Commerce CITY

Council Communication

City Council Meeting Date: 11-4-13

Total Time: 30 min

Title
Voting on a Resolution to Approve North Metro FasTracks Corridor IGA

Summary and Background Information:
FasTracks Project History discussed previously in the 10-28-13 study session

The following is a short history of the FasTracks project since the original vote was passed in 2004.

- 2004 –Voters endorsed a Regional transit project to build a comprehensive transit project over 10 years including:
  - o 7 new transit lines
  - o 119 miles of new track
  - o Cost of $4.2 billion dollars
  - o Funded by a 0.4% sales tax (4 cents on every $10)
- North Metro line to serve Commerce City and the NE quadrant of the region.

Proposed stations near Commerce City
  o 72nd Avenue and Colorado Blvd.

As a part of the FasTracks program, the local jurisdictions along the North Metro corridor are required to contribute a 2.5% local match. This local match is required of the five jurisdictions along the North Metro line, which includes Adams County, Thornton, Commerce City, Denver, and Northglenn. Collectively, the local jurisdictions are responsible for approximately $22.725 million in a local match. A Memorandum of Understanding (MOU) was executed in February of 2012 that identifies the total contribution amount for Commerce City. In the MOU, it outlines a $4.7 million local match requirement for Commerce City. At the time, the city contemplated a few different sources of funding for this local match. Specifically, the City would rebate sales and use tax collected, which was estimated to be $2.74 million. Further, the city could utilize $1.53 million in DRCOG TIP funds that were awarded to the city for improvements in the station area. As a result, the city would have to make up the balance of approximately $430,000 through the CIPP process.

At the time of the MOU, a funding gap of $2.4 million existed for the FasTrack program. At the time, RTD was considering a tax increase to cover this deficit. However, RTD began to look at other alternatives to fund the program that didn't include an additional tax increase. Subsequently, RTD formed a Public/Private partnership (PPP) for East Corridor, the Gold Line, and a portion of the

Northwest line. Additionally, RTD received an unsolicited proposal for the the 225 line. This momentum carried over to the North Metro Corridor as well. In February of 2013, RTD received an unsolicted proposal to construct the North Metro Corridor. As a result, RTD released a Request for Proposals (RFP) on June 28, 2013, to the public to construct this line. The selection process is expected to be made on November 26, 2013.

RTD intends to execute a series of Intergovernmental Agreements (IGA) with all of the jurisidictions along the corridor prior to the contract being awarded. The intent of the IGA's is to lay out the local match requirements, what is elgible to be used as a local match, permitting requirements, and other development requirements. Over the past few months, staff has been negotiating with RTD on this IGA. The purpose of the study session is to review the draft document in preparation for a vote on the IGA on November 4, 2013.

Within the IGA, there are a few key provisions. First, the IGA establishes the fact that access to the station at East 70th Avenue will be a part of the base project. This is represents a major victory for the City, as the EIS did not show this access. Further, the MOU amounts were confirmed, unless the overall corridor price drops, in which case all local jurisdiction local match requirments also drop.

Further, the IGA outlines all of the ways the city will get credit against its local match. Those include:
* The DRCOG TIP grant, which will be used for the construction of the 70th Avenue access
* Rebate of Sales and Use Tax collected
* Credit for dedication of city property and easements
* Staff Time
* Other improvements

Further key provisions include:
* At-grade crossings will be quiet zones.
* 72nd Avenue will also be available for access
* RTD will annex the station when they take ownership of the property
* The City will be provided options for station architecture.

In conclusion, the IGA is necessary so that RTD may proceed with the Public Private Partnership to construct the North Metro line.

Staff Responsible (Department Head)
Chris Cramer, Interim Community Development Director

Staff Member Presenting:
Jenny Axmacher, City Planner

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Outside Presenter:
None, although Jim Starling with RTD will be available for questions.

Financial Impact:
$430,000 as a part of the CIPP at some point in the future, depending on project costs.

Funding Source:
CIPP

Staff Recommendation:
No action at this time. Discussion Only.

Alternative:

Suggested Motion:

Attachment List: