2012 Urban Land Institute Fall Meeting
Denver FasTracks – Catching the Train to TOD Opportunities

Panelists:
Phil Washington, Regional Transportation District
Kate Iverson, Regional Transportation District
Aaron Miripol, Urban Land Conservancy
Troy Gladwell, Medici Communities

Moderated By:
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October 17, 2012
ULI Fall Meeting and Urban Land Expo

Phillip A. Washington, General Manager
Regional Transportation District

October 17, 2012
The RTD FasTracks Plan

• 122 miles of new light rail and commuter rail

• 18 miles of Bus Rapid Transit (BRT) service

• 31 new park-n-Rides; over 21,000 new spaces

• Enhanced Bus Network & Transit Hubs (FastConnects)

• Redevelopment of Denver Union Station

• 50+ new rail and/or BRT stations for Transit Oriented Communities opportunities
FasTracks Status

- 81 miles of new rail and bus rapid transit currently in construction or under contract to begin construction
- $4.7 billion in investments by 2017
- West Rail Line – 95% complete
- Denver Union Station – 70% complete
- East Rail Line/Gold Line – construction
- I-225 Line – construction underway
- U.S. 36 BRT – express lanes underway
Denver Union Station Status

- $480 million project
- Multimodal hub integrating light rail, commuter rail, Amtrak, buses, taxis, shuttles, bikes and pedestrians
- Denver Union Station Project Authority oversees development
- Partners include RTD, Colorado Dept. of Transportation, City and County of Denver, Denver Regional Council of Governments, Master Developer
- RTD negotiating with USA for complete redevelopment of historic building
- Transit hub will open in 2014
Eagle P3 Project

- Includes East Rail Line, Gold Line, Commuter Rail Maintenance Facility and a segment of Northwest Rail Line
- Project Funding - $2.1 billion
  - $1.03 billion in federal funds
  - $486 million in private equity
  - $500 million in local funds
  - $280 million Transportation Infrastructure Finance Innovation Act (TIFIA) loan
- Opening scheduled in 2016
Eagle P3 Project

- First transit P3 of this magnitude in the U.S.
- RTD retains ownership of assets
- Availability payment model
- 34-year contract
  - 6 years design/build
  - 28 years operate/maintain
- Concessionaire agreement includes incentives and penalties
- More public entities are turning to P3s to build out their projects
Funding Projects in Challenging Times

- RTD started to realize the extent of financial challenge in 2007
  - “The Perfect Storm”
    - Costs skyrocketed, revenues plummeted
- Began pursuing concept of P3
- Now focused on three-legged funding stool
  - Federal funds, local funds, private funds
- Must get creative
  - Industry forum ("Call for Innovation")
    - Unsolicited proposals
- Evaluating cost savings/revenue enhancing strategies
- Partnering with stakeholders to make every dollar count
FasTracks System:
Station Area Plans:
- 35 Plans Adopted
- 8 Plans in Process
- 4 RTD designated Pilot Projects

Kate Iverson, RTD
RTD & TOD

- **2010 Transit-Oriented Development Strategic Plan**
  - Definition of successful TOD for RTD comes from revenue, ridership, and fostering livable communities
  - Mixed-income housing policy

- **TOD Pilot Program:**
  - Alameda Station; Federal Center Station; Olde Town Arvada Station; Welton Corridor
  - Test an expanded role for RTD in facilitating TOD
  - Learn from a diversity of projects
  - Selection criteria:
    - Market conditions support re-development
    - RTD previously acquired property
    - Ability to catalyze additional development in the station area
    - Leverage resources through public-private and public-public partnerships
RTD’s TOD Projects

- Boulder Junction (w/ Pedersen Development and City of Boulder)
  - Funding via $7.7 million CMAQ grant
  - End of line BRT station
  - Underground 6 bay bus facility w/ 71 units of affordable housing plus 140 room hotel.
  - Shared 390 space parking garage (75 to RTD)
  - Awaiting final approvals before construction begins
RTD’s TOD Projects

- Alameda Station Village (w/ D4 Urban and City / County of Denver)
  - Approximately 250 apartments
  - Transitioning a park-n-ride style station to a larger TOD
  - Improved plaza and access
Lessons Learned: New Tools

- **TOD Design Criteria**
  - Applies to all development on RTD property
  - Development needs to be oriented towards station, designed for mixed-use, higher density development (a grid)
  - Strategically manage parking

- **Parking Management Plan**
  - Developing analytical tool to evaluate parking needs at existing stations as system grows.
Lessons Learned: Refinement of Existing 2010 Plan for TOD

Revising Joint Development Proposal Criteria:

- Development timing vs RTD project timing
- Establish expectations and implications of making changes to planned or existing infrastructure up front
- Need sufficient information on financial commitment, overall project investment and risk from all public and private parties.
Opportunities during difficult economic times:

Transit-Oriented Development (TOD) Fund

Aaron Miripol, President & CEO
Urban Land Conservancy

- In the build out of FasTracks over the next decade:
  - Increased demand for housing and community assets within ½ mile of light rail stations and ¼ mile of high frequency bus lines
  - 40% of growth projected from households at or below 80% AMI
  - Opportunity to preserve existing housing and purchase land for land banking
Denver’s Transit-Oriented Development Fund Structure

- **Goal:** Preserve and create over 1,000 affordable homes and other community assets near high frequency transit
  - property acquisition
  - land banking
- **$15 million, 10 year fund, 3.5% fixed rate to Urban Land Conservancy (sole borrower and investor)**
  - Revolving Line of Credit
  - 3-5 year sub-loans for acquisition
- **90% LTV on ‘as-is’ basis**
- **Top 63% is Non-Recourse**
- **Expand Fund to $30 million for Denver Metro Region**
- **Enterprise Community Partners serves as administrator**
TOD Fund Activity Summary

- Seven TOD Fund acquisitions have created or preserved 470 affordable homes since start-up in April 2010: 418 new, 52 existing.
- TOD Fund has also created or preserved over 120,000 square feet of commercial space for assets such as a new public library and affordable office space for nonprofits.
- As of October 2012, the Fund has been drawn down $9,355,000.
- Two additional properties are currently under contract that would draw down the remaining available funds.
Mile High Vista

Currently under development, ULC is serving as master developer, partnering with the City of Denver and Del Norte Housing to build:

- New city public library (orange)
- 80 units of workforce housing + 10k sq. ft. of community space (blue)
- 20k sq. ft. commercial building (green)

Housing Developed by Del Norte

- Land Purchase & Holding costs: $2.75M
- Design & Planning: $500,000
- Remediation & Infrastructure: $2M
- Total: $5.25M

Development Costs:
- Library: $10M
- Housing: $15M
- Commercial: $2M
- Total: $27M

Total: $32.25M
Cause for Regional TOD Fund Preservation Opportunity Outside of Denver

Villa Apartments at Wadsworth Station

- 100 units 50 feet north of Wadsworth Light Rail Station on West Corridor of FasTracks
- Affordability at risk, demonstrates the need to expand the Fund outside of Denver
- ULC currently under contract, two nonprofit takeout partners have been identified
Transit-Oriented Development Fund Property Locations

[Map showing property locations related to Transit-Oriented Development Fund (TOD) projects, with annotations and labels.]
Benefits of TOD Fund

- Preserves land and buildings around transit corridors to ensure long term affordable housing & stewardship of the land
- Gives affordable housing developers a financing tool to help mitigate real estate risk at transit sites
- Encourages partnerships with Community Development Corporations and other developers
- Increase residential and commercial density = smart growth
- Provides employers with access to an expanded workforce
- Increases ridership on public transit
- Getting beyond silo solutions: Fund is more than affordable housing, it brings other development opportunities and economic investment to under served transit sites

Future of TOD Fund

- Expand to regional $30M Fund, add over 1,500 affordable homes
- Investments from other local municipalities besides Denver
- New enabling legislation allows RTD to partner with for profit and nonprofit developers at transit stations
- Over $150M of investments will be leveraged, more than 2,200 jobs created
Development at Evans Station: Evans Station Lofts

Evans Light Rail Station
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Questions?

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