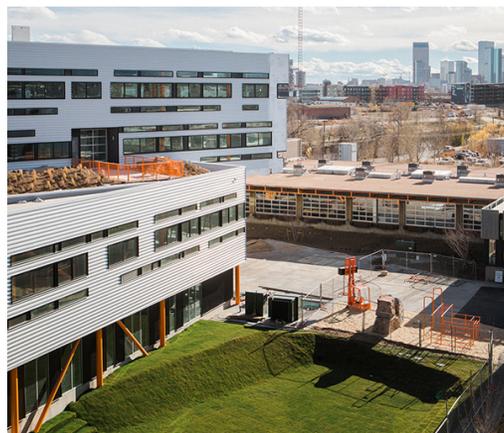


CASE STUDY: FREIGHT RESIDENCES

RESIDENTIAL REDEVELOPMENT



PROJECT SUMMARY

Freight Residences is located at the northeast end of Zeppelin Development's 20-acre TAXI campus in Denver's revitalized River North Art (RiNo) neighborhood. The 49,200 square foot multifamily apartment project makes efficient use of what was once an urban brownfield site that is situated between the train tracks and the South Platte River in RiNo. Freight Residences mixes innovative design and amenities while simultaneously providing affordable housing options to urban families and reactivating and catalyzing the former industrial brownfield site of Dugan Truck Line company. The \$11.4 million apartment community project is comprised of 48 one-, three- and four-bedroom unit types. Each unit features an operable glass garage door that opens the living spaces to the gardens on the first floor, through-unit ventilation, and ample light infiltration. Construction began in October 2014 and was completed by the summer of 2015 with the first tenants moving in shortly thereafter.

At the project's inception, the developers sought to offer a creative, first-of-its-kind apartment community that caters to growing families with young children who desire to be close to downtown. The developer's vision to attract growing families, traditionally an underserved area of the market that is often overlooked by large institutional apartment projects, resulted in the incorporation of a variety of different amenity types such as a building lobby that serves as a children's art area, a lawn adjacent to the building where children can play in view of parent's residences, an early childhood education center, and outdoor family film nights. Other additional site amenities include TAXI's signature shipping container pool, a dog park, a community garden, and a café.

In 2016, Denver Mayor Michael B. Hancock and Brad Buchanan, Executive Director of Denver Community Planning and Development, awarded the 2016 Mayor's Design Award to Zeppelin Development in the category of "Density by Design" for the Freight Residences. The designers, Dynia Architects, also earned the AIA Western Mountain Region (WMR) Design Excellence Merit Award for their work on the unique multifamily project.

QUICK FACTS

Location: River North Art District (RiNo), Denver, Colorado

Project type: Industrial site to multifamily housing

Site: 1.08 acres on the South Platte River

Former Use: Truck and trailer parking of Dugan Truck Line company

Renovated Use: 4-story apartment community built in 2016 with 48 units

Environmental Issues: Oil, grease, coolants and other fluids; organic materials that caused the release of methane gas; and bricks, timber and other decomposed matter.

Reuse Partners:

- » Colorado Department of Public Health and Environment (CDPHE)
- » Colorado Housing and Finance Authority (CHFA)
- » Zeppelin Development

ENVIRONMENTAL CHALLENGES

TAXI is a 20-acre project that has transformed what was once an industrial brownfield site into a bustling mixed-use campus. The Freight Residences which was constructed on the former site of the Dugan Truck Line company, is one of nine buildings that has been developed on the TAXI site. The site contained several environmental concerns which included oil, grease, coolants and other petrochemicals. Also, a variety of organic materials, including decomposed matter, timber and bricks were found in the soil that caused the release of methane gas.

FINANCING AND DEAL STRUCTURE

The Colorado Brownfields Program was an integral part of the Freight Residences site revitalization. The program offered assistance to the developer by providing tax credits, revolving loans and environmental site assessments. The Voluntary Cleanup Program (VCUP) allowed for one-step approval of the federal and state required brownfields remedial plans. Once cleanup was completed, CDPHE also provided a "No Action Determination" letter stating that further cleanup was not necessary. Through performing VCUP environmental remediation of the property, the developer was eligible for state brownfields tax credits. These credits amount to 40% of the first \$750,000 of cleanup cost, and 30% of cleanup costs over \$750,000. In the case of the Freight Residences, the environmental remediation and cleanup cost of \$973,000 resulted in a brownfields tax credit of \$367,000. In addition, the developer was able to tap into the Colorado Brownfields Revolving Loan Fund. The fund, a partnership between, CDPHE, the Colorado Housing Authority (CHFA) and seven local governments, provides low interest flexible term loans to support environmental cleanup. Sites must sign up for the VCUP to be eligible for the revolving loan fund and tax credits. The fund provided a \$567,000 loan to cleanup the Freight property to a level allowing residential reuse.



FINANCIAL IMPACT:

Total New Investment:

\$9,181,000

Property Value-Added:

+ \$14,344,800

Jobs Created:
(full + part time)

 **+33**

SOCIAL IMPACT

- » Offers housing options for growing families who want to live near downtown Denver and the Platte River.
- » Transformed a brownfields impacted area to new housing opportunities.
- » Provided new housing units ranging from 1-4 bedrooms
- » The building was fully occupied in less than six months after opening.

ECONOMIC IMPACT

- » Opened up revitalization of an older industrial district while increasing property values and tax revenue for the City.
- » Rented units at a rate of \$1,400-2,800 per month for 600 to 1,500 square feet.
- » **Added tax revenue - \$26,445 annually**
- » **Added property value - \$14,344,800**

HELP FOR YOUR PROJECT

Regardless of where you are in the process, the Colorado Brownfields Partnership (CBP) will help you learn about brownfields assistance for your community. We provide many types of support to communities interested in redevelopment of potentially contaminated sites. Contact info@cobrownfieldspartnership.org for more information.

 INFO@COBROWNFIELDSPARTNERSHIP.ORG

 COBROWNFIELDSPARTNERSHIP.ORG



COLORADO

Hazardous Materials & Waste Management Division

Department of Public Health & Environment

