

The Phoenix Story

Financing TOD in a Down Market

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Key dates in the story

- March 14, 2000
- November 2, 2004
- September 15, 2008
- December 27, 2008

The Frenzy

- From 2000 to 2005, single family permits increased from 33,000 annually to 48,000 annually
- Urban land prices quadrupled
- Everyone wanted a high rise condo, right?

The Drunken Sailor Wakes Up

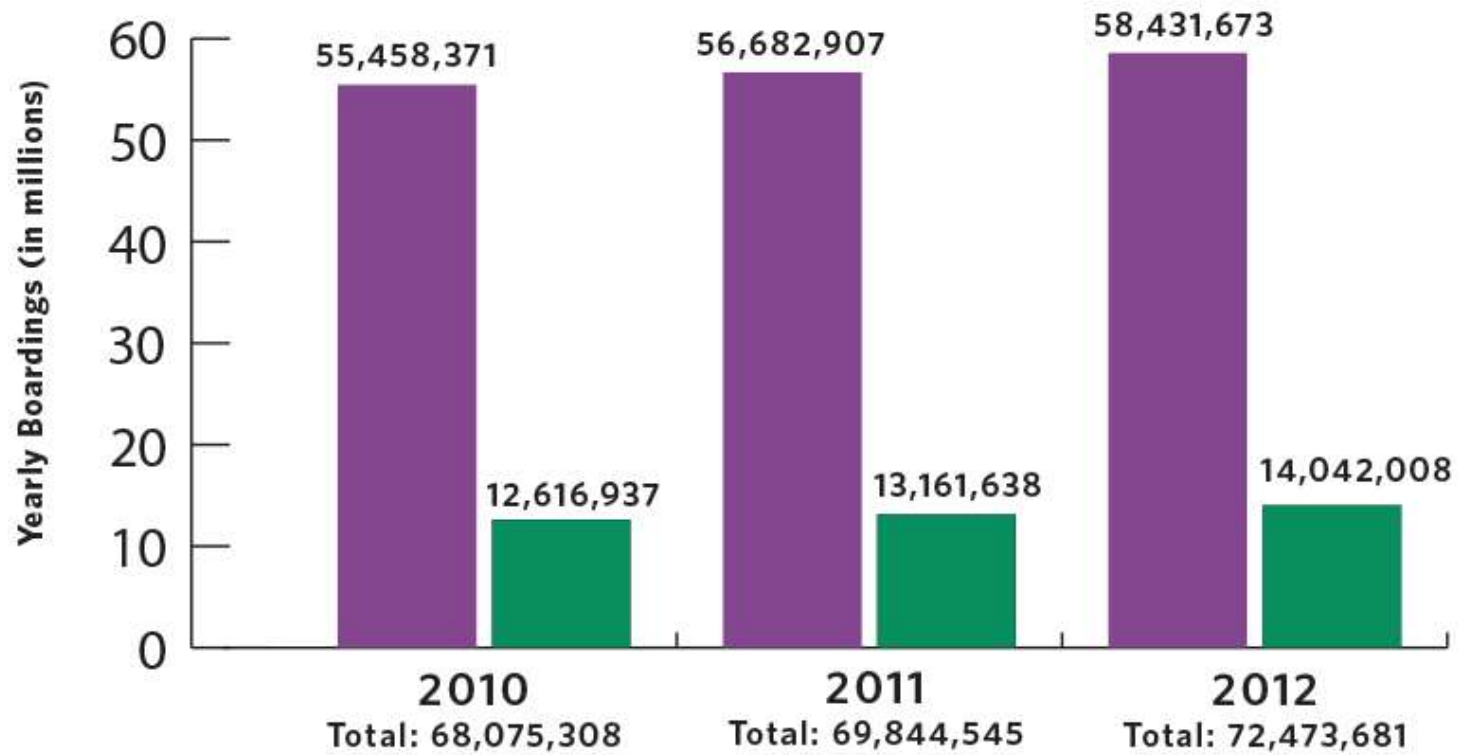
- Single family permits fell from 48,000 in 2005 to 6,300 in 2012
- Assessed valuation dropped 47% in Phoenix
- Foreclosures were top 5 in US for an extended period
- At the peak, over 80,000 vacant homes in the Metro area

Key Economic Factors

- SB 1070 in 2010
- Lose of business & jobs
- Impact on reputation
- State budget decreased from 11b to 6.5b
- COP shaved \$220 million from General Fund in 2012 alone

Annual Ridership

Bus and Light Rail Ridership 2010 - 2012



LEGEND

Bus



Light Rail



Ridership Highlights

- All-time records in 2012
 - October
 - 5.7 million bus riders
 - October 18th
 - 65,000 light rail riders
 - Within 10% of 2020 projection
 - Sunday ridership beats weekday goals



Ridership Profile

- 77% used transit more than before
- 68% walked to a station
 - 16% drive
 - 16% transfer from a bus
- 34% utilize to/from home for needs other than work or ASU
 - 29% to/from home/ASU
 - 20% to/from home/work
- 65% of those surveyed had at least 1 car available for their trip

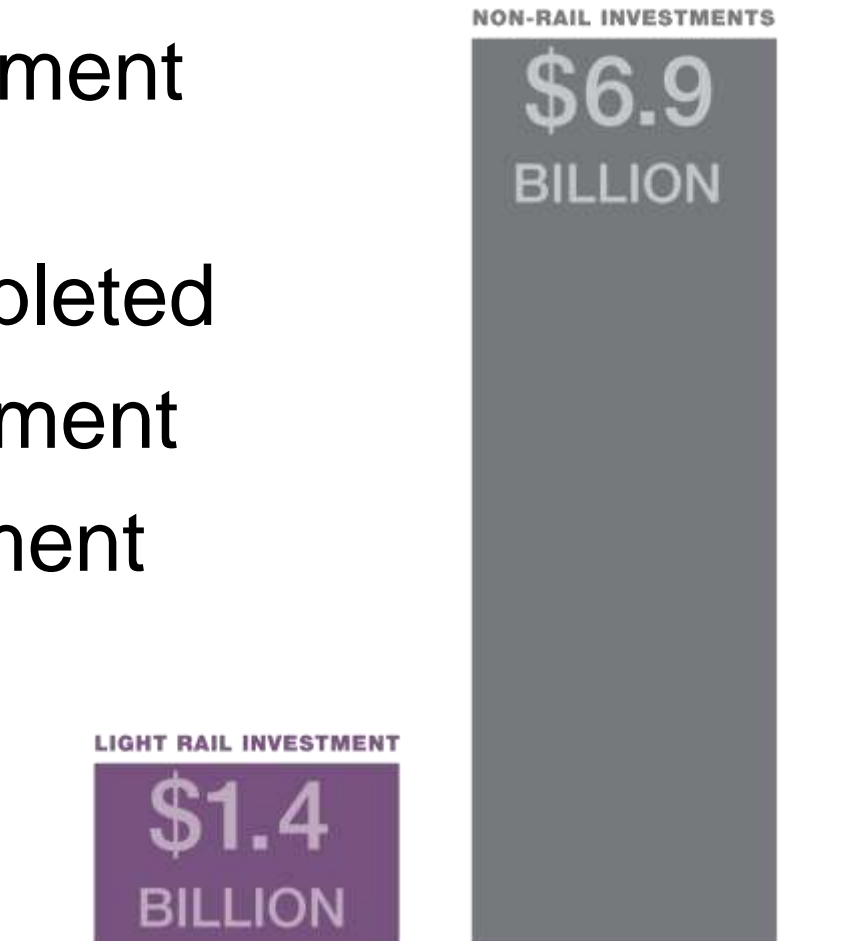


Rail Peer City Comparison

Peer City	Miles	Riders Per Mile
Dallas	85	1,100
Denver	47	1,600
Minneapolis	12	2,500
Phoenix	20	2,200
Portland	52	2,400
Sacramento	37	1,200
Salt Lake City	35	1,600
San Diego	54	1,600
Seattle	17	1,800
<i>Peer Average</i>	<i>50</i>	<i>1,800</i>

Investment Along Light Rail

- \$6.9 billion total investment
 - Planned, under construction or completed
 - \$5.4B private investment
 - \$1.5B public investment



Developments

Residential, Large Mixed-Use, Public Investment



Grigio Metro
Tempe



Phoenix Convention Center

CityScape
Phoenix



ASU Downtown Phoenix campus builds identity



As the ASU Downtown Phoenix campus prepares for its opening in August, its facilities are taking shape and bestowing new names. Here is a quick look at each building and what it will include:

1. UNIVERSITY CENTER

Formerly known as the 411 building because of its location at 411 N. Central Ave. (the northeast corner of Central Avenue and Polk Street), the University Center boasts modern classrooms, offices, labs, seminar rooms and study areas. It will house student services, information commons, the ASU Bookstore and a small café. The College of Public Programs will occupy floors four through nine, which includes the schools of community resources and development, social work and public affairs, the Morrison Institute of Public Policy, the Center for Nonprofit Leadership and Management, and three other centers in the college. University College's administration offices and student success programs also will operate within this building.

2. POST OFFICE

The Post Office, located at Central Avenue and Fillmore Street, is one of Phoenix's historical buildings. It will serve as a student gathering place with meeting rooms for student organizations, a cultural advocacy office, student employment, an integrity control office, community engagement programs and a host of other student services. U.S. Postal Service retail operations will remain in the building, to serve the campus community and general public.

3. PHOENIX URBAN RESEARCH LABORATORY

An extension of the College of Design, PURL is situated on the two top floors of the historic Security Building at the southwest corner of Central Avenue and Van Buren Street. PURL is a research center focused on seeking solutions to the most pressing design problems facing cities today and enhancement of the civic realm. Complete with studio space, meeting rooms, offices and a large-scale model of downtown Phoenix, PURL also serves as a think tank where decision makers, city leaders, community groups, visiting experts and students can discuss the future of the city and region.



4. HEALTHCARE INNOVATION & NURSING

Located at Third and Fillmore Streets and previously called Park Place, the Healthcare Innovation & Nursing building will be occupied by the College of Nursing student services, nursing research centers, faculty, staff and administrative offices. Integrated Health Services, a student health center for the downtown campus community, will be located on the first floor of the building and offer preventive and treatment services and wellness and health programs.

5. RESIDENTIAL COMMONS

For on-campus housing, about 250 student beds will be available at the Residential Commons, a remodeled Ramada Inn located at the intersection of First and Polk streets. The entire residence hall accommodates wireless Internet and provides ample space for student gatherings, study sessions and activities. Student rooms come with a view of the facility's pool and patio and are within a five-minute walk from classrooms.



6. MERCADO

Known previously as the ASU Downtown Center, the Mercado includes University College's extended education and distance learning programs, College of Nursing simulation labs, the College of Public Programs' advanced public executive program and the offices of various ASU organizations, such as the Stardust Center for Affordable Homes and the Family, Arizona Prevention Resources Center, the Office of Youth Preparation and Building Great Communities. It is located between Van Buren and Monroe streets and Seventh and Fifth streets.

Journalism



College of Nursing



ASU – Sun Devil Fitness Complex



West side of 1st Ave, south of Y, north of Van Buren

**ASU Student Recreation
Center Expansion
at the YMCA**

❑ Opened fall 2013



- ❑ 74,000 SF
- ❑ \$24M
- ❑ Weights/Fitness/Basketball
- ❑ Roof-top pool
- ❑ Kinesiology

ASU – Post Office



South side of Fillmore, Central – 1st Ave

Student Engagement Center – Open

- ❑ \$5M upgrade
- ❑ Improved connection to Civic Space park
- ❑ Student lounge/services & multi-purpose space





CityScape – Final Phase

Kimpton Palomar Hotel & Apartments

- \$90 M, 240-room boutique hotel
- Opened June 2012
- Pool patio/bar accessible to the public

Apartment Tower Addition

- 12 stories, 240 residential units above hotel – under construction



How did we do that?

- No TIF
- No municipal money
- Not looked at favorably by the financial institutions
- Overpriced Land
- No history of urban redevelopment
- Few local urban developers
- State Constitution

How did we do that?

- New Market Tax credits (PCDIC)
- Phoenix IDA bonds and investments
- Government Property Lease Excise Tax (GPLET)
- Creativity
- Cooperative City Government (simpler process)
- Boomers and Gen Y's

Going forward

Future Rail Projects

