

I-25 and Broadway Urban Redevelopment Plan BSP Project



Denver City Council Finance & Governance Committee
August 29, 2017



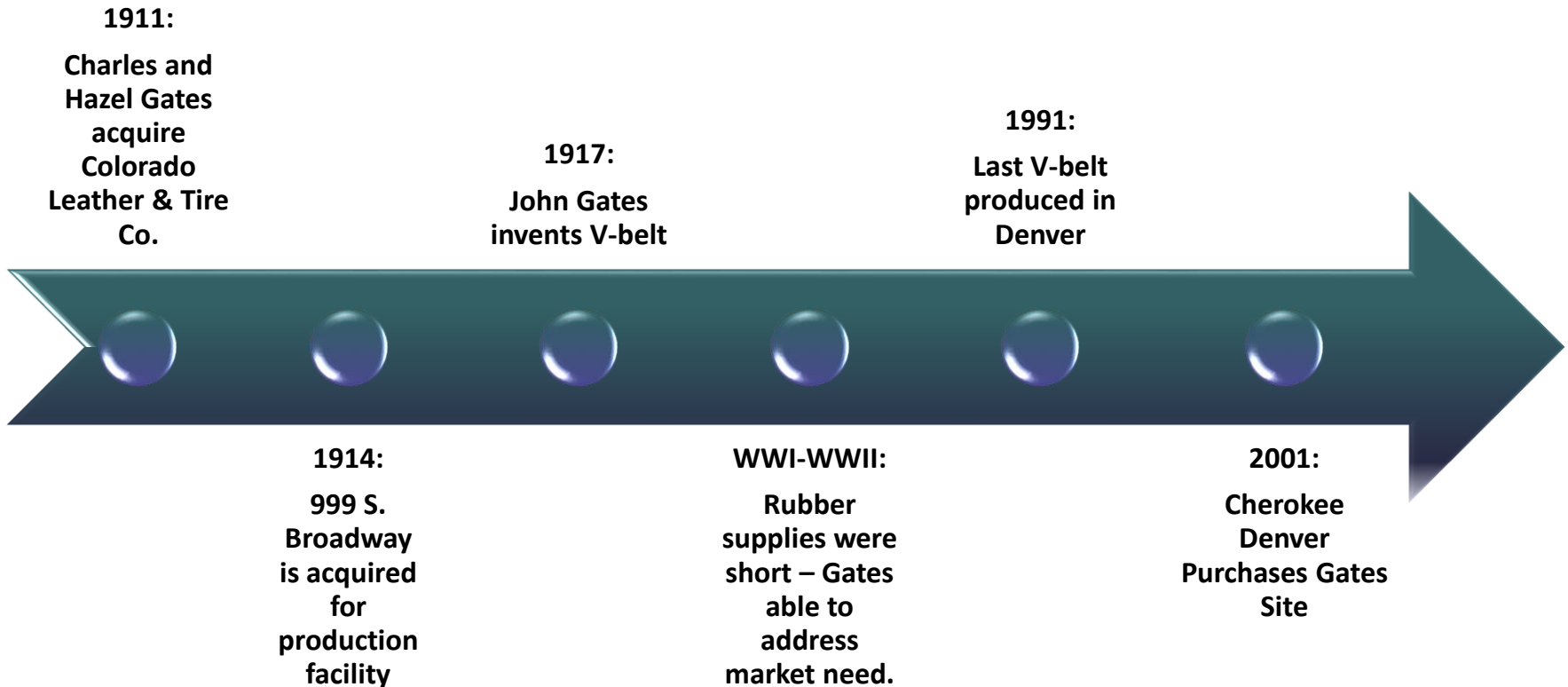
Major Points of Presentation

- Gates Site Facts
- Development Vision
- Infrastructure Financing
- Public Input, Council Action

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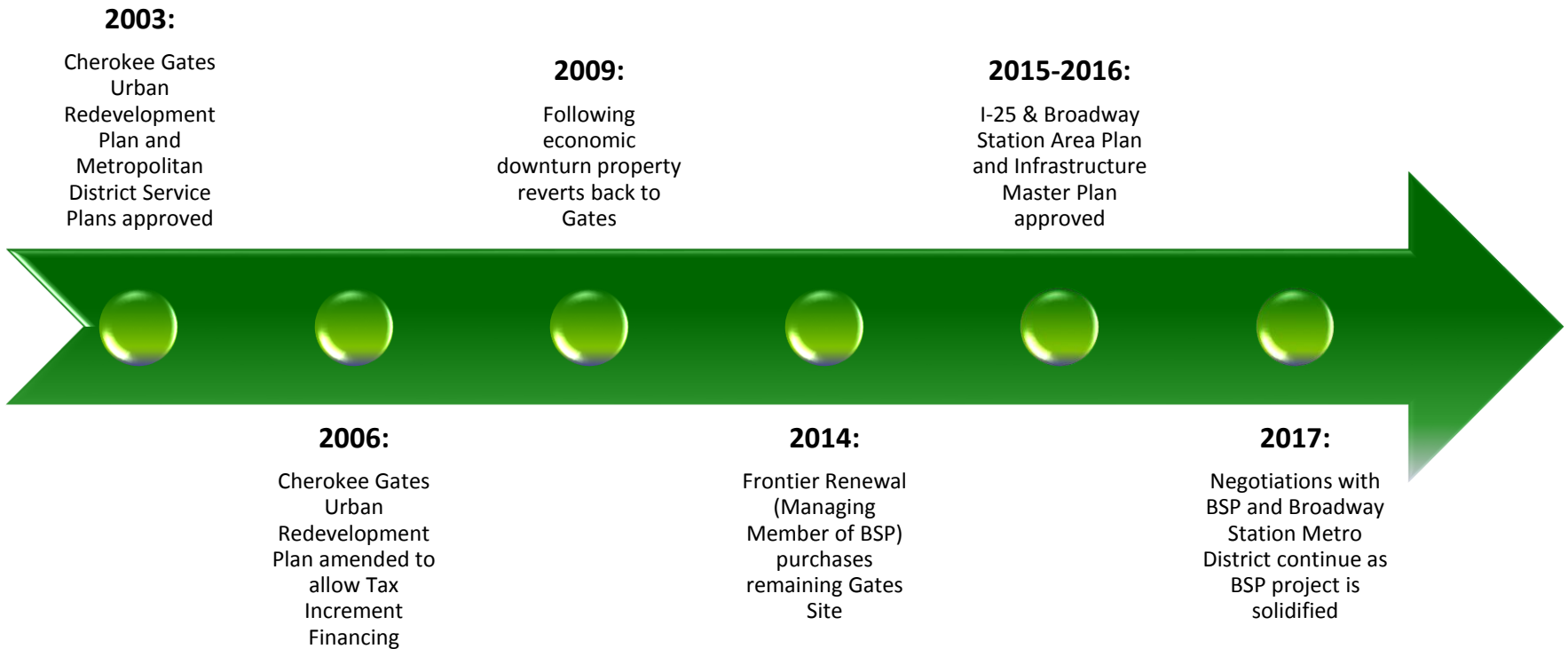
Timeline: Gates Rubber Factory Site



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Timeline: Gates Rubber Factory Site



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Development Vision

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A **CONNECTED** Broadway Station links adjacent neighborhoods to the station and each other.

Reknit the Urban Fabric

Improve Walkability and Bikeability

Create A Network of Parks and Open Spaces



A **RESILIENT** Broadway Station exemplifies best practices for urban infill, brownfield redevelopment, green infrastructure, and transit-oriented design.

Promote Economic Resiliency

Encourage Environmental Sustainability

Enhance Social Sustainability



A **VIBRANT** Broadway Station is an 18-hour, mixed-use district that is the heart and gathering place for adjacent neighborhoods and a regional destination.

Promote Urban Center Densities

Incorporate High-Quality Urban Design

Create A New & Distinct District



A Transformative **MULTI-MODAL HUB** integrates all modes of transportation safely and efficiently.

Provide Convenient & Accessible Transit

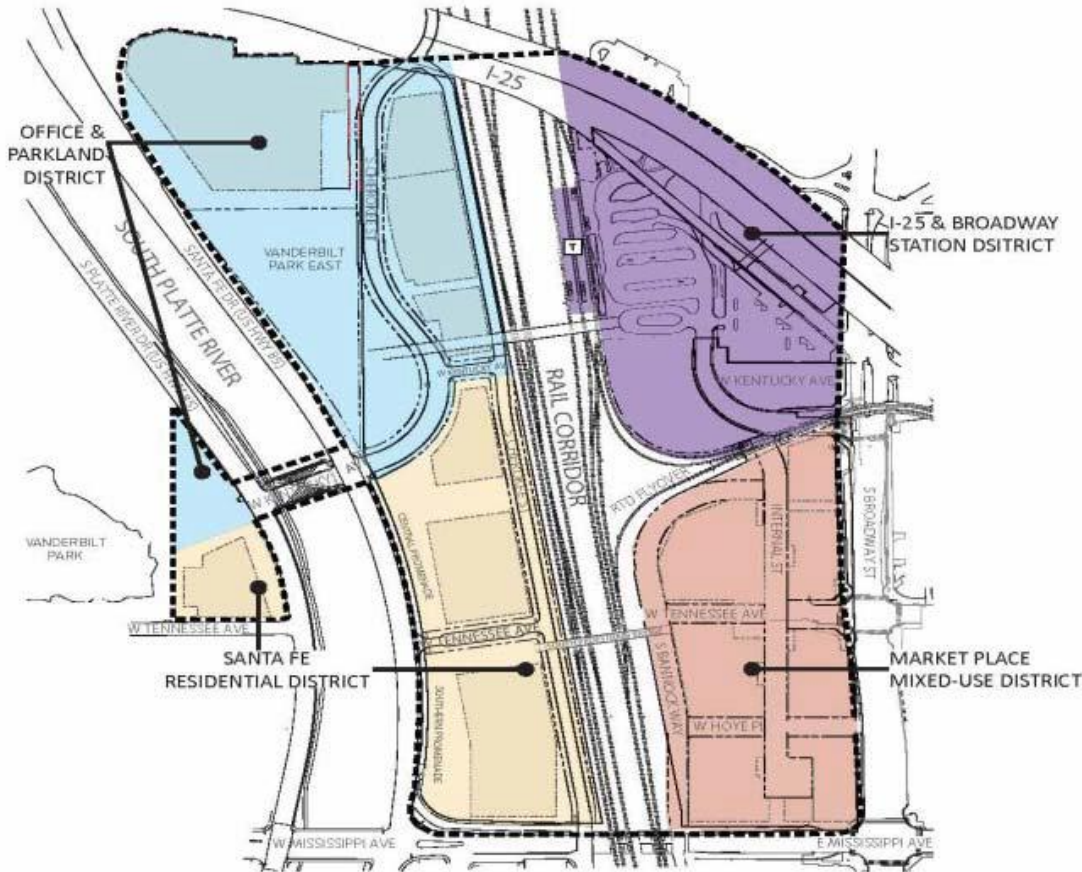
Promote Alternative Transportation

Enhance Regional Connectivity

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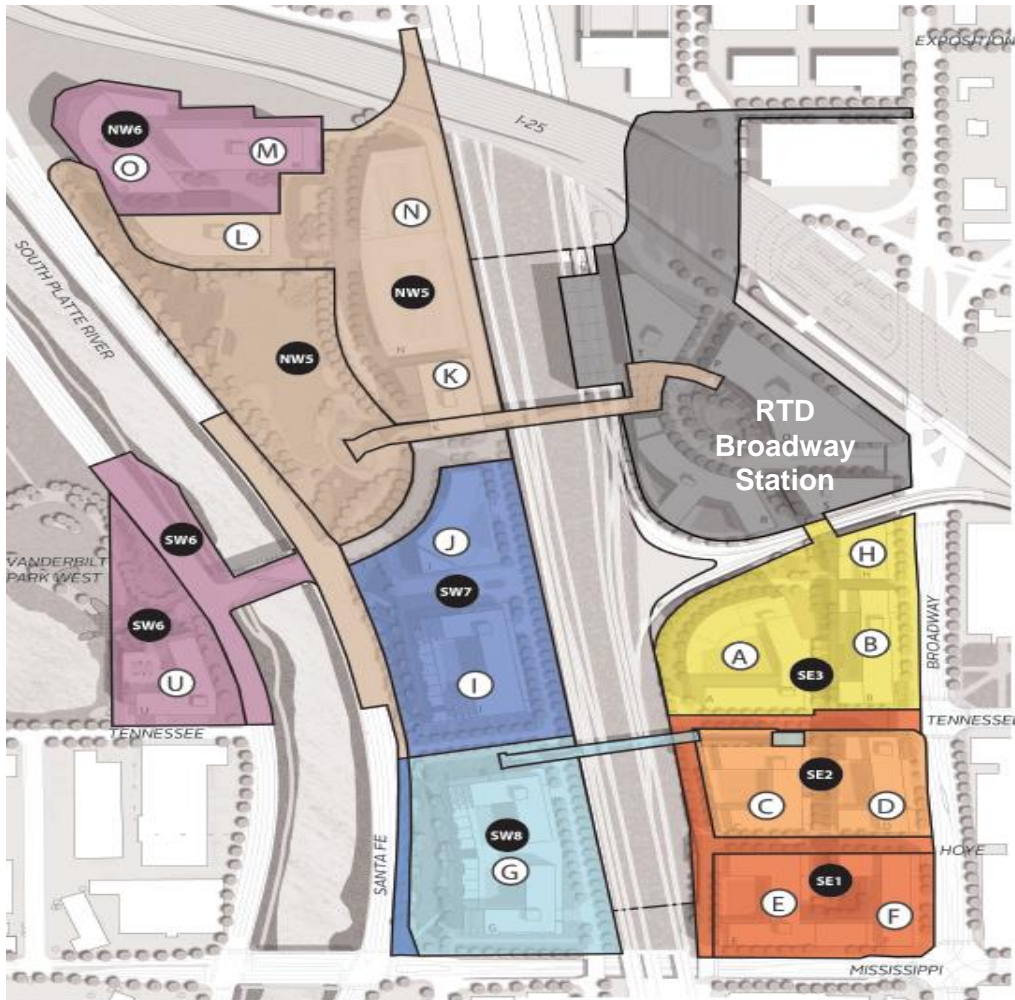
Four Sub-Districts



The IMP, approved in May 2016, included a proposed development plan that included a variety of uses to create a diverse and vibrant transit-oriented development with a focus on creating a unique, active and reconnected development and was divided into four sub-districts.

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BSP Project Development Phasing

Parcel & Phase		Development				
Parcel	Phase	Residential	Office	Cowork	Retail	Civic
A	SE3	316		4,536 SF	9,073 SF	1,512 SF
B	SE3	197		8,038 SF	16,076 SF	2,679 SF
C	SE2	227		4,493 SF	8,987 SF	1,498 SF
D	SE2	183		7,499 SF	14,998 SF	2,500 SF
E	SE1	263		3,692 SF	7,384 SF	1,231 SF
F	SE1	203		7,872 SF	15,743 SF	2,624 SF
G	SW8	420		1,939 SF	3,879 SF	646 SF
H	SE3	89		3,624 SF	7,248 SF	1,208 SF
I	SW7	327		1,016 SF	2,032 SF	339 SF
J	SW7	220		3,983 SF	7,965 SF	1,328 SF
K	NW5		157,321 SF	7,226 SF	14,453 SF	2,409 SF
L	NW5		236,875 SF			
M	NW6		226,297 SF			
N	NW5					
O	NW6		227,712 SF			
U	NW6	144		519 SF	1,040 SF	173 SF
TOTAL		2,589 Units	848,206 SF	54,438 SF	108,878 SF	18,146 SF

10+ Year Development Program

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How do we get there?

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- Infrastructure Financing
- Urban Renewal Plan, Tax Increment Financing
- Cooperation Agreement (City & DURA)
- Land Conveyance Agreement (City & BSP)

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Infrastructure Financing

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Developer Takes the Risk

- ❖ **Developer Fronts Regional and Local Infrastructure Costs**
- ❖ **Developer Reimbursed by Project-Created Increment**





Intergovernmental Cooperation

Broadway Station Metropolitan Districts #1, #2, #3

- Responsible for:
 - Contracting Infrastructure Construction
 - On-Going Maintenance of Improvements
- Coordinates with BSP and City to Ensure Standards, Timing and Funding of Infrastructure Construction
- Funds Local Infrastructure Financed by Developer Advances and reimbursed through Property Taxes
- Funds Regional Infrastructure Financed by Developer Advances and reimbursed through TIF

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Coordination With Other Taxing Entities

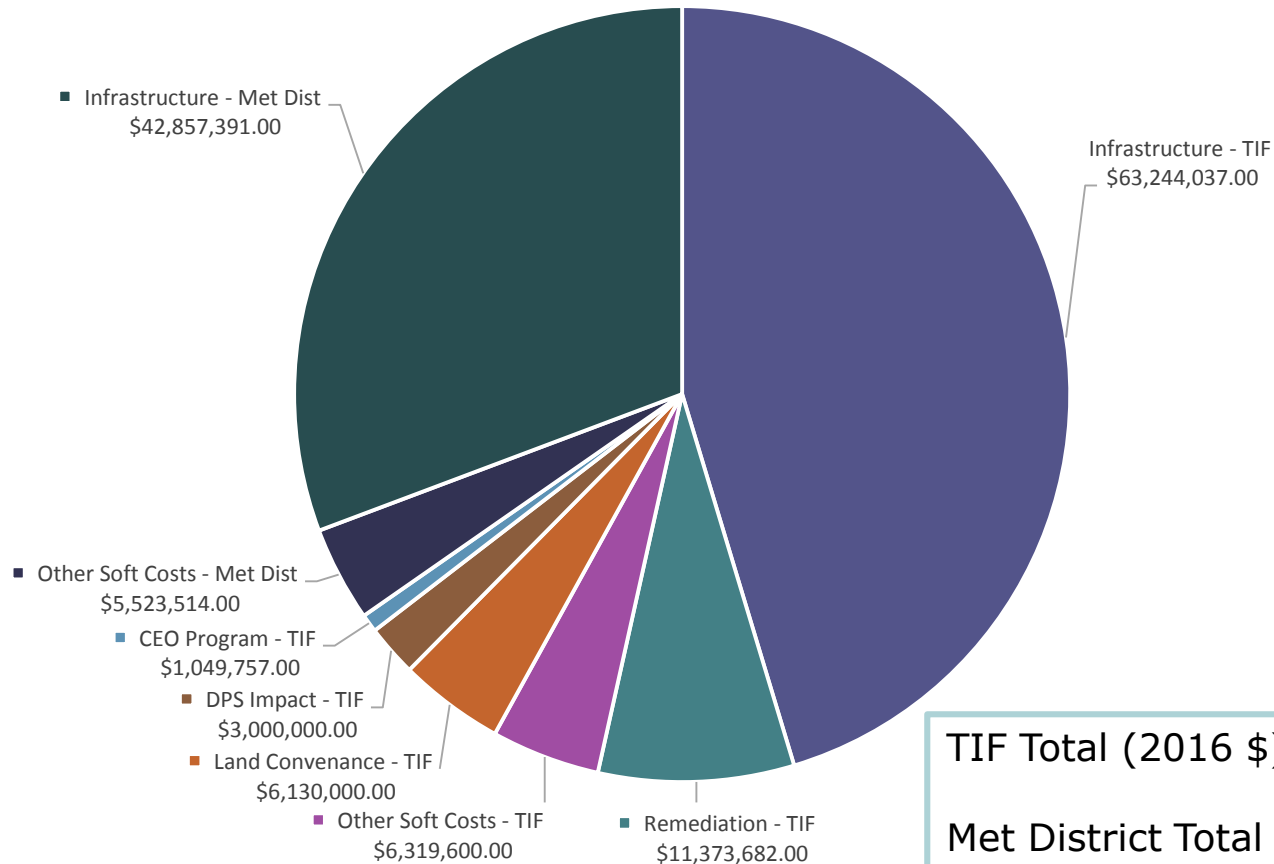
Anticipated Uses of Tax Increment Revenues:

- TIF Bond Debt Service
 - Junior Subordinate Bonds – Developer Advance Reimbursement
 - Simple Interest – 8%
 - Senior Bonds – Issued to repay Junior Subordinate Bonds
- Denver Public Schools - \$3 million
 - Used to address District service needs – McKinley Thatcher Elementary

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Project Reimbursement Sources



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Public Input, Council Approval

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Overall Development will be governed by:

- I-25 and Broadway Station Area Plan –
Adopted April 2016
- Infrastructure Master Plan (IMP) –
Approved May 2016
- Urban Design Standards and Guidelines –
Approved May 2016
- Denver Zoning Code –
Rezoned in 2016

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New Urban Redevelopment Plan

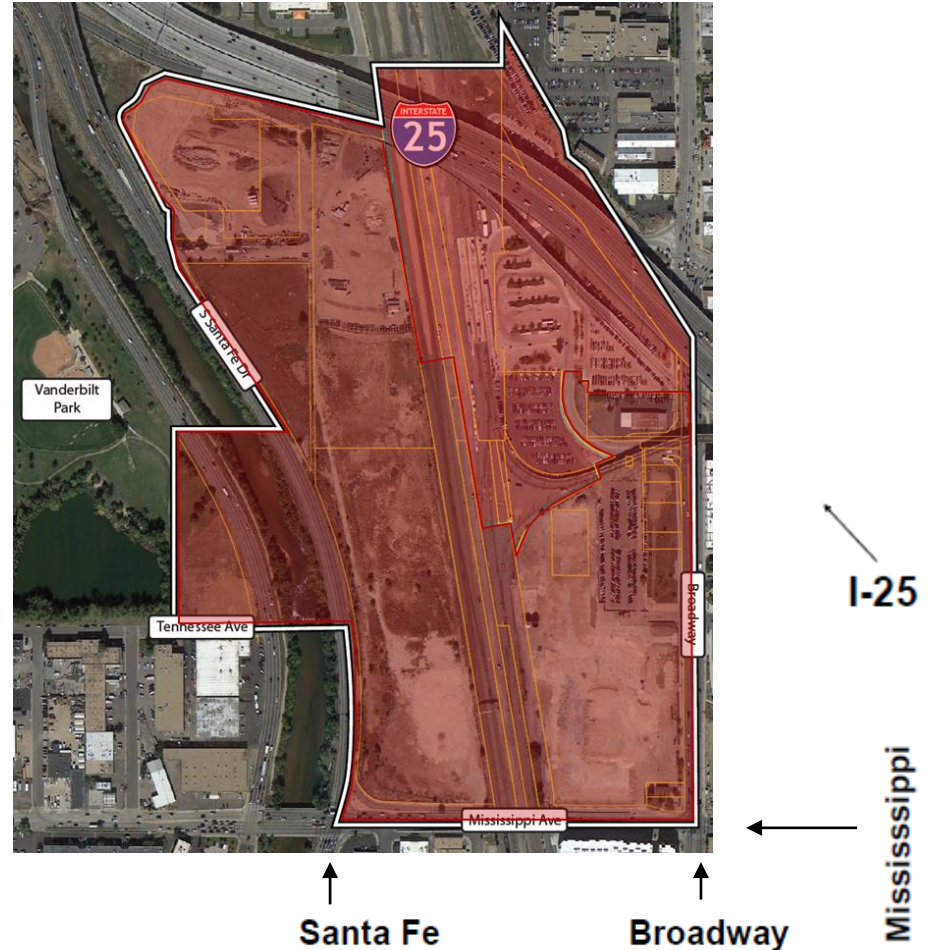
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Cherokee URA / Cherokee Development Area



Proposed I-25 and Broadway Urban Redevelopment Area



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Repeal of Cherokee Gates Urban Redevelopment Plan

Cherokee Gates Plan Approved in 2003

Amended in 2006 to authorize TIF

Trammell Crow Residential Development south of Mississippi Ave.
- Generated approximately \$3.2 million in incremental property taxes

No TIF has been spent – will be returned to original taxing entities

DPS - \$1.97 million

CCD - \$1.20 million

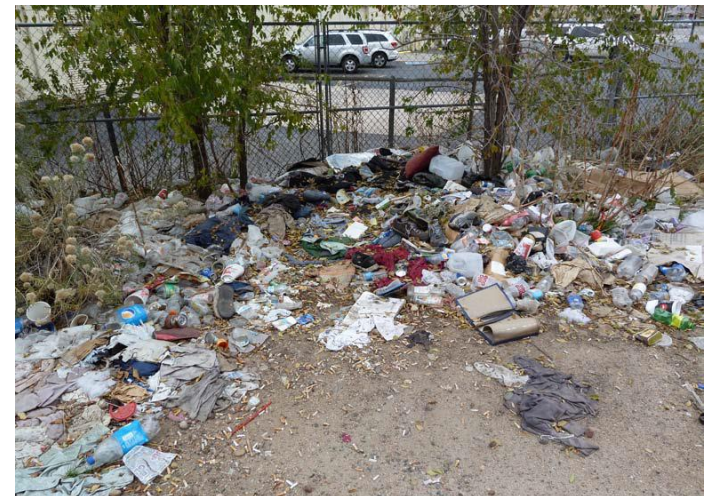
UDFC - \$24,250

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Current Conditions Study Findings

- Predominance of Defective or inadequate street layout
- Deterioration of site or other improvements
- Inadequate Public Improvements or Utilities
- Environmental contamination of buildings or property
- Substantial physical underutilization or vacancy of sites, buildings or other improvements





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Need for Public Investment

Tax Increment Financing (TIF) is used when the project costs are greater than the amount of traditional financing (debt and developer equity) a project can support.

Investment indicative of costs necessary to eliminate blight and support City and Community development vision

Anticipated TIF Eligible Project Costs:

- Demolition – Remaining Foundations
- Infrastructure – Regional Connections
- Environmental Remediation
- Site Work

**Remedy
Blight**

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Redevelopment Vision requires Significant Regional Infrastructure

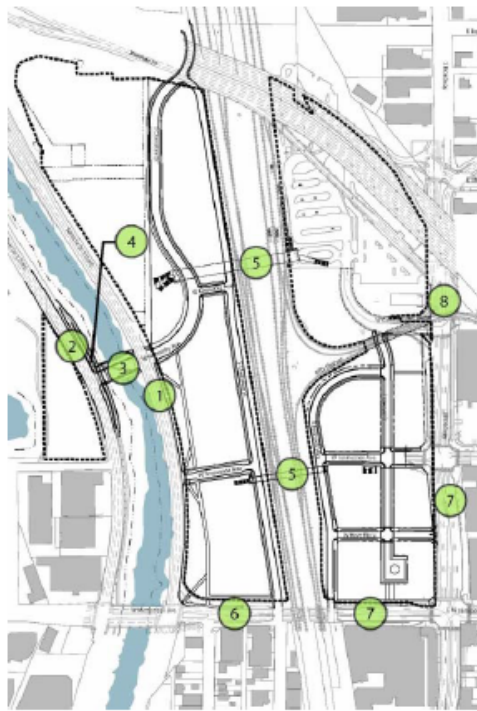
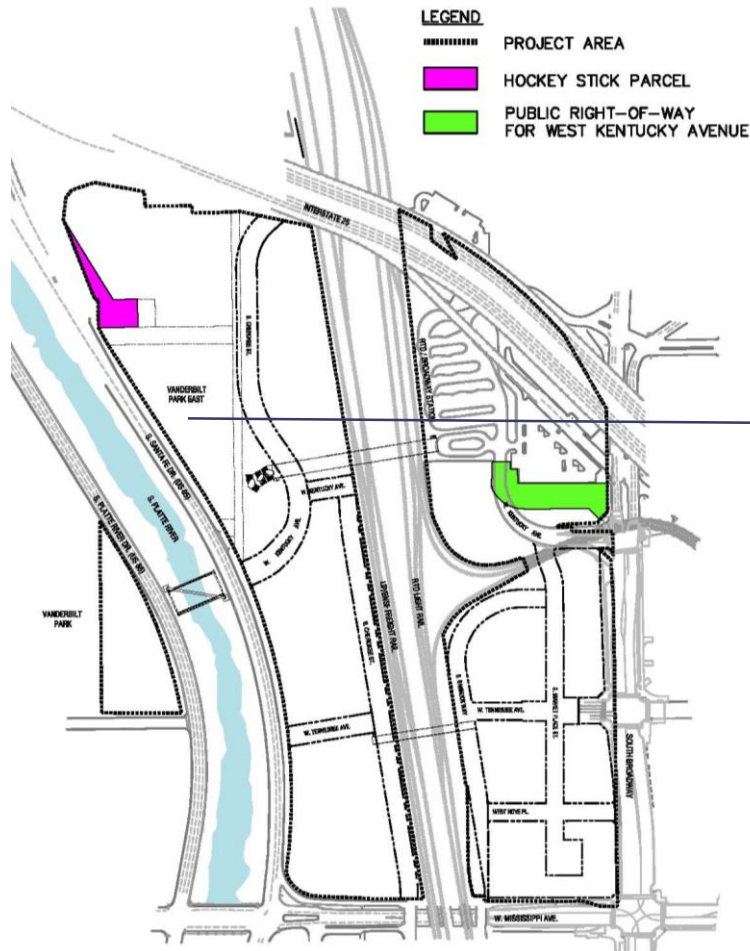


Exhibit 3.3A: Surrounding Infrastructure Improvements

1. Acceleration/deceleration lanes along North bound Santa Fe from Mississippi to the new W. Kentucky intersection.
2. A left turn lane on S. Platte Drive north of Mississippi to the new W. Kentucky intersection.
3. A multi-modal bridge across the South Platte River at W. Kentucky Ave connecting the development on the east side of the river to the expanded Vanderbilt Park on the west side of the river.
4. A new connection from the multi-modal bridge to the South Platte River trail.
5. Two new pedestrian/bike bridges across the Central Main Line; one at approximately the I-25 & Broadway Station and one at approximately W. Tennessee Avenue.
6. Pedestrian improvements along Mississippi Avenue from the west end of the existing retaining wall on the north side of Mississippi, with connections to the north-south promenade system, Cherokee and Santa Fe intersections.
7. Broadway and Mississippi Avenue improvements are anticipated with the City's South Broadway Reconstruction, Arizona Avenue to Kentucky Avenue project. Anticipated Mississippi Avenue improvements will include pedestrian improvements east of the CML bridge.
8. Kentucky Avenue relocation as needed to accommodate regional traffic volumes on Broadway and circulation patterns coordinating with RTD Ownership Area redevelopment.

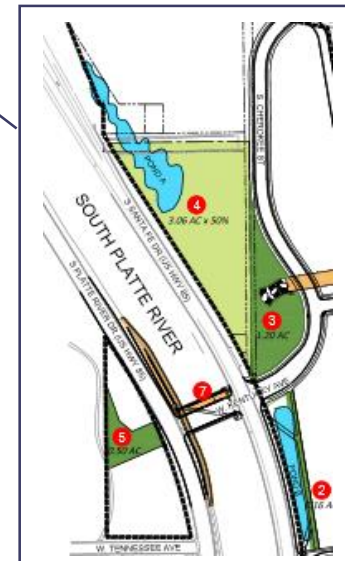
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Project requires coordination with the City & County of Denver

- Land Conveyance
- Storm Water Detention



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Conditions Study Findings

Environmental Update

No Action Determinations (NAD)s for clean land at Closing September 14' was 12.5 acres



Sante Fe Parcels (Total of 26 acres)

- No further environmental cleanup required – No Action Determinations (NADs) received for all Sante Fe parcels.

Broadway Parcels (Total of 15 acres)

- NADs received for 5 out of 6 development lots
- NAD request for remaining development lot submitted in July 2017 and the NAD is expected by end of 2017
- There are currently 6+ acres of land that still require cleanup and do not have NADs on the Broadway Parcels.

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Conditions Study Findings

Remaining Environmental Cleanup



Remaining & on-going environmental cleanup:

- VCUP 8/9 (purple) contains a groundwater treatment system installed in 2014 that provides continuous treatment of impacted groundwater .
- Long-term operation and maintenance of the system required for 10+ years.
- System operation includes Semi-annual groundwater monitoring for approximately 2 years and reporting to the Colorado Department of Public Health and Environment (CDPHE).
- Localized areas of soils cleanup to occur during concrete slab and foundation removal underlying large portions of the Broadway parcel.

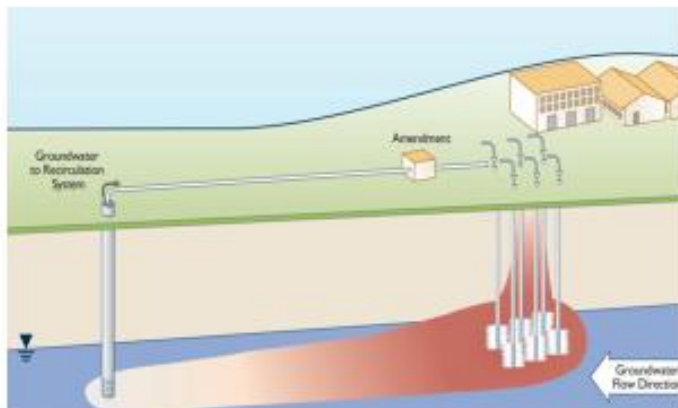
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Conditions Study Findings

Cleanup Approach for Groundwater on VCUP 9

- Groundwater Treatment System
 - System installed in 2014
 - System partially automated
 - Provides robust source-area treatment
 - Significant contaminant reduction since operation
 - Highly effective at controlling offsite migration of groundwater – plume is contained onsite
 - Long-term operation






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-  Proposed I-25 and Broadway Urban Redevelopment Area
-  Current Project - Proposed Property and Sales Tax Increment Area
-  Potential Future Project: Redevelop RTD Broadway Station (Future Property and Sales Tax Increment Area)

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Cooperation Agreement

Land Use Matters: Cooperate with DURA / Project

Special Program Requirements:

- ❖ Project Art – Follow DURA Policy
- ❖ First Source – DURA Policy
- ❖ Construction Enhanced Opportunity – DURA Policy
- ❖ SBE – Follow City Policy
- ❖ Prevailing Wage – Required by DURA Policy and Service Plan

Tax Increment Finance: Mechanics (base, increment defined, etc.)

Term of TIF: Authorizes TIF for 25 years or repayment of Obligations related to project, whichever is earlier



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Approval Process

- Resolution setting Public Hearing: August 28, 2017
- Informational Briefing – City Council Committee: August 29, 2017
- Planning Board: September 6, 2017– Approval of Urban Redevelopment Plan and BSP Project
- Council Committee: September 12, 2017
 - Urban Redevelopment Plan and Cooperation Agreement
 - Land Conveyance Agreement (BSP & City)
- DURA Board: September 20, 2017
 - Approval of Urban Redevelopment Plan, Cooperation Agreement
- City Council: September 25, 2017
 - First Reading – Urban Redevelopment Plan and Cooperation Agreement
- City Council: October 2, 2017
 - Second Reading and Public Hearing – Urban Redevelopment Plan and Cooperation Agreement

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Questions?

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