

Stapleton

Denver, Colorado

Project Type:
Mixed-Use/Multi-Use

Case No:
C034004

Year:
2004



SUMMARY

Stapleton, a mixed-use, master-planned community currently under construction on the site of the former Stapleton International Airport, is the largest infill redevelopment project in the United States. Located ten minutes from downtown Denver and 20 minutes from Denver International Airport, the 4,700-acre (1,902-hectare) community eventually will house more than 30,000 residents and 35,000 workers. Stapleton was conceived as a sustainable community and was intended to integrate jobs, housing, and the environment. The project will take 20 years to complete. At buildout, Stapleton will comprise 8,000 for-sale homes, 4,000 rental housing units, a population more than a third the size of Boulder, 10 million square feet (929,000 square meters) of office space, and 3 million square feet (278,700 square meters) of retail space.

FEATURES

- Unique agreement between the master developer and Stapleton Development Corporation that mitigates the risk associated with a project of this size
 - A master plan that seeks to attract families by including early childhood educational opportunities and works with the Denver Public Schools to build schools within Stapleton and create strong curricula
 - Housing will meet or exceed Built Green Colorado standards; infrastructure planning and design stress water reuse, energy conservation, and innovative stormwater management approaches
 - Approximately 800 for-sale homes and 800 rental apartments will be built under a workforce housing program
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SPECIAL FEATURES

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PROJECT ADDRESS

Stapleton Visitor and Homefinding Center
7480 East 29th Avenue
Denver, Colorado 80238
303-355-9600

MASTER DEVELOPER

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(A wholly owned subsidiary of Forest City Enterprises, Inc.)
7351 East 29th Avenue
Denver, Colorado 80238
303-382-1800
Fax: 303-382-1008
www.StapletonDenver.com

ARCHITECTS

Wolff Lyon Architects (design guidelines)
777 Pearl Street, Suite 210
Boulder, Colorado 80302
303-447-2786
Fax: 303-447-2968
www.wlarch.com

Urban Design Group, Inc. (mixed-use and commercial buildings)
1621 18th Street, Suite 200

Denver, Colorado 80202
303-292-3388
Fax: 303-292-3113
www.urbandesigngroup.com

Anderson Mason Dale (public elementary school)
1615 17th Street
Denver, Colorado 80202
303-294-9448
Fax: 303-294-0762
www.amdarchitects.com

EDAW, Inc. (landscape design guidelines, park design)
1809 Blake Street, Suite 200
Denver, Colorado 80202
303-595-4522
Fax: 303-595-4434
www.edaw.com

MASTER PLANNER

Calthorpe Associates
739 Allston Way
Berkeley, California 94710
510-548-6800
Fax: 510-548-6848
www.calthorpe.com

GENERAL DESCRIPTION

Stapleton is the largest infill redevelopment project in the United States and, subsequently, one of the most complex. Project planning began during the late 1980s, when the city of Denver decided to close Stapleton International Airport after the newer, higher-capacity Denver International Airport opened about 20 minutes away. Soon after the airport closed, the city of Denver and local citizens' groups began planning for Stapleton's reuse. Denver is home to numerous nonprofit housing groups, many of which sought involvement in the redevelopment process. The city, citizens, and nonprofit groups agreed that the Stapleton redevelopment had to be underpinned by three principles: economic opportunity, environmental responsibility, and social equity. Almost 15 years later, construction is well underway. As of March 2004, a regional shopping center, a town center with offices and residences above main street retail space overlooking a town green, and 850 for-sale and rental homes have been constructed.

Based on traditional neighborhood design principles, Stapleton provides physical and economic connections to the surrounding neighborhoods. The community's abundant trails and open space encourage walking and biking. Builders must meet or exceed Built Green Colorado standards.

Forest City Stapleton, Inc., which will develop much of the community's commercial and rental properties, agreed to buy the land from the city and county of Denver over time, to eliminate the costs and risks associated with having to hold the land. Forest City has agreed to pay \$79.4 million over the next 15 years for the land and a \$15,000-an-acre (\$37,065-a-hectare) fee to develop parks and open spaces. Buildout is not expected to be complete until 2020.

THE SITE

At approximately 7.5 square miles (19.4 square kilometers) Stapleton is an enormous urban infill site. It contains 4,700 acres (1,902 hectares) of relatively flat prairie land located ten minutes from downtown Denver and 20 minutes from the Denver International Airport. The decision to redevelop the Stapleton site was based on an opportunity to unleash the potential of one of the largest parcels of underdeveloped land in a major American city.

Stapleton International Airport—originally known as Denver Municipal Airport—served the Denver metropolitan area from 1929 to 1995. Over the years, the facility expanded into the nearby Rocky Mountain Arsenal until it eventually became hemmed in by surrounding residential neighborhoods. By the 1970s, Stapleton had almost completely outgrown its site and its runway layout was considered inadequate and potentially hazardous. Nearby residents became frustrated by the constant jet noise and filed suit. Even nearby Adams County sought to block any additional expansion. The combination of obsolescence and crowding forced the city of Denver to build a new airport northeast of Stapleton. The closing of the Stapleton airport coincided with the conversion of two local military bases: The Rocky Mountain Arsenal became a national wildlife refuge and the 1,800-acre (729-hectare) Lowry Air Training Center was closed and redeveloped as an urban master-planned community. The city, which has limited annexation powers, determined that the Stapleton site could be redeveloped to provide Denver with additional residential and commercial space.

The Stapleton site is surrounded by several racially diverse, middle- and lower-middle-class neighborhoods; the former Lowry Air Training Center, which is less than one mile (1.6 kilometers) to the south; the 27-square-mile (70-square-kilometer) Rocky Mountain Arsenal National Wildlife Area, which lies to the north; a variety of retail, light manufacturing, and other commercial uses; and the redeveloping Fitzsimons Army Medical Center, which lies to the southeast. Interstate 70 (I-70) runs east/west through the middle of the site and additional highway and rail access is nearby. Stapleton's location directly between the Denver International Airport and downtown Denver brings additional advantages.

Many areas within the site offer views of downtown Denver and the Rocky Mountains. A lake, two streams, and a bluff complement the extensive open space that is planned in the semiarid sandhill and prairie environment. Stapleton's developers plan to restore natural corridors in order to increase existing wildlife habitat. As a former industrial site, Stapleton did sustain some environmental damage. Initial tests indicated groundwater contamination from petroleum products and chemical solvents in about 10 to 15 percent of the site. The city, however, agreed to remediate the contamination to residential levels before selling the property to the developer.

PLANNING AND DEVELOPMENT PROCESS

When the decision to close Stapleton International Airport was announced in 1988, many citizens in the surrounding neighborhoods asked to be involved in the redevelopment process. Already sensitive to the problems associated with living next to an undesirable land use, these neighbors formed a citizens' group, Stapleton Tomorrow, to ensure a more harmonious development. In 1991, the Denver City Council adopted Stapleton Tomorrow's concept plan, which incorporated input from a broad range of citizens. The group identified issues to be included in the redevelopment effort, such as social equity, job creation, and environmental preservation, and encouraged technical and social innovation.

Following the adoption of the Stapleton Tomorrow concept plan, the city and county of Denver entered into a partnership agreement with the Stapleton Redevelopment Foundation (SRF), a nonprofit 501(c)(3) corporation established by community leaders to assist the city and county in maximizing the opportunities at Stapleton. Together, they raised more than \$4 million to create the Stapleton Redevelopment Plan (also known as the "Green Book"). The SRF also agreed to assist the city and county in defining a long-term management structure for the Stapleton redevelopment program. A citizens' advisory board worked in conjunction with the SRF during the formulation of the redevelopment plan, and held more than 100 community presentations. In 1993, the groups brought in a team of technical consultants—planners, architects, urban designers, civil engineers, transportation planners, environmental scientists, market and financial analysts, and project managers—to develop the plan, which was completed in 1994. The Stapleton Redevelopment Plan was approved by the Denver Planning Board and the Denver City Council and published in 1995. It won numerous national, state, and local awards and was the recipient of the 1996 Outstanding Planning Award from the American Planning Association and the 1996 President's Award for Planning from the American Society of Landscape Architects.

The plan outlines a clear dedication to affordable housing, traditional neighborhood design, environmental conservation, minority participation, and top-quality educational opportunities. It assigns 65 percent of the site to urban development and 35 percent to a mix of open-space uses. Development is organized into eight districts, which vary in their density and uses. Each district contains an identifiable center. The plan emphasizes the integration of employment and housing, as well as a pedestrian scale. It reinforces Stapleton's role as a regional employment center while also creating strong ties between the Stapleton site and surrounding neighborhoods. The open-space system is designed to tie together the eight districts and to help restore the ecological health of the site.

The plan also called for the creation of a private sector, nonprofit organization that would be a vehicle for the dispersal of property at Stapleton. In November 1995, the Denver Urban Redevelopment Authority (DURA) signed a cooperative agreement with the city to form the Stapleton Development Corporation (SDC). The SDC is governed by an 11-director board composed of business leaders and community activists; DURA appoints two members of the board and the mayor of Denver appoints nine.

In 1997, the SDC funded a study to determine whether the Stapleton property should be considered blighted and therefore designated as an urban renewal area. This was the first step to determine Stapleton's eligibility for tax increment financing (TIF), a mechanism by which the increase in property tax and/or sales tax revenues generated by the redevelopment can be used to help finance infrastructure construction.

In July 1998, the SDC entered into a master lease and disposition (MLD) agreement with the city of Denver. The MLD gives the SDC the responsibility to maintain and lease Stapleton for 15 years, an option to purchase the property, and the authority to sell parcels for uses consistent with the Stapleton Redevelopment Plan. The SDC then began initiating transactions and encouraging buy-in from employers and developers. Two years earlier, United Airlines had agreed to build a \$140 million expansion of its computer-simulated flight training facility at Stapleton. Other early clients were the King Sooper's grocery chain, which opened a regional distribution warehouse, and the Catellus Development Corporation, which built a 3.6 million-square-foot (334,440-square-meter) business park.

Later in 1998, the SDC initiated a competitive process to choose a master developer to oversee development of the entire Stapleton site. It selected Forest City Enterprises, Inc., a family-owned and publicly traded national real estate company with experience in mixed-use urban infill projects, as its master developer. Forest City offered expertise in all aspects of development, access to capital, and marketing savvy as well as a commitment to affordable housing, sustainable development, minority participation, and other principles of the Stapleton Development Plan.

Forest City entered into an exclusive right to negotiate with the SDC for the purchase of Stapleton. The SDC and Forest City finalized a purchase agreement in February 2000 that obligated Forest City to buy all developable land at Stapleton. As a condition of selling the balance of the Stapleton property to a master developer, the Denver Department of Aviation agreed to perform environmental remediation, substantially demolish unwanted buildings, and obtain rezoning for redevelopment. Over a 15-year period, Forest City will pay \$79.4 million for 2,935 acres (1,188 hectares), which is the amount of remaining land that had not already been sold or set aside for the 1,116 acres (452 hectares) of regional open space, plus a "systems development fee" of \$15,000 for each acre (\$37,065 per hectare) purchased, resulting in a total payment of \$123.4 million. Forest City is responsible for all in-tract infrastructure and the creation of additional neighborhood parks. The developer advanced the front-end financing for regional infrastructure and will be repaid through a \$30 million TIF. Forest City bought its first land in 2001, and agreed to buy 1,000 acres (405 hectares)—at a price that was stabilized in 2001 and will increase at the rate of the Consumer Price Index—every five years until 2015.

Both Forest City and the SDC had to go through lengthy due diligence processes before any sale to Forest City could take place. In addition to Forest City and the SDC, other parties involved included the city of Denver, surrounding neighborhood groups, the Federal Aviation Administration, and the airlines that were former Stapleton tenants. Because of the sheer size of the site, the land surveys, environmental assessments, and title transfers took longer than expected. Forest City, however, was prepared for the challenge and the long wait. The firm is vertically integrated, meaning it controls all stages of the project. It not only builds commercial space—office buildings, shopping centers, and entertainment venues—but also has expertise in land development, finance, and residential

construction. It even has its own lumber wholesaling business. In essence, the developer's large, diverse portfolio—with assets that exceed \$5 billion—allowed it to sustain the extended due diligence process.

FINANCING

Stapleton is very much a public/private partnership. The ability to use TIF is key to funding the \$600 million in local and regional infrastructure costs. Since DURA is the only entity in Denver with the statutory power to fund redevelopment through the use of TIF, its involvement in Stapleton has been necessary to help finance the project. The authority, which is responsible for conducting urban renewal activities throughout the city and county of Denver, is charged under state law with assisting the city in eliminating and preventing slums and blighted areas.

TIF, simply defined, captures the net increase of property taxes in a redeveloped area and directs that increase toward specific public project costs. When a redevelopment project is being planned, DURA analyzes how much additional property and/or sales taxes the project is expected to generate once it is completed. DURA then can use that "tax increment" either to finance the issuance of bonds or to reimburse developers for a portion of their project financing. In either case, the newly created tax revenue must be used for improvements that have a public benefit and that support the redevelopment effort, such as site clearance, streets, utilities, schools, parks, the removal of hazardous materials or conditions, or site acquisition.

Colorado statutes allow tax increment districts to be in place for 25 years. Over that time, substantial increments likely will be created, because base-year valuations are extremely low. Special districts provide a mechanism to impose additional taxes and fees to support capital improvements and operations. Denver's property tax rates, which are lower than those of adjacent jurisdictions, make the use of special districts less restrictive. During the first five years of TIF revenues, 100 percent of the property tax increment is devoted to Stapleton redevelopment projects. Thereafter, an increasing percentage of the total tax increment (both sales and property) will be retained by the city. The retained percentage reaches 47 percent by year 20, which will largely go to pay for the increased demands of new residents for city services, such as police, fire, roadway, and utility services.

The TIF base assessed value in 2001 was \$28,189,478, the assessed value increment is \$16,982,682, and the estimated incremental revenue is \$835,000. During the 25-year construction period, the annual property tax increment is expected to grow to \$93 million. One of the primary and earliest revenue generators in Stapleton is Quebec Square, a regional retail center whose big-box tenants will create plenty of sales volume that will, in turn, generate large amounts of sales tax. Forest City estimates that Quebec Center will produce \$8 million in TIF each year, compared with \$1.2 million per 1,000 homes.

Forest City purchased \$145 million in bonds from the Park Creek Metropolitan District to underwrite the initial infrastructure required for the redevelopment, a transaction that was financed by Lehman Brothers. Forest City secured a \$25 million loan from National City Bank for the initial land purchase from the SDC. Again, the fact that Forest City is a large, integrated firm with an emphasis on long-term investments allowed the developer to bear many of the upfront costs. By assuming this risk, Forest City also will reap most of the project's rewards. The developer intends to deliver between 550 and 600 single-family residential units per year, at a variety of price points. That will allow Forest City to tailor its development to meet market needs. The affordable housing at Stapleton has, so far, been financed in part by the Fannie Mae Foundation's American Communities Fund, tax-exempt bonds, and low-income housing tax credits, and assisted by discounted land costs from Forest City.

DESIGN AND CONSTRUCTION

Stapleton's master plan called for the development to fit seamlessly into the surrounding neighborhoods, which contain mostly single-family houses with front porches, modest lots, pocket parks, and streets lined with sidewalks and mature trees. The homes in Stapleton will mirror these elements, along with some of those found in historic downtown Denver, such as shade trees and facade ornamentation. The neighborhood streets will be relatively narrow, so as to lessen the speed of automobiles.

Early-phase residential properties comprise 12 design typologies, including six single-family detached home products; two types of rowhouses; four- and sixplex buildings designed to look like vernacular mansions; lofts; paired homes; and rental apartments. To ensure diversity in design, household income, and family profile, the housing types are being mixed in each of the districts. In new urbanist tradition, most homes will have alley-loaded garages.

Forest City worked with homebuilders to design homes that, although at least partly mass produced, are aesthetically pleasing and reflective of Denver's history. The Stapleton Design Book—created under the direction of Forest City Stapleton by EDAW, Wolff Lyon Architects, and Calthorpe Associates and published in 2000—recommends four primary styles (Victorian, Craftsman, Colonial Revival, and Denver Foursquare) and two secondary styles (English Revival and Mediterranean Revival).

Within the eight districts are seven planning zones, each of which covers roughly 500 acres (202 hectares). Each district will be further divided into 100-acre (40-hectare) neighborhoods. The plan calls for a 1,116-acre (452-hectare) open-space system, which will be maintained by the city and county of Denver and will traverse the site in a north/south orientation. Five mixed-use town centers containing office and retail uses within walking distance

of residential neighborhoods are planned. The first town center—East 29th Avenue Town Center—and a regional retail center—Quebec Square—have been developed in the first district. Each town center will feature a main street lined with two- and three-story buildings. Retail spaces and offices will occupy ground-floor spaces, while residential lofts and offices will be built on upper levels.

One of the goals of the Stapleton redevelopment project is to reuse some of the unique aspects of the old airport. The 264-foot-tall (80.5-meter-tall) control tower is being saved and will be used as a visitors' center. Old hangars and outbuildings have been recycled to house Colorado Studios (a television and film complex) and a local news channel, the Denver Police Training Academy, the Bladium Sports Club of Denver, and R.K. Mechanical Contractors. After the remaining terminal buildings were demolished, 50 percent of the concrete, rebar, and sheet metal were recycled. The 1,100 acres (445 hectares) of old runways are being crushed into material dubbed StapleStone, which is being used as road base and concrete aggregate for Stapleton's roads, trails, and sidewalks, as well as in other projects around Denver. The first new bridge at Stapleton also was constructed with StapleStone. More than 200,000 tons (181,437 metric tons) of asphalt from parking lots and the commuter runway have been transported north to the Rocky Mountain Arsenal National Wildlife Area, where it has been used to create road base. The terminal's 5,000-car garage has become the Stapleton Transit Center and is one of the busiest transportation hubs in the metropolitan area. Even some of the old carpeting from the former terminal complex was recycled into carpet backing that is durable, cheap, and produces no off gassing, and thus no indoor air pollution.

More than a third of the site is preserved for open space and parks. A new golf course eventually will be built on the northern half of the site. The 123-acre (50-hectare) Bluff Lake Natural Area serves as an outdoor classroom for thousands of children who study the wetlands and observe wildlife such as bald eagles, great horned owls, foxes, and a variety of aquatic fowl. When the network of recreational trails is finished, it will complete the first loop of trails ever to surround a major U.S. city. Stapleton's bike paths will connect to Denver's Regional Bikeway and flow into the 27,000-acre (10,927-hectare) Rocky Mountain Wildlife Preserve.

All the homes at Stapleton are required to meet, and preferably exceed, the minimum standards specified by the Built Green Colorado program. Built Green Colorado is a voluntary program created through the joint efforts of the Home Builders Association of Metro Denver (HBA), the Governor's Office of Energy Management and Conservation, Xcel Energy, and E-Star Colorado, and administered by the HBA. It uses buyer demand, market education, and builder training to encourage builders to construct homes that reduce pollution, are energy efficient, have healthier indoor air, reduce water use, preserve natural resources, and have improved durability and reduced maintenance.

Forest City, the SDC, and the Regional Transportation District (RTD) are jointly involved in planning for a future multimodal transit center that will be incorporated into the regional retail center and office development that will be built between Quebec and Yosemite streets. Bus service currently runs along the edges of the site; additional stops eventually will be located within Stapleton.

MARKETING

With its ballparks, bike paths, microbreweries, and upscale boutiques, Denver is striving to promote a hip and culturally diverse image. Stapleton hopes to capitalize on this image with its range of housing types and retail offerings. As of late 2003, prices and sales rates for new homes in the city proper were strong despite a recent economic slump. Blueprint Denver, the city's 20-year growth management plan, estimates that the city will add 130,000 residents and 109,000 jobs over the next 20 years.

Stapleton's initial sales were to large clients such as industrial park builders and corporations, but smaller clients with specialized projects eventually became interested and were followed by homebuilders, who showed tremendous interest in becoming part of Stapleton. Forest City is appealing to homeowners who are looking for a "third choice" of where to live (with the first two choices being an old home in the city and a new house in the suburbs). Stapleton provides an urban feel but is loaded with greenery, open space, and parks.

The Forest City Stapleton Visitor Center welcomes visitors, buyers, renters, business owners, and the press with its storefront presence in the East 29th Avenue Town Center. The visitor center features a video wall that integrates actual aerial footage of the property with "virtual reality" images of the first neighborhoods built. The center also includes a network of "pavilions," each with its own display offering glimpses into the residential, office, retail, and open-space aspects of Stapleton's new mixed-use neighborhoods. The pavilions also provide information about Stapleton initiatives such as sustainable development, an educational environment that fosters "lifelong learning," modern telecommunications linkages, and other elements that will create a walkable, diverse urban community.

One of the major ways Forest City chose to make Stapleton appealing to families and to compete with suburban housing developments was by providing high-quality schools within the community. At the time the master plan was being developed, the Denver Public School system was struggling to maintain standards, and many people felt that those moving into Stapleton would not want to send their children to the local public schools. Forest City worked with the Denver Public Schools to negotiate the establishment of new public schools in Stapleton. Charter, private, vocational, and online learning schools also will be built there. Current plans call for at least four elementary schools and two high schools, as well as a number of early childhood learning facilities. Stapleton's Westerly Creek Campus, which opened August 18, 2003, is an 80,000-square-foot (7,432-square-meter) building that houses a traditional

elementary school and a charter school that share common facilities. The Denver School of Science and Technology, a public charter high school, will open in 2004. Forest City donated ten acres (four hectares) of land and \$500,000 toward the construction of the high school. Additional support came from the Bill and Melinda Gates Foundation, Hewlett Packard, and numerous other national and local foundations. The \$14 million school will be dedicated to increasing the proficiency of high school students in mathematics, science, and technology. Forest City also has committed improvement funds to surrounding or "ring" schools, to increase Stapleton's positive impact and avoid the appearance that it fosters a gated-community mentality.

Developers estimate that houses will be coming on line at a rate of 50 to 75 new homes every month for the next 15 years. But most homebuilders have identified two to four interested buyers for every new home they build, so many are holding lotteries and exploring other allocation procedures. Stapleton's for-sale housing ranges from affordable "workforce" housing starting at around \$120,000 to "urban estate" homes priced from \$600,000 to \$1 million. The designs of the larger homes are reflective of traditional Denver architectural styles and offer carriage units, broad front porches, and high-end finishes.

Stapleton's location near I-70 gives it a tremendous amount of appeal for retailers. Because of the variety of retail spaces planned, Stapleton can accommodate a wide range of retailers in its big-box centers, town squares, and main streets. Quebec Square, the first retail center to open in Stapleton, sits on 80 acres (32 hectares) and contains 800,000 square feet (74,320 square meters) of big-box retail anchors. A 1.2 million-square-foot (111,480-square-meter) open-air mall is scheduled to open in 2005 or 2006. Both centers have been sited on I-70 to ensure good freeway visibility.

The recently opened 57,000-square-foot (5,295-square-meter) East 29th Street Town Center provides a more pedestrian-oriented scale. It features a variety of neighborhood restaurants and stores providing coffee, dry cleaning, banking, and other daily needs, as well as a King Soopers grocery store. The East 29th Street Town Center also includes the Crescent Flats, 66 one- and two-bedroom rental flats above ground-floor retail shops, and the Main Street Office Suites, which offer 34,000 square feet (3,157 square meters) of executive offices overlooking 29th Avenue, Stapleton's first main street. Completing the town center will be the Botanica on the Green Apartments, 232 one-, two-, and three-bedroom rental flats, townhomes, and live/work lofts with attached garages, and Clyburn at Stapleton, 100 affordable apartments for seniors.

The Stapleton Technology Master Plan was developed in part to equip Stapleton's homes with high-speed communications wiring and, in turn, increase its appeal to future residents. The master plan addresses three aspects of integrated community communications: home wiring, service providers, and a community network. Stapleton allied with Qwest Communications and AT&T Broadband to develop the "Stapleton Residential Wiring Guidelines," with the goal of ensuring sufficient capacity. Stapleton also has its own intranet, where community members can browse through forums and newsgroups, and learn about new stores, services, and events. Stapleton recently incorporated wireless technology, which has resulted in lower construction costs. When installing and subsequently moving data cables for the construction trailers became problematic and expensive, Forest City decided to link the trailers to a wireless system, which involved a one-time expenditure of about \$50,000. Networking companies discovered that the former air traffic control tower could be used as a generation and transfer point for the signals. Stapleton's transfer to wireless technology will save time (since it is quicker than installing fiber-optic cable) and approximately \$2.2 million over the next 15 years.

Stapleton is located in Denver's Urban Enterprise Zone, which means that businesses that locate there will benefit from significant tax incentives. The Denver Enterprise Zone is a state tax credit program that allows businesses within the zone, including Stapleton, to receive tax credits against their state tax liability. Businesses that move to or expand in the Denver Enterprise Zone have the potential to save on their Colorado business income taxes each year.

EXPERIENCE GAINED

One of the greatest challenges involved in the redevelopment of Stapleton has been the need for Forest City to coordinate and implement a range of development activities that are nearly unprecedented in their scope, due to the ambitious nature of the project. Forest City coordinated the work of the 18 single-family homebuilders it selected to create housing that meets high standards for urban design and energy efficiency, while also being affordable to households with a wide range of incomes. A major hurdle was obtaining the permits, plat approvals, and zoning changes for such a large property.

Forest City credits its positive working relationship with municipal officials, local nonprofit groups, and the surrounding community as a major aspect of the project's momentum. Forest City respected the plans the city and citizens' groups made and included minority- and women-owned business as contractors.

Another challenge Forest City faced was how to economically jump-start the project so that retail shops, office space, and homes could be constructed simultaneously. Developers of master-planned communities often need to first build out a large number of homes to create the base needed to justify retail space. At Stapleton, the economic generator to start the project was the automobile-oriented Quebec Square regional shopping center. Citizens groups were taken aback by the scale of the proposed big-box center and pointed out that it was not in the spirit of Stapleton's neotraditional planning efforts. Designers approached this problem by educating and reminding all involved parties

and citizens about Stapleton's overall goals and about the need for an economic generator to support the development of the community's pedestrian-oriented neighborhoods and business districts. The regional shopping center, while not traditionally consistent with pedestrian-oriented development, provides that economic security. The architects also designed the regional shopping center site so that it will be able to evolve into denser uses in the future. Specifically, they extended the surrounding street grid to Quebec Square, bringing with it pedestrian access and public transit and ensuring connections into the site from adjacent uses.

Although Stapleton has more than 20 years to go until buildout, its presence already is having a positive "ripple effect" in surrounding neighborhoods. The demolition of some of the airport's large and unsightly utility buildings, the restoration of open space, the reduction of noise pollution, and the infusion of new retail businesses has increased neighborhood pride, property values, and tax revenues.

PROJECT DATA			
LAND USE INFORMATION			
Site area (acres/hectares): 4,700/1,902			
GROSS BUILDING AREA			
	Area (Square Feet/Square Meters)		
Use	Existing	Planned	
Office	34,000/3,159	10,000,000/929,000	
Retail	900,000/83,610	3,000,000/278,700	
Residential	N/A	N/A	
Hotel	N/A	N/A	
Parking	N/A	N/A	
RESIDENTIAL INFORMATION			
Unit Type	Size (Square Feet/Square Meters)	Number Sold	Range of Initial Sales Prices
Single-Family Detached	1,185–3,800/110–353	780	\$179,995–\$530,900
Single-Family Attached	600–2,340/56–217	249	\$123,775–\$400,000
RETAIL INFORMATION			
Tenant Classification	Number of Stores		
General merchandise	2		
Food service	17		
Clothing and accessories	2		
Shoes	3		
Home furnishings	3		
Gift/specialty	5		
Drugs	2		
Personal services	19		
Recreation/community	1		
Financial	8		
Other	10		
Total	72		
DEVELOPMENT COST INFORMATION			
	Spent to Date	Projected Total	
Site acquisition cost	\$40,000,000	\$125,000,000	
Site improvement costs	\$80,000,000	\$620,000,000	
Construction costs	\$410,000,000	\$3,470,000,000	
Soft costs	\$220,000,000	\$1,840,000,000	
Total	\$750,000,000	\$6,055,000,000	
DEVELOPMENT SCHEDULE			
Planning started: 1989 (Stapleton Development Plan)			
Site purchased: February 2000 (Purchase agreement signed; land to be purchased at a rate not less than 1,000 acres (405 hectares) every five years over a 15-year period)			
Construction started: May 2001			
Projected completion: 2020			

DIRECTIONS

From Interstate 70: Exit at Quebec Street. Go south on Quebec Street to East 29th Avenue. Turn left on East 29th Avenue.

From Denver International Airport: Take Pena Boulevard to I-70. Take I-70 west to Quebec Street. Go south on Quebec Street to East 29th Avenue. Turn left on East 29th Avenue.

Driving time: 20 minutes from Denver International Airport in nonpeak traffic.

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This Development Case Study is intended as a resource for subscribers in improving the quality of future projects. Data contained herein were made available by the project's development team and constitute a report on, not an endorsement of, the project by ULI—the Urban Land Institute.

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Stapleton, the largest infill development project in the United States, is a mixed-use, master-planned community under construction on the site of the former Stapleton International Airport in Denver, Colorado.



Stapleton's traditional residential neighborhoods feature sidewalks, front porches, and modest lot sizes.



The Forest City Stapleton Visitor Center presents information about the community to prospective homebuyers, renters, business owners, and other visitors.



Clyburn at Stapleton contains 100 affordable apartments for seniors.



The Bluff Lake Natural Area is home to a wide variety of wildlife.



Stapleton's first neighborhood, located on the site of the former airport's east/west runway, is bordered by the beginnings of what will be 1,100 acres of new parks and open space.



The East 29th Street Town Center features a variety of neighborhood restaurants and stores, a King Soopers supermarket, and offices and residential units above ground-floor retail space.



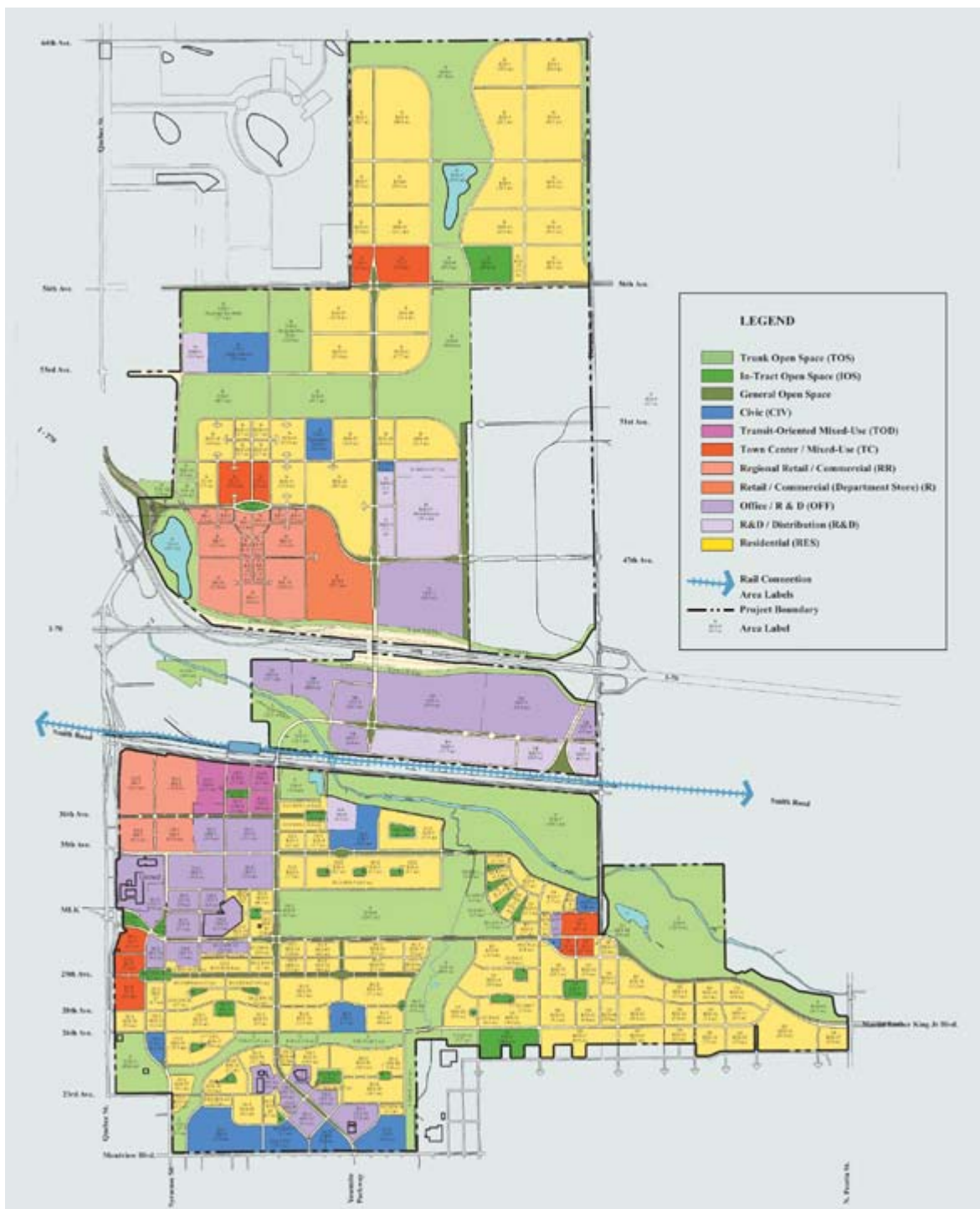
Stapleton's first public elementary school and a public charter school share the building and athletic fields at lower left; at least three more elementary schools and two high schools will be built there. The downtown Denver skyline and mountains can be seen to the west.



When it opens in fall 2004, the Denver School of Science and Technology, a public charter high school, will be Stapleton's first high school.



Quebec Square, a regional retail center, is one of Stapleton's primary and earliest revenue generators.



Site plan.