



72nd Avenue Study and Plan Economic Vitality Study Westminster, Colorado

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Executive Summary

This memo is an appendix to the 72nd Avenue Study and Plan which is planning for transportation, mobility, and urban design improvements between Zuni Street and Pierce Street on 72nd Avenue in the City of Westminster. This memo addresses related economic development issues along the corridor.

Demographics and Background

- **Households:** An estimated 8,000 households live in the ¼ mile radius around the 72nd Avenue corridor between Zuni Street and Pierce Street. The corridor saw an increase in about 200 households in the last five years while the City grew by 4,400 households. Average household sizes are approximately 2.66 persons per household in the corridor compared to the City at 2.46 persons.
- **Incomes, Race and Ethnicity:** Median household incomes are estimated at \$58,467 in comparison to the City of Westminster at \$80,355. Median ages in both the City and the corridor are about 37 years of age. The corridor as well as the City tends to be Hispanic / Latino and White.
- **Citywide Studies:** Two Citywide studies relevant to this corridor are as follows:
 - **Retail:** The Citywide Retail Strategy included the 72nd Avenue Corridor in the “South Westminster” district. South Westminster has both the oldest retail inventory on average, and is the area within the City with the least affluent surrounding demographics.
 - **Housing:** The Housing Needs Assessment mentioned the rising rents as well as the increasing homeownership gap within the City.
- **Retail:** Retail in the 72nd Avenue corridor area comprises approximately 10% of the overall retail square footage in the City of Westminster. The Sheridan Avenue intersection includes a Wal-Mart Supercenter and newer retail offerings. There are a variety of larger box retailers near Federal Boulevard and 72nd Avenue. The community’s most pressing concern in the eastern end of the corridor is the desire for a full-service grocery store. In order to support a grocery store near Federal Boulevard and 72nd Avenue, approximately **1,000 to 3,000** additional households would be needed for a convenience oriented urban grocery store. A “conventional” suburban-style grocery store would need at least an additional **5,000** units in close proximity.
- **Office:** Office development is typically tied to employment growth. Given the market challenges, it is unlikely that any speculative large-scale office development will occur in the near future. Should the Northgate development occur along with redevelopment at the Westminster station and the addition of a significant number of housing units, smaller scale office space providing medical and other personal services may be a longer term potential in the area.
- **Industrial:** As area redevelopment occurs and land values increase, there may be increased pressure on corridor industrial properties to redevelop to other uses. While this may take some time, City policies around jobs retention and the significance of maintaining industrial land uses may need to be examined in light of changes occurring in the future.
- **Residential:** Multifamily rental units in and around the 72nd Avenue Corridor help provide affordable rental housing options for the City and metro area. The existing rental units are a mix of market rate affordable and deed-restricted affordable housing. Vacancy rates are much lower than the Citywide average, indicative of the need. Ownership housing prices have seen significant increases in the last five years. Prices, however, remain relatively attainable in the corridor area compared to the rest of the metro area.

Executive Summary

Focus Area Recommendations:

- **Hidden Lake Long Term Redevelopment: The shopping center at the northeast corner of 72nd Avenue and Sheridan Boulevard is a long term future redevelopment candidate.** Future potentials could include a mix of residential types, including single family residential, townhouses, and apartments (including mixed income residential), additional medical office, along with specialty retail.
- **Harris Park area:** The Harris Plan Vision is guiding the future of the area. The plan should be reviewed in light of development considerations, ensuring that they're aspirational but grounded in reality. Along 72nd Avenue, social paths should be normalized and track crossings made safer. Additional wayfinding from 72nd Avenue should be provided.
- **Westminster Station:** The City has a **station area plan** in place and various redevelopment tools (Urban Renewal, Opportunity Area Zones, etc). Some of the redevelopment challenges include Xcel's limited ability to readily provide increased utility services to new development within the area. **Working with Xcel and potentially the State to overcome the infrastructure challenge** is important in light of the area housing need and the planned Bus Rapid Transit investment along the Federal Boulevard corridor.
- **Northgate Commercial:** Exploring other options for **reuse of the Northgate commercial site may include a horizontal mixed use center with additional residential units and other amenities** to complement the planned Northgate residential development.
- As the area densifies, a more appropriate location for a full-service grocery store could be within the large center at the northwest corner of Federal Boulevard and 72nd Avenue.



Demographics

Population and Households

There are an estimated 8,000 households in the 1/4 mile radius around the 72nd Avenue Corridor. Between 2012-2016 and 2017-2021, the number of persons decreased slightly in the 1/4 mile radius, although the number of households increased indicating a decrease in average household sizes.

The City of Westminster also saw a decrease in average household sizes during this time. It also saw an increase in both population and households with the addition of 4,400 households.

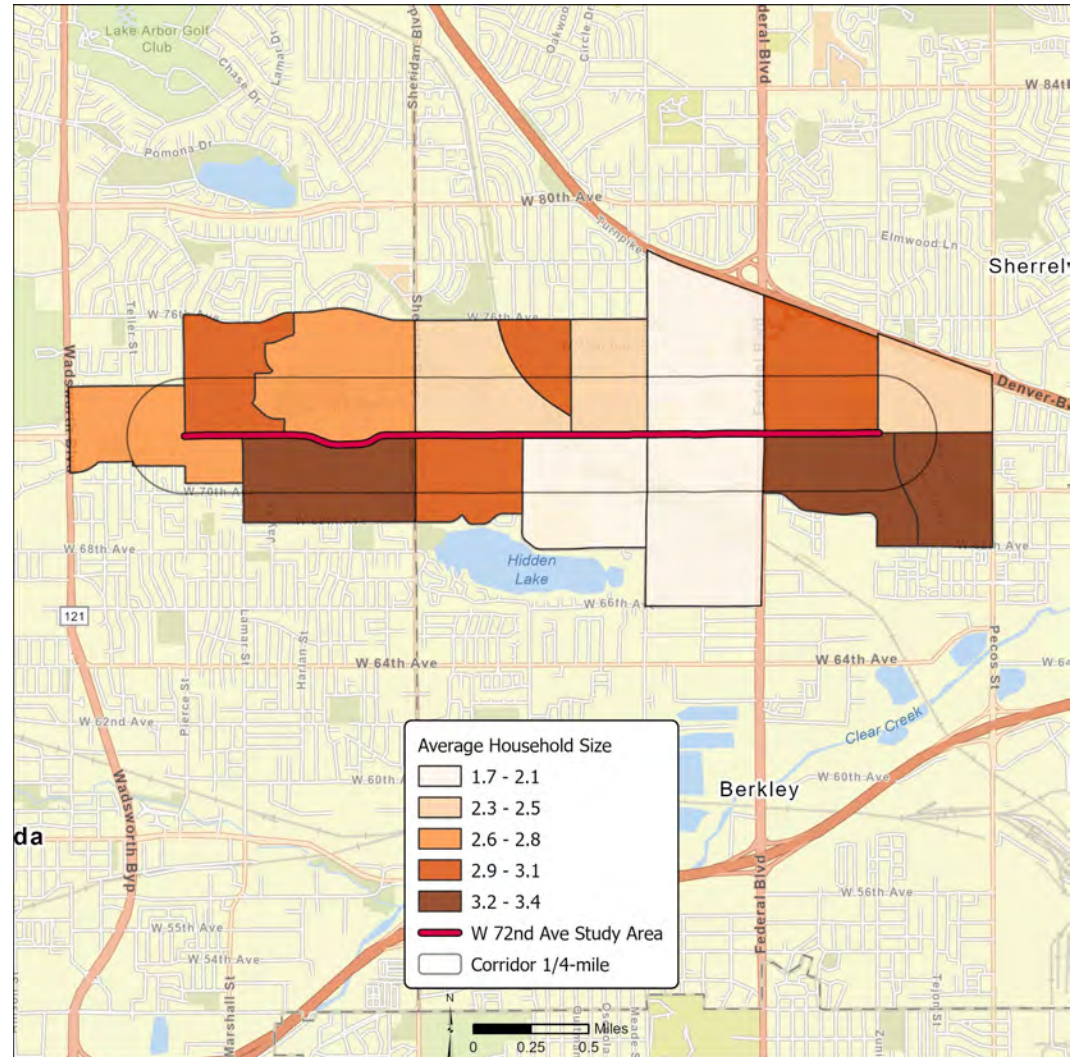
Population and Households, 2012-2016, 2017-2021

| | 2012-2016 | 2017-2021 | Change |
|----------------------------|-----------|-----------|--------|
| <i>1/4 Mile Radius</i> | | | |
| Persons | 21,604 | 21,533 | -71 |
| Households | 7,863 | 8,082 | 219 |
| Persons / Households | 2.75 | 2.66 | |
| <i>City of Westminster</i> | | | |
| Persons | 111,770 | 115,535 | 3,765 |
| Households | 42,573 | 46,968 | 4,395 |
| Persons / Households | 2.63 | 2.46 | |

Source: American Community Survey 5 Year Estimates, 2012-2016 and 2017-2021, ArLand

DRCOG currently forecasts an annual 0.6% household growth rate in the corridor for the next ten years. This will accommodate potential growth at the proposed Northgate community east of Federal Boulevard and 72nd Avenue. These growth forecasts could be adjusted as Westminster Station Area redevelopment occurs.

Average Household Size



Source: 2017-2021 American Community Survey 5 Year Estimates, ArLand

Household Incomes

The median household incomes in the 1/4 mile radius are estimated at less than \$60,000 and lag in comparison to median household incomes in the City overall. Additionally, between 2012-2016 and 2017-2021, while both areas saw an overall increase, the 1/4 mile radius also lagged in terms of overall annual percentage change growing by 2.3% annually compared to the City which grew by 2.9% annually during this time period.

Change in Median Household Incomes: 1/4 Mile Radius vs. City

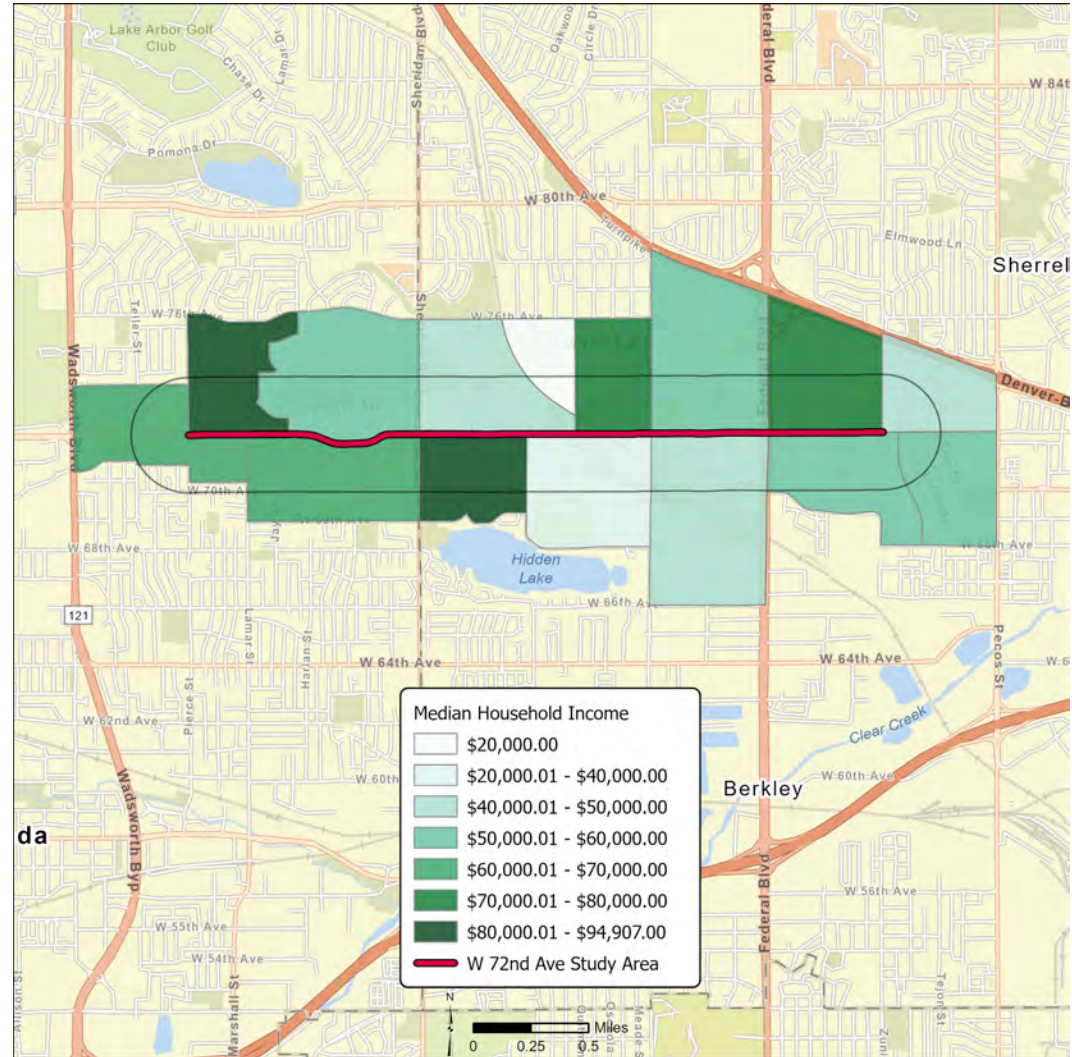
| | 2012-2016 | 2017-2021 | Annual Percentage Change |
|---------------------|-----------|-----------|--------------------------|
| 1/4 Mile Radius | \$52,209 | \$58,467 | 2.3% |
| City of Westminster | \$69,805 | \$80,355 | 2.9% |

Household Income Distribution, 2017-2021: 1/4 Mile Radius vs. City



Sources for table and chart: American Community Survey 5 year Estimates, 2012-2016 and 2017-2021, ArLand

Median Household Income



Source: 2017-2021 American Community Survey 5 Year Estimates, ArLand

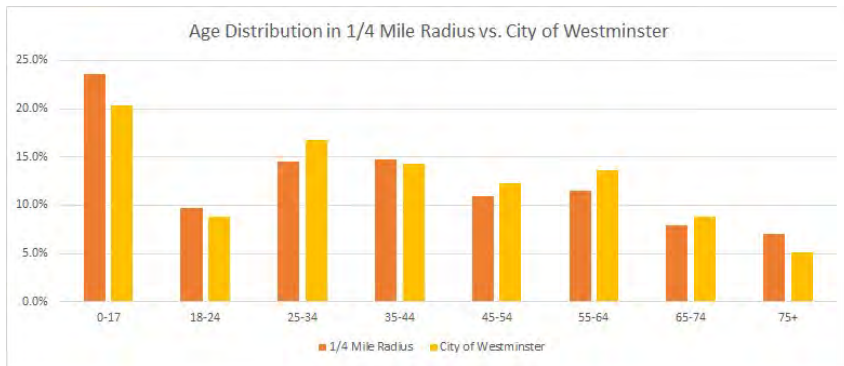
Ages

Residents in the 1/4 mile radius are generally younger than the City. Median ages are slightly younger at 37.09 years in the corridor compared to 37.6 years in the City overall. The 1/4 mile radius has a higher percentage of residents 0-24 years, 35-44 years, and over 75 years old.

Median ages tend to be higher northwest of Federal Boulevard and 72nd Avenue which may be indicative of older, settled residential neighborhoods.

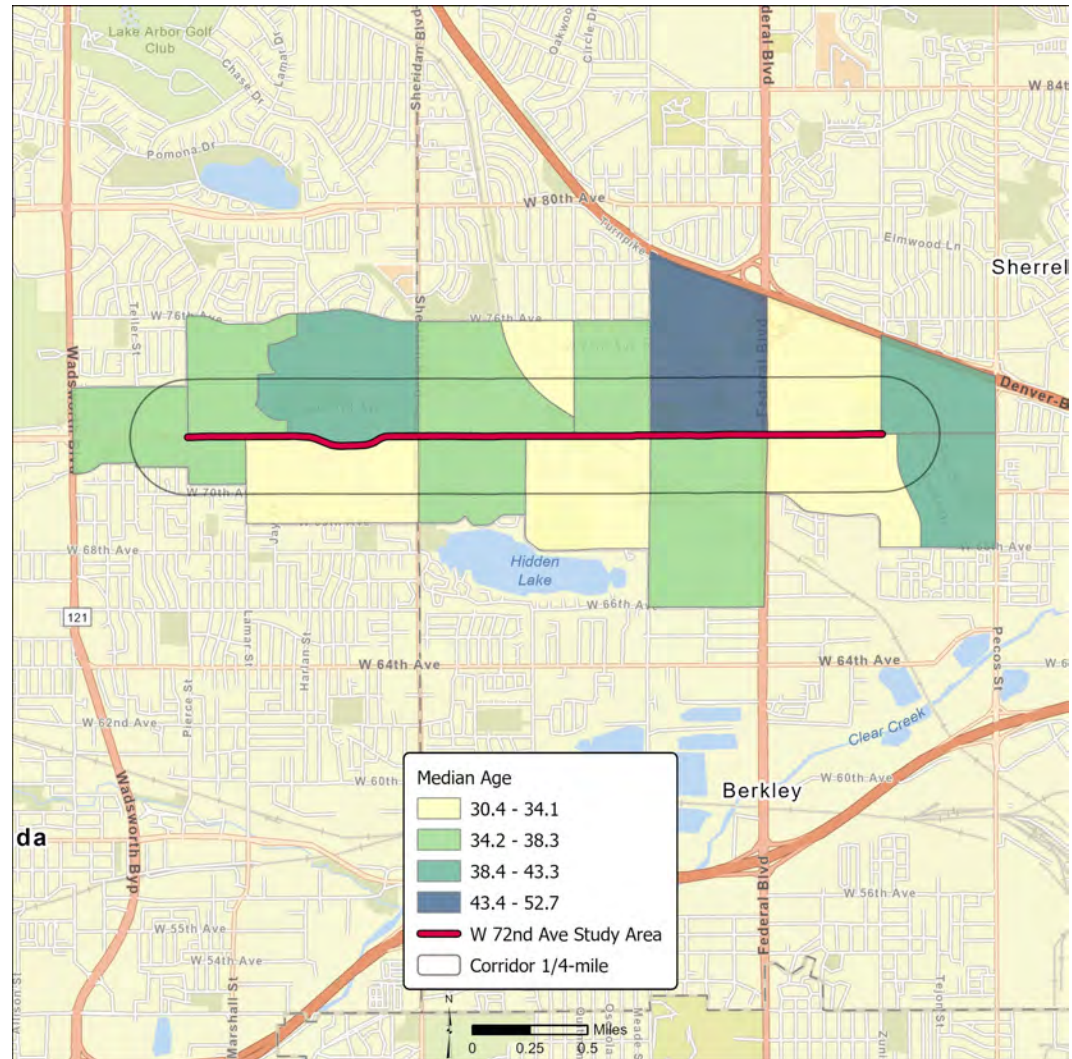
| | 2012-2016 | 2017-2021 | Change |
|---------------------|-----------|-----------|--------|
| 1/4 Mile Radius | 35.09 | 37.09 | 2.00 |
| City of Westminster | 36.30 | 37.60 | 1.30 |

Age Distribution, 2017-2021: 1/4 Mile Radius vs. City



Sources for table and chart: American Community Survey 5 Year Estimates, 2012-2016 and 2017-2021, ArLand

Median Age



Source: 2017-2021 American Community Survey 5 Year Estimates, ArLand

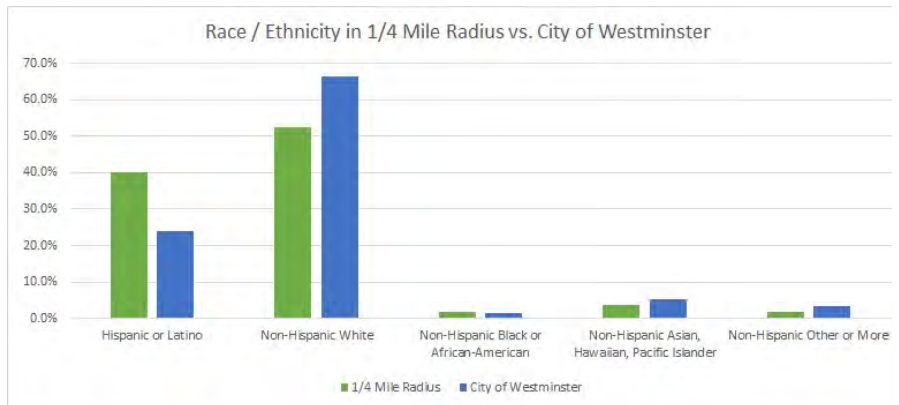
Race and Ethnicity

The non-Hispanic White population is over 50% of the corridor population followed by the Hispanic / Latino population which comprises about 40% of the corridor population. Black, Asian and other races as well as mixed race residents comprise the balance.

In the City of Westminster, the non-Hispanic White population comprises over 65% of the population followed by Hispanic / Latino residents at over 24% of the population. Asian Pacific Islanders comprise over 5% of the population followed by Black, mixed and other race persons.

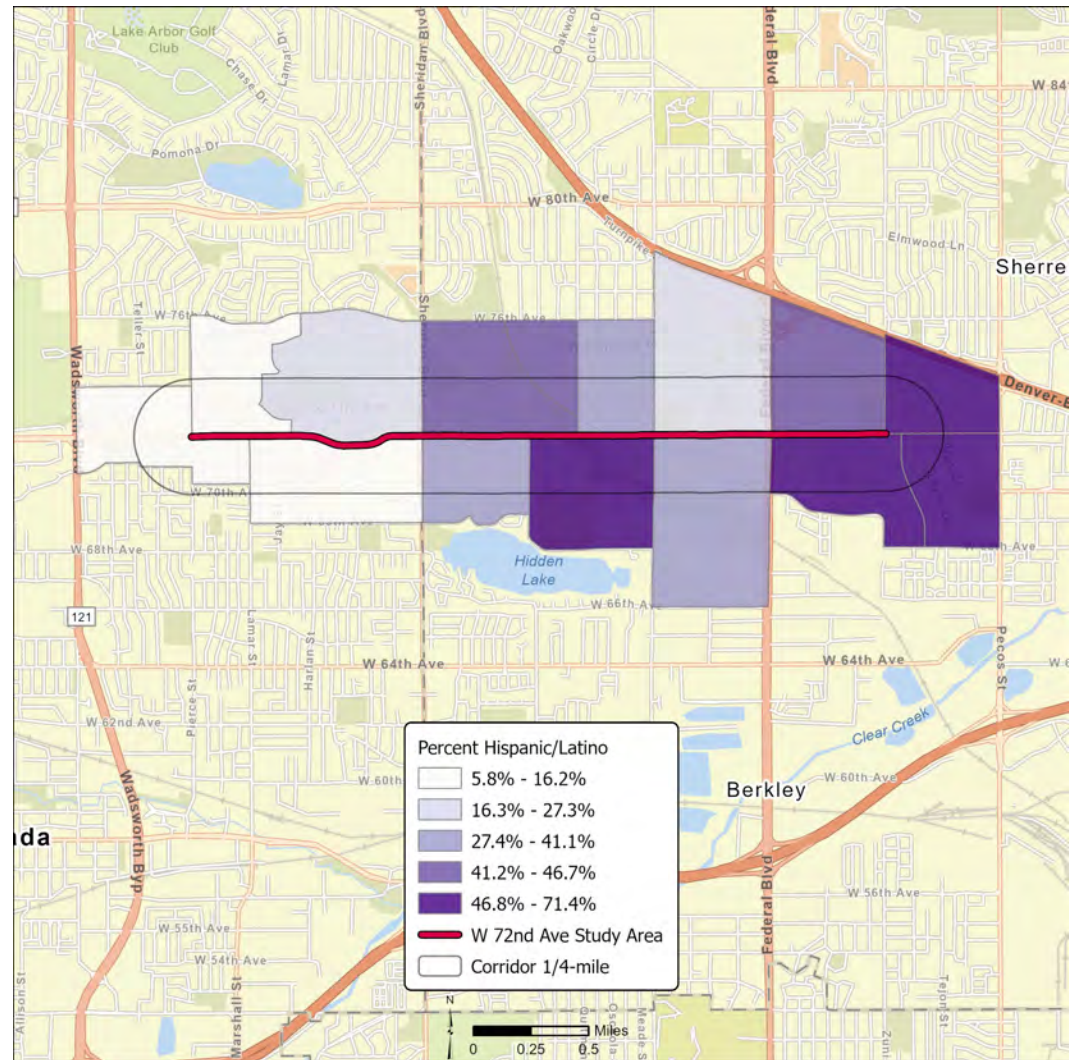
The neighborhoods east of Federal Boulevard tend to have a higher percentage of Hispanic / Latino residents in comparison to the neighborhoods west of Federal Boulevard. The neighborhoods west of Sheridan Boulevard tend to be predominantly non-Hispanic White.

Race / Ethnicity, 2017-2021: 1/4 Mile Radius vs. City



Source: 2017-2021 American Community Survey 5 Year Estimates, ArLand

Race and Ethnicity



Source: 2017-2021 American Community Survey 5 Year Estimates, ArLand



Real Estate Markets

72nd Avenue Corridor Needs

Changes in behavior occurring during the Covid-19 Pandemic continue to be felt throughout the region, with impacts on real estate markets. While changes in real estate markets had been occurring, the Pandemic hastened or exacerbated trends.

Key considerations as we examine 72nd Avenue Corridor opportunities are summarized below:

- **Retail and restaurants:** Retail markets were shifting prior to Covid (increased on-line shopping; the demise of some retail store types). Retail and restaurants are continuing to adjust to a post-Covid reality of operating. There are national credit retailers along 72nd Avenue, particularly at Federal Boulevard and Sheridan Boulevard. Sheridan Boulevard retail is relatively healthy although there are second generation retail uses at the northeast corner of Sheridan Boulevard and 72nd Avenue. Federal Boulevard and 72nd Avenue lost a smaller Wal-Mart store (which included groceries). Its closure is indicative of the ever-changing nature of retail and the reality that location and operations decisions are dictated elsewhere.
- **Housing:** In the City of Westminster and across the region, the increased unaffordability of housing (both rental and ownership) is of paramount concern. While the increase in housing values may be benefitting some, others have found that cost burdens have increased as housing prices and rents have increased significantly.
- **Office:** The office sector has been one of the hardest hit by the Pandemic. Increased office sublease vacancies are starting to be seen as office employees are choosing to work in a hybrid fashion with continued consequences for the office market.

Other Area Considerations

- **Federal Boulevard Bus Rapid Transit:** The Colorado Department of Transportation (CDOT) has started planning for a Bus Rapid Transit route that will encompass 18 miles of Federal Boulevard from 120th Avenue in Westminster to Dartmouth Avenue in south Denver. It will help better connect the 72nd Avenue corridor in Westminster to the rest of the region and help build momentum for redevelopment at the Westminster Station which is currently working through infrastructure provision issues.
- **St. Anthony North Healthcare Investment:** St. Anthony North at 84th Avenue and Federal Boulevard is expanding by 133,000 square feet to keep up with rapid area growth as well as add additional services including a cancer center, advanced technology services, and more intensive care beds.

A number of regional hospitals are embarking upon major expansions and/or relocations in order to upgrade facilities, keep up with area growth, and prepare for changes in medical technology and health care needs. One of the challenges that facilities have is in attracting a workforce with proximity to “missing middle” housing especially important with potential for increased demand throughout the immediate regional area.

- **Uplands Redevelopment:** A “missing middle” and affordable community, this new community of 2,350 homes will be built over the next 15 to 20 years between Federal and Lowell Boulevards and 84th and 88th Avenues. As these homes are built out, they are expected to create demand for increased commercial and personal services.

72nd Avenue Corridor Needs

Past studies relevant to this task include a 2022 Citywide Retail Strategy and a 2023 Housing Needs Assessment.

2022 Citywide Retail Strategy

- The strategy acknowledges a new normal, ie open air retail districts and projects favored over enclosed malls. On-line continues to be popular and growing. Some stores are being increasingly used as convenience fulfillment centers, particularly for commodity goods.
- The City was divided into sub-sections. Retail along the 72nd Avenue Corridor is in the section called “South Westminster”. 72nd Avenue is the primary east-west corridor in this area bounded by 88th Avenue to the north and the City boundary to the south.
- South Westminster has both the oldest retail inventory on average, and is the area within the City with the least affluent surrounding demographics. Retail vacancy rates during the time of the study were 14.5%, (much higher than the other sub-sections of the City).
- Lack of aggregate demand, south to north development patterns that favor the north and physical barriers discourage the flourishing of retail in South Westminster.
- Encouraging denser development, in the long term may lead to growing aggregate demand over time, however, it is unlikely that a “magic retailer” will appear that might backfill some of the now vacant spaces.
- South Westminster is increasingly left behind as a retail district. Federal Boulevard and 72nd Avenue has significant vacancies and second generation uses (Planet Fitness) backfilling spaces. The recommendation was to potentially master plan a commercial or mixed-use, mixed income housing development on the Northgate commercial site.

2023 Housing Needs Assessment

A draft Housing Needs Assessment was released in December 2023 updated a previous 2016 analysis. The primary objective was to assess the extent to which the pandemic and other changing factors changed overall housing conditions for the City’s residents. In general, as the 72nd Avenue Corridor considers future potentials, the addition of residential is an option that would help meet housing needs and lend vibrancy to the corridor.

- **Naturally Occurring Affordable Housing (NOAH):** As the draft Housing Needs Assessment identifies, the City’s NOAH is predominantly located in South Westminster in close proximity to 72nd Avenue. NOAH is defined as properties with average asking rents below \$1,200 monthly in Class B or Class C buildings.
- **Rental Gap:** The assessment estimated that the City has a rental gap of approximately 2,650 units for renter households earning \$31,500 or less (in 2021). Smaller deficits can also be found at the market rate and luxury tiers for households making more than \$125,000 although it is assumed that these households are able to find housing. One of the challenges is that the lack of available rental housing at the highest tiers leads to more competition for more moderately priced units.
- **Homeownership Gap:** Although Westminster has been a relatively “affordable” homeownership market, there has been a continued increase in the median home price. In recent years, the City has had a severe shortage of ownership homes which are affordable to households earning below 80% of AMI (\$83,840 in 2021). Between 2017 and 2021, the shortfall grew from 7,483 to 8,294 units. At the same time, the City also has an over 8,000-unit surplus of market rate homes (affordable to households making at least \$125,000)

Retail

The retail sector has seen a tremendous amount of recent change.

The onset of Covid-19 exacerbated retail trends already underway

- Online purchases represent 18% of all retail sales nationally and will likely continue to increase. Retail is changing to better align with consumer tastes and preferences and more online purchases. While specialty retail continues to exist, many retailers also have developed a substantial on-line presence. In addition to increased on-line sales, open-air retail districts are increasingly popular compared to enclosed centers and malls. Some stores are increasingly being used as convenience fulfillment centers.

Retail centers have been transitioning to mixed use and entertainment centers

- Developments with a mix of uses not only rely less exclusively on only one sector like retail, which makes their revenue more resilient, but these places also create synergies. Multiple synergies exist when “the existence of one supports demand for the others, such as retail serving as an amenity for office users and multi-family residents, or office and multi-family tenants providing foot traffic for retailers” (Ferramosca 2022).

A mix of uses creates demand for nearby residential

- Mixed-use developments create demand for multi-family developments adjacent to or nearby. Such demand is notable within a quarter mile of the mixed-use development. More importantly, people want to be near this type of place because they can have a variety of experiences even if they don't live within the mixed-use development's boundary. Renters are willing to pay a premium to live in or near a neighborhood with convenient access to goods and services when compared to older neighborhoods without such uses (Ferramosca 2022).

Mixed Use Bradburn Village: Westminster, CO



Source: CoStar and Continuum website

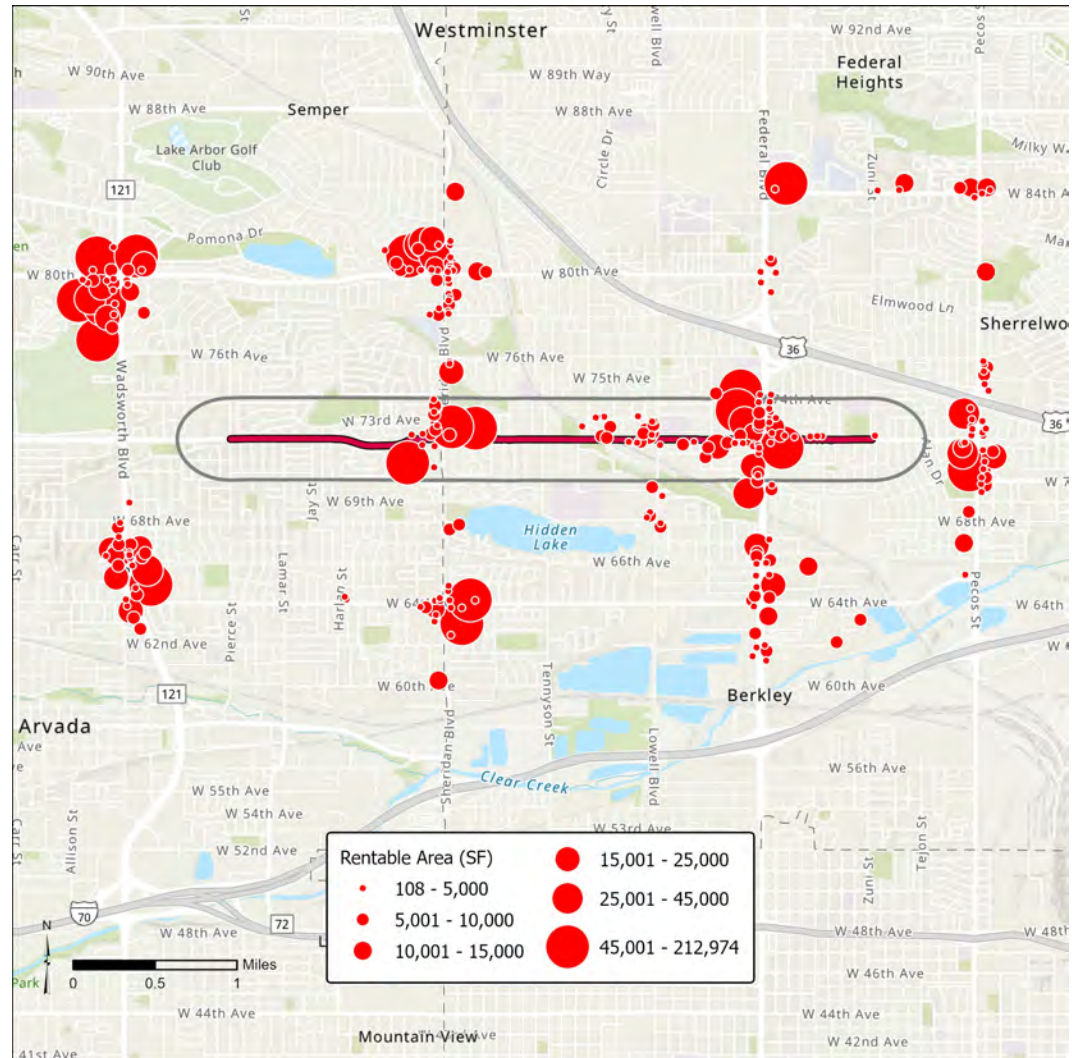
Note: Ferramosca, Peter. High-growth Areas surrounding Placemaking, Mixed Use Projects Signal Investment Opportunity. CoStar Insight. October 19, 2022

Retail

Retail in the 72nd Avenue corridor comprises approximately 10% of the overall retail square footage in the City of Westminster.

- The average rental rate in the corridor is \$16.23 per square foot compared to the City average at \$18.26.
- Vacancy rates at an estimated 6%-10% and include the vacant grocery store space at the Northgate Shopping Center.
- The Sheridan Avenue intersection includes a Wal-Mart Supercenter and newer retail offerings. MJ Developers has recently announced that it would be developing historic Shoenberg Farms into a 6-tenant food hall and incubator space.
- The corridor also includes smaller retail outlets which tend to be older strip commercial centers housing a variety of locally owned businesses. Subjective Coffee recently joined Valente’s Italian Deli /Grocery near Lowell Boulevard and 72nd Avenue.
- There are a variety of larger box retailers near Federal Boulevard and 72nd Avenue. The community’s most pressing concern in the eastern end of the corridor is the desire for a full-service grocery store.

Retail



Source: CoStar, ArLand

| | City of Westminster | Regional Market Area | 72nd Avenue Corridor (1/4 Mile Radius) |
|---------------------------------|---------------------|----------------------|--|
| Retail | | | |
| No. of Buildings | 443 | 297 | 82 |
| Inventory (SF) | 8.9 M | 3.4 M | 894,530 |
| NNN Lease Rate per SF (9/2023) | \$18.26 | \$16.25 | \$16.23 |
| Vacancy Rate (9/2023) | 4.7% | 3.9% | 6%-10% [1] |
| New additions SF (Last 5 Years) | 45,900 | 6,124 | 4,719 |

Source: ArLand, CoStar

[1] Estimate only; CoStar N/A

Retail

The 72nd Avenue Study Area is in close proximity to a number of neighborhood retail centers and strip commercial centers as shown in the figure.

Northgate Shopping Center Anchor

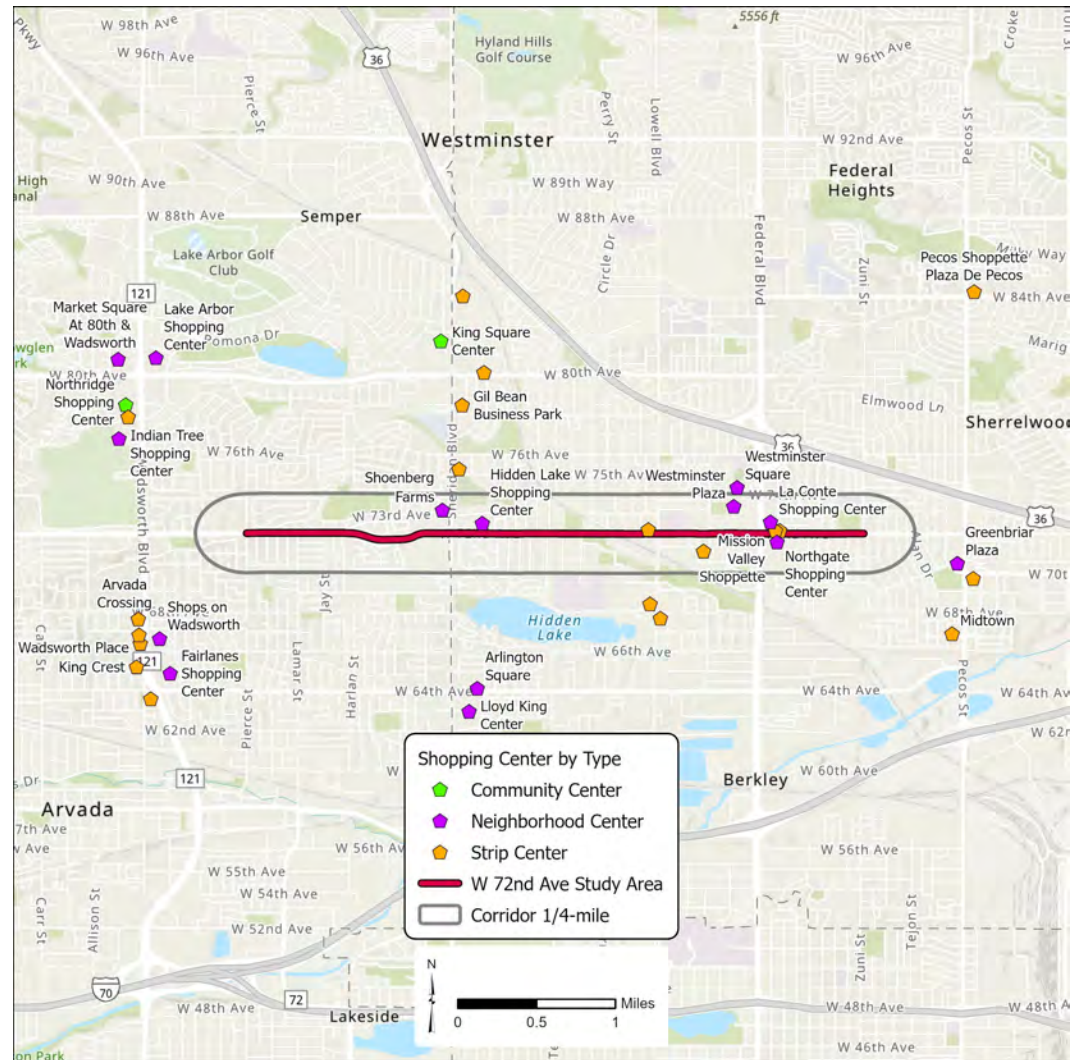


Source: Marketing Brochures

The 45,000 square foot store at the Northgate Shopping Center at Federal Boulevard and 72nd Avenue is vacant. Built in 1962 and renovated in 2008, its recent tenant history includes a Hispanic / Latino grocery store and a Wal-Mart neighborhood center.

The total center is about 58,000 square feet of gross leasable area on 5 acres which is too small for a full-service (non-ethnic) suburban grocery store anchored center. The anchor store space is about the appropriate size for a Hispanic / Latino grocery store. One challenge is the constant consolidation and change in this segment of the market. Additionally, Hispanic / Latino grocery stores already have a presence in the area with a small Save-A-Lot closeby and a larger Lowe's Mercado at 73rd Avenue and Pecos Street.

Shopping Centers



Source: CoStar, ArLand

Retail

There are a number of neighborhood grocery stores in the 2-mile radius which is the approximate market area for a suburban neighborhood grocery store.

- The Walmart Supercenter at Sheridan Boulevard and 72nd Avenue serves a broad regional area including the neighborhoods near Federal Boulevard and 72nd Avenue.
- The market area includes several King Soopers at the peripheries.
- The Save-A-Lot at approximately Federal Boulevard and 74th Avenue is the closest neighborhood grocery store for the neighborhoods around Federal Boulevard and 72nd Avenue. While it is focused on the Hispanic consumer, it provides a full range of grocery-related items.
- The 30,000 square foot Lowe's Mercado at 73rd Avenue and Pecos Street also serves the neighborhood particularly the eastern end of the corridor.
- Tay Do and the Lao Market help serve the Asian households in the area. They are smaller stores and primarily offer meat, fish, produce, canned and frozen foods.
- This market area has a number of specialty stores (desserts, bakeries) many of which are oriented to the Hispanic consumer. There are a number of 7-11s and convenience stores at gas stations which are also shown.

Supermarket and Grocery Stores



Source: City of Westminster, ArLand

Retail

| | |
|--------------------------|-----------------|
| 2 Mile Radius Households | 25,000 |
| Avg Household Income | \$68,434 |
| Total Household Incomes | \$1,710,850,000 |

| Category | % Retail Expenditures [1] | Demand (retail potential) | Supportable s.f. at @\$600 / s.f. | Supportable s.f. at @\$650 / s.f. |
|----------------|---------------------------|---------------------------|-----------------------------------|-----------------------------------|
| Grocery Stores | 5.9% | \$101,089,269 | 168,482 | 155,522 |

| Existing Retail Supply | Approx Revenues | \$ / s.f. | Estimated s.f.[1] |
|--------------------------|----------------------|-----------|-------------------|
| King Soopers | \$45,000,000 | \$600 | 75,000 |
| King Soopers | \$36,000,000 | \$600 | 60,000 |
| Walmart Supercenter [2] | \$52,000,000 | \$650 | 80,000 |
| Save-A-Lot | \$10,000,000 | \$500 | 20,000 |
| Lowe's Mercado | \$15,000,000 | \$500 | 30,000 |
| Tay Do Asian Supermarket | \$2,925,000 | \$325 | 9,000 |
| Lao Market | \$975,000 | \$325 | 3,000 |
| Total Supply | \$161,900,000 | | 277,000 |

Deficit (\$72,886,829) \$600 (121,478)

Estimated Additional Households Needed in 2-Mile Radius to Support a Grocery Store 1,000 to 5,000 [3]

Source: ESRI, City of Westminster Citywide Retail Strategy, CoStar, ArLand

[1] %age of typical household expenditure on groceries

[2] Estimated grocery s.f. in store

[3] Currently, deficit of households in market area to support a grocery store. Strongest desire for grocery store near 72nd Avenue and Federal Boulevard. The addition of 3,000 walkable dense units near that intersection could support a convenience oriented urban grocery store. (minimum threshold typically needed). The strongest desire for a "conventional" grocery store has been expressed by the area's older residents. In that scenario, 5,000+ additional units would be needed (typical minimum threshold needed).

Neighborhood demographics don't support another full-service grocery store at this time.

- The grocery store market area would ideally support about 170,000 square feet of grocery retail. There are about 275,000 square feet of grocery retail in the 2-mile market area.
- Additional households would be needed to support a grocery store. The strongest desire has been expressed for the 72nd Avenue and Federal Boulevard intersection. The addition of 3,000 walkable dense units at or near the station area could help support a small convenience-oriented grocery store.
- The ideal scenario is the implementation and buildout of the Westminster Station Area. The Station Area plan forecasts an additional 2,600 residents. One of the challenges is the current inability to provide public services via Xcel to the station area and the need to provide an additional substation.
- As of September 2023, a development pre-proposal application had been submitted to the City to potentially add approximately 290 housing units to the Northgate property.
- Between Federal and Lowell Boulevards, 84th and 88th Avenues, the Uplands community is adding over 2,350 residential units in a mixed use, mixed income configuration with about 450 units slated to be income-restricted, affordable and workforce housing.

Retail

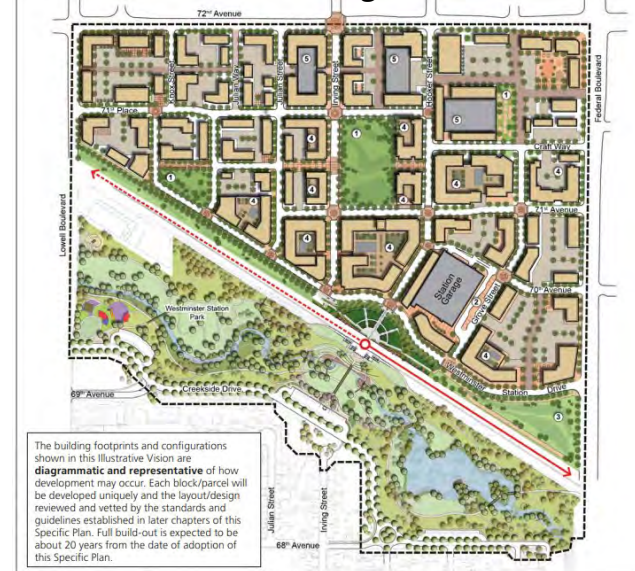
- DRCOG forecasts that the 2 mile radius will grow by 0.9% per year based on regional forecast growth allocations. (The corridor is forecast to grow by 0.6% per year.)
- The planned addition of several thousand units in the broader 2-mile radius will help bolster demand for an expansion of grocery store options in the area.
- **Continued household growth near the TOD and Northgate areas will be key to demonstrating potential household support for a full-service grocery store near 72nd Avenue and Federal Boulevard.**

Uplands Development in Westminster



Source: Denver Business Journal

Westminster TOD Massing at Build-Out

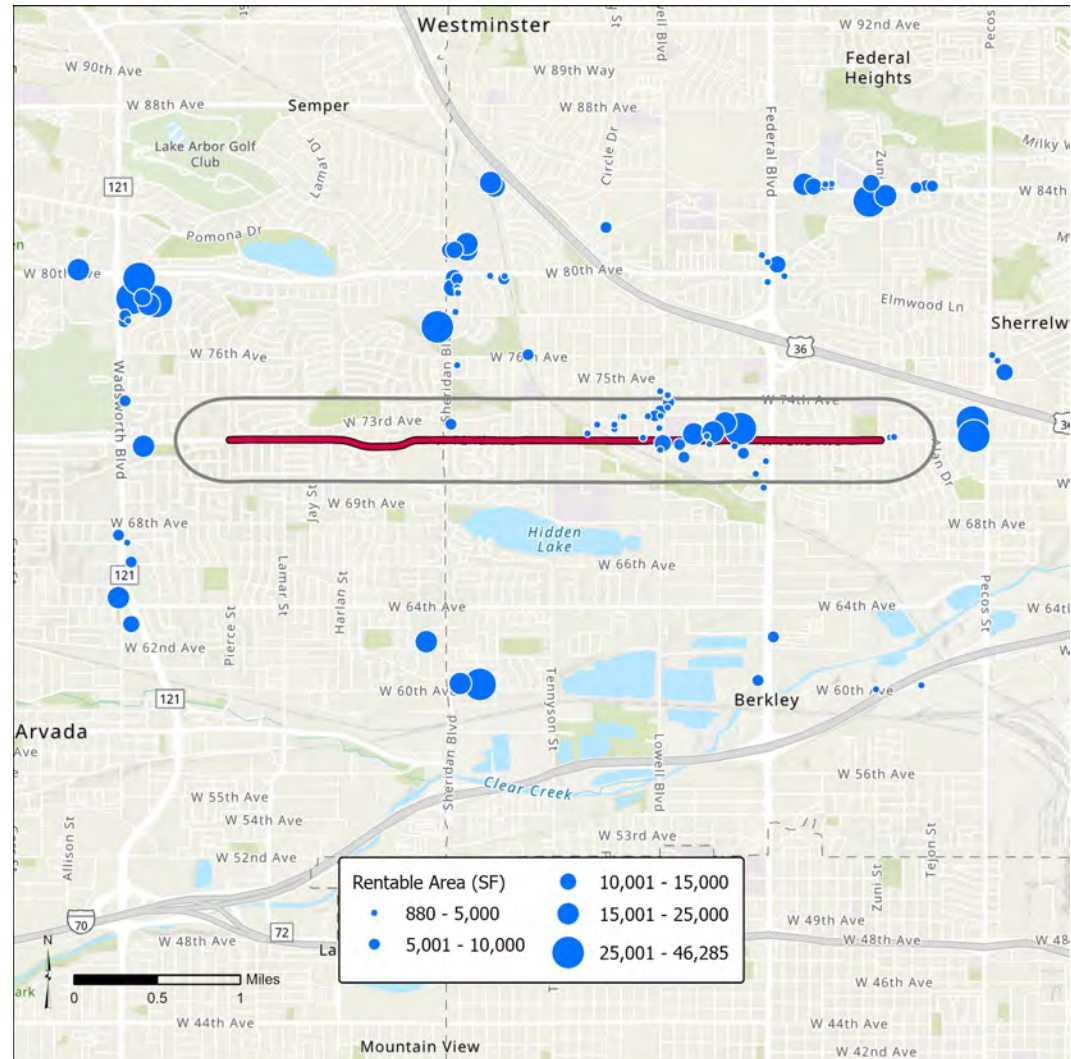


Source: Westminster Station Area Specific Plan

Office

- The regional office market area is comprised of 1.0 million square feet of office uses, focused on primary corridors. There are a cluster of office buildings near Federal Boulevard and 72nd Avenue.
- One of the current challenges with future office development (September 2023) is the Pandemic and remote work impact on office space utilization. Downtown Denver office vacancies are estimated at 30%. Regional office space vacancies are lower at 6.4%. Vacancies directly on the 72nd Avenue corridor are an estimated 9.4%. City of Westminster vacancies are close to 13%.
- While office space has been built relatively recently in the City, the regional market area and the 72nd Avenue Corridor has seen no recently built additional office space.
- Office development is typically tied to employment growth. Given the market challenges, it is unlikely that any speculative office development will occur in the near future.
- Should the Northgate development occur along with redevelopment at the Westminster station and the addition of a significant number of housing units, smaller scale office space providing medical and other personal services may be a longer term potential in the area.

Office



Source: CoStar, ArLand

| | City of Westminster | Regional Market Area | 72nd Avenue Corridor (1/4 Mile Radius) |
|---------------------------------|---------------------|----------------------|--|
| Office | | | |
| No. of Buildings | 182 | 104 | 31 |
| Inventory (SF) | 6.2 M | 1.0 M | 204,970 |
| Lease Rate per SF (9/2023) | \$25.65 | \$17.63 | \$17.96 |
| Vacancy Rate (9/2023) | 12.9% | 6.4% | 9.4% |
| New additions SF (Last 5 Years) | 58,002 | 0 | 0 |

Source: ArLand, CoStar

Industrial

The industrial section of the 72nd Avenue corridor is a significant portion of the City’s total industrial properties. These buildings tend to be older and smaller industrial buildings. The vacancy rate for the industrial along the corridor is nearly 7%. In the City, the industrial vacancy rate is 8.0%.

As area redevelopment occurs and land values increase, there may be increased pressure on these industrial properties to redevelop to other uses. While this may take some time, City policies around jobs retention and the significance of maintaining industrial land uses may need to be examined in light of changes occurring in the future.

| | City of Westminster | 72nd Avenue Corridor (1/4 Mile Radius) |
|---------------------------------|---------------------|--|
| Industrial | | |
| No. of Buildings | 43 | 39 |
| Inventory (SF) | 545,446 | 453,122 |
| NNN Lease Rate per SF (9/2023) | \$10.25 | \$9.93 |
| Vacancy Rate (9/2023) | 8.0% | 6.9% |
| New additions SF (Last 5 Years) | 0 | 0 |

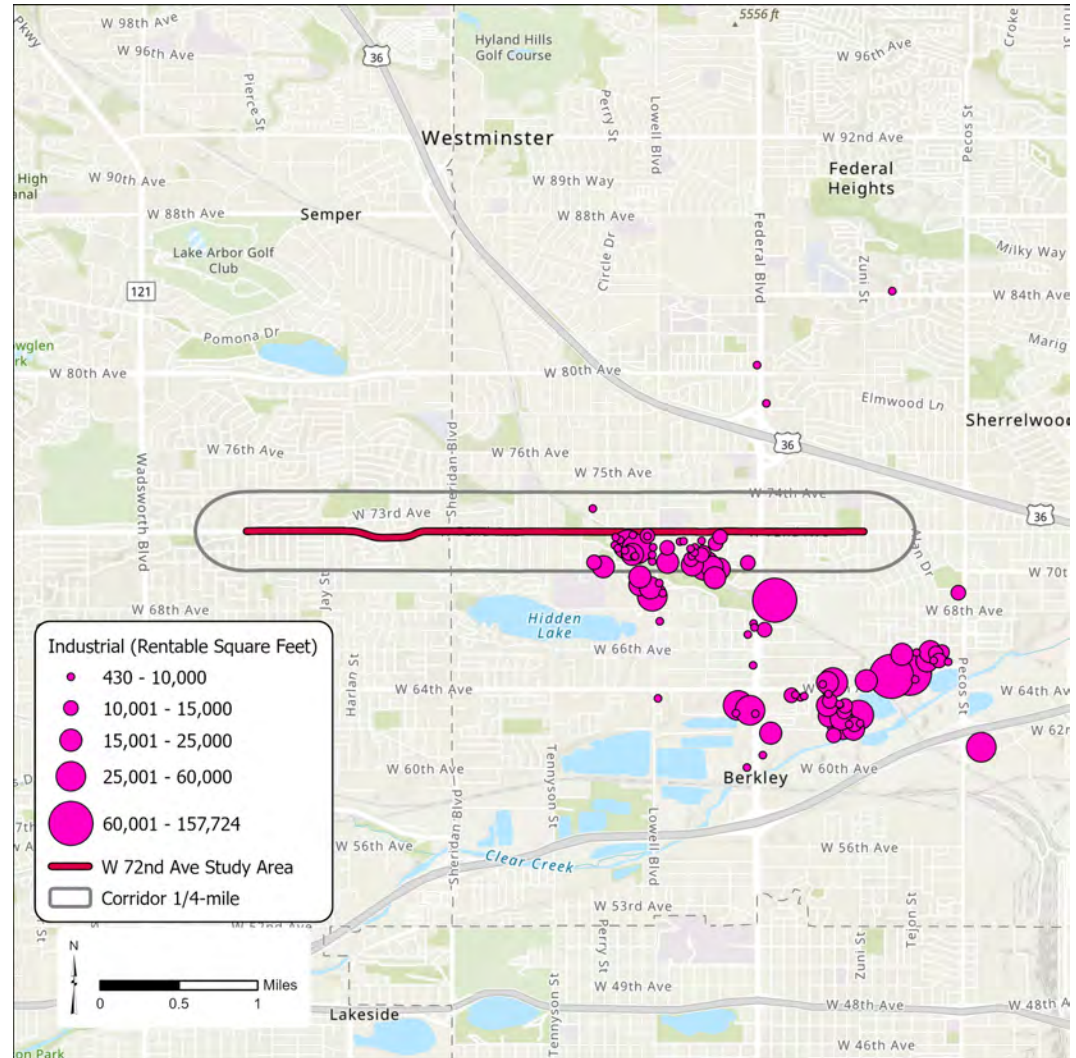
Source: ArLand, CoStar

Fabrication / Welding



Source: Advanced Manufacturing Center, CCD

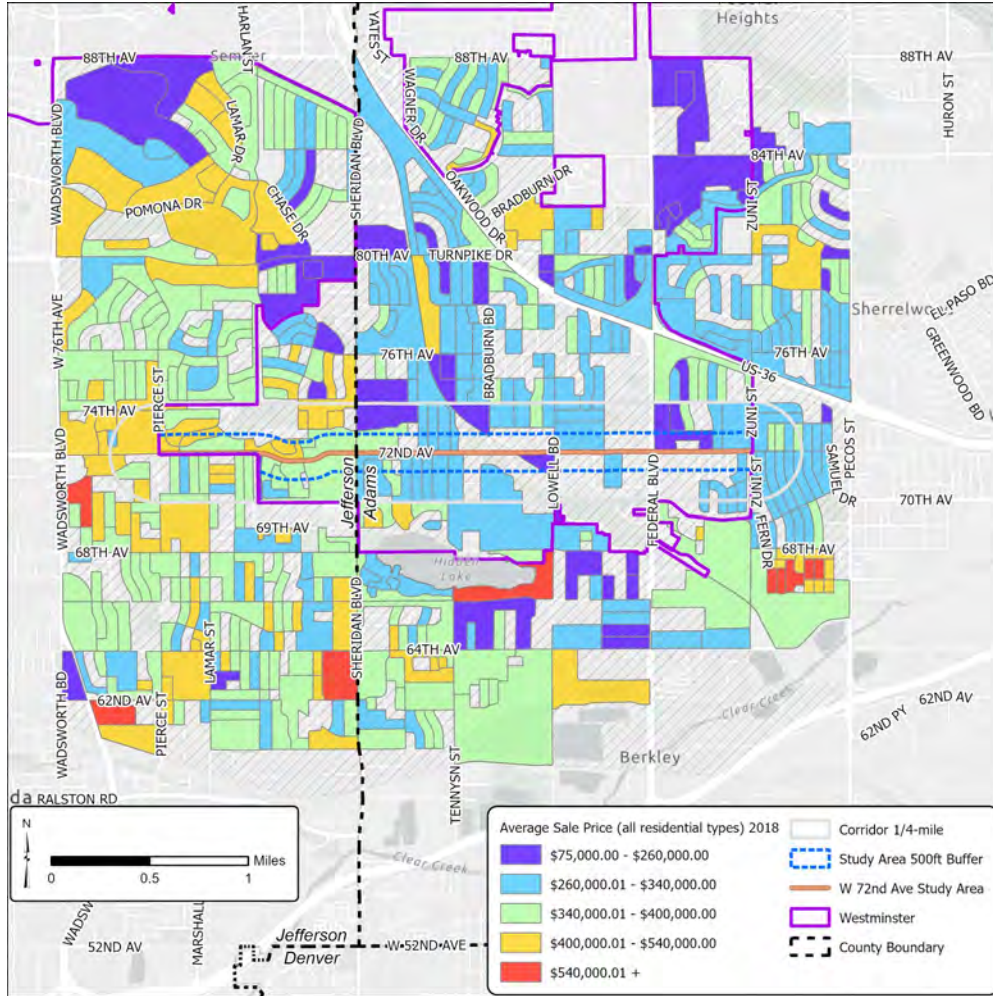
Industrial



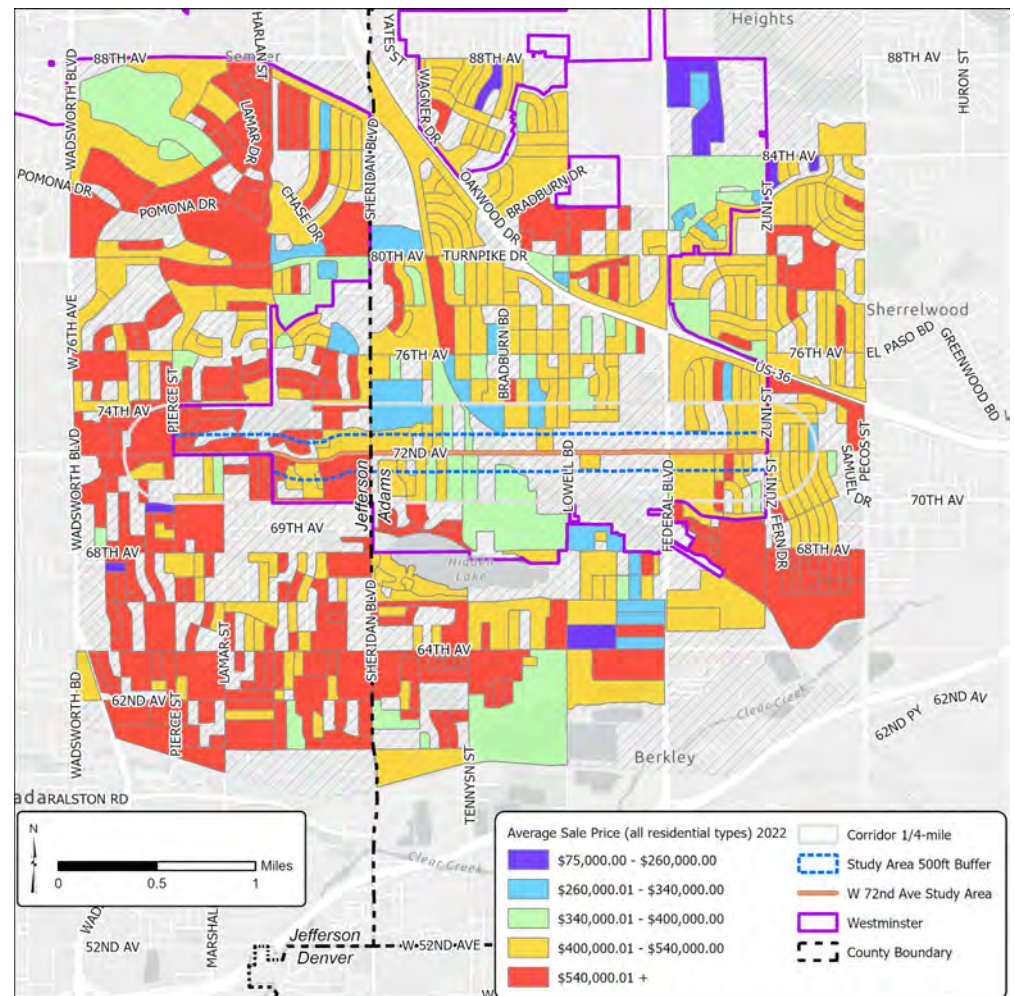
Source: CoStar, ArLand

Ownership Housing

All Sales 2018



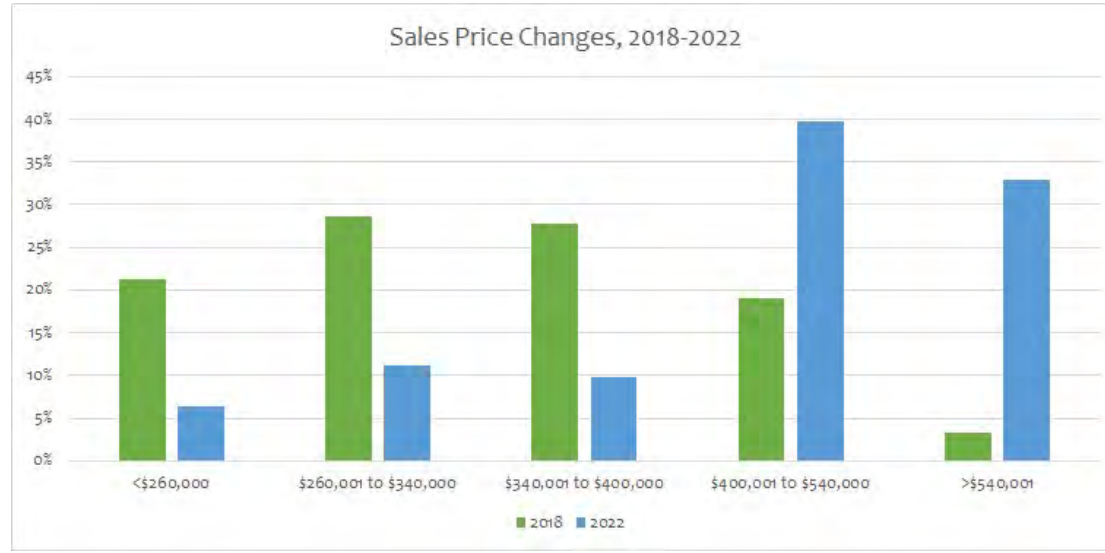
All Sales 2022



Source: Adams and Jefferson County Assessors Data, ArLand

The 72nd Avenue Corridor is in the center of the maps. These maps show average sales prices for all housing types (single family, townhouses, condos, etc.) averaged to the Census Blocks in 2018 on the left and 2022 on the right. The maps show the fairly dramatic increases in sales prices over the last five years.

Ownership Housing



Source: Adams and Jefferson County Assessors Data, ArLand

| Average Sales Prices All Housing Types | | | |
|---|-------------------|-----------|-------|
| Adams County | 2018 | \$327,926 | |
| | 2022 | \$468,618 | |
| | Change | \$140,692 | |
| | Percentage Change | | 42.9% |
| Jefferson County | 2018 | \$357,868 | |
| | 2022 | \$534,027 | |
| | Change | \$176,159 | |
| | Percentage Change | | 49.2% |

Source: Adams and Jefferson County Assessors, ArLand

In 2018, there was a fairly even distribution of price points in the houses sold up to about \$500,000. By 2022, prices had shifted upwards with most homes sold priced between \$400,000 and \$540,000 (for all residential unit types including single family, townhomes, condos, etc.)

The 72nd Avenue Corridor area remains a relatively affordable housing market. The average sales price east of Sheridan is about \$468,000, while the average sales price west of Sheridan is about \$530,000.

In the last five years, sales prices have increased by over 40%. They remain, however, less expensive than the Denver metro area.

According to the Denver Metro Association of Realtors, the 2022 Denver metro peak median sales price for single family detached houses was \$680,000. The median sales price for attached houses was \$440,000.

Multifamily Rentals

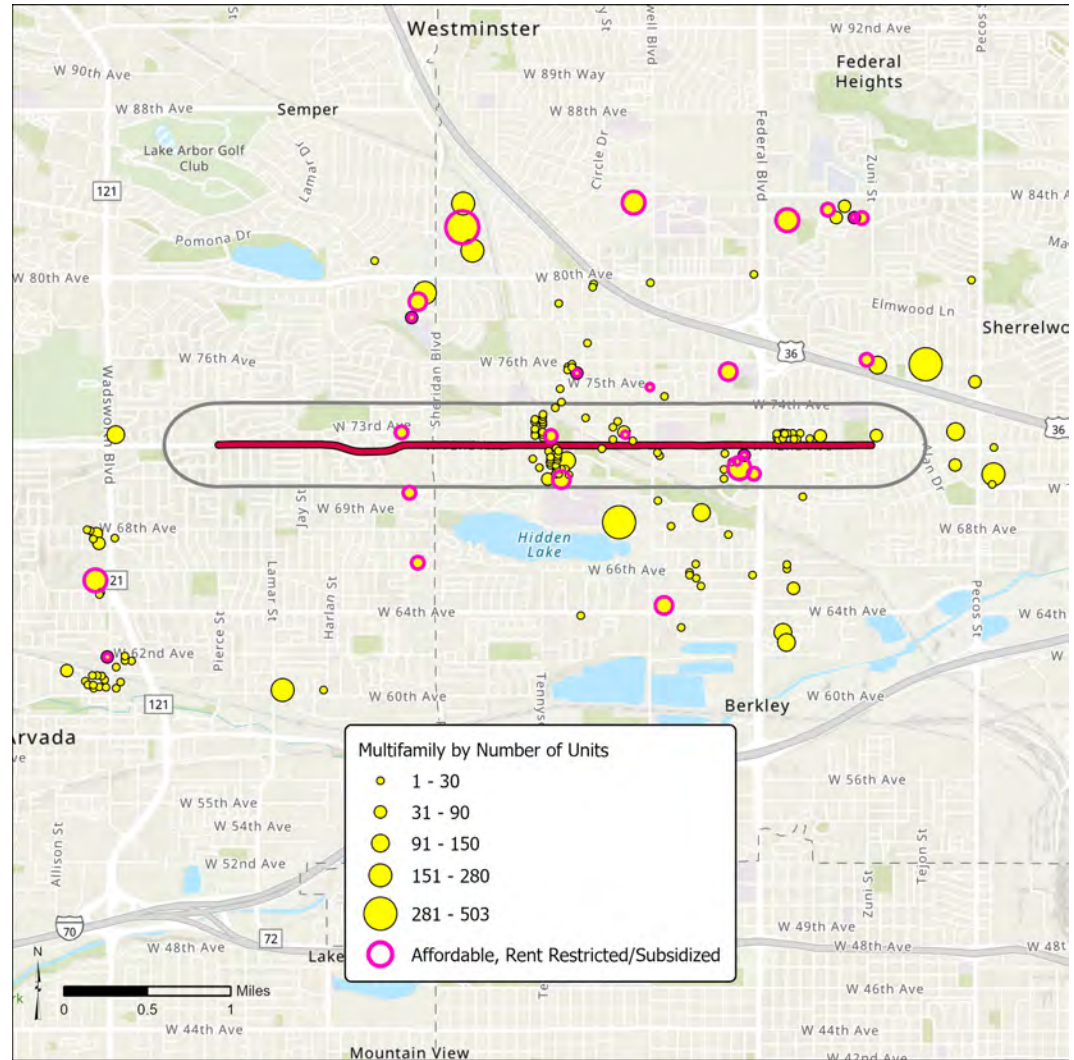
Multifamily rental units in and around the 72nd Avenue Corridor help provide affordable rental housing options for the City and metro area. The rental units are a mix of market rate affordable and deed-restricted affordable housing.

- Average rents per square foot are \$1.60 compared to the City at \$2.10 per square foot. Per the 2023 Housing Needs Assessment, many of the units in the area provide the City’s Naturally Occurring Affordable Housing.
- Vacancy rates are much lower at 3.5% within the rentals along the corridor indicating the high level of need for affordable rental housing.

| | City of Westminster | Regional Market Area | 72nd Avenue Corridor (1/4 Mile Radius) |
|------------------------------------|---------------------|----------------------|--|
| Multifamily | | | |
| No. of Buildings | 149 | 163 | 72 |
| No. of Units | 14,892 | 6,602 | 1,292 |
| Average Rent per Unit | \$1,779 | \$1,313 | \$1,113 |
| Average Rent per SF | \$2.10 | \$1.84 | \$1.62 |
| Vacancy Rate (9/2023) | 5.7% | 4.7% | 3.5% |
| New additions Units (Last 5 Years) | 470 | 0 | 0 |

Source: ArLand, CoStar

Multifamily



Source: CoStar, ArLand



Redevelopment Potentials

Lot Sizes

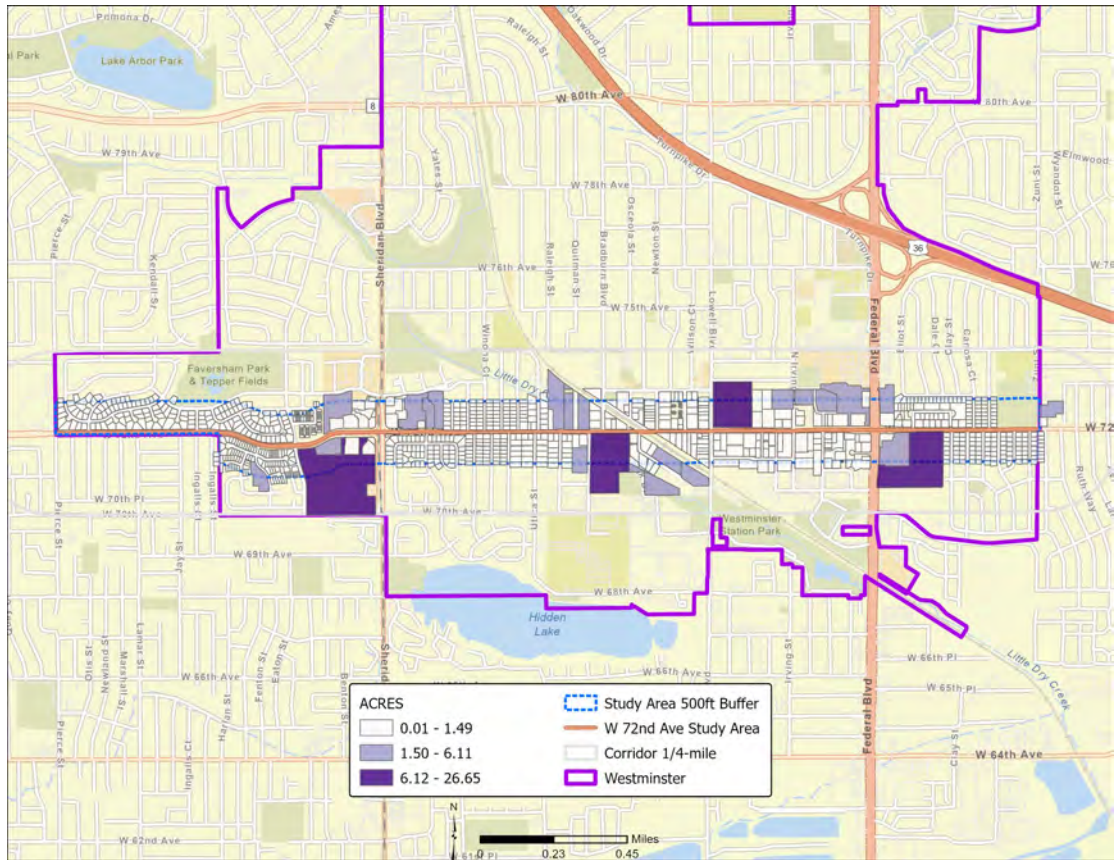
In order to start identifying nodes where economic development activity / redevelopment can take place along the 72nd Avenue Corridor, we have examined parcels using several different metrics including lot sizes and land values.

The availability of larger lots can help provide redevelopment focal points.

(From west to east)

- **Sheridan Boulevard Intersection:** several larger parcels are located west of the intersection. The property south of 72nd Avenue (on the west side) is a relatively newer retail center with a mix of anchor uses and pad sites. The area north of 72nd Avenue (also on the west side) is part of the Shoenberg Farm development. A city owned historic parcel / building is in the implementation stages for a food hall.
- **Lowell Boulevard to Federal Boulevard:** There are a number of large and mid-sized parcels. Several significant economic development efforts are located in this general area. Successful implementation of these plans would help galvanize corridor redevelopment. The Harris Park Vision Plan provides the framework for some of the corridor area north of 72nd Avenue. The Westminster Station Area Plan provides a vision for the area south of 72nd Avenue. Both of these plans will be further discussed.
- **Federal Boulevard:** As previous mentioned, a pre-application (Northgate) is in for a residential development proposal for the large property on the southeast corner of Federal Boulevard and 72nd Avenue. A residential neighborhood focused on “missing middle” housing would help provide additional support for neighborhood commercial services.

Lot Sizes

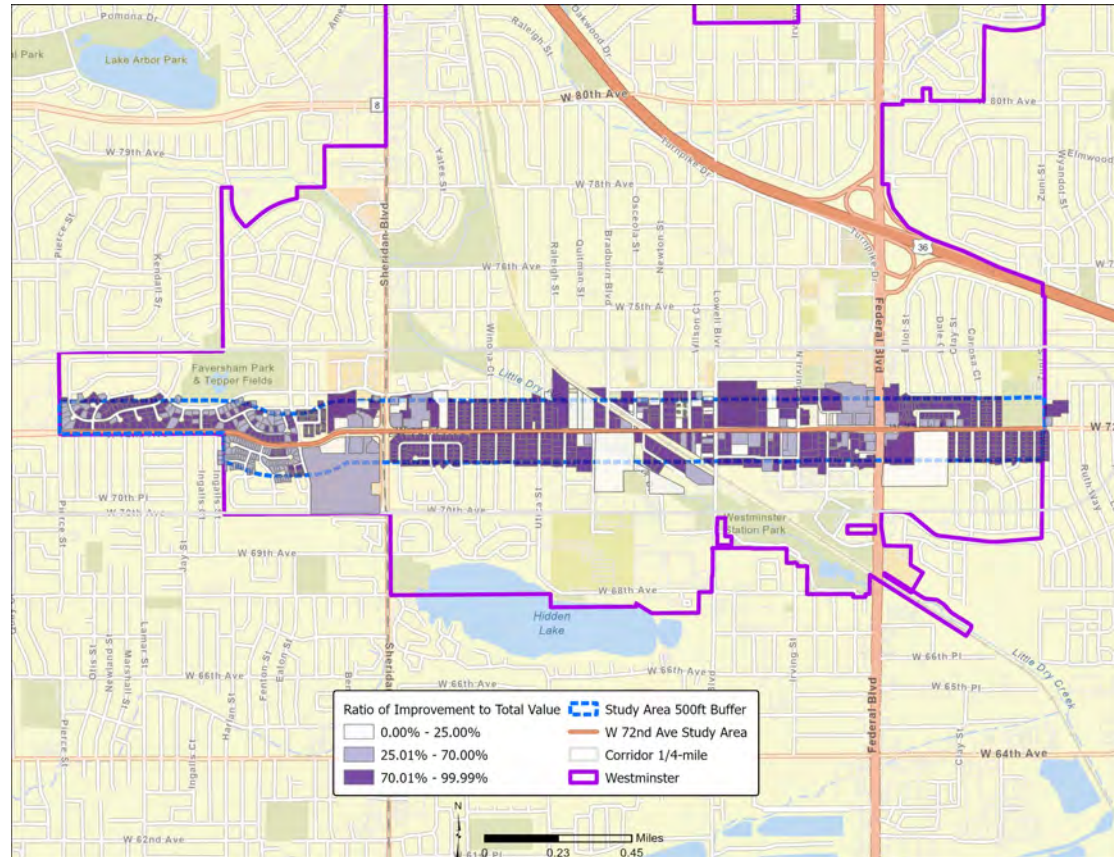


Source: Adams and Jefferson Counties Assessors Data, ArLand

Land Value Analysis

The land value analysis also highlights those parcels (in white or lightly shaded) where the value of the building improvements is relatively low compared to the total value of the building and land, indicating the potential for redevelopment. Those properties tend to be potential redevelopment candidates. The same locations, as previously discussed, emerge.

Land Value Analysis



Source: Adams and Jefferson Counties Assessors Data, ArLand

Economic Vitality

Sheridan Boulevard Area

- **Shoenberg Farms:** The northwest corner of Sheridan Boulevard and 72nd Avenue includes Shoenberg Farms and plans for additional multifamily and food hall (preserved and implemented with City support) which will highlight local small food businesses.
- **Wal-Mart Plaza:** The southwest corner includes the largest commercial center in the corridor, a 220,000 square foot Wal Mart Super Center / Plaza. Most of the center appears to be occupied by the Wal-Mart. There are a few outlying pads. Most relevant to the corridor is what appears to be a vacant pad site along 72nd Avenue. While that may be a candidate for a future tenant, there is also a strong possibility that Wal-Mart will ensure that it remains as is to preserve sightlines to the store.
- **Hidden Lake Shopping Center:** The northeast corner includes the 150,000 square foot Hidden Lake Shopping Center which is an older, second generation retail center. Hidden Lake appears to be somewhat successful in filling its in-line spaces with a variety of different tenants attracted by relatively affordable rents and nearby neighborhood demand. Ziggi's Coffee is a newer tenant. There are a couple of pad sites with a McDonalds and urgent care.
- Given its age (built in the mid-1980s), the **Hidden Lake Shopping Center is likely to be a future redevelopment candidate.** Future potentials could include a mix of residential types, including single family residential, townhouses, and apartments (including mixed income residential), additional medical office, along with specialty retail.

Harris Park Area

- **Harris Park Vision Plan:** Harris Park is home to Westminster's historic center, along 73rd Avenue. The plan recommends a vision for the area which includes the 72nd Avenue Corridor area. The goal is to preserve and build on the unique character of the neighborhood. Infill and redevelopment opportunities are suggested both for 73rd Avenue as well as 72nd Avenue. While the vision is responsive to the community and the historic character of the neighborhood, some of the recommendations could be revisited in light of **development considerations**, particularly those that recommend mixed use buildings in a 2-3 story configuration which can be difficult to pencil or support across the area. The vision plan area is large and implementation could **focus** on critical key areas first.
- **Safety and Wayfinding:** The ability to cross this area safely was an important near-term consideration in public meetings. **Social paths should be normalized and track crossings made safe** particularly for school children walking to and from neighborhood schools in this area. **Additional wayfinding and signage on 72nd Avenue** indicating that the Harris Park area / district is located on 73rd Avenue will help remind travelers and residents of the unique and historic offerings of this area. Recommendations for initiating an Event / Festival based approach for the area can be found in the City's Retail Strategy.
- **72nd /73rd Avenues and Lowell Boulevard Focus:** in addition to transportation and safety considerations, the commercial center adjacent to this key intersection recently welcomed a new coffee shop, and is home to Valente's, a neighborhood institution as well as other professional and personal services. At 73rd Avenue and Lowell Boulevard, the community has indicated a desire for **an open air event space. The City is pursuing funding. Previous affordable housing proposals have been opposed by the neighbors.**

Economic Vitality

Westminster Station Area

- **Significant Public Investment:** The potential primary catalyst for 72nd Avenue corridor redevelopment is Westminster Station Area redevelopment. The City of Westminster has invested significant resources with estimated public investments so far are well over \$40 million in roads, the plaza, structured parking, the park, and stormwater.
- **Ralston Street Corridor in Arvada:** The City of Arvada's Olde Town station redevelopment is good proxy for the length of time, investment, and effort it takes to catalyze redevelopment on a corridor adjacent to a transit station. (It has taken decades). The east-west **Ralston Street Corridor near Olde Town** is now redeveloping with most of the newer redevelopment a mix of market rate and affordable housing.
- **Infrastructure Challenges:** The City has a station area plan in place and various redevelopment tools (Urban Renewal, Opportunity Area Zones, etc). Some of the significant redevelopment challenges include Xcel's limited ability to readily provide increased utility services to new development within the area. **Working with Xcel and potentially the State to overcome the infrastructure challenge** is important considering the area housing need and the planned Bus Rapid Transit investment along the Federal Boulevard Corridor.

Northgate

- **Northgate Residential:** The current proposed Northgate development of approximately 290 additional residential units, in a mix of housing unit types, could be a welcome addition to the area. The new development is just south of the currently vacant Northgate commercial center.
- **Northgate Commercial:** The Northgate commercial in-line retail appears to be partially leased. While rents and revenues are low, the owners may not have an incentive to sell. Second and third generation store types are likely to be attracted to the store. The commercial center's size and competition makes it very difficult to re-lease as a full-service grocery store.
- **Save-A-Lot: Save-A-Lot just northwest of Federal Boulevard and 72nd Avenue helps fill gaps** in markets like these. It is small at 20,000 square feet, however, and local residents may not feel that it fills their needs.
- **Other Options:** Exploring other options for **reuse of the Northgate commercial site may include a horizontal mixed use center with additional residential units and other amenities** to complement the planned Northgate residential development.
- **Location:** As the area densifies, a more appropriate location for a full-service grocery store could be within the large commercial center at the northwest corner of Federal Boulevard and 72nd Avenue.

