



# The Campaign for Responsible Development

A coalition of community, union, and conservation partners staffed by the  
Front Range Economic Strategy Center

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## Union Station

*An Opportunity to Strengthen Our Community, Safeguard Our Environment,  
and Uplift Working Families*

**August 2007**

An Issue Brief from the Campaign for Responsible Development (CRD)\*



### Union Station Presents and Represents Opportunity

Since the 19<sup>th</sup> century, Union Station has represented opportunity for travelers who arrived with hope for a better, more prosperous life. The impressive landmark has welcomed residents and visitors alike, providing a gateway to the city and all Denver has to offer. The redevelopment of Union Station offers multifold opportunities to further enrich the lives of Denver residents. However, the community must act as the development plans unfold to ensure that we capitalize on the opportunity to make good jobs and affordable housing part of the plan and that the legacy of hope Union Station has offered continues into the 21<sup>st</sup> century.

Despite recent decades of revitalization and billions of dollars of public and private investment, downtown Denver is not reaching its 'great city' status. While new shops and lofts have helped breathe fresh air into downtown, these efforts have created a polarized environment that makes it difficult for many downtown workers to earn a decent wage and afford to live downtown.

Today, almost 40% of downtown Denver employment is in the lowest-paid sectors of the economy: food, service, hospitality, retail and janitorial. Furthermore, in recent years downtown housing

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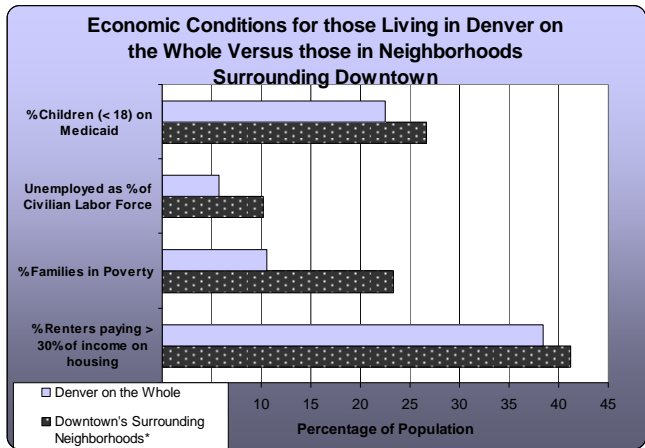
\* See [www.fresc.org](http://www.fresc.org) for a full list of organizations who have expressed support for principles of responsible development.

affordable to those making between about \$21,000 and \$35,000 has declined, while housing affordable to those in the upper income groups has increased considerably.

In spite of a revitalized downtown, many of the core's surrounding neighborhoods, such as La Alma-Lincoln Park, Capitol Hill, Five Points, Globeville, Highland, Jefferson Park, North Capitol Hill and Sun Valley still struggle with poverty and loss of affordable housing.

Compared to Denver as a whole, neighborhoods surrounding downtown have:

- A greater rate of children on Medicaid
- More than twice the unemployment rate
- More than twice the family poverty rate and
- A greater percentage of renters paying more than 30% of their income on housing



Union Station presents a unique opportunity to uplift these surrounding neighborhoods by making the most of the investment of our public tax dollars. The 20-acre development is a public-private partnership among RTD, Denver, DRCOG, CDOT, and the private developer, Union Station Neighborhood Company (USNC). The public owns the land, and will be asked to provide significant subsidies for the project. Recent estimates indicate that:

- USNC will seek a transportation infrastructure (TIFIA) loan of approximately \$140 million backed by Tax Increment Financing (TIF). TIF allows the city to finance improvement projects using projected future tax revenues generated from the development.
- The project will seek up to \$20 million in New Markets Tax Credits (NMTC). The NMTC is a federal program that provides money “to stimulate investment in low-income communities.”

## Community Benefits Will Drive Denver Forward

Union Station can be a model for mixed-income development. The latest projections call for 800,000 square feet of commercial office space and 200,000 square feet of retail space, which would create thousands of jobs at Union Station – **between 600-800 retail jobs alone**, based on job outcomes at similarly-sized projects.

It is imperative, however, that those jobs do not follow the current trend of offering poverty level wages without benefits. When local hiring programs are coupled with family-supporting jobs that offer decent wages, health care and basic benefits like paid sick days, the surrounding communities will benefit, uplifting these areas and making Denver more prosperous. When families make more than the bare minimum, they can re-invest in and further strengthen the community with their earnings by supporting local businesses. If the Union Station development addresses the needs of

Denver's most vulnerable workers and residents, distressed neighborhoods near the site would also be uplifted.

Furthermore, to achieve the true vision of a "transit-oriented development," some of the estimated 400 new rental and for-sale housing units should be affordable to the workers who will serve the site, beyond the moderately priced units that would be required under Denver Inclusionary Housing.

The Union Station development will not solve Denver's job and housing problems, but if there is sufficient attention to how the project can address some of the needs of the community, it can be an essential step towards that goal. By setting high standards for city revitalization, Union Station can lead the way in innovative urban development and the landmark can continue to be a beacon of hope for a better future for the Denver community.

## **Now Is the Time to Make Union Station Work for Denver**

The chance to address the needs of low-income Denver residents through the Union Station development is rare and the window of opportunity small; it is our obligation to develop Union Station to a high standard.

Through job training and career ladders, coupled with local hiring, permanent as well as construction jobs at Union Station can increase the skills and earning potential of local workers. A downtown Denver with a diversity of people, cultures and income groups will be more stable and sustainable.

For Union Station to live up to its potential, the city, developers and community must work together now, in the early stages of the project, to ensure that Denver residents from across the income spectrum have a place at Union Station. The developers should commit to public benefit agreements with the Campaign for Responsible Development (CRD) and local politicians should protect and advance the interests of their constituents.

### **What should the Union Station development provide for the community?**

- Family Supporting Jobs for residents of surrounding neighborhoods
- Affordable and Accessible housing – some below 50 and 30% of Area Median Income
- An opportunity for nearby residents to receive skilled job training
- Construction jobs that provide good wages, benefits and utilize new apprentices
- 50% environmentally sustainable construction
- Access to markets, resources and business capital for community entrepreneurs

**Contact Blake Pendergrass at 303.477.6111 X17, [bpendergrass@fresc.org](mailto:bpendergrass@fresc.org) to get involved!**

## **ABOUT THE CAMPAIGN FOR RESPONSIBLE DEVELOPMENT (CRD)**

The CRD is a diverse coalition of community organizations, labor unions, faith-based groups, and community residents. The coalition works to ensure that publicly-supported redevelopment projects build stronger communities and expand economic opportunity through family-sustaining construction and permanent jobs, affordable and accessible housing, and high environmental and neighborhood standards.

Members of the CRD Union Station Committee  
*9to5, National Association of Working Women, Colorado Environmental Coalition, Colorado ACORN, Front Range Economic Strategy Center, Huger for Justice: Interfaith Voices Against Poverty, IBEW Local 68, Laborers Local 720, Micro Business Development, Save Our Section 8 Colorado, SEIU Local 105, Sheet Metal Workers Local 9, and UNITE-HERE International Union.*