

Justification for Rezone

Cornerstone Development, LLC &
Arapahoe Mental Health Center, Inc.

Case No. PDP16-16-0002

6505, 6507 and 6509 S. Santa Fe Drive
Littleton, Colorado
Cornerstone Development, LLC &
Arapahoe Mental Health Center, Inc.

I. Rezone Overview

Cornerstone Development, LLC (“Cornerstone”) on behalf of Gary L. Sutton, and the Arapahoe Mental Health Center, Inc. (“AMHC”) are the joint applicants for a rezone of two properties located at 6505 South Santa Fe Drive (the “Sutton Property”) and 6507 and 6509 South Santa Fe Drive (the “AMHC Property”) (collectively known as the “Site”). Proposed uses and development on the site are distinctly divided into uses allowed on the Sutton Property (Planning Areas A1 and A2) and AMHC (Planning Area B).

The Sutton Property is zoned R-E, but has not been platted. Due to the level of urbanization and development in this part of Littleton, this zone district is infrequently used and applies to a limited number of parcels. The Sutton Property contains two detached, single-family residences and some accessory buildings.

The AMHC Property is zoned PD-R and platted as Santa Fe Heights Subdivision Filing No. 1, Lot 2, Block 1. AMHC operates a mental health facility on that property. The Site is bordered on the north by the Denver Seminary campus, on the east by South Santa Fe Drive, on the South by Lee Gulch Trail and Santa Fe Sand & Gravel, Inc., and on the west by the South Platte River. There are no proposed changes to the uses on Parcel B, the AMHC Property.

II. Project Overview

A. USES

Together, Cornerstone and AMHC are applying to rezone the Site to Planned Development – Industrial (PD-I). This rezone will allow for the development of self-storage on the eastern portion of the Sutton Property and garage condominium storage on the western portion of the Sutton Property. It will also increase parking for AMHC and enhance its access to Santa Fe Drive. As stated, there are no proposed changes to the permitted uses on the AMHC Property. The present site plan will change only slightly to accommodate additional parking and a right-in/right-out access that will be shared by both the Sutton Property and the AMHC Property.

Cornerstone is a self-storage development company. As with most applicants, Cornerstone has gone to significant effort and expense to develop and present herein, a project plan specific to its business. This application plan EXCLUSIVELY contemplates the PD-I uses associated with the existing health facility, self storage, garage condos, and the existing homes and outbuildings on the property (so the new zoning does not create a non-conforming use until the site is redeveloped). Accordingly, this Section II, along with Section III, provides an overview and justification for the existing uses and proposed self-storage and garage condominium uses.

However, Cornerstone is not yet the owner of the property. Provided that rezoning is approved, there will be a very short time between the zone change and ownership transfer. In an abundance of caution, the owner, Mr. Sutton, wishes to include additional uses for the property in this rezoning in the highly unlikely event that transfer of the property to Cornerstone does not occur. Those uses include the existing single-family residential use,

treatment and housing facilities to mirror the AMHC adjacent use, and wholesale and restaurant uses as allowed in the Industrial (PD-I) district. The applicant has intentionally omitted all other allowable uses in the PD-I district from its proposed zoning. Justification for the precautionary uses proposed by the owner is outlined here in Section IV.

B. COMPATIBILITY

Storage and other project related uses on the property are highly compatible with both adjacent neighbors, the mental health facility as well as the Denver Seminary because they generate significantly less traffic and impacts than other uses found nearby along the corridor.

Aesthetically, site layouts are oriented to minimize visibility from Santa Fe Drive and the Platte River Trail (the “Trail”) while maximizing aesthetic appeal. The proposed self-storage is different than what one would normally expect from a self-storage development. Cornerstone consistently selects high-end construction materials and designs for its self-storage buildings. Exterior finishes and architectural design will comply with the South Santa Fe Drive Corridor Study, reflect the rural vernacular architecture style, and be consistent with the surrounding buildings on the South Santa Fe Corridor. Because of this, Cornerstone’s self-storage sites do not have the look or feel of standard self-storage. Additionally, Cornerstone will equip the facility with modern security features like 24 hour video surveillance and a password protected gated entrance. In order to maintain the site, Cornerstone will provide regularly scheduled cleaning and maintenance. The Garage Condo design will also be sensitive to its neighbors by protecting the views of Littleton residents and visitors using the Mary Carter Greenway Trail along the South Platte River and Lee Gulch Trail (the “Trail”) by lowering the height of those buildings along the trail and increasing the building setbacks from the Trail.

Garage Condominiums (“Garage Condos”) are a relatively new product to the market, but not new to Littleton. They are facilities where the customer actually owns his or her own garage unit. Area residents can build equity while enjoying the privacy and convenience of their own garage. The garage condominiums may not be used for residential purposes, will explicitly forbid all overnight stays, and will not permit any on-site or retail business.

The typical owner of a Garage Condo unit visits the property about twice per month, usually on weekends. About 5% or fewer of unit owners visit the property more than once per week, and about 25% of unit owners will go months without visiting the site. Approximately 15% to 30% of units are purchased by owners of large motor coaches, boats and trailers, approximately 55% to 75% of units are owned by car collectors, hobbyists, investors, and owners of similar ‘toys’, and about 10% to 20% of Garage Condo facilities are purchased by small businesses for storage of equipment and/or inventory. However, retail businesses, signage, and business customers are not allowed in these units and employees are allowed to briefly access the unit for loading and unloading only.

Further, many of Littleton’s residential communities having stringent neighborhood covenants restricting outdoor parking of RVs and similar vehicle storage. Garage Condos allow 24/7 accessible, secured, covered, and convenient spaces to store valuable belongings out of

the sight of neighbors. Moreover, Garage Condos also provide an excellent property tax base with minimal infrastructure and service needs and the facility provides an attractive, useful alternative to storage enforcement. Moreover, many Littleton homes cannot accommodate recreational vehicles, classic cars, snowmobiles and other “toys” without the homeowner constructing additional garages or covered storage. Garage Condo owners have the means and desire to invest in permanent storage, and want their possessions in close proximity to where they live.

The parties estimate that Garage Condos at South Santa Fe Drive will: (1) provide an In-Community solution to outdoor vehicle storage; (2) increase in sales tax revenue when unit owners residing in surrounding jurisdictions buy big ticket items and have them delivered to their unit (Littleton will receive the sales tax) and when unit owners build-out the interiors of their spaces and shop at local stores; (3) generate little traffic; (4) require minimal domestic water and sanitary sewer service – with only a couple of shared restrooms, a kitchen sink, and minimally utilized service sinks; (5) demand minimal law enforcement and fire protection services; and (6) have no impact on Littleton School District resources.

III. Criteria for Rezone

The Littleton Municipal Code (the “Code”) states the requirements for a rezone. In order to amend the official zoning map, an applicant must demonstrate either:

- 1) “[C]onsisten[cy] with the goals and policies of the comprehensive plan (“COMPLAN”), and promotes the general welfare of the community”; or if not consistent with comprehensive plan
- 2) “[C]hanged or changing conditions in the particular area, or in the city in general . . .” Littleton Municipal Code (“LMC”) § 10-12-1.

In the present case, the applicants meet both rezoning criteria as demonstrated below in III(A), (B) and (C), even though they are only required by the Code to satisfy one. As applicable to this property, the COMPLAN is comprised of: (1) the Citywide Comprehensive Plan; and (2) the South Santa Fe Drive Corridor Plan.

A. Consistent with the COMPLAN – Citywide Comprehensive Plan

The proposed GDPD is comprised of three planning areas identified as (1) PA A-1, (2) PA A-2, and (3) PA B. PA A-1 and PA A-2 (the Sutton property) are located at 6505 S. Santa Fe Drive. They are currently zoned Residential-Estate (R-E). PA B is the AMHC property located at 6507 and 6509 S. Santa Fe Drive. It is currently zoned PD-R pursuant to the Riverbend Plaza PDP Amendment.

The proposed rezone and development of Planning Areas A-1 and A-2 meet and exceed the goals and policies set forth in the Citywide Comprehensive Plan in the following ways:

1. Consistent with the COMPLAN – Planning Areas A-1 & A-2

Goal #1: Foster a vibrant and evolving community

Aging Littleton residents as well as today's millennial families have at least one thing in common, which is their desire to downsize and minimize their homes, apartments and condos. This leaves the need for storage at an all-time high. Even detached single-family residences are being constructed with less square footage on smaller lots. Littleton residents can more easily adapt to smaller living spaces when they do not have to store all of their belongings at their homes.

Policy 1 – Encourage more opportunities for residents to live, shop, and play where they work and to work, shop and play where they live. The storage location is not sited directly within the areas Littleton residents live, shop and play, but provides quick and convenient access, in Littleton, for residents to access their stored belongings. Importantly, the proposed storage uses will be cited in an appropriate area of Littleton, outside of the view of the public, and will help maintain the vibrancy and integrity of the existing commercial and retail areas by locating storage uses away from the areas Littleton residents live, shop and play. The proposed storage uses also allow Littleton residents to downsize their homes and move to more densely populated areas.

Policy 2 – Encourage opportunities for dynamic, innovative employers to locate within the city. Garage condos provide high-end, climate controlled storage for Littleton residents who need to carefully control the conditions under which they store their possessions, such as collector cars, art, jetskis, snow mobiles and luxury RVs. This is the type of amenity is particularly attractive to business leaders, executives, professionals, business owners who may be looking to relocate to Littleton.

Policy 6 – Encourage housing development to respond to changing market demands and competition, address the needs across all ages, and allow every generation to call Littleton home. By providing a quality storage alternative, this project allows existing and future Littleton residents to consider a wider range of housing options in Littleton, rather than limit residents to large single family homes with three car garages.

Policy 7 – Encourage underperforming properties to be redeveloped so that they provide a sustainable mix of uses and are designed to mitigate possible negative effects on adjacent uses. The existing single-family house located at 6505 South Santa Fe Drive is not representative of the highest and best use for the property. Locating the proposed project in an infill site rather than an undeveloped green field site maximizes the efficiency of city services and encourages energy conservation. The proposed use offers a higher use of the

property without burdening the Denver Seminary or AMHC residents with the negative impacts of a typical commercial use. Additionally, there is a significant amount of proposed landscape buffering to mitigate privacy and softening concerns. See policy 8, below.

Policy 8 – Require that new commercial development be appropriately buffered from adjacent uses. The only nearby adjacent use whose surroundings will change under the proposed plan is the western corner of the Denver Seminary. This corner currently houses a relatively dense apartment type use towering three stories in height which the Seminary was allowed to build in very close proximity to Mr. Sutton’s property. Due to Littleton screening height restrictions, there is no way to completely buffer one use from another. However, applicants will provide landscaping and a fence at the ground level to adequately buffer the use. Additionally, garage condos are a very low impact commercial use which are desirable in transitional areas. They actually create impacts much lower than our residential neighbors. Trips, traffic, and activity in the proposed project is unlikely to cause any significant impacts. Moreover, applicants will comply with all required landscaping and buffering requirements in order to soften the property edges and mitigate any potential impacts of the proposed development.

Policy 9 – Strengthen downtown by: c. Encouraging a diversity of businesses that serve a larger market and provide support services for the needs of downtown residents and employees. While it may not be immediately apparent, the proposed project provides an important supportive use for downtown residents. For example, those who reside in small homes with outdoor storage limitations in an around downtown, as well as new residents to multi-family senior housing under construction will require storage. Nearby storage within the city of Littleton allows residents to more easily relocate and downsize.

Goal #2: Capitalize and expand on Littleton’s most valuable outdoor resources

Policy 1 – Treat the South Platte River and its tributaries as the city’s most important natural assets. The proposed project will safeguard and maintain the integrity of the South Platte River and its tributaries by providing for the required setbacks, lowering the height of buildings, providing for adequate buffering and softening so that residents using the Mary Carter Greenway trail do not see the storage buildings. The owners of the Garage Condos will have views of the South Platte from their shared clubhouse and will be able to access the South Platte River from the west side of the proposed development.

Policy 6 – Identify, safeguard, and enrich the city’s other outdoor resources, including the High Line Canal. [In addition to the river and its tributaries]. The project helps to safeguard and maintain the integrity of the South Platte River and its tributaries by providing for the required setbacks, lowering the height of buildings, providing for adequate buffering and softening so that residents using the Mary Carter Greenway trial do not see the storage buildings.

Goal #4: Maintain and expand upon the characteristics that make Littleton an authentic and distinctive community

Policy 1 – Build upon the assets that are unique to Littleton; for example, neighborhoods, and public image. This project helps maintain Littleton’s unique character because it locates storage uses in appropriate sites rather than those sites which would be better suited to uses where Littleton residents shop, eat and play. By locating this use along a commercial corridor that provide for all established setbacks, landscaping, buffering and softening to mitigate any negative impacts to the surrounding parcels, it provides a necessary use for Littleton residents while protecting the City’s public image.

Policy 3 – Encourage high quality design, architecture, landscape architecture, and public art throughout Littleton. This project was developed uniquely and specifically for this particular site in Littleton. The buildings have been designed to evoke a rural theme reminiscent of a more agricultural society of the past. Stepped and multiple roof forms are utilized to reduce the scale of the roofs and walls. Roof overhangs , shallow gables and shed type canopies cast deep shadows and add to the richness and scale to the buildings.

In addition, the proposed development will be designed in compliance with current building codes and standards, including the International Energy Conservation Code. Mechanical and electrical systems will be evaluated and designed to achieve the maximum feasible efficiency that meets the facility’s functional requirements. Landscaping will be designed to maximize efficiency of water usage. Sustainable design is a critical component to the proposed development and every effort will be made to exceed the minimum requirements to ensure that the City of Littleton is gaining a product that emulates their vision for future conservation.

Policy 4 – Encourage “architecture of place” and small, independent businesses that differentiate Littleton from nearby municipalities. The proposed project was developed uniquely and specifically for this particular site in Littleton. The buildings have been designed to evoke a rural theme reminiscent of a more agricultural society of the past. Stepped and multiple roof forms are utilized to reduce the scale of the roofs and walls. Roof overhangs , shallow gables and shed type canopies cast deep shadows and add to the richness and scale to the buildings.

2. Consistent with the COMPLAN – Planning Area B

As discussed above, in addition to the Sutton Property (PA A-1 & PA A-2), AMHC is also rezoning its property. In this case, from PD-R to PD-I; however, **AMHC is NOT proposing to change any allowed uses on its property.** In other words, if the proposed GPDP is approved, even if the AMHC facility were to no longer exist, the only use allowed under the new zoning for the AMHC property (PA B) would be treatment and housing facilities exactly as allowed under the existing

zoning. Any other use on the AMHC site would require a full rezoning proceeding. AMHC seeks to rezone, in part, to streamline its ingress and egress, improve parking, and improve the general circulation of the site as it relates to the Sutton property.

Nevertheless, the Code requires that AMHC must demonstrate conformance with the Complan as a condition of rezoning, even though here that means that AMHC must demonstrate that its EXISTING use conforms with the Complan.

The existing use in PA B conforms with the Complan as follows: AMHC is a quality, designed facility along the Santa Fe Corridor. Its design preserves and protects views of the foothills, mountains, and the South Platte River with no oversize signs and heavily mature landscaped edges leading out onto the beautiful outdoor amenities surrounding its southern and western borders. AMHC provides much-needed services to the community which enhance its overall health, welfare and public safety. The newly proposed entrance will provide one access point for both AMHC and its neighbor that service multiple property owners and internal circulation patterns.

B. Consistent with the COMPLAN – Santa Fe Corridor Plan

In addition to conformance with the Citywide Comprehensive Plan, the proposed rezone and development meet and exceed the goals and policies set forth in the Santa Fe Corridor Plan in the following ways:

URBAN DESIGN GOALS AND POLICIES

Goal A: Achieve a high quality and consistent urban design, unique to the character of Littleton along the south Santa Fe corridor.

This project was developed uniquely and specifically for this particular site in Littleton. The buildings have been designed to evoke a rural theme reminiscent of a more agricultural society of the past. Stepped and multiple roof forms are utilized to reduce the scale of the roofs and walls. Roof overhangs, shallow gables and shed type canopies cast deep shadows and add to the richness and scale to the buildings. This design is also sensitive to the views of Littleton residents and visitors using the Mary Carter Greenway Trail along the South Platte River and Lee Gulch Trail. Parking fronts South Santa Fe Drive and the buildings contain internal driveways and parking, which eliminates the need for on-street parking.

Further, the proposed development will be designed in compliance with current building codes and standards, including the International Energy Conservation Code. Mechanical and electrical systems will be evaluated and designed to achieve the maximum feasible efficiency that meets the facility's functional requirements. Landscaping will be designed to maximize efficiency of water usage. Sustainable design is a critical component to the proposed development and every

effort will be made to exceed the minimum requirements to ensure that the City of Littleton is gaining a product that emulates their vision for future conservation.

Policy 1: Preserve and protect the prominent and historic view corridors of the foothills/mountains and the South Platte River corridor including:

None of the proposed buildings will be large enough to impact any of the prominent and historic view corridors of the foothills, the mountains, or the South Platte River corridor. In fact, Applicants have lowered the proposed height of the proposed storage buildings in order to preserve the views of neighbors in the vicinity of the proposed project and along South Santa Fe Drive and the Mary Carter Greenway Trail.

Policy 2: Building entrances and orientation should address the South Platte River, South Santa Fe Drive, and the Rio Grande Street frontage to maintain and improve the visual quality of all corridors. Design consideration along public ROWS and public amenities should include avoiding non-articulated blank walls and placing, to the extent possible, storage, utility and service areas in less visible and public locations.

While a proposed project will normally address the South Platte River or South Santa Fe Drive, the proposed storage uses will contain a number of doors. For this reason, the storage buildings have been designed so that the doors are oriented inward and residents on the Mary Carter Greenway trail and South Santa Fe Drive will not see the doors.

Policy 4: Eliminate oversized signs, unimproved property boundaries and poorly screened storage, utility and service areas within the South Santa Fe Corridor.

The signs associated with this proposed development will be quality monument signage with landscaped boundaries and buffered and softened edges which will enhance the overall aesthetic along South Santa Fe Drive.

Policy 5: Develop a landscaped edge along the west side of South Santa Fe Drive to protect the aesthetic and visual appearance of the corridor.

This project will provide a substantial landscape buffer along South Santa Fe Drive and the buildings will be set back at least 50' from the future ROW of South Santa Fe Drive. The applicants propose to locate some parking within the 50' setback, but all buildings and parking will be properly screened and landscaped.

OPEN SPACE & NATURAL FEATURES – GOALS AND POLICIES

Goal A: Preserve and enhance the major natural features in the Santa Fe corridor: Lee Gulch and the South Platte River.

None of the proposed buildings will be large enough to impact any of the prominent and historic view corridors of the foothills, the mountains, or the South Platte River corridor. In fact, Applicants have lowered the height of the proposed storage buildings in order to preserve the

views of neighbors in the vicinity of the proposed project and along the Mary Carter Greenway Trail.

Policy 1: Preserve the presence and visibility of, and provide visual connections to the foothills/mountains and South Platte River corridor. Significant opportunities to accomplish this occur at: Lee Gulch.

Only the AMHC property borders the Lee Gulch trail along its southern property boundary. AMCH is not proposing any changes to its building and will not affect the visibility of connections to the mountains or the South Platte River corridor.

Policy 2: Preserve the quality of these open spaces and natural features utilizing selected acquisition, increased setbacks and/or land use controls.

Applicants have lowered the proposed height of the storage buildings in order to preserve the views of neighbors in the vicinity of the proposed project and along the Mary Carter Greenway Trail. Applicants will preserve the quality of the open spaces and natural features by providing a substantial landscape buffer and setting the buildings back according to their heights and uses.

Policy 9: Develop a landscaped river edge along the east side of the South Platte River, north of South Platte Park to protect the esthetic and visual appearance of the river corridor, utilizing the following techniques:

The portion of the development located along the east side of the South Platte river will protect the esthetic and visual appearance of the river corridor by providing a substantial landscape buffer and setting the buildings back in a manner according to their height and use.

TRANSPORTATION GOALS AND POLICIES

Policy 3: Encourage access points that service multiple property owners and internal circulation patterns.

Each property owner currently utilizes a separate access point from South Santa Fe Drive. Through this development, however, the Parties will combine street access for the entire Site by utilizing a single right-in and right-out access onto South Santa Fe Drive, and extend South Vinewood Street across the Site.

Policy 7: Plan higher-value business park and commercial uses where adequate access to Santa Fe Drive is available.

The Site has adequate access to Santa Fe Drive, and converting the site from one single-family house to storage units is consistent with the South Santa Fe Corridor Plan because it would allow for a higher-value commercial use.

LAND USE GOALS AND POLICIES

Policy 1: Encourage higher quality land uses including the redevelopment of underutilized properties to higher value land uses within the corridor.

Converting the site from one single-family house to storage units is consistent with the redevelopment of underutilized properties along the South Santa Fe Corridor and would allow for a higher-value commercial use within the corridor.

Policy 2: Encourage the consolidation of smaller parcels into larger land holdings that promote higher quality and value uses. Support up-zoning of land only where these conditions are met.

The existing single-family house located at 6505 South Santa Fe Drive is not representative of the highest and best use for the property. Locating the proposed project in an infill site rather than an undeveloped green field site maximizes the efficiency of city services and encourages energy conservation. The proposed storage uses will be located away from the areas where Littleton residents shop, eat and play. In addition, this project will be located along a commercial corridor and provide for all established setbacks, landscaping, buffering and softening to mitigate any negative impacts to the surrounding parcels.

Policy 3: Encourage relocation of lower value industrial, commercial and residential land uses to more suitable locations.

The existing single-family house located at 6505 South Santa Fe Drive is not representative of the highest and best use for the property. Locating the proposed project in an infill site rather than an undeveloped green field site maximizes the efficiency of city services and encourages energy conservation. The proposed storage uses will be located away from the areas where Littleton residents shop, eat and play. In addition, this project will be located along a commercial corridor and provide for all established setbacks, landscaping, buffering and softening to mitigate any negative impacts to the surrounding parcels.

ECONOMIC DEVELOPMENT GOAL & POLICIES

Goal A: Develop the Santa Fe corridor to support and enhance the city's economic base

The parties estimate that Garage Condos at South Santa Fe Drive will: (1) increase in sales tax revenue when unit owners residing in surrounding jurisdictions buy big ticket items and have them delivered to their unit (Littleton will receive the sales tax) and when unit owners build-out the interiors of their spaces and shop at local stores; (2) require minimal domestic water and sanitary sewer service – with only a couple of shared restrooms, a kitchen sink, and minimally utilized service sinks; (3) demand minimal law enforcement and fire protection services; and (4) have no impact on Littleton School District resources.

Policy 3: Discourage strip commercial development along South Santa Fe Drive that diminishes the value of interior land parcels.

The proposed development is a full depth parcel, not a strip commercial development, so it will not diminish the value of any interior land parcel.

IV. Precautionary Uses

As discussed above in Section I, the property owner proposes the following uses in the event that Cornerstone and/or its affiliates do not take ownership of the property. **Cornerstone is willing to make termination of these uses upon closing a condition of rezone approval.**

Precautionary uses are limited to the following:

(a) Residential – single family; (b) Wholesale; (c) Restaurants; (f) Treatment and housing Facilities

The rationale and justification for each of these uses is as follow:

Residential – Estate

This precautionary use would allow the existing homes to remain on the site until construction so that they are not rendered non-conforming uses.

The Following Uses Permitted Within the Industrial (I) Zone District: Wholesale, and Restaurants
Regardless of whether the development of the self storage and garage condo uses proceeds, wholesale, and restaurant uses would be logical and appropriate uses of PA A-1 and PA A-2. These uses currently exist along the Santa Fe corridor. Wholesale is a commercial use consistent with other nearby uses along with Santa Fe corridor. Any impacts of these uses on the adjacent residential uses could be mitigated by site design, a process that requires extensive City input. A restaurant use would be an especially desirable amenity on the portion of the site along the South Platte River, in a manner similar to the Breckenridge Brewery restaurant farther south, as it could take advantage of the river and trail frontage (the Mary Carter Greenway) to create a very appealing setting for the restaurant, and a restaurant use would complement the adjacent residential uses. The impact of a restaurant use on the adjacent residential uses also could be mitigated by site design, and a restaurant use would further the Complan goals of fostering a vibrant and evolving community and capitalizing on the South Platte River as one of the City's most important natural assets. Both uses would further the Complan policy of encouraging small, independent business that differentiate Littleton from nearby municipalities.

Treatment and Housing Facilities

Treatment and Housing Facility is the existing use in Planning Area B (the Arapahoe Mental Health facility). Thus the inclusion in the proposed rezoning of identical uses on the adjacent Sutton Property would allow for an expansion of AMHC or the addition of a similar facility in the unlikely event the proposed self-storage and garage condo project is not constructed. A more thorough justification for the use is provided above in Section III(A)(2).