

Mile High Greyhound Park Redevelopment Vision Book



Turning ideas into reality



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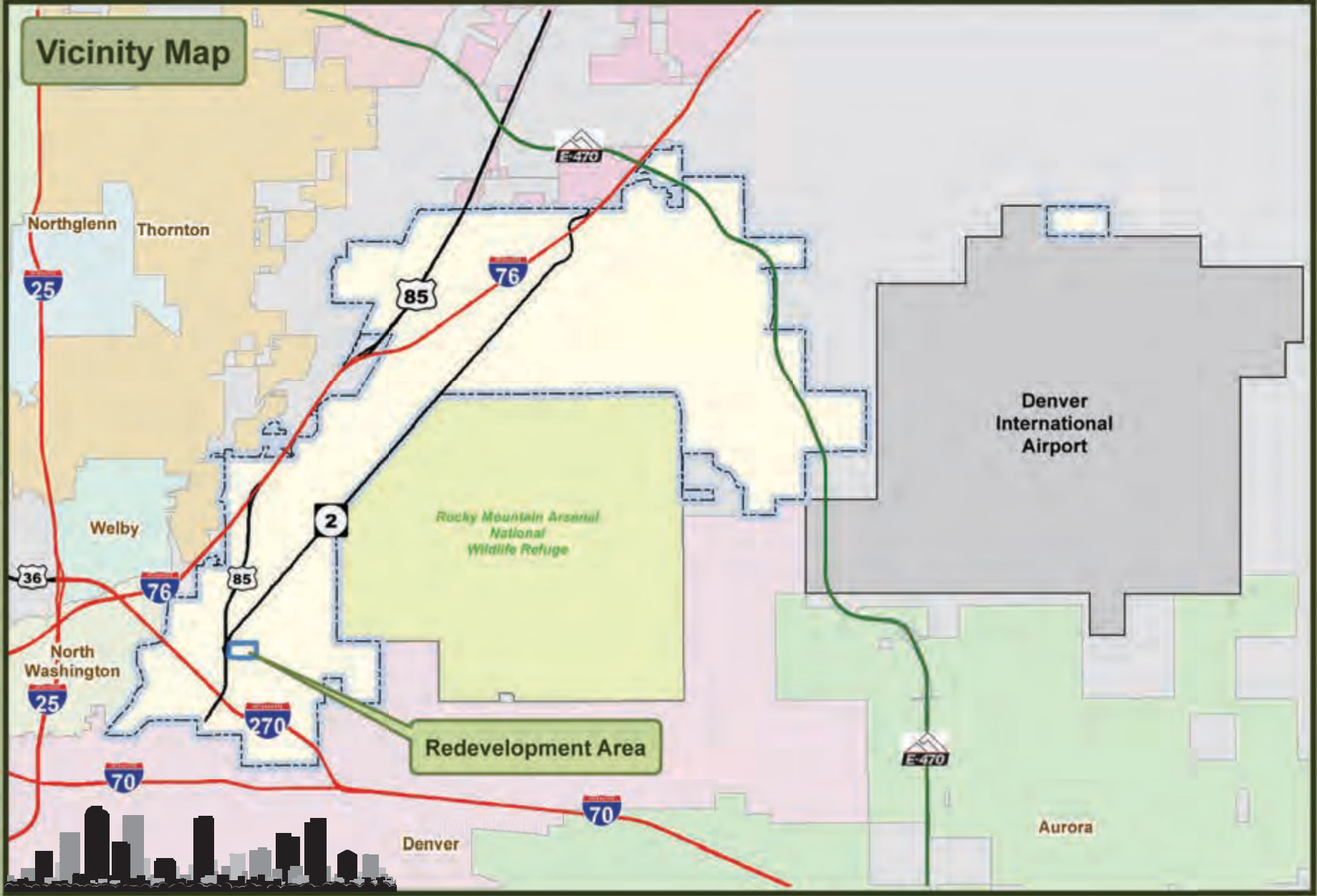
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Vicinity Map



About the project



A look inside Commerce City

As Colorado's fourth-fastest growing community, Commerce City is redefining itself for the next generation, building on historic values of community, industry, agriculture and family. Located just eight miles north of downtown Denver, Commerce City is home to more than 48,000 residents and 1,500 employers.

The city is centrally located along Colorado's Front Range and adjacent to six major highways, Denver International Airport (DIA), two railroads, and two new commuter rail lines. With a daytime population of more than 111,000, Commerce City means business for international and national corporate headquarters to small businesses and entrepreneurs.

Five Target Industries:

- Advanced Manufacturing
- Logistics
- Business and Professional Services
- Retail, Leisure and Hospitality
- DIA Technology

Commerce City is committed to its vision of a "Quality Community for a Lifetime." At 41 square miles, the city is home to 25 miles of trails, the championship Buffalo Run Golf Course, 700 acres of open space and parks, one of the country's largest soccer complexes, and the nation's largest urban wildlife refuge.



Defined by a rich history of commerce, the city is creating a sustainable community by redefining what commerce means and the way business is done every day. Commerce City is a pioneer in public private partnerships, leveraging urban renewal to ensure vibrant community spaces.

The redevelopment of the Mile High Greyhound Park represents another opportunity to achieve the city's vision.

A MILE HIGH OPPORTUNITY

For more than 60 years, the former Mile High Greyhound Park was a vibrant entertainment destination, drawing thousands of people from across Colorado. An economic engine for Commerce City, the greyhound park employed hundreds of residents and sales tax revenues were reinvested in community projects. When greyhound racing ended in 2008, visitors and activity in the historic area of the city slowed.

The Commerce City Urban Renewal Authority (URA) purchased the property in August 2011 intent on redeveloping the 65-acre site as an economic engine for a new generation.

The former Mile High Greyhound Park is located approximately one-mile north of the major regional intersection of Colorado State Highway 2/Interstate 270, 2.7-miles northeast of the I-70/Colorado Blvd. interchange and 3.9 miles southwest of the I-76/88th Ave. intersection. The property and surrounding area exhibit the characteristics of a typical urban infill environment, both in value and condition.

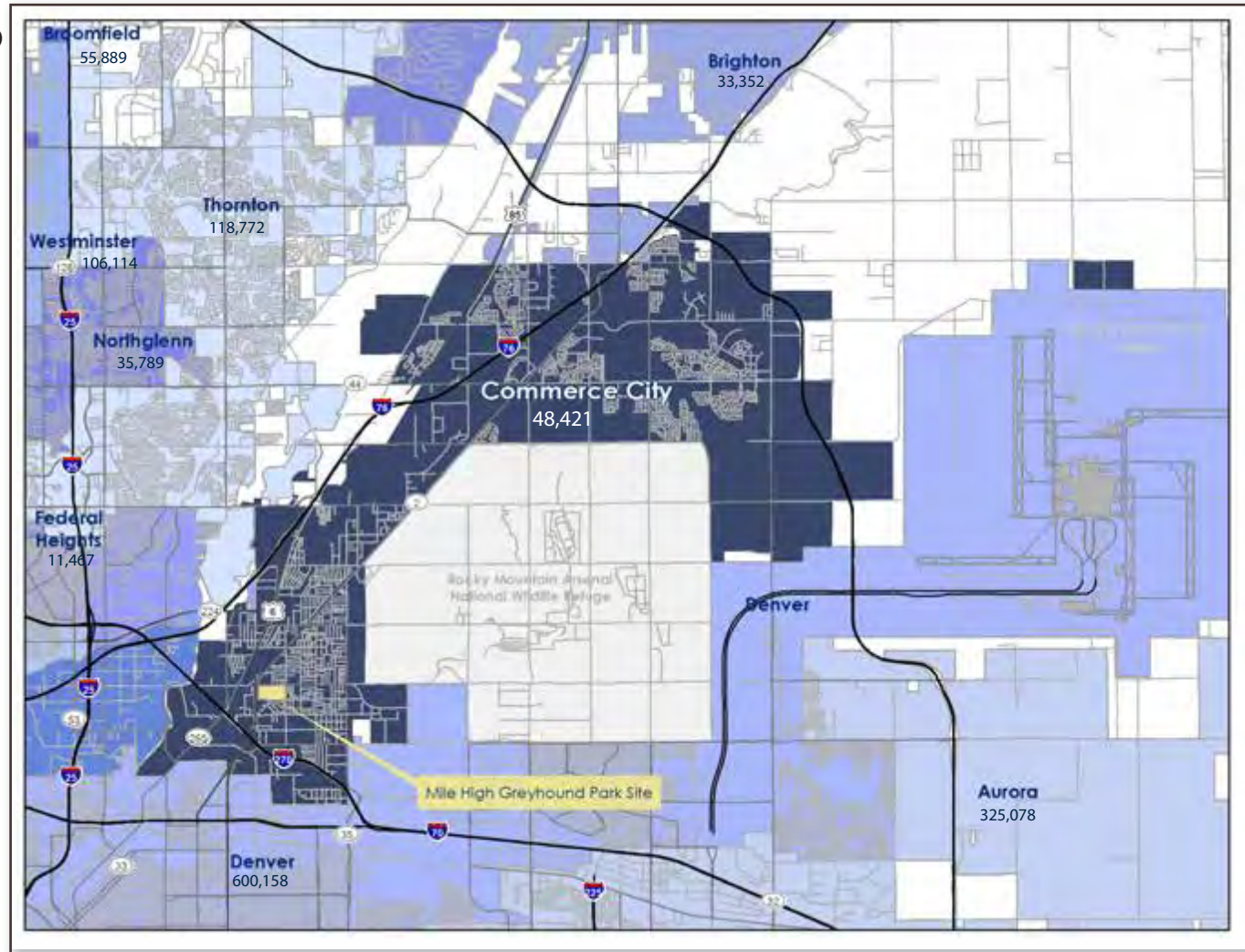


Both the site and influence area have access to a significant amount of infrastructure that once improved (and select instances relocated) will be able to support a successful redevelopment program.

COMMUNITY-SUPPORTED CONCEPT

Over the last two years, the URA engaged a diverse group of stakeholders to generate a shared vision for the property. Through 14 community meetings more than 460 people generated over 300 ideas for the redevelopment of the site. The site was the focus of NAIOP Colorado's 10th annual real estate development competition and a U.S. Chamber of Commerce-funded market feasibility study.

The resulting redevelopment concept embraced by the community and its elected officials is a diverse mixed-use development that includes an institutional anchor - an advanced education/training facility - adjacent to State Highway 2. A mix of residential product, small-to-moderate scale retail and restaurant uses, office and incubator spaces and a Boys & Girls Club offer supporting land uses.



COMMITTED TO REINVESTMENT

The Commerce City URA has invested approximately \$6 million in the property to date, including the abatement and demolition of 157,947 square feet of structures. The 65-acre site is a blank canvas, ready for a development partner to take advantage of the market opportunities to turn the vision into a reality that benefits the city and region for years to come.



A Vision



Framework for the future

The former Mile High Greyhound Park encompasses a rich history as a destination for residents and the Denver metro community. To continue this legacy, the redevelopment of the property incorporates a community anchor and complementary land uses which support one another, addresses demonstrated community needs, benefit the public and are economically sustainable.

OUR VISION

*The former Mile High Greyhound Park will continue its history as a place that **draws people** of many backgrounds and ages in a common purpose. Anchored by uses which advance municipal goals and aspirations and supplemented by uses which support its anchors, the property and spaces within it will be a **destination** for residents of the community and **metro area** and a complement to the city's economic development **infrastructure**. Each use will be accessible from the others through vehicular and non-vehicular improvements and collectively the property will be **accessible** to the region. Product offerings will complement those currently available within the city and larger market, and the **design** and development quality will be **superior**.*

DEVELOPMENT GOALS FOR THE SITE INCLUDE:

1. Create a flexible master framework plan
2. Create a mixed-use and multi-use neighborhood
3. Provide a variety of retail and commercial development options
4. Create a community destination and sense of place
5. Provide space for the Boys and Girls Club and other service organizations
6. Hold a portion of the property for an institutional anchor (education / training) while pursuing development on the remainder of the property

Overall themes

THE PROJECT WILL BE HIGH QUALITY

It will incorporate public spaces, art and outdoor amenities. The redevelopment project will create a premium pedestrian experience. The original Mile High Greyhound Park will be visible in all elements of the development from the building materials, to the street signs to the facility names. Public art incorporated into the project could additionally function as a homage to the site's past.

DEVELOPMENT PRINCIPLES:

- High quality
- Encourages walkability
- Removes blighting conditions
- Higher (comparatively) density
- Promotes greater variety of uses and activities
- Mixed-use and mixed-income
- Strengthens or links surrounding uses
- Destination
- Public benefit
- Leverages public investment (existing or planned)
- Supported by stakeholders
- Addresses demonstrated community need
- Unique to property and/or community culture
- Sustainable potential for residential uses to support institutional anchor



Market Analysis



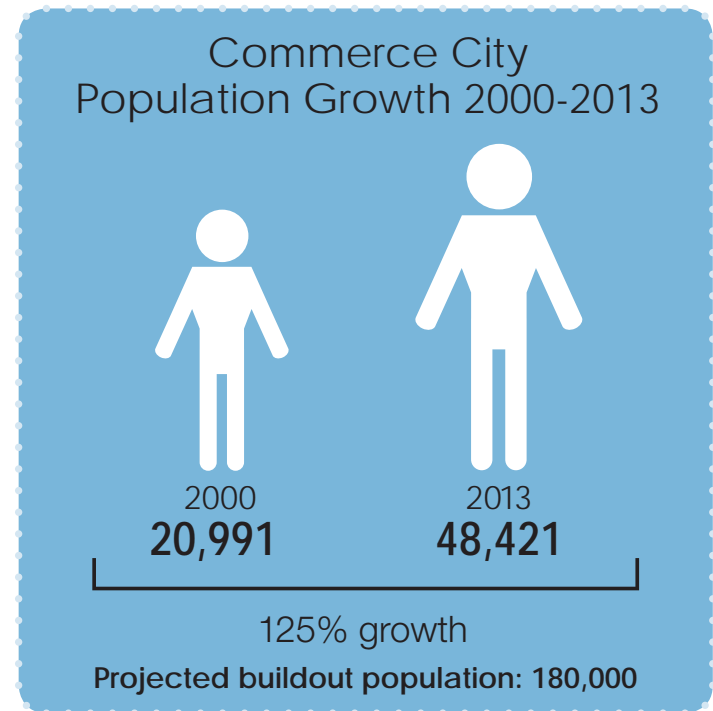
Demand-driven opportunities

The Mile High Greyhound Park Trade Area encompasses all or a portion of the cities of Commerce City, Brighton, Northglenn and Thornton. Collectively, these communities represent the northeast quadrant of the Denver-Boulder Metro Area. The northeast quadrant is expected to be the fastest growing area of the region, with 2.6% annual population growth and 3.4% annual employment growth over the next 30 years. Daytime employment within a three-mile radius of the 65-acre site is 42,976; employment within a five-mile radius is 207,990.

Just within the trade area over the next decade, the supply of residential, retail, office/employment and lodging is expected to grow significantly. The former Mile High Greyhound Park redevelopment can reasonably expect to capture a significant amount of that demand.



•Mile High Greyhound Park



RESIDENTIAL

- Trade Area household growth forecasted at 2.75% annually over next 10 years
- Total housing demand of over 24,000 new units in 10 years
- Demand for 5,400 single family attached units and 6,300 rental units
- MHGP Market capture = 100 to 150 single family attached and 200 to 250 rental units

OFFICE/EMPLOYMENT

- Trade Area employment growth forecasted at 3.1% annually over next 10 years
- Total office demand of over 1.3 million sq. ft. in 10 years
- MHGP area projected to capture 5% to 7% of office growth, or 65,000 to 90,000 sq. ft. of office space

RETAIL

- Existing retail “leakage” could support over 2.4 million sq. ft. of retail space
- Total retail demand (leakage + new household growth) is over 3.9 million sq. ft. in 10 years
- MHGP market capture = 80,000 to 100,000 sq. ft. of retail, restaurant, and entertainment space

LODGING

- Based on current occupancies vs. “market equilibrium”, market could support additional 58 rooms
- New demand (corporate, tourist, and group travel) supports an additional 260 rooms in the next 10 years
- Market capture likely dependent on accompanying land use (institutional, educational)

POTENTIAL MARKET OPPORTUNITY:

RESIDENTIAL:

- 100 to 150 Single-Family Attached
- 200 to 250 Rental Units

RETAIL:

- 80,000 to 100,000 sq. ft. of retail, restaurant, and entertainment space

OFFICE:

- 65,000 to 90,000 sq. ft. of office space
- Potential for office/employment incubator space (entrepreneurship)

HOSPITALITY:

- 260 rooms in the next 10 years

UNIQUE DEMOGRAPHIC CHARACTERISTICS

The MHGP trade area has several unique attributes including:

- Growing at a faster rate than Adams County overall
- Slightly smaller household sizes than the county, with more one- and two-person households, a higher degree of non-family households and a higher share of renter-occupied households
- Slightly higher educational attainment level than Adams County with few blue-collar workers
- Higher incomes on a median household and per capita basis
- More diverse ethnic profile, with a higher concentration of Hispanic and African-American residents and lower concentration of Asian residents

2012 INDICATOR	MHGP TRADE AREA	ADAMS COUNTY
2012 Households	76,371	161,242
Annual Household Growth Rate (Projected through 2017)	2.75%	2.25%
Average Household Size	2.82	2.85
Median Age	33.0	32.4
Pc. Blue Collar (Age 16+)	36%	46%
Median Household Income	\$59,445	\$52,325
Per Capita Income	\$25,772	\$22,562

ECONOMIC IMPACTS (at full buildout)

- Create 1,454 permanent employees
- Generate \$65.4 million in annual income
- Tax revenues between \$1.8 and \$2.2 million
- Sales tax revenues between \$2.3 and \$2.6 million annually

DURING CONSTRUCTION

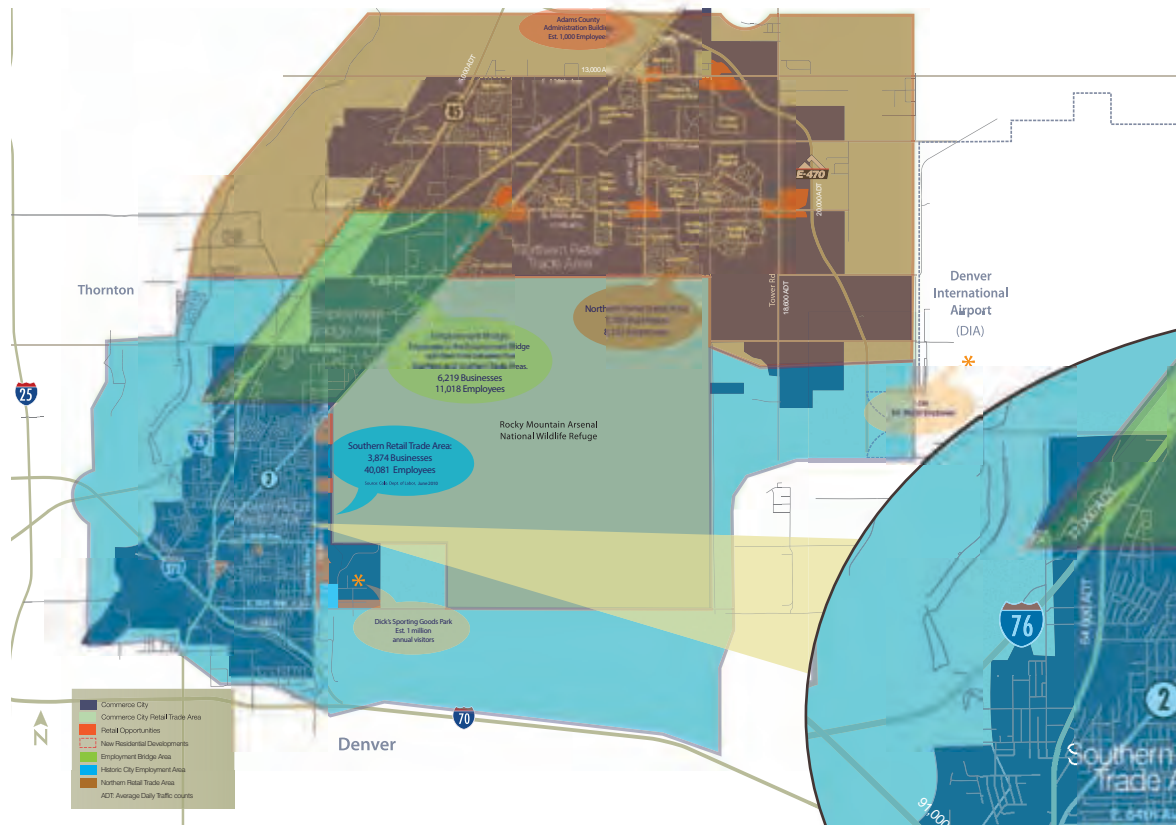
- 124 construction employees
- Generate \$4.9 million in annual income

Overall, the trade area has a healthy concentration of psychographic segments, which suggest lifestyle preferences that favor an infill urban living environment.

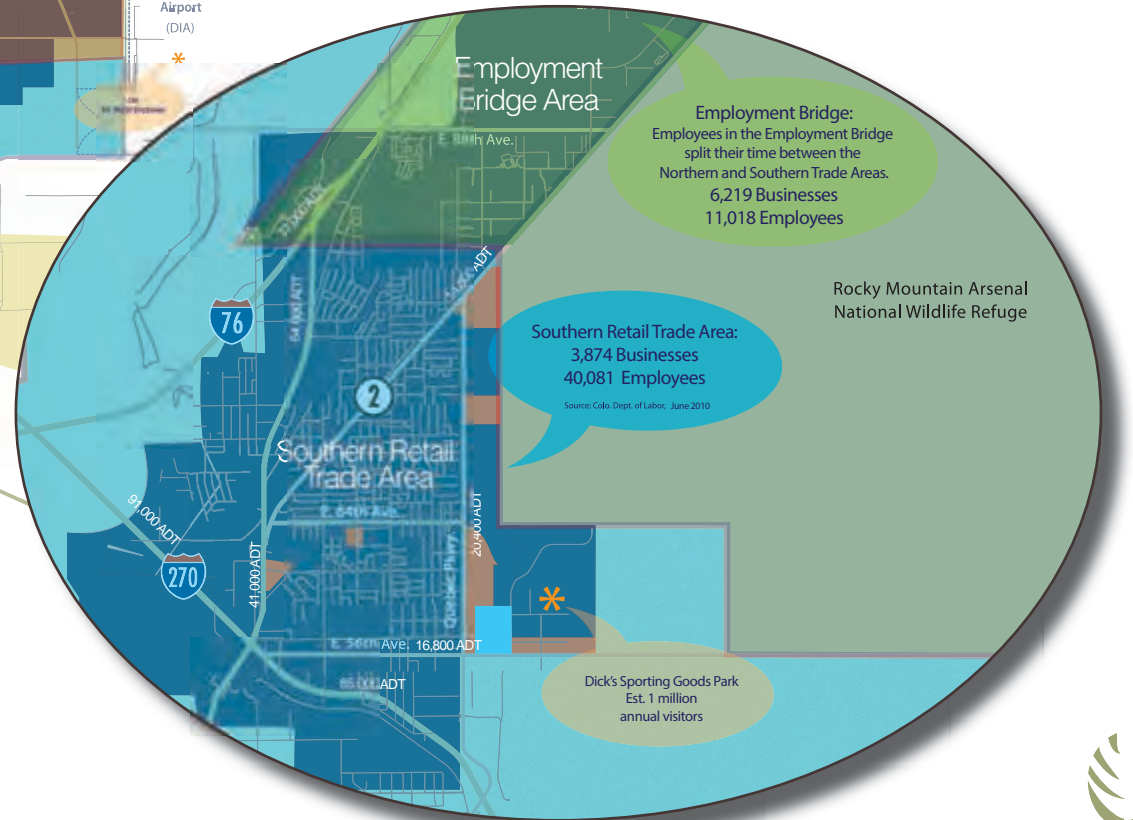
SIGNIFICANT ECONOMIC IMPACTS

Analysis shows that market demand in the trade area, coupled with supportive policies and strategic public and private reinvestment will enable redevelopment of the Mile High Greyhound Park to capitalize on select niche and destination opportunities.

COMMERCE CITY RETAIL TRADE AREA



The city has two distinct retail trade areas, the southern retail trade area is a primary workforce center with established neighborhoods and many new development and redevelopment opportunities, such as the Mile High Greyhound Park.



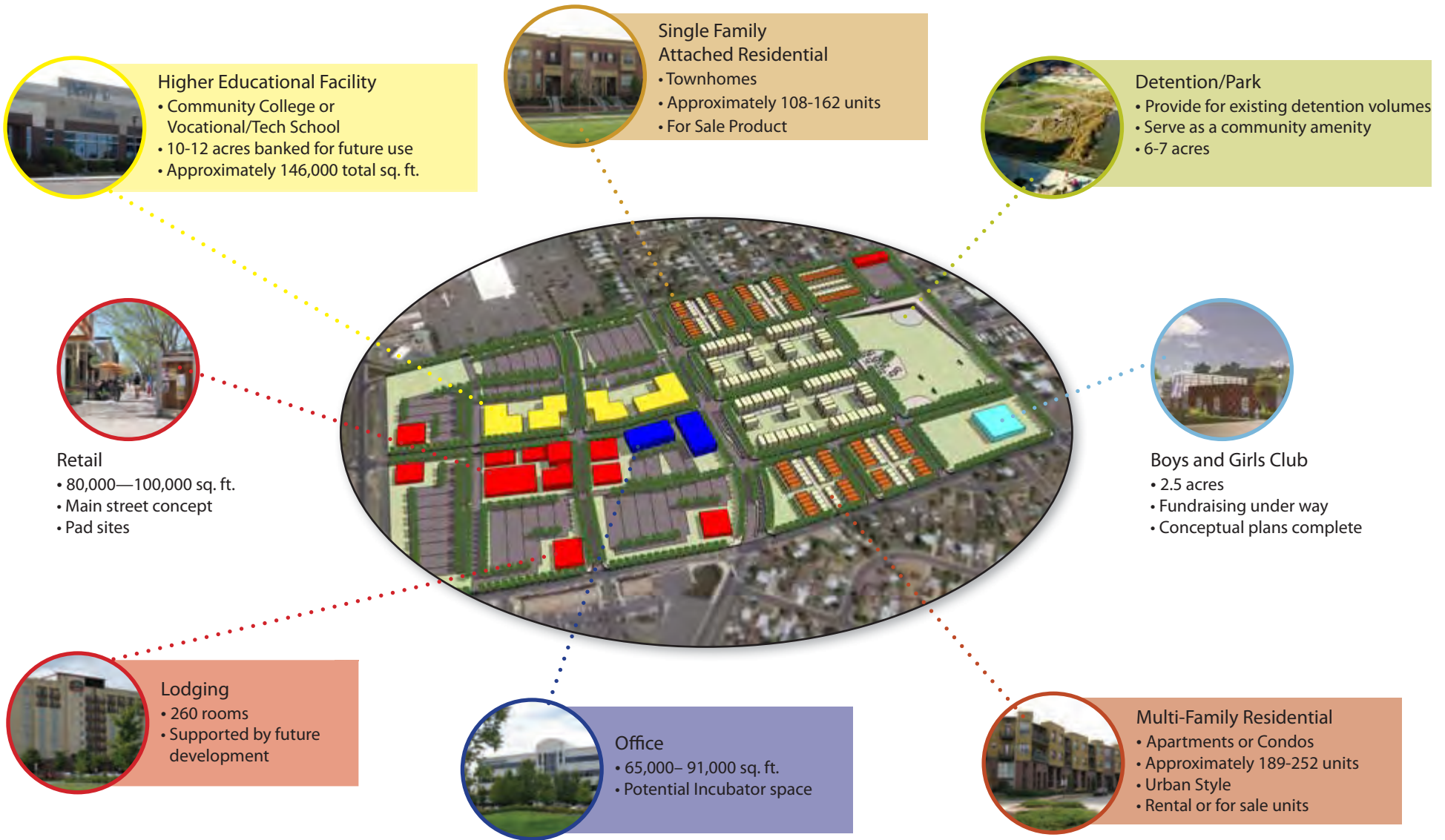
Southern Retail Trade Area Demographics

Population	72,589
Average Household Income	\$50,088
Daytime Employment (3-mile radius)	42,976
Daytime Employment (5-mile radius)	207,990

Development Concepts



Concept Plan – Creating strong and memorable places



This concept plan represents a possible layout scenario based on the market demands. It is not intended to be final and the city will partner with the developer to create the final schematic for the site.

Higher educational facility

The preferred redevelopment concept for the site includes an institutional anchor located adjacent to the Highway 2 corridor. This anchor is intended to act as a project catalyst and provide a synergy for development on the rest of the site. The institutional anchor also will provide a benefit to the entire Commerce City community. As the feasibility study suggested, there is a breadth of difference between advanced education, training facilities and operators; the ideal tenant and partner has not yet been identified. For this reason, a significant portion of the property has been set aside (land banked) to accommodate a range, or multiple related or affiliated users. While the size and scope of the anchor may not be determined for several months, the development concept should allow for a variety of uses that could ultimately compliment a multi-facility campus.



- Site Anchor
- Activator for extended use on site (16 hour day)
- Land banked until the ideal tenant and partner identified
- Community businesses have a demand for skilled workers
- Demand for community colleges continues to increase



- Higher Educational Facility
- Community College or Vocational/Tech School
- 10-12 acres banked for future use
- Approximately 146,000 total sq. ft.

Commercial development: Retail, office and lodging

RETAIL

On the west side of Parkway Drive along 63rd Avenue, a mixed-use Main Street with shops and commercial spaces could be developed with parking accommodated behind buildings. This thoroughfare could host small business incubator space, learning labs and classroom space, together with traditional retail spaces. An institutional building could front the street, providing customers and activity for the stores and restaurants. Main Street commercial spaces could be complemented by individual pad sites on the edges and stand alone commercial office space, hosting a diverse system of retail and commercial products in a unified campus setting. Parking should be accommodated behind buildings as well as on the sides and rear of pad sites.



- Retail
- 80,000—100,000 sq. ft.
- Main street concept
- Pad sites



OFFICE

The site has a two-fold opportunity to capitalize on existing office markets, while offering niche opportunities for secondary office locations, providing less expensive space in a downtown metro urban environment. The site could also provide a home for local service office users and even incubator space for new and expanding businesses in the local economy. These opportunities will be best served by flexible space which could accommodate office, service, and other potential uses.

LODGING

The MHGP site is not an obvious competitive location for lodging, given other properties in the Trade Area. However the lodging component of the long-term redevelopment program will be supportive to other planned land uses. Demand for lodging in the Trade Area is derived from residual or excess demand in the current market, approximately 4,800 hotel rooms, and new demand from future growth.



Residential development

A denser core of development could consist of non-traditional residential products, urban in style with a high quality design. Units should front streets and utilize a system of alleys connecting to surrounding uses to create a comfortably dense, pedestrian-scaled street frontage and an efficient use of development space.

Residential development should be concentrated to the east of the site, adjacent to existing residential neighborhoods, and scale the design appropriately. Residential densities should transition around the edges of the project, ideally from three or four-story multi-family development along a new 63rd Avenue spine road to a two-story townhome product around the edges of the site to be more compatible with the existing surrounding community.



- Potential for residential uses to support institutional anchor
- A mix of residential products, excluding single family detached dwelling units
- Primarily ownership
- Ideally mixed-income
- Located adjacent to established and existing neighborhoods
- Higher but compatible densities to the surrounding area
- Serve as an appropriate transitional product into the core of the Study Area



Single Family Attached Residential

- Townhomes
- Approximately 108-162 units
- For Sale Product



Multi-Family Residential

- Apartments or Condos
- Approximately 189-252 units
- Urban Style
- Rental or for sale units

Park and civic facilities

Commerce City is excited to partner with a community service organization such as the Boys and Girls Club of Metro Denver to bring their new 20,000 sq. ft. facility to the site. The Commerce City Boys and Girls Club will provide a permanent location for the program, benefiting the community with a technology lab, teen center, and recreation/community spaces.

The existing detention area located along Holly Street could be relocated slightly to the south, creating a centralized open space and community park for residential neighborhoods within and adjacent to the Study Area. The purpose of the community park will be twofold – to serve as a community amenity and to accommodate existing on-site storm water detention. Programming for this park could include:

- Playfields
- Farmer’s markets
- Amphitheater component
- Plazas and gathering spaces
- Planters and gardens



Boys and Girls Club
• 2.5 acres
• Fundraising under way
• Conceptual plans complete

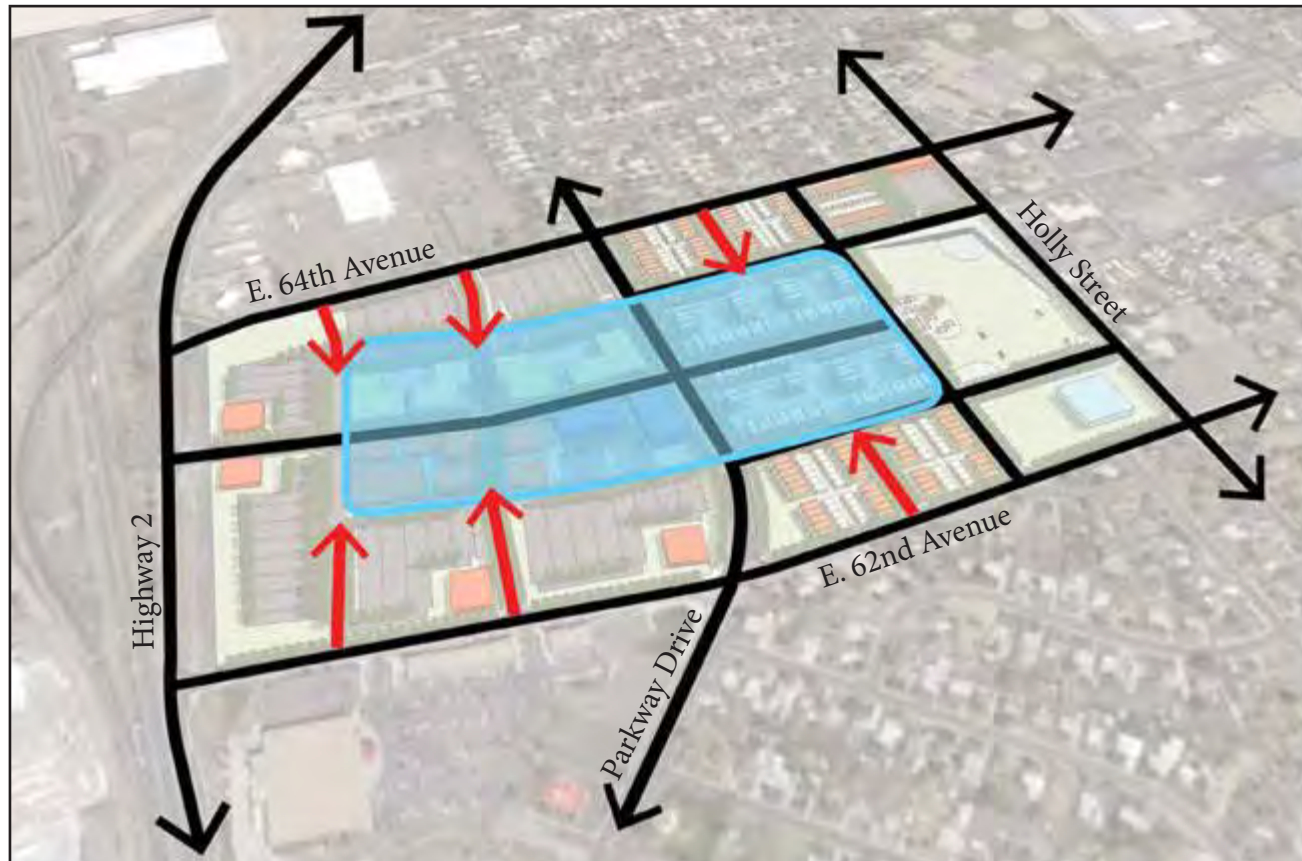


Detention/Park
• Provide for existing detention volumes
• Serve as a community amenity
• 6-7 acres



Infrastructure improvements

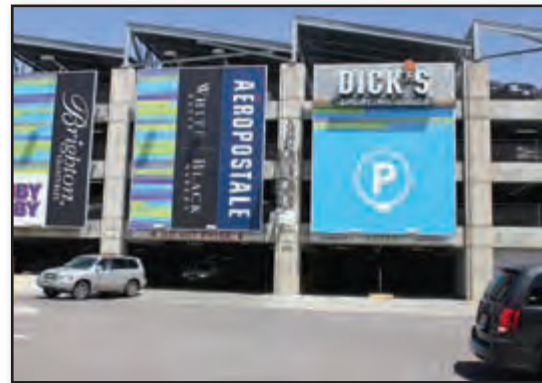
There are several improvements that can establish physical connections to and throughout the site that produces a series of developable lots could be marketed as pads, blocks or districts.



Infrastructure improvements continued

These improvements include:

- Extend Parkway Drive north to connect with 64th Avenue, thereby creating a main north-south thoroughfare through the site.
- Local streets could be extended into the site and linked to adjacent neighborhood streets.
- Extend an east-west road through the site from Highway 2 to 63rd Avenue, enhancing access for regional traffic.
- Create complete streets with comfortably dense, pedestrian-scaled street frontage and an efficient use of development space.
- While structured parking facilities would be ideal to preserve as much of the property for development as possible, it may not be possible given the scale of the surrounding development and associated costs.
- Parking should be located along the property's edges, reinforcing a central core of development.
- Relocate the existing detention area slightly to the south, creating a centralized open space amenity for the residential neighborhoods.



Financing the Future



Funding/financing options

GAP FINANCING

The feasibility study estimates strategic public investment is needed to fill a 16 percent financing gap. A number of the funding mechanisms discussed below may be appropriate for the redevelopment of the site. The URA will work collaboratively with the developer to fit the needs of the private sector and URA. The following funding mechanisms have been identified as potential “gap filling” tools:

Option	City	State	Federal	Developer
Streamline Development Approvals	x			x
Market Rent/Sale Write-Downs	x			x
Private Sector Financing				x
Tax Increment Financing	x			
Public Improvement Fee	x			
Special Improvement District	x			
Low Income Housing Tax Credits			x	
Grants and Loans	x	x	x	
New Market Tax Credits			x	



Contributions to Land and Site Improvements

The Urban Renewal Authority may assist with funding of functional and/or aesthetic improvements. For example, if City Council decided to implement a stormwater utility, then that may provide another funding source in the future for some of the drainage improvements.

Tax Increment Financing

The Urban Renewal Authority can capture all of the incremental (additional/new) property and sales taxes generated on the site. This funding mechanism provides considerable flexibility because a portion or all of the tax increment may be dedicated to repaying bonds. The tax base for the site is zero and any taxes generated on the site will be considered tax increment.

The final strategic consideration for tax increment financing is the recommendation that the URA Board approve urban renewal plans only for sub areas using a 25-year window for tax increment financing to use it to its fullest extent.

Public Improvement Fee (PIF)

A private fee that is collected by businesses on sales transactions, the money is used to pay for the public improvements related for a development of their site, such as curbs and sidewalks, storm management systems, sanitary sewer systems, public street lighting, and road and bridge development.

The PIF is specifically a fee and NOT a tax; therefore, it becomes a part of the overall cost of the sale/service and is subject to sales tax.

EB-5

The EB-5 visa for immigrant investors provides a method of obtaining a green card for foreign nationals who invest within the United States. To obtain a visa for everyone in an individual's family the individual must invest a minimum of \$500,000 in an area of high unemployment or rural area, creating or preserving at least ten jobs for U.S. workers. High unemployment is defined as 150% of the national average rate. If the area doesn't qualify as a targeted employment area, then the investor must invest \$1 million to obtain visas.

Market Rent/ Sale Write-Downs

The Commerce City Council has considerable flexibility and power in determining the terms and conditions for the repayment of the \$6.5 million loan to the Urban Renewal Authority because the loan is from the City of Commerce City. To enhance the quality of the redevelopment, City Council may be willing to structure the loan so that the developer can offer below-market rents initially or even provide sale write-downs to attract the right mix of users to the site. Such alternate loan structures might include deferred principal payments or graduated interest rates starting initially below market.

Special Districts

METROPOLITAN DISTRICTS

A metropolitan district has the authority to impose property taxes and make municipal type of public improvements. These districts can only be established by property owners, with city approval of the district and its service plan.

A metropolitan district may impose a property tax on the properties within the district. That revenue can then be used to pay for directly for public infrastructure improvements or it can be pledged in whole or partially to paying off bonds issued to fund public infrastructure improvements. The property owners within the district elect a board of directors.

BUSINESS IMPROVEMENT DISTRICTS

A business improvement district has the authority to impose property taxes and make municipal type of public improvements. Business improvement districts can be established by City Council approval only after the receipt of a petition signed by persons owning fifty percent or more of the property assessed valuation or fifty percent or more of the acreage within the district.

A business improvement district may issue revenue bonds for public infrastructure improvements based on the property tax revenue. City Council serves as the board of directors for the district unless they decide to appoint board members.

GENERAL IMPROVEMENT DISTRICTS

A general improvement district has the authority to impose property taxes and make municipal type of public improvements. General improvement districts can be established by City Council approval only after the receipt of a petition signed by not less than thirty percent or 200 of the electors of the proposed district.

A general improvement district may issue revenue bonds for public infrastructure improvements based on the property tax revenue. The City Council shall serve as the board of directors for the district.

SPECIAL IMPROVEMENT DISTRICTS

A special improvement district does not have the authority to impose property taxes. It does have the authority to make municipal type of public improvements. Assessments to generate the money to fund improvements are limited by and must be based on the benefits realized by each property. Special improvement districts can be established by City Council approval only after the receipt of a petition signed by persons owning property that will be assessed more than fifty percent of the cost of the improvements.

The City can issue revenue bonds for public infrastructure improvements based on the assessment revenue. The city Council serves as the board of directors.

Low Income Housing Tax Credits (LIHTC)

Commerce City's Housing Authority works with housing developers to use LIHTC, which gives incentives for the utilization of private equity in the development of affordable housing aimed at low-income Americans.

The LIHTC provides funding for the development costs of low-income housing by allowing an investor to take a federal tax credit equal to a percentage of the cost incurred for development of the low-income units in a rental housing project. The program's structure as part of the tax code ensures that private investors bear the financial burden if properties are not successful. This pay-for-performance accountability has driven private sector discipline to the LIHTC program, resulting in a foreclosure rate of less than 0.1% – a percentage far less than that of comparable market-rate properties.

Grants and Loans

Besides market rate loans available from financial institutions financing and loans are also available from Community Development Financial Institutions (CDFI). The CDFI Fund is run by the U.S. Treasury Department to promote economic revitalization for low-income communities.

- Financial Assistance awards of up to \$2 million allow CDFIs to sustain and expand their products and services as outlined in their funding applications. CDFIs must match this award with funds from a non-federal source. Financial Assistance awards can be used for lending capital, loan loss reserves, capital reserves, operations, and development services.
- Technical Assistance awards of up to \$100,000 are used for capacity development that is integral to CDFIs' organizational sustainability and success. CDFIs often use these flexible awards to: purchase equipment; hire consulting or contracting services; pay salaries and benefits; or train staff or board members.

The CDFI Bond Guarantee Program provides access to a significant source of capital by providing guarantees of bonds issued by certain qualified bond issuers. CDFIs can gain from the potential scale of the bond guarantee program, which offers long-term credit at below-market interest rates.

The Bank Enterprise Award (BEA) Program: awards FDIC-insured depository institutions for making investments in the most distressed communities throughout the nation. The BEA Program provides monetary awards to banks and thrifts that successfully demonstrate an increase in their investments in census tracts with at least 30 percent of residents having incomes less than the national poverty level and 1.5 times the national unemployment rate. Award amounts correlate with the percentage of increase in dollars associated with these activities. Organizations that receive awards must then reinvest that money back into distressed communities.

City Incentives

If incentives are planned for the redevelopment, then it may be desirable to structure the incentives in phases as the project is developed and remedies for a lack of performance.

Additional Resources



For more information:

CONTACT

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FEASIBILITY STUDY, HISTORICAL DOCUMENTS

www.c3gov.com/MHGP

URBAN RENEWAL AUTHORITY

www.c3gov.com/URA

DEMOGRAPHICS, INDUSTRY INFORMATION

www.redefiningcommerce.com

PLANNING PROCESS

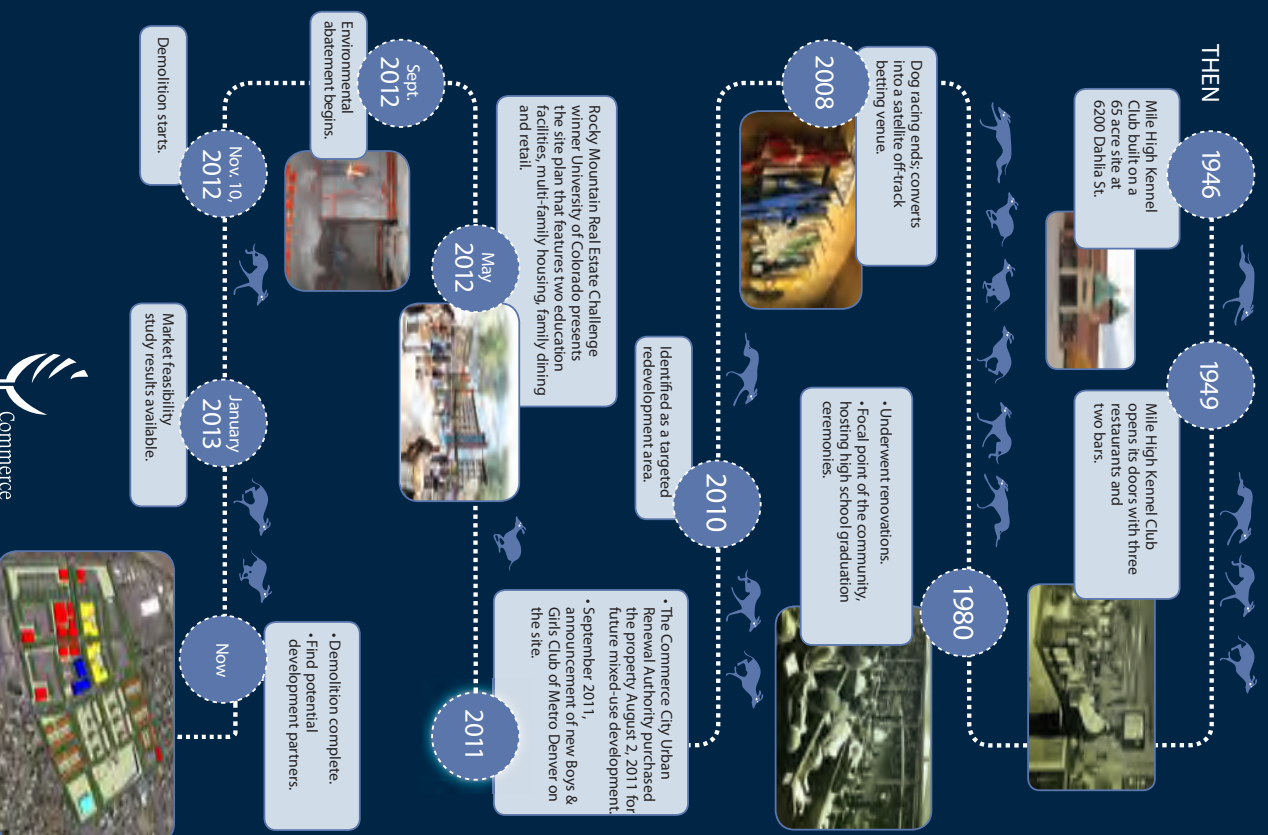
www.c3gov.com/planning

Can you take our vision and turn it into a reality?



We're on a fast track toward progress.

History of the Mile High Greyhound Park





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