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July 13, 2010

KMGH-TV

Mayor John Hickenlooper Delivers Address At New Justice Center

Mayor John Hickenlooper today delivered the annual State of the City address in the Dale Tooley Plaza at the Denver Justice Center.

Here is a text of the speech as prepared:

“I like to see a man proud of the place in which he lives. I like to see a man live so that his place will be proud of him.” That’s Abraham Lincoln.

How can one not be proud of living in Denver, Colorado? So many of us were drawn here from elsewhere and stayed. Native or not, Colorado is a place that calls to all of us. It is a place of hope and optimism, renewal and fulfillment. Our capital City – the Queen City of the Plains – is a place I am proud to serve.

But I wonder: How do we ensure this place is proud of us? Will future generations see us for the successes we forged, or for the opportunities we missed? These are the questions inherent in Abraham Lincoln’s quote.

We came to this job seven years ago full of determination to build a stronger City with an administration that set high goals, disdained partisan politics and fought “the fundamental nonsense of government” – that is, government befuddled by rules and regulations that inhibited problem solving. Our team – in fact, all City Employees – challenged the status quo to demonstrate that government can do more with less, and be transparent and accountable at the same time.

We came into office in the middle of a budget crisis, and we have balanced the books seven times. We made difficult choices every year, just as we will this year.

We set our sights on bringing prosperity to Denver and our neighbors. We focused on jobs and helping the unemployed. We built a foundation for the future that includes support for small businesses, better education for our kids, a healthier and cleaner environment, and a modern transportation system.

Consequently, we are positioned to come out of this recession strongly. The new American economy will invest and grow in places that embrace change and celebrate innovation. Denver, Colorado is that place.

Our success is not singular; it's based on collaboration and recognition that we are all linked. For me, I rely deeply on the support of my family – my wife, Helen Thorpe, and our son Teddy – and I want to acknowledge their contribution to making this work possible.

Within our City government, I want to acknowledge Council President Jeanne Robb and the entire Denver City Council; Auditor Dennis Gallagher; Clerk and Recorder Stephanie O'Malley; and District Attorney Mitch Morrissey. I also want to recognize my fellow mayors and other leaders from the metro area who are here. Having such comrades is one reason I am proud to be mayor.

We know – and have proved – that good government is not about one person, one agency, one city or even one great idea. It's the result of bringing communities together and finding solutions that benefit everyone.

Good government doesn't have to mean big government. City Employees know all about this. Year after year, we ask them to do more with less. And they respond – in a big way. We see their creativity and their tenacity. To every City employee here today, and to those who are working right now, THANK YOU.

I also want to thank the people of Denver. Their ideas, their involvement, their feedback – and yes, their votes – are instrumental in guiding our success.

Fifty years from now, we want Denver residents to be proud of their City and proud of the world this community imagined for them. We want them to see the results of our ingenuity and creativity. We want them to know that when we encountered obstacles, that when we ran into dead ends and walls, we always found ways out. This is the heritage we offer to the future: We never quit.

Consider the Better Denver Bond Program. Voters decided in 2007 to make important investments in the future of Denver. These investments represent 288 projects, including improvements to roads, libraries, parks, recreation centers and cultural facilities. Many of these projects will be completed over the next 18 months. This effort preserves and creates jobs. When you see construction signs and those dreaded cone zones, don't think of delays. Think jobs. Each orange cone represents a stronger, better Denver.

The rapid delivery of these bond projects is allowing us to take advantage of favorable market pricing and decreases in construction costs. As a result, taxpayers will save \$20 million. And for the first time, the City is using financing techniques utilized widely in the private sector, to lower costs. This, and lower interest rates, will save taxpayers an additional \$19 million on debt service.

We are committed to bringing a business perspective to public service. Just a few years ago, developers and homeowners had to navigate four departments to review plans and

obtain permits. It was a maze of red tape. Today, a streamlined process is predictable and consistent, with a single organization, called Development Services, that is responsible for taking a development project through the City. This next year, Development Services will add online permitting.

We recently adopted a new zoning code. It's hard to do justice in a few words to the significance of this accomplishment. The process spanned five years and engaged more than 35,000 people. Just a few weeks ago, the City Council unanimously approved a more rational and efficient code. The new code protects neighborhoods and property owners. It creates value for developers and investors. We will make sure the new zoning code advances development and creates jobs.

Elimination of red tape means residents shouldn't have to guess who to call for information or report things like graffiti or potholes. Since we created the non-emergency 3-1-1 program, we have received nearly 2 million customer calls. Behind that statistic are business owners looking for license information, residents looking to get a streetlight fixed, parents looking for library information. Along the way we've saved money and improved public safety by reducing the non-emergency call load to 9-1-1.

One of my tasks as Mayor is to listen – and I heard loud and clear that Denver must be safe if business and families are to thrive. Crime this year is down 6.5 – and in the past five years, crime decreased nearly 23 percent. Even better this year, violent crime—including murders and aggravated assaults – is down nearly 8 percent. And our most recent citizen survey showed 93 percent of residents feel safe in their neighborhood.

Today, there's no question that people want to visit Denver. We were just picked as the second-best city in the country to visit this summer by Travel + Leisure Magazine. While most of the country saw a 5 percent drop in leisure visitors in 2009, Denver had a 4 percent increase, setting a new record for the City with 10.1 million overnight leisure visitors. This increase in visitors didn't just happen – it was a result of creative marketing efforts by VISIT DENVER and the City. Denver is one of a very few cities in America actually adding hotels. A Four Seasons and an Embassy Suites are under construction and will create 400 new permanent jobs.

Denver is a destination: This month, we are hosting the world's first-ever Biennial of the Americas. This is the biggest international event in our City since the Summit of the Eight in 1997. It celebrates innovation, ideas and creativity from across the Americas. It also brings a platform for businesses in Denver and Colorado to exchange more goods and services with our neighbors to the north and south. There are representatives from 29 countries here to talk about trade.

The Biennial is one activity boosting Civic Center, but not the only one. The historic McNichols Building, closed to the public for more than 50 years, has been transformed into a spectacular event space. The Biennial shines a bright light on Denver and Colorado

– just like our recent fireworks display and symphony concert in Civic Center Park – and it will provide an economic boost to our region now and in future years.

In my first inaugural address, I declared: “Denver is open for business!” And it is. In the past year, still in the midst of a global recession, three major companies – DaVita, SMA Solar and R.E. Power – announced major expansions in metro Denver. That’s in addition to the three dozen other companies that have moved their headquarter locations to metro Denver since 2004.

I’m honored to announce today that DaVita will soon make a determination on its permanent headquarters building, and it will be in downtown Denver. I saw sketches of the new building this morning: it’s visually stunning and will be built in an environmentally responsible way, with a rooftop terrace that will help green Denver’s skyline. DaVita has already created nearly 160 good-paying jobs here, and they have every expectation that number will grow significantly.

We aren’t shy about talking loudly when major companies move to Denver, but we know that small business is the backbone of our economy. There are more than 24,000 small businesses in Denver that employ nearly 155,000 people. The essence of small business is illustrated by three friends, Dave, Gabe and Pete, who used an economic development loan from the City to expand their clothing production line and open a store in Lower Highlands. They call the company “Jiberish” – which I hope you will not confuse with my speech today. Jiberish is cool. It’s a hip-hop and snowboarding apparel company founded on the philosophy that artwork should not be left on a canvas – it should be worn. Their clothes are now selling around the world.

We know that when small businesses are ready to grow, they need an educated and able workforce. That’s why the City is helping with job training and job placement. Already this year, nearly 27,000 people have gone through workforce programs. I will always remember the day in 1986 when I was laid off. I felt like I had been kicked in the gut. To those who are in the retraining process or still looking for work, you can reinvent yourself and we will do our part to help create a new opportunity for you. The global recession didn’t start here, but we mean to see it end here ... and end it first.

For Denver to have resources for programs like job training and new business support, we need to be careful stewards of every tax dollar. Nowhere is this a bigger challenge than in facing the costs – both human and financial – of chronic homelessness in our community. We knew five years ago that the homeless access our most expensive services: emergency room care, detox services, incarceration and emergency shelters. Yet the problem wasn’t improving. It cost taxpayers roughly \$40,000 a year per homeless person to do nothing more than to perpetuate lives of misery.

So we brought together more than 250 communities of faith, 33 foundations, nonprofits, the business community, neighborhood organizations and homeless Coloradans. We

created a 10-year plan to end homelessness called Denver's Road Home. The City has seen what can happen when a community comes together. So far, we have avoided \$3.1 million in expenses by reducing the number of homeless people in our jails by 31 percent and by reducing homeless admissions to detox by 75 percent. In the first four years of Denver's Road Home, our community has reduced chronic homeless by 60 percent. While our work is not done yet, we know that it is collaboration that defines Denver's Road Home.

I will acknowledge that I use the word "collaborate" a lot. I like what it stands for. From the beginning of this administration, we reached out to our neighbors because we know that our success depends on theirs.

We wanted to change the adversarial relationship Denver had with the suburbs. And we did.

Denver and our neighbors now make purchases together on everything from fuel to elevator maintenance. We have a cooperative process with Aurora for developers whose projects span the boundary between the two cities. We also have an agreement not to incentivize or "poach" businesses from one city into the other. Our partnerships further extend to Denver Water, whose 1.3 million customers in the metro area have reduced consumption by 20 percent over the past five years. This success can be largely credited to the hard work of our dear friend Chips Barry, who led Denver Water for 20 years before he died recently in a tragic accident.

Our partnerships extend beyond Aurora. The Denver Fire Department merged services in 2005 with the City of Glendale, and last year with the Skyline Fire Protection District in unincorporated Arapahoe County. These moves saved taxpayers millions of dollars and made them safer. Today, we are happy to announce that we have presented to City Council an agreement with the City of Sheridan to provide residents there with fire protection.

Regional collaboration is good for its own sake, but it is also the linchpin for financing major investments and creating jobs – and nowhere is this potential greater than in the area of transportation. Denver Union Station will generate 49,000 jobs and put more than \$3 billion into our state's economy over the next decade. By 2016, DUS will link Denver International Airport – our economic engine of the West – to the 16th Street Mall shuttle bus and the rest of FasTracks. It will put the "multi" back in multi-modal.

Planes, trains and automobiles aren't the only way to get around. We are proud to have started a two-wheel revolution called Denver B-Cycle. With generous support from the non-profit and business community this spring, we rolled out the country's first large-scale, citywide bike-sharing program. Riders have already taken more than 32,000 trips

and burned 5.7 million calories – or the equivalent of about 26,000 donuts. We are averaging 700 to 1,000 rides on B-cycle per day. This happened by tapping into the spirit of Coloradans: our love of the outdoors, fresh air and a healthy lifestyle. In the process, we created a model for other cities around the country.

The relationship we created with Denver Public Schools could also a national model. I promised in my first campaign to visit every single Denver Public School ... and I did. Without meddling in school policy, the City looks for every opportunity to bring together businesses and non-profits, so we can be the best partners to support our kids.

For example, the Denver Preschool Program, approved by voters in 2006, ensures that every 4-year-old has access to high-quality, affordable early-childhood education. When we ensure that every child has an equal chance at the starting gate, we increase the odds that they will make it successfully across the finish line. There are now 164 preschool providers in the Denver Preschool Program, serving 5,936 children.

And thanks to the Denver Scholarship Foundation, those children and others now have a better chance of going to college. Since its inception, DSF has provided 1,658 scholarships totaling \$5.2 million. Through its work in Future Centers in DPS high schools across the City, DSF has helped 7,200 seniors obtain \$62 million in outside scholarships. And these students are staying in college and making progress toward graduation.

By working with our schools we have seen substantial gains. The overall dropout rate has fallen about 30 percent over the past two school years. Our partnership has boosted 12th grade enrollment by 24 percent in just the past year – indicating that more students are aspiring to finish high school. College enrollment has increased 52 percent since DSF's founding four years ago. Equally important, this program is motivating students in every grade by giving them the promise that they can go to college.

There are just so many ways that Denver is growing – transportation, education, job creation – but there is one way that Denver is shrinking. City government is actually smaller today than it was eight years ago. In fact, there are nearly 7 percent fewer City employees today than in 2002.

Since we came into office, we have cut approximately \$350 million out of annual budgets, while more efficiently delivering core services to the public. That averages to about 5.5 percent per year. We will cut another \$100 million from the budget this year. The reason is simple: Revenues are not keeping up with costs. That means we have to cut where, in many places, we've already cut before. We have to be creative. We have to listen to what the public really wants.

To help balance this year's budget, we examined various internal support services that were traditionally done by individual departments. City departments now share services

such as purchasing, technology and human resources. These first efforts will save the City about \$10 million annually. On a smaller scale, but just as important, we trained 25 Denver Parks and Recreation employees last year to work during the winter months at DIA to help with such things as maintenance and snow removal around the terminal and parking lots. This seasonal reassignment saved the City approximately \$700,000.

Our diligence and frugality are recognized by objective third parties. In the last year, all three major credit agencies have given Denver triple-A ratings ... the highest possible rating we can get. This is the result of tough choices over many years. Denver is the only city in Colorado to hold triple-A ratings from these agencies.

These have been our successes, and they are also our blueprint for how to tackle the real challenges that face us. So often people debate the size of government, yet forget to talk about its quality; I believe in providing the best quality government in the most efficient manner. The cornerstones for good government are engaged citizen feedback, dedicated customer service and continuous improvement. Government earns our trust and respect through transparency, accountability and fairness. Only then does it acquire genuine authority.

It is not the role of government to solve every challenge. The role of government is to create a collaborative environment and provide the resources to facilitate solutions that spring from the community itself. Good government is not just for the people but of the people, addressing the needs and drawing on the talents of residents across the entire breadth of our society.

Time and again, this community is proving it sees beyond the short-term gains of narrow self-interest and looks toward the promise of tomorrow. Without a doubt, we are proud of this City we call home. And in meeting Lincoln's challenge – our children, and our children's children – will be proud of what we imagined for this City.

July 14, 2010

By Rick Anstey

While there is no big Union Station construction news this week, there are a few noteworthy items that you might find interesting.

The crane came to life, lowering a rebar “basket” into one of the utility holes (see the photo below). It was interesting to watch how nicely it fit into the concrete box. Since I took the photo, similar baskets have been placed into the other two utility boxes in the foreground.



In Update #20, I mentioned that an insulated pipe would be installed over 20th Street to supply water to the temporary Amtrak passenger platform at 21st and Wewatta streets. Here's a shot of that pipe (it is parallel to the top of the fence). In the background, the westbound California Zephyr takes on fuel and passengers as it sits behind Union Station at about 9:00 this morning.



On Tuesday night, 9News reported on some unique flowers that are now decorating the project fence along 16th Street. Here is the 9News report. Below is my photo. Thank you to the Ladies Fancywork Society for adding some original artwork to the neighborhood.



Throughout the day, everyday, I admire the hard work by the Kiewit construction crew, especially on hot days like we have had this week. Here is a worker getting some morning refreshment at an oasis in the middle of the project. I doubt it is hot coffee, and given on-the-job-risks, it's probably not a cold beer either.



July 15, 2010

By Andy Vuong and Margaret Jackson, Denver Post



CEO Kent Thiry (By RJ Sangosti, The Denver Post)

DaVita has selected the Union Station area in downtown Denver for its new corporate headquarters, disclosing plans Wednesday to spend \$101 million to develop a 270,000-square-foot building near the Millennium Bridge at the west end of the 16th Street Mall.

The Fortune 500 kidney-care provider said the new office will initially house at least 450 employees, with capacity for up to 900. If the building reaches capacity, DaVita's presence in Denver will be much larger than initially anticipated.

When the company announced plans in May 2009 to move its headquarters from El Segundo, Calif., officials said only senior executives were likely to relocate, even though transfers would be offered to 250 rank-and-file workers.

Already, the company has created nearly 200 permanent jobs in the Denver area, with additional growth expected if its financial performance continues, said Kent Thiry, DaVita's chairman and chief executive.

Amid the recession, DaVita's annual revenue grew to \$6.1 billion last year from \$5.7 billion in 2008, taking its Fortune 500 rank to No. 355 from No. 433.

DaVita acquired the headquarters land for \$11 million and will spend an estimated \$90 million on construction, set to begin early next year, officials said.

The company plans to consolidate two existing offices in Denver and Lakewood and move into the new building in the second half of 2012.

The building, slated to be 14 or 15 stories, also will serve as a training facility for thousands of workers annually.

The company operates about 1,500 dialysis clinics in the country and employs 34,000 "teammates," including nearly 900 in Colorado.

DaVita's growth plans are welcome news for Denver, which is reeling from losing the headquarters of several high-profile companies, including Frontier Airlines and Qwest. The latter has agreed to be acquired by CenturyLink, a rural phone operator based in Monroe, La.

Having a large employer like DaVita locating downtown is likely to attract other big companies, said Tami Door, president and chief executive of the Downtown Denver Partnership.



This artist's rendering shows the planned 270,000-square-foot headquarters for DaVita near Denver Union Station. The office will have 450 employees at first, but that number could eventually double. (Rendering courtesy of DaVita Inc./MOA Architecture)

"It sends a message to other companies considering where to locate," Door said. "When a company like DaVita chooses to locate in a downtown, it draws attention to that urban center."

DaVita's new headquarters will be in the tax increment financing (TIF) district for Denver Union Station and will help support development there, said Bill Mosher, who is serving as a development manager for the DaVita project and as the owner's representative for the Union Station project.

Under the TIF arrangement, taxes from buildings in the district will help repay a portion of a \$300 million federal loan earmarked for the Union Station redevelopment.

"This really keeps the city ahead of schedule on the office-development portions of the TIF projections," said Mosher, a principal for Trammell Crow Co.

DaVita is the second company to announce that it will build a headquarters near Union Station. In January, IMA Financial Group said it plans to relocate its headquarters to Union Station's planned north-wing building, kick-starting the first phase of private development at the site.

"DaVita will be part of a growing, new neighborhood," Mosher said. "Between this and the IMA building, it's got to be one of the premier 40 acres in the whole metro area — probably the pre-eminent 40 acres in the Rocky Mountains."

The construction period for the building will be shorter than for other projects of its size because an underground parking garage already has been built on the site.

DaVita looked at several existing buildings in the Denver area as part of its headquarters search. The company decided that constructing a new building would cost less than retrofitting an existing space to fit its needs.

"It's going to be great for our teammates," Thiry said. "The fact that there's so many forms of mass transit, the fact that there will be a huge variety of places where people can live conveniently and the fact that there will be such easy access to restaurants, shopping, entertainment, all while being in a green environment is sort of a rare combination."

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CEO: Kent Thiry

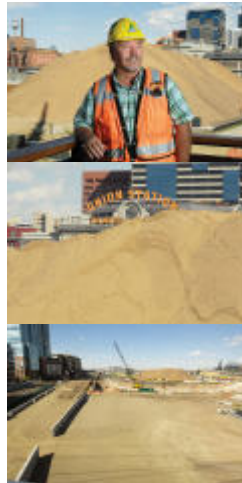
Employees: 34,000+

Patients: about 118,000 (or a third of U.S. dialysis patients)

Fortune 500 rank: 355

July 16, 2010

By Cathy Proctor, Denver Business Journal



Transforming Denver Union Station from a historic relic to the hub of Denver's new FasTracks rail and bus network is well under way.

More than 100 people are working on the site, and a total of 300 are expected there during next summer's peak construction efforts, according to Kiewit Western Co.

"We are ramping up," said Tim Mackin, project manager for Kiewit, the contractor in charge of the \$350 million design-build construction project. "It's going well."

Site construction — behind the station — started in mid-February and is slated for completion by summer 2014. The project is expected to cost about \$480 million, according to the Regional Transportation District.

When done, Union Station will sport a new, 1,100-foot-long underground regional bus facility with room for 22 buses. Two light-rail tracks will be relocated from immediately behind the station to near the Millennium Bridge that connects the 16th Street Mall with the Central Platte Valley neighborhoods.

The mall shuttle will be extended to the light-rail tracks, and eight tracks of commuter rail lines with five platforms will be built.

"It's progressing," said Jerry Nery, RTD's Union Station project manager, with the exception of "a little hiccup" in the site's water-filtration system that stopped construction for three weeks in June.

Behind Union Station, Kiewit and its contractors have excavated a hole about 26 feet deep, moving 140,000 cubic yards of dirt and digging 3 feet below the water table. A broad expanse of concrete has been poured for the base of the bus facility. Two piles of dirt, 45 feet high, wait for use as backfill.

The first phase of the project, involving building the underground bus facility between the freight tracks and Wewatta Street, and building the new light-rail platforms, is expected to be complete by fall 2011.

The second phase will focus on the area between Wewatta Street and Union Station, including building the commuter rail tracks, and raising and rebuilding Wewatta Street over the bus facility.

Kiewit has signed 80 contracts with subcontractors for the project, with a total of up to 110 subcontracts expected throughout the construction effort, said Kiewit spokeswoman Joy Wasendorf.

Construction was halted when groundwater flowing into the site's filtration unit had iron levels above those allowed in the project's discharge permit. New filter equipment was added, and work resumed June 28.

"There was more dissolved iron in the water than anticipated," Mackin said.

At the end of June, Kiewit had billed \$60 million for design and construction work on the station, with about 80 percent of the design complete and about 10 percent of the construction done, Mackin said.

Interest in the project has been high, with walking tours offered by RTD; the Denver Union Station Project Authority, which oversees the redevelopment of the station and surrounding land; and project developer Union Station Neighborhood Co.

Originally, the tours were offered once a month and capped at 25 people. But the first was so popular that two tours now are offered, on the second and third Thursdays of the month, said Roger Sherman, chief operating officer of CRL Associates and spokesman for the Denver Union Station Project Authority.

Kiewit has 50 tradesmen working at the site, and expects to double that number in the next 30 days, Mackin said.

"We'll have a lot of iron workers tying rebar, and we expect to hire another 10 carpenters," he said. "Activity by mid-August will be twice as much as today."

July 16, 2010

By Ken Schroepel, Denver Infill Blog

It's official... after months of speculation as to where in Downtown Denver Fortune 500 company DaVita would choose to locate their corporate headquarters, the decision is in. DaVita will locate to 2000 16th Street, the yet-to-be-constructed companion building next to the recently completed 1900 16th tower in Downtown Denver's Union Station district.

Architecturally, the DaVita tower will not be identical to its neighbor, but it will be complementary in design to 1900 16th Street. The tower will contain approximately 270,000 square feet and will sit next to the Millennium Bridge between 1900 16th Street and the Consolidated Main Line tracks. By the time DaVita gets under construction with their tower (1st quarter 2011), the new light rail station at 17th Street and the CML will be open, so the light rail tracks that make the big curve at the DaVita site will be gone.

Here are a couple of images of the proposed building. These are preliminary designs and do not necessarily represent what the finished product will look like. The project architect is MOA Architecture. This first view is looking southwest down Chestnut Street from approximately 17th Street:



This is the view from the west, from roughly the I-25 and Speer interchange:



The building will contain 15 stories. The ground floor will include lobby and meeting functions, followed by five levels of structured parking (approximately 240 spaces). These first six levels will attach to the existing 6-level parking structure to the south along 15th Street. Above the parking are eight floors of office and training space, topped off by a penthouse employee lounge/cafe/terrace with an expansive rooftop terrace.

Welcome to Denver, DaVita! We look forward to your new building.

UPDATE: I snapped this photo on my way to work this morning. This is the DaVita site:

