

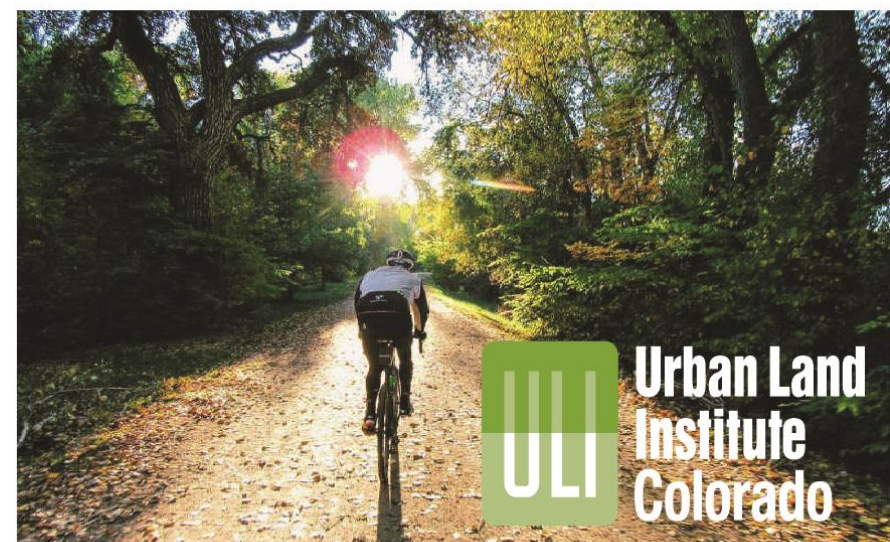
# The Case for Open Space

As Colorado grows, where will we put new urban parks, and who pays?

07/18

3:30 pm - 7 pm

The Children's Museum  
of Denver & Joy Park  
2121 Children's Museum  
Drive, Denver CO



Urban Land  
Institute  
Colorado



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Thank you to our Community Partners:



# The Case for Open Space...



**James Lima**

President

James Lima Planning + Development

*Moderator, Panel One*

# THE CASE FOR OPEN SPACE

*Why the Real Estate Industry Should  
Invest in Parks & Open Spaces*

james**LIMA**

Planning + Development



# Outline

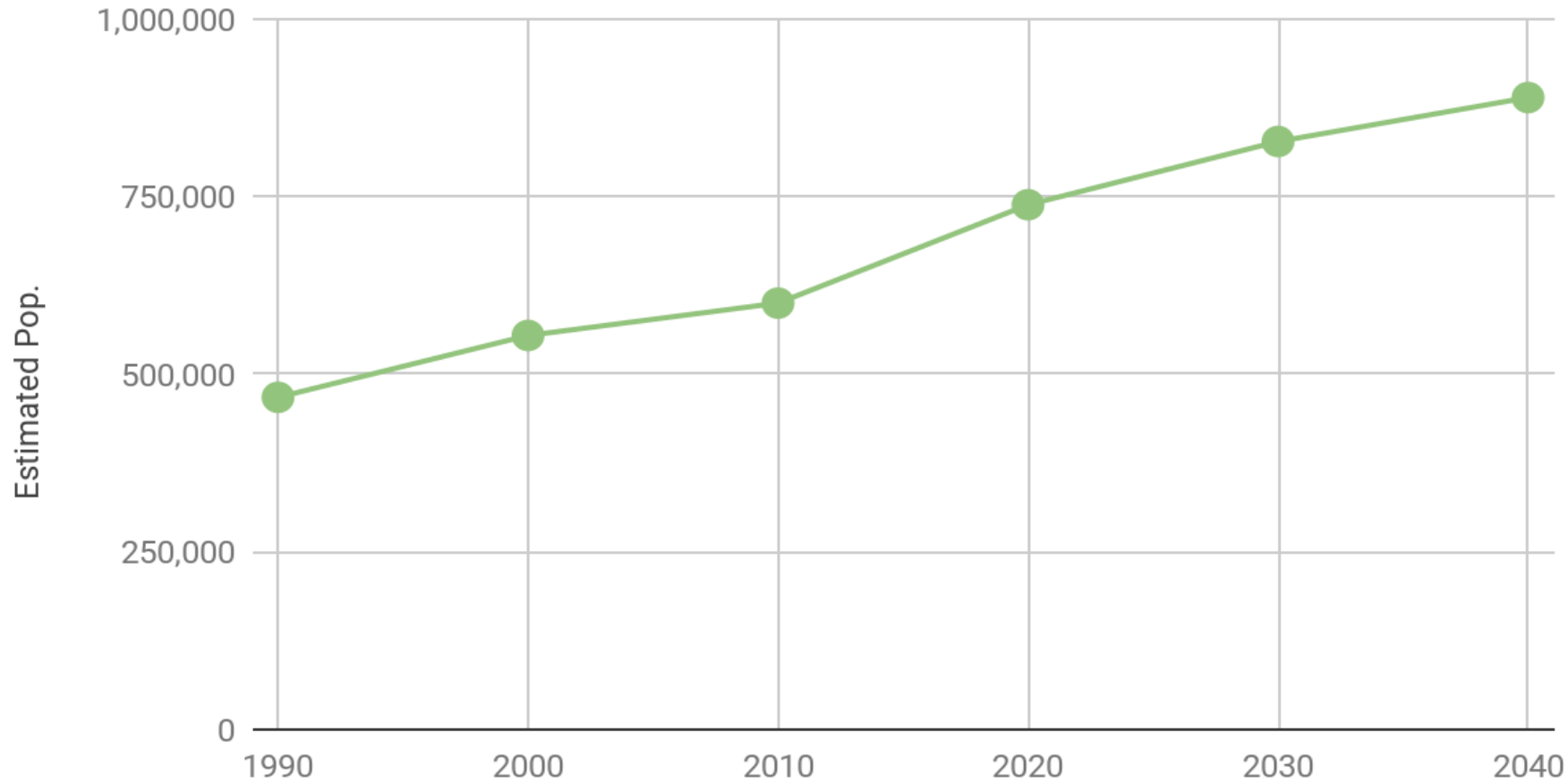
- I. Denver Today
- II. The Real Estate Industry and Parks & Open Spaces
- III. The Economics of Placemaking

# Denver Today



# Denver is Experiencing Rapid Growth

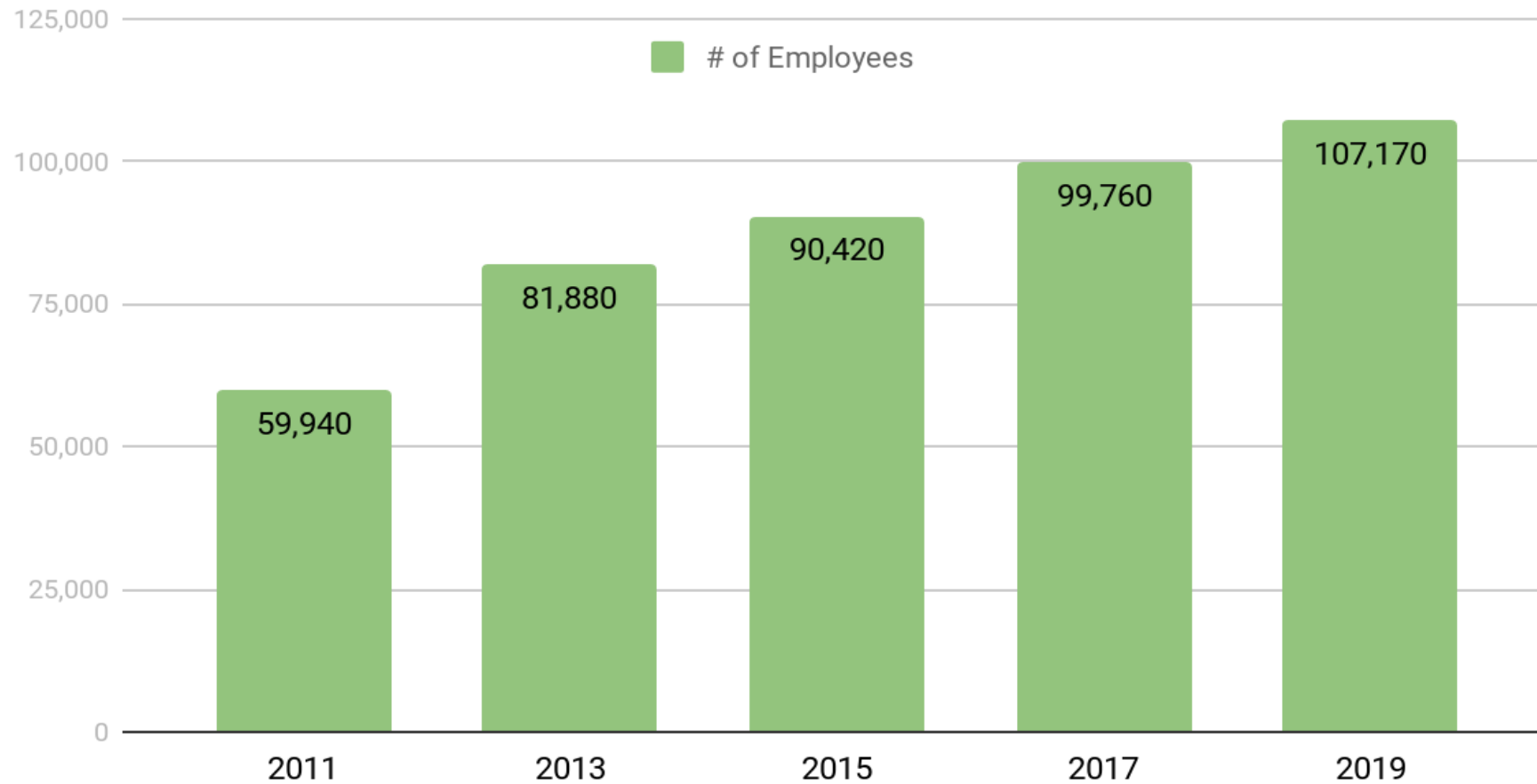
Denver Estimated Population 1990-2040



Nearly **50%**  
population growth  
from 2010-2040

# Denver is Experiencing Rapid Growth

Denver's Tech Talent Labor Pool 2011-2019



Denver is now one of the **top 10** markets in North America for tech talent



# Denver's Growth is Underpinned by Quality of Life

- This year, US News & World Report ranked Denver among the **top two places to live in the United States**
- A 2013 study found that QOL-enhancing amenities such as **parks are critical to the attraction of knowledge workers**

# Denver's Growth is Underpinned by Quality of Life

**90%** of residents live within a 10 minute walk of a park.



National average **54%**



# Impact on Parks and Open Space

- Denver's 2019 "Game Plan for a Healthy City" found that:
  - From 2011-2016, Denver experienced an **11 percent growth in population** but only a **1 percent growth in park space**
  - Denver now has less than **9 acres of parks per 1,000 residents**, below the national average of **13 acres per 1,000 residents (approx. 30% below)**
  - Nearly **1 in 6 park** assets are in poor condition with deferred maintenance

# Equity Challenges

- Over the past 10 years as Denver has grown in population, it has also become less racially diverse
- A 2019 National Community Reinvestment Coalition report found that Denver's Hispanic population has witnessed some of the **highest levels of gentrification-related displacement in the country**
- Under conditions of growth, access to open space tends to decline most rapidly for low-income and minority populations



# Policy Solutions

- **Measure 2A** - 0.25% sales tax dedicated to the improvement and expansion of Denver parks
  - The measure is expected to raise approximately \$40 million annually for the acquisition of new park land, capital improvements to existing parks, and the restoration of natural features like canals
- **Hunting, Fishing, and Parks for Future Generations Act** - Provided Colorado Parks and Wildlife (CPW) with its first significant cash infusion in 13 years
  - Will allow CPW to address funding shortfalls for parks and wildlife conservation for the long term

# The Real Estate Industry and Parks & Open Spaces

# Case for Open Space: Overview

## THE CASE FOR OPEN SPACE

WHY THE REAL ESTATE INDUSTRY SHOULD INVEST IN PARKS AND OPEN SPACES



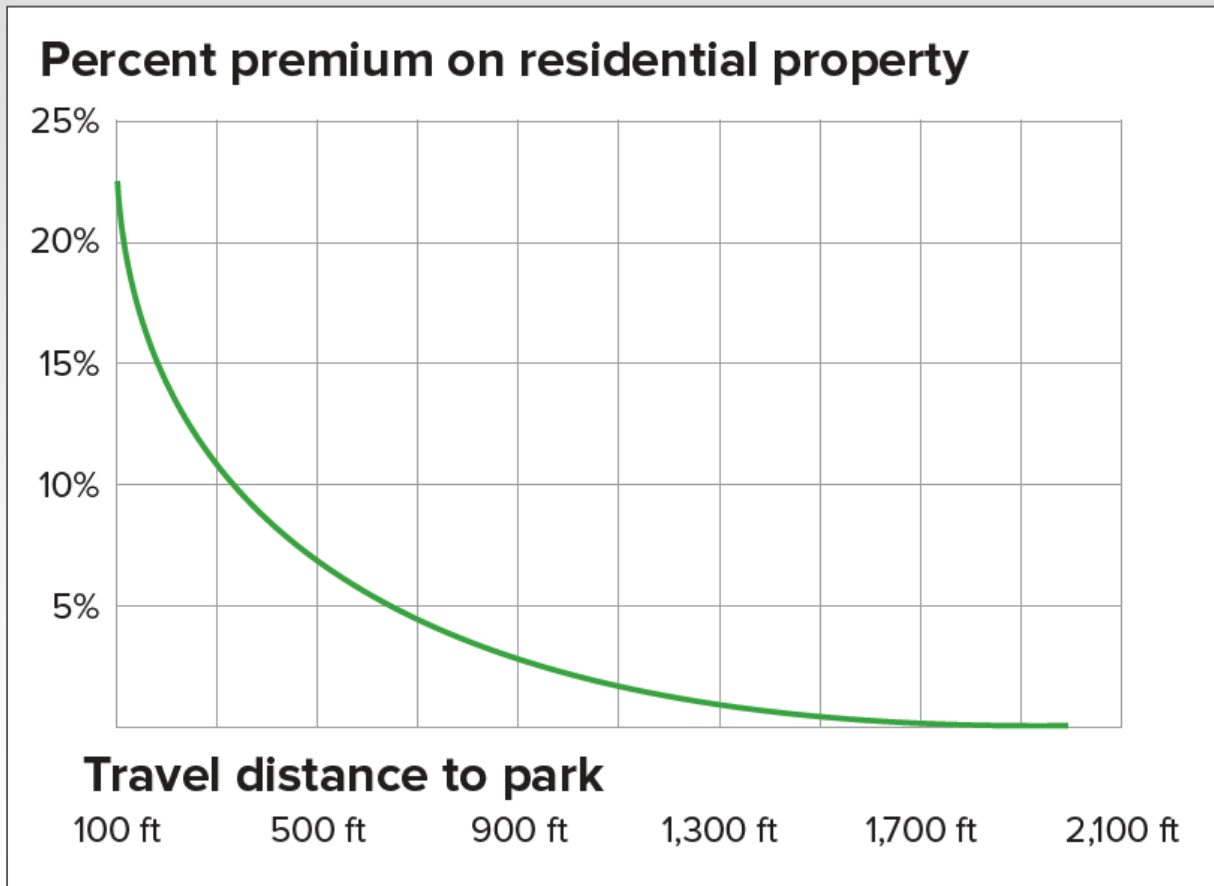
- Parks and open space provide a variety of benefits:
  - Promote community health
  - Enhance environmental sustainability
  - **Increase the value of nearby real estate**
  - **Generate higher real property tax revenue**

**Capital** Follows Talent.  
Talent Follows **Place.**

Evidence confirms that strategic investments in parks and open spaces can improve **quality of life**, attract **talent and businesses**, spur **private development**, and generate **returns on public investments**



## 55% of Americans Say Access to Green Space is a Top or Higher Priority When Deciding Where to Live



On average, parks and open spaces cause property values to rise by approximately **20%** depending on proximity, the quality and type of the park, and other locational attributes.

# Case for Open Space: Overview

- Yet, **public resources** to create and operate parks and open spaces **are often limited** (and the first to be cut during economic downturns)
- **Developer support can help bridge the gap** between community needs and available public resources for parks and open space

# Roles for Developers

- How Developers Are Getting Involved in Open Space:
  - **Advocacy** - Offering public endorsements of park projects
  - **Leadership** - Serving on conservancy boards
  - **Stewardship** - Organizing park cleanups and volunteer events
  - **Funding Support** - Contributing funding (either directly or through intermediaries)
  - **Full Responsibility** - Planning, developing, and operating open space (either directly or through intermediaries)

# Potential Benefits to Developers

- Planning and Design
  - **Stronger support for proposed developments** from the community
  - Increased development size or density with open space zoning incentives
- Project Marketing
  - Ability to **capture strong market demand for parks** and open space
  - Increased project visibility due to foot traffic
- Project Completion
  - Accelerated absorption rates
  - **Enhanced asset value**
- Operations and Maintenance
  - Cost savings through resilience-promoting amenities

## Case Study: Domino Park - Brooklyn, NY



# Case Study: Domino Park - Brooklyn, NY

- Through the public approval process, private developer Two Trees Management was required to include **3.7 acres** of open space in their redevelopment of the old Domino Sugar factory at their expense
- Two Trees opted to **exceed their legal obligation**, including **5 acres** of open space and delivering it in just **2 years**
- Their **\$50 million capital investment** in Domino Park has turned this former abandoned industrial waterfront into a popular destination with family-friendly amenities



## Case Study: Solaris Plaza - Vail, CO



## Case Study: Solaris Plaza - Vail, CO

- **30,000 square foot open space** at the center of a 2.63 acre mixed-use project that replaced an aging shopping center
- Developer opted to create a central open space rather than car parking
- The Town of Vail allowed **additional density and height** because the project included a community gathering space
- The plaza's capital expenditures (\$15 million) were financed by the developer, who also conducts maintenance
  - **Programming is managed by a local Business Improvement District (BID)**

# The Economics of Placemaking



# Pensacola, FL Waterfront Redevelopment

## Public Realm Improvement and Real Estate Value Creation Opportunities



### Potential Development Sites in the “Hashtag” Project

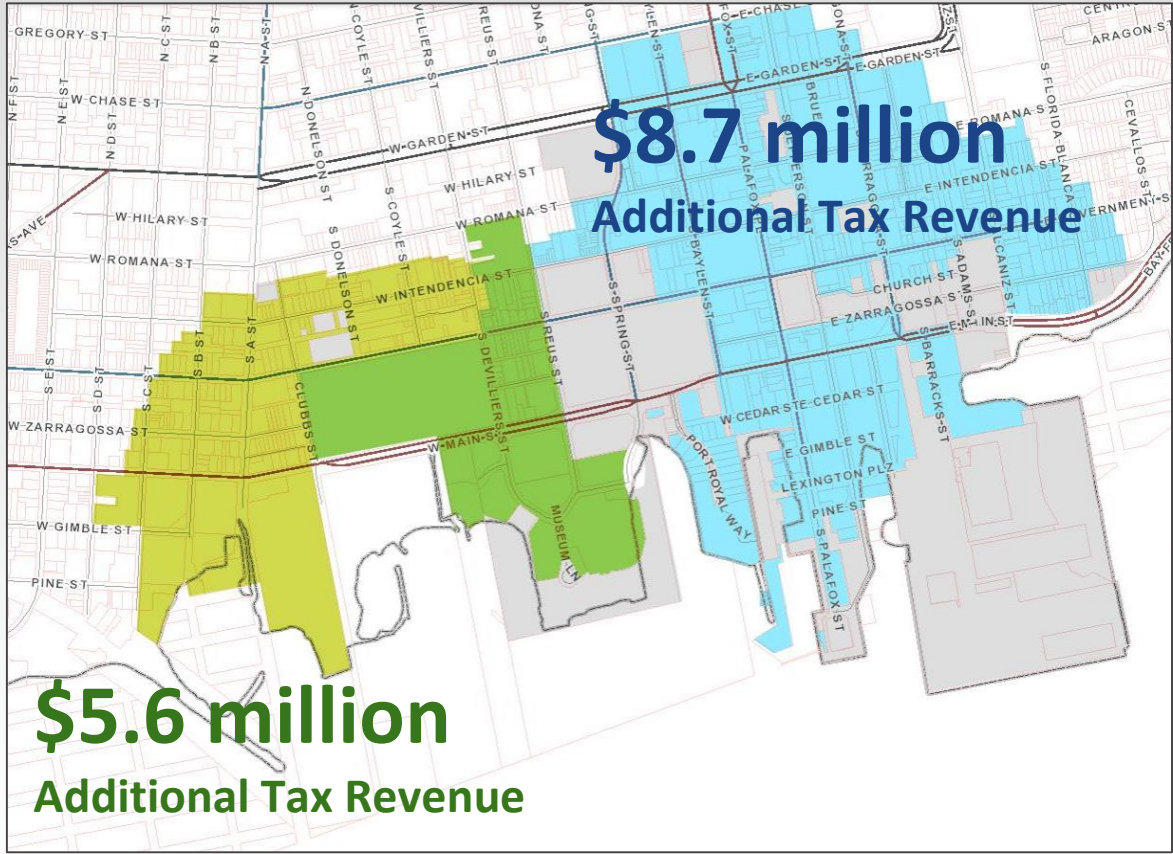
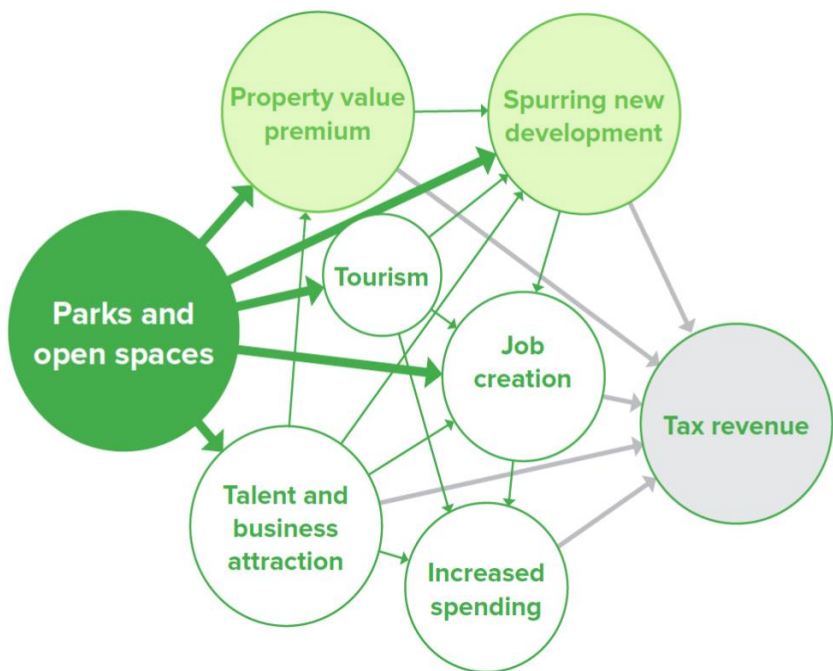
Ownership **PUBLIC** / **PRIVATE**



# Pensacola, FL Waterfront Redevelopment

## Economic Impact Analysis

### How Do Parks and Open Spaces Generate Economic Benefit?



# Estimating Proximity Premiums and New Development Spurred by Parks

- Gathered property data on all parcels up to a **quarter-mile** away from each potential open space investment (impact area)
- **Proximity premium** for existing developments
- Induced **new development**



# Waterside Competition, Indianapolis



# Indianapolis Cultural Trail



- The total assessed value of parcels proximate to the Cultural Trail rose by **148 percent** between 2008 and 2014.

# Community-Based Stewardship: East River Park

- Helping communities develop models of stewardship for parks and open space assets that are part of a broader equity solution
- East River Park
  - Largest open space on Manhattan's Lower East Side (57 acres, **1.2 miles of waterfront**)
  - History of poor park maintenance and limited community voice in programming
  - Improvements intended to transform East River Park into a **resilient** space that will protect 617 acres, **30k affordable housing units** and **130,000 residents**
    - 62% of whom are low-income, elderly, or disabled



# Spectrum of Community-Driven Park Stewardship

## CITY MANAGEMENT WITH STRONG COMMUNITY ENGAGEMENT

City leads all management and decision-making, with coordinated community engagement. Can include special protections for community needs, such as priority permitting.

Gentilly Resilience District  
New Orleans, LA



## CITY & COMMUNITY DELEGATED ROLES

Partnership and/or division of labor between community groups and city on certain aspects of park stewardship, such as programming, maintenance or operations.

Building Bridges Across the River  
Washington, DC



## CITY & COMMUNITY CO-MANAGEMENT

Full partnership and shared decision-making authority on all aspects of park stewardship.

Bronx River Alliance  
New York, NY

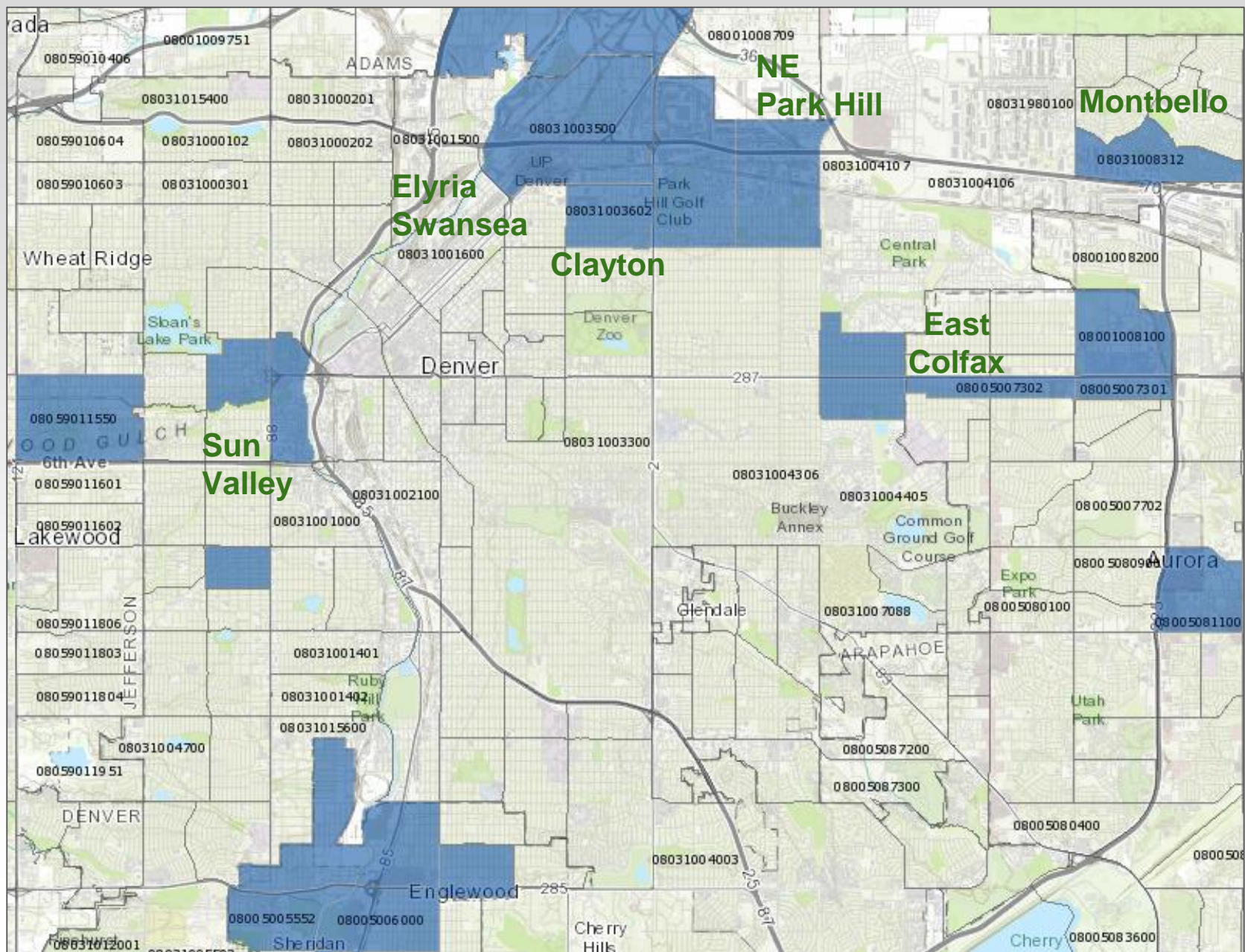


# Parks and Open Space in Opportunity Zones

# Leveraging Denver's Opportunity Zones

- The Opportunity Zones incentive is a community investment tool established by the Tax Cuts and Jobs Act of 2017 designed to funnel **patient capital** into **low-income census tracts**
- Investors receive federal capital gains **tax deferrals and exemptions** in exchange for **long-term investments** in qualifying businesses and real estate made through **Opportunity Funds**
- Colorado has **126** Opportunity Zone tracts
- Denver has **10** Opportunity Zones tracts





# Leveraging Denver's Opportunity Zones

- All of Denver's OZs are located in neighborhoods identified as “**high need**” by Denver Parks & Recreation, including:
  - Clayton
  - Elyria Swansea
  - Montbello
  - Northeast Park Hill
- Denver's Opportunity Zones contain:
  - 51,123 residents (approx. 8% of Denver's population)
  - 31,447 jobs
  - 18,161 housing units
  - 2,137 business establishments
  - **134.4 acres of park land (approx. 2% of Denver's park land)**

# Methods of OZ Park Investment?

- What if Opportunity Funds **incorporated parks and open space** into their Opportunity Zone **property investments**?
- What if Opportunity Funds invested in **locally-owned and operated** small businesses that **maintain and manage local park assets**?
- What other ways can Opportunity Funds become a vessel for financing **capital expenditures** and **operating expenses** associated with **high-quality parks and open spaces**?
- What if the **value creation potential of placemaking** investments was deployed to further the economic revitalization objectives of the OZ program?

# The Economics of Placemaking

james**LIMA**  
Planning + Development



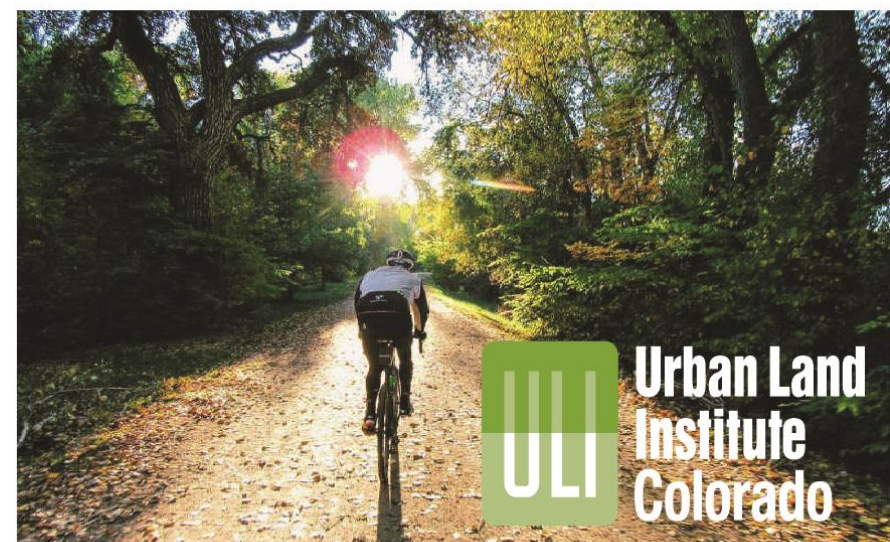
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Urban Land  
Institute  
Colorado



# Panel One: Open Space Policies & Initiatives



**James Lima**  
President  
James Lima Planning  
+ Development



**Jim Petterson**  
SW & Colorado Director,  
The Trust for Public Land



**Harriet LaMair**  
Executive Director  
Highline Canal  
Conservancy



**Mike Bouchard**  
Assistant Director of  
Design + Construction  
Denver Parks



**Nicole Ankeney**  
Senior Landscape Architect  
City of Westminster



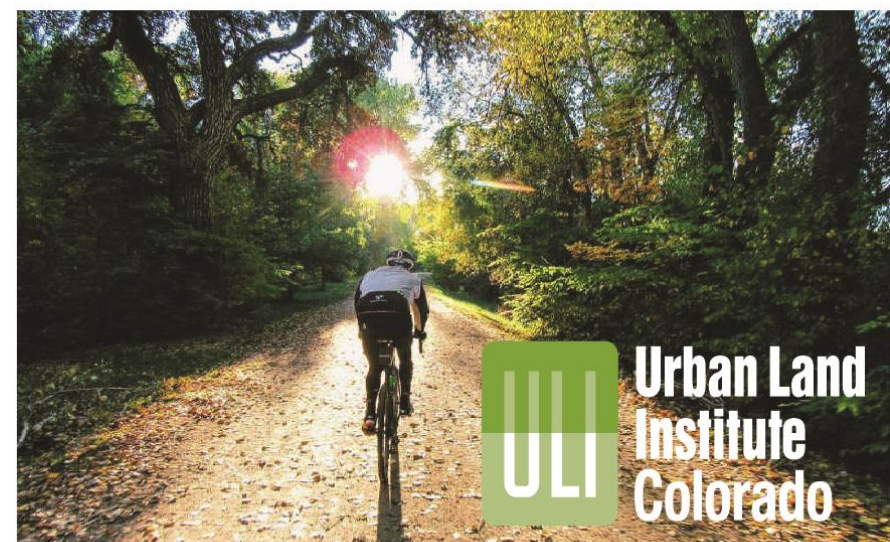
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# The Case for Open Space...



**Bill Wenk**  
President  
Wenk Associates  
*Moderator, Panel Two*

# Panel Two: Integrating Open Space into Real Estate Projects



**Bill Wenk**  
President  
Wenk Associates



**Bill Mosher**  
President  
Trammell Crow Company



**Jason Winkler**  
Co-Founder  
INDUSTRY & Q Factor



**Tim Seibert**  
Senior Vice President  
Nor'wood Development  
Group



**Tyler Gibbs**  
Principal  
Urban Design Collaboration

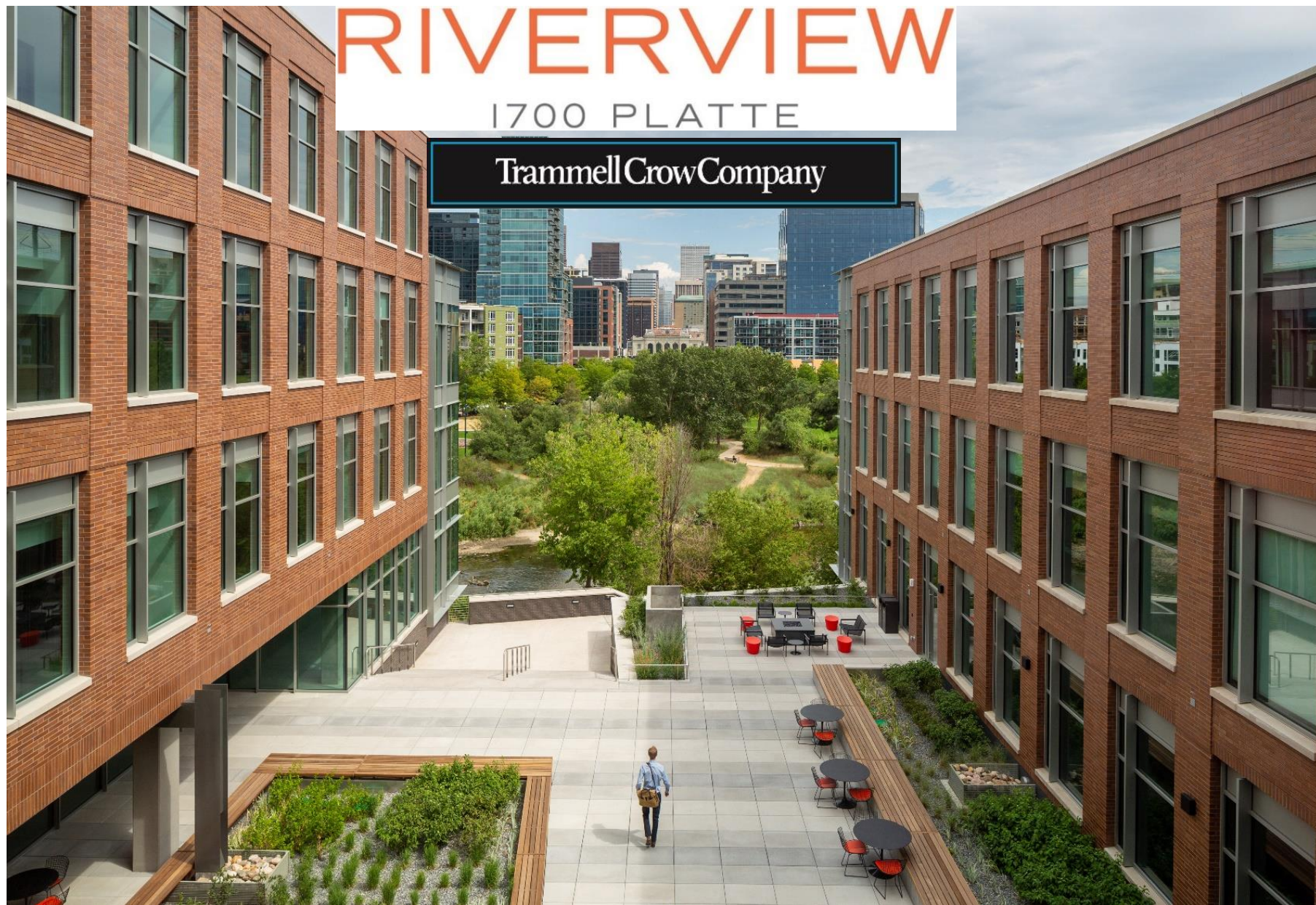


**Urban Land** Colorado  
**Institute**

The background features abstract, overlapping green geometric shapes in various shades of green, creating a modern and dynamic visual effect. The shapes are primarily located on the left and right sides of the frame, leaving a central white area for the text.

**Bill Mosher**  
President, Trammell Crow Company

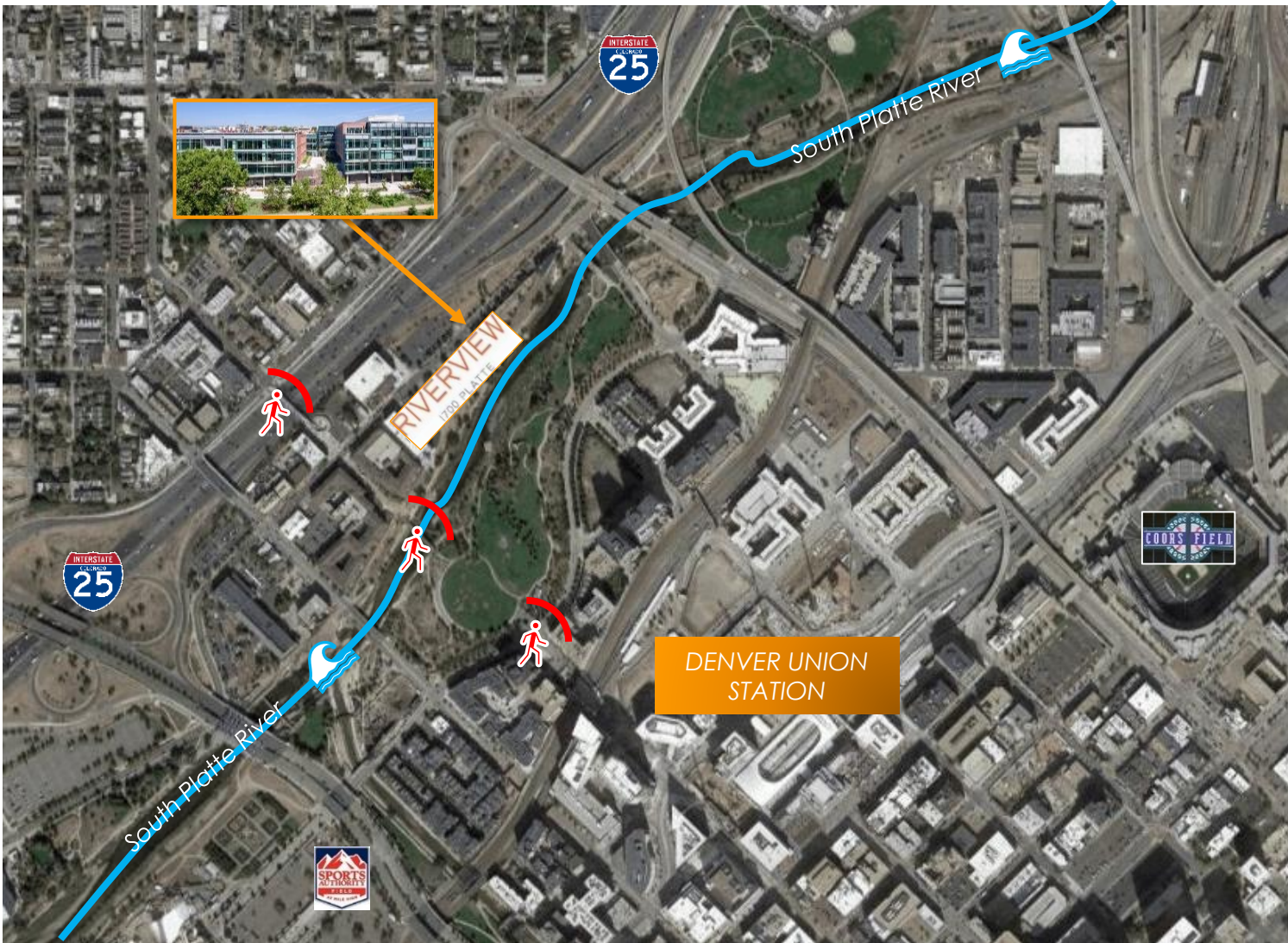




ULI Colorado: The Case for Open Space | 7.18.2019



# RIVERVIEW 1700 PLATTE | Micro-Market at the Edge of Downtown



213,713 SF Class A Office/Retail

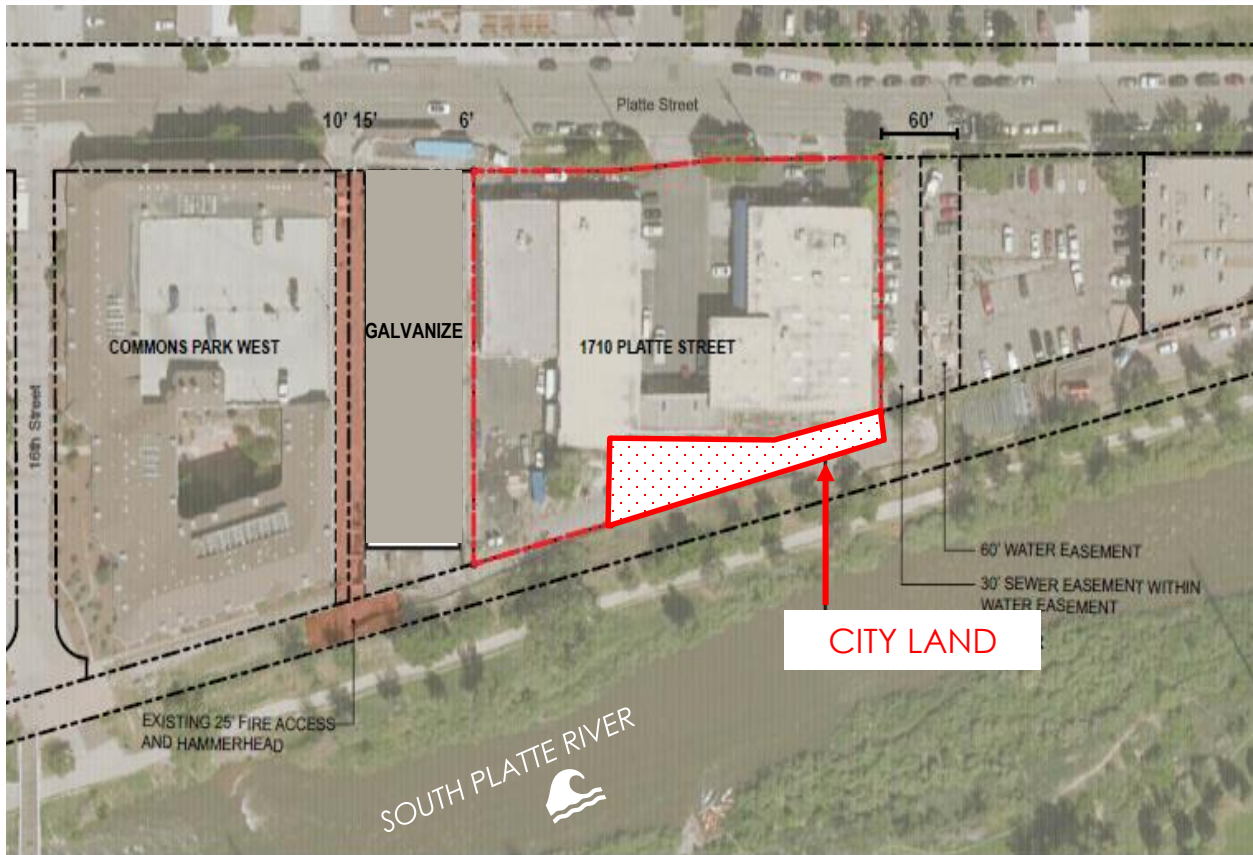
- Office space is fully leased to BP Lower 48 and Workiva, Inc.
- 7,700 SF Ground-Floor Retail leased to Maria Empanada; Daughter Thai Noodle (1,300 SF available)
- 2 Levels of Underground Parking (338 / 1.67: 1,000SF)
- Features: Courtyard, Fitness Center, Bike Parking
- 4-Story (South Building), 5-Story (North Building); Connected by 2,500 SF LINK Building
- Delivered Spring 2018

**RIVERVIEW**  
1700 PLATTE

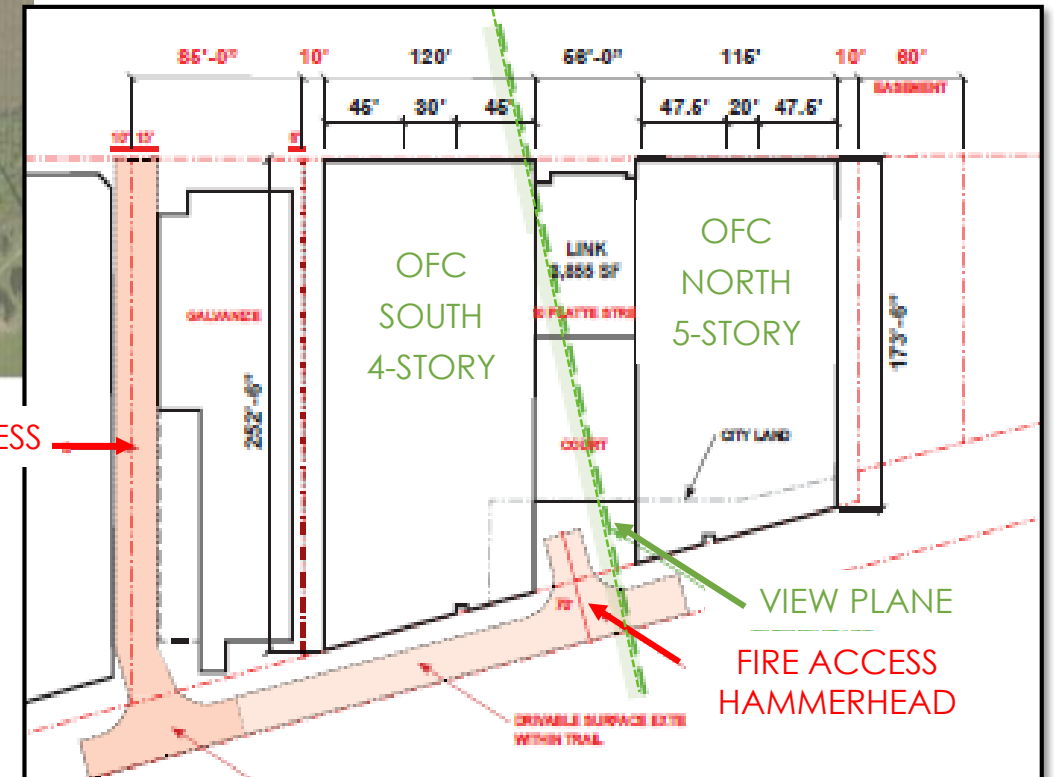
Trammell Crow Company



# RIVERVIEW 1700 PLATTE | Site Challenges



- City-Owned Parcel along Platte River
- Fire Access
- Height Restriction
- 60' Water and Storm Easement Along North Property Line



RIVERVIEW  
1700 PLATTE

Trammell Crow Company

# RIVERVIEW 1700 PLATTE | Features & Amenities



420 SF Living Green Wall

- Fitness Center with showers and lockers
- Retail Amenities along Platte Street
- LEED® Gold Certification
- 338 Car Parking (1.67:1,000 SF)
- 200 Bike Parking (1:1,000 SF)
- 400 Miles of Connecting Bike Paths



Fitness Center Along River



Courtyard & Rain Garden

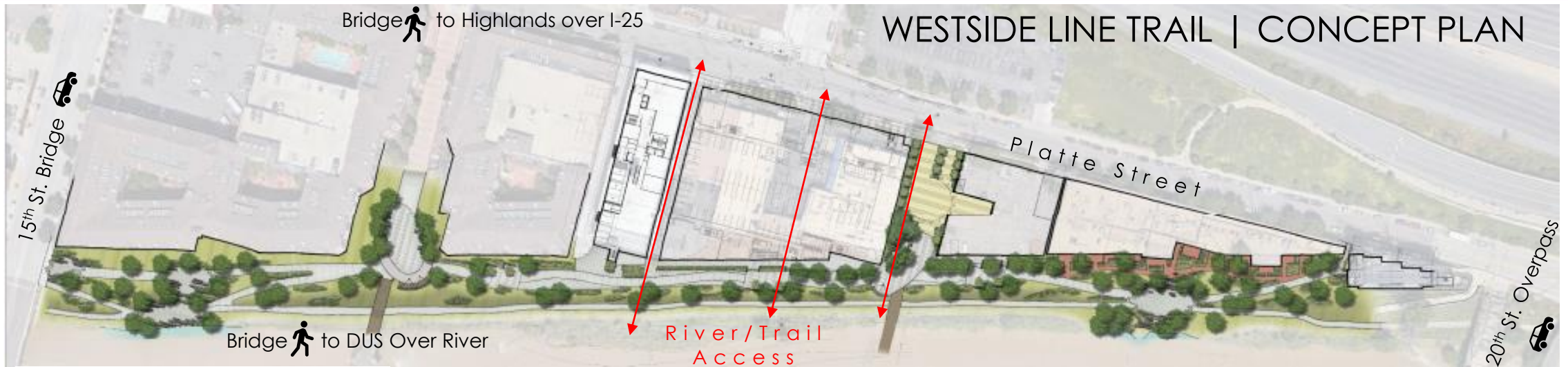
RIVERVIEW

1700 PLATTE

Trammell Crow Company



# RIVERVIEW 1700 PLATTE | Westside Line Trail Tie-In



## CITY PARKS DEPT RESPONSIBILITY:

- Completed Concept Master Plan
- Helped with AHJ Negotiations
- Negotiated and Executed Temporary/Permanent Licenses
- Maintains Lower Trail (Inside Flood Plain)

## DEVELOPER RESPONSIBILITY:

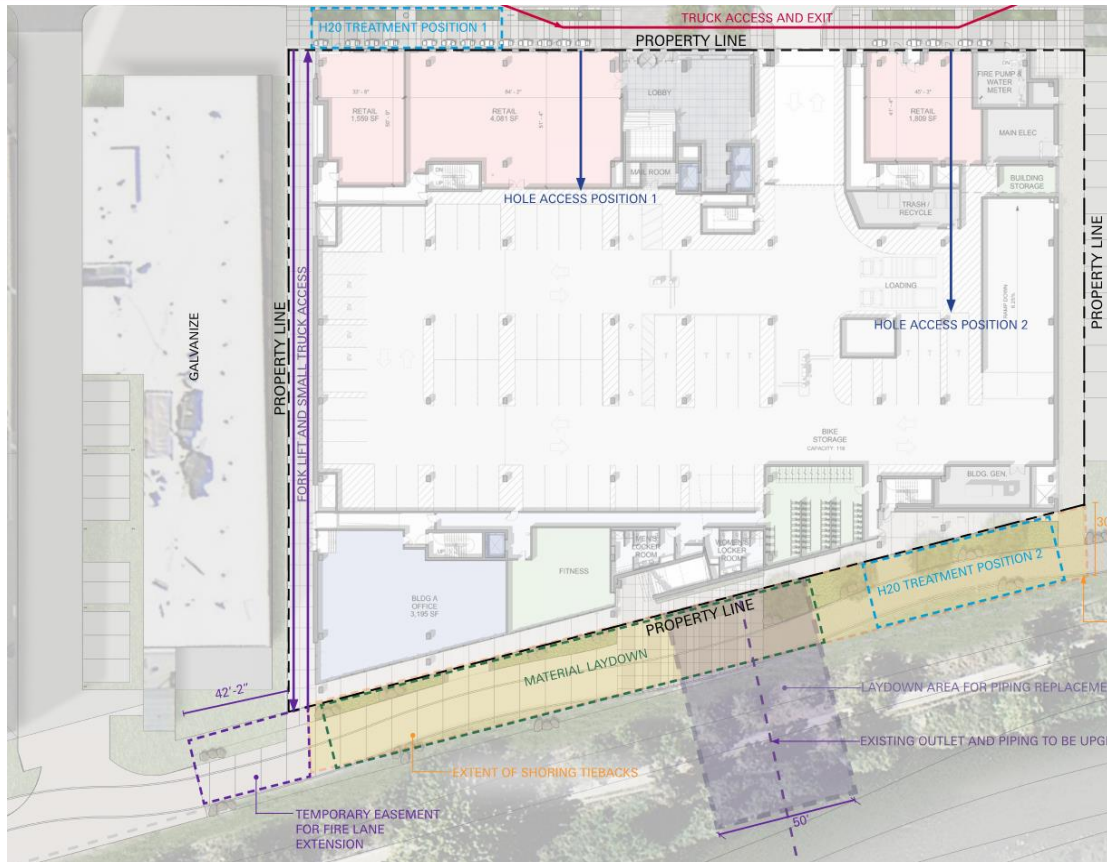
- Completed Trail Design and Construction on City Property (\$170,000)
- Maintain Upper Trail (Outside Flood Plain) (\$4,000/Year)
- Activated Upper Trail with Building Amenities



Trammell Crow Company

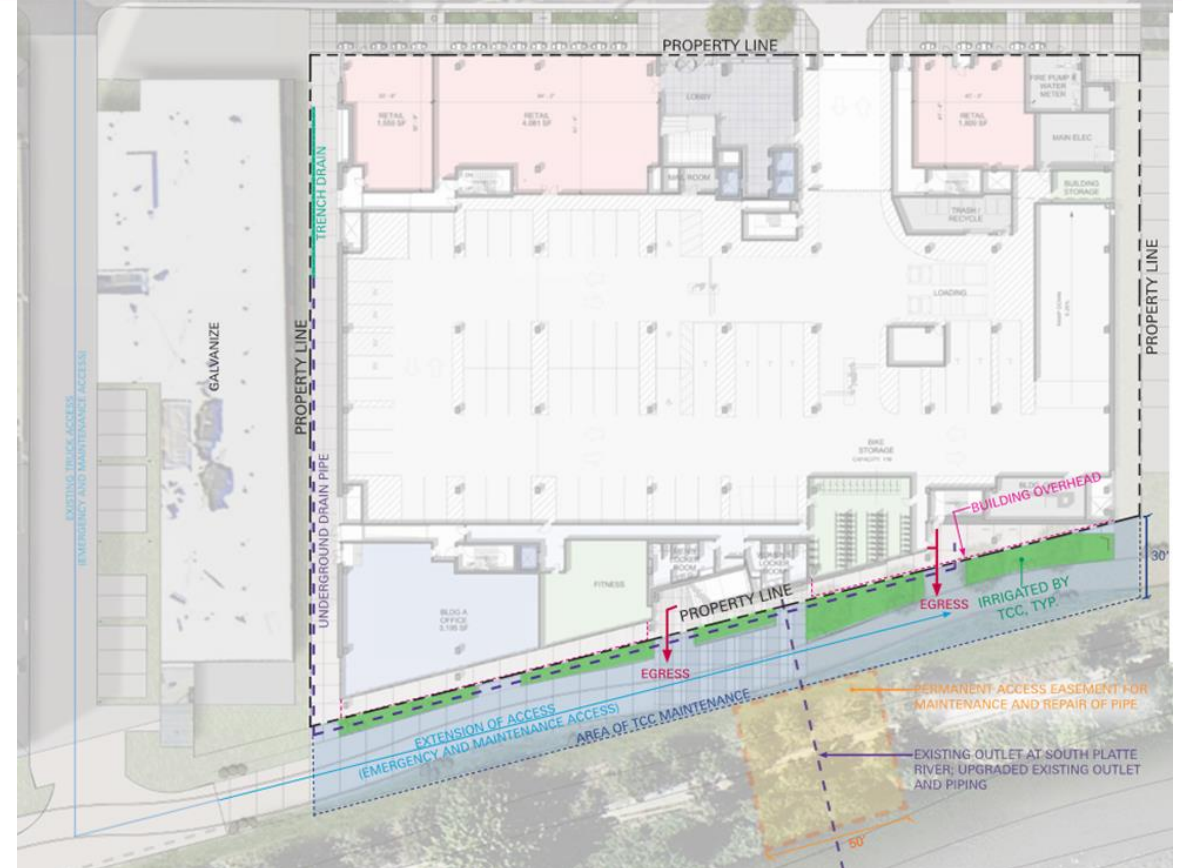


# RIVERVIEW 1700 PLATTE | Site Access and Infrastructure



## TEMPORARY EASEMENT:

- Building Access
- Material Laydown
- Construction Dewatering/Treatment
- Temporary Construction Shoring

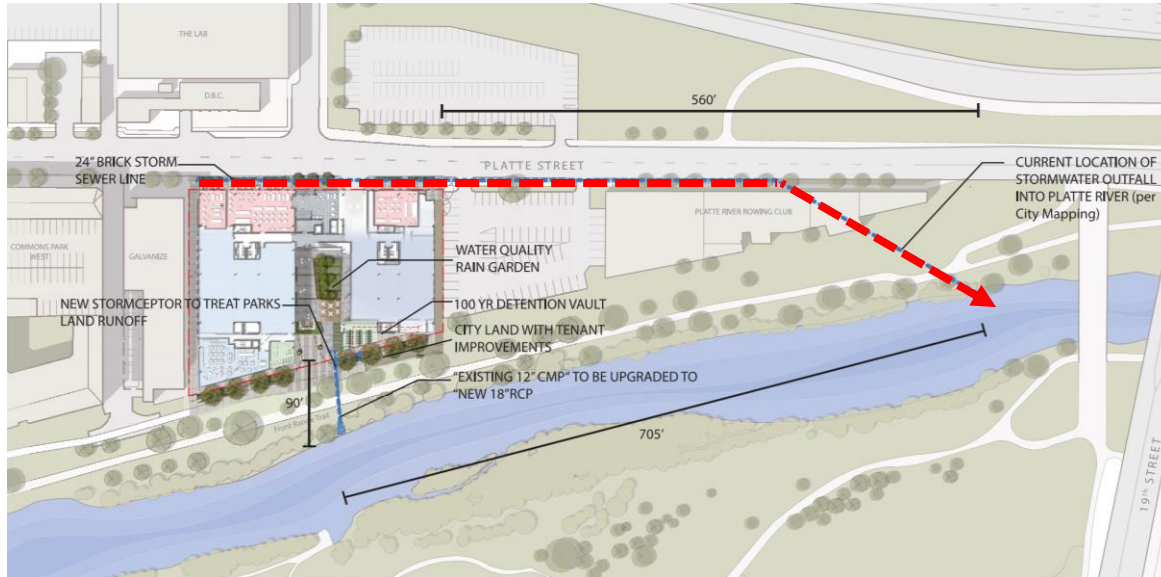


## PERMANENT EASEMENT:

- Building Egress on to City River Park
- Underground Storm Drain to River
- Private Maintenance Zone
- Emergency and Maintenance Truck Access

# RIVERVIEW 1700 PLATTE | Site Access and Infrastructure

## PRE-EXISTING STORM SEWER



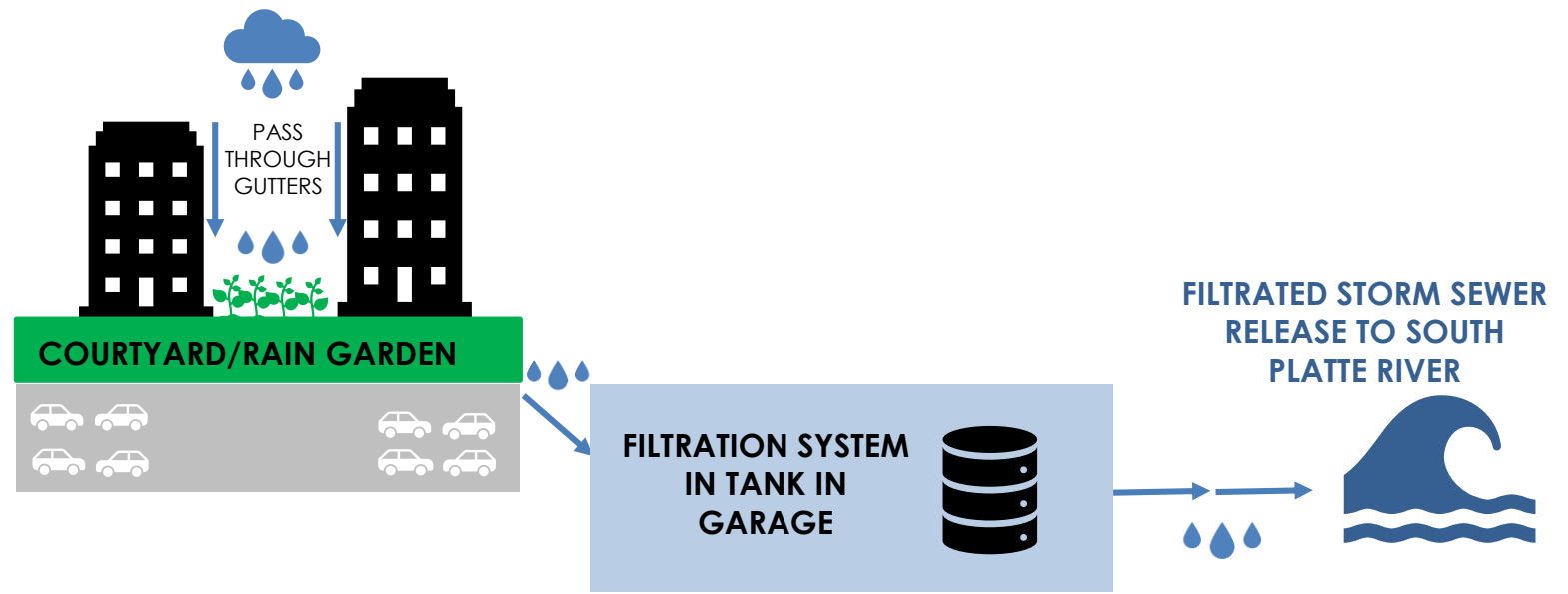
## CURRENT (RELOCATED) STORM SEWER



## RAIN GARDEN

- Roof Drainage
- Planting Medium for Filtration
- Water Quality Vault for Storage
- Clean Water to River
- No Flow through City Storm System

Trammell Crow Company





# RIVERVIEW 1700 PLATTE | Award-Winning Project

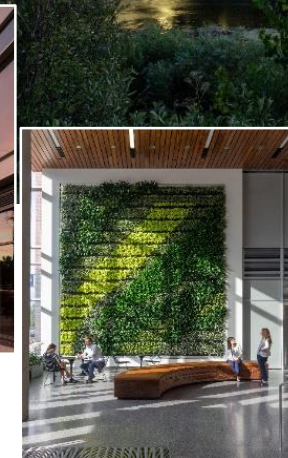


Downtown  
Denver  
Partnership

Downtown Denver  
Award Winner - 2018



NAIOP Colorado Finalist – 2018 Office  
Development of the Year



RIVERVIEW  
1700 PLATTE

Trammell Crow Company

The background features abstract, overlapping green geometric shapes in various shades of green, creating a modern and dynamic look. The shapes are primarily located on the left and right sides of the frame, leaving a central white area for the text.

**Jason Winkler**  
Co-Founder, INDUSTRY & Q Factor

# INDUSTRY

THE CASE FOR OPEN SPACE





# INDUSTRY RiNo Station - St. Charles Park Improvement Project





## INDUSTRY RiNo Station - St. Charles Park Improvement Project





PROJECT TOTAL = \$1,243,500

ORIGINAL DENVER PARKS BUDGET  
ALLOCATED TO PROJECT = \$680,000

ADDITIONAL FUNDS RAISED BY THE  
AMBASSADORS = \$520,000

REMAINING  
NEEDED  
= \$43,500



#### INDUSTRY Donations - Cash and In-Kind

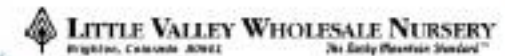
Design fee	\$	10,000
Mural	\$	18,500
GC Management fee for Mural and utility underground	\$	5,000
Community Outreach Manager Time	\$	34,600
Community Outreach Support Staff	\$	15,000
Executive Time	\$	18,750
Cash donation for events		
Movie in the Park	\$	2,500
Mural Kick Off	\$	2,500
Community Meeting Event		
Stadium rental	\$	10,000
Conference Room Rentals	\$	1,600
Cleaning Fee	\$	800
Security	\$	400
Management fee	\$	500
Lighting and Sound Support	\$	300
Staffing	\$	3,500
Shared Parking	\$12 per person per day	\$ 15,600
Holiday Programming Donations		
Gifts	\$	4,500
Food	\$	1,200
In-Kind Volunteer Time	\$	2,500
School Supplies	\$	250
Other Programming Donations	\$	2,500
Weekly Ambassador Meetings		
Conference Room Space	\$	7,800
Café snacks	\$	2,260
	\$	<u>160,560</u>



**DENVER**  
PARKS & RECREATION



VALERIAN










St. Charles Ambassadors



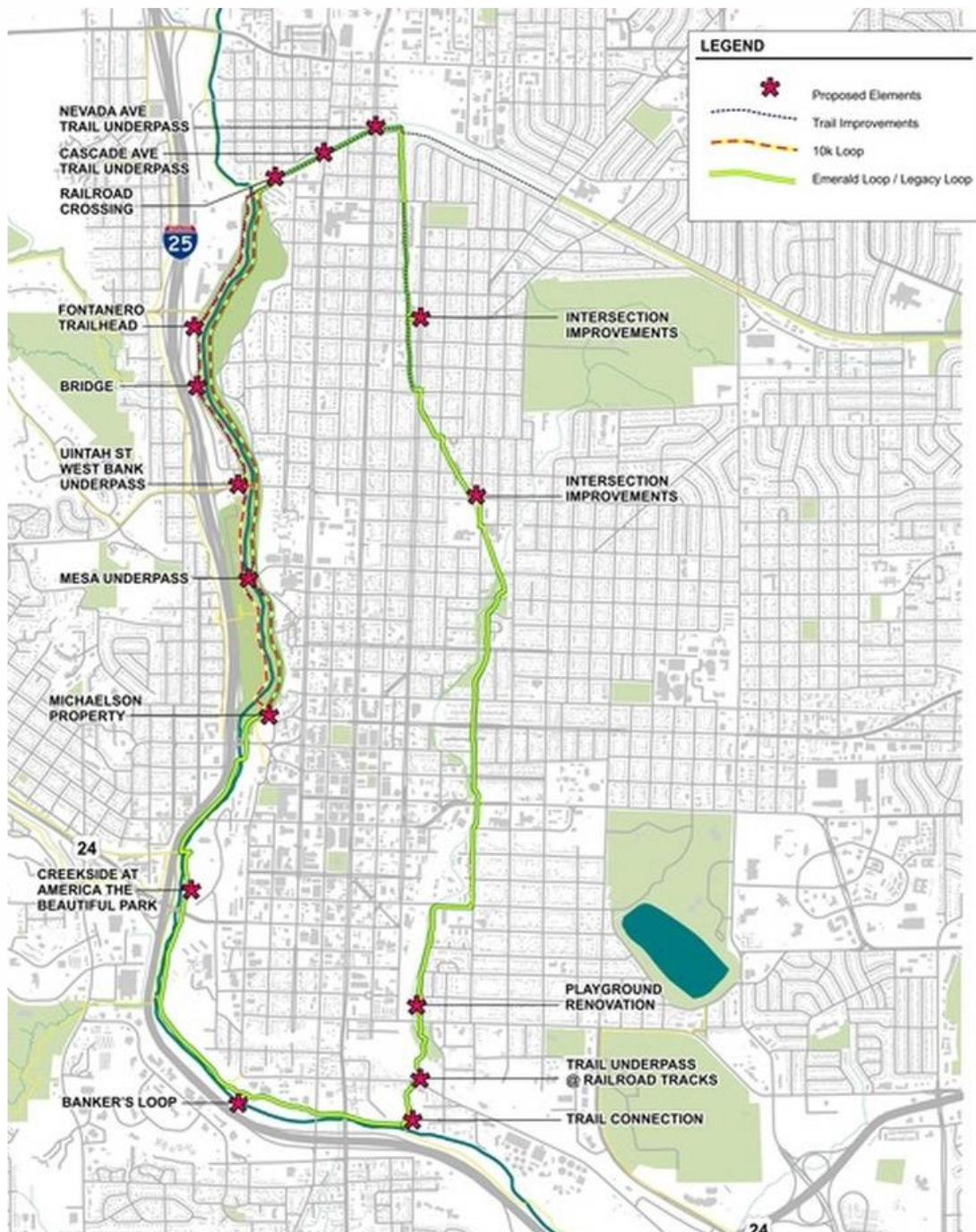


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**Tim Seibert**  
Senior Vice President, Nor'wood Development Group





















## SWD Infrastructure **Sources + Uses** of Funds

### SWD Phase 1A Infrastructure Projects

<i>Item</i>		<i>Total</i>
SWD Pedestrian Bridge	\$	17,800,000
Vermijo + Sierra Madre: Reconstruction + Streetscaping	\$	22,400,000
Utility - Water and Wastewater Relocations	\$	3,600,000
Other District Infrastructure	\$	5,700,000
<b>Total</b>	<b>\$</b>	<b>49,500,000</b>

### SWD Phase 1A Infrastructure Funding Sources

<i>Entity</i>		<i>Total</i>
C4C RTA	\$	8,800,000
PPRTA Bridge (Previously Approved)	\$	3,500,000
PPRTA Bridge (Current Request)	\$	1,150,000
PPRTA Street (Previously Approved)	\$	4,400,000
PPRTA Street (Current Request)	\$	3,200,000
COS Parking Enterprise	\$	1,550,000
COS - Stormwater Enterprise	\$	1,300,000
Downtown Development Authority	\$	250,000
USOM C4C RTA	\$	250,000
CSU	\$	3,600,000
SWD BID	\$	21,500,000
<b>Total Sources</b>	<b>\$</b>	<b>49,500,000</b>

The background features abstract, overlapping geometric shapes in various shades of green, ranging from light lime to dark forest green. These shapes are primarily located on the left and right sides of the frame, leaving a large white central area for text.

**Tyler Gibbs**  
Principal, Urban Design Collaboration



# Yampa Street Downtown Steamboat Springs

Focus of ULI Technical Assistance Panel, July 2012





# Yampa Street

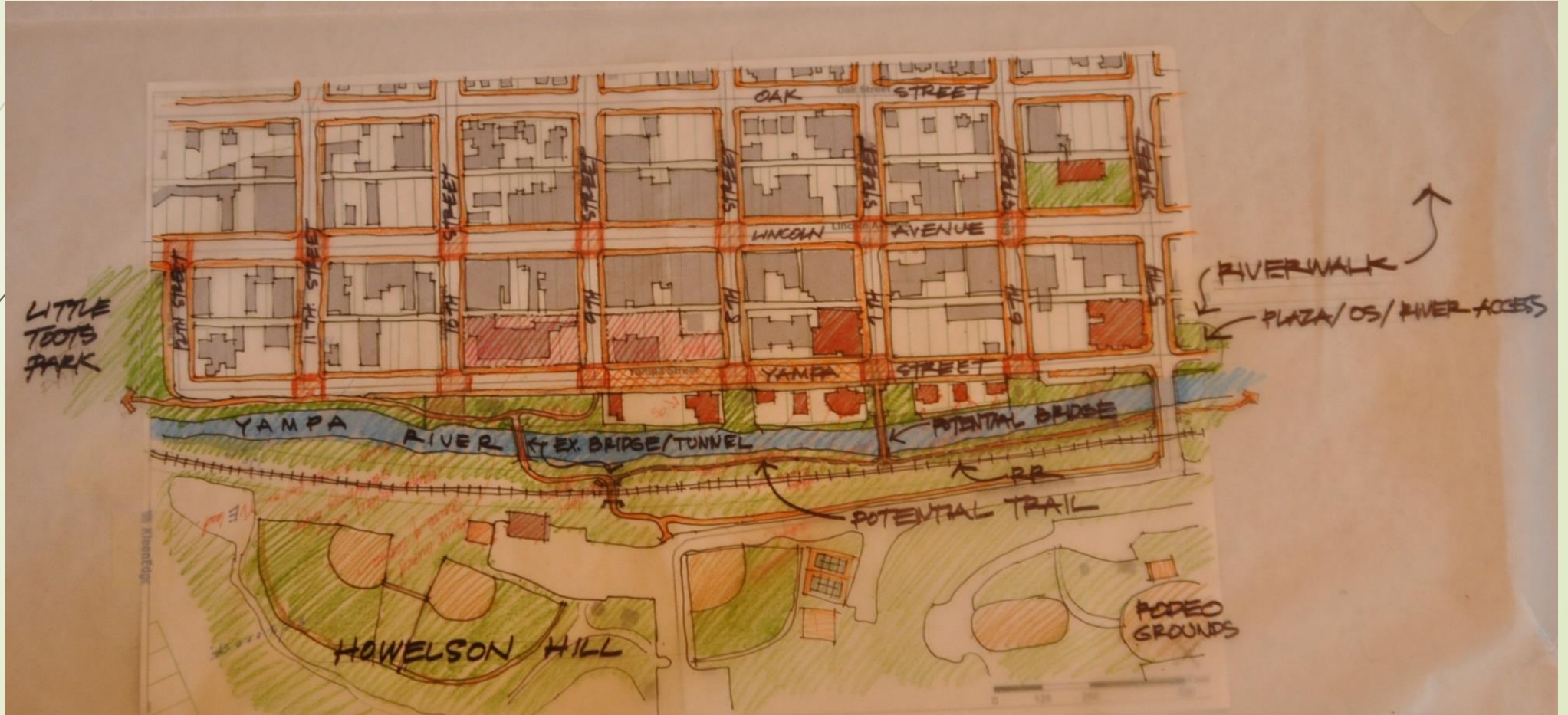
Sporadic sidewalks  
Poor drainage  
No lighting





# Yampa Street

ULI Recommendation: Promenade and Pocket Parks  
Strong and immediate public support... and concern





# Yampa Street

## Became a \$11.2M Downtown Improvement Project

Complete sidewalks  
Ped and festival lighting  
Storm drainage  
URA not supported  
General Fund, Bonds, Assessments,  
Grants, Franchise Fees, Lodging Tax



COURTESY: CODY PHILLIPS





# Yampa Street

## First Pocket Park

Riverbank restoration  
Drainage improvements  
Public access





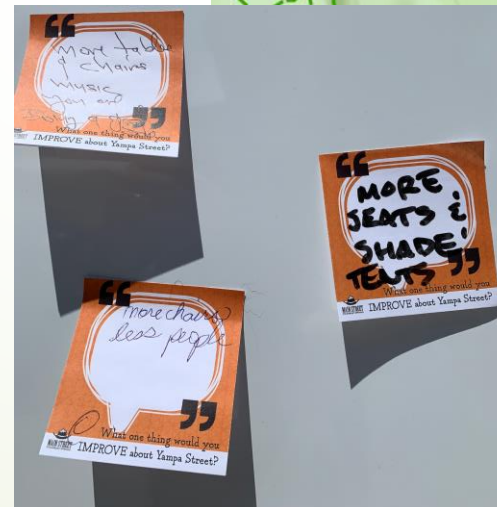
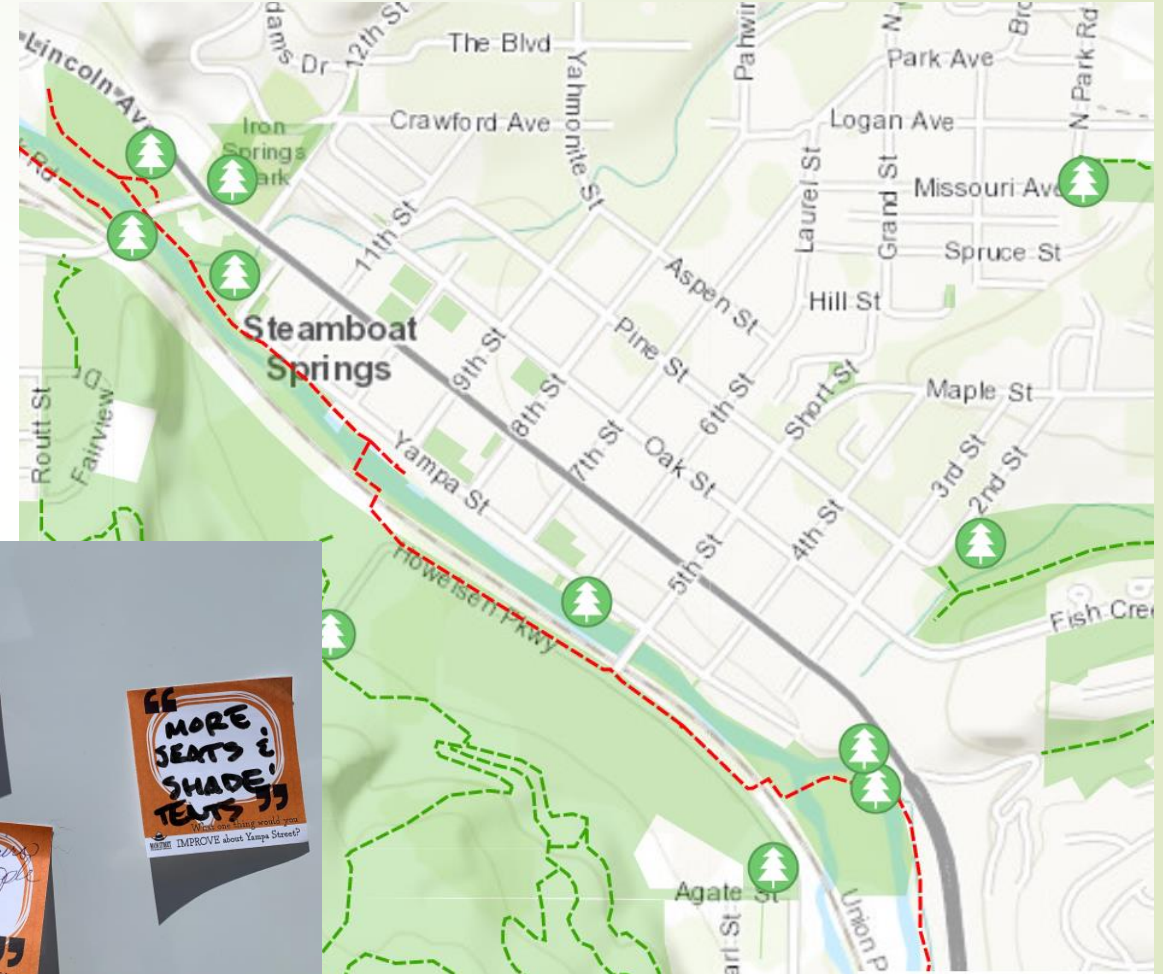
# Yampa Street

## Desire for Civic Space in Downtown

Lots of recreation area,  
very little civic gathering space

### 2019 Downtown Plan

- Celebrate proximity to the river
- Create a central gathering place



# Yampa Street

Community desire for more connection to the Yampa River  
and a Civic Space



City parking lot – Riverfront Access

County's front lawn – Civic Space





# Panel Two: Integrating Open Space into Real Estate Projects



**Bill Wenk**  
President  
Wenk Associates



**Bill Mosher**  
President  
Trammell Crow Company



**Jason Winkler**  
Co-Founder  
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**Institute**



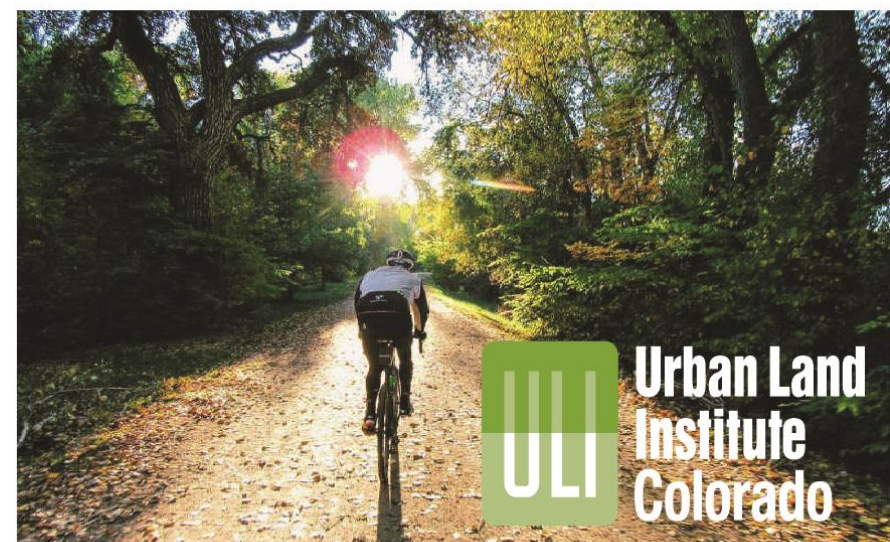
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