Denver Union Station: Creating (and Capturing) Value

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What We Did

- World-class 5-mode transit hub
- 1.35 million sq ft joint development
- Reuse of historic station
- Iconic public realm
Where We Started: 2005

- 19.5-acre site owned by Regional Transit District (RTD)
- ~20 acres of cleared rail yard land
- The “hinge” between two emerging neighborhoods
- Exceptional collaboration among RTD, City, Colorado DOT, & DRCOG (planning agency)
- A 4-year master planning process—with 98 formal stakeholders—concluded
- Ready to solicit a Master Developer
The 2005 Master Plan

• A 19.5-acre site -- period
• All main transit components underground; unaffordable cost premium
• Light rail & intercity rail in back - room for 6 passenger rail tracks
• Buses in front -- a banana-shaped underground terminal, poor sight lines
• Vertical development stacked on top of transit boxes -- no development until transit components constructed
• Underground transfers not seamless
The 2005 Master Plan
The Organizations: 2006

Executive Oversight Committee (Memorandum of Agreement)
- Regional Transit District
- City & County of Denver
- Colorado Dept. of Transp.
- DRCOG

Master Developer Team (Selected 2006)
- Union Station Neighborhood Company
  A Joint Venture
- Continuum Partners
- East-West Partners
- Kiewit
- AECOM
- SOM

City & County of Denver

Dept. of Transp.
Unlocking the Box

- Light Rail: at-grade, 500 feet away on USNC land
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- Train shed: at-grade, the iconic feature, eight tracks
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• Bus terminal: underground but connects everything
Unlocking the Box

- Light Rail: at-grade, 500 feet away on USNC land
- Train shed: at-grade, the iconic feature, eight tracks
- Bus terminal: under-ground but connects everything
- Building sites unstacked: 5 pads on terra firma
Changing the Organization

- Delivery of transit program changed to **design-build**
- Kiewit-AECOM team with SOM named design-builders
- Governance: in 2009, 4-way Memorandum of Agreement replaced by Denver Union Station Project Authority (DUSPA)
- DUSPA is the “owner” until transit components are completed and returned to RTD to operate

11-member Board:
- City … 6
- Colorado DOT …… 1
- RTD … 2
- DRCOG ……………… 1
- Master Developer …1

DUSPA’s roles as Project Owner:
- Contract with Master Developer
- Contract with Design-Builder
- Receive revenues from all sources
- Act as borrower for US Govt loans

Revenues:
- State, local, tax increment, etc.

- Master Developer
- Design-Builder
- US Govt Loans
A Value Capture Strategy
for $488 Million in Transit & Public Realm Components

Grants and Sales Tax Revenues
- Federal and State grants
- RTD transit expansion sales tax ($145 capitalized in US Govt. “TIFIA” Loan)

Value Capture
- Joint development land payments
- US Government RRIF loan borrowed against TOD tax increment & special assessment
Creating Extra Value

Compared to the original Master Plan, the revised plan created far more value:

• Expanded tax increment district from 19.5 to 40 acres

• Created a retail-lined “Main Street” on 17th Street, through the core of the station district

• Most important: enabled vertical joint development to happen while the station was being built—establishing Union Station as the place in post-recovery Denver

• February 2017: DUSPA and the City refinance the RRIF loan—tax increment revenues have risen at 3x the projected rate
Questions?
A World-Class Urban Place

Denver’s “Living Room”
A World-Class Urban Place
Thank you!

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DENVER UNION STATION PROJECT IMPLEMENTATION TEAM

DENVER
THE MILE HIGH CITY

TRAMMELL CROW COMPANY

PROGRAM MANAGER

PKS
DESIGN BUILDER

Kiewit

MASTER DEVELOPER

UNION STATION
NEIGHBORHOOD Co.
A CONTINUUM EAST WEST PARTNERSHIP

BOOKHARDT & O'TOOLE
DUSPA COUNSEL

Hogan Lovells
DUSPA COUNSEL

CRL ASSOCIATES, INC.
PUBLIC AFFAIRS

HARGREAVES ASSOCIATES
PUBLIC REALM DESIGNER

AECOM
DESIGNER

SOM
ARCHITECT