Denver Union Station: A True Public-Private Partnership

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Union Station: A Public Private Partnership

- Regional Transportation District (RTD)
- City & County of Denver (CCD)
- Colorado Department of Transportation (CDOT)
- Denver Regional Council of Governments (DRCOG)
- Union Station Neighborhood Company (USNC)
- Denver Union Station Project Authority (DUSPA)
August 2001 RTD acquires DUS site in accordance with IGA between RTD, CCD, CDOT and DRCOG

April 2002 Partner Agencies initiated master planning process

3-year public process with 96-member Advisory Committee

September 2004 Vision Plan approved by four Partner Agencies establishing transit and development programs

September 2004 DUS rezoned T-MU 30

Milestones

Nov. 2004 FasTracks approved by voters
18 month process of national significance

Developer RFQ June 2005
11 teams submit

RFP Part 1, February 2006
5 teams submit

RFP Part 2, July 2006

Developer Interviews, August 2006

Public Presentations, September 2006

Nov. 2006
USNC Selected as Master Developer, team included SOM, AECOM, and Kiewit

USNC led design refinement - team studied alternative configurations

At-Grade Solution developed and costed; 15% Conceptual Plans prepared

Master Plan amended to reflect new solution

EIS advances

Revised solution & target budget established

Design Team prepared 30% Preliminary Engineering

EIS completed

ROD issued October 2008

DUSPA created

DDA created, TIF district established

DUS Met Districts created

Dec. 2008
PE complete
Start D/B Negotiations
**DUSPA**
Denver Union Station Project Authority

**Owner’s Representative:** Trammell Crow Company

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**FEDERAL & STATE**
- DRCOG
  - Denver Regional Council of Governments
- CDOT
  - Colorado Department of Transportation
- RTD
  - Regional Transportation District
- CCD
  - City & County of Denver
- DDA
  - Downtown Development Authority

**DUS METRO DISTRICT**

**PRIVATE**
- CONTINUUM PARTNERS
- EAST WEST PARTNERS

**USNC**
Union Station Neighborhood Company
- Master Developer
  - Private land and vertical developer of DUS sites
  - Participate in management of transit and public infrastructure project

**PUBLIC**
- DRCOG
  - 1 member
- CDOT
  - 1 member
- RTD
  - 2 members
- CCD
  - 6 members
  - 2 non-voting members
- Metro District
  - 1 member
- DDA
  - Downtown Development Authority
- RTD
  - Regional Transportation District
- DRCOG
  - Denver Regional Council of Governments
- CDOT
  - Colorado Department of Transportation
- CCD
  - City & County of Denver
- DDA
  - Downtown Development Authority

**DESIGN-BUILD CONTRACT**
- Kiewit Western Company
  - Transportation/Public Infrastructure Contractor
- AECOM
  - Transportation Infrastructure Engineer
- SOM
  - Skidmore, Owings, and Merrill, LLP
    - Master Plan & Transit Architect
- Hargreaves & Associates
  - Landscape Architect

**USNC**
- Design, Construction, and Operation of Private Buildings developed on DUS site
2009 DUSPA MOVES AHEAD

Design-Build contract executed
Early Action work
Final Design / Permits
Continued Public Outreach through USAC
DUS Design Standards & Guidelines Approval
DUS General Development Plan Approval
DUS obtains investment grade rating

2010 CONSTRUCTION START

Final design continues
DUS Phase 1 construction starts at risk
DUSPA closes loans with USDOT
USNC closes on North and South Wing development parcels

2011 PHASE 1 OPENS

Amtrak relocated to temporary station
USNC closes on Triangle development parcel
Light Rail Station opens
DUS Phase 2 construction begins

2012 PROGRESS CONTINUES

Wynkoop Plaza construction begins
North Wing and South Wing construction begin
Completion of Bus Box structure
CRT Train Hall Canopy begins
USNC closes on A-Block development parcel

Q4 2013 – Q1 2014
Public project completion
Major Transit Elements

Transit Framework

- 8 track CRT (plus expansion)
  - East (DIA)
  - North Metro (I-25 North)
  - Northwest (Boulder)
  - Gold (Arvada/Golden)
  - Amtrak
- 3 track LRT
  - Existing Southwest & Southeast
  - West (Lakewood/Golden)
- 22 bay regional bus facility
  - 16 regional
  - 4 Downtown Circulator
  - 2 commercial bus
- 16th Street Mall expansion
- Downtown Circulator
DUS - Transit Infrastructure

- LIGHT RAIL + MALL SHUTTLE STATIONS
- REGIONAL BUS TERMINAL
- COMMUTER RAIL TERMINAL
- DUS HISTORIC BUILDING
- Wewatta Plaza
- Wynkoop Plaza

Locations:
- Chestnut Pl.
- 16th St.
- 17th St.
- 18th St.
- Wewatta St.
DUS Aerial View
Project Cost Summary

- Light Rail $56.9 M
- Passenger Rail $145.2 M
- Regional Bus $219.0 M
- Streets & Public Spaces $40.0 M
- DUS Renovation $17.0 M
- Miscellaneous $9.9 M

$488.0 M
## Project Finance Summary

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<th>Cash Sources</th>
<th>Description</th>
<th>Amount</th>
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<tr>
<td>FHWA</td>
<td>PNRS</td>
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<tr>
<td>FTA</td>
<td>5309</td>
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<td>CDOT</td>
<td>SB-1</td>
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<td></td>
<td>FASTER Grant</td>
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<tr>
<td>DRCOG</td>
<td>TIP Funds</td>
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<td></td>
<td>ARRA (stimulus) Grant</td>
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<tr>
<td>RTD</td>
<td>ARRA (stimulus) Grant</td>
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<tr>
<td></td>
<td>Property Sales Proceeds</td>
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<td>RTD FasTracks Contribution</td>
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<td>CPV District</td>
<td>Bond Funds</td>
<td>$1.0 M</td>
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<tr>
<td>TOTAL</td>
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<td>$187.3 M</td>
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**Required Financing**

($300.6 M)
Project Financing Strategy

• Borrowed funds:
  – Clear need for additional funds
  – Determine source of borrowing
  – Determine source/sources for repayment

• Assumption:
  – Tax-exempt securities sold in financial markets; repayment from RTD’s FasTracks allocation to DUS ($208.8M) and from CCD tax increment revenue

• Steps:
  – Annuitize the RTD FasTracks allocation
  – Establish a CCD framework for creating and collecting incremental taxes on and surrounding the site
2008 Market Shift

• Tax-Exempt Markets
  – After downturn, capital markets not accessible

• Federal Loan Opportunities
  – Restructured DUS repayment scenarios to accommodate federal requirements
Federal Loans

- Transportation Infrastructure Finance and Innovation Act (TIFIA) - $145M
- Railroad Rehabilitation and Improvement Finance (RRIF) - $155M

Repayment Sources

- FasTracks $208.8M less previous expenditures = $165M
- $165M annuitized at 5.65% to $12M annually, pledged by RTD to DUSPA to secure and repay TIFIA loan
- Denver Downtown Development Authority (DDA) all tax increment revenue for 30 years pledged by City to DUSPA to secure and repay RRIF loan
Public Finance Summary

DDA & DUS Met District Boundaries

- DDA Boundary
- DUS Met Districts
- DUS Site
- Market St. Station
Loan Security

- Moral Obligation (City Contingent Commitment) from City and County of Denver
  
  - In the event of a shortfall in revenue available for debt service on the subordinate loan (RRIF), the City and County of Denver will request of its City Council appropriation of up to $8M annually during the term of the loan to make up any such shortfall.
# Development Activity – Plan vs Actual

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<tr>
<td>Office</td>
<td>418,000 - 628,000 SF</td>
<td>2,020,000 SF</td>
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<tr>
<td>Retail</td>
<td>193,000 - 245,000 SF</td>
<td>371,000 SF</td>
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<td><strong>Commercial Subtotal</strong></td>
<td><strong>611,000 - 823,000 SF</strong></td>
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<tr>
<td>Hotel</td>
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<td>706 Rooms</td>
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<tr>
<td>Residential</td>
<td>1520 - 1930 Units</td>
<td>3058 Units</td>
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*All projects completed or under construction and completed by 2019*
DUS INSPIRED ECONOMIC DEVELOPMENT

124 NEW BUSINESS LOCATIONS to the Union Station area since 2009

5000 JOBS CREATED $425 million in wages

6000 INDIRECT OR INDUCED JOBS CREATED Leads to $325 million in wages

25 CONSTRUCTION PROJECTS COMPLETED Over $2 billion in private investment

3.5 BILLION DOLLARS in overall economic impact

*Courtesy of Denver OED
Questions?