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Steering renewal in the age of the credit crisis

Tracy Huggins, executive director of the Denver Urban Renewal Authority

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Tracy M. Huggins, Executive Director, of Denver Urban Renewal Authority (The Denver Post | John Prieto)

Q: The Denver Urban Renewal Authority is celebrating its 50th anniversary this year. What has the agency contributed to Denver over the years?

A: We have some old photos of the real slum housing that was in what is now Lower Downtown. Back in 1958, so much of the housing there didn't have indoor plumbing or electricity. Denver didn't even have a building code. Because of the authority, that changed, and LoDo is a desirable place to live. To put the redevelopment of that housing up against the redevelopment of Stapleton, you can see it runs the gamut.

Our greatest accomplishment has been our strategic investment and revitalization of downtown.

Q: How does the agency work?

A: We are a tool to implement a broad vision of the city and county of Denver. We work with the city to identify those areas that are in need of revitalization.

For example, in the late '80s and early '90s, downtown was dead or dying. There was the flight of retail to the suburbs and high office vacancy. The mayor and city council convened a group that developed the downtown area plan. The emphasis was on housing and retail and other activity that would support the convention center.

(The authority) comes in with tax - increment financing so projects can get over the hurdle.

Q: How has the economic downturn affected the urban renewal authority?

A: It's almost too early to tell.

When economic times are strong, is there a role for the authority? Yes. Look at the Dahlia shopping area. Those kinds of areas will always need assistance.

We could expect to see an increase in activity.

Q: How have projects using tax-increment financing been affected?

A: Thankfully, they haven't.

We have bonds outstanding on projects that are heavily reliant on sales taxes. We have 1.5 times our debt service covered. That means if we owe \$100, we have \$150 coming in. It has served us well. The sales tax revenue can vary a great deal.

We've been very aggressive in the management of debt. The bonds for Elitch's were due in 2017. We paid them off in 2008. It reduces the amount of debt service.

Q: How has turmoil in the bond market affected the agency?

A: We've always had the ability to place bonds. Those were the days when nobody dreamed Lehman Bros. would fail.

We worked with the Lowry Redevelopment Authority to refinance bonds last month. My understanding is, that was the only bond transaction that happened that day.

I'm glad we're not looking to issue any bonds.

Q: Are there any specific areas the agency is focused on?

A: There's a continued need for investment downtown. The 16th Street Mall, for as exciting a place as it is now, there are sections that could be stronger.

The area that needs the most attention is west Denver. There are a few pockets that are strong, but South Federal needs a shot in the arm.

Q: How has the agency helped improve housing?

A: We have administered the city's single-family rehab and emergency repair programs for 35 years.

We provide zero interest or low-interest loans to make sure homes are safe and habitable. Our loan staff does the underwriting and the rehab staff coordinates with the contractors.

Q: What's in store for the next 50 years?

A: In the next 50 years, you should have the completion of Stapleton. You will have a much enhanced downtown, both residential and commercial. Transit-oriented development will no longer be something we just talk about. It will be where people live, because FasTracks will be done. The Central Platte Valley will be vastly different because of FasTracks and Denver Union Station.

Hopefully, Denver will have full revitalization and the agency's work will be minimal at best.

Edited for length and clarity by Margaret Jackson