

Town of Castle Rock,

August 18, 2018

Crystal Valley Interchange and New Frontage Road

9/12/18 WORK SESSION FOLLOW-UP

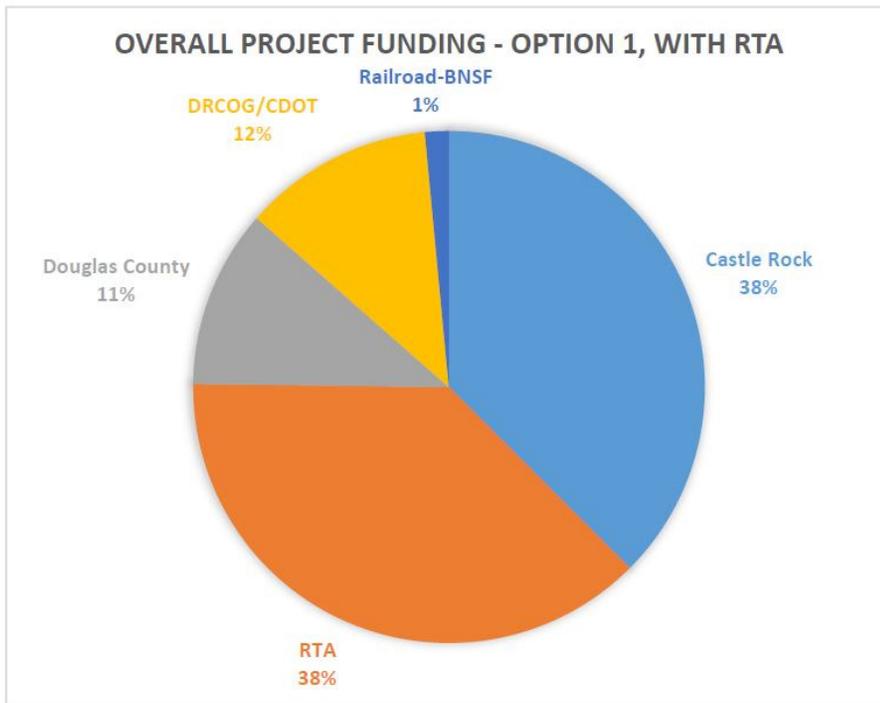
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## Funding Summary

1. There are 3 example funding options attached.
  - a) Option 1: Example using an RTA to support funding.
  - b) Option 2: Not using an RTA, but collecting more from future area sales tax & receiving a larger grant from DRCOG/CDOT.
  - c) Option3: Not using an RTA, minimal area sales tax and significant DRCOG/CDOT funds.
2. Each example has its own flexibility and can be modified.
3. Final funding strategy could be mix or modified version of all 3 options.
4. This approach does NOT off-set current CIP's/public improvement schedule. No current projects or their funds are sacrificed.
5. There are multiple tools to collect future funds; RTA, PIF, TIF, percentage of development area sales tax, etc. Bottom line, can pay for project with funds that are not in Town budget today. (see Projected Revenue, page 16)

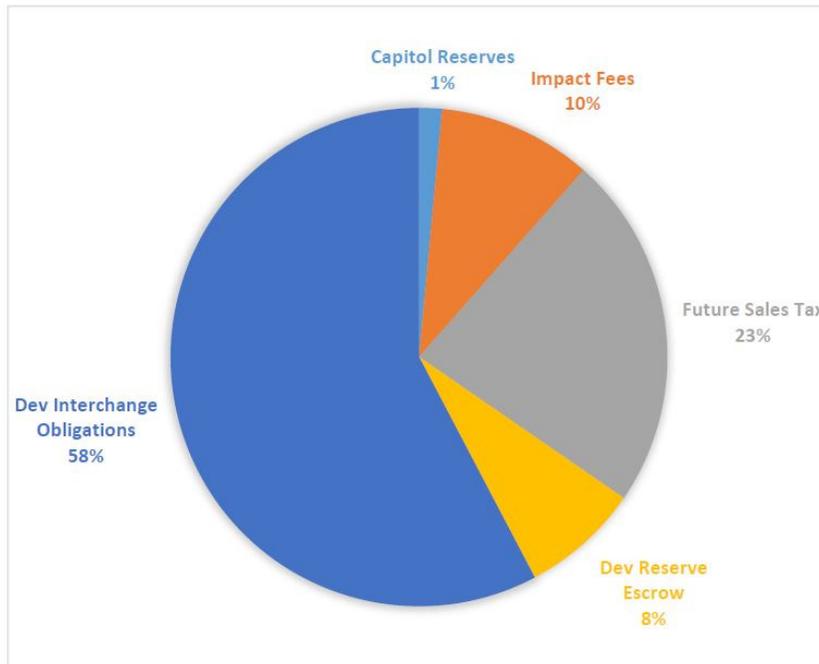
# Project Funding Option 1, Utilizing RTA



Project Cost	83,000,000
plus additional bond financing	<u>40,000,000</u>
<b>TOTAL PROJECT COST</b>	<b>123,000,000</b>

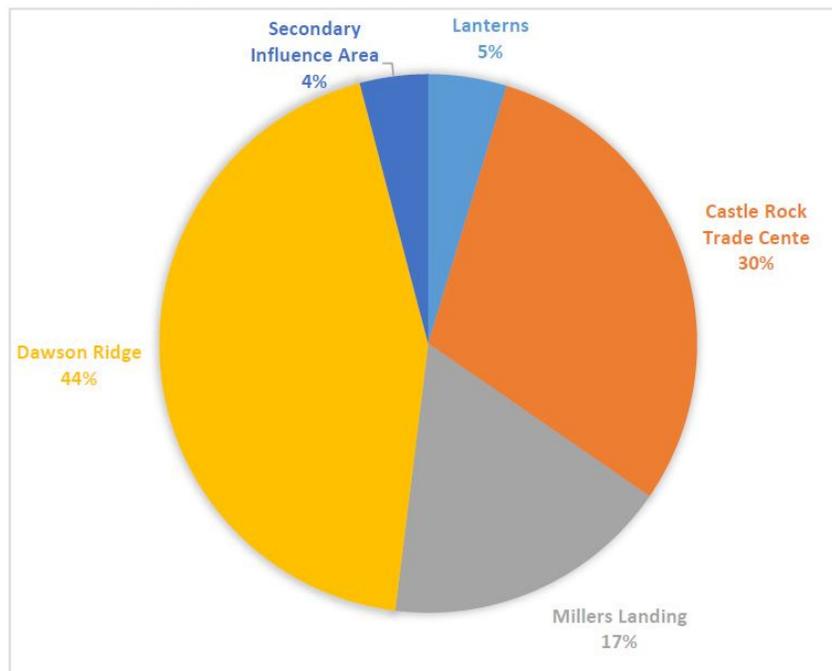
Castle Rock (*see breakout next page)	\$49,887,673
Douglas County	\$15,000,000
Railroad-BNSF	\$2,000,000
RTA (*see RTA BREAKOUT)	\$50,127,642
DRCOG/CDOT	<u>\$16,000,000</u>
<b>TOTAL FUNDING</b>	<b>\$133,015,315</b>

### CASTLE ROCK BREAKDOWN



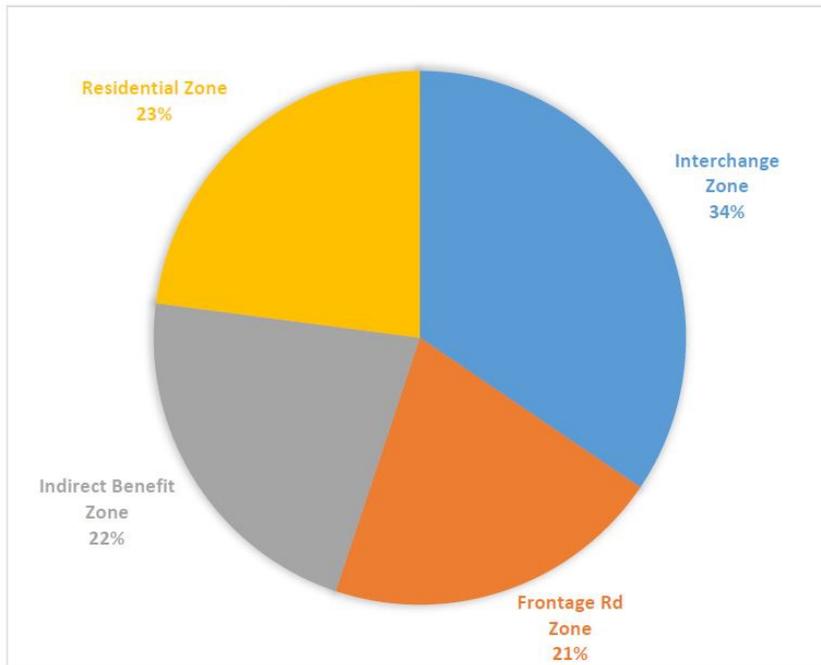
Capitol Reserves	\$750,000
Impact Fees (\$500,000 x 10 yrs)	\$5,000,000
Percent of Future Area Sales Tax	\$11,500,000
Development Reserve Escrow	\$3,840,396
Development Interchange Obligations <small>(* see breakout next page)</small>	<u>\$28,797,277</u>
<b>TOTAL CASTLE ROCK FUNDS</b>	<b>\$49,887,673</b>

### DEVELOPEMENT INTERCHANGE OBLIGATIONS



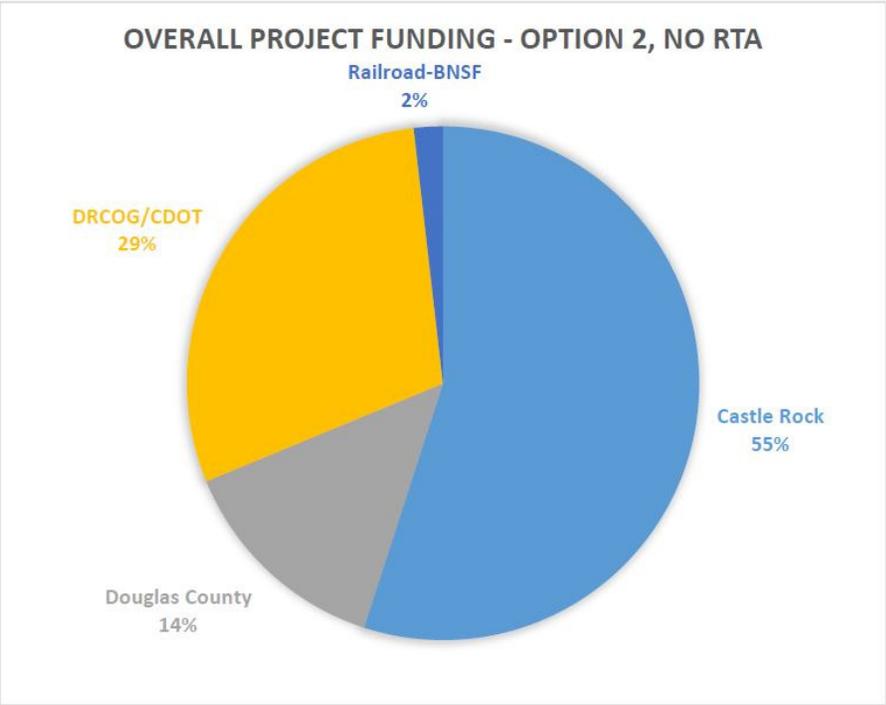
Lanterns	\$1,357,056
Castle Rock Trade Ctr	\$8,608,860
Millers Landing	\$5,000,000
Dawson Ridge	\$12,648,402
Secondary Influence Area	<u>\$1,182,959</u>
<b>TOTAL POTENTIAL DEVELOPMENT</b>	<b>\$28,797,277</b>

### RTA BREAKDOWN



Interchange Zone	\$17,282,866
Frontage Rd Zone	\$10,347,918
Indirect Benefit Zone	\$10,999,858
Residential Zone	<u>\$11,497,000</u>
<b>TOTAL RTA</b>	<b>\$50,127,642</b>

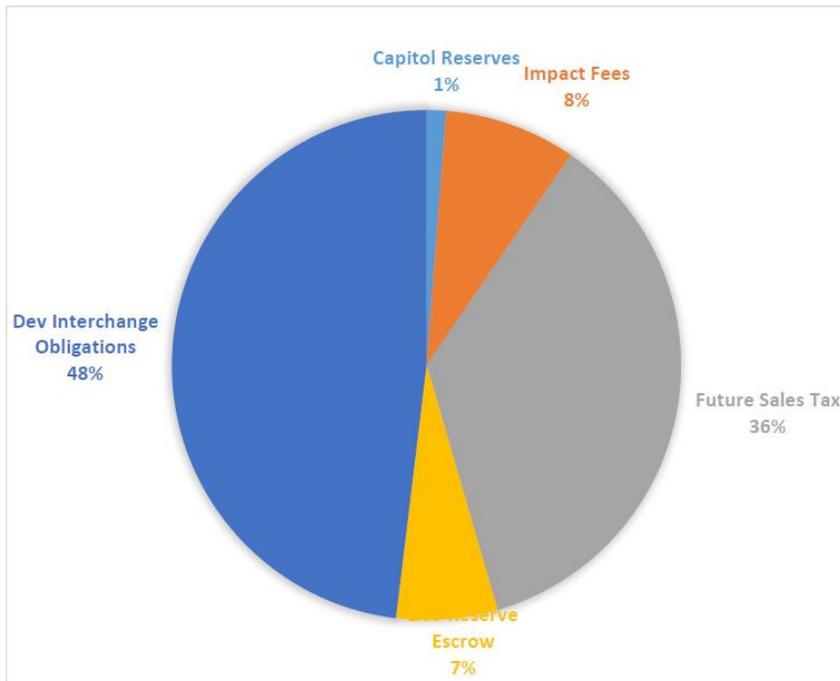
# Project Funding Option 2, No RTA, more Sales Tax & DRCOG



Project Cost	83,000,000
plus additional bond financing	<u>24,000,000</u>
<b>TOTAL PROJECT COST</b>	<b>107,000,000</b>

Castle Rock (*see breakout next page)	\$59,887,673
Douglas County	\$15,000,000
Railroad-BNSF	\$2,000,000
DRCOG/CDOT	<u>\$32,000,000</u>
<b>TOTAL FUNDING</b>	<b>\$108,887,673</b>

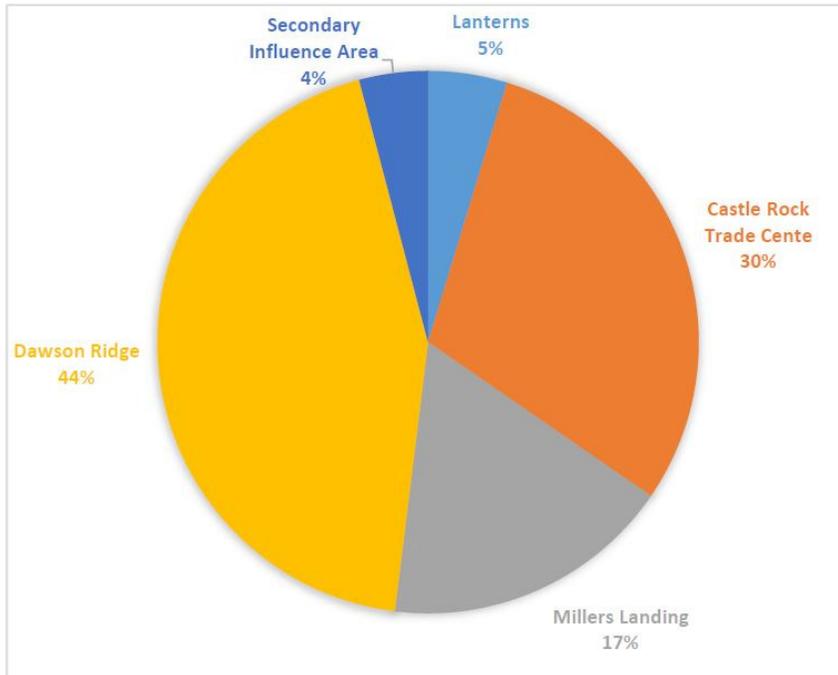
### CASTLE ROCK BREAKDOWN




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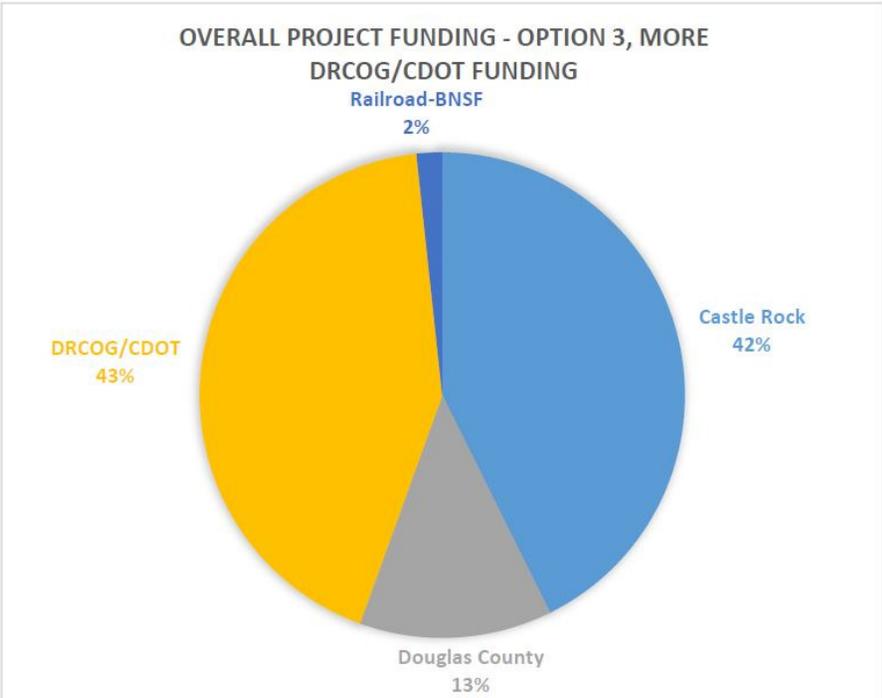
Capitol Reserves	\$750,000
Impact Fees (\$500,000 x 10 yrs)	\$5,000,000
Percent of Future Area Sales Tax	\$21,500,000
Development Reserve Escrow	\$3,840,396
Development Interchange Obligations (* see breakout next page)	<u>\$28,797,277</u>
<b>TOTAL CASTLE ROCK FUNDS</b>	<b>\$59,887,673</b>

**DEVELOPEMENT INTERCHANGE OBLIGATIONS**



Lanterns	\$1,357,056
Castle Rock Trade Ctr	\$8,608,860
Millers Landing	\$5,000,000
Dawson Ridge	\$12,648,402
Secondary Influence Area	<u>\$1,182,959</u>
<b>TOTAL POTENTIAL DEVELOPMENT</b>	<b>\$28,797,277</b>

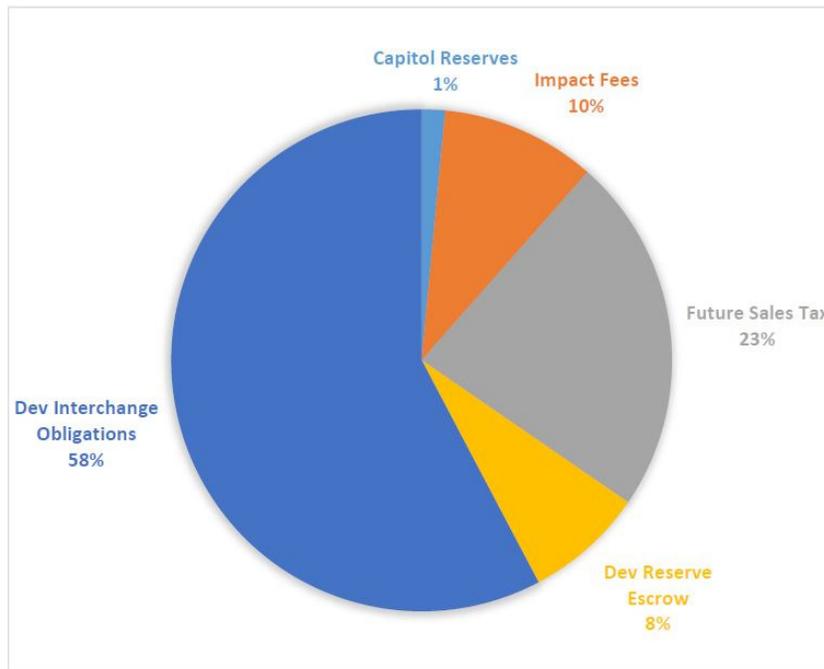
# Project Funding Option 3, Significant DRCOG/CDOT support



Project Cost	83,000,000
plus additional bond financing	<u>15,000,000</u>
<b>TOTAL PROJECT COST</b>	<b>98,000,000</b>

Castle Rock (*see breakout next page)	\$49,887,673
Douglas County	\$15,000,000
Railroad-BNSF	\$2,000,000
<b>DRCOG/CDOT</b>	<u><b>\$50,000,000</b></u>
<b>TOTAL FUNDING</b>	<b>\$116,887,673</b>

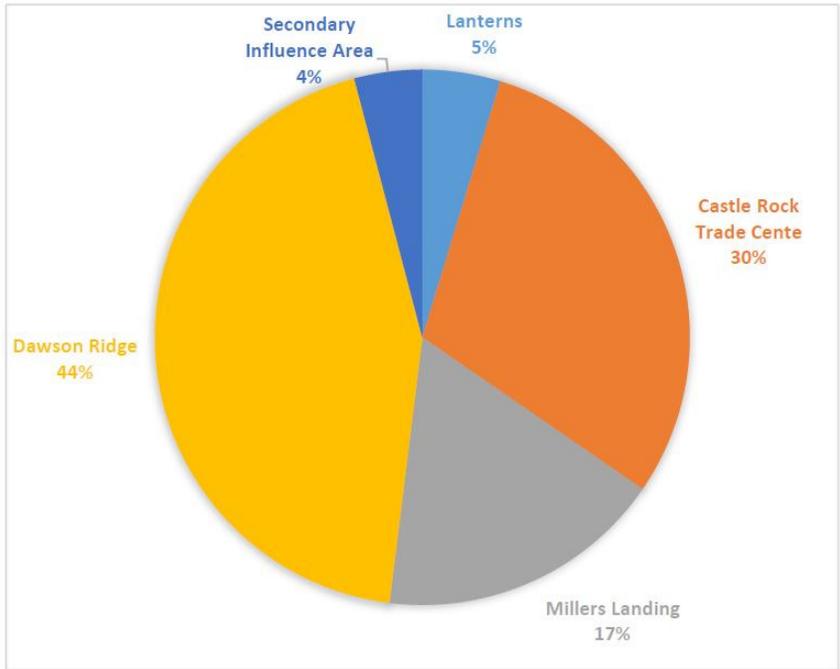
### CASTLE ROCK BREAKDOWN




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Capitol Reserves	\$750,000
Impact Fees (\$500,000 x 10 yrs)	\$5,000,000
Percent of Future Area Sales Tax	\$11,500,000
Development Reserve Escrow	\$3,840,396
Development Interchange Obligations (* see breakout next page)	<u>\$28,797,277</u>
<b>TOTAL CASTLE ROCK FUNDS</b>	<b>\$49,887,673</b>

**DEVELOPEMENT INTERCHANGE OBLIGATIONS**



Lanterns	\$1,357,056
Castle Rock Trade Ctr	\$8,608,860
Millers Landing	\$5,000,000
Dawson Ridge	\$12,648,402
Secondary Influence Area	<u>\$1,182,959</u>
<b>TOTAL POTENTIAL DEVELOPMENT</b>	<b>\$28,797,277</b>

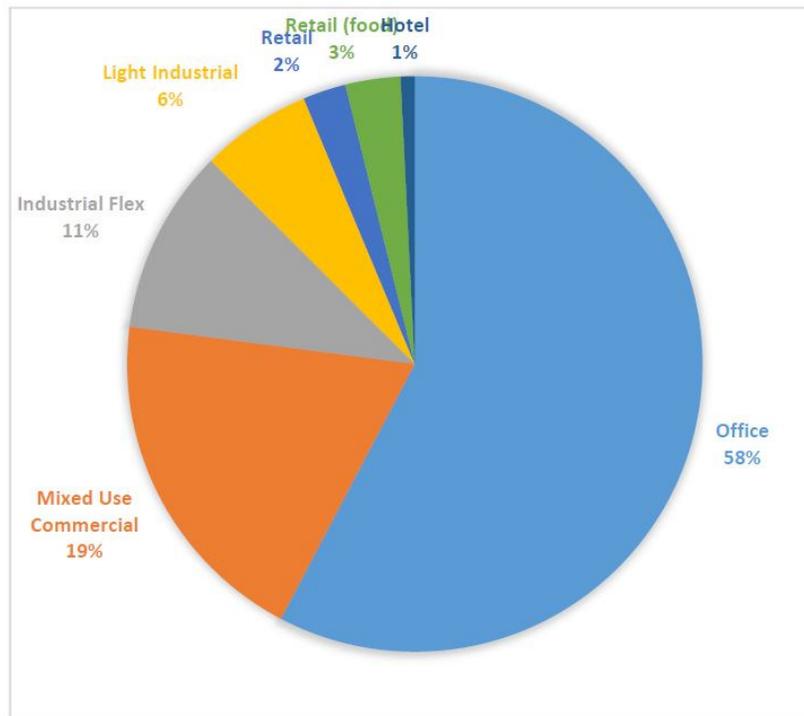
## To-Do Tasks

1. Town & County must immediately work on presenting this TIP as a number one priority to DRCOG/CDOT
  - a) Should not be presented as “Capacity” project, but must be presented as an;
  - b) “**Operational**” project; due to Plum Creek impeding failure, and
  - c) “**Safety Improvement**” project
2. Identify project parameters as: Full Interchange, North & South Frontage Road (NOT paired or partial for any aspect of project)
3. Solidify pricing on complete project
4. Commit to schedule requirements to allow for significant project savings due to economy of scale of piggybacking with I-25 GAP project/Phase 1.
5. Set next “Work Session” to finalize How-to’s;
  - a) Best funding approach
  - b) Determine Town and County staff direction
  - c) Discuss ROW and land owner land grant concept

## Schedule Milestones (required to piggyback GAP project)

1. NEPA	129 Days	11/13/18	-	5/10/19
2. Interstate Access Request	141 Days	11/13/18	-	5/28/19
3. Design	268 Days	11/13/18	-	11/21/19
4. Right of Way	278 Days	3/19/19	-	4/9/20
5. BNSF Approvals/Agrmnt	259 Days	1/15/19	-	1/10/20
6. PUC App - Formal Approval	165 Days	5/29/19	-	1/10/20
7. Construction Approvals		4/10/20		

# Projected Economic Activity Revenue (8,121,500 SF)



	<u>Millions</u>
Office	\$3,146.0
Mixed Use Commercial	\$1,054.9
Industrial Flex	\$567.8
Light Industrial	\$338.4
Retail	\$131.6
Retail (food)	\$168.6
Hotel	<u>\$43.3</u>
<b>TOTAL REVENUE</b>	<b>\$5,450.6</b>

## Conclusion

1. It **IS TIME** for this project.
2. Project pays for itself over time and will provide increased revenue to Town.
3. Must realize the benefit of full interchange & frontage road to Southwest Quadrant
4. Provides key infrastructure to create needed Castle Rock employment base, creating 33,265 high paying jobs.
5. Project is NOT reliant on any Dawson Ridge development.
6. Solves current and ever increasing traffic congestion and safety issues.

In the Southwest Quadrants current vacant state, it does not contribute much of anything to the Town or public coffers. If developed per the Towns current Masterplan, the same area of land will be responsible for exponentially more property tax revenue that helps pay for police, parks, and city streets.

The Town would not be required to raise taxes or cut services. Instead commercial growth per acre has the potential to generate so much more public wealth then subdivisions or off-highway outlets. And for all the revenue it brings, commercial development costs considerably less to maintain in public services and infrastructure. Commercial development brings in six times the revenue per acre that retail does.

This could be the best revenue per acre land use Castle Rock has ever had. The taxable value of the land will only swell over time.