	Documents on File
U.S. Department of Housing and Urban Development (HUD)	<ul style="list-style-type: none"> City required to complete a Voluntary Clean-up Plan (VCUP) given multi-point environmental impacts discovered during environmental review 	<p>National Environmental Policy Act (NEPA) Part 50 filing. Completed by HUD on December 18, 2020</p> <p>The filed Part 50 filing may be viewed on the HUD Environmental Review Online System (HEROS) website.</p>
Colorado Department of Public Health and Environment (CDPHE)	<ul style="list-style-type: none"> CDPHE is State authority that administers and monitors work performed under a VCUP 	<p>VCUP filed with CDPHE April 29, 2020; VCUP approved by CDPHE on June 20, 2020 VCUP status update required by April 2023</p>
Colorado Division of Oil and Public Safety (OPS)	<ul style="list-style-type: none"> OPS is responsible for petroleum-based environmental impacts 	<p>Tier 4 closure for completion of the groundwater mitigation received on August 6, 2021</p>
SEM	<ul style="list-style-type: none"> Independent environmental engineer performing investigation and reporting on the VCUP 	<p>Submitted soils tests to CDPHE on March 3, 2022: “all readings of non-detect.”</p>

CDBG ENTITLEMENT PROGRAM

- Entitlement indicates that the jurisdiction qualifies for the CDBG funding – does not need to apply annually
- HUD National Objectives:
 - Benefit to low- and moderate- income (LMI) persons;
 - Aid in the prevention or elimination of slums or blight; and,
 - Meet a need having a particular urgency (referred to as urgent need, generally funds issued during emergency response)
- 2020-2024 CDBG Consolidated Plan
 - Current five-year plan with HUD
- 2022 Annual Action Plan
 - How the Consolidated plan is implemented

HUD PROCESS TO FILE FOR CHANGE OF USE

- Community Process: Change of Use and Substantial Amendment
- New use must be associated with a goal in the Consolidated Plan
- 45-60 Days: Public posting, review and comment period
- City informs HUD of amendment once confirmed by City Council

SUMMARY OF COMMUNITY MEETINGS

- Change of use discussed in 4 community meetings: August 4, August 16, August 30, and September 14
- 4 main themes: retail, housing, open-air market/community event space, restaurant and services
- Affordable Housing identified as ongoing need
- Consensus met on open-air market, with caveat that City continue to work on providing more housing to serve community needs

HUD REQUIREMENTS AND OPTIONS

1. Open Air/Community event space that serves identified needs of LMA residents can be accomplished under CDBG
2. City could repay HUD and remove the property from federal encumbrance
3. City could sell the property to a developer; removing City obligation to control and manage the site

SEEKING DIRECTION ON RECOMMENDATION

- Conduct feasibility study on proposed open air market/community event space to determine best operation plan, design, and costs to implement
- Return to City Council with final recommendation and budget

QUESTIONS?