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## Land Use, Transportation & Infrastructure Committee Summary Minutes

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**Tuesday, December 07, 2010 11:00 AM City & County Building, Room 391**

**Members Present:** Hancock, Johnson, Madison, Montero, Robb, Sandoval

**Members Absent:** None

**Other Council Present:** Nevitt, Lehmann

**Committee Staff:** Gretchen Williams

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### Bill Requests

**BR10-1088 Amends the Better Denver Bond Program Companion Ordinance to reallocate \$176,500 within Purpose 4 (Parks Systems Facilities) from Parks Restrooms to New Parks Restrooms; and to reallocate \$2,070,000 within Purpose 6 (Streets, Transportation and Public Works System Facilities) from Federal Blvd Bridge Over US 6 to Federal Blvd, Alameda to 6th Ave.**

*Stu Williams, Better Denver Bond Program*

A motion offered by Councilmember Hancock, duly seconded by Councilmember Sandoval, to file a bill amending Ord. 422, Series of 2007, as amended, carried by the following vote:

**AYES:** Nevitt, Hancock, Johnson, Madison, Montero, Robb, Sandoval(7)

**NAYS:** (None)

**ABSENT:** (None)

**ABSTAIN:** (None)

The Better Denver Bond Program Executive Committee is asking for Council's approval to amend the "Bond Companion Ordinance" (Ord. 426, Series of 2007, as amended) to transfer some funds within two Purposes. Council approval is required to move any more than 10% of the funds between projects. The two requested changes are described below.

In Purpose 4, Parks Systems Facilities, move \$176,500 from Restroom Rehabilitation to New Restrooms. All buildings scheduled for rehabilitation have been completed. Some of the new restrooms have budget shortages, partly due to the decision to locate them outside of high activity areas, which meant additional expense to connect to existing utility lines.

Councilwomen Robb and Lehmann mentioned the Parks Restroom Master Plan, dated 2005, that recommended reverting to restroom buildings rather than structures housing portable toilets. They suggested it might be time to revisit and update that plan and determine if we want to continue constructing restroom buildings in parks.

In Purpose 6, Streets, Transportation and Public Works System Facilities, reallocate the entire \$2,070,000 from the Federal Blvd. Bridge over US 6 and Related Street Improvements because Colorado Dept. of Transportation (CDOT) has put the entire interchange project on indefinite hold due to cost. Those funds would be moved to the Federal Blvd. - Alameda to 6th Ave. project. This is also a CDOT project to which the City is to contribute any funds necessary above a set amount, which will be exceeded. CDOT is bidding the project now for a February start.

Mr. Williams said he briefed Councilman Lopez, who supports the amendment. The two projects are both on Federal adjacent to each other and benefit the same neighborhoods.

**Presentations**

- 1**                    **FasTracks Update: Completing the Vision**  
*Phil Washington and Rick Clark, RTD; and Maria Garcia-Berry, CRL Associates*

Mr. Washington's PowerPoint presentation is attached. He began by saying that RTD is committed to the entire build-out of the FasTracks system. He highlighted the accomplishments to date, stating that RTD is currently managing close to \$3 billion in projects.

With the goal of having the remaining FasTracks corridors "construction ready", the environmental process on the final corridor, North Metro, is nearly complete. Being construction ready places RTD in a strong position to apply whenever any funding opportunities arise.

RTD is asking for stakeholder input by Dec. 17 from the general public and entities such as cities, counties and chambers of commerce, on several questions concerning the options identified in the presentation. The public is being asked to read the material and fill out the questionnaire at [www.RTD-Fastracks.com](http://www.RTD-Fastracks.com).

For the short-term, RTD is identifying 1) funding on-hand with which to continue implementing the FasTracks program without additional revenues; and 2) the best use of the funds to continue moving the entire program forward.

For the long-term, the issue is identifying additional funding (grants, loans, sales tax increase) to complete the entire program.

### Short-Term Options to Continue the Vision Without Additional Funding

The winning bidder, Denver Transit Partners, for the EAGLE 3P (public/private partnership) project (East Corridor, a few miles of Gold and Northwest corridors and the Fox/41st commuter rail maintenance facility) came in \$305 million below estimate. This amount is available to help reduce the current budget gap. RTD's Construction Ready Taskforce evaluated the best technical, engineering and financial approach to completing the program and identified three options:

1. Apply funding primarily to a single corridor;
2. Make minimum but meaningful investment in each corridor; or
3. Complete only the final design for each corridor.

Costs to complete each corridor, distinct projects on each corridor and the two extensions (southeast and southwest) were evaluated under each of the three options (see presentation for details). Portions of the three options may be mixed and matched as long as the total is under \$305 million.

Councilwoman Johnson suggested looking at the number of riders impacted by each option.

Councilman Hancock supported completing final design plus some construction project on each of the corridors.

Councilman Nevitt asked about the shelf life of final design plans and environmental documents. Mr. Clark replied that the final design would be completed only on the components that would not change over time, such as the rail lines, utilities, and bridges, but not architectural designs of stations, for example. Environmental assessment life has no specific timeframe; it depends on acceptance by the community.

### Long-Term Options to Complete the Vision

RTD is evaluating several possible funding sources, including grants such as New Starts; flexible loan programs such as the Transportation Infrastructure Finance and Innovation Act; partnership with CDOT, such as TREX or a state-wide transportation initiative; and future tax initiatives, noting that all other options will

be pursued fully before asking the voters to increase the tax.

### Potential Sales and Use Tax Increase

The current FasTracks financial plan assumes a 0.4% tax increase in 2013 providing for full build-out in 2019. If additional funds do not become available, build-out will not be complete until 2042.

RTD analyzed four tax scenarios and the respective impact on completion. The four scenarios assume RTD receives one of the following additional tax increases in January 2012: 0.4%, 0.3%, 0.2% OR 0.1%; no decrease in projected sales and use tax collections. For reference, 0.4% represents 4 cents on a \$10 purchase.

The analysis determined for each scenario 1) what percentage of the remaining program could be built by 2020; 2) when the entire program could be completed; and 3) additional capital funding required by 2015 to complete the program by 2020. A summary of findings follows.

<b>Tax increase collected as of Jan. 1, 2012</b>	<b>% of remaining program built by 2020</b>	<b>Additional funds needed by 2015 to complete by 2020.</b>
0.4%	100% by <b>2018</b>	NA
0.3%	75%	\$ 750,000,000
0.2%	65%	\$1,000,000,000
0.1%	35%	\$2,100,000,000

Councilman Nevitt said it seemed implausible that RTD would not receive any additional federal or other funding by 2015.

Councilwoman Johnson noted that RTD would not want to go back to the voters a third time.

Mr. Washington said he was encouraged. RTD will present a road map of how the balance will be completed. For example, if tax revenue only allowed completing the North Metro line to 72nd, funding sources for its completion to 104th would be presented.

### Economic Impact Facets

Mr. Washington briefly talked about the Workforce Initiative NOW program, an integral part of the EAGLE 3P project. This program assesses and trains local people to do all kinds of work on the job, including electrical, utility, etc. RTD would like the federal government to evaluate programs such as this when looking at economic benefits of projects.

RTD is working closely and diligently with local communities on station planning and transit-oriented development (TOD). These are the components where

communities will see the economic benefits of FasTracks, although RTD has already injected \$1 billion into the local economy through its construction projects.

### Stakeholder Input

Stakeholders are being asked several questions on the on-line survey at [www.RTD-Fastracks.com](http://www.RTD-Fastracks.com) but in short, the crucial questions are 1) should RTD should go to ballot with a tax increase; and if so, 2) for which amount; and 3) in which year.

Maria Garcia-Berry said the Metro Mayor's Caucus members strongly support FasTracks completion, but they are wary because you never want to go to the ballot and lose. About every 16 months, her firm has administered a survey concerning FasTracks, and while its overall approval rating has never been below 82%, there is concern about tax increases.

In September, only 6% of 308,000 most likely voters surveyed said transportation is their main concern. About 50% listed jobs as the first concern. A strong indicator of how voters are feeling was the response to this question: Regardless of how you feel personally, do you believe a tax increase for FasTracks will pass? Sixty-six percent said no. In campaigns of this nature, it is important to count on erosion of support over time, so you need a big number at the beginning.

Councilwoman Johnson said that the SCFD reauthorization will be on the ballot next year, and she wondered how many jurisdictions will have local bond issues.

Ms. Garcia-Berry said when the original FasTracks vote was on the ballot, all of the mayors worked hard to keep any local tax issues off of the ballot.

Councilman Nevitt asked about putting multiple issues on the ballot, so that all four tax increase options are available to voters. Ms. Garcia-Berry replied that sounded like an unmitigated disaster.

Mr. Washington said that one possibility is establishing triggers at which point certain things happen. Jurisdictions in other states have done this.

Ms. Garcia-Berry added that triggers give the voters assurance that certain things are happening and will happen before the next tax increase is implemented.

Councilwoman Lehmann said the coalition on Initiatives 60 and 61 still exists, and RTD should talk to them. Ms. Garcia-Berry said some of the same people are at the table on FasTracks.

Councilman Hancock asked about input and feedback from the experts and business people. Mr. Washington replied that a group of economists contributes to 25-year sales tax predications; another group contributes to commodities cost

forecasts for making construction cost estimates. Those groups have worked well for RTD.

Councilman Hancock suggested that Ed Scholz of the Denver Finance Department would be a good addition since Denver's revenue projections are generally accurate.

Councilwoman Robb said the entire system is necessary as soon as possible to make it benefit everyone in the region, not just Denver. She noted that the \$305 million from EAGLE 3P is not real money. Every project in the hopper now must come in on budget so that the "savings" do not have to be used.

Councilman Nevitt asked how Council can best provide feedback to RTD. Ms. Garcia-Berry replied that Bill Vidal has been involved from the beginning, and he will continue to work closely with RTD. She said any recommendation from Denver should be a unified response from the Administration and the Council.