

## EDC-5 Value Capture Implementation Team



# Value Capture: Joint Development & Case Studies

CAI Home

Every Day Counts

STIC Network

AID Demonstration

Resources



*“The EDC-5 innovations support FHWA’s goals of enhancing safety, improving infrastructure, deploying innovation and serving America efficiently and effectively. We look forward to building on the success of past EDC cycles to expand adoption of proven innovations that save lives, money and time.”*

- Acting Federal Highway Administrator  
Brandye Hendrickson



Learn more about Every Day Counts >>

<https://www.fhwa.dot.gov/innovation/everydaycounts/>  
[https://www.fhwa.dot.gov/ipd/value\\_capture/](https://www.fhwa.dot.gov/ipd/value_capture/)

# VALUE CAPTURE TECHNIQUES SUMMARY



## DEVELOPER CONTRIBUTIONS

One-time charges collected by local governments from developers to offset the cost of infrastructure and services necessitated by new development.



## SPECIAL ASSESSMENTS

An additional fee or tax assessed on businesses or residents in specified geographic areas benefitting proximity to a highway or other transportation facility or corridor.



## FEES

Similar to a utility fee, transportation fees are assessed based on how individual businesses and households use transportation facilities.



## INCREMENTAL GROWTH

A mechanism allocating back to infrastructure from some specified portion of increased property tax revenues fostered by new infrastructure—often for a specified period of time.



## JOINT DEVELOPMENT

Sale or lease of land or air rights on or adjacent to transportation facilities. This can include donations of land or other in-kind resources from the private sector in ongoing commercial operations.



## CONCESSIONS

Sale or lease of government-owned assets—such as toll roads or bridges—to private-sector investors/operators.



## ADVERTISING AND NAMING RIGHTS

Sale of advertising space or naming rights on a transportation facility. Note: Commercial uses within Interstate Highway System right of way, including rest areas, is prohibited by law; however, they may be allowed on toll facilities and in transit stations.

# Outline of Presentation

- Joint Development Overview & Benefits
- Why is Joint Development Needed?
- Joint Development Types
- The Federal Role
- Selected Case Studies
- Q&A



EVERY DAY COUNTS INNOVATIONS  
FEDERAL HIGHWAY ADMINISTRATION

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# Joint Development Overview



# Joint Development

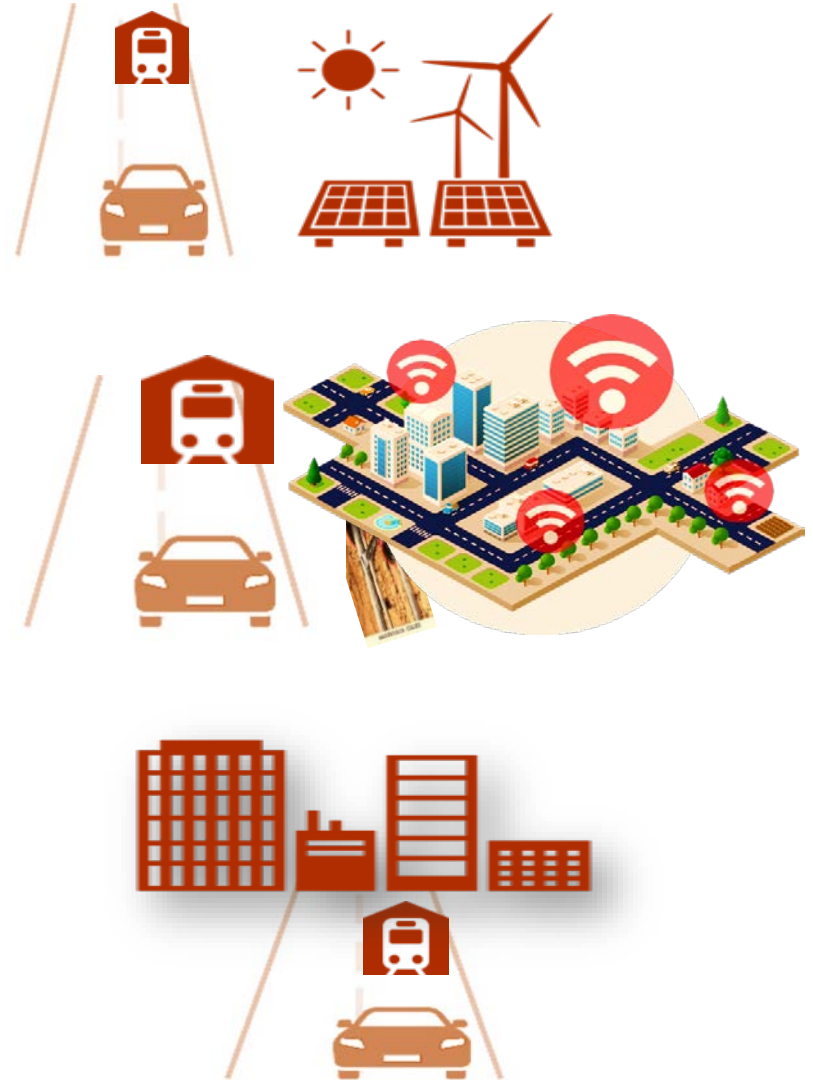
- Involves a partnership between a public entity and a private-sector or other public entity to develop certain infrastructure assets
- Generates revenue to reinvest in the transportation system or revitalize communities
- Plays key role in some urban projects
- Often practiced by transit agencies

# Benefits

- Generates long-term revenue streams to fund transportation improvements and/or reduces costs
- Improves utilization of public assets (i.e. ROW)
- Opportunities for public-private & public-public partnerships
- Economic development tool controlled by public sectors
- Provides local benefits by increasing a jurisdiction's tax base and creating new jobs
- Promotes economic/transportation-oriented development

# Joint Development Types

- At-Grade (solar energy in the highway right of way)
- Below-Grade (fiber optic opportunities)
- Above-Grade (cap parks or air rights development)





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# Why is Joint Development Needed?

# Capacity & Conditions Challenges

- Two out of every five miles of America's urban interstates are congested
  - Costs the country \$160 billion in wasted time and fuel
- One out of every five miles of highway pavement is in poor condition
  - \$836 billion backlog of highway and bridge capital needs
- 47,000 bridges in poor condition and 43% (260,000 bridges) are over 50 years old
- Pedestrian deaths on US roads have increased 11% since 2015; (5,977 in 2017)

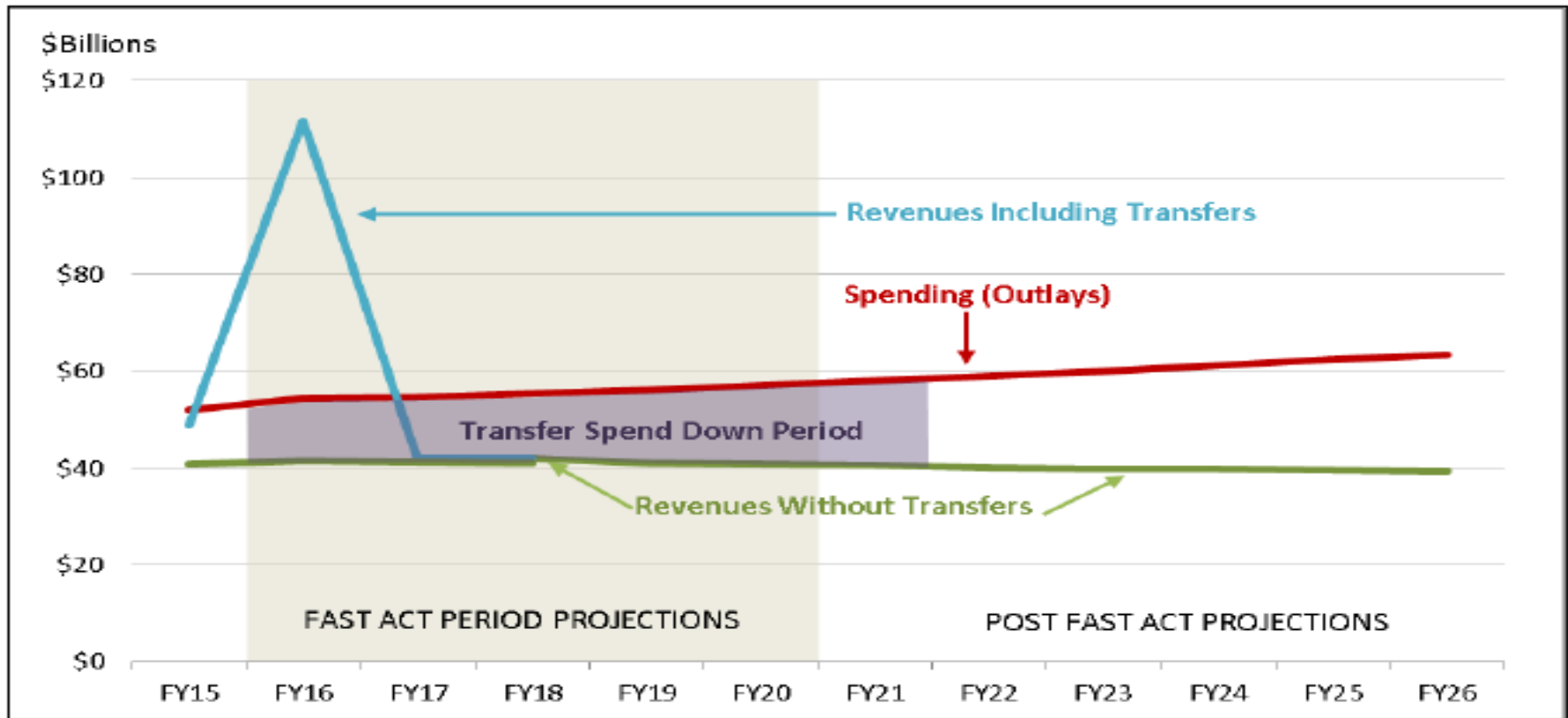


# Mileage by Ownership & Federal-aid Highway System

- 45 % of America's major roads are in poor or mediocre condition.
- 15% of U.S. rural roads are rated in poor condition, while 21% are in mediocre condition
- Localities own 79%, State 18%, & Federal 3%

Ownership	Federal-Aid Highways	Non-Federal-Aid Highways	Total
Rural	668,082	2,280,612	2,948,696
Urban	359,767	875,245	1,235,012
Total Rural & Urban	1,027,848	3,155,858	4,183,707

# Highway Trust Fund is Unsustainable



**Source:** CRS, based on CBO, *Highway Trust Fund Projections: June 2017 HTF Baseline 2016-2027*.

**Notes:** Includes highway account and mass transit accounts combined. Revenues include interest on HTF balances. The shading between spending and revenues indicates the period that the HTF balance is maintained by the transfers from the general fund and the LUST fund.

## EDC-5 Value Capture Implementation Team



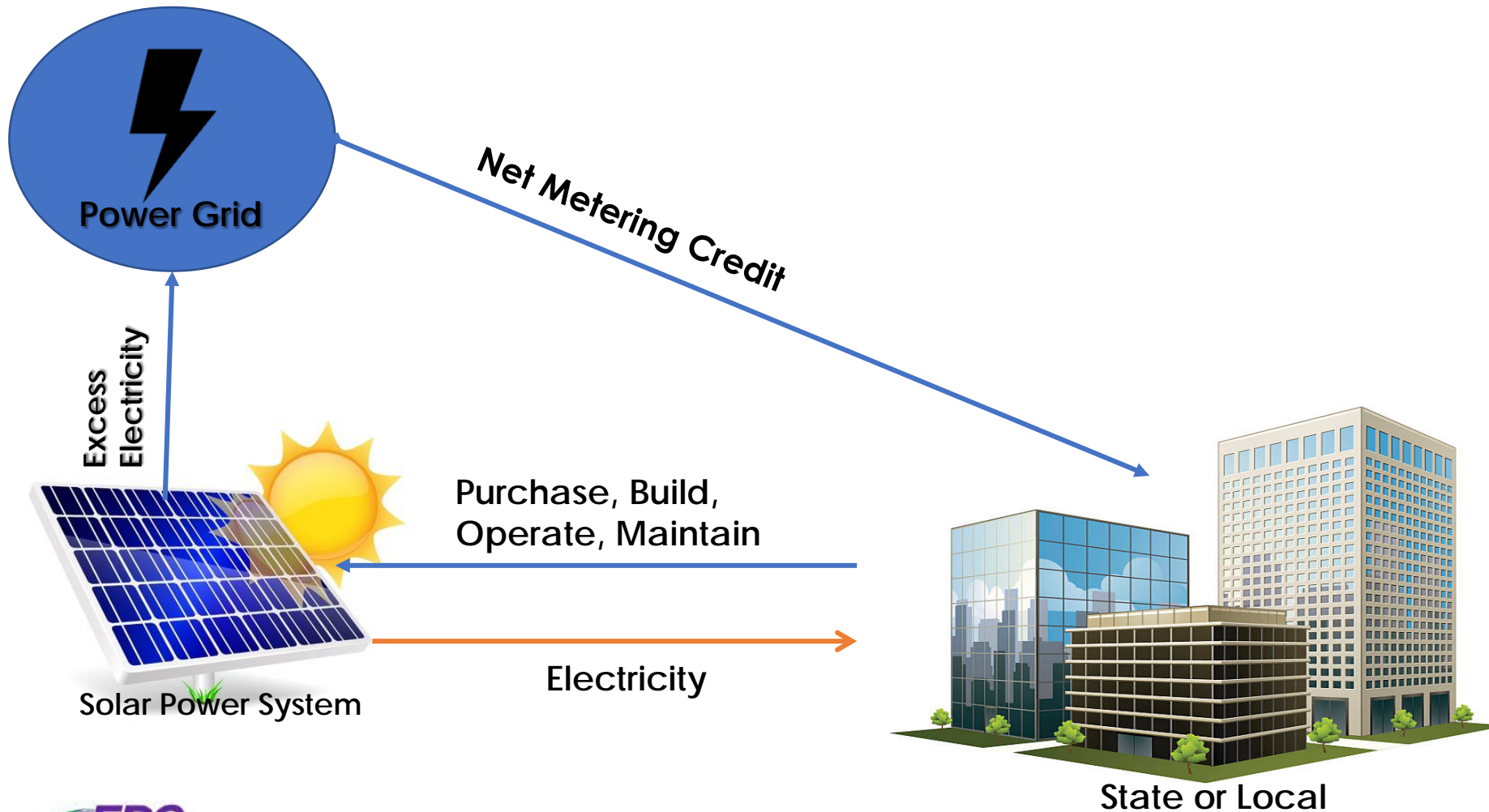
# Joint Development At Grade

# Solar Energy in the Highway Right of Way

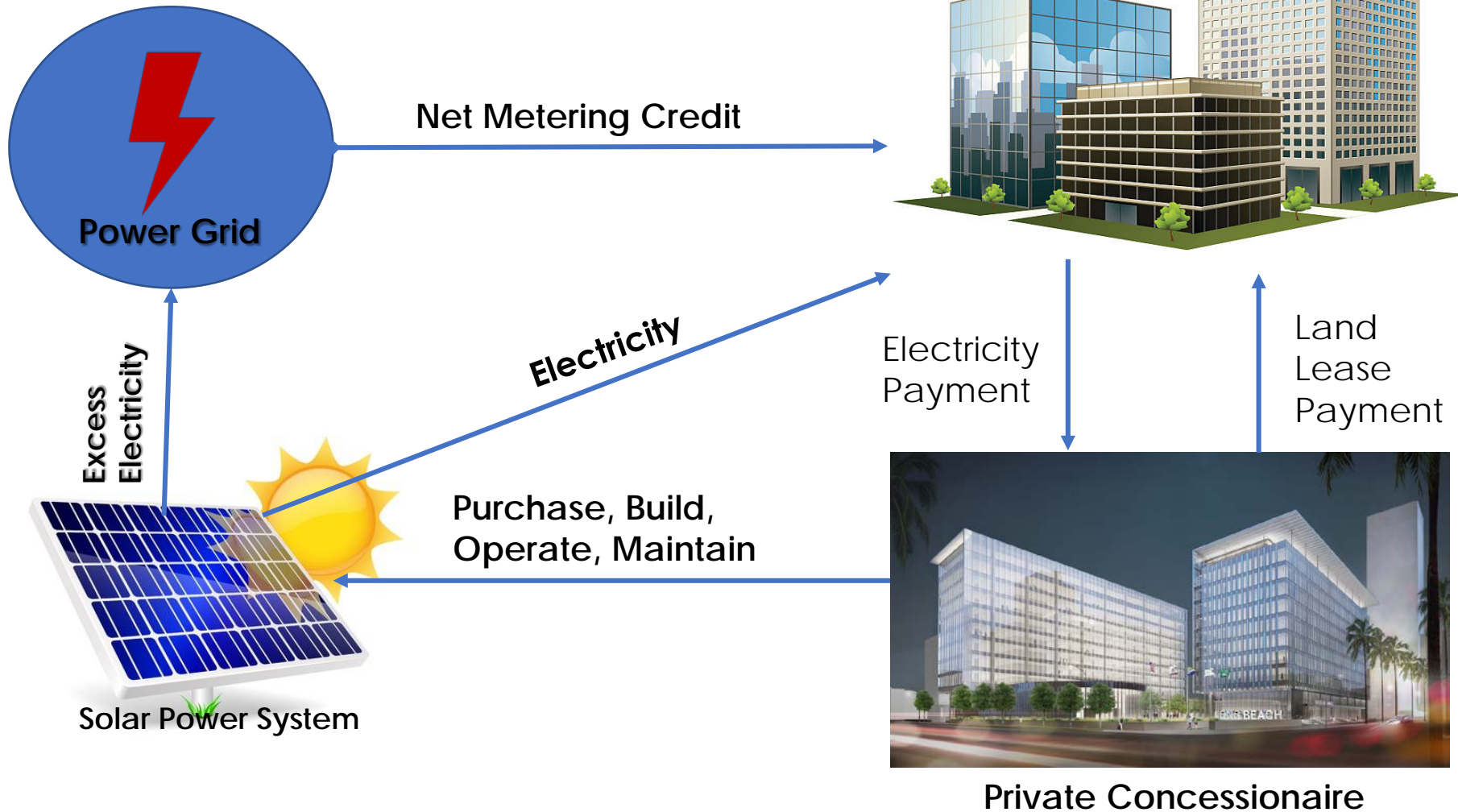
- Uses existing public right-of-way for solar energy generation
- Adds value to public right-of-way asset and revenue to Department of Transportation
- Public-private partnerships can use tax benefits to deliver solar power at costs no greater than paid for electricity from the grid
- Can leverage underutilized land



# Solar Deal Structures: Direct Procurement & Ownerships



# Solar Deal Structures: Public-Private Partnership



# State & Federal Incentives

- State Incentives:
  - ✓ Solar Renewable Energy Credit
  - ✓ Net Metering Policy
  - ✓ Solar Rebates & Grants
- Federal Incentives
  - ✓ Federal Investment Tax Credit (30%)
  - ✓ Modified Accelerated Cost Recovery System (5-year property depreciation for TX base deduction)
- Interconnection standards (grid-connected)

# State of Practice

- California Highway 50 Solar Project
- **Georgia Solar Road & Laboratory**
- Maryland: DOT-wide Solar Program
- MassDOT Highway ROW Solar Project
- Oregon Solar Highway Program
- Ohio: Along 1-280 in Toledo, Ohio
- Wyoming: I-70 Rest Area Solar Flowers in Parachute
- Nevada: Moapa Solar Energy Center, Moapa River Indian Reservation (Reservation), Clark County

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# Joint Development Below Grade

# Fiber Broadband Deployment Approaches

One size does not fit all.....

- Publicly owned and operated network (e.g., Santa Monica, CA)
- Privately owned and operated network (e.g., Columbus, OH, and City of Boston, MA)
- Network via public-private partnership (e.g., Utah and Maryland)



# Smart Cities



# Benefits

Broadband encourages:

- Economic growth
- Better quality of life for the community
- More efficient, cost-effective delivery of community services
- Capitalizes on fiber infrastructure investment

**Note: It all runs on fiber...**

# Funding

- FCC Universal Service Fund (USF)
- US Department of Agriculture (USDA): Rural Business Development Grants (RBEG), Rural Utilities Service (RUS), Community Connect Grant
- US Department of Commerce
  - ✓ Economic Development Administration (EDA)
  - ✓ National Telecommunications and Information Administration
- Local (Value Capture): Local Improvement Districts (LIDs), Local Utility Districts (LUDs), Community Development Block Grant (CDBG)

# Financing

- Pay-as-you-go
- US Department of Agriculture: Rural Utilities Service(RUS) Loan Programs
  - Broadband loan program
  - Electric loan program
  - Community Connect
  - Digital Learning and Telemedicine (DLT)
- State Revolving Funds
- Capital Market
- Private Equity

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# Joint Development Above Grade

# Air Rights Development

- Sale or lease of public land or the right to develop on the top of the highway or transit station
- Provide ongoing income streams and opportunity to renegotiate terms at end of lease
- Leasing retains public ownership
- Sales provide upfront capital infusion
- Income streams allow revenue-sharing agreements among multiple agencies
- Often practiced by transit agencies

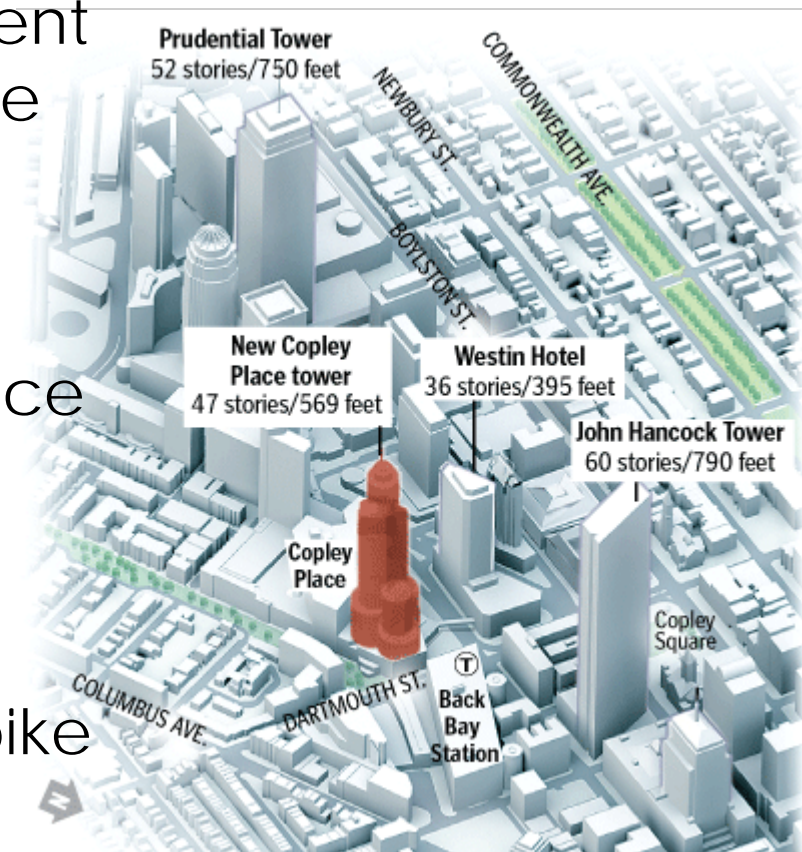


# Opportunities

- **Economic Vitality:** Increase tax revenues, create jobs for local and regional workers, attract development
- **Social Equity:** Reconnect neighborhoods & enhance quality with public amenities and activities
- **Environmental Integrity:** Direct development onto existing transportation corridors, reducing trips and increasing the viability of all mobility/public transportation options

# Example: Copley Place, Boston, MA

- Value Capture: Air Rights Development Lease
- Type: Mixed-use joint development on 9.5-acre site over MA Turnpike
- Lease Term: 99-year lease
- Economic Benefit: Funds for capital, operating, & maintenance expenses of the turnpike
- Social Benefit: Reconnected urban neighborhoods of city, which were divided by the turnpike



SOURCES: BRA, Elkus Manfredi Architects

JAVIER ZARRACINA/GLOBE STAFF

## Example: I-395 Capitol Crossing, D.C.

- Value Capture: Above Grade – Air Rights Development
- Scope: 7-acre decked development site above I-395
- Economic Benefit: Create 8,000 jobs & generate \$40 million in annual tax revenues
- Social Benefit: Reconnect neighborhoods that were divided by the construction of I-395 in the late 1960's



[https://www.fhwa.dot.gov/ipd/project\\_profiles/](https://www.fhwa.dot.gov/ipd/project_profiles/)

# The Freeway Deck Park

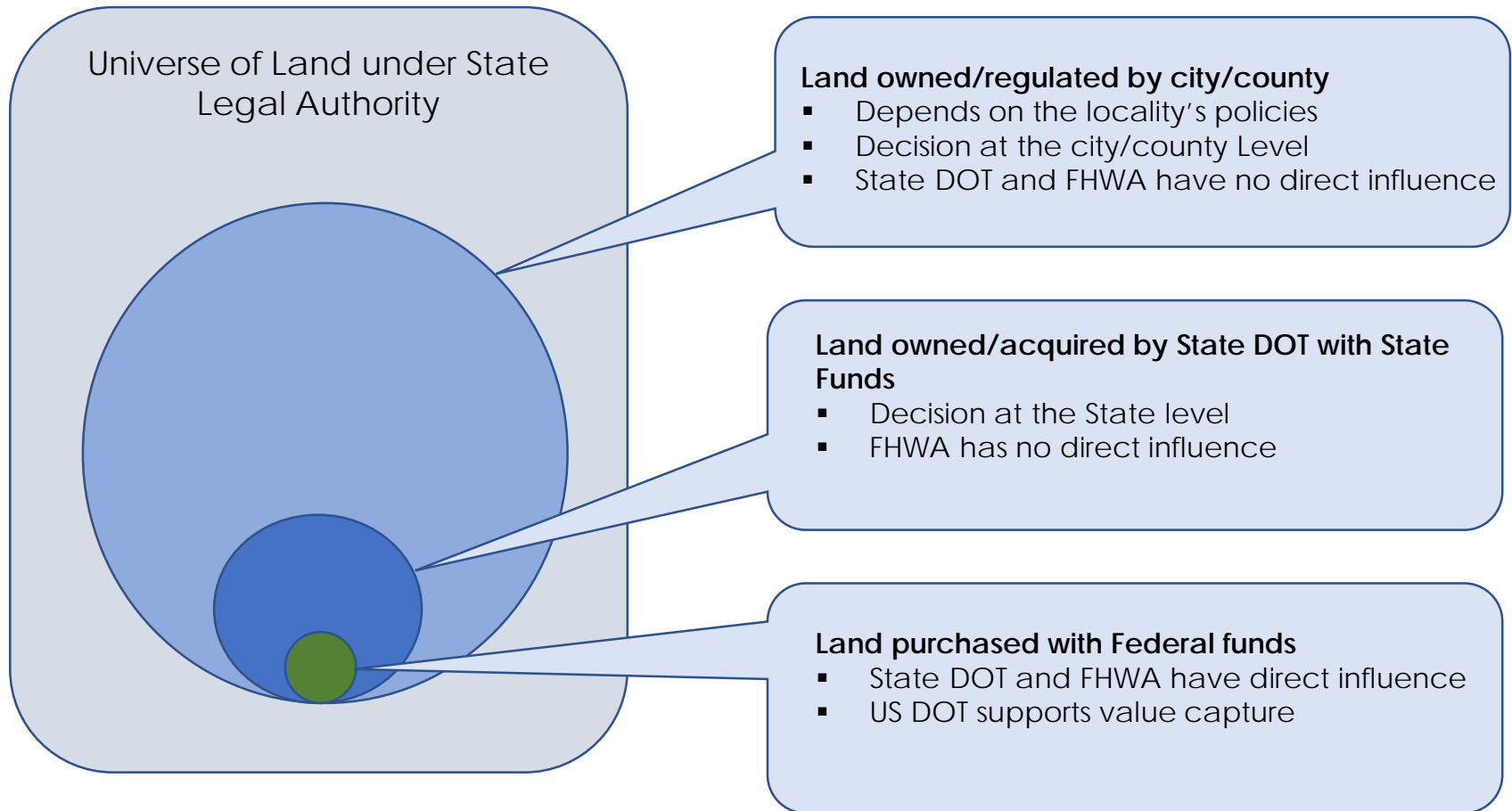
- Arizona: Margaret T. Hance Park
- California: 210 Freeway Cap Park, La Canada Flintridge, Enhanced Overpass, Park 101
- **Colorado: Central 70**
- Georgia: 5<sup>th</sup> Street Bridge, the Stitch
- New Jersey: South River Walk Park
- Texas: Klyde Warren Park
- Washington: Freeway Park in Seattle, Mercer Island
- Others

## EDC-5 Value Capture Implementation Team



# Federal Roles

# Federal Government's Role in Value Capture Strategies





# Federal Regulations

- 49 CFR 18.31(b): Real Property
- 23 U.S.C 111: Use and Access to Right-of-Way
- 23 CFR 645 Subpart B: Accommodation of Utilities
- 23 CFR 710: Right-of-Way and Real Estate
- 23 CFR 752.5: Safety Rest Areas

**Contact:** Lindsey Svendsen, FHWA Office of Planning, Environment, and Realty; [lindsey.s.svendsen@dot.gov](mailto:lindsey.s.svendsen@dot.gov)

# Value Capture Implementation Team

## Co-Leads

- Thay Bishop, FHWA Center for Innovative Finance Support, OIPD
- Stefan Natzke, FHWA Office of Planning, Environment, and Realty

## Members

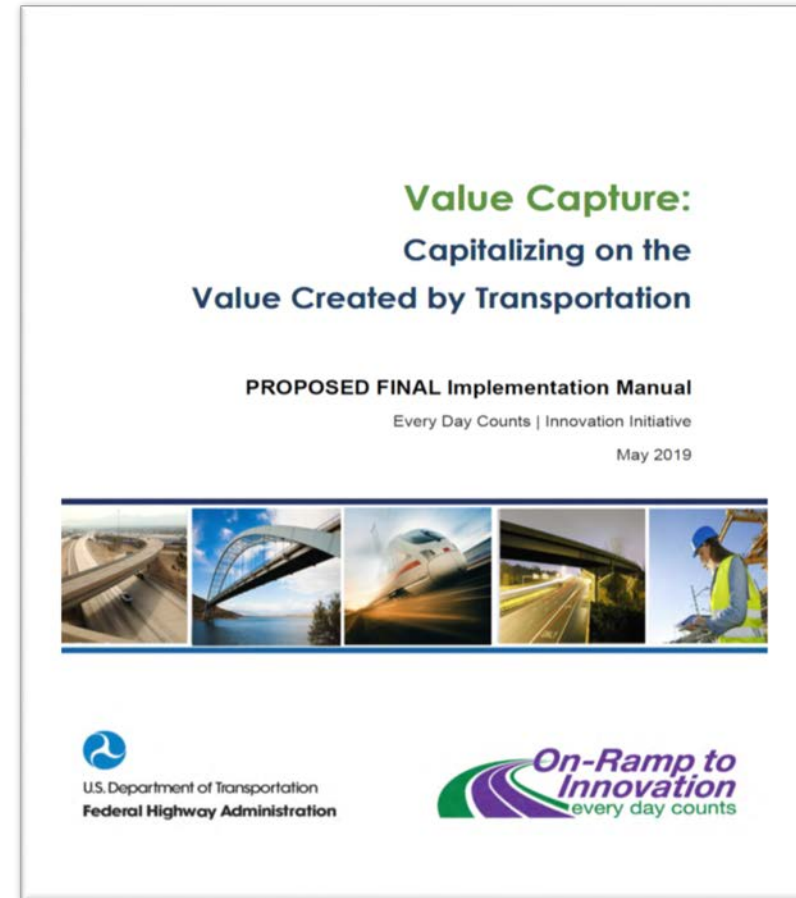
- Jennifer Ahlin, Virginia Department of Transportation
- Janine Ashe, FHWA District of Columbia Division
- [David Cohen, FHWA Office of Project Development & Env. Review](#)
- John Duel, FHWA Office of Planning, Environment, and Realty
- Kathleen Hulbert, FHWA Infrastructure Office
- Andrea Kirk, FHWA Center for Local-Aid Support, OIPD
- Chip Millard, FHWA Freight Management & Operation
- Diane Mobley, FHWA Chief Counsel Office
- Kevin Moody, FHWA Resource Center
- Ben Orsbon, South Dakota Department of Transportation
- Jill Stark, FHWA Office of Planning, Environment, and Realty
- Lindsey Svendsen, FHWA Office of Planning, Environment, and Realty
- Jim Thorne, FHWA Office of Planning, Environment, and Realty
- Bingxin Yu, FHWA Transportation Policy Studies

# VCIT Focus Areas

- **Communication** – Developing the tools to help FHWA staff and others promote value capture to local public agencies (Value Capture Implementation Manual)
- **Technical Assistance** – Providing technical assistance to agencies interested in pursuing value capture (Peer Program)
- **Clearinghouse** ([website](#)) – Identification of best practices and lessons learned and promoting further discussion on innovative funding options for local public agencies, lessons learned from past and current efforts, etc.

# Value Capture Implementation Manual

- 1 Introduction
- 2 Assess Funding Options and Need for Value Capture
- 3-8 Select Appropriate Value Capture Technique
- 9 Develop Business and Economic Case and for Stakeholders
- 10 Address Real Estate Risk
- 11 Establish Regulatory Framework
- 12 Implement Funding and Financing Plan



## Case Studies

# Clearinghouse for Best Practices/Lessons Learned

- EDC-5 Value Capture Sessions:  
[https://www.fhwa.dot.gov/ipd/value\\_capture/resources/value\\_capture\\_resources/edc-5\\_resources.aspx](https://www.fhwa.dot.gov/ipd/value_capture/resources/value_capture_resources/edc-5_resources.aspx).
- Project Profiles:  
[https://www.fhwa.dot.gov/ipd/value\\_capture/project\\_profiles/](https://www.fhwa.dot.gov/ipd/value_capture/project_profiles/)
- Factsheets:  
[https://www.fhwa.dot.gov/ipd/fact\\_sheets/](https://www.fhwa.dot.gov/ipd/fact_sheets/)
- Value Capture Resources:  
[https://www.fhwa.dot.gov/ipd/value\\_capture/resources/value\\_capture\\_resources/default.aspx](https://www.fhwa.dot.gov/ipd/value_capture/resources/value_capture_resources/default.aspx)

# EDC-5 Funding Opportunities

## State Transportation Innovation Council (STIC) Incentive

- Up to \$100,000 per STIC per year to standardize an innovation

<https://www.fhwa.dot.gov/innovation/stic/>

## Accelerated Innovation Deployment (AID) Demonstration

- Up to \$1million available per year to deploy an innovation not routinely used

<https://www.fhwa.dot.gov/innovation/grants>



## EDC-5 Value Capture Implementation Team



Thay Bishop: [thay.bishop@dot.gov](mailto:thay.bishop@dot.gov) or  
[ValueCapture@dot.gov](mailto:ValueCapture@dot.gov)

# Questions & Answers



# Joint Development, ROW Use Agreements, and Case Studies

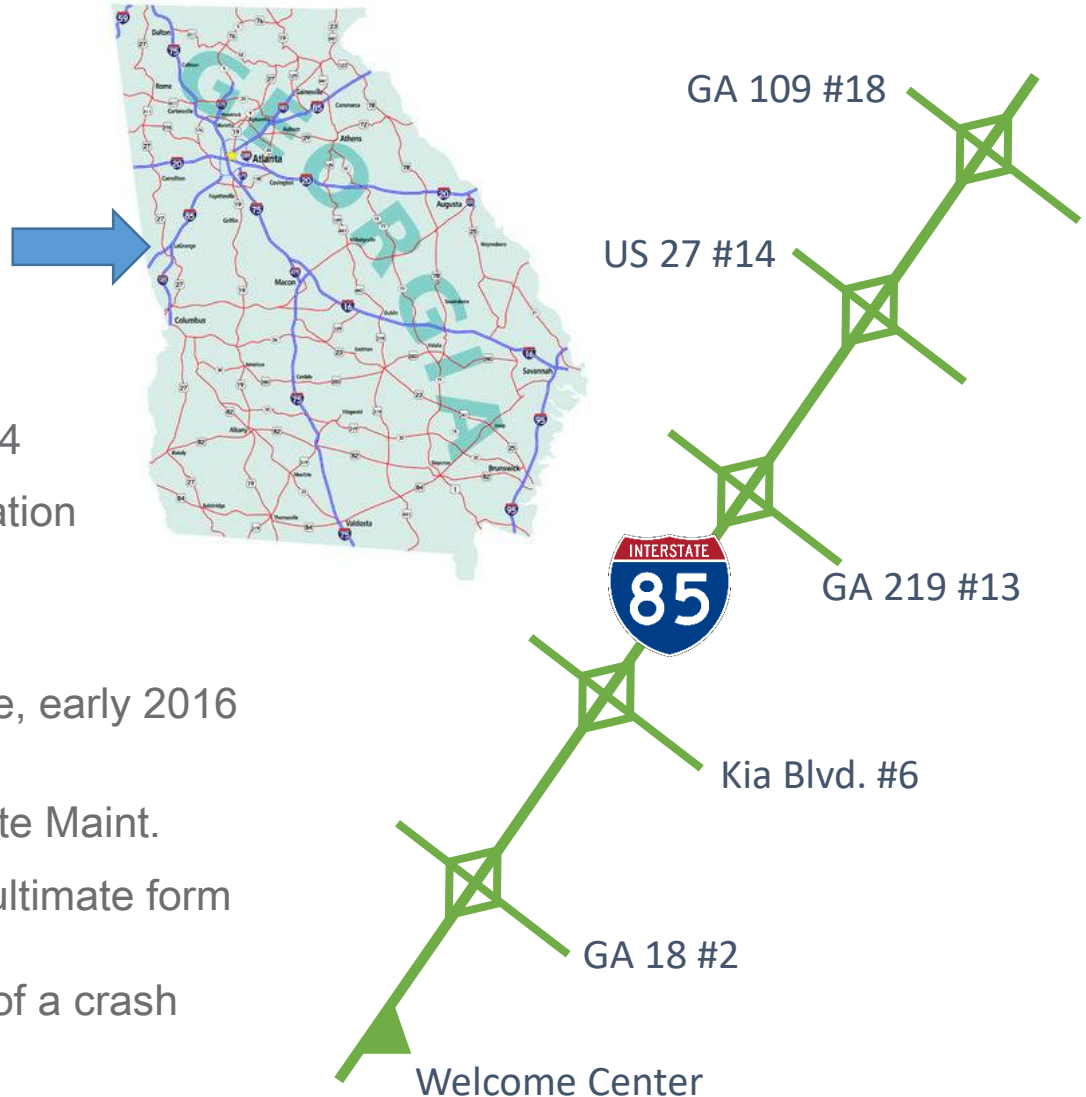
FHWA Webinar Presentation

September 19, 2019

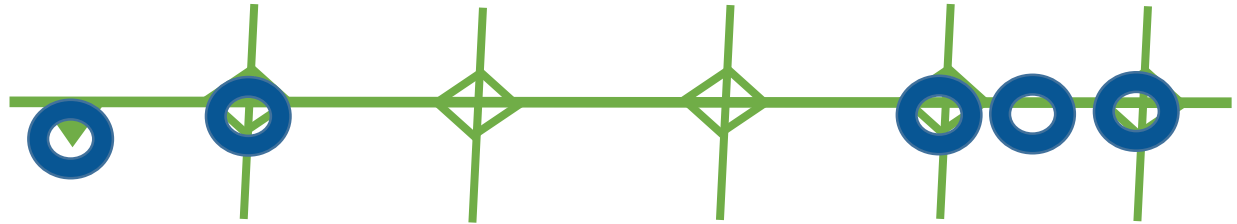
# The Ray and Georgia DOT

## Sustainability

- Designated in July, 2014
- Georgia Tech Collaboration
  - Master Plan
  - December, 2014
- Coordinating Committee, early 2016
  - District 3
  - Operations Div./State Maint.
- Improved safety is the ultimate form of sustainability
  - Costs and impacts of a crash



# Green Initiatives



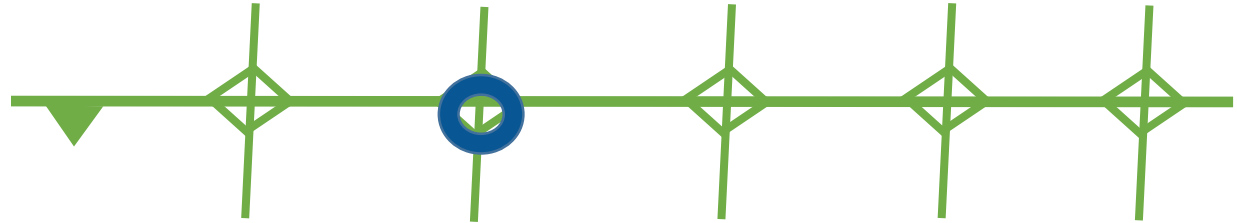
## First Initiatives:

- Bioswales, #16, 2016
- Pollinator garden, Welcome Center, 2016
- Sustainable landscaping, #2, #18, 2016-17
- Native pollinator plants/grasses, #14, 2017
  - 2,000 square feet
  - Planted by Troup County HS Students
  - Organized by The Ray





## Green Initiatives

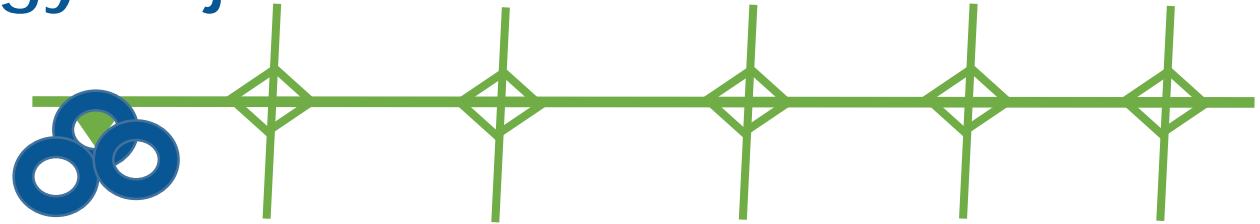


### Living Lab:

- With UGA at Kia Blvd. (#6)
  - Vegetation establishment research
  - Different plant types, plant mixes, different types of establishment
  - Kernza
  - Different native species, others, to prevent erosion
  - Multiple goals: “will this grow” and aesthetic



# Technology Projects



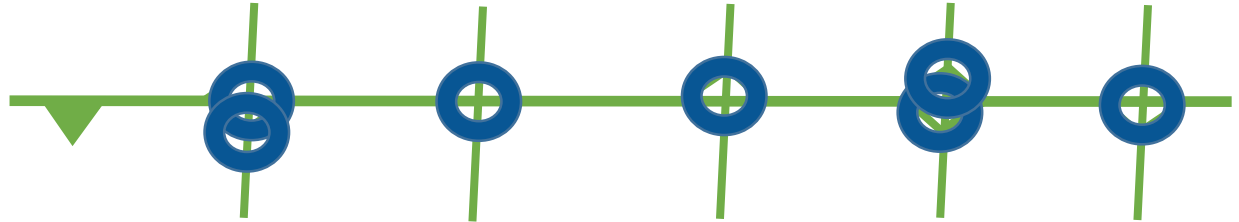
## Done and Working:

- Charging station, Welcome Center, 2015
  - Lessons learned:
    - Reality of solar power generation
    - Challenges of acknowledging donors
- Wattway on-pavement solar panels at Welcome Center, 2016
- WheelRight tire pressure/tread depth monitor at Welcome Center, 2016





## Technology Projects

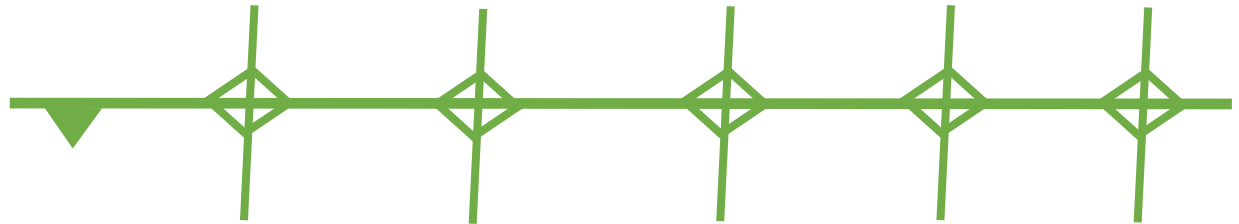


### Underway:

- Pilot project for solar energy generation, 1MW, working with Georgia Power and the PSC, #14
  - Native grasses/pollinators planted under solar panels
- Pilot project for Connected Vehicles
  - Rural settings
  - Fleets
  - Each exit



## Incubator for New Ideas



### Other Ideas Explored

- Glowing lines
- Road dot



# Real-World Challenges

- Wattway Performance and Repair





# Thanks for your attention

## Questions?

- [jhibbard@dot.ga.gov](mailto:jhibbard@dot.ga.gov)



# VALUE CREATION & VALUE CAPTURE:

Utilizing ROW for Fiber Optic Networks  
U.S. Department of Transportation (9.19.19)

**GARY CARTER**

Community Broadband Manager  
City of Santa Monica





# INTELLIGENT TRANSIT



## PAVING A NEW TYPE OF ROAD

Who will pay for the nation's new intelligent transportation systems?

New Transportation control systems capable of managing and interfacing with autonomous vehicles, unmanned aerial vehicles, and new personal mobility solutions ex. Electric scooters, ensure pedestrian safety.

Existing infrastructure needs - roads, bridges, tunnels are delayed due to budget/funding issues.

How are emerging ITS needs planned, developed, and budgeted for ongoing operations?



# HISTORY OVERVIEW

## NOTABLE MILESTONES

- 2006 - City of Santa Monica offered dark fiber to Google per Google's request
- 2009 - City launched Santa Monica CityNet 10 Gigabit Fiber Optic Network, City is own first customer
- 2010 - Present: CityNet provides broadband to ~95% tech and entertainment firms with Santa Monica offices. Network offers up to 100 Gigabit broadband services.
- 2015 - Digital Inclusion Pilot launched providing Gigabit broadband to affordable housing buildings.
- 2018 - CityNet Labs launched piloting smart city initiatives



# CITYNET



## BACKGROUND

Initiative proved successful in attracting and meeting requirements of startups and established tech and entertainment firms during Santa Monica's period of economic growth which lead to "Silicon Beach".

Santa Monica CityNet broadband initiative evolved to include new focus on shaping, informing, and piloting the city's Smart City strategy.



# ECONOMIC DEVELOPMENT



**Snap Inc.**



**LIONSGATE**



**AIRMAP**



**YAHOO!**



**ORACLE**

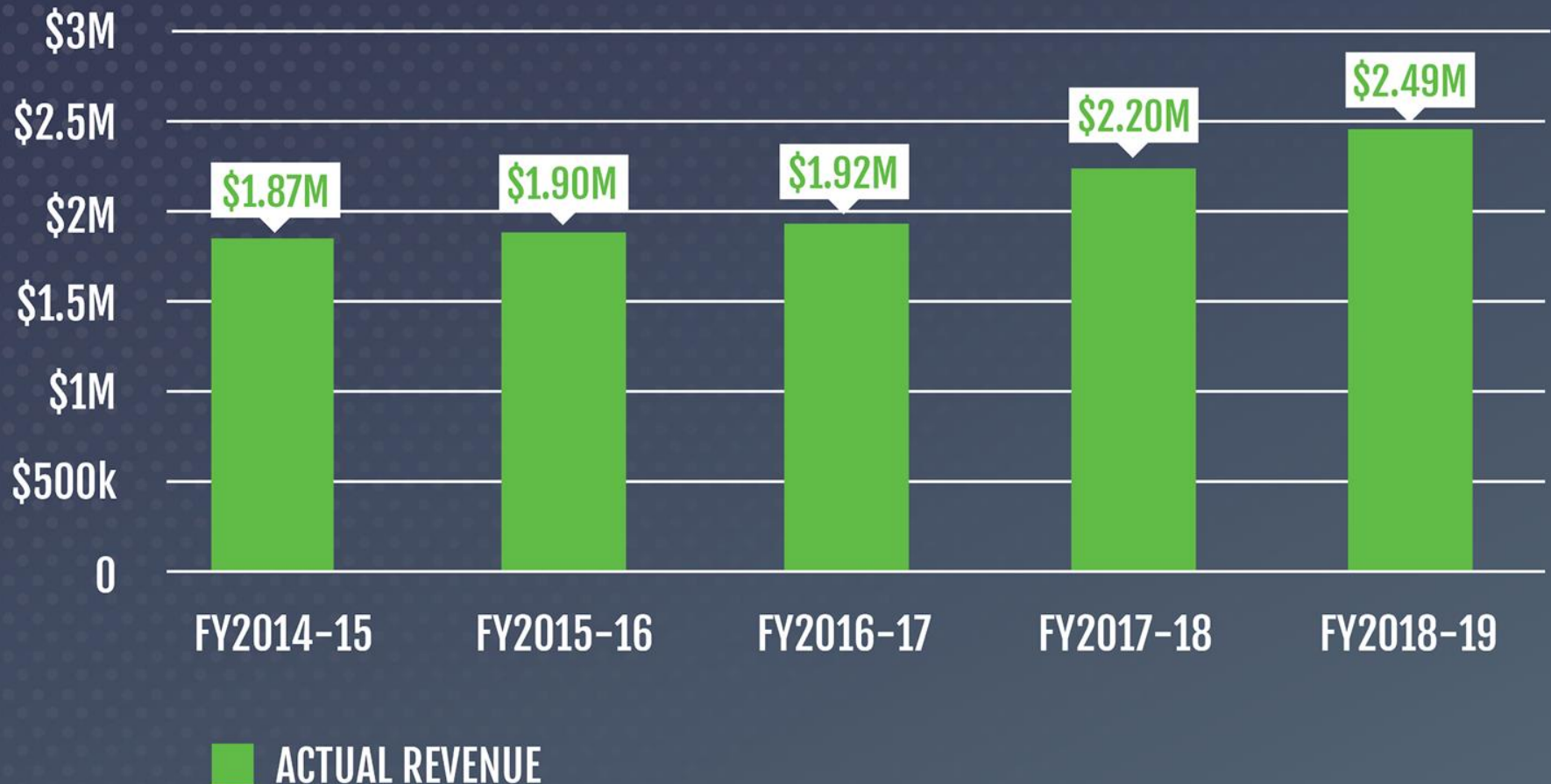
**hulu**



**TRUECar**



# FINANCIALS



# KEY PROJECTS:

## DIGITAL INCLUSION



### THIS IS ONLY THE BEGINNING

\$1.85M Community Development Block Grant (CDBG) for Digital Inclusion Fiber Network expansion to 30 affordable housing buildings.

11,300 linear feet conduit. 84 pullboxes added.

Funds to connect buildings to network require use of enterprise funds. Average \$20K per building.

10 buildings - construction in progress to connect to network. Completion estimated July 2020.

Remaining 20 buildings scheduled for completion June 2022.





# KEY PROJECTS: DIGITAL INCLUSION

## NEXT STEPS

Millimeter Wave Wireless Network

Secured FCC licenses to offer Gigabit internet services using 0GHz (V Band) and 70/80GHz (E Band)

Test pilot at temporary homeless housing for UCLA/SMC students

- + Reduces capex for construction build
- Ongoing maintenance costs for remove/replace and troubleshooting
- Increased costs to monitor/support devices





# TRAFFIC MANAGEMENT



## POTENTIAL OF REAL-TIME DATA

Cities require better access to real-time data to analyze and understand dynamic traffic patterns and trends.

Data required for traffic management, but also to draft informed policies and regulation.

What role and responsibility do cities have in preparing their physical and technological infrastructure for the new waves of mobility needs?



Santa Monica

citynet läbs

# PILOTS

## FY19-21



## COMING SOON

Autonomous vehicle pilot

Introduce autonomous vehicles to resident & assess traffic impact

Research more effective technologies to manage new mobility options

# QUESTIONS?



## CONTACT

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linkedin: Gary Carter





## **Value Capture in Infrastructure**

September 2019

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# AGENDA

- Meridiam Overview
- Developer Role in Project Delivery
- Inclusion of value capture in P3 project procurements
- Central 70 Project Case Study





Presidio Parkway (San Francisco, CA)

# Meridian Overview

## Meridiam at a glance

*“Meridiam develops, finances and manages sustainable and resilient infrastructure that improves people’s quality of life over the long term”*

Thierry Déau, Founder and CEO  
Meridiam



ESG and UN-SDG\* criteria are part of our DNA to deliver impact for communities



A multi-disciplinary and multi-cultural team that brings a comprehensive approach combining technical and financial expertise with innovation and agility



A leading actor in developing and financing a low-carbon economy to counter climate change



A pioneer in Public-Private Partnership solutions



## Key Figures\*



MORE THAN

**72 PROJECTS AND ASSETS**

UNDER DEVELOPMENT, UNDER CONSTRUCTION,  
OR IN OPERATION IN 23 COUNTRIES (INCLUDING OVER  
41 FACILITIES)



**\$ 7.0 BILLION**

OF ASSETS UNDER MANAGEMENT



**250**

**EMPLOYEES**

INCLUDING 110 WORKING  
IN PROJECT COMPANIES



**25 YEAR**

INVESTMENT HORIZON

**\$ +50 BILLION**

OF CONSTRUCTION CAPITAL DEPLOYED



**28 NATIONALITIES**

**9 OFFICES**

PARIS • NEW YORK • ISTANBUL • TORONTO • DAKAR • LUXEMBOURG • ADDISABABA • VIENNA • AMMAN

\* As of June 2019

## Meridiam Team

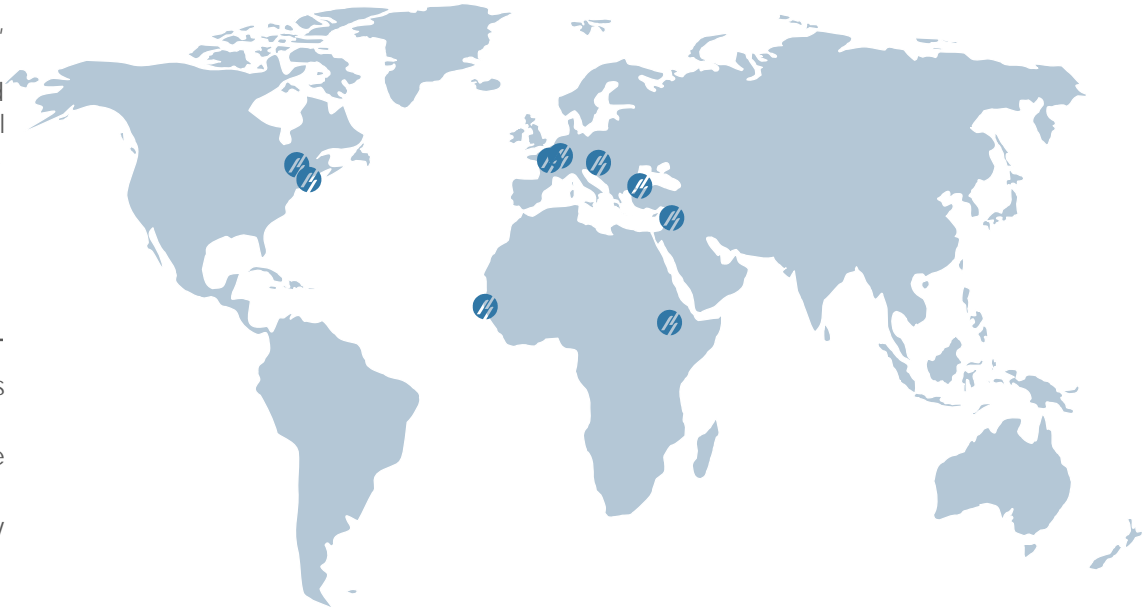
A global, integrated team with financial, technical and asset management expertise

### Experienced and multidisciplinary

- In-depth experience in PPP as public sector representatives, financiers, contractors, operators, lenders or advisors
- Skill sets include engineering and development of complex projects, industrial strategy, asset management, financing, etc.

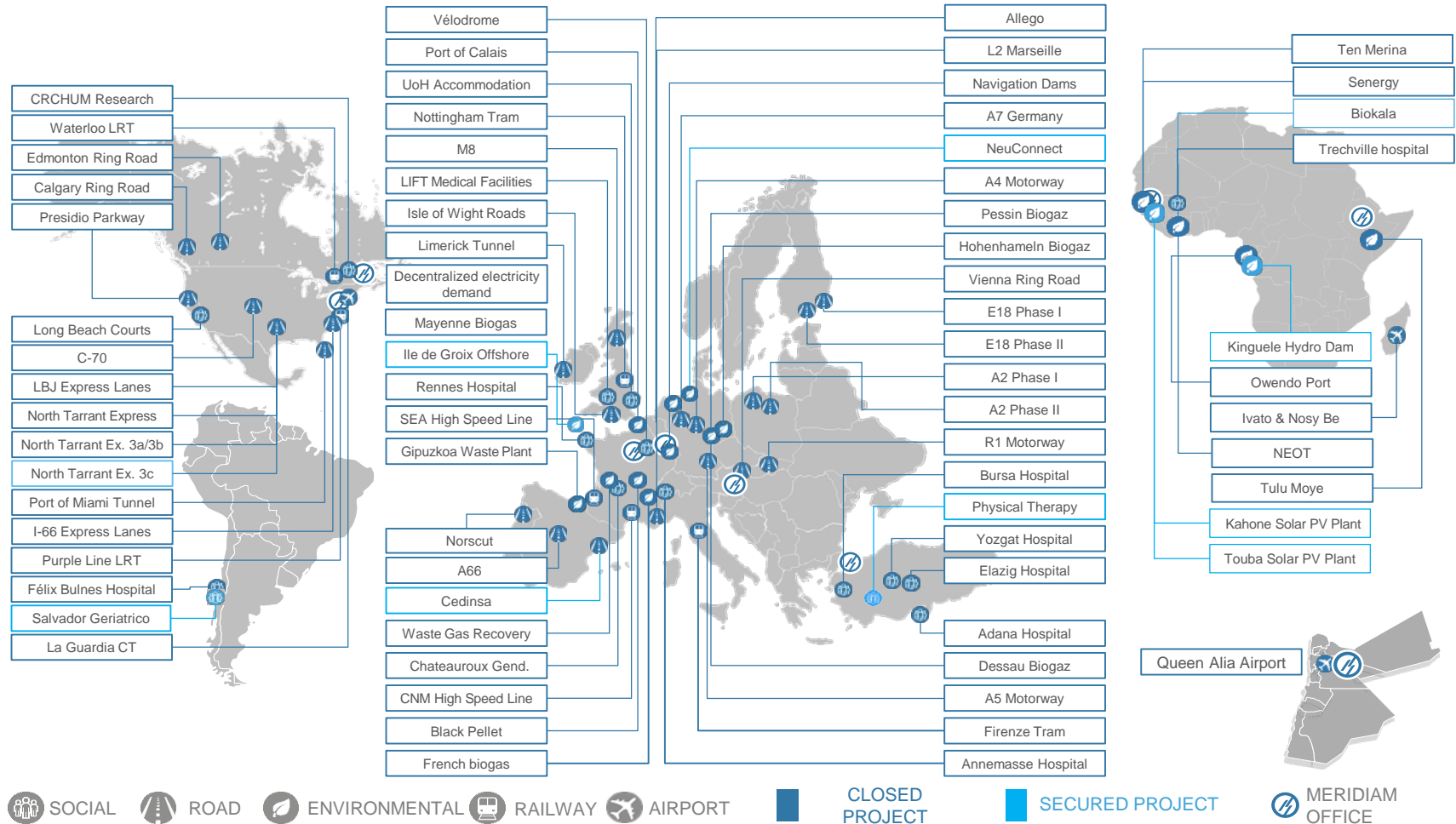
### A global approach

- A multinational team of 200 professionals across Europe, North America and Africa
- Flexibility to shift resources and expertise across borders
- Access to specialist expertise and key relationships maintained on a global basis



 Offices in Paris, Luxembourg, Vienna, Istanbul, Toronto, New York, Addis Ababa, Amman, and Dakar




# Portfolio Overview: 72 Projects



# Developer Role in Project Delivery

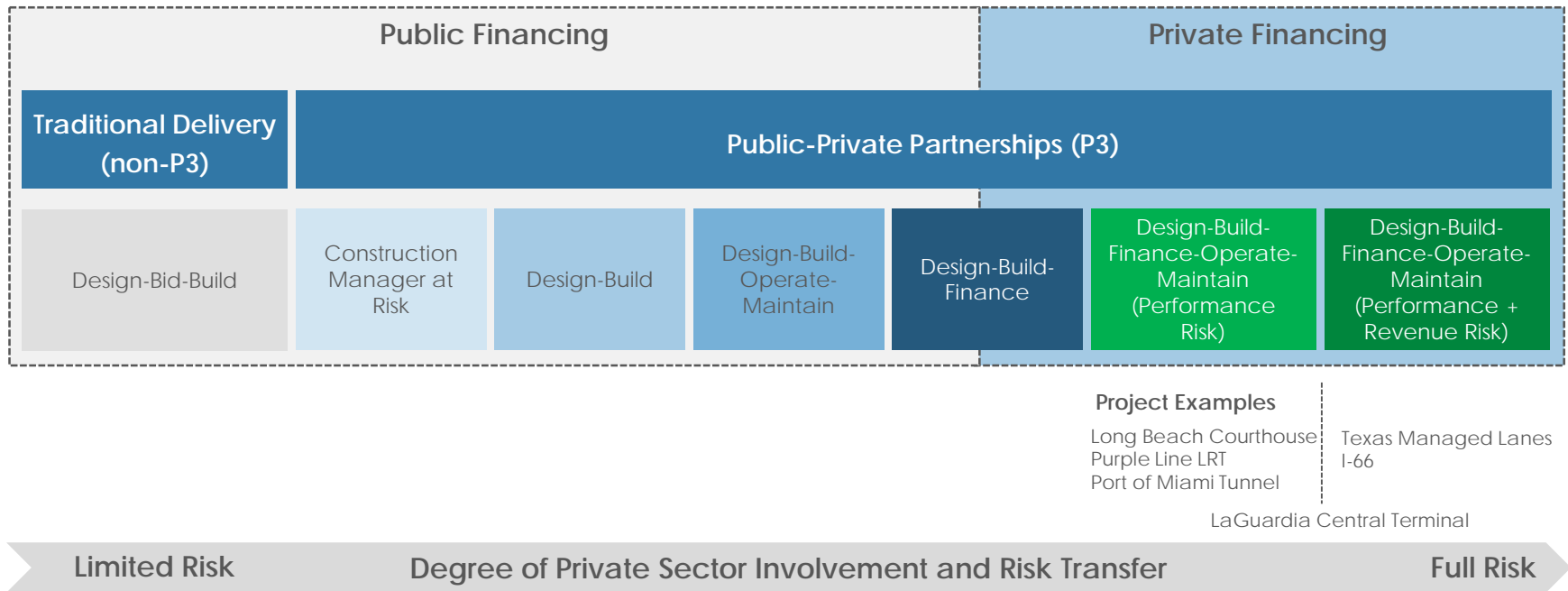
# Public-Private Partnership Delivery

A performance based/ availability payment model is a form of public-private partnership where a private partner assumes the responsibility of Designing, Building, Financing, Operating and Maintaining a facility (DBFOM Contract) for a certain period of time and is compensated with a periodic Availability Payment or revenue stream from users.

General Characteristics		Project Examples	
Description	<ul style="list-style-type: none"> <li>Payments are not made by public authority until construction completion and facility is operational</li> <li>If facility is not available or performance is poor, payments are deducted</li> <li>Provides capital planning flexibility and certainty to public authority</li> </ul>	 <p><b>Governor George Deukmejian Courthouse   Long Beach, CA</b></p> <ul style="list-style-type: none"> <li>First social infrastructure P3 in the United States</li> <li>Meridiam has 100% equity shareholding in project</li> <li>Reached financial close in December 2010</li> </ul>	 <p><b>LaGuardia Airport Central Terminal Redevelopment   New York, NY</b></p> <ul style="list-style-type: none"> <li>Reached financial close in June 2016</li> <li>\$3.9bn project with \$2.8bn privately financed</li> </ul>
	<ul style="list-style-type: none"> <li>Developers responsible for raising financing</li> <li>Lenders provide financing against availability payment stream</li> <li>Stronger credit for lenders resulting in more efficient pricing and terms</li> <li>Public authority can provide construction subsidies</li> </ul>		
	<ul style="list-style-type: none"> <li>Promotes whole-life costing and innovation through integration of construction with long-term maintenance</li> <li>Public authority will outline specific O&amp;M performance requirements</li> <li>Public authority can terminate contract if performance requirements are consistently not met</li> </ul>		
Financing		 <p><b>Port of Miami Tunnel   Miami, Florida</b></p> <ul style="list-style-type: none"> <li>First availability-based P3 project to be procured in the United States</li> <li>Reached financial close in October 2009</li> <li>Meridiam has 100% equity shareholding in project</li> </ul>	
Maintenance			

# Greenfield Project Delivery Models

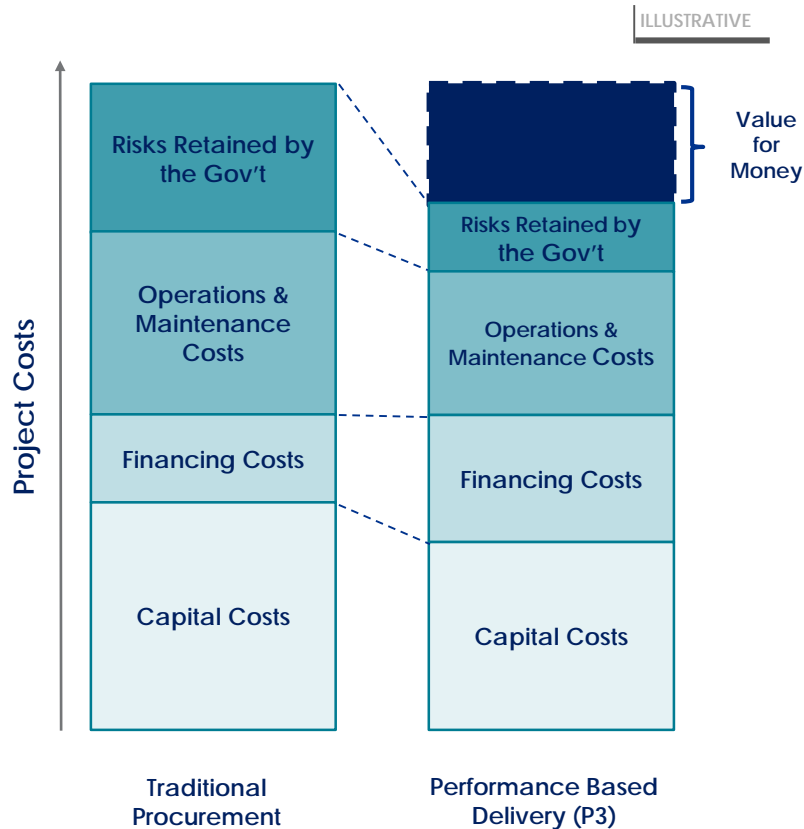
There is a broad range of delivery options for projects





## Traditional Procurement vs. Public-Private Partnership

### VALUE FOR MONEY ANALYSIS



### KEY HIGHLIGHTS

A P3 procurement ensures:

- Risk transfer of not only design and construction but long-term operations and maintenance
- Long-term budget certainty
- Competitive tension which drives down costs
- Private sector innovation which drives down costs

## P3 Project Risk Allocation

Project Phase	Key Risks	Risk Allocation	
		Public Authority	Private Sector
Design & Construction	Construction cost and time overrun		<input checked="" type="checkbox"/>
	Design & Construction Approvals and Permits	<input checked="" type="checkbox"/>	
	Latent Defects		<input checked="" type="checkbox"/>
Operations & Maintenance	Labor and material availability		<input checked="" type="checkbox"/>
	Maintenance costs higher than anticipated		<input checked="" type="checkbox"/>
	Meeting Performance Requirements		<input checked="" type="checkbox"/>
Project Financing	Benchmark rate risk	<input checked="" type="checkbox"/>	
	Refinancing risk		<input checked="" type="checkbox"/>

# Inclusion of Value Capture in P3 Procurements

# Incorporating Value Capture in P3 Procurements

## Value Drivers

## Description

## Statistics

①

### CAPACITY BUILDING



Inclusion of MW/DBE participation goals, community engagement metrics, and local job creation requirements are critical to support capacity building in communities

②

### ADDITIONAL DEVELOPMENT OPPORTUNITIES



Infrastructure improvements can enhance adjacent property values (transit-oriented development) by increasing accessibility, decreasing congestion, and improving public services

③

### DESIGN INNOVATION



The competitive tension in a P3 procurement pushes teams to identify value engineering concepts and design alternatives while maintaining asset quality

④

### REVENUE ENHANCEMENT



Technologies to enhance project revenues like automated tolling can be specified as requirements in a P3 procurement

**4,285**

jobs created during construction of the Central 70 project in Denver, Colorado

**60**

acres of commercial development on the Denver National Western Triangle site

**12.5%**

lower capital costs than public sector comparator (PSC) on Port of Miami Tunnel Project

**2x**

road capacity on the new North Tarrant Express will relieve congestion in Dallas, Texas

# Central 70 Project Case Study



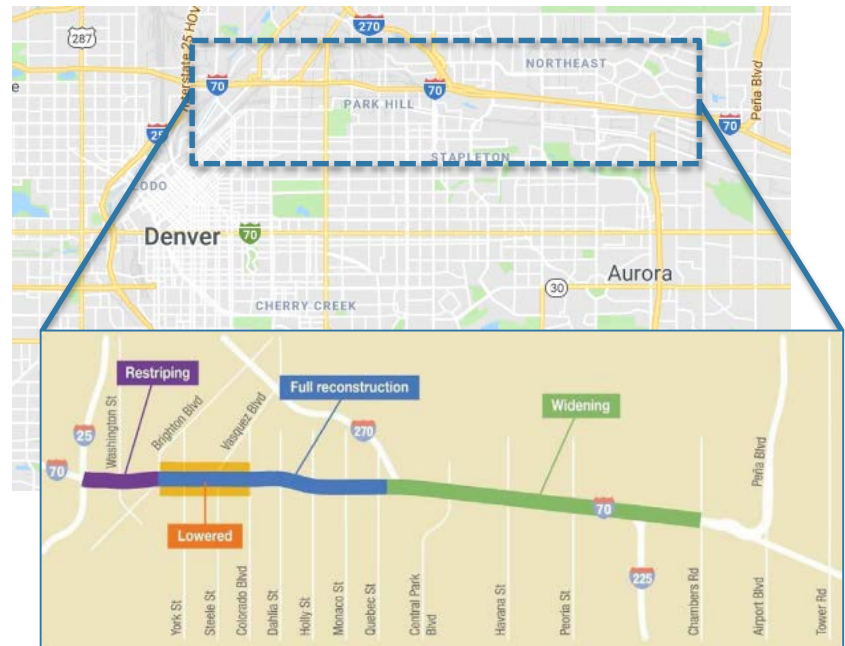
# Central 70 Project Overview

## Project Summary

In August 2017, the Colorado Department of Transportation selected Kiewit Meridiam Partners (KMP) to design, build, and finance Central 70, as well as operate and maintain the completed project for 30 years. Construction began in Summer 2018 and is anticipated to reach substantial completion in 2023.

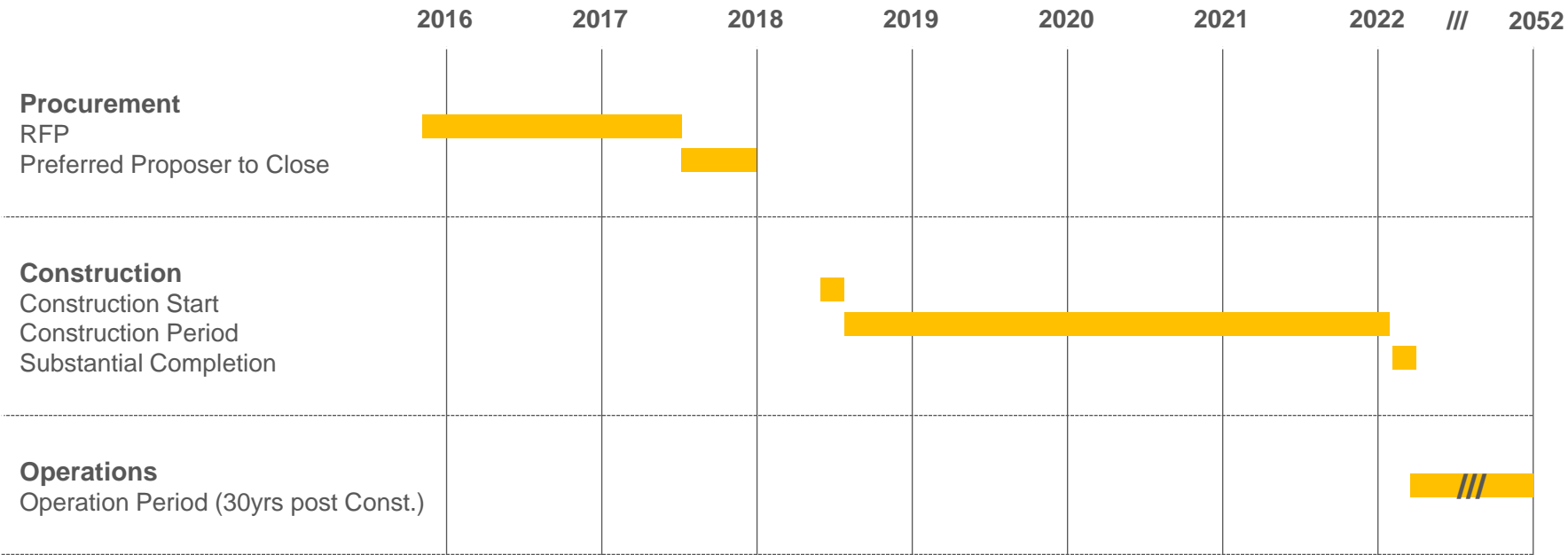
The Central 70 Project includes:

- Adding one Express Lane in each direction
- Removing a 55-year-old viaduct and lowering the interstate
- Constructing a new 4-acre park over the interstate



# Central 70 Project Overview

## Timeline



# Central 70 Project Overview

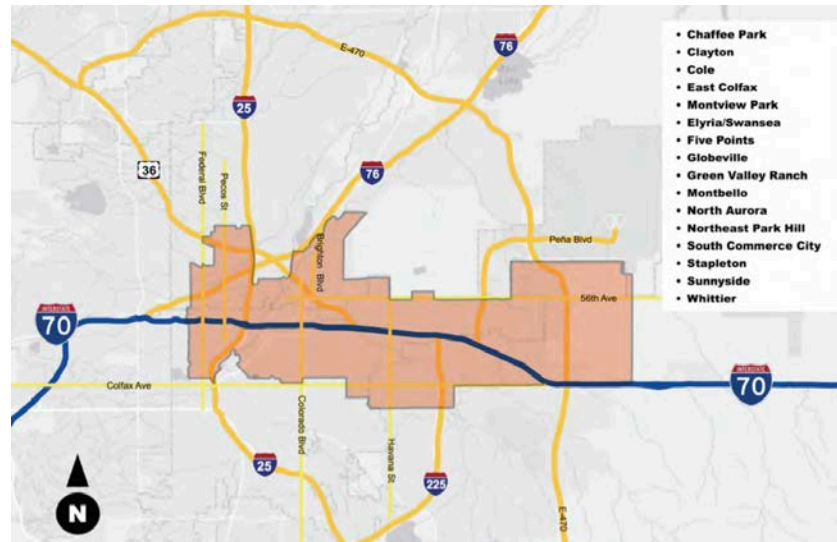
## Key Stakeholders

Procuring Authority



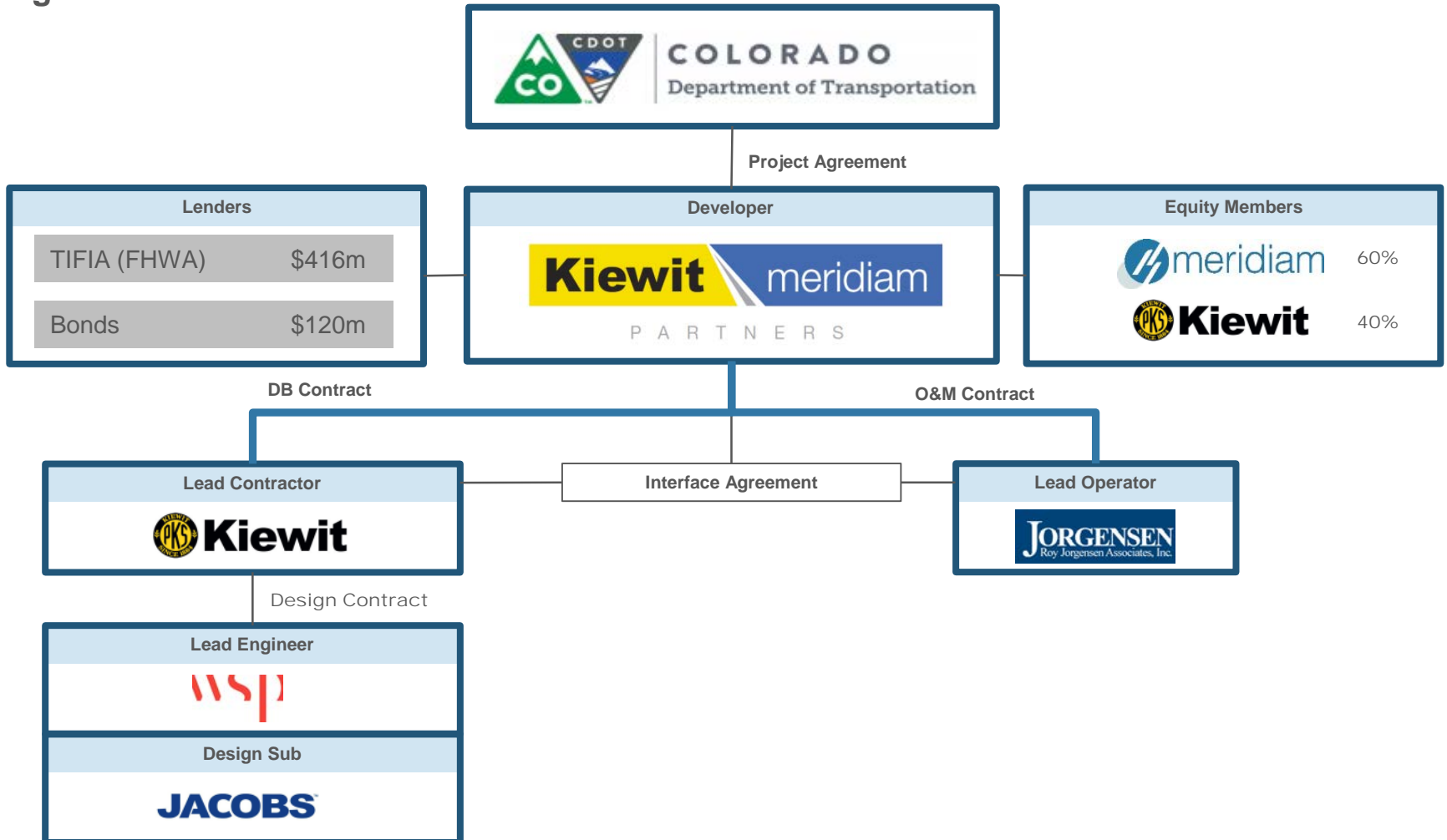
Colorado Bridge Enterprise

Local Community



# Central 70 Project Overview

## Organizational Chart



# Central 70 Project Overview

## Value Capture

### Value Drivers

CAPACITY  
BUILDING

ADDITIONAL  
DEVELOPMENT  
OPPORTUNITIES

DESIGN  
INNOVATION

REVENUE  
ENHANCEMENT

### Project Requirements

Ensure job opportunities for residents through a 20 percent local (geographic-based) hiring requirement.

Require on-the-job training to provide opportunities for workers to advance to high-skill positions during the construction period.

As part of the project, CDOT provided \$2 million to support affordable housing in Elyria and Swansea, which are neighborhoods adjacent to the project.

Kiewit Meridiam Partners is constructing a 4-acre park over the highway including features selected by the community

The estimated direct benefit of the project to road users tops \$12 billion over 25 years. 80% of this benefit comes from business and personal time saved from less congestion on the highway



## Central 70 Project Overview

### Value Capture – Bridging Communities



## Central 70 Project Overview

### Value Capture – Capacity Building

#### Mobile Food Market

6,827 people served

Average 40lbs of food

441,484 servings to date

Fresh

High Quality

Wholesome

Free





## Central 70 Project Overview

### Value Capture – Capacity Building



KPM supported a local program that offers micro-scholarships to women with culinary arts interests, to help with their business needs: KMP contributed in 2018. First scholarship recipient is now a regular face at the project with her new food truck business: Prieto's Catering



Support a company that resolves back office needs for emerging small businesses – an affordable solution that helps get them over the initial hurdle between successful and growing into big contract jobs



