



## **Transit Strategic Plan Financial Advisory Committee**

March 12, 2008

5:00 – 7:00 p.m.

Poudre Fire Authority Station 14  
2109 Westchase Drive, Fort Collins

### **Committee Members:**

*Present:* Gary Thomas, Dan Gould, Donna Chapel, Kitty Wild, and Dan Hill

*Absent:* Robert Heath, Mary Atchison, and Doug Johnson

### *Others Present:*

Facilitator: Tess Heffernan

Staff: Kurt Ravenschlag, Nicole Hahn (City of Fort Collins), Marcy Abreo (City of Loveland), and Adam Orens (BBC Research & Consulting)

### **Proceedings:**

*Meeting called to order* at 5:00 p.m. by facilitator, Tess Heffernan.

1. *Funding Mechanisms Modeled:* Adam Orens of BBC Research and Consulting modeled the funding mechanisms identified as priorities by the Committee, including the Transportation Utility Fee, Sales Tax, Negotiated agreements, and a Special Improvement District for the Mason Corridor.
  - a. *Sales Tax:* This information was based on sales figures for both Fort Collins and Loveland.
  - b. *Negotiated Agreements:* Adam Orens presented modeled data showing what a negotiated agreement from Poudre School District might look like. He also calculated agreements from CSU staff and Front Range Community College. The group requested some information on the hospital facilities in Loveland. Staff discussed the possibility that the PVH agreement might look a little different. PVH has expressed some interest in providing a route between its facilities so they could pay toward a route.
  - c. *Utility Fee (Flat Rate):* A flat rate Transportation Utility Fee (TUF) collects the same flat rate from each utility account.
  - d. *Utility Fee (Electric Usage):* This fee is based on the electric usage of the account holder. This fee assumes that the more the energy usage the more activity at the center.
  - e. *Utility Fee (Trip Generation):* This fee is based on trip generation at a specific site. The group agreed that this would most closely fit their cause. There was some discussion about the categories that would be

used to estimate trip generation. For example a big box retail center would create more trips than a down town smaller retail site. If the group proceeds with this as a recommendation the details will have to be examined. Adam indicated that there is an industry standard on how this is determined based on use and square footage. The group was divided in their opinions of how best to calculate the fee, including how residential dwellings should be considered.

- f. *Special Improvement District:* This fund in the form of Tax Increment Financing (TIF) could be used to operate and maintain the Mason Corridor. This is the same funding mechanism used to fund the 16<sup>th</sup> Street Mall in Denver. The group expressed interest in seeing what a Special Improvement District would look like for Downtown Loveland. Loveland residents indicated that that might not be worth pursuing for our needs.

- 2. *Phase I Funding:* Prior to this meeting the Committee had identified which funding mechanisms could be applied to each of the first two phases of the plan. The group then looked at Phase I funding mechanisms to assess if those would reach the desired level of funding.

- a. *Projected Phase I Revenues:*

<b>Fort Collins</b>	<b>Loveland</b>
Mason Corridor Special District- \$850k	Loveland TR2J \$80K
New negotiated agreements- \$60k	
CSU- \$60, (above current agreement)	
PVH \$100,000 (new route between facilities)	
PSD \$125K	

*Conclusions:* After looking at the projections the group concluded that in order to build out the system we have to introduce a significant Tax or Fee in Phase I, rather than waiting until Phase II. (The other mechanisms identified don't come close to meeting the funding needs.) The Committee stressed the importance of still using the variety of additional funding mechanisms to bring the cost down, and to improve efficiencies as much as possible. The group then discussed the RTA structure in more detail and requested additional information on this for the next meeting.

**Follow-up Actions**

- 1. Staff will provide more information on Regional Transit Authorities.
- 2. Conference call re: Denver's "A – I" initiative set for March 19<sup>th</sup> at 5pm.
- 3. Gary Thomas volunteered to write an initial draft of the recommendations.

**Next Meeting:** March 26, 2009, 5:00 – 7:00 pm, Poudre Fire Authority Station 14 2109 Westchase Drive, Fort Collins. **Meeting focus:** review and finalize funding recommendations.