



PLANNING COMMISSION STAFF REPORT

REZONING CASE NO. RZ-19-001
CASE NAME: 3900 S. Wadsworth Blvd. Rezoning

REPORT DATE: August 21, 2019
PC DATE: September 4, 2019

ADDRESS OF REZONING:
3900 S. Wadsworth Blvd. & 3939 S. Teller St.
Lakewood, CO 80235

APPLICANT:
Donald Marcotte, Manager
West Point, NCP LLC
1999 Broadway, Suite 3500
Denver, CO 80202

PROPERTY OWNERS:
West Point, NCP LLC
1999 Broadway, #3500
Denver, CO 80202
Vista Buena Holdings, LLC
505 14th Street
Manhattan Beach, CA 90266

REQUEST:
The request is to rezone Lot 1 (3900 S. Wadsworth Blvd.) and Lot 2 (3939 S. Teller St.) of the Academy Park Filing 5 & 6 Lot Line Adjustment Plat from Planned Development with the underlying zone district of Mixed-Use Employment (PD/M-E-S) to Mixed-Use Employment Suburban (M-E-S) and Mixed-Use Residential Suburban (M-R-S) to allow for an infill development project on Lot 2 and a portion of Lot 1.

CITY STAFF:

Development Review Planning	Brea Pafford, Case Planner
Development Review Engineering	Shawn DeJong, Development Assistance Coordinator
Transportation Engineering	Toni Bishop, Engineering Technician
Property Management	Garrett Downs, Right-of-Way Agent
Community Resources	Ross Williams, Parks Planner

STAFF RECOMMENDATION:
That the Planning Commission recommends that the City Council approve Case No. RZ-19-001.


Brea Pafford, Case Planner
Planning – Development Assistance


Paul Rice, Manager
Planning – Development Assistance

CONTENTS OF THE REPORT:
Attachment A – Conceptual Land Use Plan
Attachment B – Applicant's Written Description
Attachment C – Aerial Map
Attachment D – Zoning Map
Attachment E – Neighborhood Meeting Summary
Attachment F – Letters in Support
Attachment G – M-E-S Boundary/Legal Description
Attachment H – M-R-S Boundary/Legal Description
Attachment I – Draft Resolution

SUMMARY OF REQUEST

The applicant, Donald Marcotte, is requesting to rezone the properties at 3900 S. Wadsworth Blvd. & 3939 S. Teller St. from Planned Development with the underlying Mixed-Use Employment Suburban (PD/M-E-S) zone district to Mixed-Use Employment Suburban (M-E-S) and Mixed-Use Residential Suburban (M-R-S). Combined, the two existing lots are approximately 13.5 acres in size.

As depicted in Figure 1 below, the subject site is located at the southeast corner of S. Wadsworth Boulevard and W. Mansfield Avenue. This area (located south of US 285/Hampden Avenue) is identified in the Lakewood Comprehensive Plan as part of the Mission Trace & Academy Park Growth Area.



Figure 1 – Aerial Image

PROCESS – REQUIRED CITY APPROVALS

Overview: The purpose of the rezoning request is to accommodate future development on a portion of the existing office building parking lot that has been underutilized for years. If the rezoning request is approved, the property owner intends to redevelop the area that is proposed to be rezoned to M-R-S with a for-sale townhome development. At this time, staff is not aware of any additional redevelopment proposals for the remaining office building and surface parking lot that is proposed to be rezoned to M-E-S and depicted in Figure 2 below. The proposed rezoning from PD/M-E-S to M-E-S for the remainder of the office building complex is directly related to the parking ratio approved per the Academy Park Planned Development, which requires a minimum of 5 parking spaces for each 1,000 square feet of office building gross floor area (GFA).



Figure 2 – Proposed Zoning

The rezoning process includes a neighborhood meeting, formal application, public hearing with the Lakewood Planning Commission and a public hearing with the Lakewood City Council. The Planning Commission reviews the rezoning request at a public hearing and then make its recommendation to City Council. The City Council will review the Planning Commission recommendation, meeting minutes, staff report, and then hold a second public hearing, after which they will make a final decision on the rezoning application.

If the rezoning application is approved, a 45-day referendum period is required. If there is no referendum, the applicant may proceed with a redevelopment proposal, which will include a Major Site Plan and Minor Subdivision/Lot Line Adjustment applications for the proposed development.

Plans: All rezoning applications are required to include a Conceptual Land Use Plan. The Conceptual Land Use Plan for this case is included as Attachment A to this staff report. The Conceptual Land Use Plan outlines the specific elements that are unique to the site. It is intended to supply enough information about the rezoning request for the Planning Commission to make

its recommendation and the City Council to make a decision.

A Major Site Plan, which is not a part of the rezoning application process, will determine final layout of site access, buildings, parking, open space, building architecture, landscape design and other site elements. The Major Site Plan will be reviewed against the standards in the Zoning Ordinance, the Engineering Regulations and the Conceptual Land Use Plan. The Major Site Plan may be approved administratively provided the proposal(s) meet the City's development standards.

A Minor Subdivision application is required to create for-sale townhome lots. The minor subdivision may also be approved administratively if the plat is in compliance with the City of Lakewood Subdivision Ordinance. The minor subdivision and major site plan applications may be submitted concurrently.

ZONING AND LAND USE

	North	South	East	West
Adjacent Zoning Designation	Mixed-Use General Suburban (M-G-S) * and Planned Development/Mixed Use Employment Suburban (M-E-S)	Mixed-Use Employment Suburban (M-E-S)	Planned Development/Mixed-Use Employment Suburban (PD/M-E-S)	Planned Development/R-1-6
Adjacent Land Uses	Self-Storage & Office	Residential Multifamily	Office	Religious Institution

* Rezoning request to M-G-S at 3840 S. Wadsworth Blvd. was approved by City Council on 7/22/2019

(See Attachment C - Aerial Map and Attachment D - Zoning Map)

Existing Conditions: The existing site is comprised of two lots with an office building and two large surface parking lots that are separated by a private shared driveway. Generous landscape buffers line the perimeter of the site. According to building permit records, the office building was constructed in 1973, which predates the Planned Development Zone District approved in 1978. The two parking lots provide ample parking for tenants and visitors of the office building. Most of the eastern parking lot remains vacant on a daily basis despite the existing office building maintaining a lease rate above 92%.

Access to the site is taken from W. Mansfield Avenue. An additional access point will be allowed off of S. Teller Street with the final location to be determined through the Major Site Plan application process. The site has sloping topography with the highest point near the Wadsworth/Mansfield intersection and lower elevations located in the southeast portion of the site. What appears to be a stormwater detention facility is located at the north east corner of the site near the W. Mansfield/S. Teller Street intersection.

AGENCY REVIEW AND NOTIFICATION

Notice of the Planning Commission public hearing for the rezoning request was mailed to 645 tenants and owners of property within 500 feet and to 4 registered neighborhood organizations within a 1/2 mile of the subject property, as required by the Lakewood Zoning Ordinance. The rezoning application was also sent to 7 outside referral agencies for review, as indicated in the table below.

Agency	Notification for Neighborhood Meetings Sent	Notification for Planning Commission Hearing	Referral Sent	Comments Received
West Metro Fire Protection District			X	X
Lakehurst Water & Sanitation District			X	X
Xcel Energy			X	X
Century Link			X	X
Comcast Cable			X	
Lakewood Police Department			X	X
Jefferson County Public Schools			X	
Property Owners within 500 feet	X	X		
Executive 9 Club Estates on Fairway 5 HOA	X	X		
Marston Slopes HOA	X	X		
South Lakewood Business Association	X	X		
Lochmoor Property Owners Association	X	X		

Referral Agencies' Comments: The City received five responses from referral agencies. The following is a summary of the comments received in response to the agency referral documented in the chart above.

1. West Metro Fire Protection District had no objection to the proposed rezoning and stated fire service will be provided as long as the provisions in the 2015 International Fire Code are satisfied.
2. Lakehurst Water & Sanitation District had no objection to the proposed rezoning and stated that the design and construction of the water and sanitary services must be in accordance with the District's standards.
3. Xcel Energy had no objection to the proposed rezoning, contingent upon their ability to maintain all existing rights.
4. Century Link had no objection to the proposed rezoning.
5. The Police Department responded that a Crime Prevention Through Environmental Design (CPTED) review could not be completed for the rezoning application. The PD will receive future referrals on any site plan submittals for the CPTED review.

Neighborhood Comments: A neighborhood meeting was held on January 10, 2019. At the time of the neighborhood meeting, the applicant was proposing to rezone the property to Mixed-Use General Suburban (M-G-S) to be consistent with the rezoning application for 3840 S. Wadsworth Blvd. Additionally, there was not a specific development proposal for the site at that time. One Lakewood resident attended the meeting and was in support of the rezoning to accommodate future development on the site and liked the idea of increasing the mixture of uses that currently exist within the Academy Park development.

The rezoning proposal was modified by the applicant, from the initially proposed M-G-S zone district to the M-E-S and M-R-S, following staff's review of the formal rezoning application and the evolution of the current townhome development proposal.

Letters of Support: Staff also received 68 letters of support for the rezoning application from business owners, Lakewood residents, people that commute to Lakewood for work, people in support of reducing the size of the exiting paved surface parking lot and non-residents that would like to live in Lakewood.

See Attachment E for summary of the neighborhood meeting and Attachment F for the letters of support.

PROJECT ANALYSIS

Overview: The subject site is currently zoned PD/M-E-S and was developed in the 1970's as a multi-story office building with 825 surface parking spaces. The applicant has indicated that even with the high occupancy rate for the office building, the parking lot is rarely (if ever) full and that the eastern parking lot consistently has approximately 200 unoccupied spaces on a daily basis. The applicant's analysis of aerial imagery from the past 20 years also supports this claim. The property owners are interested in exploring additional redevelopment opportunities for the unused parking lot, however, the existing parking standards that were adopted when the property was rezoning to Planned Development in 1978 will not currently allow any significant parking reductions to accommodate further development on this site.

Pursuant to the Academy Park Planned Development Standards, the minimum parking ratio for an office use is 5 spaces per 1000 square feet of gross floor areas (GFA). In comparison, the current parking ratios for an office use per the City of Lakewood Zoning Ordinance requires a minimum of 1.5 spaces per 1000 square feet of GFA with a maximum of 5 spaces per 1000 square feet of GFA in Mixed-Use zone districts with a suburban context. The lower parking ratios in the City's current zoning ordinance better reflect the current trends and technologies available for office workers where flexible work schedules and working from home certain days of the week are becoming more common. The proposed rezoning request is intended to address the outdated parking ratios and other development standards contained within the Academy Park Planned Development.

The proposed zoning for the property reflects the development potential that is being explored by the property owners, Vista Buena Holdings, LLC and West Point, LLC. At this time, there are no plans to modify the existing office building or the exiting use. The office building is currently leased at a 96% occupancy rate and there is no desire or need to change the exiting office use. In addition, there are no plans to modify the larger parking lot (directly south of the office building) where most of the office tenants and employees currently park. As such, this portion of the site is proposed to be rezoned from the PD/M-E-S to the underlying zone district of Mixed-Use Employment Suburban (M-E-S), which allows a variety of non-residential land use and up to 50% of the total building GFA to be a residential use. Refer to Attachment G for the legal description and exhibit of the land area associated with the proposed M-E-S portion of the site.

The remaining 2.3 acres of the site that includes all of Lot 2 and a portion of Lot 1 is proposed to be rezoned to the Mixed-Use Residential Suburban (M-R-S) zone district to accommodate a proposed for-sale townhome development. Refer to Attachment H for the legal description and exhibit of the land area associated with the proposed M-R-S portion of the site. The applicant has also included the proposed fee-simple townhome development pattern on sheet 2 of the Conceptual Land Use Plan (Attachment A). Although this information was included to support the rezoning request, the Planning Commission should keep in mind that a rezoning approval does not constitute the approval of a specific development proposal or land use.

Comprehensive Plan - The primary document for guiding land use decisions is the *Lakewood 2025: Moving Forward Together Comprehensive Plan*. The Comprehensive Plan is a long-range plan that looks 10 years into the future. It is a policy document that provides guidance to City Council, Planning Commission, City staff, residents, businesses, and developers to make informed decisions about the current and future needs of the community. The Comprehensive Plan is available on the City's website under the following URL: <http://www.lakewood.org/CommunityPlans/>

The purpose of the Comprehensive Plan is to identify and articulate the residents' values and goals to help the community achieve its desired future through a vision statement, guiding principles, goals and actions steps. The City's Vision Statement is articulated on pages 3-5 & 3-6 of the Comprehensive Plan and it is intended to set a direction for the future of Lakewood rather than being simply a prediction.

The Comprehensive Plan has a Land Use Vision Map (Map 3-d, page 3-21) that indicates Growth Areas, Neighborhood and Community Activity Areas. The Growth Areas are intended to accommodate the vast majority of the employment, retail and residential growth anticipated for the City. This property is located within the Mission Trace & Academy Park Growth Area and is designated for Mixed-Use Office. The growth area summary states that the Academy Park Area will continue to develop with a mix of non-residential and residential uses.

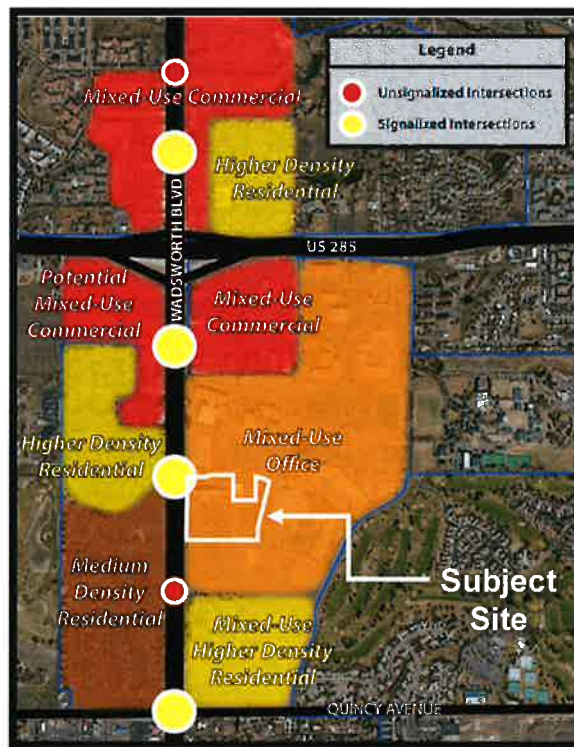


Figure 3 – Mission Trace/Academy Park Growth Area
Land Use Map

Staff has evaluated the rezoning proposal and found that it is consistent with the Comprehensive Plan Growth Area Land Use. The rezoning proposal will require a true mixture of uses within an existing development site. The M-E-S zone district will ensure that a percentage of non-residential uses shall be maintained. Additionally, the M-R-S zone district will ensure that a portion of any future development must be a residential use permitted in that zone district. Further,

accommodating both residential and office uses in close proximity will provide local housing options for non-residents that work in Lakewood and would like to become Lakewood residents, as expressed in several of the Letters of Support that were received for this rezoning application (Attachment F).

Lakewood Zoning Ordinance: The Lakewood Zoning Ordinance provides information about zone district standards, specific development regulations and the planning process. As stated in Article 3 - Zone Districts:

- The M-E district is intended to provide for office and campus development, with ancillary retail and residential uses along arterial and collector streets. The district may also act as a buffer between higher intensity mixed-use districts and adjacent residential neighborhoods. The district provides for medium to high-density employment opportunities, as well as educational and institutional campuses. Employment uses are key components of this district, and are required in certain instances where the parcel and/or district is of a certain size; and
- The M-R district is intended to allow for compact multifamily residential development with a variety of densities. This district will also allow for office and retail uses that are integrated into residential projects. Minimum residential densities are established as part of the district to maximize the potential number of transit riders and business users within adjacent transit and urban development areas, while limiting the impact on existing surrounding neighborhoods.

The proposed suburban context in both zone districts reflects a more auto-oriented environment, where the existing surrounding street pattern and access to adjacent residential neighborhoods is not conducive to the highest level of pedestrian connectivity.

For a comparison of the PD/M-E-S, M-E-S and M-R-S zone district standards, see Attachment A.

Review Criteria: The review criteria for rezoning requests are outlined in Section 17.2.3.3.A of the Lakewood Zoning Ordinance. Staff's analysis of the rezoning request against these standards is provided below in Section A.

A. Conformance with Standards for Rezoning Criteria §17.2.3.3.A:

1. The proposed rezoning promotes the purposes of the Zoning Ordinance as stated in Section 17.1.2.

The proposed rezoning will support the purpose and intent of the Zoning Ordinance as follows:

- Maintaining/improving public health, safety and welfare of the citizens of the City of Lakewood through a mixture of uses within walking distance.
- Implementing the vision, goals and recommendations of the Comprehensive Plan by providing quality infill development that is compatible in form with surrounding uses within the Academy Park development.
- Providing a range of housing types and costs to meet the current and future needs of citizens within an existing employment park development.
- Promoting orderly development through a public process.
- Accommodating the effective integration of a mixture of uses and redevelopment with surrounding land uses.

- Promoting a mixture of commercial and residential uses within mixed-use zone districts.
- 2. The proposed rezoning is compatible with existing surrounding land uses or the land uses envisioned in the Comprehensive Plan.**

- The proposed rezoning is compatible with the existing surrounding land uses that include office, multifamily, institutional/school and ministorage.
- The proposed rezoning is also compatible with the land uses envisioned in the Comprehensive Plan. The property is located within the Mission Trace and Academy Park Growth Area with a land use designation of Mixed-Use Office.

3. The proposed rezoning meets at least one of the following:

The zoning ordinance requires that one of the following three factors must exist.

i. The proposed rezoning promotes implementation of the Comprehensive Plan.

The proposed rezoning will promote the implementation of Lakewood Comprehensive Plan as follows:

- The proposed rezoning will support the community's guiding principles, goals and actions steps by:
 - Goal I-CS3 – Enhance commercial and mixed-use district to create quality working, living, shopping and dining experiences.
 - Creating an opportunity to work with the owners of an older commercial property to reinvigorate projects through reinvestment and redevelopment. (Action Step b).
 - Promoting commercial and mixed-use investment and reinvestment in designated Growth Areas. (Action Step c).
 - Goal I-CS7 – Continue to diversify Lakewood's economy to strengthen and stabilize the tax base and maintain viability through fluctuating economic cycles.
 - Replacing the outdated parking ratios and development standards required by the Academy Park PD with the City's current parking ratios and development standards. This will allow for a greater mix-of-uses within this Growth Area by creating redevelopment potential within the unused portions of the surface parking lot.
 - Goal 1-GA17 – Enhance the existing office and regional retail environment of the growth area.
 - Providing opportunities for additional residential uses within the Academy Park Growth Area. (Action Step b)
 - The Goal L-PS6 – Ensure adequate utilities are available for Lakewood's current and future residents and businesses.
 - Ensuring coordination of services with applicable utility and service providers is occurring early in the development process. (Action Step a)
 - The Goal M-MT7– Strategically provide additional capacity and operational efficacies on roadways to limit congestion and expand multi-modal options.
 - Monitoring intersections for capacity limits and improving the intersections as necessary. (Action Step e)

ii. There has been a material change in the character of the neighborhood or in the City generally, such that the proposed rezoning would be in the public interest and consistent with the change.

Evidence of a material change within the Mission Trace & Academy Park Growth Area has been demonstrated through the recent multifamily development (located to the south of the subject property) and the conversion of the old TravelersExpress / MoneyGram office building into the Addenbrooke Classical Academy Public K-12 charter school. A rezoning request (from PD to M-G-S) for the property to the north the subject property was also recently approved by City Council to allow the remainder of the vacant office building to be converted and repurposed for a ministorage use.

With respect to the existing Academy Park Planned Development (PD), staff finds that the customized zoning and development standards (that may have made sense when they were established in 1978) have become outdated and no longer provide the flexibility needed to ensure that the Academy Park Planned Development can remain viable through fluctuating economic cycles, changing market demands for traditional office space, evolving development trends/best practices and the implementation of new technology.

Further, Article 9 of the existing PD establishes a 5-member Architectural Design Committee (ADC) to review and either approve or reject development plans pursuant to the design standards contained within the zoning document. It is staffs' understanding that there has not been an active ADC for Academy Park for several years. As such, with the combination of outdated standards and the lack of an ADC to manage the character of new development, the Academy Park PD requires a significant amount of city staff time to review and approve any new development proposal or building/sign permit application.

Based on the above analysis, staff finds that:

- a) There has been a material change in the character of the existing office park; and
- b) With the numerous letters of support received for the proposed rezoning and the additional cost incurred by tax payers for staff to continue to implement the outdated customized PD zone district standards, the proposed rezoning is in the public interest.

iii. The property was rezoned in error.

Not applicable.

B. Engineering Analysis. Engineering was not required as part of this rezoning request. Engineering documents will be required with future redevelopment of this site.

FINDINGS OF FACT AND ORDER

Based upon the information and materials, the neighborhood meeting, and this staff report, staff supports the rezoning request. Therefore, City of Lakewood staff recommends that the Planning Commission find that:

- A. The applicant, Donald Marcotte, is proposing to rezone Lot 1 and 2 of the Academy Park Filing 5 & 6 Lot Line Adjustment Plat from Planned Development with the underlying Mixed-Use Employment Suburban (PD/M-E-S) zone district to Mixed-Use Employment Suburban (M-E-S) and Mixed-Use Residential Suburban (M-R-S).
- B. Notice of the Public Hearing was provided to the fee owners of property and residents within 500 feet; and registered neighborhood organizations within a 1/2 mile as required

- by the Lakewood Zoning Ordinance; and
- C. Notice was published in the official City newspaper at least six days prior to the hearing; and
 - D. Notice was posted at the property at least 14 days prior to the hearing; and
 - E. The request was reviewed by the appropriate referral agencies; and
 - F. The proposed rezoning promotes the purposes of this Zoning Ordinance as stated in Section 17.1.2.; and
 - G. The proposed rezoning is compatible with existing surrounding land uses and the land uses envisioned in the Comprehensive Plan; and
 - H. The proposed rezoning promotes the implementation of the Comprehensive Plan; and
 - I. There has been a material change in the neighborhood and the rezoning is in the public interest;

AND

The Planning Commission adopts the findings of fact and order, A through I, as presented in this staff report and recommends that the City Council **APPROVE** Rezoning Case No. RZ-19-001.

cc: Case File- RZ-19-001
Donald Marcotte, Applicant