

# DEVELOPER UPDATES PLANS FOR 13-STORY APARTMENT BUILDING ON FORMER RACINES SITE

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RENDERING BY STUDIO PBA, PROVIDED BY AVALONBAY COMMUNITIES INC.

A rendering of the 13-story apartment building proposed at the southeast corner of 7th Avenue and Sherman Street.

A Virginia-based developer is moving forward on plans for a 13-story apartment building that would transform the southeast corner of East 7th Avenue and Sherman Street in Denver.

AvalonBay Communities Inc. (NYSE: AVB) is under contract for several parcels on the 600 block of Sherman Street, including the former home of longtime restaurant Racines, which is now [closed for good](#).

In May, the developer [submitted a concept plan to the city](#) proposing an "L"-shaped apartment building extending approximately midway down the block, encompassing the Racines site, an adjacent parking garage, a retail building that was home to the now-shuttered Max's Wine Dive, and a pair of small office buildings along Grant Street.

A recently submitted formal site development plan, the next step in the city's approval process, indicates AvalonBay has trimmed down its plans — it's no longer planning to build on the Grant Street parcels, reducing the unit count from 418 to 305.

"In the end, we determined that a smaller and simpler rectangular building footprint was the right approach," said [Todd Nicotra](#), a vice president of development for AvalonBay who works out of the company's Denver office.

Nicotra called the area "vibrant, walkable and convenient to other great neighborhoods in Denver."

"A resident at this site can easily walk, cycle, or drive to Downtown, Cherry Creek, South Broadway and other lively parts of this great city," Nicotra said.

The site is currently zoned for buildings up to 12 stories in height, which will be enough for AvalonBay to build its project as currently planned. The developer plans to utilize a height exception outlined in Denver's zoning code that would allow the company to build an additional story.

Current plans for the community include a fitness center, coworking space, swimming pool, rooftop deck and art from local artists, Nicotra said.

Some nearby residents have expressed concern about the size of the proposed project. A petition to "Save Governor's Park," which urges District 10 City Councilman [Chris Hinds](#) and Denver Mayor [Michael Hancock](#) to oppose the apartment proposal, has garnered more than 250 signatures.

[Ryan Ross](#), a longtime resident of the neighborhood who is leading the petition effort, called the project "out of scale" for the neighborhood.

Ross said he is worried about the traffic impact of the proposed project and was discouraged that AvalonBay has declined to negotiate a good neighbor agreement with Capitol Hill United Neighborhoods, a local registered neighborhood organization.

But Nicotra said those agreements typically accompany rezonings and pointed out that AvalonBay's proposed project is consistent with the site's current zoning.

"Everything about the development will comply with the City's requirements," Nicotra said. "That said, we value input from the neighbors and are committed to working with them as we advance the design of the building."

Nicotra said response to the project so far has been "mixed."

"Some small business owners are excited about the future influx of potential customers to support their businesses," Nicotra said. "Some residents are concerned that their views will change and traffic will increase. To those who are concerned, I would point to the guide rails that the City has in place for all new developments."

Nicotra added that he thinks some of the concerns will be mitigated by the quality and design of the building. The project is on pace to achieve LEED Gold status, he said.

Travis Leiker, president of CHUN, told Denver Business Journal he's still holding out hope that his organization and AvalonBay will eventually negotiate a good neighbor

agreement. Because AvalonBay's plans match the zoning for the site, he said CHUN's role will focus less on the zoning and more on partnering with the developer to discuss and perhaps address some of the neighbors' concerns.

"The zoning really is what it is," Leiker said.

In late September, CHUN hosted an informational meeting between local residents and AvalonBay representatives. Leiker said CHUN will push for AvalonBay to increase its support to local nonprofits, particularly those that work to alleviate homelessness and provide more affordable housing, in lieu of incorporating affordable housing in the currently proposed project.

CHUN has also proposed several ways that AvalonBay can incorporate the legacy of Racines into the apartment project, such as using the name in the project (which in plans has been referred to as "Avalon Governor's Park") or reusing some of the materials in the restaurant.

"When a rezoning is not requested, we will typically engage the developer in thoughtful design, appropriate land use, environmental sustainability and mixed-use opportunities," Leiker said. "That's largely how we see our role going forward."

Construction is underway on another AvalonBay project in Denver called AVA RiNo, located at 1185 26th St. The 246-unit complex is on schedule and will welcome its first residents in late 2021, Nicotra said.

AvalonBay owns four other apartment properties in Littleton, Aurora, Castle Rock and Lakewood.



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