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City land swap hits snag for developer

Larimer Square strictures apply to lots traded for Justice Center. The landmark commission says buildings can't top 55 feet. That could kill plans for a new tower and park.

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To secure the land needed to develop the Denver Justice Center complex, Mayor John Hickenlooper's administration negotiated a land swap that may pave the way for construction of a controversial 31-story residential tower in the Larimer Square historical district.

Rather than use the city's power to condemn the property, Hickenlooper struck a deal with developer Richard "Buzz" Geller to buy two lots he owned near City Hall. In return, Hickenlooper sold Geller two lots of downtown property near Cherry Creek.

The mayor also promised to support Geller's plan to rezone the area residential. If the zoning change isn't approved, the city must pay Geller another \$400,000, according to the contract.

But Geller is facing an even bigger hurdle. The city's nine-member Landmark Preservation Commission - a group of mayoral appointees responsible for maintaining the character of Denver's history and architecture - last week rejected a boundary change that would have put the tower outside of the historical district. Buildings in the district can't be more than 55 feet tall. The tower is slated for 375 feet.

If the commission does not relent, Geller's plans to create a 2-acre park in addition to the tower will simply "go away." Instead, he said, he will be forced to build denser, lower-height buildings.

As a result, landmark commission members are feeling the heat.

"We are getting a lot of pressure to reconsider our decision," said commission member Elizabeth Schlosser, noting that commission members have exchanged more than 45 e-mail messages on the issue. "It's amazing that the city is the first one to go around their own process."

Hickenlooper would not directly say that he supported building the downtown tower. However, he did say he was "ambiguous" about it and therefore was prepared to follow the lead of Peter Park, his planning director.

"Peter thinks it's a great idea," the mayor said. "One of the reasons this works is because it would define an edge for the historic district."

He also said that a sufficient corridor of the park already there was protected because Geller "didn't want to buy all that land."

In the wake of the commission's decision, City Councilwoman Judy Montero, who represents the district, has decided to create a task force of community members, preservationists and developers.

"We want to look at how Landmark is doing and figure out the original intent of the role of the commission," Montero said. "We also want to find a way to promote economic development and balance historical-preservation needs."

City Councilwoman Elbra Wedgeworth, whose district borders the proposed tower site, said she was frustrated by the landmark commission's outright termination of the proposal and the fact that there is no appeal process.

"I don't want these types of decisions to discourage future downtown development," she said.

Commission rules permit an applicant to file a motion to reconsider or a new application. The commission then decides whether to reject it or make a nonbinding recommendation to the City Council.

Geller said he was continuing to pursue the issue. The tower, he says, would be narrow and taper down to Cherry Creek. That would enable Denverites to ride their bikes from the path along the water right into Larimer Square. The park property would stay, and he would build more green space.

"The commission is simply doing their job, which I understand," he said. "But I think we will resolve this."

Even though the city had the power to take the property under eminent domain, Hickenlooper signed a \$2.7 million contract on

April 20 with Geller and his partner David R. Paderski to buy the lots at 550 W. Colfax Ave. and 1440 Fox St. for the Justice Center complex.

As part of the deal, Geller paid \$3.6 million for the two downtown city lots near Larimer Square, which is near the site of Denver's first City Hall. Larimer Square was also the first historic district designated by Denver's Landmark Commission, in 1971.

Currently, the two sites hold a park and two parking lots.

In the contract, the mayor agreed to fully cooperate with Geller in getting rezoning for residential use and said he would "sign rezoning applications" for him.

Both contracts were negotiated by James Mejia, project manager of the Justice Center, and did not include input from the economic development office.

Dana Crawford, president of real estate group Urban Neighborhood Inc., said she and others had wanted to buy the Bell Park property over the years, but to no avail.

"The city would never sell it," she said. "They said it would always be a park."

Hickenlooper said no one in the city's asset management department had mentioned that others had been interested in the property.

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