

The Denver Urban Renewal Authority—2006 Annual Report

Maintain Downtown's Momentum



Improve Neighborhood Livability



Revive Outmoded Sites



Transit-Oriented Development



Redevelop Large Infill Areas



DURA Redevelopments—1988 to present

Adams Mark Hotel	Larimer Square
Alameda Square	Lowenstein Theater
Bank Lofts	Lowry
Bear Valley Shopping Center	Magnolia Hotel
Boston Lofts	Mercantile Square
Broadway Marketplace	Northeast Park Hill (Dahlia Square)
California Street Parking Garage	Pepsi Center
City Park South	REI – Forney Museum
Clyburn Village	Rio Grande Building
Denver Dry Building	St. Luke’s
Denver Newspaper Agency Building	Stapleton
Denver Pavilions	The Point
Elitch Gardens	University Hills Shopping Center
Executive Tower Hotel	Westwood Commercial
Gates Cherokee	38th and York
Highlands’ Garden Village	

DURA Board of Commissioners

James L. Basey, <i>Chair</i>	Gary M. Reiff
Denise Burgess	John M. Shaw
John J. Huggins	Tom Stokes
Mary Frances Kelley	Jesús M. Vázquez
Jim Martinez	Sharon Vigil
Toya M. Nelson	Tracy Huggins, <i>Secretary</i>

DURA Executive Staff

Tracy Huggins, *Executive Director*
Cameron Bertron, *Redevelopment Manager*
Janet Colley, *Finance Manager*
Marianne LeClair, *Housing Manager*
Cherie Koch, *Administrative Assistant/Office Manager*

Greetings—

At the heart of each and every Denver Urban Renewal Authority project lies the same opportunity—and the same challenge: How can we take “what was” and turn it into “what can be”?

Working in partnership with the City and County of Denver, developers, landowners, homeowners and community groups, DURA helps revitalize blighted buildings, homes or properties as we strive to fulfill our core mission of keeping the City vibrant and successful.

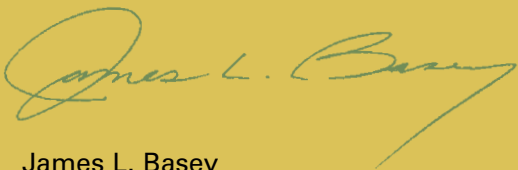
In order to help foster a positive City environment and experience, DURA's efforts have been focused on five strategic imperatives:

- Maintain downtown's momentum
- Improve neighborhood livability
- Revive outmoded and under-utilized sites
- Collaborate with the City on transit-oriented development opportunities
- Redevelop large infill areas where people can live, work and play

Over the past year, DURA has worked with area residents and Denver's development community on revitalization projects which fall directly into these five categories. These public/private efforts across the City are helping transform today's blighted properties into the Denver of tomorrow.

Many of these projects do not fit neatly into a calendar year—most take several years and some take decades to complete. On the following pages, you will learn about the status of DURA's current activities, the completion of others and the start of several more.

DURA's volunteer Board of Commissioners and professional staff invest significant time and energy to help turn blighted areas, properties and buildings into new, updated community assets. We take great satisfaction in knowing our efforts help create local investment, jobs, homes, neighborhood services and, most importantly, civic pride.



James L. Basey
Chair of the Board of Commissioners



Tracy Huggins
Executive Director

Maintain Downtown's Momentum

Keeping Downtown Denver economically strong through strategic investment in residential, commercial, historic and civic endeavors.

Strategic Imperative:



▲ THE CURTIS HOTEL

This upgraded 30-story building, formerly known as the Executive Tower Hotel, is helping fuel a renaissance along 14th Street with the renovation of the building's lower 16 floors becoming The Curtis Hotel. The lobby, conference rooms, restaurant and 337-key hotel were remodeled along a whimsical pop culture theme (www.thecurtis.com). Façade and streetscape improvements, along with a public art installation, will enhance the pedestrian experience on Downtown Denver's "cultural spine" at 14th and Curtis. ►



The Curtis Hotel photos courtesy of Sage Hospitality Resources, LLC

The Inn at Auraria photo courtesy of American Campus Communities

The Denver Newspaper Agency courtesy of Hensel Phelps Construction Co.



▲ THE INN AT AURARIA

The upper 14 floors of the building, formerly unusable, vacant office space, were purchased by the Auraria Higher Education Foundation and rehabilitated as The Inn at Auraria (www.theinnatauraria.com). This 439-bed student housing facility opened in August 2006; creating an important connection between the Auraria campus and Downtown.

DENVER NEWSPAPER AGENCY ►

The Rocky Mountain News, Denver Post and parent company the Denver Newspaper Agency maintained their presence in downtown Denver by moving into a new state-of-the-art facility on 15th and Broadway in July 2006 (www.denvernewspaperagency.com). DURA participated in streetscape, park and other public improvements to help turn this former parking lot into the corporation's new headquarters.



Improve Neighborhood Livability

Enhancing the quality, safety and value of Denver's neighborhoods.

Strategic Imperative:



◀ DAHLIA SQUARE

After working to reclaim this blighted site through several administrations and multiple decades, DURA engaged Brownfield Partners (BFP) to complete the environmental cleanup of Dahlia Square. BFP (www.brownfieldpartners.net) completed the work in December 2006; paving the way for the site's redevelopment.

Alliance Development and Oakwood Homes are now collaborating to develop for-sale town homes which will compliment and enhance the surrounding neighborhood.

Furthermore, a new facility for Denver Health and Hospital Authority's Family Practice Center will be built at Dahlia Square. The Family Practice Center, now in temporary quarters at 38th and Grape, will return to the site to continue to provide healthcare services for the Northeast Park Hill community.

Development of the residential units and healthcare facility is planned to commence later this year.

HOUSING ▶

DURA continues to support the City's commitment to maintain affordable housing by providing low-interest loans for interior and exterior home repairs and improvements.

In 2006, DURA provided 259 low-interest or deferred loans in excess of \$2.5 million to homeowners having the greatest financial need in Denver's low-to-moderate income neighborhoods. Over the past 30 years, two DURA home repair loan programs have helped over 15,000 homeowners improve their property's safety and value; which, in turn, strengthens Denver's neighborhoods.



*Dahlia Square photo courtesy of
Brownfield Partners, LLC*

Housing photos courtesy of DURA

Revive Outmoded and Under-utilized Sites

Restoring, reclaiming and revitalizing neighborhoods.



▲ LOWENSTEIN THEATER

The much-awaited redevelopment of the formerly vacant historic Lowenstein Theater on East Colfax Avenue made its debut in 2006, with the Tattered Cover book store opening in June and music retailer Twist and Shout joining the complex in October.

The rehabilitated theater, a newly-constructed adjoining building and parking garage, developed by St. Charles Town Company (www.stcharlestown.com), are helping revitalize East Colfax Avenue while preserving a historic part of Denver's past. Other retail and entertainment establishments are planned in 2007.



▲ WESTWOOD NEIGHBORHOOD

South Federal Boulevard is undergoing revitalization with new commercial and residential development recently completed or under construction.

Heang Plaza, a redevelopment project at Kentucky Avenue and S. Federal Boulevard, has renovated an existing restaurant and added 9,000 square feet of new retail space.

Hazel Court Apartments, an 18-unit affordable housing development targeting households earning between 40 and 50 percent of the area median income, will be completed in 2007.

Strategic Imperative:

Lowenstein Theater photo courtesy of St. Charles Town Company

Heang Plaza photo courtesy of DURA

Collaborate with the City on Transit Oriented Development Opportunities

Integrate transit into neighborhoods to support lively, vital communities.

▼ DENVER UNION STATION

The upcoming redevelopment of Denver Union Station is being led by the Denver Union Station Executive Oversight Committee (EOC), an expanded partnership involving the City and County of Denver, Colorado Department of Transportation, Regional Transportation District and Denver Regional Council of Governments.

In late 2006, the EOC entered into exclusive negotiations with Union Station Neighborhood Company, a partnership between Continuum LLC and East West Partners, (www.unionstationneighborhoodcompany.com) for the rehabilitation of the historic Denver Union Station and redevelopment of 19.5 acres of surrounding land into a multi-modal transportation, housing, retail and commercial hub.

It is anticipated that Tax Increment Financing will be used to help finance the transportation infrastructure for this project.



Denver Union Station photo courtesy of Union Station Neighborhood Company

Gates Cherokee photo courtesy of Cherokee



▲ GATES CHEROKEE

The planned redevelopment of the former Gates Rubber property at I-25 and Broadway, now owned by Cherokee Development Partners (www.cherokeefund.com), received approval in 2006 to utilize Tax Increment Financing to support a dense, mixed-use development with a focus on transit. After multiple environmental issues have been addressed, new residential and commercial opportunities, parks and pedestrian access will make a positive impact on the surrounding neighborhoods—transforming the former industrial site into a vibrant new community where two light-rail lines converge.

Redevelop Large Infill Areas

Converting large, outdated land parcels into Denver's communities of tomorrow, which creates new investment and opportunity within the City



▲ STAPLETON

To date, TIF funding at Stapleton (www.stapletondenver.com) has financed approximately 8 miles of roads, 12 miles of sewers, 706 acres of parks, 2 schools and a fire station; all to help turn this former airport 15 minutes from downtown Denver into a very successful redevelopment.

In 2006, the Northfield Mall made its debut with more than 60 shops and restaurants open for business. Residential development, which began in 2001, remains strong.

HIGHLANDS' GARDEN VILLAGE

DURA's investment in environmental remediation, open space, roads, sewers, storm drainage and restoring the exterior of the historic Elitch Theater has helped transform this former amusement park in northwest Denver into a well-rounded urban neighborhood.

Highlands' Garden Village (www.highlandsgardenvillage.net) and its developer, The Perry Rose Company, have been nationally recognized for their commitment to smart planning and environmentally-conscious development. New commercial activity is now being added to the existing residential base.

*Stapleton photo courtesy of
Forest City Stapleton, Inc.*

2006 Year-end Financials

FY 2006 REVENUES AND OTHER FINANCING SOURCES	\$ 105,529,000	100%
Bond Proceeds *	\$ 49,531,000	46.94%
Tax Increment Revenues	\$ 45,274,000	42.90%
Interest, Fees, Other Revenue	\$ 8,055,000	7.63%
Federal Funds	\$ 2,669,000	2.53%
FY 2006 EXPENDITURES	\$ 105,529,000	100%
Redevelopment Activities	\$ 60,135,000	56.98%
Debt Service	\$ 40,014,000	37.92%
Housing Programs	\$ 2,778,000	2.63%
Administration	\$ 2,602,000	2.47%

* Bond proceeds represent amounts required for current development activities.

DURA Programs

TAX INCREMENT FINANCING (TIF):

State law created the Tax Increment Financing tool as a way for urban renewal authorities to develop blighted property by funding the gap between the total cost of a redevelopment project and the level of private financing the venture can support.

Using this process, the City and County of Denver, in conjunction with DURA, establishes the current level of property and/or sales tax. A forecast of the amount of new, incremental taxes which may be generated once the site is redeveloped is then created. This difference between current and projected revenue can then be used to finance the issuance of bonds or to reimburse developers for a portion of their expenses related to public improvements.

As commercial and residential activities begin, the newly-generated tax revenues are used to repay the TIF obligations. Once the obligation is paid off, all tax revenues return to the original taxing entities.

EMERGENCY HOME REPAIR (EHR) LOAN PROGRAM:

Deferred loans are available to Denver's low-income homeowners for emergency repairs including plumbing, heating, roofing, electrical and other problems posing immediate danger to a homeowner's health and safety. These loans are available for qualifying Denver residents having the greatest financial need throughout the City.

SINGLE FAMILY REHABILITATION (SFR) LOAN PROGRAM:

Low-to-moderate income Denver homeowners can apply for up to \$35,000 in low interest or deferred loans to make plumbing, heating, electrical, mechanical and structural renovations or improvements. While these loans and grants are available to qualifying homeowners throughout Denver, the funds are targeted for Denver's lowest income neighborhoods.



D E N V E R
U R B A N
R E N E W A L
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COVER PHOTOS TOPTO BOTTOM:

*Denver Newspaper Agency photo courtesy of
Hensel Phelps Construction Co.*

*Dahlia Square photo courtesy of Brownfield
Partners, LLC*

*Lowenstein/Tattered Cover photo courtesy of
St. Charles Town Company*

Gates Cherokee photo courtesy of Cherokee

*Stapleton photo courtesy of Forest City
Stapleton, Inc.*