

# Final Report

## Westminster Redevelopment and Adaptive Reuse Toolkit

*The Economics of Land Use*



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City of Westminster

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# 1. Project Overview

This *Redevelopment and Adaptive Reuse Toolkit* report was commissioned by the City of Westminster to support the City's efforts to better facilitate reinvestment in developed areas of the city.

## Project Background

The City of Westminster is a large, suburban community located in the northwestern portion of the Denver-Aurora-Lakewood Metropolitan Statistical Areas (MSA). The city is home to over 115,000 residents and over 50,000 jobs. The City of Westminster was incorporated in 1911 but did not grow substantially until the 1950s. Since the 1950s the city has grown to become the 8<sup>th</sup> largest city in the state (by population) and has expanded its boundaries to encompass approximately 34 square miles.

The City of Westminster today is nearly "built out" as the majority greenfield areas in the city's boundaries have been developed. The City has undertaken several efforts to support reinvestment in older portions of the city over the past few decades. Most notably is the ongoing redevelopment of the former Westminster Mall as Downtown Westminster, a mixed-use development. The City is also currently working to implement redevelopment and revitalization plans within other portions of the city including the Westminster Station area—located around the RTD B Line Commuter Rail stop that runs to downtown Denver—and the Harris Park neighborhood immediately north of the station area. Lastly, the city has several commercial centers that are now over 30 years old and in need of reinvestment and/or redevelopment.

As development activity in the city has shifted to be more infill and redevelopment focused, the City has recognized that many of its existing development standards and procedures are more oriented to supporting greenfield projects. The result is that there are some systematic and regulatory barriers that are inhibiting redevelopment and infill development. The existing Planned Unit Development (PUD) system predominant for much of Westminster has allowed tailoring standards to a particular site, and in some cases substantial reductions in Code requirements, however the system works best with technical support and understanding of multiple options available to achieve approval.

This toolkit report is meant to highlight the areas where the City can improve its rules and regulations to support infill, identify potential tools that the City can implement to better support redevelopment and adaptive reuse, and create a guide for how the City supports these types of projects built by the private sector.

There were two major impetuses to commissioning this project including direction from the City's Strategic Plan and City Council policy direction adopted as part of the City's 2040 Comprehensive Plan, which was adopted in March of 2023.

### **City Strategic Plan Direction**


As part of its annual strategic planning efforts, the Westminster City Council identified an objective to better support the City's business community. Under this objective, the creation of a "Redevelopment and Adaptive Re-Use Toolkit" was identified as a major action item to be completed in 2023. With this objective identified by City Council, the City's economic development department engaged Economic & Planning Systems, supported by Clarion Associates and Crescendo Planning + Design, to assist City staff in development of the Toolkit.

- Objective 1.3: Create a structured system of support for our business community to mitigate risks and promote resiliency
  - *Focused Objective 1.3.a: Create a Redevelopment and Adaptive Re-Use Toolkit to encourage private sector investment, business growth, community resiliency and adaptive reuse*
  - *Performance and Outcome Measures:*
    - *1.3.a (i ): Redevelopment and Adaptive Re-Use Toolkit is created by October 31, 2023*
    - *1.3.a (ii): Square footage of retail, cultural, commercial, and industrial space that is a result of a redevelopment and/or adaptive reuse project to be reported annually in both real terms and percentage increase year over year*
    - *1.3.a (iii): Private sector investment in adaptive reuse and redevelopment projects to be reported annually in both real terms and percentage increase year over year*

### **2040 Comprehensive Plan Policy and Guidance**

The recently adopted 2040 Comprehensive Plan also provided guidance to staff for identifying ways to better support infill and redevelopment. Goal ER-3 of the Comprehensive Plan calls for "promoting redevelopment of targeted areas as catalysts for revitalization and improved conditions throughout the community." Seven policy statements, shown in **Figure 1**, were developed to guide efforts to achieve the goal. Goal ER-4 also calls for reinvestment in older commercial centers, adaptive reuse efforts, and balancing of land uses to support economic health. This toolkit provides recommendations and tools for how the City can address these policies directives.

**Figure 1 Westminster Comprehensive Plan Goals ER-3 and ER-4**

**INFILL AND REDEVELOPMENT** 

**Goal ER-3 Promote redevelopment of targeted areas as catalysts for revitalization and improved conditions throughout the community.**

- 3.1 Create design standards for redevelopment that are specific to geography and type of use such as through Specific Plans or other types of area plans.
- 3.2 Focus improvements and intensification of activity in existing regional shopping centers by evaluating surplus parking and allowing mixed-use development along major commercial corridors where identified in Map 3-2, ensuring that these centers are integrated into surrounding development, promote walkability, orient toward the corridor, and improve access to transit.
- 3.3 Encourage the redevelopment and improvement of older commercial areas by investing in public infrastructure, offering incentives, and facilitating environmental mitigation as necessary and appropriate.
- 3.4 Support planning and redevelopment objectives in areas designated as Urban Renewal Areas, consistent with the respective adopted Urban Renewal Plans.
- 3.5 Allow creative design solutions for infill development that are compatible with and enhance surrounding existing development.
- 3.6 Promote public and private partnerships to enable proactive investments and strategies implemented to support the long-term vibrancy and viability of commercial centers and corridors.
- 3.7 Encourage the location of specialty retail in areas of the city where there is a focus and investment on placemaking.

**Goal ER-4 Promote a balance of land uses, revitalization, and redevelopment opportunities that support a diverse economy.**

- 4.1 Continue to support investment and reinvestment in aging and under-performing retail centers by diversifying land uses and repurposing obsolete buildings.
- 4.2 Support adaptive reuse, renovation, and redevelopment of older commercial centers that are no longer viable due to changing market conditions, demographics, or retail trends.
- 4.3 Promote a balance of differing development types and locations.
- 4.4 Align city land use policies to support the sustainability of the economic base.

## Project Approach and Objectives

### Objectives

Four main objectives were identified for this effort to support redevelopment and adaptive reuse in Westminster. These objectives are:

- Identify **internal practices and policies** that create challenges for redevelopment or adaptive reuse projects.
- Develop a **collective objective** for all City departments to review projects.
- Create the ability to **measure progress** in attracting reinvestment into the city.
- Provide a **toolkit** for property owners and developers to increase clarity and support for redevelopment projects.

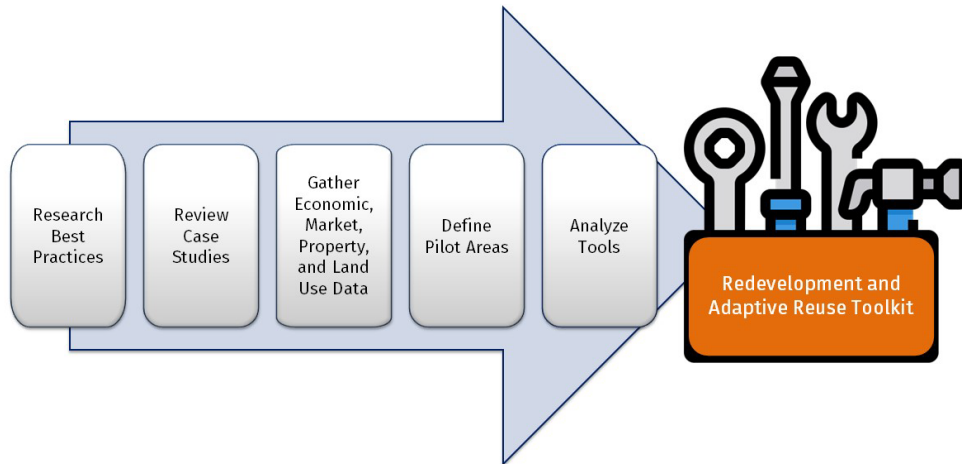
### Approach

The EPS Team used a four-step process to develop the toolkit, in partnership with City staff, which is described below.

- City staff identified a set of “case study” projects proposed and/or built in the recent past. The highlighted projects help identify barriers to redevelopment and adaptive reuse in the city. To better define the issues, the EPS Team and economic development staff conducted a series of interviews of City departments and external stakeholders.
- The issues identified in the review of the case study projects were summarized. The EPS Team then researched best practices for addressing the issues from communities along the Front Range of Colorado and nationally. The best practice research helped to identify recommendations for tools and changes to regulations.
- Research into the real estate market and land use conditions was conducted to identify the areas in the city that are most likely to (re)develop and to measure the market strength in different parts of the city. This analysis was used to identify where to focus the implementation of tools.
- Lastly, the applications of recommended tools were analyzed to identify which tools are best suited for different areas of the city.



Throughout the process, the EPS Team collaborated with an internal stakeholder committee, made up of staff from various City departments that deal with development, to identify issues and vet potential tools and recommendations.



## Recommendations

The following recommendations were developed for the toolkit development process. Detailed recommendations are provided in the final chapter of this document.

1. **Improve External Communication:** *Create internal and external resources and processes that better support vision-aligned redevelopment and reinvestment.*
  - Prepare a redevelopment guide.
  - Create page on City website focused on redevelopment.
  - Form a dedicated redevelopment review team (with no additional staffing required) to streamline the review process for redevelopment projects.
  - Provide continual feedback to evaluate progress.
2. **Identify Priority Reinvestment Areas:** *Identify areas where investment is desired to improve building quality and enhance the business/commercial mix.*
  - Focus and Transition Areas – Brookhill, Downtown Westminster, Westminster Station, Harris Park, and Westminster Heights.
  - Retail Centers – 100<sup>th</sup> Avenue/Church Ranch Boulevard/Wadsworth Parkway Area, West Promenade, 112<sup>th</sup> Avenue and Sheridan Boulevard.
3. **Develop Evaluation Criteria for In-fill Projects:** *Create standard parameters for providing incentives to increase transparency.*

- Consider project evaluation criteria, which include character defining rankings based on:
    - Location
    - Impact to adjacent community
    - Public to private investment ratio
    - Alignment with City Strategic Plan objectives
4. **Identify Financial and Regulatory Support:** *Identify financial investment tools and regulatory opportunities to support vision-aligned redevelopment and reinvestment in targeted areas.*
- Use existing provisions to right-size landscaping commensurate with type of project and location
  - Streamline development review process
  - Use of sales tax rebates
  - Development application and project review/permitting fee rebates
  - Possible financial assistance to offset water/sewer tap fees
  - Expand Capital Improvement Reimbursement Grants
  - Review and prepare options to the Public Land Dedication requirement and other City fees
  - For larger redevelopment projects consider the use of:
    - General Improvement District
    - Special Improvement District
    - Business Improvement District
    - Tax Increment Financing
    - Public Improvement Assessments/Retail Sales Fee
5. **Update Site Design Requirements:** *Review requirements for parking and other site design requirements and propose modifications that support infill and redevelopment areas.*
- Create an Applicability Table with thresholds and sliding scales for redevelopment standards.
  - Create options for administrative approvals and adjustments.
6. **Provide Water and Sewer Infrastructure Support:** *Explore strategies to create flexibility and provide support to businesses in reinvestment areas where water and sewer lines and taps are undersized or inadequate to support expansions and/or changes of use.*
- Proactive infrastructure planning
  - Contemplate district-based funding strategies
  - Utilize grants and other funding sources to help offset mandatory water and sewer fees

- Adopt a Minor Improvement Threshold Policy
  - Provide technical assistance to identify low water use and low sewer impact business practices to reduce the need to increase the size of infrastructure and taps.
  - Provide technical assistance to develop shared grease interceptors in commercial centers to improve efficiency and reduce costs.
7. **Catalyze Redevelopment in the Station Area:** *Identify potential strategic adjustments to the Westminster Station Area Specific Plan to catalyze redevelopment in the Station Area.*
- Update Permitted Use Table to allow small scale uses to support creative start up and maker spaces.
  - Where vision aligned land uses occupy nonconforming properties, develop criteria for administrative variances to the standards.
  - Pursue shared stormwater quality infrastructure improvements to meet state permitting requirements.

## 2. Barriers and Challenges

This chapter summarizes the barriers and challenges to redevelopment and adaptive reuse that have been identified in the study process. Barriers and challenges were identified through evaluation of “Case Study” projects that were completed or contemplated in Westminster in the recent past. Stakeholder interviews were also conducted with internal City of Westminster staff and external stakeholders in the community (e.g., business owners, property owners, developers) to identify barriers and challenges.

The Case Study analysis and stakeholder interviews resulted in a list of Focus Areas that are representative of the common challenges that projects face in Westminster. Regional and national best practice research was then completed to evaluate how other communities address these common challenges.

### Westminster Case Studies

Westminster economic development staff and internal stakeholders identified 10 Case Study projects that were representative of the barriers to redevelopment and adaptive reuse as shown below in **Figure 2** on the next page. Interviews with various department staff helped identify challenges with these projects and when/where solutions were identified (or not). Economic development staff, with support from the EPS Team, conducted interviews with external stakeholders connected to the projects or similar projects to identify additional challenges and insight into barriers in the City processes and procedures. The projects were grouped into three categories based on the similarity of the projects and context of the challenges faced. The common issues identified for each category of project are provided below.

#### 1. Development/Infill Project Common Issues

- Cost of the Public Land Dedication fee for residential uses
- On-site storm water quality treatment and detention requirements
- Westminster Station Area Specific Plan requirements

#### 2. Use Transition/Expansion/Tenant Upgrade Common Issues

- Site planning for small sites such as landscaping and parking requirements
- Water/sewer line and tap upsizing requirements
- Cost of water/sewer tap fees
- Cost of the Public Land Dedication fee for residential use
- Infeasible fire access requirements
- Incompatibility with allowable uses within the municipal code

### 3. Retail and Property Management Common Issues

- Fire access requirements and building fire safety requirements
- Parking and landscape requirements for small sites
- Incompatibility with allowable uses within the municipal code
- On-site storm water quality treatment and detention requirements
- Adapting access and roadway network to facilitate new uses/buildings
- Cost of water/sewer tap fees

**Figure 2. Case Study Project List**

REDEVELOPMENT AND ADAPTIVE RE-USE TOOLKIT PROJECT LIST			
Project/Case Study	Location	Address	Use
<b>Development/In-fill Projects</b>			
Westminster Station Apartments	Station Area	3551 W. 71st Avenue	Multi-Family
Sherman Station Apartments	Station Area	Westy Station Blvd and west of Federal	Mixed Use
Urban Cottages	Central	88th and Lowell	Residential In-fill
<b>Use Transition/Expansion/Tenant Upgrade</b>			
Wern Air (former Larry's Auto)	Historic Westminster	7231 Bradburn Blvd.	Body repair to HVAC Use
Midland Lofts- 72nd and Irving	Historic Westminster	7255 Irving St.	Use Transition- Office to School to MF
Valente's Deli Upgrade/Subjective Coffee/Valente's Square	Historic Westminster	7250 Meade St./3695 W. 72nd Avenue	Use Transition/Interior Improvements
Colorado Saddlery and Hunter Leather	Station Area	3300 W 71st Ave	Adaptive Re-Use/Use Transitions in Station Area
<b>Retail and Property Management</b>			
Westminster Square	Historic Westy	3031 W 74th Ave	Redevelopment
Summit Square	South Westminster/84th and Federal	8424 Federal Blvd, Westminster, CO 80031	Façade and General Improvements
Brookhill Village	Central	Wadsworth Pkwy and 88th-92nd Avenues	Redevelopment and leasing

## Development Challenges

Below is a list of common challenges identified from the case study project list and subsequent interviews. For each topic, the EPS Team developed research questions that were used to find examples of how other cities address the issue. These best practice research findings are summarized for each topic. The challenges were organized into two categories.

- **Redevelopment Area Support Challenges** – These are topics where the focus is on programs, policies, and funding tools that help to address challenges with redevelopment and adaptive reuse.
- **Redevelopment Regulatory Challenges** - These are topics where the focus is on regulatory policies and strategies that address barriers to redevelopment and adaptive reuse.

### Redevelopment Area Support Challenges

#### *Land Assembly*

Planned redevelopment areas often benefit from support provided to the private sector to create viable and attractive development sites through land assembly and other strategies. Land assembly is identified in the Westminster Station Area Plan as an important action to achieve the vision for the area. The area does not have many large sites and lacks adequate tools or incentives for property assembly. Property owners currently have not embraced opportunities to consolidate smaller lots when purchase opportunities have become available. Further undermining the success of redevelopment within the boundaries of the Westminster Station Area Specific Plan are requests to remove industrial properties outside of the Station Area and to increase densities. Refocusing redevelopment efforts within the Plan Area would help focus the City's efforts and ensure densities are placed where infrastructure has anticipated this.

#### Best Practice Findings

- ▶ Several Colorado cities have used their urban renewal authorities to assemble land for redevelopment. Vacant land or blighted properties can be acquired and assembled for redevelopment by the URA either proactively by the authority or through a public-private partnership. The practice of proactive assembly has been most successful for properties that have greater challenges (physical, ownership, and/or infrastructure) and where the private market has not already been buying speculatively. Property purchased by URAs is typically then sold or invested in a redevelopment project. Cities have been able to incentivize and support redevelopment by writing down the land cost to address financial feasibility challenges. Urban renewal authorities have the power of condemnation of blighted property, but these powers are rarely used for "non-friendly" or forced condemnations. However, the possibility of condemnation can expedite assembly, or the use of friendly condemnations can address ownership and legal challenges to assembly.

- ▶ Provide technical assistance for owners to understand the benefits of consolidation and opportunities for mutual shared benefits. Urban Land Institute and other organizations frequently partner with municipalities to provide private landowners a greater understanding of market conditions, feasibility, and financial benefits of master planning sites.

### ***Redevelopment Area Stormwater Infrastructure***

Development in the Westminster Station Area Specific Plan, and other similar redevelopment areas, is burdened by the need to create area-wide stormwater detention and water quality solutions to facilitate denser development. Providing these solutions on a parcel-by-parcel basis is challenging and cost prohibitive, however this approach is best for maintenance and access. Designing a localized system is not a major barrier but how to fund the improvement and phase development for its use is more challenging.

#### Best Practice Findings

- ▶ The City of Westminster has implemented a regional solution in the East Station Area but there remains the need to address remaining areas through a similar collective approach. Peer cities have used proactive measures to address stormwater detention and water quality issues for redevelopment areas in concert with planning for redevelopment. Addressing these challenges requires not only a stormwater management plan for the area but also tools and resources to implement the strategy that can go beyond the capacity/resources of the City's utility and/or use of capital improvement funding. Urban renewal has been a common tool used to help fund improvements and also purchase land proactively. Some communities have also used improvement districts to fund subarea networks through additional ad-valorem property taxes and/or special assessments on properties served by the subarea network.

### ***Redevelopment Support***

Supporting infill and redevelopment requires additional investment into amenities and infrastructure to support beyond what is typically and feasibly provided in a greenfield development.

#### Best Practice Findings

- ▶ The communities identified as having best practices for supporting redevelopment had a set of common attributes including a clear vision and policy direction to support redevelopment. This clear direction has allowed them to develop incentive programs and regulatory environments that can help address the challenges with redevelopment. Westminster has begun to create the same attributes identified in the best practice communities. The directive to complete the Redevelopment and Adaptive Reuse Toolkit aligns with the Redevelopment Ready approach taken in Longmont and in a Michigan example. The City's recently adopted 2040 Comprehensive Plan provides direction for where redevelopment is desired in the community, even if it is in only a few areas of the city.

### ***Older Shopping Center Renovation***

The City of Westminster has several older commercial shopping centers that need reinvestment, have vacant anchor tenant spaces, and/or are outmoded for current tenant needs. The viability of these centers is tied to attracting an active use for the vacant box and/or allowing for multifamily housing to create additional site activity.

#### Best Practice Findings

- ▶ Attracting reinvestment into existing shopping centers has become a challenge for many communities in Colorado and nationwide as retailers have reduced the number of stores and shifted to more central locations, box store retailers have gone out of business or sold to competitors, and demand for brick-and-mortar retail has reduced due to e-commerce. Colorado communities have employed several tactics to address box store and strip center vacancies. The tactics used typically fall into three categories: re-tenanting, pruning, and redevelopment. The first tactic typically used seeks to refill the box with another retailer that can fill most or all the vacant space. Cities have support center owners with improvements necessary to split a large space into multiple spaces to make refilling more feasible. The next set of tactics fall within the pruning approach where vacant spaces are transitioned to new, non-retail or service uses (e.g., medical service provider, education institution, etc. and/or reconfiguration of the center to create multiple buildings/stores where one stood previously. These strategies help maintain the center's financial viability and prevent further blight but often result in a lower fiscal benefit to cities due to loss of retail sales tax generated on the site. The last strategy is to allow for the redevelopment of the shopping center into a mixed-use project or a 100% residential development. These strategies work best where refill and pruning are likely not market supportable and where greater density is desired.

### **Redevelopment Regulatory Challenges**

#### ***Urban Compatible Manufacturing/Industrial Uses***

The Westminster Station Area has several industrial-oriented businesses located within its boundaries. The Station Area Specific Plan designates the station core area as commercial mixed use, which makes many of the existing industrial businesses nonconforming uses. However, some of these existing artisan and manufacturing uses in the area are viable businesses and would be compatible with TOD mixed use development.

#### Best Practice Findings

- ▶ Allowing some types of compatible industrial uses to remain in place, expand, or even open as a new business is a growing development trend, particularly in communities with transit-oriented development patterns that overlay existing industrial districts and businesses. Recognizing the role of artisan and light industrial uses in the employment sector allows communities to maintain and encourage the long-term stability of businesses that can provide a variety



of jobs that pay above the retail scale. Additionally, other communities have addressed issues with impactful industrial service uses, such as auto repair or outdoor storage by more specifically targeting those uses for redevelopment over time while allowing the indoor, light industrial uses to remain.

### ***Public Land Dedication Fees***

The City's current public land dedication requirements are oriented towards single family housing development and greenfield development contexts. The result is land dedication requirements (and associated fee-in-lieu amounts) that are too onerous for multifamily residential projects in urban/infill settings.

### **Best Practice Findings**

► Peer cities have adopted varying approaches to "right sizing" park land dedication requirements for infill and redevelopment projects. Westminster's current policy is similar to some of its peer suburban cities in the metro area (i.e., Thornton, Lakewood). Some of its regional peers, however, have adopted variations to their requirements. Aurora (profiled below) and Arvada have alternative requirements for projects in their TOD areas, which are their priority redevelopment areas. These alternative approaches include lower land dedication requirements and alternative options for providing small urban parks within a project in lieu of a dedication or fee. Other peer cities along the Front Range (e.g., Fort Collins and Longmont) have adopted a more fee-oriented system where the onus is on the City to purchase park land (directed by parks master plan) and collect fees as the primary objective (instead of land). These approaches also allow for fees to be scaled by housing product type and by location to address variable needs in the community.

### ***Regulatory Standard Flexibility and Variance Approaches***

The Westminster Station Area Specific Plan has structured guidelines for development form and use mix to create regulatory certainty to allow administrative approval of projects through a streamlined approval process. These requirements sometimes create challenges for projects that largely conform to the plan but need variances or flexibility to requirements to get approval. The City's broader variance rules and process do not really fit or work in the station area context since it is regulated by the Specific Plan. A station area specific approach could allow for variances that can facilitate projects that generally conform to the intent of the plan.

### **Best Practice Findings**

► Form-oriented standards can be challenging to apply to redevelopment. Changes to existing structures may trigger design standards that require more changes to the structure than the property owner intended to make. This can raise the project costs and affect an applicant's willingness to undertake what could be a beneficial redevelopment project. Variances are not a useful tool

for creating design flexibility. For the applicant, the outcome is uncertain and adds cost to the project. For the City, the approved variance may be broader than would otherwise be needed to adjust the form standards.

Westminster could add two types of flexibility procedures to the Station Area Plan: (1) a proportionate compliance review process that establishes thresholds for when form standards apply to redevelopment based on the type of change on the site (e.g., parking location standards do not apply when there are no changes to the structure or existing parking), and (2) an administrative adjustment process that allows administratively approved adjustments to measurable standards as part of ODP approval.

### ***Infill Site Design Requirements***

Changes of use or additions/rehabilitation of buildings in the older portion of Westminster often trigger conformance with the development code requirements for site design. Specifically, landscaping and parking requirements have been cited as the most onerous to address for small parcel owners making minor changes to their site. Additionally, the City's fire access requirements are difficult to implement on smaller commercial infill sites because of lack of land to accommodate modern standards.

### Best Practice Findings

- ▶ Westminster is in the process of updating the current Land Development Code, which does not focus on infill or redevelopment. Areas of parking and landscaping currently have quite rigorous provisions that are flexible in their application, however not often understood when applied to redevelopment. Providing technical assistance for these provisions for infill and redevelopment could allow for greater use of the site and encourage redevelopment to take place.

Within example communities that have dedicated Adaptive Reuse policies/programming, there are two consistent components to their approaches:

- A clear, policy-driven commitment to implementing and prioritizing vision-aligned Adaptive Reuse projects; and
  - A suite of tools that can be deployed flexibly in the review of, and subsequent permitting of, Adaptive Reuse projects.
- ▶ The policy component is critical to the success of the overall program, as it communicates with clarity the justification – and ideally, set of criteria – for determining which projects can qualify for expedited/flexible review. The set of tools varies by jurisdiction, but generally reinforces that emphasis on expedited/reduced fee processes and/or flexible standards. Examples of expedited process approaches include:

- Dedicated review staff or departments that can prioritize projects that meet the stated criteria
    - Often includes a commitment to an expedited timeline for any necessary hearings.
    - Dedicated staff or departments can also aid in applicant's understanding of the potential to secure Historic Preservation tax credits (state and federal), Enterprise Zone tax credits, local TIF funding, etc., when applicable.
  - Staff or administrative permitting approval. Often based on triggers such as building age, size, location, etc.
  - Overlay Districts – coupled with a commitment to expedited process (typically through one of the above) – to incentivize Adaptive Reuse projects in specific areas. This approach also limits the anticipated volume of projects being submitted, thus better self-managing capacity to expedite reviews.
  - Not-to-Exceed (NTE) fee incentives to apply toward site plan, construction document, and permitting review. The not-too-exceed fee limits the total amount of fees a developer will have to pay as an incentive to the project to reduce risk and cost.
- ▶ Examples of standards (listed with those that are typically the most challenging to establish consensus on first) where increased flexibility could facilitate redevelopment and reuse include:
- Building and fire codes
  - Permitted uses, i.e., residential, retail, commercial (dining), light industrial/maker's, etc.
  - Parking
  - Loading zone requirements
  - Stormwater retention/mitigation
  - Setback and/or build-to requirements
  - Allowances for upper-story additions with minimum upper-story setbacks
  - Landscaping guidelines
  - Trash setback/screening requirements
  - Lot coverage requirements
  - Height exemptions for needed rooftop circulation, ventilation or utility structures, and in some cases, allowances for rooftop amenities that do not count as new floor area or height

### ***Water and Sewer Infrastructure Replacement and Upsizing***

Many parcels in Historic Westminster are served by older water taps and service lines that are undersized for existing uses and often for any proposed use changes. When a property owner with an undersized service line and/or tap wants to make changes, even as simple/small as moving or adding a water fixture, that can trigger City review. The review will likely trigger the requirement to upsize the tap and/or water service line to meet the City's standard for water pressure and pay a tap fee. Tap fees support the provision of an adequate service network for the city and are based on the size of the tap used and the water resources required by the use/property. These upgrades and fees can often be greater than the actual cost of the change the owner wants to make or at least significant enough to push the owner to not do the project or even complete improvements without a building permit to skirt requirements.

#### Best Practice Findings

- ▶ Replacement of water and sewer mains in older areas of cities has been a challenge for many communities, particularly due to the lack of funding for these types of projects and challenges of doing work in existing built-up areas and disruptions to service. There are few examples of cities with programs aimed solely at offsetting the cost-of-service lines or tap upsizing for individual properties. These types of improvements are often lumped into larger redevelopment incentive programs (often utilizing tax increment financing) that help aid reinvestment and/or programs aimed at replacing old service pipes that contain lead due to public health concerns. Denver Water provides a lead service line program that reimburses, provides low interest loans for, or offers grants for property owners to replace their lead service lines.

## 3. Tools and Recommendations

A set of seven toolkit recommendations were developed through the project process. The recommendations are used to organize the tools and strategies identified. This chapter provides these recommendations and the associated tools to implement the recommendations.

### Redevelopment Ready Strategies

1. **Improve External Communication:** *Create internal and external resources and processes that better support vision-aligned redevelopment and reinvestment.*

The remaining greenfield opportunities in the City of Westminster are limited and most new developments in the city going forward will be infill and redevelopment. This shift will require a change in the City's approach to the development process as existing processes and procedures may no longer be appropriate or applicable. The City will also want to signal to external stakeholders (residents, businesses, developers, landowners, etc.) the types of redevelopments and infill development it is seeking and the locations that are most appropriate. The following tools are recommended to help the City with this transition.

#### External Redevelopment Guide

Navigating the development process is complicated and potentially more cumbersome for redevelopment and infill projects. Land use regulations that are more easily followed in greenfield contexts often need flexibility to address the unknown challenges that exist with redevelopment. The development approval process can become more complex as well, which increases risk and cost for developers and may deter investment if a clear process is not present.

The City should create a concise redevelopment and adaptive reuse guide to provide to prospective developers, business owners and landowners. The guide is meant to increase awareness of programs and tools available for projects, provide an overview of the development process, and identify the key points of contact within the City that can support projects.

#### Redevelopment Webpage

The City should create a webpage on the City's website focused on redevelopment that provides contact information, incentives, programs, resources, best practices, and other redevelopment initiatives that the City has.

### Dedicated Redevelopment Team

The City should create an internal staff redevelopment team with members from multiple departments to support a pre-application process for small-scale projects and redevelopment projects, and to implement redevelopment-oriented programs and policies. No additional staffing is required for this team.

### Provide Continual Feedback to Evaluate Progress

A process for evaluating progress towards supporting redevelopment and adaptive reuse is needed to allow the City to gauge the impact of its programs and make refinements on an ongoing basis. There are two approaches the City can consider tracking the process.

The first is an **internal review process** where the City grades itself on its progress towards building a redevelopment supportive community. The approach identified in Longmont (described in the best practice report appendix) is a good guide for the components that the City should grade itself against. The seven categories the City of Longmont utilized include:

1. Clear community vision and infrastructure investment
2. Proactive community and policy leader outreach, education, and engagement
3. Supportive land use/zoning regulations
4. Predictable and transparent development review process
5. Available redevelopment opportunity sites
6. Public/private partnerships
7. Community prosperity

The areas Westminster has identified as needing to improve based on this process include:

- Providing a plan for infrastructure investment, especially in terms of support in infill and redevelopment areas.
- Engagement with the community
- Supportive land use and zoning regulations for infill projects
- Supporting creation of redevelopment opportunity sites
- Fostering greater public-private partnerships outside of the Downtown Westminster project

The second approach to self-evaluation is the use of tracking metrics to measure if efforts are producing more investment into desired areas of the city. Below are suggestions for measures to track.

- Number of and value of building permits approved annually in priority reinvestment areas (see below for definition)

- Number of new businesses in priority reinvestment areas
- Change in retail sales in priority reinvestment areas
- Change in property value in priority reinvestment areas (relative to citywide average)
- Commercial space vacancy rates in priority reinvestment areas

## Priority Reinvestment Areas

2. **Identify Priority Reinvestment Areas:** *Identify areas where investment is desired to improve building quality and enhance the business/commercial mix.*

Providing a clear signal to the private sector of where the City would like to see reinvestment is a best practice for supporting redevelopment and adaptive reuse. The definition of the City's "priority reinvestment areas" can provide direction for where support programs, incentives, and funding are available to support the private sector. The City should identify priority reinvestment areas for purposes of guiding the implementation and piloting of tools identified in this report.

The priority reinvestment areas should align with the land uses and vision for the Focus Areas and Transition Areas identified in Chapter 8 of the 2040 Comprehensive Plan as the community has identified these areas as locations requiring further planning. The priority reinvestment areas should also be those that may need greater financial support due to market conditions and/or are more likely to be attractive for redevelopment or adaptive reuse projects. The recommended priority reinvestment areas include:

- Focus and Transition Areas – Brookhill, Downtown Westminster, Westminster Station, Harris Park, and Westminster Heights.
- Retail Centers – 100<sup>th</sup> Avenue/Church Ranch Boulevard/Wadsworth Parkway Area, West Promenade, 112<sup>th</sup> Avenue and Sheridan Boulevard.

## Infill and Adaptive Reuse Incentives

3. **Develop Evaluation Criteria for In-fill Projects:** *Create standard parameters for providing incentives to increase transparency.*

Redevelopment and adaptive reuse projects often face challenges including land costs, property assembly, and demolition costs. Neighborhood opposition can also detrimentally impact the approval of new or changed uses within an established area. Incentives, both financial and regulatory, are used by many communities to help level the playing field for these projects.

The City should create a set of incentives that can be offered to desired development projects, businesses, and/or development in priority reinvestment areas on an as needed basis. The City should also develop a set of standard parameters to use to objectively score “projects” to determine if incentives are warranted.

### Project Evaluation Criteria

The project evaluation criteria should align with larger objectives and visions laid out in the relevant City plans, including the Comprehensive Plan, City Council Strategic Plan, Harris Park Community Vision Plan and Citywide Retail Strategy. Potential evaluation criteria to consider include:

- Location
- Impact to adjacent neighborhoods
- Public to private investment ratio
- Alignment with City Strategic Plan objectives

4. **Identify Financial and Regulatory Support:** *Identify financial investment tools and regulatory opportunities to support vision-aligned redevelopment and reinvestment in targeted areas.*

The recommendation is to implement the use of tools for funding and financing to support redevelopment in the identified priority reinvestment areas including Westminster Station and other redevelopment areas as identified in the Comprehensive Plan and Retail Strategy Report.

### Standard Redevelopment and Adaptive Reuse Projects

The City of Westminster currently provides incentives through organized programs aimed at supporting community objectives, such reinvestment in existing businesses. The City also provides ad-hoc incentives, through regulatory flexibility and/or fee waivers, on a case-by-case basis. A more systematic application of these incentives can better create a culture and reputation of being supportive to redevelopment and adaptive reuse. A more systematic approach can also help address perceptions of favoritism or political influence in City efforts.



Currently, the City provides grant programs including:

- Small Business Capital Project Grants
- Historic Westminster Business Face-Lift Grants
- Neighborhood Landscape Enhancement Grants
- TOD Project Assistance Grants
- Housing LIFT Grants

These programs have been successful in supporting businesses and residents in the community, but the impact is limited by the availability of funding. Additional funding to expand programs like applying the business face-lift grant to other priority reinvestment areas outside of Historic Westminster can help attract additional reinvestment.

Additional regulatory and financial incentives that the City could consider for worthy projects include:

- Use of existing provisions to right-size landscaping commensurate with type of project and location
- Streamlining the development review process
- Use of sales tax rebates
- Use of development application and project review/permitting fee rebates
- Potential use of financial assistance to offset water/sewer tap fees
- Expanding use of Capital Improvement Reimbursement Grants
- Review and prepare options for the Public Land Dedication requirement and other City fees.

### Larger Projects and Redevelopment Areas

The *Westminster Station Specific Plan* Financing Strategy section acknowledges that development of the Station Area will require a combination of public and private investments. The City has already invested considerable resources into infrastructure and other public improvements in the area including the station parking garage, East Detention Basin, road improvements, and development of the Little Dry Creek Trail and Westminster Station Park south of the station. There are still additional public improvements needed that are planned to be funded through the Capital Improvements Program (CIP) through the General Fund, utility funds, and development impact fees. However, the lack of private development within the Station Area, and specifically the Station Core, is most likely due to project specific development feasibility challenges than to the lack of area city infrastructure.

The Station Plan Land Use Classification for the Station Core area requires 4 to 5 story mixed use development with first level commercial space and structured parking. Projects in this configuration are not currently financially feasible because supportable rents are not high enough to pay for

construction costs. Specifically, apartment rents in the area are not high enough to cover the cost of structured parking, which even in an above ground parking garage are \$30,000 or more per space. Additionally, the market for commercial space is weak and therefore rents for the required first level commercial space are also below construction costs and would also likely require a subsidy. However, this type of environment is desirable and may be worth incentivizing through creative ideas such as counting inclusion of ground floor retail as an amenity that suffices other standards in the code. Other suburban communities in the northwest metro area have faced similar challenges with implementing transit-oriented development at rail stations. Both Arvada and Wheat Ridge have utilized tax increment funding as enabled within their urban renewal authorities to pay for structured parking in higher density multifamily projects in their station areas.

While not as significant as with the Station Area, redevelopment in other priority reinvestment areas have feasibility challenges that often require either fee waivers or financing incentives to make the projects feasible. The recommended financing tools and incentives are described below.

#### Tax Increment Financing

The most impactful financing tool for redevelopment is tax increment financing (TIF) that can be enabled by the establishment of an urban renewal area (URA) through the Westminster Economic Development Authority (WEDA), the City's urban renewal authority. The City has established seven URAs in the past including currently in Downtown Westminster and recently in Historic Westminster, which was allowed to expire in 2017.

URAs can use TIF to pay for eligible redevelopment and public improvements costs. TIF redirects the incremental property taxes from all taxing entities (including city, county, school district, and any special districts) from a new development within a URA to pay for eligible expenses including extraordinary costs for remediation and infrastructure. URAs can enable TIF within the entire plan area, or alternately, can enable TIF to only apply to a more specific redevelopment project within the larger plan area to use for gap financing. The amount of funding is typically subject to a "but for" financial analysis that determines that but for the public investment the project is financially infeasible, and to determine the amount of public funding necessary for a reasonable developer return.

A new URA would need to be implemented under revisions to the state's urban renewal statute that went into effect in 2016 (as specified in HB 15-1348). There are two primary changes. First, the WEDA board would need to be expanded to have representation from the affected taxing entities including the County, school district, and special districts. Also, the City would need to negotiate with the taxing entities on how much of the tax increment would be allocated to urban renewal projects. This more limited use of TIF suggested

here is likely to be easier to implement as the taxing entities would be agreeing to commit their funds for a specific project that they can evaluate the merit of, rather than for an unknown amount of funds for the entire plan area.

#### General Improvement District

A general improvement district (GID) in a municipality is a public infrastructure district that applies an additional property tax or assessment to a specific improvement area to pay for new public infrastructure (CRS 30-20-501). GIDs can be used to fund any public improvement or service the City is authorized to undertake or provide. It is commonly used to fund infrastructure facilities (such as roads, utilities, parking garages, pedestrian improvements, and/or stormwater) in a defined district or subarea shared by or serving multiple development projects. A GID can levy a property tax (additional mill levy) to pay for the specified improvements. It can alternatively or additionally levy an assessment that would allow for a varied fee structure based on benefits received.

#### Special Improvement District

A special improvement district (SID) in a city is a public infrastructure district that imposes an assessment on property owners for specific improvements benefiting the properties in the district (CRS 30-20-601). A SID does not assess property tax, but rather charges an assessment of a specific capital improvement project. A SID is best applied for specific infrastructure costs (for example, sidewalk or alley improvements) relating to a discrete number of abutting properties that directly benefit from the improvements. SIDs are not separate governmental entities, and thus are under full control of the city. The benefitted property owners pay an assessment based on the cost of the improvements and the portion of benefits received. It therefore allows for differential assessment rates based on the level of benefits received.

#### Business Improvement District

A business improvement district (BID) is a quasi-public corporation that can be established to develop, maintain, and operate a broad range of public improvements including streets, sidewalks, pedestrian malls, landscaping and streetscape amenities, and parking facilities (CRS 31-25-1201). BIDs can also provide economic development services and marketing and promotional activities. Although BIDs can build public infrastructure improvements, they are generally more operationally focused than other improvement districts and act as a type of manager of a business district, similar to a retail mall manager. BIDs have the power to assess costs of service to local property owners through either an additional property tax (mills) or a special assessment charge. BIDs are limited to commercial properties; residential property is not included in the tax base. Business improvement districts have been a

successful tool used by many communities in Colorado to support downtown areas, neighborhood commercial areas, and larger employment areas. Some communities, such as Denver and Colorado Springs, have multiple BIDs within their cities.

#### Sales Tax Shareback

For commercial projects generating sales taxes, the City can agree to rebate a portion of the incremental sales tax generated by the project for a specified number of years up to a maximum cap. The maximum amount of funding is also typically determined through a “but for” analysis and is generally limited to no more than 50 percent of the sales taxes generated on an annual basis.

#### Public Improvement Fee (or assessment) / Retail Sales Fee

A public improvement fee (PIF) is a fee based on sales transactions imposed by a private development entity within its boundaries and used for funding infrastructure improvements. This tool is sometimes referred to as a retail sales fee, or an “assessment” and not fee. The fee resembles a sales tax, but it is an additional charge over and above the required state and local sales taxes. In some cases, a PIF (implemented with the city’s involvement) replaces a portion of the local sales tax. This is referred to as a credit PIF. These PIFs have most often been used on major regional destination retail projects but are being increasingly used on smaller specialty projects. They are less likely to be used in more locally oriented retail projects (e.g., grocery store-based neighborhood shopping centers) where an additional charge on top of the sales tax rate would be a major competitive disadvantage.

A PIF is imposed by a developer through contract or covenant and is collected by retailers, who then return the PIF revenue to pay for capital improvements and/or ongoing maintenance costs. The public pays a PIF as a percent of the value of a retail purchase or transaction. PIF rates in Colorado (not including credit PIFs) are generally in the 0.5 to 2.5 percent range. PIFs are a voluntary private contract that can generate supplemental revenues for project-related trunk infrastructure without the requirement of an election. PIFs are generally effective only for retail projects (although a PIF can be levied against non-retail services that are exempt from sales tax).

#### [Evaluate public land dedication \(PLD\) requirements for infill and redevelopment projects.](#)

The City’s current public land dedication requirements (and associated fee in lieu cost) were cited by multiple stakeholders as a barrier to residential infill and redevelopment projects. In some case study projects evaluated, the fee in lieu of the public land dedication requirement was greater than the market value of the project site. The current requirements are oriented and sized towards larger, greenfield projects where land dedication is more needed and

less financially onerous as with a smaller development. Infill and redevelopment sites are limited in their ability to provide additional land and fees in lieu is the only realistic option. Additionally, infill and redevelopment areas often already have public facilities in place and the needs of the community are better addressed through means other than dedication of land. Several peer communities in Colorado have modified their public land dedication requirements to be more infill supportive or restructured the program to focus more on generating revenue to fund improvements instead of acquiring land.

Currently, the City has been waiving the dedication requirement/fees or agreeing to reduced requirements for infill and redevelopment projects to address the financial burden the fee generates for projects. However, this has occurred on an ad-hoc basis without definition of when waiver or reductions are warranted. The City should continue to customize its public land dedication requirements to better support redevelopment and adaptive reuse. A two phase (short term and long term) approach is a potential approach for changes to the program.

**Short Term** – The City could develop a near-term policy for when and where the requirements can be reduced or waived. Potential strategies for providing relief include:

- Modify requirements in target geographies for vision-aligned projects within Priority Reinvestment Areas and for projects of community importance, based on adopted criteria (#3 above)
- Move to a recovery-system for Specific Plan Areas in lieu of PLD
- Allow for flexible or alternative satisfaction of requirements
- Capping the fee in lieu to a percentage of property value or project value/cost based on a site appraisal

**Long-Term** – The City could consider revamping its approach to providing and funding public facilities transitioning to a fee-based system that helps to fund proactive public facility plans. Other peer cities that are becoming more redevelopment oriented have transitioned to approaches where the community creates a plan for providing public facilities based on their comprehensive plan and other growth plans. Their land dedication requirements are structured primarily as a fee (instead of land dedication requirement) that is used to fund the projects identified in their plan. Alternative satisfaction strategies are allowed where warranted if land dedication is more desirable or other approaches are more advantageous. The fees have also been scaled to address the variable needs of different types of housing products (e.g., single family detached homes have a higher fee because they generate a greater burden due to larger household sizes, that is, people per unit) and the needs in different areas of the community. Lastly, the

fee can apply to all uses that generate need for public facilities—not just residential development—to share the cost more equitably. The revamped approach is meant to identify new revenue sources to support the needs of the Parks, Recreation and Libraries system along with general city facility needs as opportunities to collect PLD diminish with buildout.

## Infill and Redevelopment Friendly Code

5. **Update Site Design Requirements:** *Review requirements for parking and other site design requirements and propose modifications that support infill and redevelopment areas.*

### [Establish an Applicability Table Identifying Thresholds and Sliding-Scale Applicability for WSASP and Unified Development Code Urban Design Standards](#)

Westminster has planned significant changes for the Station Area over the next 20 years. In the interim, property owners and applicants with existing structures will need to navigate the plan's standards to determine which requirements are applicable at what point in the development process. The WSASP Regulating Plan recognizes this challenge and recommends in Policy P-13 that the City "[p]rovide a strategy for incremental growth and phasing for the entire Station Area and ensure careful integration into the existing fabric as redevelopment occurs." Creating a specific strategy for growth and phasing is beneficial to both the City and to property owners and applicants. For property owners and applicants, this strategy could create greater predictability on which to base redevelopment project budgets. While for the City, a growth and phasing strategy would help establish the timing for public investment in infrastructure, amenities, and other public improvements.

The urban design standards are a critical set of conditions for which an incremental approach would be immediately beneficial. Property owners with existing structures and improvements cannot, for the most part, determine how the WSASP urban design requirements will be applied until they submit an application to the City. A lack of predictability in development regulations usually has a measurable cost impact to the project and results in one of two outcomes: (1) applicants "under design" their project in anticipation of a negotiated approval process, or (2) applicants hold potential projects while they wait to see what the City requires of other projects. In a worst-case scenario, applicants let property sit as-is rather than see what development would be permitted because the potential costs of plan or code compliance range beyond what the applicant can reasonably calculate.

Westminster can go a long way toward creating greater predictability by adding a threshold and sliding-scale applicability table to either the WSASP or the updated Unified Development Code, with a cross-reference in the WSASP.

This table should establish three parameters and could be added to the Adaptive Reuse Standards:

**Threshold:** Specify the amount of development that triggers the application of the urban design standards;

**Location:** Identify the applicability of location-based standards (such as build-to line or parking) for redevelopment where an existing structure is not being moved or torn down; and

**Priorities:** Establish an order of priority for urban design requirements when adjustments are made for threshold or location.

The recommendations for implementing those additional parameters are detailed below.

**Threshold** – To apply standards to a specific amount of development, a threshold table is usually based on a measurable component of development, such as increased or changed external square footage, building permit valuation, or increased assessed valuation. Using increased square footage as an example, Westminster could add a minimum threshold that a property owner can add or change up to 25 percent of the square footage without triggering the urban design standards, to encourage structure improvements and modest expansion that might attract a new tenant. Building additions or changes that range between 25 percent and 75 percent could trigger the application of either: (1) a commensurate percentage of the urban design standards or (2) applicability of the urban design standards to the new structural changes but not necessarily the entire structure. Building additions or changes to more than 75 percent of the structure could trigger application of the full range of urban design standards.

**Location** – Creating locational adjustments requires a comparison of the locational development standards to the proposed redevelopment to determine what type of compliance is realistic, potentially within a reasonable project budget. For example, a project that proposes an addition on the rear of the structure should not be required to comply with the build-to line but may be required to make a façade improvement or provide public space along part of the façade. Similarly, a change of use in an existing structure should not trigger relocation of the existing surface car park between the façade and the curb but may require enhanced screening or landscaping of that parking area.

**Priorities** – The WSASP includes urban design standards in much the way that most plans and codes do, as a list of requirements to be met. With redevelopment (and infill), there can be existing structures or site elements - such as parking - that will not be changed as part of the proposed project. Applying a laundry list of regulations can have two outcomes in this situation: (1) the applicant is required to negotiate through or make changes that

unnecessarily increase the project budget at this point in time, or (2) the City eliminates a set of inapplicable standards and misses an opportunity to make important, incremental changes. Many communities identify changes to the public facing parts of the site as key design priorities, including public and civic spaces, connected sidewalks or pathways, and façade design. An applicant making changes to the rear or side of a structure may not trigger any public facing upgrades. The WSASP can be revised to better link key urban design requirements to proportionate changes elsewhere on the site. This can help ensure that incremental site upgrades move the overall design forward both immediately and over time.

#### [Create More Options for Administrative Approvals and Adjustments](#)

With the significant amount of regulation that Westminster incorporates into its planning documents, including the newly adopted Westminster 2040 Comprehensive Plan and the Station Area Specific Plan, much more development decision-making review and approval should be moved to the administrative (staff) level. Westminster's basic approach to planning and development is form-based in nature. Here, public input is moved to the front-end of the process through the creation of very design-specific "regulating plans," and the approval of projects that comply with the plans is administrative and relatively streamlined. The City's plans follow this model and, indeed, are either identified as regulating plans or are functionally the same as regulating plans. With most of the important details identified, project approval should be straightforward and not involve a full public hearing process.

This is a 180-degree change in approach for the City of Westminster. Historically, the City has relied on planned unit development (PUD) to tailor the standards for each individual project. PUD is a fully negotiated process that does not start with a regulating plan or specific urban design standards and requires public review at adoption. PUD projects are required to go through a two-step preliminary development plan (PDP) and official development plan (ODP) approval process. A City Council review through the Concept Plan process is a recently added additional step for PUD developments. Within the Station Area, this has been reduced to just ODP approval, but there still appears to be significant negotiation included in development review. If the City wants to move to a more complete form-based approach, negotiation should be limited to key topics and either the applicable plan or regulations should recognize the need for some level of administrative adjustments and/or design alternatives.

Some of the urban design standard applicability issues may be eliminated with the creation of an Applicability Table. A new Administrative Adjustment process should be added to the UDC and made applicable to the WSASP (replacing the current Variances section) that allows adjustments of up to 20 percent of any measurable standard unless otherwise specified in the plan.



Although 20 percent sounds significant, many measurements in a land use code can be adjusted by that much without making a measurable change to the design, but while making a change that could allow adjustment of the project to accommodate site conditions. Alternatively, the plan could identify an appropriate range of measurements for specific design elements, such as a change of up to 10 feet in building height to accommodate a third-story deck. Where appropriate, the City could identify a menu of allowable design alternatives, many of which could address how development might change over the 20-year buildout period.

## Redevelopment Infrastructure Strategies

6. **Provide Water and Sewer Infrastructure Support:** *Explore strategies to create flexibility and provide support to businesses in reinvestment areas where water and sewer lines and taps are undersized or inadequate to support expansions and/or changes of use.*

The older portions of the city often have properties that have inadequately sized service lines or need upgrades to service lines for providing water and sewer service. When changes to the buildings or even changes of use within a building are desired, requirements to construct properly sized/new service lines are triggered. Also triggered are requirements for tap/connection fees to pay for additional system capacity demanded by the changes. Even minor changes to a building, such as moving a water fixture, can trigger the need to improve service lines as part of the building permit review process. These improvements are often costly and can exceed the cost of the desired building improvement. Disruption of off-site infrastructure further adds costs and impacts other customers with inconvenient service disruptions. The result is a disincentive to improve buildings, the inability to refill vacant buildings/spaces, and/or improvements are made without building permits. The following strategies can be explored to address the cost associated with upgrading service lines.

### [Proactive Infrastructure Planning](#)

Land use plans can better integrate infrastructure improvement needs/plans within them to identify how needed water or sewer main improvements can be leveraged to address inadequate service lines in older areas of the city. The City can choose to include the cost of upgrading service lines within capital project budgets, ask property owners if they would like upgrades to service lines at a reduced cost as part of large capital projects, and/or implement more district-oriented service strategies.

### [District Based Funding Strategies](#)

The City should explore the use of district-based or special assessment district funding strategies that repair, replace, upgrade service lines in an area with

service issues and fund the effort through an improvement district or special assessment district that allows property owners to pay for improvements incrementally over time instead of all at once. This strategy can successfully be used in conjunction with large capital projects where participation in the district is a requirement for receiving the benefit of an improved line at reduced cost.

#### [System Connection Fee Reductions and Waivers](#)

Ensuring service lines are adequately sized to safeguard public health and safety issues do not occur makes requiring improvements essential for projects even if the financial burden is high. The City can identify ways to refund or reduce this capital improvement cost through grant programs. The cost of improving a service line or upsizing a tap is only a portion of the total cost. Projects are also required to pay for the increased system capacity demands they create through tap fees.

The City can support infill and adaptive reuse projects, especially small-scale projects, by offsetting these fees through waivers and or rebates, identifying opportunities sharing within a commercial center, or by assisting adjacent projects with shared improvements to reduce costs and increase efficiencies. The water and sewer enterprises will want to be “made whole” and charge the full fee on a project. However, the City can reduce or waive the fee for the application by paying for the waiver or reduction through another funding source. Another strategy to consider is the deferral of the tap fee until certificate of occupancy instead of at permit approval. These types of deferrals are difficult to administer so should only be allowed for projects that demonstrate the need or meet criteria for incentives to be provided.

#### [Minor Improvement Threshold Policy](#)

Lastly, minor improvements can sometimes trigger costly improvements and tap fees based on the written regulations/policies, but the actual impact of the project may not warrant the need for an improvement, and/or expansion of capacity needs. The City should create a more consistent policy for when flexibility for triggering tap and service line improvements can be waived due to existing conditions that warrant this discretion. Examples cited in stakeholder interviews include projects in which tapping into newly constructed water/sewer lines is less desirable than inadequate service lines or undersized taps, where water or sewer capacity is sufficient for the larger area and increased demands from one building can be absorbed, where resulting water pressure is near but don't meet desired standards and the tap upsizing will generate inordinate financial burden on the project owner.

## Westminster Station Area

7. **Catalyze Redevelopment in the Station Area:** *Identify potential strategic adjustments to the Westminster Station Area Specific Plan (WSASP) to catalyze redevelopment in the Station Area.*

### Expand the Types of Uses Permitted in the WSASP Use Table

The WSASP Regulating Plan includes three important use-related goals:

- G-1 Establish a vibrant, mixed-use transit center that acts as a neighborhood and community destination.
- G-2 Foster a mix of land uses that support and encourage transit ridership, with a mix of commercial, residential, employment and civic uses.
- G-3 Provide a flexible land use framework that provides opportunities for incubator industries, live/work spaces, and neighborhood-serving commercial uses.

These goals are implemented through mandatory standards that:

- S-1 Require that all allowed land uses in the Station Area are consistent with those listed in Table 2-2

Table 2-2 allows a very specific, and somewhat limited, list of uses shown here and on the following page:

A variety of commercial uses are allowed in all areas. Some of the uses identified could be classified as light industrial, and that many communities typically allow in mixed-use or light industrial zones include live/work units, vocational schools, studio lessons (gyms and dance), micro-breweries, veterinary services, and repair work. Under this framework, the City should consider other, employment-related light industrial uses for inclusion in Table 2-2.

Table 2-2: Allowed Land Uses by Classification			
	Station Core	Commercial Mixed Use	Transitional Mixed Use
<b>Allowed Land Uses</b>			
Personal Services	P	P	P
Pet Store/Pet Grooming (Under 5,000 sqft.)	P	P	P
Private Schools	P	P	P
Radio/TV/Recording Studio	C	C	C
Retail Sales	P	P	P
Thrift Store (Under 5,000 sqft.)		C	C
Repair (non-auto and -large appliance)			P

*P: Permitted Uses, allowed as of right.*

*C: Conditional Uses, allowed upon a determination that they meet the conditions specified in Section 11-4-9 of the Municipal Code.*

**Table 2-2: Allowed Land Uses by Classification**

	<i>Station Core</i>	<i>Commercial Mixed Use</i>	<i>Transitional Mixed Use</i>
<b>Allowed Land Uses</b>			
<i>Residential Uses</i>			
Dwellings	See sub-classifications below		
Multifamily	P(1)(2)	P(1)(2)	P(1)
Residential Care Facilities	See sub-classifications below		
Home for the Aged	C	C	P
<i>Public and Semi-Public Uses</i>			
Colleges and Vocational Schools	P	P	P
Institutional Use	P	P	P
<i>Office and Commercial Uses</i>			
Aerobics, Ballet, Dance, Exercise Instruction, and Classes	P	P	P
Antique/Consignment Shop	P	P	P
Art and Photography Studios/ Art Galleries	P	P	P
Assembly Halls, Event Centers and Churches	P	P	P
Bakeries and Food Production	P (3)	P (3)	P (3)
Banks and Financial Institutions	P	P	P
Business and Professional Services	P	P	P

**Table 2-2: Allowed Land Uses by Classification**

	<i>Station Core</i>	<i>Commercial Mixed Use</i>	<i>Transitional Mixed Use</i>
<b>Allowed Land Uses</b>			
Commercial Entertainment and Recreation	See sub-classifications below		
Live Entertainment	C	C	C
Day Care Facility	P	P	P
Eating and Drinking Establishments	See sub-classifications below		
Bars/Lounges	P	P	P
Coffee Shops/Cafés	P	P	P
Micro Breweries (4)	P	P	P
Restaurants, Full Service	P	P	P
Restaurants, Limited Service	P	P	P
Food and Beverage Sales	See sub-classifications below		
Liquor Store	P	P	P
Convenience	C	C	C
General	P	P	P
Fraternal and Service Club			P
Live/Work Units	P	P	P
Medical/Dental/Veterinary (5) Office and Clinic	P	P	P
Hotels and Motels	P	P	P
Offices	P	P	P
Packaging and Postal Substation	P	P	P

This expansion should include light manufacturing (indoor only, no external impacts), art studios and maker spaces, and flex spaces. Design standards for manufacturing and limited materials storage could limit uses to the back area of a structure to limit public visibility. New light industry uses that support the area's increased residential living, such as craft food production, metal or wood workshop space (maker spaces), and self-storage could be provided. This change would allow for some of the existing light industrial uses to remain in the station area and/or be repurposed over time while possibly encouraging the addition of other creative uses. These would allow for a creative and innovative district to evolve along with the area, supporting the Station Area Plan's goal to incorporate art spaces.



Makerspace image from Wood Magazine

Two new categories should be added to Table 2-2:

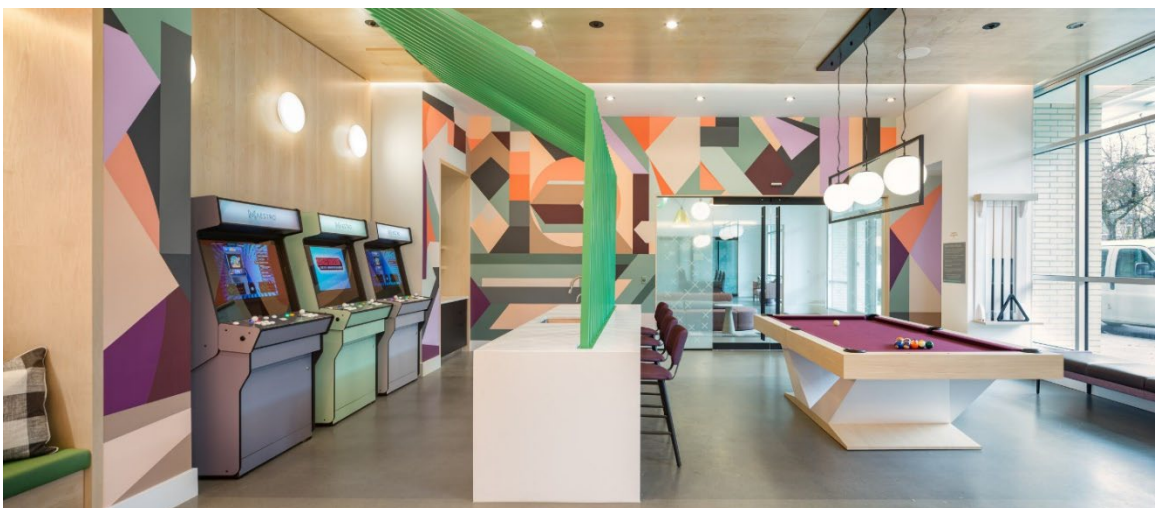
**Flex Spaces:** buildings that allow occupants the flexibility of utilizing the space for a variety of uses over time or multiple uses at one time. Space in these buildings can be leased for retail, office, warehouse, research and development, or industrial use. Flex space buildings are designed for offices or showroom space, but with space available that is able to accommodate bulk storage, showroom manufacturing, assembly, or similar operations. Generally, flex space has storefront type windows in the office area of the space.

**Light-Intensity Industrial Use Category:** spanning commercial to light industrial, this category should include general commercial and restricted industrial uses designed for a variety of compatible business, warehouse, wholesale, office, light manufacturing, and limited industrial uses.

### Allow Greater Flexibility for Ground Floor Uses Outside of Key Pedestrian Areas

The WSASP currently limits residential development in the Station Core and Commercial Mixed-Use areas to structures where a minimum of 25 percent of the ground floor is in commercial use. Effectively, the plan requires vertical mixed-use for the development of residential units. This requirement is important for the 100% Pedestrian-Oriented Street Frontage areas along Westminster Station Drive and Hunter Street, but should be reduced, eliminated, or changed to allow horizontal mixed-use along interior street frontages. Active ground floor uses can be successful when focused on key commercial locations that are typically about one-half mile in length – a comfortable pedestrian walking area. Requiring active ground floor uses everywhere dilutes the effect of creating a more concentrated active area and can result in empty shopfront spaces.

Outside of more concentrated active areas, such as the Pedestrian-Oriented Street Frontage area, the City can encourage redevelopment by eliminating the vertical mixed-use requirement and focusing on a horizontal mixed-use pattern. This can work well with active ground floor uses focused on intersections with more residential uses located along block interiors. In the current real estate market, eliminating the vertical mixed-use requirement may result in the development of fully residential structures. The WSASP can leave room for future commercial development by requiring the ground floor to be built to commercial dimensional standards, which are typically larger than residential dimensions, and allowing community-oriented residential uses such as game rooms, exercise centers, offices, or lounge areas to be located in the ground floor space.

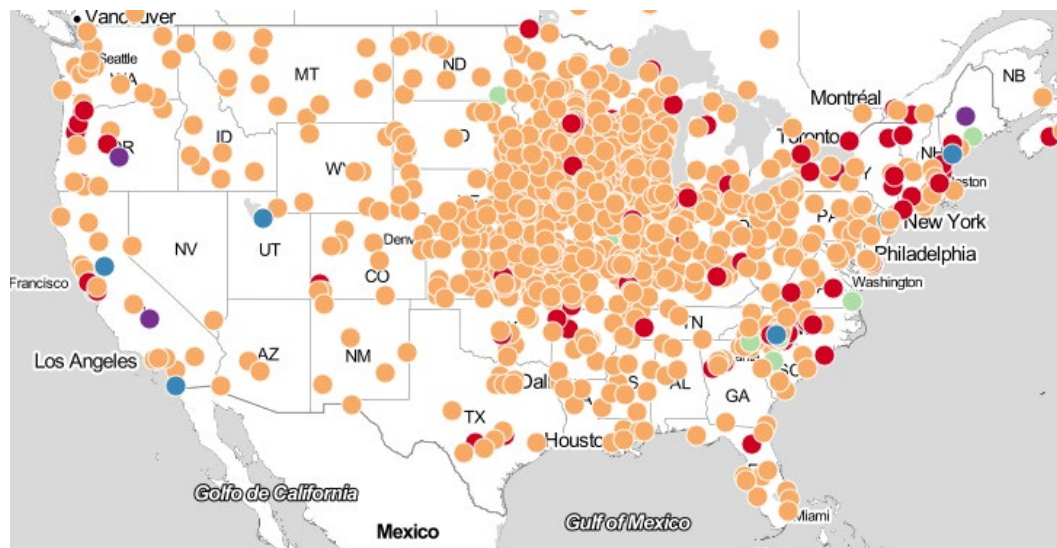


Ground Floor Game Room designed by Garrison Hullinger Interior Design

### [Reduce or Eliminate Nonresidential Minimum Parking Requirements](#)

The WSASP moves the City forward in addressing one of the most significant limitations on infill and redevelopment, the requirement for on-site, off-street parking. The WSASP allows off-site parking and reconsiders the amount of parking needed during the project area's buildout years. Westminster could go further to protect the amount of land available for active use and development by significantly reducing or eliminating mandatory parking requirements for nonresidential uses. The Station Area could be treated like a downtown area, many of which do not have parking requirements in communities across the state. Parking would not be prohibited, but the decisions about whether and how much parking to provide would be left up to the private sector. Alternatively, new uses could be allowed with the amount of existing parking that is available and not be required to provide new parking to meet a higher parking standard.

Figure 3 [U.S. Cities with Parking Reduction Strategies](#)



Gold dots represent parking reduction in a city center or district, from ParkingReform.org

### [Rethink the WSASP Approach to Nonconformities](#)

The adoption of the WSASP effectively made much of the existing development nonconforming. While this was intended to allow the City to achieve the adopted vision for the Station Area Plan, it also typically has the unintended consequences of freezing development in place and capping the amount of reinvestment a property owner may be inclined to make. Westminster should reconsider this approach and limit the use of nonconforming status to only those sites or structures that present major issues for redevelopment. Where a structure or site could meet the plan over time, the nonconforming status should be removed, and the Station Area Plan should be allowed to guide the various phases of change.

### [Matchmake Businesses with Adjacent Sites](#)

Many lands adjacent to the Westminster Station Area have been preserved for light industrial uses and many of these properties have recently been placed on the market for sale. City staff could facilitate connections between owners within the Station Area Plan seeking to expand with the owners of these larger properties, allowing the businesses to remain in the local area but on larger sites not subject to the requirements of the Station Area Specific Plan.

### [Implementation Strategy for the Parking Policy/Plan](#)

The Westminster Station Area Specific Plan provides policy direction and tool recommendations for how to address parking in the station area. Despite the direction, there has been limited implementation of the strategies identified (partly due to lack of development activity). Strategies and implementation actions are needed to address:

- How existing and new businesses can provide parking (both on-site and on-street) and how the parking general improvement district and the Parking and Curbside Management department facilitate shared solutions.
- How Parking and Curbside Management will regulate and enforce public parking both on-street and within public parking lots/garages.
- The process for how new development enters into and participates in the General Improvement District established to fund parking solutions.

### [Shared Water Quality Infrastructure](#)

The East Basin area of the Westminster Station Area has a shared regional detention pond and systems that support buildings and future projects on the eastern side of the station area (roughly Irving Street to Federal Boulevard, and 69<sup>th</sup> Avenue to 76<sup>th</sup> Avenue). The western side of the station area (roughly Irving Street to Lowell Boulevard) currently has no detention system and lacks water quality treatment solutions, despite previous efforts to do so, that were not implemented due to financial constraints and the impact of the pandemic. The responsibility to address detention and treatment therefore falls on the individual property/development. This creates an increased burden for development compared to the east side where the regional pond helps to reduce burdens on projects. The City should create a strategy for building a regional detention solution and identify infrastructure projects and land needs that can implement the system.



## Next Steps

Many of the recommendations provided in this report will take additional collaboration among City departments and each are an individual “project” that have varying timelines and barriers to implementation. Below are near-term actions steps that the City can begin to implement the recommendations provided in this report. The areas that were identified as needing the most focus to better support redevelopment and adaptive reuse are also identified.

### Near Term “Wins”

Near term actions steps that can begin immediately include:

1. Crafting the External Redevelopment User Guide building on the findings of the toolkit report.
2. Promote and market the User Guide to external stakeholders through creation of media articles and post, promotion campaigns, and stakeholder panels and presentations.
3. Redesign of the Economic Development website to improve the Redevelopment section to incorporate new materials, tools, and resources.
4. Establish a cross-departmental Redevelopment Action Team made up of stakeholder departments that will meet regularly and guide implementation of Toolkit recommendations.
5. Provide technical assistance to business and property owners to help navigate the development process, identify ways to offset impacts of undersized service lines and taps for business owners, and find opportunities for shared infrastructure investments such as district stormwater solutions and grease interceptors.
6. Provide technical assistance to help property owners understand the benefits and necessity of consolidating small parcels for beneficial redevelopment.
7. Provide matchmaking services for industrial uses looking to locate or expand with sellers of existing industrial properties not constrained by Specific Plans.

### **Prioritizing Efforts and Tracking Progress**

Five areas were identified in the project process where the City of Westminster can improve its support of redevelopment and adaptive reuse. Recommendations and efforts that address these five areas should be prioritized. The implementation of recommendations should consider how the tools used address these areas.

- 1.** Provide a plan for infrastructure investment, specifically in terms of support in infill and redevelopment areas.
- 2.** Improve engagement with the community.
- 3.** Craft supportive land use and zoning regulations for infill projects.
- 4.** Support the creation of redevelopment opportunity sites.
- 5.** Foster greater public-private partnerships outside of the Downtown Westminster project.

Lastly, the City should implement a system of self-evaluation to track the progress of its efforts to produce more investment into priority reinvestment. Below are suggestions for measures to track.

- Number and value of building permits approved annually in priority reinvestment areas.
- Number of new businesses in priority reinvestment areas.
- Change in retail sales in priority reinvestment areas.
- Change in property value in priority reinvestment areas (relative to citywide average).
- Commercial space vacancy rates in priority reinvestment areas.



**APPENDIX A:  
Land Use and Real Estate  
Market Conditions**

An evaluation of the land use and real estate market conditions in the City of Westminster was completed to guide where challenges and opportunities may exist related to redevelopment and adaptive reuse. A market support analysis was conducted to understand which subareas of the city have current market conditions that are more able to support/attract development than others. Additionally, a potential development property analysis was conducted to understand where (re)development is more likely to occur because of the existing land use conditions. These analyses were used to define the priority reinvestment areas.

## Market Support Analysis

### Methodology

EPS compiled data on development trends and conditions by land use category to analyze trends by seven geographic subareas (North I-25 Corridor, 120<sup>th</sup> Avenue Corridor, Federal Boulevard, 100<sup>th</sup> and Wadsworth, US-36, City Center, and Historic Westminster) within the city. These subareas mirror the subareas with the addition of the Federal Boulevard subarea defined within the City's Retail Strategy. The subareas were scored based on five criteria.

- Average retail rental rate
- Average office rental rate
- Average multifamily rental rate
- The total amount of commercial development in square feet since 2015
- The total amount of multifamily development in units since 2015

Each subarea received a score of zero if the assessed metric was below the citywide average (or if there was no recent development within the specific property type) and received a score of one if the assessed metric was above the citywide average. These scores were then added, leaving each subarea with a total score ranging from one to five. In this analysis, higher scores correspond to areas where the commercial and multifamily markets have been stronger in recent years.

### Findings

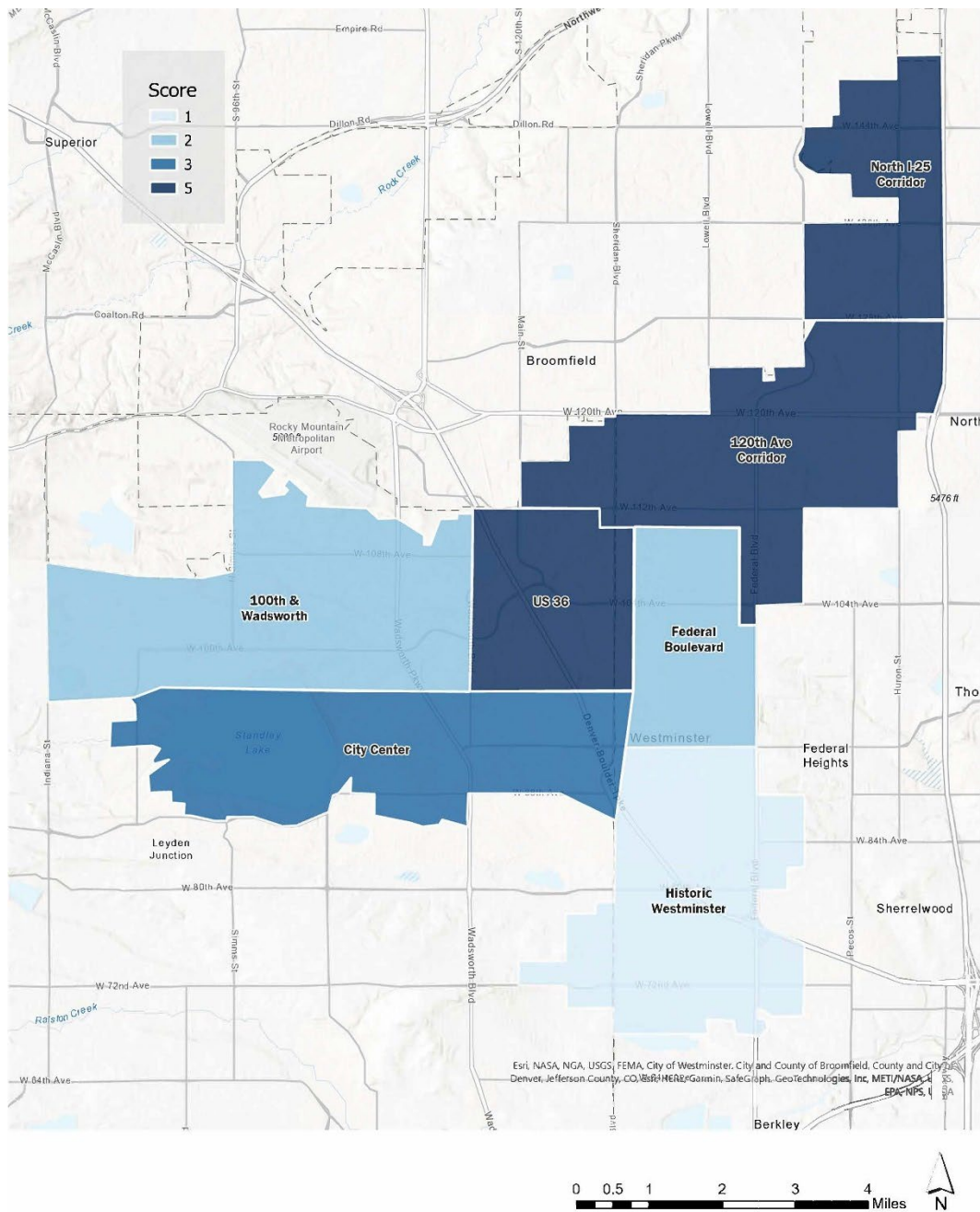
As shown in **Table 1** and **Figure 4**, the subareas with the highest score were the 120<sup>th</sup> Avenue Corridor, US-36, and North I-25 subareas. The subareas with the lowest scores were the Historic Westminster, 100<sup>th</sup> Avenue and Wadsworth, and Federal Boulevard subareas. The Federal Boulevard subarea has not seen new retail or office development and the 100<sup>th</sup> Avenue and Wadsworth subarea has not seen any new multifamily developments between 2015 to 2023, partly due to infrastructure capacity limitations and existing zoning.

**Table 1. Development Trends and Scores by Subarea**

Description	Historic Westminster	City Center	100th & Wadsworth	US-36	Federal Boulevard	120th Ave Corridor	North I-25 Corridor	Citywide Average
<i>Value</i>								
Retail Rent (per sf), 2023	\$18.43	\$13.70	\$15.87	\$19.34	\$20.00	\$23.95	\$29.18	\$16.29
Office Rent (per sf), 2023	\$23.15	\$21.39	\$26.21	\$28.23	N/A	\$26.11	\$28.31	\$25.54
Multifamily Rent (per Unit per Month), 2023	\$1,302	\$1,907	\$1,765	\$1,898	\$2,102	\$1,908	\$2,073	\$1,767
Commercial Development (sf), 2015-2023	46,282	154,200	232,000	102,103	0	155,359	199,313	127,037
Multifamily Development (Units), 2015-2023	211	1,061	0	1,365	216	632	420	558
<i>Score</i>								
Retail Rent, 2023	1	0	0	1	1	1	1	--
Office Rent, 2023	0	0	1	1	0	1	1	--
Multifamily Rent, 2023	0	1	0	1	1	1	1	--
Commercial Development (SF), 2015-2023	0	1	1	1	0	1	1	--
Multifamily Development (Units), 2015-2023	0	1	0	1	0	1	1	--
<b>Total Score</b>	<b>1</b>	<b>3</b>	<b>2</b>	<b>5</b>	<b>2</b>	<b>5</b>	<b>5</b>	<b>--</b>

Source: Economic &amp; Planning Systems

**Figure 4. Market Support Analysis Scores by Subarea**



## Potential Redevelopment Areas Analysis

### Methodology

EPS conducted a “soft parcel” analysis to identify parcels that are more likely to (re)develop by applying the following criteria.

- The ratio of building improvements to land value
- Vacancy
- Total parcel value per square foot compared to citywide average
- Building age

Exempt parcels (such as open space areas), parcels under 0.2 acres in size, and single-family residential parcels were excluded from this analysis. The remaining parcels received a score of one for meeting each of the following criteria: the parcel is vacant, the total value of the parcel per square foot is less than the citywide average, the parcel’s improvement value is less than half of the land value, and all buildings on the parcel were built before 1990. Parcels that did not meet these criteria received a score of zero and vacant parcels received a score of zero for building-related criteria. The scores were then added for a total score ranging from zero to four.

### Findings

**Figure 5** through **10** show parcels that received a score of 2 or more based on the four criteria utilized. While potential redevelopment sites are in all parts of the city, four areas appear to have the highest concentration of potential redevelopment sites that are not vacant, greenfield sites. These four areas are the Westminster Station Area and vicinity, the Downtown Westminster area and vicinity, the Brookhill area and Wadsworth Boulevard corridor to the north, and the Federal Boulevard corridor.

**Figure 5. North I-25 Potential (re)Development Sites**

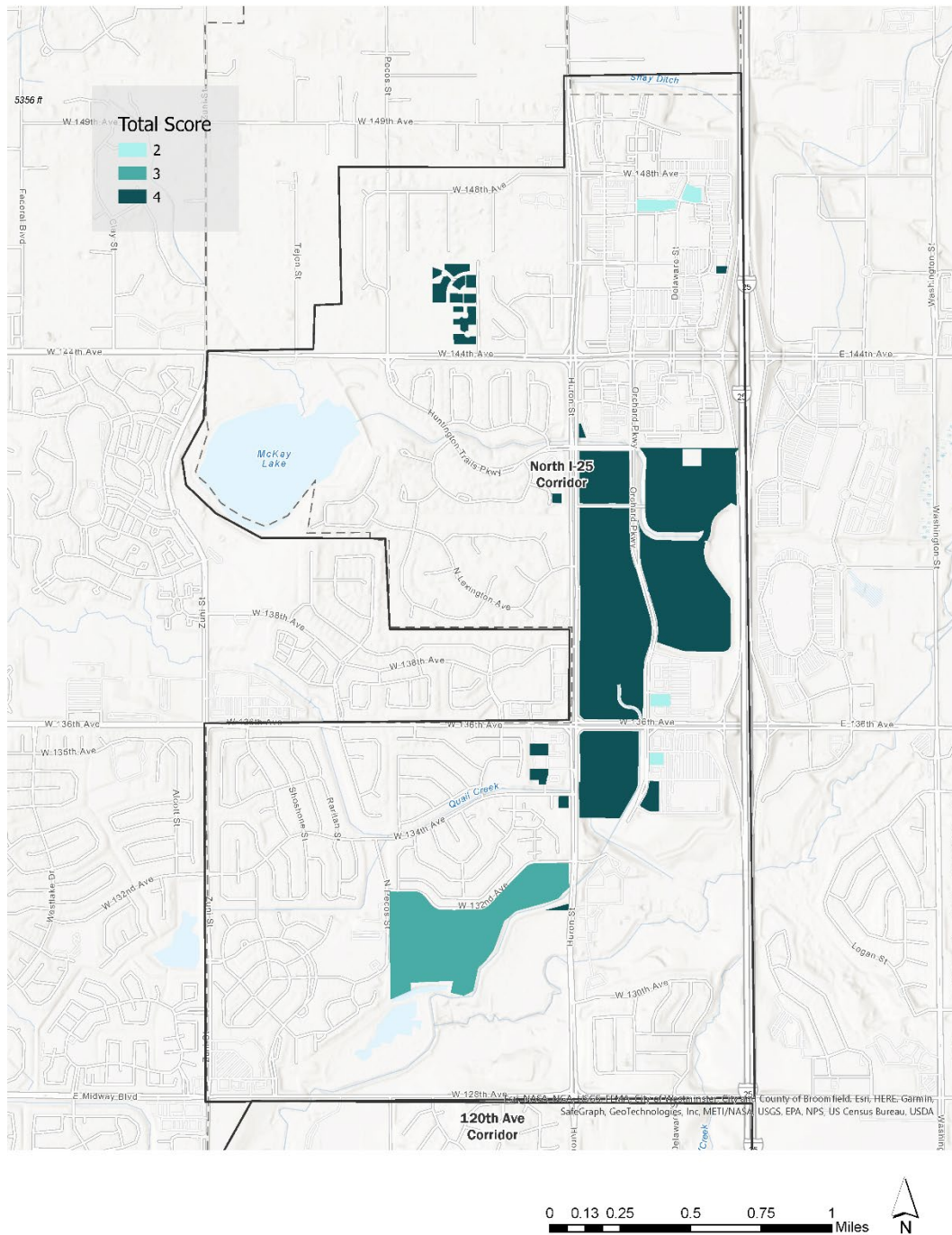




Figure 6. 120th Avenue Corridor Potential (re)Development Sites

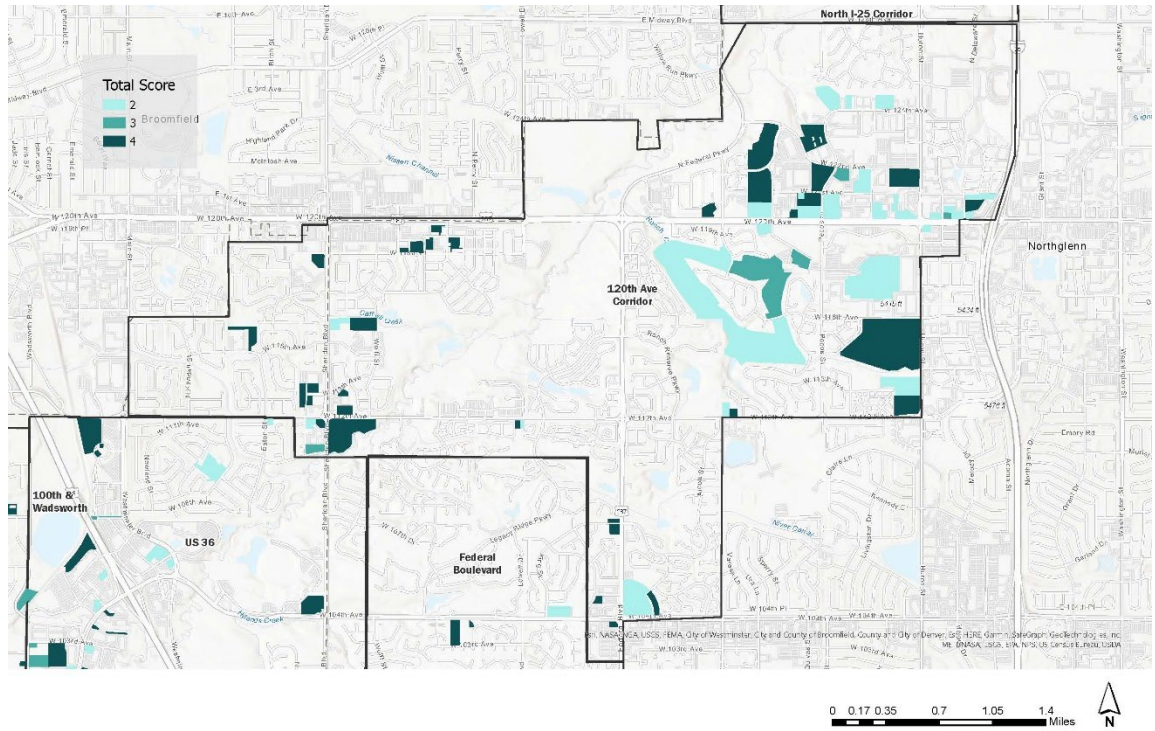
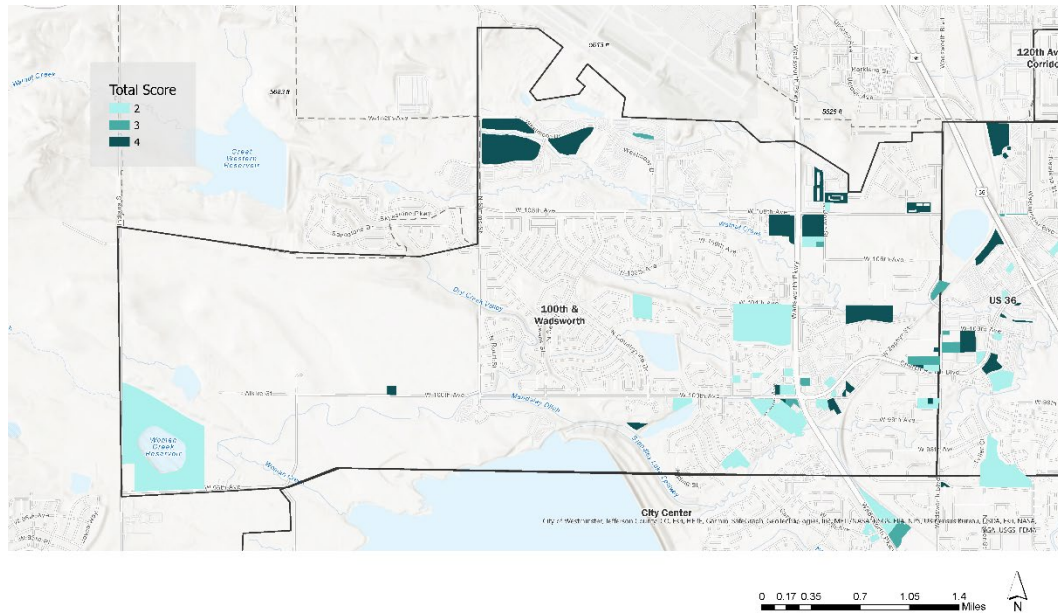
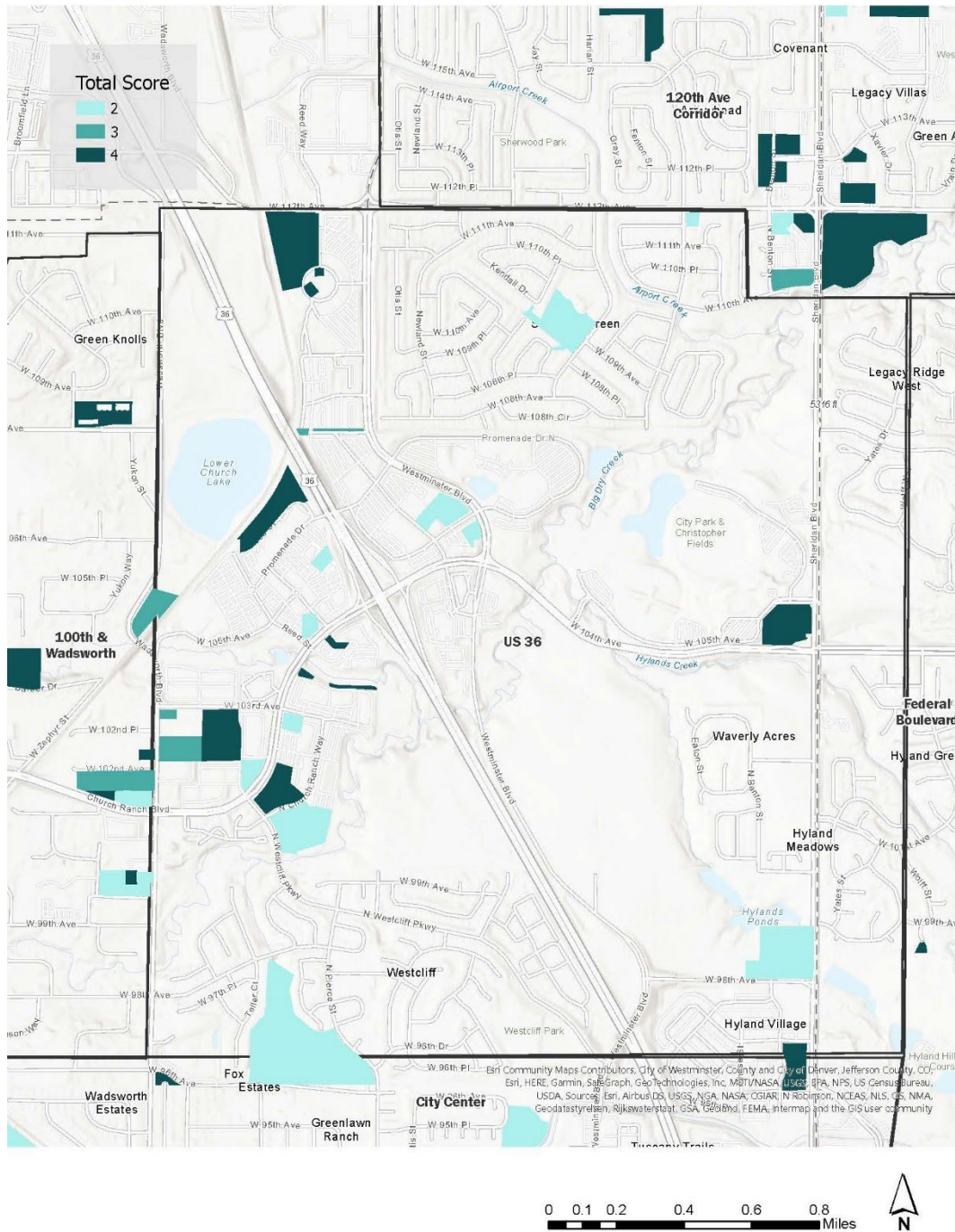


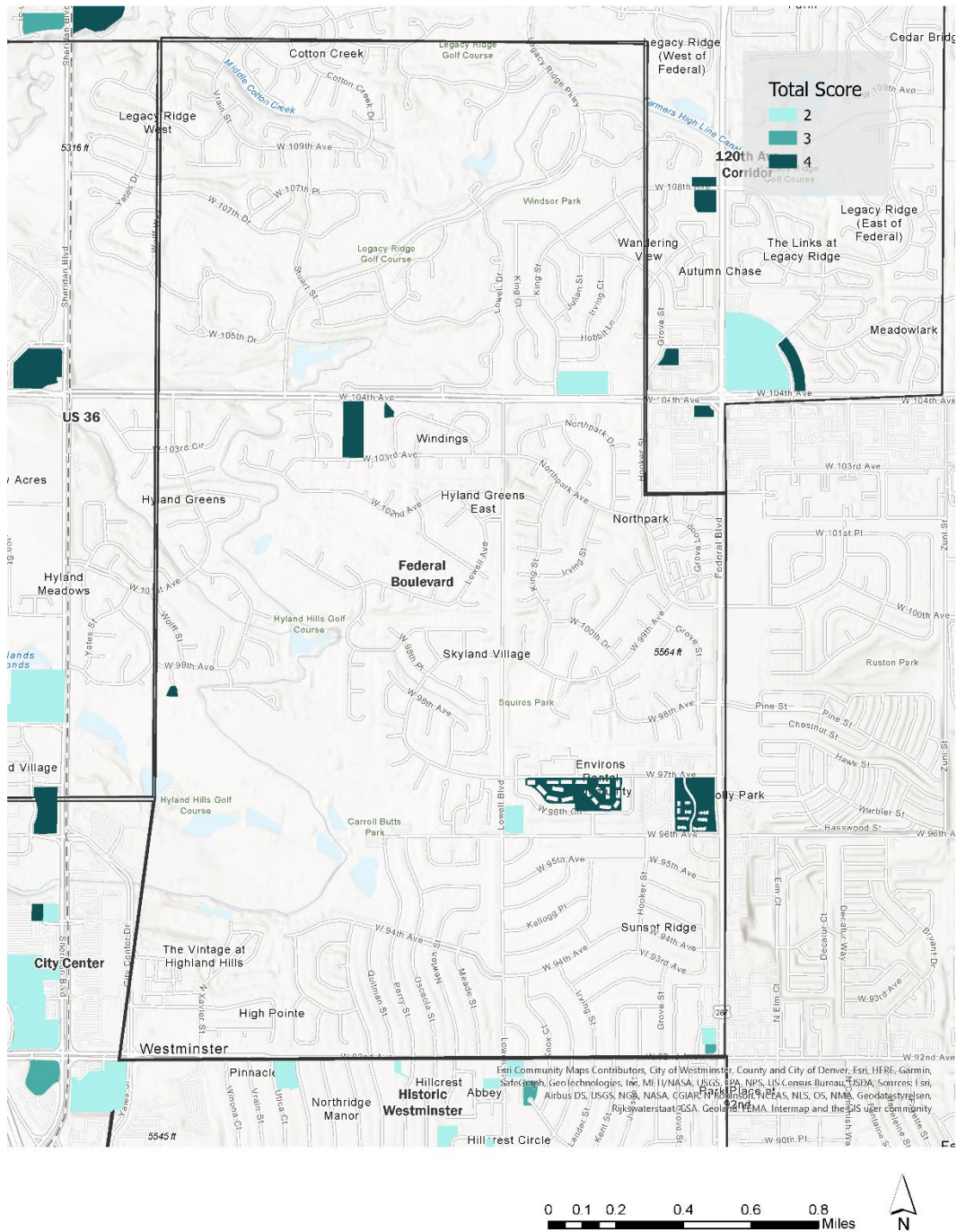
Figure 7. 100th Avenue and Wadsworth Potential (re)Development Sites



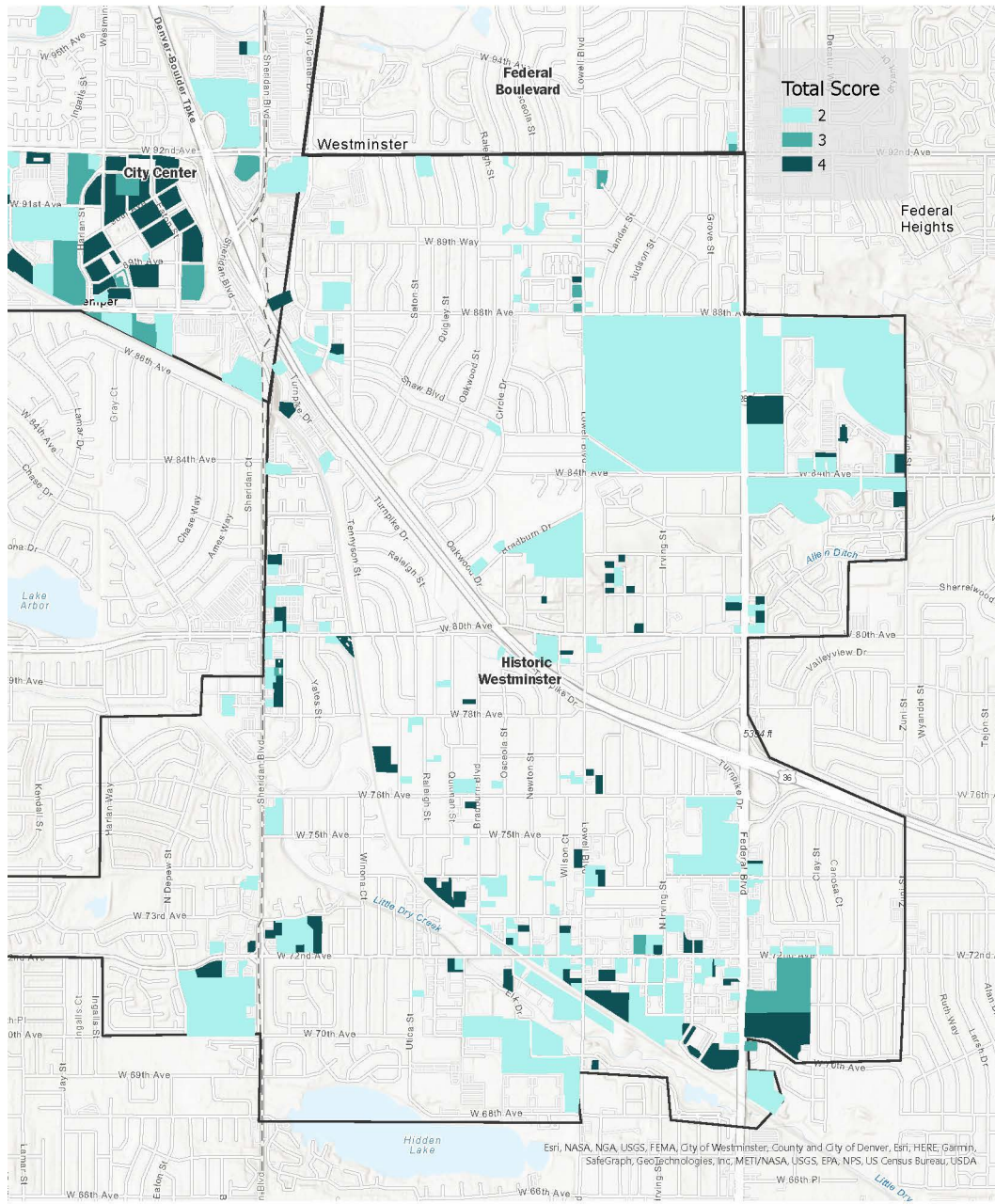
**Figure 8. US-36 Potential (re)Development Sites**



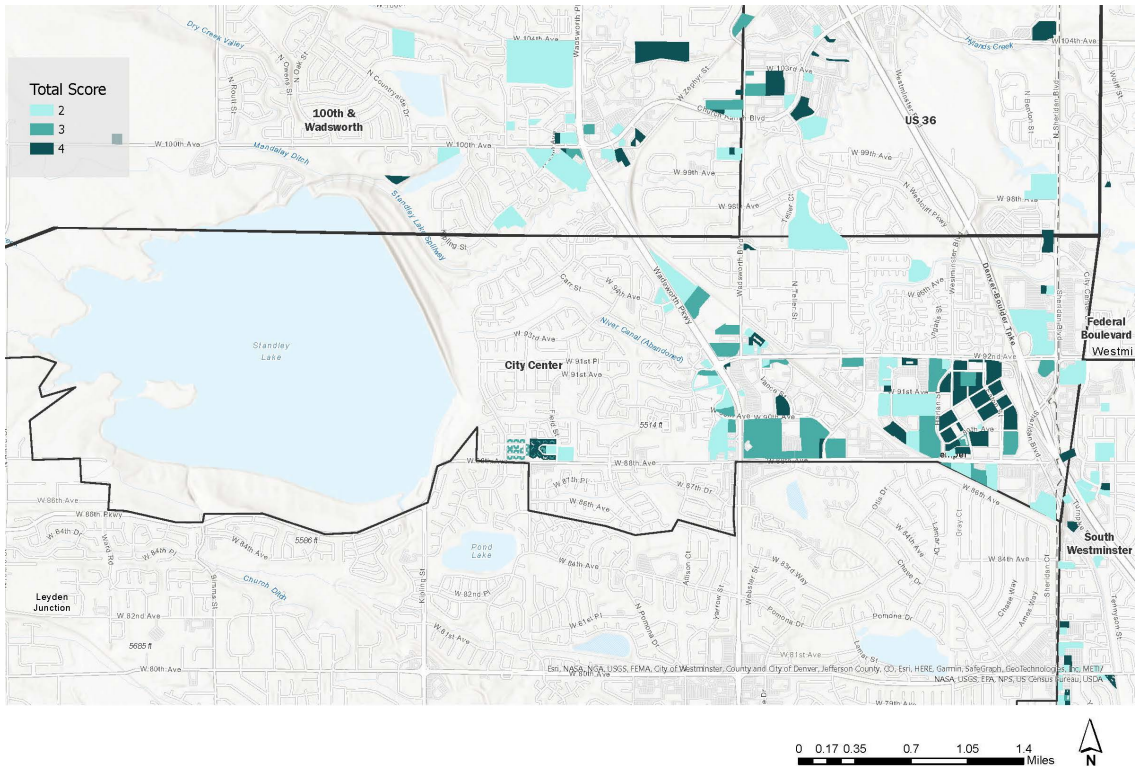
**Figure 9. Federal Boulevard Potential (re)Development Sites**



**Figure 10. Historic Westminster Potential (re)Development Sites**



**Figure 11. City Center Potential (re)Development Sites**





**APPENDIX B:  
Westminster Redevelopment  
and Adaptive Reuse Toolkit:  
Best Practices Report**

# 1. Introduction and Summary of Findings

This report contains the findings of research completed by Economic & Planning Systems, Clarion Associates, and Crescendo Planning + Design (EPS Team) on regional best practices related to the redevelopment and adaptive reuse barriers identified in Westminster. The EPS Team identified nine potential barriers to redevelopment and/or adaptive reuse based on the evaluation of case study projects in the City of Westminster. These case study projects are actual projects in Westminster that experienced issues that prevented the project from happening or created a significant burden for the project to overcome. Interviews with internal City of Westminster stakeholders and with external stakeholders helped to identify the issues and illuminate challenges that exist. The purpose of this report is to identify tools and strategies that other communities in the Denver metropolitan area (or elsewhere in the U.S.) have used to address the same type of issue.

## Best Practices Research Approach

Below is a list of research questions identified from the case study project list and subsequent City staff interviews to develop best practice research topics. For each topic, the EPS Team developed research questions that were used to find examples of how other cities address the issue. The research topics were organized into two categories later in this report. Chapter 2 explores redevelopment support issues, while Chapter 3 evaluates code and regulation redevelopment challenges.

### Research Questions by Focus Topic

#### *Redevelopment Area Support Issues*

- 1. Land Assembly** – Planned redevelopment areas often benefit from support provided to the private sector to create viable and attractive development sites through land assembly and other strategies. Land assembly is a challenge specifically in the Westminster Station Area and support will likely make the vision for the area more achievable. The area does not have many large sites and lacks the tools or incentives for property assembly.

**Question:** How have other communities facilitated property assembly for redevelopment in similar contexts and what tools have they used?

- 2. Redevelopment Area Stormwater Infrastructure** – Development in the Westminster Station Specific Plan Area, and other similar redevelopment areas, is burdened by the need to create area-wide stormwater detention and water quality solutions to facilitate denser development. Providing these

solutions on a parcel-by-parcel basis is challenging and becomes prohibitive. Designing a localized system is not a major barrier but how to fund the improvement and phase development into use of it is more challenging.

**Question:** How have other communities solved regional detention/water quality for a district/subarea in such a way as to share the cost and space burden over multiple parcels/developments?

- 3. Community Projects Funding** – Supporting infill and redevelopment requires additional investment into amenities and infrastructure to support beyond what is typically and feasibly provided in a greenfield development.

**Question:** How have communities supported redevelopment through direct project support and/or through funding community amenities and infrastructure in infill areas to support redevelopment?

#### ***Redevelopment Regulatory Issues***

- 4. Urban Compatible Manufacturing/Industrial Uses** – The Westminster Station Area has several industrial-oriented businesses located in it. The Station Area Specific Plan designates the station core area as commercial mixed use, which makes many of the existing industrial businesses nonconforming uses. Some of the existing artisan and manufacturing uses in the area are viable businesses and would be compatible with TOD mixed use development.

**Question:** How have other communities addressed allowing small-scale manufacturing in urban redevelopment areas and what uses (and approach to the use table) have other communities included that differ from the Station Area Specific Plan’s approach and uses?

- 5. Public Land Dedication Fees** – The City’s current public land dedication requirements are oriented towards single family housing development and greenfield development contexts. The result is land dedication requirements (and associated fee-in-lieu fees) that are too onerous for multifamily residential projects in urban/infill settings.

**Question:** How do other communities vary their land dedication requirements for infill housing projects?

- 6. Variance Approach** – The Westminster Station Area Specific Plan has relatively strict guidelines for development form and use mix. These requirements sometimes create challenges for projects that largely conform to the plan but need variances or flexibility to requirements to get approval. The City’s broader variance rules and process do not really fit or work in the station area context. A station area specific approach is desired to allow for variances that can facilitate projects that generally conform to the intent of the plan.



**Question:** How have other communities approached variance processes and rules in similar contexts?

- 7. Site Design Requirements** – Changes of use or additions/rehabilitation of buildings in the older portion of Westminster often trigger conformance with the development code requirements for site design. Specifically, landscaping and parking requirements have been cited as the most onerous to address for small parcel owners making minor changes to their site. Additionally, the City’s fire access requirements are difficult to implement on smaller commercial infill sites.

**Question:** How have other communities approached site design standards in infill and redevelopment areas that better fit the context of older neighborhoods/commercial areas?

## Summary of Findings

For each topic evaluated, a summary of findings is provided that describes the best practices approaches that are taken in peer communities and includes some suggestions for how the City of Westminster may address these issues. Based on these summary of findings, initial directions for recommendations that might be included in the toolkit have been created. These initial observations are meant to foster discussion among internal stakeholders to formulate the final recommendations in the toolkit.

1. Develop a redevelopment ready guide for external stakeholders building on the toolkit and create a system for self-evaluation of progress in attracting redevelopment and adaptive reuse.
2. Develop a renewed approach and policy to the use of Urban Renewal in Westminster and develop strategies for how to apply URA powers to the Westminster Station Area and other redevelopment areas (aside from Downtown).
3. Formulate a standard policy and framework for providing incentives (financial and regulatory) to small scale infill, adaptive reuse, and retail refill/reconfiguration projects in targeted areas that can help address increased costs of projects in these areas and to address where developments standards can be more flexible to support desired projects.
4. Consider a targeted update to the Westminster Station Area Plan that addresses existing/transitional use compatibility and adjustments to form standards.
5. Modify or create a new public land dedication requirement approach for infill and redevelopment projects.
6. Expand the purview of the current Land Use Code rewrite effort (or address upon completion of the current effort) to consider potential changes to requirements for parking and landscaping (and other site design requirements) for infill and redevelopment areas.

## 2. Redevelopment Area Support Issues

This chapter summarizes best practices identified for addressing supporting land assembly in redevelopment areas, subarea stormwater solutions, and redevelopment area community project funding.

### Redevelopment Area Land Assembly

#### Overview of Issue

Planned redevelopment areas often benefit from support provided to the private sector to create viable and attractive development sites through land assembly and other strategies. Land assembly is a challenge specifically in the Westminster Station Area and support will likely make the vision for the area more achievable. The area does not have many large sites and lacks the tools or incentives for property assembly.

**Question:** How have other communities facilitated property assembly for redevelopment in similar contexts and what tools have they used?

#### Summary of Findings

Several Colorado cities have used their urban renewal authorities to assemble land for redevelopment. Vacant land or blighted properties can be acquired and assembled for redevelopment by the URA either proactively by the authority or through a public-private partnership. The practice of proactive assembly has been most successful for properties that have greater challenges (physical, ownership, and/or infrastructure) and where the private market has not already been buying speculatively. Property purchased by URAs is typically then sold or invested in a redevelopment project. Cities have been able to incent and support redevelopment by writing down the land cost to address financial feasibility challenges. Urban renewal authorities have the power of condemnation of blighted property but these powers are rarely used for “non-friendly” or forced condemnations. However, the threat of condemnation can expedite assembly, or the use of friendly condemnations can support address ownership and legal challenges to assembly.

#### Best Practice Examples

##### *Arvada Urban Renewal Authority*

The Arvada Urban Renewal Authority (AURA) has proactively used its land assembly powers for over 30 years. AURA has focused on three major redevelopment areas including the City Center Urban Renewal Area (1981-2006), the Olde Town Station URA (2009-2034), and the Ralston Fields URA (2003-

2028). Two projects within these illustrate how its proactive purchasing of land has helped support redevelopment.

- Water Tower Village – The authority purchased the 50 parcels totaling 26 acres project in the Olde Town Station URA, which paved the way for redevelopment of larger, denser housing developments that included new apartments, townhouses, and condominiums. The purchases did lead to the need for existing residents to be relocated. AURA was able to support 15% of former residents to become homeowners using AURA moving allowance as down payment in the project.
- Ralston Fields URA – This project is an active effort for the City. The renewal area is comprised of multiple underutilized shopping centers along Ralston Road including two large vacant boxes (formerly K-Mart and Safeway). AURA has worked with the City to utilize funding from the City to cover purchase costs that were/are repaid through URA proceeds. The efforts have resulted in the redevelopment of underutilized retail space into housing and better configured retail spaces/pads. The authority has also attracted Walmart Supercenter to the area and supported reinvestment into the existing King Soopers grocery store.

**Figure 12. Arvada URA Ralston Fields Project**



## Subarea Stormwater Solutions

### Overview of Issue

Development in the Westminster Station Specific Plan Area, and other similar redevelopment areas, is burdened by the need to create area-wide stormwater detention and water quality solutions to facilitate denser development. Providing these solutions on a parcel-by-parcel basis is challenging and becomes prohibitive. Designing a localized system is not a major barrier but how to fund the improvement and phase development into use of it is more challenging.

**Question:** How have other communities solved regional detention/water quality for a district/subarea in such a way as to share the cost and space burden over multiple parcels/developments?

### Summary of Findings

The City of Westminster has utilized a regional solution in the Station Area for a portion of the over all area, but there remains the need to address remaining areas through a collective approach. Peer cities have used proactive measures to address stormwater detention and water quality issues for redevelopment areas in concert with planning for redevelopment. Addressing these challenges requires not only a stormwater management plan for the area but also tools and resources to implement the strategy that can go beyond the capacity/resources of the City's utility and/or use of capital improvement funding. Urban renewal has been a common tool used to help fund improvements and also purchase land proactively. Some communities have also used improvement districts to fund subarea networks and through additional ad-valorem property taxes and/or special assessments on properties served by the subarea network.

### Best Practice Examples

#### *North College URA Fort Collins*

The North College Urban Renewal Area was created in 2004 north of downtown along North College Avenue. The tax increment revenues generated by the URA have been invested in streetscape and access improvements on North College, as well as to pay for eligible public improvements in several proposed private developments. Stormwater retention and water quality control systems were largely lacking in the area and were a barrier to redevelopment. This was especially true for the western portion of the URA that is between College Avenue/ US 287 (on the east) and the Poudre River (on the west). To address the lack of stormwater infrastructure, the City proactively completed a stormwater study for the area that identified a potential systems and subarea approach to addressing stormwater. This plan led the City of Fort Collins to purchase an 18-acre parcel (through its stormwater utility) with the intention of using it for stormwater detention. The Urban Renewal Authority also invested in stormwater infrastructure as part of streetscape improvements along North College that

helped address stormwater detention and water quality needs for the parcels fronting College Avenue. The purchase of a property for detention has allowed the City to envision a variety of strategies and land use concepts that can better facilitate redevelopment. City-owned land has become an attraction tool to help entice property owners in the area to develop by contributing portions of the property for detention and/or swapping land to facilitate a regional system.

**Figure 13. North College URA Strategy Plan Stormwater System**



## Redevelopment Support and Community Project Funding

### Overview of Issue

Supporting infill and redevelopment requires additional investment into amenities and infrastructure to support beyond what is typically and feasibly provided in a greenfield development. Often, communities must support redevelopment in a variety of financial and regulatory means to overcome the challenges of redevelopment in certain areas.

**Question:** How have communities supported redevelopment through direct project support and/or through funding community amenities and infrastructure in infill areas to support redevelopment?

### Summary of Findings

The communities identified as having best practices for supporting redevelopment had a set of common attributes including a clear vision and policy direction to support redevelopment. This clear direction has allowed them to develop incentive programs and regulatory environments that can help address the challenges with redevelopment. Westminster has begun to create the same attributes identified in

the best practice communities. The directive to complete the Redevelopment and Adaptive Reuse Toolkit aligns with the Redevelopment Ready approach taken in Longmont and in Michigan. The City's recently adopted Comprehensive Plan provides direction for where redevelopment is desired in the community, even if it is in only a few areas of the city.

## **Best Practice Examples**

### ***Loveland Infill Incentive Program***

The City of Loveland provides a range of incentive programs for infill development and redevelopment projects. While many of the incentives offered are applied on a case-by-case basis, infill and redevelopment projects are more likely to qualify given their typical benefits to a community. The incentive programs in Loveland include retail development incentives, sales tax rebates, development fee and use tax deferral, cash incentives, public infrastructure reimbursements, business personal property tax rebates, and expedited review for qualified projects.

In particular, the retail development incentive program is geared toward infill development and blight removal. As part of the request, an applicant provides information to the City of Loveland so that an economic impact model can be created to determine the proposed project's impact. The project should achieve any of the following: add new jobs that pay above the county average wage; add considerable physical space to an existing footprint; fill an identified retail gap; remove blight; and/or create a redevelopment or infill opportunity in an identified priority area. Incentives are provided on a per-project basis and if the value provided is more than \$30,000 it must be approved by the City Council.

### ***Longmont Redevelopment-Ready Guide***

In 2016, the City of Longmont developed a Redevelopment-Ready Guide based on the State of Michigan's Redevelopment Ready Communities (RRC) program. In Michigan, the RRC program is a voluntary program that allows communities to become either essential or certified RRCs. Currently, Michigan has 66 certified RRCs and 15 essential RRCs. The goal of the program is to empower communities to be proactive with their comprehensive plans, ordinances, development review processes, boards and commissions, economic development, and prioritize specific redevelopment sites within the community. Once a community becomes certified through the RRC program, it indicates to private developers and community members that it has put together a strong foundation for implementable and community driven redevelopment. To maintain RRC certification, communities need to provide annual opportunities for community engagement, annual progress on comprehensive plan implementation, have clearly defined development guidelines, and promote development that fosters housing diversity, green infrastructure, parking flexibility, and concentrated development.

In Longmont, a similar approach was adopted with seven best practices for redevelopment-readiness. These seven practices include:

1. Clear community vision and infrastructure investment
2. Proactive community and policy leader outreach, education and engagement
3. Supportive land use / zoning regulations
4. Predictable and transparent development review process
5. Available redevelopment opportunity sites
6. Public/private partnerships
7. Community prosperity

As part of the creation of a Redevelopment-Ready Guide, a self-evaluation of Longmont was conducted by City staff. For each of the seven categories listed above, the City graded itself on an A-F scale. Overall, Longmont evaluated itself as a B – with its highest grade being clear community vision and infrastructure investment (A-) and its lowest grades being in outreach and predictable development review processes. Through this program, Longmont is better prepared for infill development as self-evaluation is a critical tool in understanding how communities can attract and foster infill development that brings economic growth while also progressing a community's long-term goals.



## 3. Redevelopment Regulatory Issues

This chapter summarizes best practices identified for addressing development code and regulatory barriers to redevelopment that were identified during the case study analysis.

### **Ability to Allow Industrial Uses in the Station Area Mix**

#### **Overview of Issue**

The Westminster Station Area currently includes several businesses that are classified as industrial. The Station Area Specific Plan designates the station core area as commercial mixed use, making existing industrial businesses nonconforming uses. The existing businesses all of them? are viable businesses and are compatible with mixed-use TOD. For example, the Colorado Saddlery and Hunter Leather Company links Westminster to Colorado's western history and is missing many of the markers of traditionally industrial uses, such as heavy freight, loud noise, noxious smells, and shift work parking. The City wants to allow for more flexibility to allow these types of businesses to stay and/or locate in the area but not allow for the service/repair type businesses that have heavier traffic and potentially rely on outdoor storage (e.g., auto detailing shop).

In setting a framework for a long-term conversion to commercial mixed-use, the adoption of the Westminster Station Area Specific Plan made the currently existing industrial uses nonconforming. These industrial uses are still considered "legal" in that they can remain in business, but the business owners and building owners are much more limited in their ability to change or expand the business footprint or use. Industrial uses are effectively frozen in place.

This framework creates two key challenges. First, the Station Area Plan anticipates that redevelopment will take place over a 20 to 30-year timeframe. Second, the Plan encourages the retention of the existing built form (i.e., many of the existing structures will remain as-is), "particularly in the near and mid-term of development." (WSASP pg. 18)

How have other communities addressed allowing small-scale manufacturing in urban redevelopment areas and what uses (and approach to the use table) have other communities included that differ from the Station Area Specific Plan's approach and uses?

## Summary of Findings

Allowing some types of industrial uses to remain in place, expand, or even open as a new business is a growing development trend, particularly in communities with transit-oriented development patterns that overlay existing industrial districts and businesses. Recognizing the role of artisan and light industrial uses in the employment sector allows communities to maintain and encourage the long-term stability of businesses that can provide a variety of jobs that pay above the retail scale. Additionally, other communities have addressed issues with impactful industrial service uses, such as auto repair or outdoor storage by more specifically targeting those uses for redevelopment over time while allowing the indoor, light industrial uses to remain.

## Best Practice Examples

### ***Boulder, Colorado | Update the Commercial Mixed-Use Classification to Include Light Industrial***

Boulder, Colorado's Transit Village Area TOD allows a range of uses, including residential, commercial, and industrial, in areas categorized as either Mixed-Use Industrial-1 or Mixed-Use Industrial-2. Mixed-Use-Industrial-1 is intended to facilitate light industrial uses, small-scale offices, live/work units, and mixed residential uses. This mix is designed to avoid the safety conflicts that can arise between pedestrians and heavy freight traffic, as well as uses that generate significant traffic turnover, such as service and retail. Mixed-Use-Industrial-2 is intended for higher densities in larger, three to four story buildings with a predominate use that may be residential, office, or industrial.

The designation of these areas is intended to guide the redevelopment of the TOD area while retaining some of the important industrial uses in the area. As the TOD redevelops, it is anticipated that the essential industrial uses will remain and the less desirable uses, such as auto repair shops, are expected to redevelop.

### ***Tacoma, Washington | Define Limited Light Industrial in the Use Table and Definitions***

Tacoma takes a similar approach to Boulder in its Commercial Industrial Mixed-Use District (CIX). The CIX District allows a mix of residential, commercial, and limited industrial uses such as light manufacturing, assembly, distribution, and storage of goods. Heavier uses or larger storage are prohibited, including raw materials processing and bulk handling (systems for handling dry materials that need to be moved from one place to another, such as gravel, stones or grain). Buildings in this district may be larger in scale and are subject to design standards that appear to be similar to those in the WSASP.

### ***Littleton, Colorado | Allow Artisan Industrial in the Use Table and Definitions***

Littleton, Colorado has a specific-use standard for "Artisan/Handcrafted Manufacturing" that is allowed in industrial, commercial, and mixed-use districts. "Artisan/Handcrafted Manufacturing" is defined as:

*"Application, teaching, making, or fabrication of crafts or products by an artist, artisan or craftsman either by hand or with minimal automation and may include direct sales to consumers. This definition includes uses such as small-scale fabrication, manufacturing, and other industrial uses and processes typically not permitted in non-industrial zoning districts such as welding and sculpting."*

A variety of small-scale, desirable industrial uses can be captured under this definition, such as artisanal furniture stores, art studios, and the Colorado Saddlery and Hunter Leather Company. Notably, the impact of these uses on surrounding areas is minimal as the heavy machinery and space associated with heavier uses is not necessary or allowed. This type of use functions to allow these small, often local businesses and manufacturers to exist in commercial areas where they are closer to a customer base and can be a good neighbor in any mixed-use area.

Under the Westminster Station Specific Plan, the area north of the rail line is designated to become a Mixed-Use Center. Adding a use category similar to Littleton's "Artisanal/Handcrafted Manufacturing" allows small-scale manufacturers to remain as conforming uses while any heavier industrial uses or industrial service uses would remain nonconforming.

#### ***Additional Considerations***

**Oregon Model Development Code:** limit the GFA/GLA of industrial uses to create a focus on smaller footprint uses and prohibit larger-sized uses such as automobile sales.

**Madison, Wisconsin Traditional Employment District:** identify specific areas where the continued use or adaptive reuse of traditional industrial buildings is preferred.

**Denver, Colorado Special Context:** Similar to Boulder, Denver has a range of mixed-use industrial districts. Located in Section 9.1.2 of the Denver Zoning Code, the districts are designed to accommodate pedestrian-oriented residential uses; create transitions between the mixed-use areas and more intense industrial districts; and mix industrial with commercial, civic, and residential uses. Working with Denver's form-oriented code, these districts include specific design alternatives and exceptions intended to address a range of design issues that can arise in a redevelopment context.

## Public Land Dedication Fees

### Overview of Issue

The City's current requirements are oriented towards single family housing development and greenfield development contexts. The result is land dedication requirements (and associated cash-in-lieu fees) that are too onerous for multifamily residential projects, especially in urban/infill settings.

**Question:** How do other communities vary their land dedication requirements for infill housing projects?

### Summary of Findings

Peer cities have adopted varying approaches to "right sizing" park land dedication requirements for infill and redevelopment projects. Westminster's current policy is similar to some of its peer suburban cities in the metro area (i.e., Thornton, Lakewood). Some of its regional peers, however, have adopted variations to their requirements. Aurora (profiled below) and Arvada have alternative requirements for projects in their TOD areas, which are their priority redevelopment areas. These alternative approaches include lower land dedication requirements and alternative options for providing small urban parks within a project in lieu of dedication or fee. Other peer cities along the Front Range (e.g., Fort Collins and Longmont) have adopted a more fee oriented system where the onus is on the City to purchase park land (directed by parks master plan) and collect fees as the primary objective (instead of land). These approaches also allow for fees to be scaled by housing product type and by location to address variable needs in the community.

**Table 2. Peer Cities Park Land Dedication Requirements**

City	Requirement	Land Dedication Requirement	Fee In Lieu	Park Development Fee (Multifamily Unit)	Use Exemptions / Reductions	Notes
Westminster	Public Land Dedication and Park Development fee	12.0 acres per 1,000 residents	"Fair Market Value"	\$1,327 per unit	Nursing Homes	
Aurora	Park, School, and Other Lands for Public Use Land Dedication and Park Development fee	11.9 acres per 1,000 residents	"Fair Market Value"	\$195,649 per acre	Senior Housing, TOD open space exemption	TOD projects have options for meeting neighborhood park requirements (e.g. smaller park, trails) and exempt from 7.8 acre open space portion of requirement
Arvada	Park and School Land Dedication and Park Development fee	10.0 acres per 1,000 residents	"Fair Market Value"	\$1,683.34 per unit	Nursing Homes, TOD	Alternative standards for TOD projects
Longmont	Park Land Dedication and Park Development fee	1 acre per 200 multifamily units		\$3,400.95 per unit (MF)	Pocket Park waived if within 1/4 mile of existing neighborhood park	Fee based system with city responsible for developing parks using fees. In addition, pocket parks are required when projects has 25 units or more.
Fort Collins	Land Dedication Fee and Capital Expansion Fee	Fee based system	\$891 per unit (for multifamily unit, includes community and regional park land fees)	Part of Capital Expansion Fees		The park land dedication requirements are administered through a regional system with Fort Collins, Loveland, Berthoud, and the Estes Valley participating as part of larger growth management agreements. A fee is assessed for park land that municipalities can use to purchase park land. Land dedication can be used in lieu of the fee payment on a case by case basis and in conformance with the City's Parks & Recreation Master Plan.

Source: Economic &amp; Planning Systems

## **Best Practice Examples**

### ***Aurora, Colorado***

To help mitigate land dedication requirements and promote infill development, the City of Aurora has special criteria for developments that fall under two categories: infill and transit station area development, or urban center development.

Typically, the City of Aurora requires the following land dedication for residential developments (per 1,000 residents): 7.8 acres of open space land, 3 acres of neighborhood parkland, and 1.1 acres of community parkland. However, both types of developments, in lieu of providing the required neighborhood parkland, a project may provide a small urban park (SUP). SUPs are required to serve residents no farther than  $\frac{1}{4}$  mile away if less than 0.5 acres in size and SUPs greater than 0.5 acres in size are required to serve residents no farther than  $\frac{1}{2}$  mile away.

For infill and transit station area development, such developments are exempt from the open space land dedication requirement, which drops the requirement from 11.9 acres to 4.1 acres. In addition, land provided that is in conformance with the SUP standards may be credited toward partially or fully satisfying the neighborhood parkland land dedication requirement. For the community parkland dedication requirement, infill and transit station area development may be credited toward partially or fully satisfying such requirement by providing land to complete or enhance regional trail systems or greenways. Alternatively, infill and transit station area development projects may pay a fee-in-lieu (FIL) to the City for any land that cannot be dedicated. This fee is based on the fair market value per acre of the land required to be dedicated as determined by the Parks director. In 2020, the FIL was \$50,900 per acre. Through these standards, infill and transit-oriented development becomes much more feasible.

## Adjustments to WSASP Form Standards

The Westminster Station Area Specific Plan has relatively strict standards for development form and use mix. These requirements sometimes create challenges for projects that largely conform to the plan but need variances to get approval. The City's broader variance rules and process do not really fit or work in the station area context. A station area specific approach is desired to allow for variances that can facilitate projects that generally conform to the intent of the plan.

**Question:** How have other communities approached variance processes and rules in similar contexts?

### Summary of Findings

Form-oriented standards can be challenging to apply to redevelopment. Changes to existing structures may trigger design standards that require more change to the structure than the property owner intended to make. This can raise the project costs and affect the applicant's willingness to undertake what could be a beneficial redevelopment project. Variances are not a useful tool for creating design flexibility. For the applicant, the outcome is uncertain and adds cost to the project. For the City, the approved variance may be broader than would otherwise be needed to adjust the form standards.

Westminster could add two types of flexibility procedures to the WSASP: (1) a proportionate compliance review process that establishes thresholds for when form standards apply to redevelopment based on the type of change on the site (e.g., parking location standards do not apply when there are no changes to the structure or existing parking), and (2) an administrative adjustment process that allows administratively approved adjustments to measurable standards as part of site plan approval.

### Best Practice Examples

#### ***Cedar Falls, Iowa* | Clarify Form Standard Applicability on Redevelopment Sites**

Cedar Falls uses a multi-criteria proportionate compliance approach to apply its 2021 Downtown form-based regulations to redevelopment projects. The proportionate compliance table lists the categories of form standards (e.g., building form, public realm, and architectural), identifies sub-regulations within the form standards (e.g., architectural standards include materials, configurations, and signs), and compares them to the type of redevelopment, based on whether or not building expansion is included. Applicants and staff can use the proportionate compliance table to determine whether or not a form regulation is applicable to their project.

For example, a project that includes a qualifying façade change but no building expansion is required to comply with the building form standards related to fenestration and façade projections, but not minimum height, required building line, placement of the required buildable area, or the parking setback line. The proportionate compliance table also includes a minimal change category that identifies types of redevelopment that are below the City’s form standards threshold. This is a sample section from the Cedar Falls Proportionate Compliance.

**Figure 14. Cedar Falls, IA Proportionate Compliance Matrix**

ALL FRONTAGE TYPES	BUILDING FORM STANDARDS								ARCHITECTURAL STANDARDS			PUBLIC REALM STANDARDS	
	Placement: Required Building Line	Placement: Buildable Area	Placement: Parking Setback Line	Height: Minimum/Maximum	Elements: Fenestration	Elements: Facade Projections	Uses	Neighborhood Manners	Materials	Configurations	Signs	ROW Frontage Area	Dooryard
Key: X = compliance with standard is required S = site-specific determination													
Full Compliance: Entire Structure Must Comply with Standards													
New Construction	X	X	X	Both	X	X	X	X	X	X	X	X	X
Expansion of Building Area													
For buildings < 2000 sf GFA, an expansion > 75%	X	X	X	Both	X	X	X	X	X	X	X	X	X

Adding a similar table to the WSASP could create more clarity about the appropriate application of form standards for both current project proposals and long-term redevelopment considerations.

**Longmont, Colorado | Administrative Adjustment Process**

Many communities allow administrative adjustments to applicable regulations. It is difficult to anticipate during the creation of a new plan and new zoning standards the many site-specific or design-specific factors that will become apparent when development projects are proposed. Some communities limit the ability to make administrative adjustments to standards that are objective or measurable, such as Jefferson County, which allows the Director to grant up to 25 percent relief to setbacks or lot size requirements and up to five additional feet in height. Similarly, in Colorado Springs, the Manager can authorize adjustments of up to 15 percent to dimensional standards or numerical requirements in the dimensional standards, parking requirements, and building design and site features sections.



Longmont takes a slightly broader approach to administrative modifications that might be helpful in a redevelopment setting. The Director is allowed to grant the following:

*The director may grant administrative modifications of non-numeric standards and up to a maximum of 25 percent (unless allowed elsewhere in this development code) from any other numeric standard stated in chapters 15.03, 15.05, 15.06, or 15.07 (except for public improvements subject to exceptions to city standards in subsection A of this section), to encourage the implementation of alternative or innovative practices that provide equivalent benefits to the public.*

*In instances of infill and redevelopment, the director may grant administrative modifications beyond 25 percent of the numerical standards in the chapters referenced in subsection B.1.b of this section, except building and structure height and sign standards are limited to a maximum change of 25 percent.*

Westminster should consider allowing administrative adjustments to measurable standards, at a minimum, and discuss whether to allow a broader range of adjustments for infill and redevelopment projects in a manner similar to Longmont.

### **Des Moines, Iowa | Allow Applicant Requested Design Alternatives**

Some communities also allow a more open-ended, applicant-based request for design alternatives (also referred to as “alternative compliance”). Des Moines calls these Type 2 Design Alternatives, and they may be allowed where the applicant can show compliance with the intent of the regulations but not the actual regulation. These adjustments are not approved administratively but require a public hearing and zoning commission approval. The Des Moines zoning commission is charged with considering the following:

- 1. The requested design alternative is consistent with the general intent statement of section 1359.2.2.B of this article;*
- 2. The requested design alternative is consistent with the comprehensive plan and any adopted area plan; and*
- 3. The requested design alternative will not result in any adverse impacts on other properties in the area beyond those impacts ordinarily expected through implementation of the building type regulations of Article 2 of this chapter and design regulations of Article 4 of this chapter.*

## Redevelopment Under the Current Land Development Code

Changes of use or additions/rehabilitation of buildings in the older portion of Westminster often trigger conformance with the development code requirements for site design. Specifically, landscaping and parking requirements have been cited as the most onerous to address for small parcel owners making minor changes to their site. Also, even redevelopment and infill projects find the requirements to be too onerous because they are designed for suburban and greenfield development contexts. Additionally, the City's fire access requirements are difficult to implement on smaller commercial infill sites.

**Question:** How have other communities approached site design standards in infill and redevelopment areas that better fit the context of older neighborhoods/commercial areas?

### Summary of Findings

Westminster is in the process of updating the current Land Development Code, which does not focus on infill or redevelopment. Areas of parking and landscaping currently have quite rigorous requirements that make redevelopment difficult. Adjusting these requirements for infill and redevelopment could allow for greater use of the site and encourage redevelopment to take place.

### Best Practice Examples

#### ***Fort Collins, Colorado | Locationally Specific Design Standards***

Fort Collins, Colorado has a robust mixed-use downtown core referred to as Old Town Fort Collins. Within this area is a mix of downtown commercial and older residential neighborhoods. It is a picturesque neighborhood with a lot of historical character, but with some aging infrastructure. In 2017, the City of Fort Collins adopted their [Old Town Neighborhoods Design Guidelines](#), which guide users in how to design for new construction in the context of older neighborhoods. This guidebook goes into extensive detail about building design and provides information about site design. The guidebook provides guidelines for lot setbacks, building height patterns, parking and vehicle access, and appropriate landscaping.

#### ***Grand Junction, Colorado | Reduce or Eliminate Required Off-Street Parking for Nonresidential Uses***

Grand Junction is in the process of updating its current Zoning and Development Code and is making changes to reduce all minimum off-street parking standards and change to market-provided parking for nonresidential uses in specified infill development areas.

### **Boise, Idaho | Small Lot Residential Development Standards**

Boise, Idaho, in its newly adopted zoning code, has included a zoning district for older, traditional, small lot development. The purpose of this zoning district is “to provide predominantly residential uses on smaller-sized lots as well as supportive civic and community uses.”

The Boise zoning code also includes a set of use-specific standards for small lot residential development. These regulations cater to the needs and restraints of small lot development. The regulations include a requirement for alley loading when possible, zero lot-line development permission, and small lot design guidelines.

## **Site Design Requirements for Adaptive Reuse**

### **Summary of Findings**

Within example communities that have dedicated Adaptive Reuse policies/programming, there are two consistent components to their approaches:

- A clear, policy-driven commitment to implementing and prioritizing Adaptive Reuse projects; and
- A suite of tools that can be deployed flexibly in the review of, and subsequent permitting of, Adaptive Reuse projects.

The policy component is critical to the success of the overall program, as it communicates with clarity the justification – and ideally, set of criteria – for determining which projects can qualify for expedited/flexible review. The set of tools varies by jurisdiction, but generally reinforces that emphasis on expedited/reduced fee processes and/or flexible standards.

Examples of expedited process approaches include:

- Dedicated review staff or departments that can prioritize projects that meet the stated criteria
  - Often includes a commitment to an expedited timeline to any necessary hearings.
  - Dedicated staff or departments can also aid in applicant’s understanding of the potential to secure Historic Preservation tax credits (state and federal), Enterprise Zone tax credits, local TIF funding, etc., when applicable.
- Staff or Administrative permitting approval
  - Often based on triggers such as building age, size, location, etc.

- Overlay Districts – coupled with a commitment to expedited process (typically through one of the above) – to incentivize Adaptive Reuse projects in specific areas.
  - This approach also limits the anticipated volume of projects being submitted, thus better self-managing capacity to expedite reviews.
- Cost-free pre-application review meetings with key City departments.
- NTE fee incentives to apply toward site plan, construction document, and permitting review.

Examples of flexible standards (listed with those that are typically the most challenging to establish consensus on first) include:

- Building and fire codes
- Expansion of permitted uses, i.e., residential, retail, commercial (dining), light industrial/maker's, etc.
- Reduced parking minimums
- Waived loading zone requirements
- Stormwater retention/mitigation alternatives
- Reduced setback and/or build-to requirements
- Some allowances for upper-story additions with minimum upper-story setbacks
- Reduced landscaping requirements
- Reduced trash setback/screening requirements
- Reduced lot coverage requirements
- Waived density maximums
- Height exemptions for needed rooftop circulation, ventilation or utility structures
  - In some cases, allowances for rooftop amenities that do not count as new floor area or height

## **Best Practice Examples**

### ***Denver, CO***

In the fall of 2020, as a part of the work on a pair of Neighborhood Plans in Denver's Neighborhood Planning Initiative (NPI) program, the City and its consultants identified a series of challenges that typical Adaptive Reuse projects encounter within Denver, and then mapped out a series of regulatory recommendations to explore to alleviate those challenges. The recommendations included:

- Providing flexibility – specifically in build-to and parking requirements – in Main Street Zone Districts
- Allow distribution or elimination of required landscaping areas
- Eliminate parking requirements and/or allow for existing parking to be replaced with other amenities (especially in areas well-served by transit)

- Provide flexibility in, or eliminate altogether, parking lot landscaping requirements
- Provide flexibility in location of trash enclosures and loading spaces
- Allow nonconforming, historic signage to remain
- Allowing streetscape and/or required sidewalk width alternatives (while still maintaining ADA compliance)
- Reducing the burden of alley improvement requirements

One of the biggest recommendations that came out of the effort was to create a dedicated review team, and an Adaptive Reuse Project Coordinator position to be the central point of assistance, have the necessary expertise, and aid in streamlining the development review process. In the spring of 2022, an Adaptive Reuse Sr. Development Project Administrator position was established for the first time, and a multi-agency/department adaptive reuse project review process was created, thus streamlining efforts for applicants and City staff.

### ***Littleton, CO***

Section 10-1-3.3 of the Unified Land Use Code in Littleton establishes the qualifying criteria for adaptively reusing properties without adverse impacts to public health, safety and welfare of the city. Those criteria, which the Director has the ability to assess in order to authorize approval include:

- Consistencies with adopted Comprehensive Plan policies
- Adaptive reuse of the building will resolve or reduce the extent of existing nonconformities
- The use has functional and operational constraints – i.e., limited lot area, parking or loading area, etc.
- Redevelopment of the lot would be unnecessarily burdensome by reason of compliance with the Code or cost
- The Director cannot grant adaptive reuse status to any property whose principal structure has been destroyed by any means to the extent of more than 50% of its replacement cost

Projects deemed to meet those criteria are entitled to take advantage of the following incentives shown in **Figure 15**.

**Figure 15. Littleton Adaptive Reuse Incentives**

<b>Table 10-1-3.3 Adaptive Reuse Incentives</b>		
Incentive	Existing Floor Area	New Floor Area
<b>Dimensional Standards</b> - Existing floor area, <u>setback</u> encroachments, yards, or heights that do not comply with the standards permitted in the zoning district are permitted.	✓	
<b>Floor Area Ratio</b> - Residential floor area that does not exceed more than 33 percent of the floor area of the ground floor is not considered new floor area for purposes of calculating a floor area ratio. Mezzanines are not included in the calculation of floor area for the purpose of determining compliance with this standard, so long as it does not add a new <u>dwelling unit</u> .	✓	✓
<b>Density</b> - Dwelling units are not subject to the minimum lot area requirements of the zoning district.	✓	
<b>Off-Street Parking</b> - The required number of parking spaces shall be the lesser of the number of spaces that exist on the lot or the maximum number of spaces required by Subsection <u>10-1-3.7.A, Parking and Loading</u> . The number of spaces shall be maintained and not reduced. Adaptive reuse projects are otherwise exempt from the parking standards of this Code.	✓	
<b>Site Plan Review</b> - Adaptive reuse projects of less than 3,000 sf. GFA are exempt from the requirements for Site Plan Review.	✓	
<b>Loading Space</b> - If no loading spaces exist, then a loading space is not required in conjunction with the <u>development</u> of an adaptive reuse project. Where an existing loading space is provided, the requirements of Subsection <u>10-1-3.7.A, Parking and Loading</u> , apply.	✓	

If all of the above are met, the Director can deem the project set for approval, along with meeting the following criteria:

- Conformance with design concept
- Recognizable benefits
- Compatibility (with context)
- Impact of traffic (minimizing adverse impacts)
- Public services (the new development will not materially increase services needs or burden the surrounding areas)
- Comprehensive plan consistency
- Positive economic impact
- Compliance with applicable regulations
- Phasing adequacy

***Flagstaff, AZ***

Taking cues from successful Adaptive Reuse programs in Chandler, Tempe and Phoenix, Arizona, the City of Flagstaff’s Adaptive Reuse Program started as a single incentive program. Established as an Economic Development priority, it provides eligibility for up to \$5,000 in funding per project, based on the requirements in the flow chart below.

The program was funded at \$25,000 annually through Better Business Bureau revenues, and has three basic steps:

- The potential applicant is required to schedule and attend a free Pre-Application Meeting with the Development Services Department, in an effort to expedite the process and establish alignment with the program;
- The potential applicant will be encouraged to enlist the services of a design professional; and
- The potential applicant must provide a current business plan to demonstrate an investment in time and effort into examining their path to business success.

**Figure 16. Flagstaff, AZ Adaptive Reuse Program**

