

CAGID/CAP Development Projections 2013

Prepared by RRC Associates (David Becher/Nolan Rosall)

Prepared for City of Boulder DUHMD/PS



Presentation to Downtown Management Commission

December 2, 2013

Slides #13 and #15 (maps) added on 5/1/2014

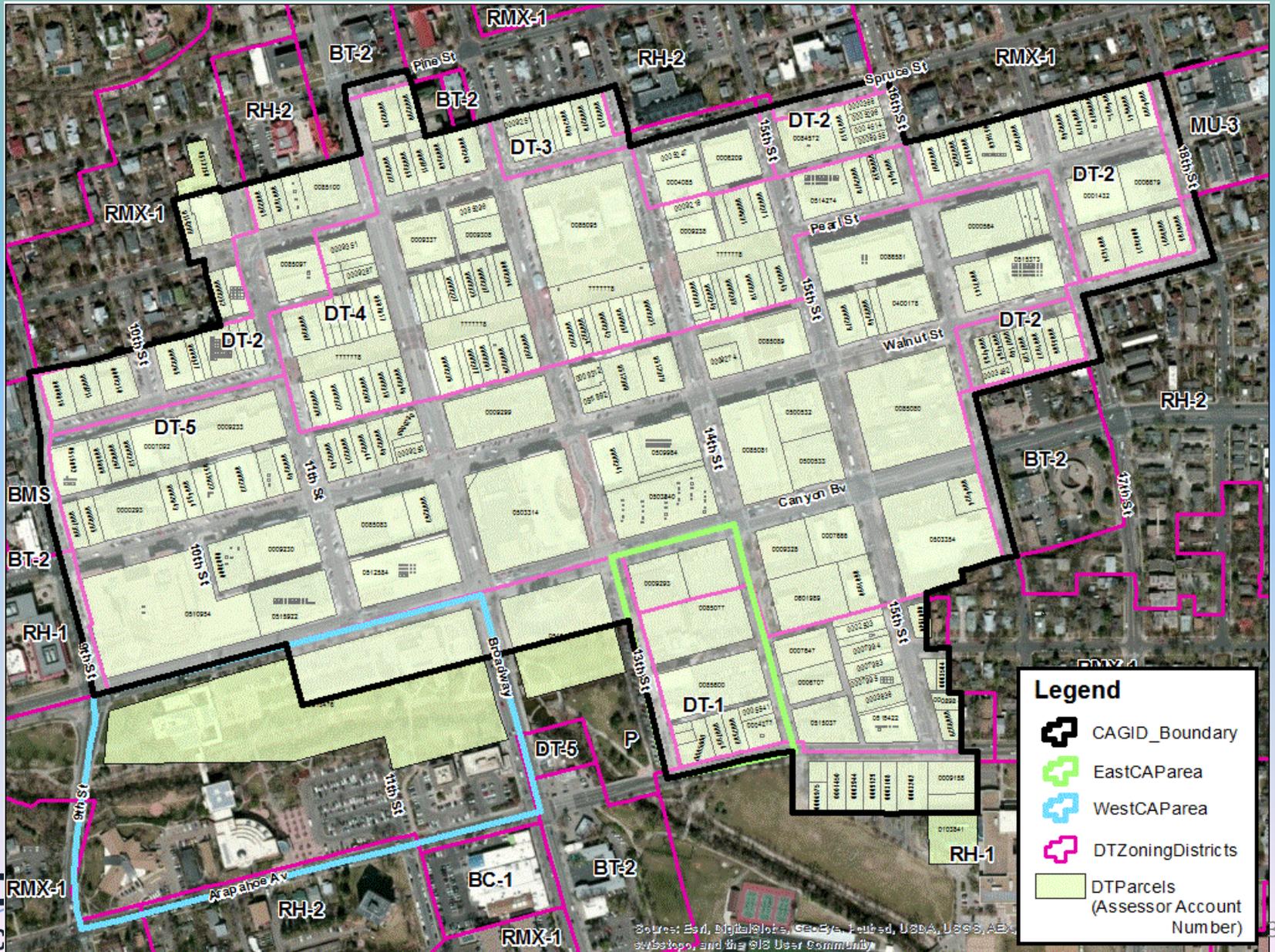


Presentation Overview

- Background and purpose
- Methodology and assumptions
- Recent development trends
- Future projections



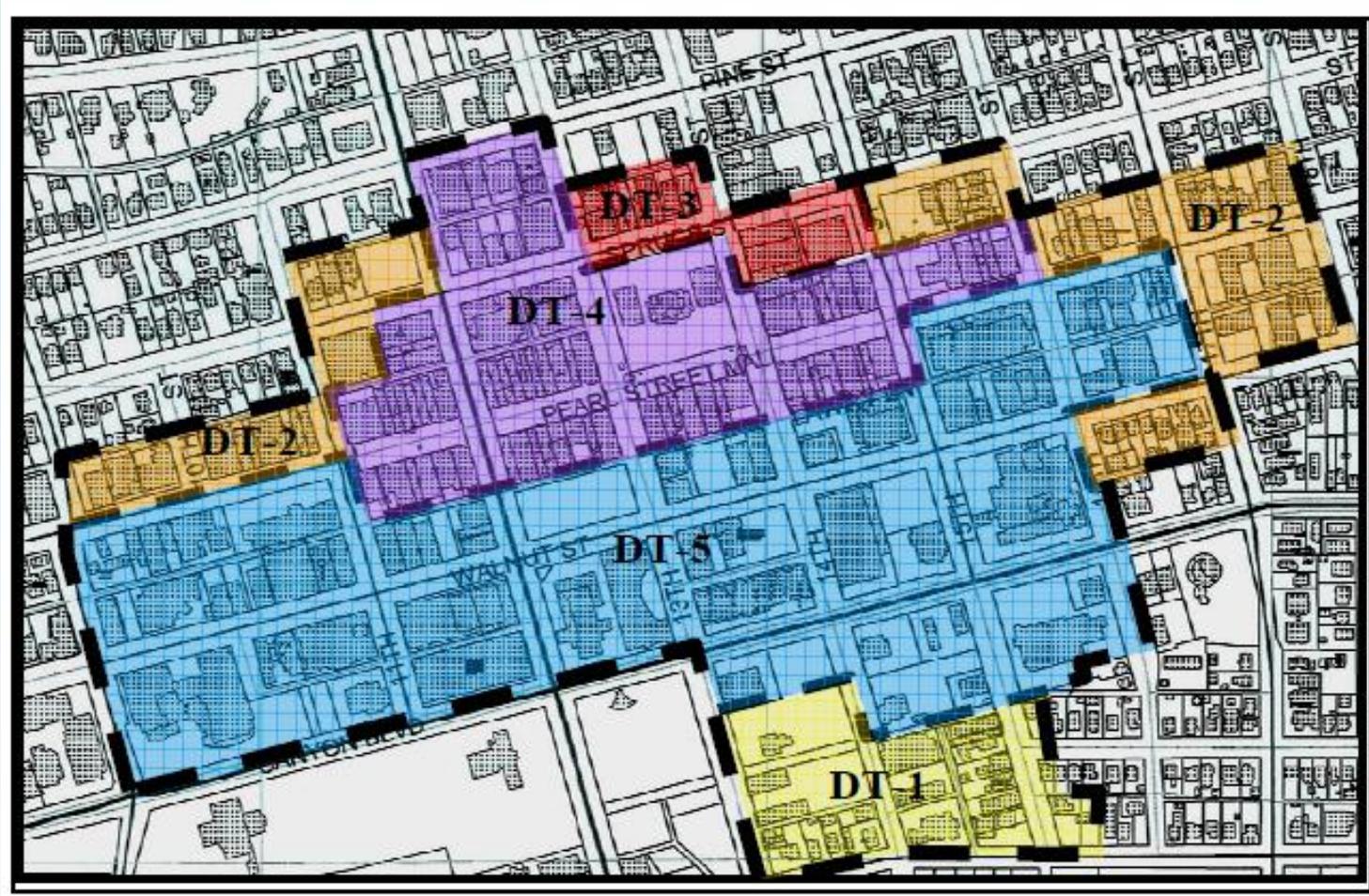
CAGID and CAP Boundaries



Legend

-  CAGID_Boundary
-  EastCAPArea
-  WestCAPArea
-  DTZoningDistricts
-  DTParcel
(Assessor Account Number)

DT Zone Districts



Buildout Assumptions: Varied by Geographic Area

- East and West Civic Area Plans:
 - Density, use, and timing assumptions from CAP documentation & staff; subject to change
- CAGID south of Canyon (outside of east CAP):
 - Assumptions per owner interviews (where applicable)
 - If no interview, default to 2011 assumptions
- CAGID north of CAGID
 - Basic assumptions unchanged since 2011 (use, density, timing)

Buildout Assumptions: East CAP

Use	SQUARE FEET AT BUILDOUT				If project occurs, likelihood of occurring in:			Assumed employees/ 1000 sqft
	Option A		Option B		2014-16	2017-21	2022+	
	Low SF	High SF	Low SF	High SF				
Public market	10,000	15,000	10,000	15,000	0%	80%	20%	5
Municipal office	0	0	55,000	110,000	0%	80%	20%	3.3
Office	50,000	100,000	50,000	100,000	0%	80%	20%	3.3
Hotel or apartments (100-200 rooms/dwellings)	100,000	200,000	100,000	200,000	0%	80%	20%	1 employee/unit
Teahouse and expanded BMOCA	24,000	24,000	10,000	10,000	0%	50%	50%	1
Performing arts center (800-1200 seats)	70,000	70,000	70,000	70,000	0%	30%	70%	1
CAGID parking	N/A	N/A	N/A	N/A	TBD	TBD	TBD	TBD
TOTAL SQFT	254,000	409,000	295,000	505,000				
Total nonresidential	154,000 - 254,000	209,000 - 409,000	195,000 - 295,000	305,000 - 505,000				
Total residential	0 - 100,000	0 - 200,000	0 - 100,000	0 - 200,000				

Note: East CAP area currently has approximately 48,143 SF of development (5,623 SF residential, 42,450 SF nonresidential).

Source: 7/23/13 Fox Tuttle CAP parking analysis; PDS staff; RRC Associates.

Buildout Assumptions: West CAP

Use	SQUARE FEET AT BUILDOUT				If project occurs, likelihood of occurring in:			Assumed employees/ 1000 sqft
	Option A		Option B		2014-16	2017-21	2022+	
	Low SF	High SF	Low SF	High SF				
Existing library	84,000	84,000	50,000	50,000	Existing	Existing	Existing	75 existing emps.
Library North - Arts	N/A	N/A	20,000	40,000	0%	50%	50%	1
Library North - Performing Arts	N/A	N/A	14,000	14,000	0%	50%	50%	(Existing library)
Gallery - arts related	N/A	N/A	10,000	20,000	0%	60%	40%	1
Senior Center	30,000	40,000	30,000	50,000	0%	50%	50%	1
Senior housing	N/A	N/A	0	100,000	0%	50%	50%	TBD
Gallery - arts - events (N of Canyon)	10,000	10,000	10,000	10,000	0%	100%	0%	1
Hotel (N. of Canyon)	20,000	20,000	20,000	20,000	0%	80%	20%	In CAGID calcs.
Municipal building	24,000	24,000	24,000	24,000	Existing	Existing	Existing	73 existing emps.
Municipal office	0	80,000	N/A	N/A	0%	80%	20%	3.3
TOTAL SQFT	168,000	258,000	178,000	328,000				
Total nonresidential	155,000	245,000	165,000	228,000				
Total residential	13,000	13,000	13,000	100,000				

Note: West CAP area currently has approximately 173,500 SF of development (~13,000 SF residential, ~160,500 SF nonresidential).

Source: 7/23/13 Fox Tuttle CAP parking analysis; PDS staff; RRC Associates.

Owner Interviews: S of Canyon, outside of East CAP

- Redevelopment plans and timing are quite varied.
 - Several properties are actively considering redevelopment within the next 5 -year timeframe.
 - Others view redevelopment as more likely in 5-10 years, 10+ years, or don't envision any redevelopment in the foreseeable future.
 - Anticipated uses (residential / commercial) are varied as well.
- Factors cited as influencing redevelopment expectations include:
 - Economics of existing vs. potential land uses/businesses on site
 - Corporate or individual planning considerations
 - Overall downtown market conditions / general economic environment
 - Terms / durations of existing leases
 - Regulatory / design issues (e.g. zoned development capacity, setbacks, height)
 - Potential to partner with adjacent parcels for redevelopment
- Each of the properties is very aware of the City's Civic Area Plan. Each is supportive of the overall process underway.
 - None of the properties, however, believe that this plan directly influences their individual plans for redevelopment.

Owner Interviews: East CAP

- Owners are well aware of the Civic Area planning process.
- Several said they were contacted by the City in the 1970s or 1980s and told that the City intended to acquire them (for performing arts/conf. center).
 - Those plans were abandoned; however, several of the property owners continue to believe that ultimately they will be acquired by the City.
 - The current planning process has “rekindled” those perceptions and the total process has impacted owners’ plans to redevelop or improve their parcels.
- Generally, there is openness to discuss potential acquisition by the City, although specific terms, costs, timing, etc. remain potential issues.
 - Some property owners also indicate willingness to consider partnerships with the City or other interested parties in coordinated redevelopment.

CAGID Assumptions: Density

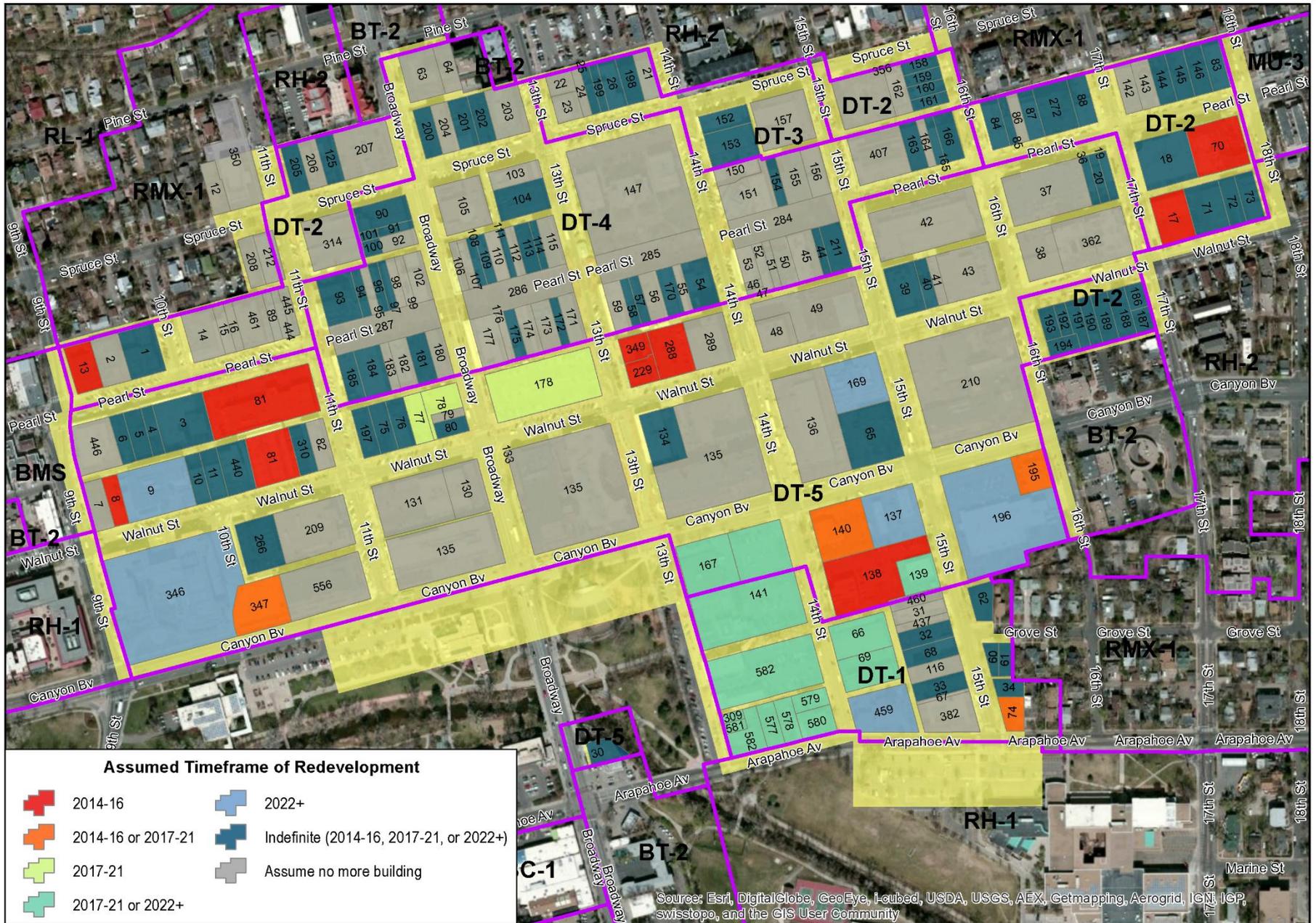
Zoning District	Legal maximum FAR	Assumed practical buildout FAR	Assumed minimum additional capacity to "practical buildout" for redevelopment to occur
DT-1	2.0	1.8	2500 sqft or 10% of existing building sqft, whichever is greater
DT-2	2.0	1.85	2500 sqft or 10% of existing building sqft, whichever is greater
DT-3	2.7	2.3	2500 sqft or 10% of existing building sqft, whichever is greater
DT-4	2.2	2.05	2500 sqft or 10% of existing building sqft, whichever is greater
DT-5	2.7	2.5	3500 sqft or 10% of existing building sqft, whichever is greater
P	n/a	n/a	n/a - assume already built out
RMX-1	variable	n/a	n/a - assume already built out

Note: Density projections exclude any floor area in above-grade parking structures.

CAGID Assumptions: Timing

- Interviewees south of Canyon: per owner feedback
- All others:
 - DT-5:
 - Some sites: Submitted plans & developer contacts
 - Some sites: RRC and City staff assumptions
 - Remainder: If built 1996+, redeveloped in 2022+
 - Remainder: If built <1996, 20% redeveloped 2012-16, 30% redeveloped 2017-21, 50% redeveloped 2022+
 - DT-1 thru DT-4:
 - 20% built 2012-16
 - 25% built 2017-21
 - 55% built 2022+

CAGID Development Projections by Assumed Redevelopment Timeframe



Source: Esri, DigitalGlobe, GeoEye, Ikonos, USDA, USGS, AEX, Getmapping, Aerogrid, IGN, JGP, swisstopo, and the GIS User Community

CAGID Assumptions: Use Mix

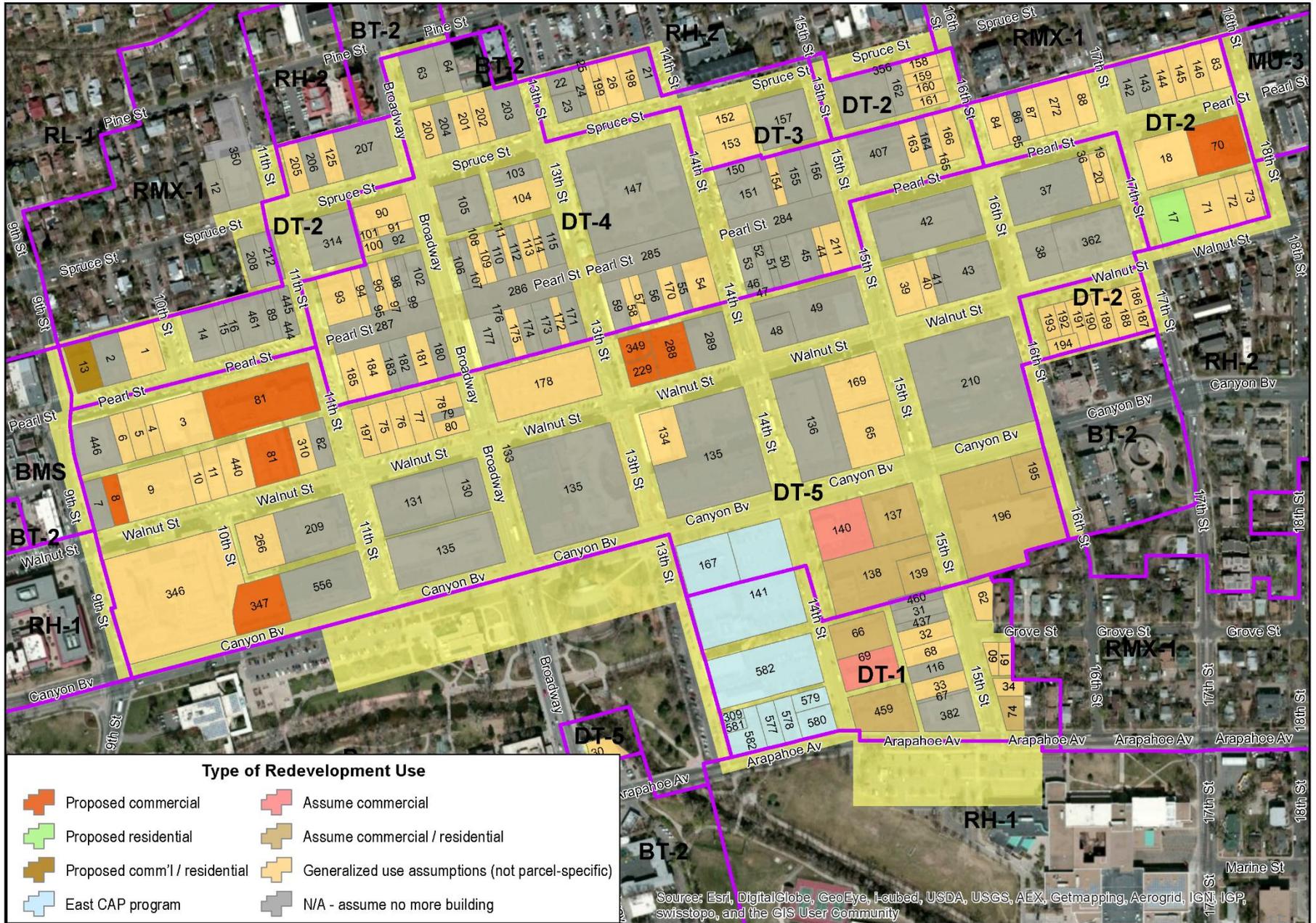
- 1) Interviewees south of Canyon: per owner feedback
- 2) Other DT-5:

Zoning District	Incremental new development (built 2012+)				
	0 to 1.7 FAR increment:		FAR increment above 1.7:		
	Commercial share	Residential share	Built 2012-16: Commercial share (remainder residential)	Built 2017-21: Commercial share (remainder residential)	Built 2022+: Commercial share (remainder residential)
DT-5: North of Canyon	100%	0%	100%	80%	67%
DT-5: South of Canyon	80%	20%	100%	80%	67%

- 3) Other Zoning Districts:

Zoning District	Incremental new development (built 2012+)			
	Ground Floor Mix:		Upper Floor(s) Mix:	
	Commercial share	Residential share	Commercial share	Residential share
DT-1	60%	40%	30%	70%
DT-2	85%	15%	50%	50%
DT-3	100%	0%	80%	20%
DT-4	90%	10%	75%	25%
P (Public)	Built out	Built out	Built out	Built out
RMX-1	Built out	Built out	Built out	Built out

CAGID Development Projections by Assumed Redevelopment Uses



Type of Redevelopment Use

- Proposed commercial
- Proposed residential
- Proposed comm'l / residential
- East CAP program
- Assume commercial
- Assume commercial / residential
- Generalized use assumptions (not parcel-specific)
- N/A - assume no more building

Source: Esri, DigitalGlobe, GeoEye, Earthstar, USDA, USGS, AEX, Getmapping, Aerogrid, IGN, IGP, swisstopo, and the GIS User Community

Source: RRC Associates, 4/30/2014. Note: Future development patterns may differ from assumptions. Numbers in parcels refer to custom "summary sites" assigned for buildout analysis purposes (they are not addresses or Assessor property identifiers).

CAGID Assumptions: Job Generation

Commercial vacancy rate:	5%	
% of gross commercial space which is leasable:	85%	
Employees per 1000 sqft of leasable space:		
	"Typical" first floor uses	"Typical" upper floor uses
Historic minimum	4.8	3.0
Midpoint of min & max	4.95	3.3
Historic maximum	5.1	3.6

CAGID Assumptions: Residential Units

Share of gross sqft used for common areas, access, etc.	15%
Average unit size (sqft):	1650

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Built or Proposed Developments: 2012-13

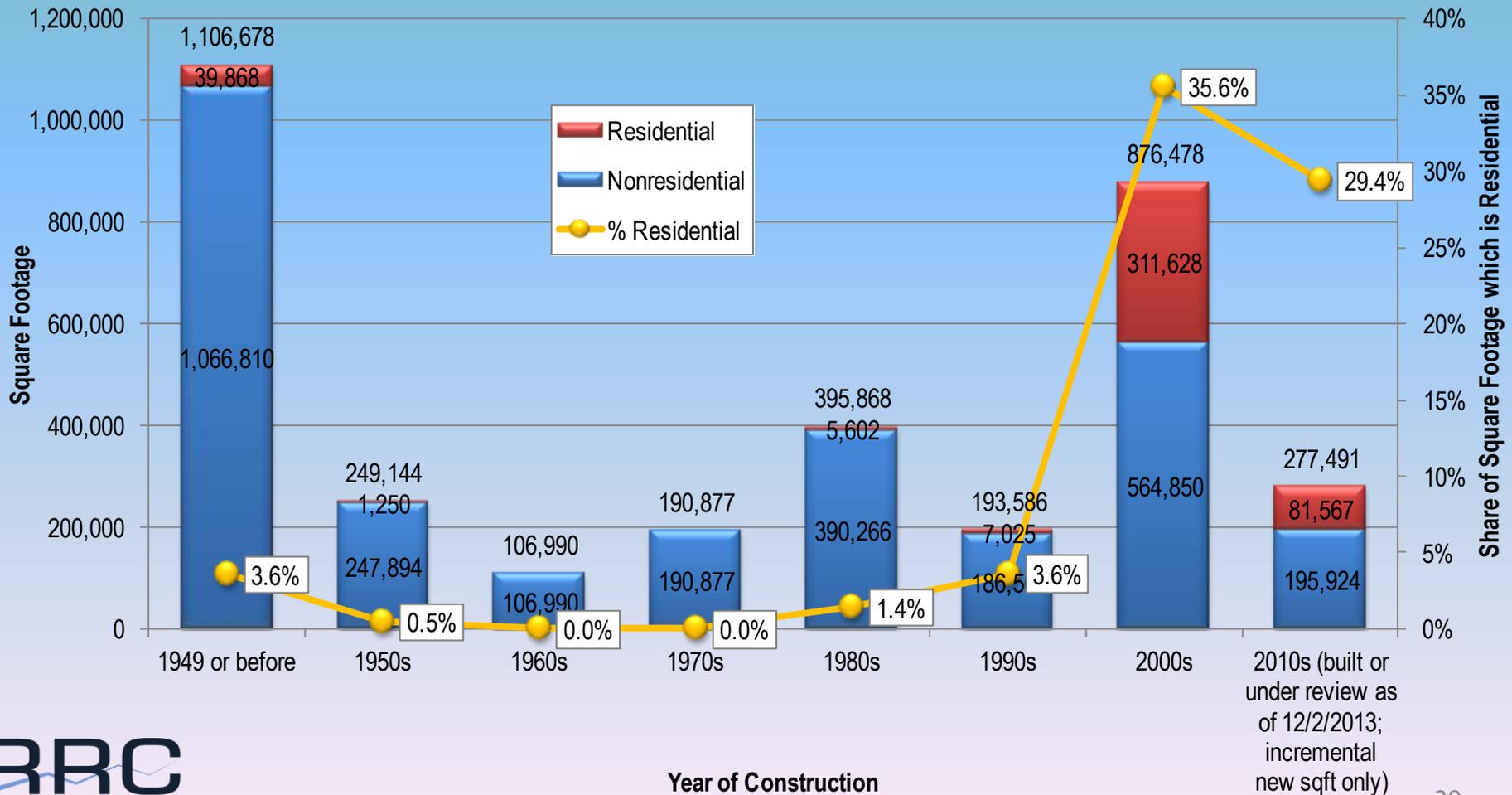
	Address	Zone	Site sqft	Existing built sqft (all comm'l)	SQFT AT BUILDOUT (excluding parking)					INCREMENTAL NEW SF			Buildout Res. units	Max allowable FAR (w/ additions)	Proposed total FAR (excl. pkg)	Proposed above-grade FAR (ex. prkg)	Parking spaces
					Total (above & below grade)	Above grade	Below grade	Non-residential	Residential	Incr. new sqft	Incr. comm'l sqft	Incr. res sqft					
1	1707 Walnut	DT-2	14,096	4,800	28,098	28,098	0	0	28,098	23,298	(4,800)	28,098	26	2.0	1.99	1.99	26
2	1738 Pearl	DT-2	21,132	25,475	42,000	42,000	0	42,000	0	16,525	16,525	0	0	2.0	1.99	1.99	25
3	901 Pearl	DT-2	10,803	5,900	21,604	21,604	0	7,119	14,485	15,704	1,219	14,485	4	2.0	2.00	2.00	13
	DT-2 total		46,031	36,175	91,702	91,702	0	49,119	42,583	55,527	12,944	42,583	30	2.0	1.99	1.99	64
4	1048 Pearl	DT-5	59,266	76,635	170,234	159,934	10,300	170,234	0	93,599	93,599	0	0	2.7	2.87	2.70	271
5	1301 Walnut	DT-5	21,037	22,310	64,302	47,128	17,174	64,302	0	41,992	41,992	0	0	2.7	3.06	2.24	10
6	1600 Pearl	DT-5	31,194	56,269	74,569	58,596	15,973	74,569	0	18,300	18,300	0	0	2.7	2.39	1.88	0
7	909 Walnut	DT-5	6,300	0	16,613	13,108	3,505	16,613	0	16,613	16,613	0	0	2.7	2.64	2.08	0
8	1750 15th	DT-5	32,200	10,054	61,514	61,514	0	22,530	38,984	51,460	12,476	38,984	43	2.7	1.91	1.91	43
	DT-5 total		149,997	165,268	387,232	340,280	46,952	348,248	38,984	221,964	182,988	38,984	43	2.7	2.58	2.27	324
	Grand Total		196,028	201,443	478,934	431,982	46,952	397,367	81,567	277,491	195,924	81,567	73	n/a	2.44	2.20	388

Observations:

- Approx. 277,491 total incremental sqft proposed; 71% nonresidential, 29% residential.
- Several properties are proposing to build to FAR maximum (above-grade).
- Significant below-grade commercial development (exempt from FAR calcs): 46,952 sqft (30,979 sqft in new projects).

Decade of Construction and Use Mix of Existing & Proposed Buildings in CAGID

(Includes developments under City review as of 12/2/2013)



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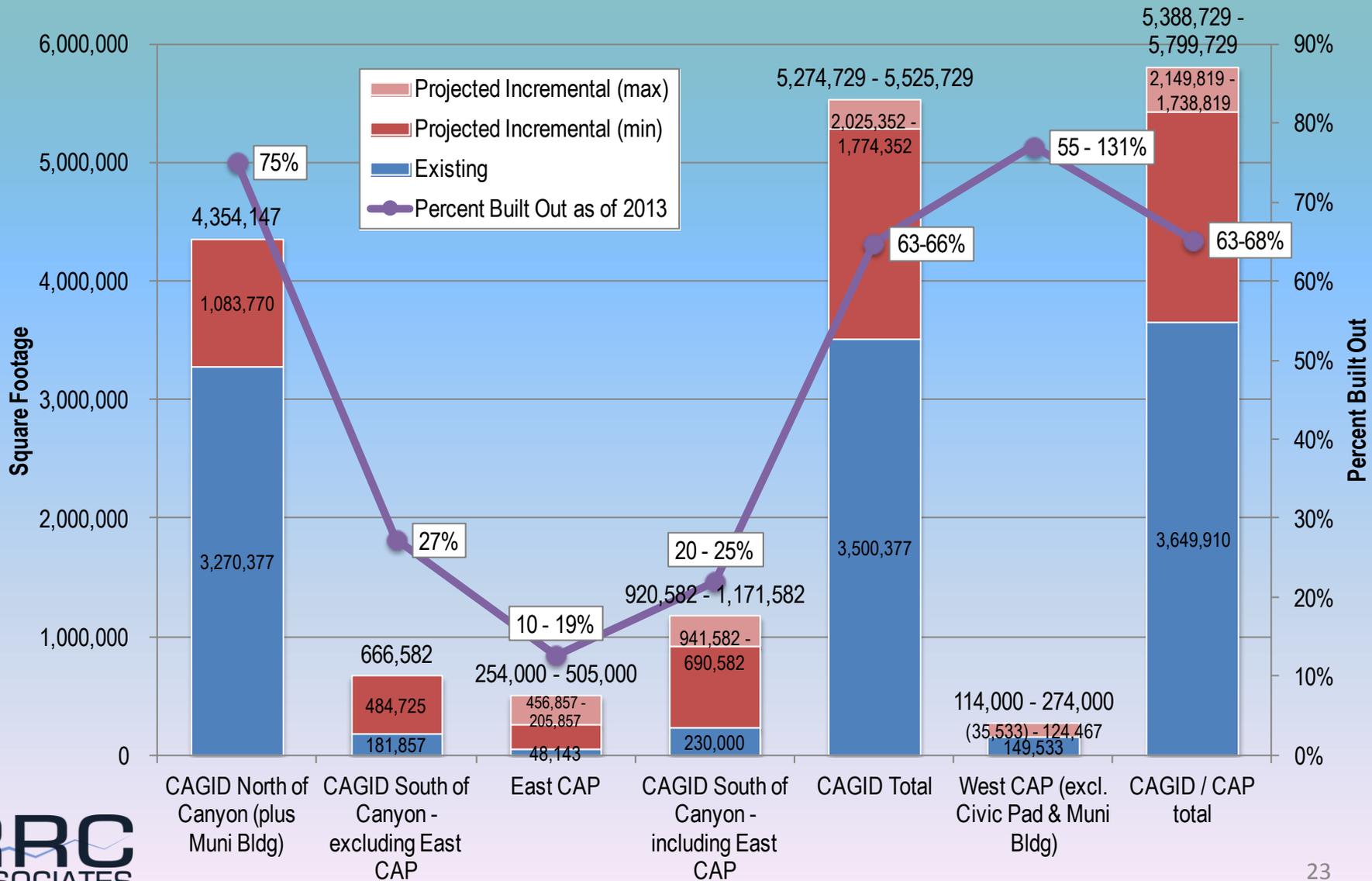


CAGID/CAP Buildout Projections: Sqft by Location and Use

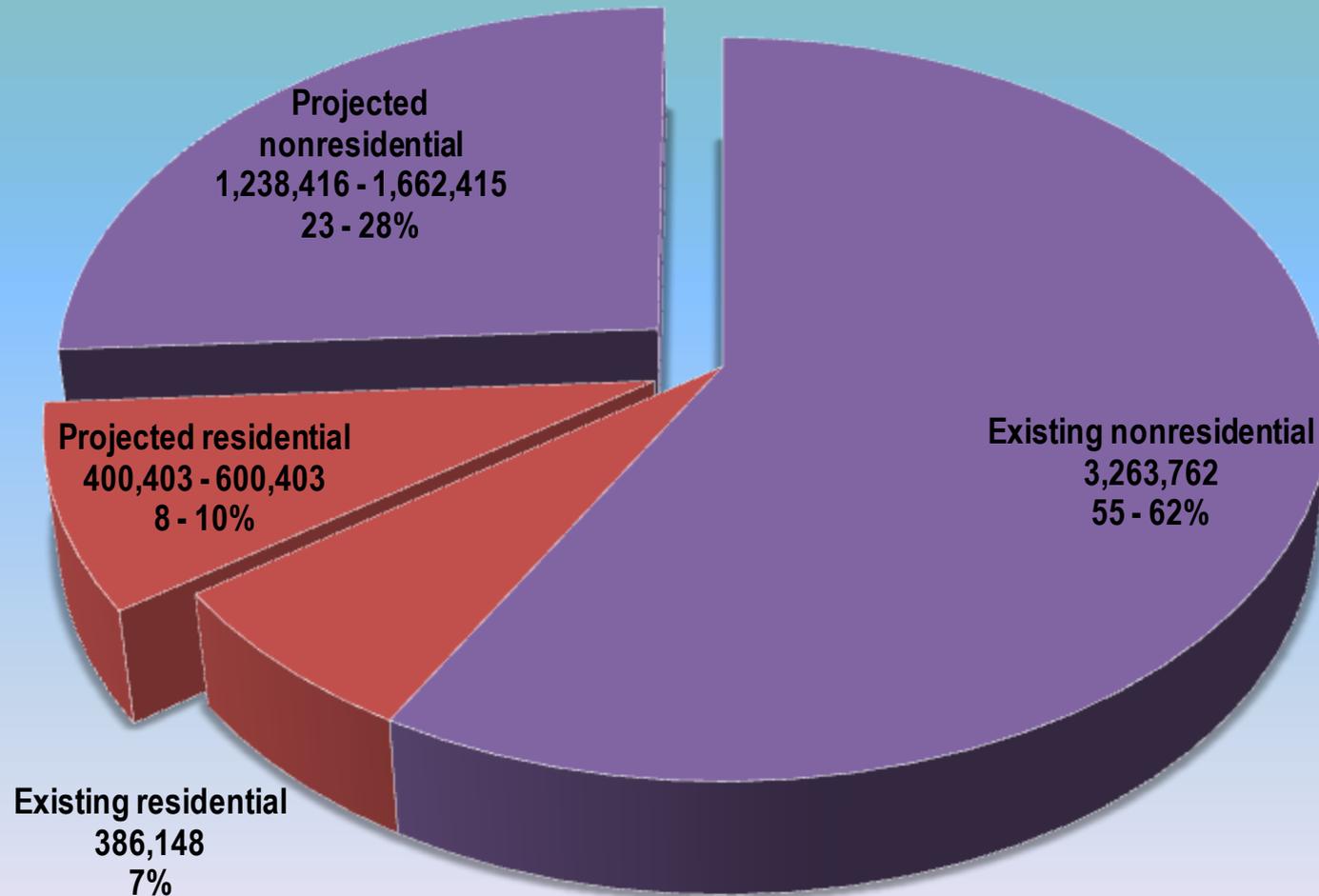
Area & Zoning District	EXISTING (2013) BUILT SQFT (excluding parking garages)			INCREMENTAL CONSTRUCTION (excluding parking garages)			PROJECTED SQFT AT BUILDOUT (excluding parking garages)		
	Non- residential	Residential	Total	Non- residential	Residential	Total	Non- residential	Residential	Total
CAGID AREAS:									
North of Canyon (plus Muni Bldg)	2,930,032	340,345	3,270,377	870,351	213,419	1,083,770	3,800,383	553,764	4,354,147
South of Canyon - excluding East CAP	154,677	27,180	181,857	292,118	192,607	484,725	446,795	219,787	666,582
South of Canyon - East CAP only	42,520	5,623	48,143	462,480	194,377	456,857	505,000	0 - 200,000	505,000
CAGID TOTAL (under min. and max. E. CAP scenarios)				1,273,949 -	400,403 -	1,774,352	4,401,178 -	773,551 -	5,274,729 -
	3,127,229	373,148	3,500,377	1,624,949	600,403	2,025,352	4,752,178	973,551	5,525,729
West CAP (excl. Civic Pad & Muni Bldg)	136,533	13,000	149,533	(35,533) -	0 -	(35,533) -	101,000 -	13,000 -	114,000 -
				37,467	87,000	124,467	174,000	100,000	274,000
CAGID/CAP TOTAL (under min and max CAP scenarios)				1,238,416 -	400,403 -	1,738,819	4,502,178 -	786,551 -	5,388,729 -
	3,263,762	386,148	3,649,910	1,662,416	687,403	2,149,819	4,926,178	1,073,551	5,799,729

Note: CAP projections are subject to change; actual SF could differ.

CAGID/CAP Buildout Projections: Sqft by Location

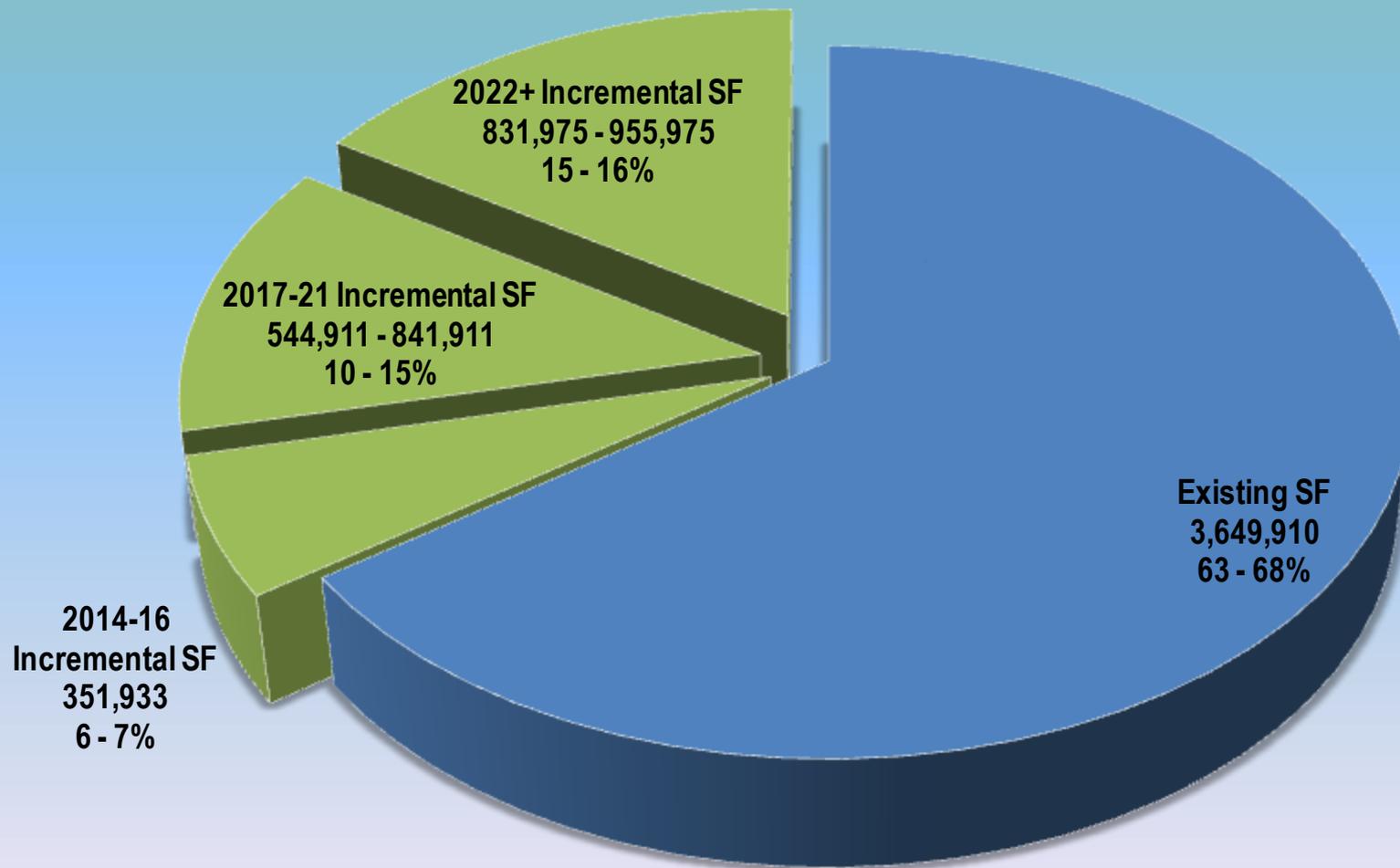


CAGID/CAP Buildout Projections: Square Feet by Use



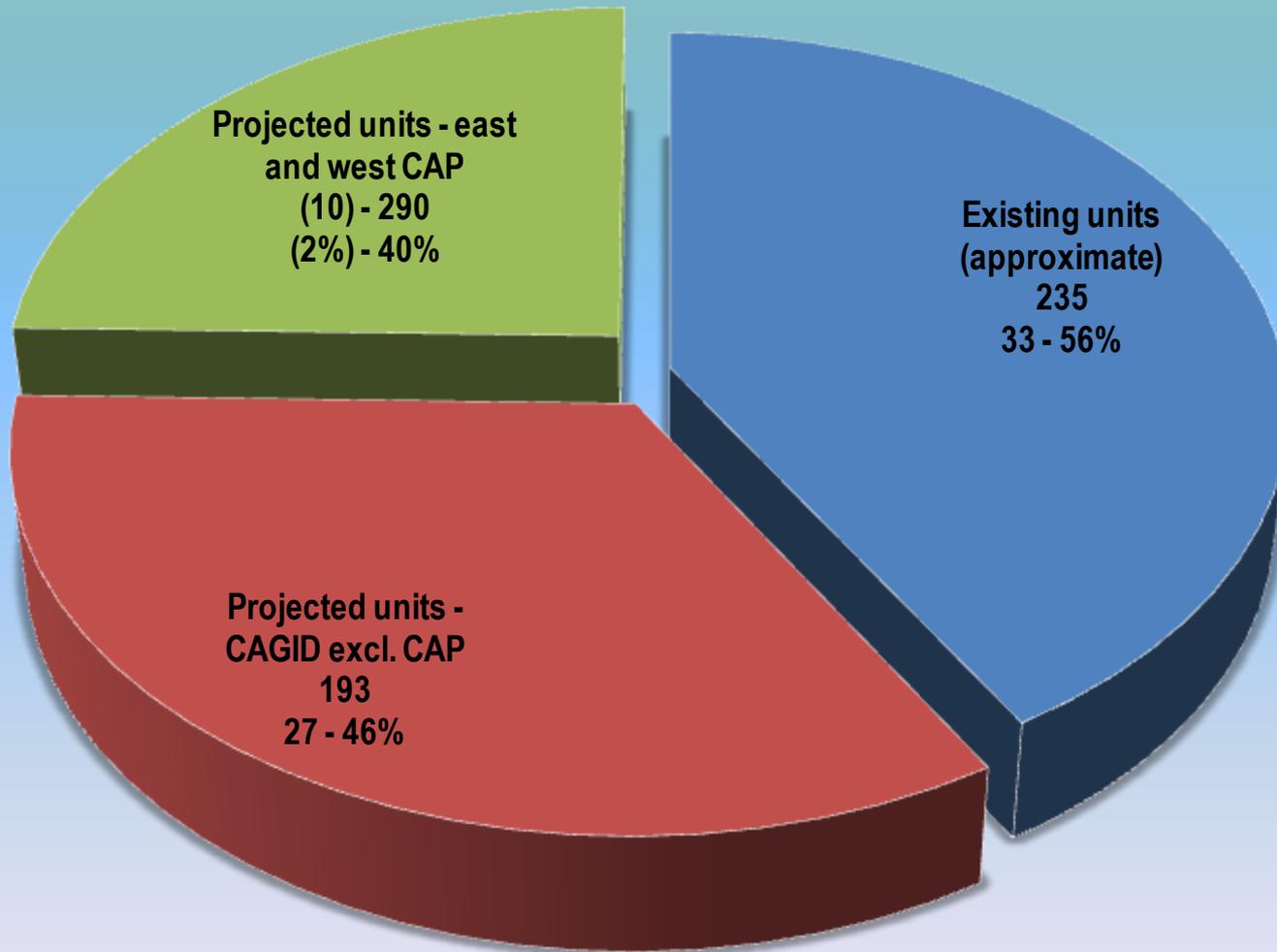
**Total at Buildout:
5.39 – 5.80 million SF**

CAGID/CAP Buildout Projections: Sqft by Time Period



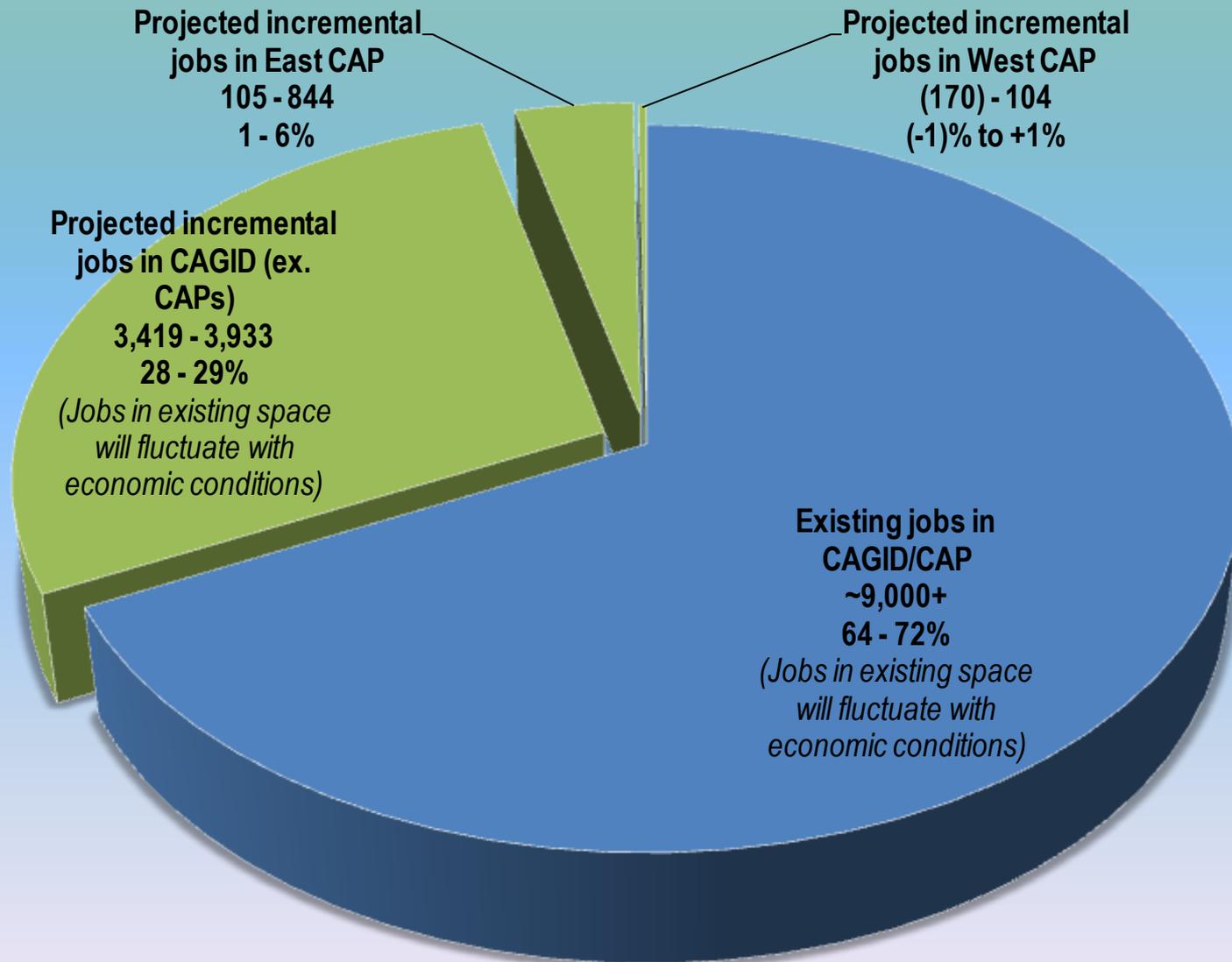
**Total at Buildout:
5.39 – 5.80 million SF**

CAGID/CAP Buildout Projections: Residential Units



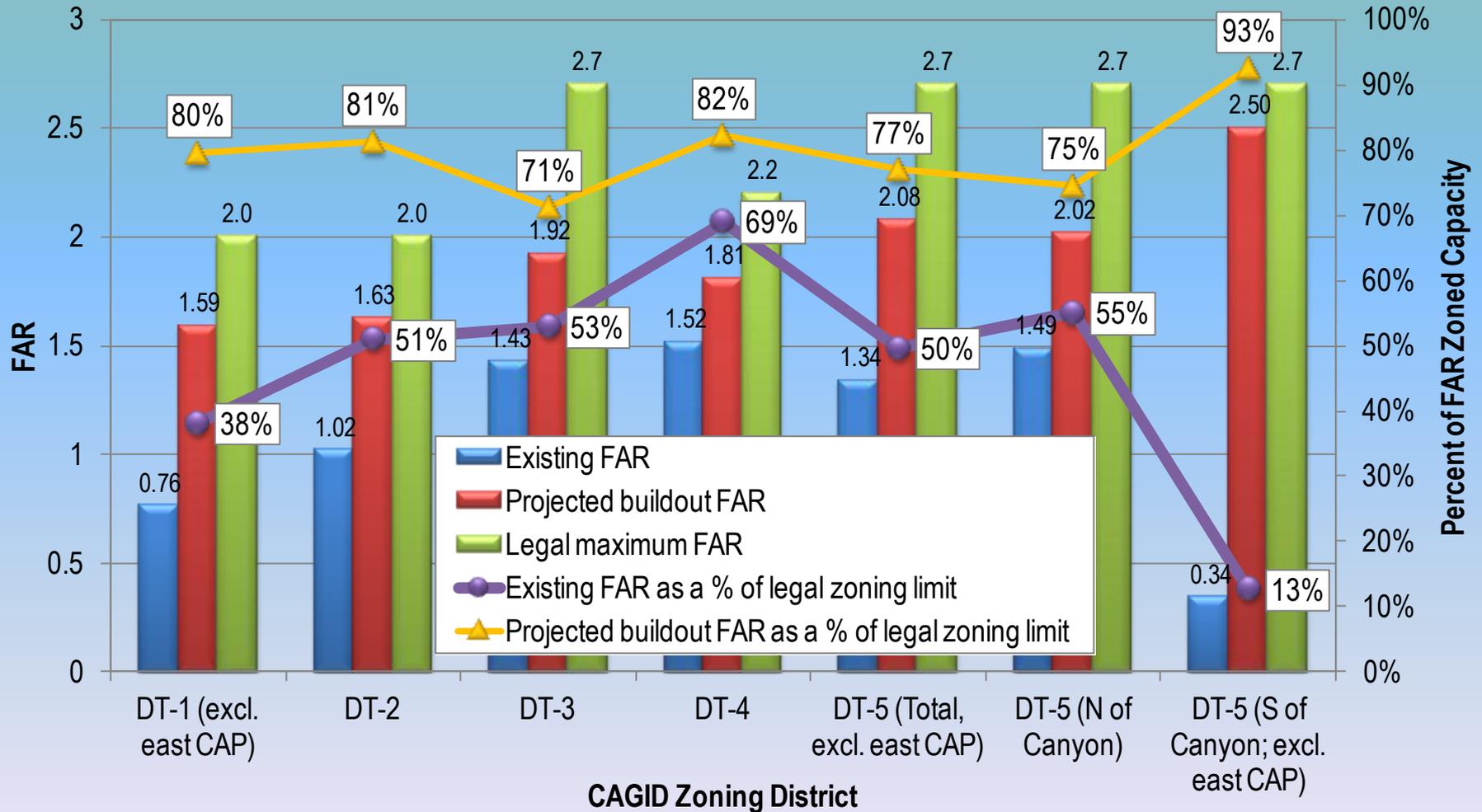
Total at Buildout: 418 - 718 Units

CAGID/CAP Buildout Projections: Jobs



Total at Buildout: 12,300 – 13,700+ Jobs

Existing FAR, Projected Buildout FAR, and Legal Maximum FAR



CAGID/CAP Buildout Projections: Summary

	Existing	Incremental		Buildout		% Change: Incremental vs. Existing	
		Low	High	Low	High	Low	High
Built sqft by area:							
CAGID N of Canyon (incl muni bldg)	3,270,377	1,083,770	1,083,770	4,354,147	4,354,147	33%	33%
CAGID S of Canyon (incl. east CAP)	230,000	690,582	941,582	920,582	1,171,582	300%	409%
<u>West CAP</u>	<u>149,533</u>	<u>(35,533)</u>	<u>124,467</u>	<u>114,000</u>	<u>274,000</u>	<u>-24%</u>	<u>83%</u>
CAGID/CAP total	3,649,910	1,738,819	2,149,819	5,388,729	5,799,729	48%	59%
Built sqft by use:							
Nonresidential sqft	3,263,762	1,238,416	1,662,416	4,502,178	4,926,178	38%	51%
<u>Residential sqft</u>	<u>386,148</u>	<u>400,403</u>	<u>687,403</u>	<u>786,551</u>	<u>1,073,551</u>	<u>104%</u>	<u>178%</u>
Total sqft	3,649,910	1,738,819	2,149,819	5,388,729	5,799,729	48%	59%
Employees:	9,000+	3,354	4,881	12,354+	13,881+	37%	54%
Residential units:	235	183	483	418	718	78%	206%

Note: Density projections exclude any floor area in above-grade parking structures.

QUESTIONS/DISCUSSION

CAGID/CAP Development Projections 2013

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