

## **Resolution Number TC-1828**

### **Denver Union Station notice to proceed**

WHEREAS, the City and County of Denver, the Regional Transportation District, the Denver Regional Council of Governments and the Colorado Department of Transportation (the “Department”) (collectively, the “Partner Agencies”) entered into an Intergovernmental Agreement for the Acquisition and Development of Denver Union Terminal on July 24, 2001 (the “IGA”) for the redevelopment of Denver Union Station and its surrounding environs in lower downtown Denver as a multi-modal transportation center to serve as the future hub for several transportation modes in the Denver metropolitan area (the “Project”); and

WHEREAS, since 2001, the Partner Agencies have prepared a Denver Union Station Master Plan, received a Record of Decision confirming the Federal Transit Authority’s approval to proceed with the Project under the National Environmental Policy Act, secured the necessary approvals for tax increment financing for the Project, established the Denver Union Station Project Authority (“DUSPA”) to become the permanent governing body for the Project and contracted a design/build firm to construct the Project, which is scheduled for completion in 2013; and

WHEREAS, in 2008, the Transportation Commission adopted the Denver Union Station Master Plan Supplement which highlights the goals and vision for the Project; and

WHEREAS, the DUS Plan of Finance provides several revenue sources for the payment of Project costs, which revenue sources include a \$16.8 million award of Senate Bill 97-001 revenue by the Transportation Commission in 2006; and

WHEREAS, the approved elements of the Strategic Transit project, the optimization of the Downtown Circulator Access, final design and construction of the Commuter Rail Facility, and final design and construction of the Underground Bus Facility (collectively the “Approved DUS Project Elements”) were identified as appropriate and timely uses of the SB97-001 funds when approved in 2006 and as revised and approved in 2009; and

WHEREAS, to finance the project on the most advantageous terms possible identified the use of a low-interest Transportation Infrastructure Finance and Innovation Act (“TIFIA”) loan from the United States Department of Transportation (“USDOT”) as a key funding source for the project and at the time it applied anticipated the need to pay the required credit subsidy fee using non federal funds to make the credit subsidy payment; and

WHEREAS, the Transportation Commission approved in its Resolution Number 1782 in October 2009 the use of the SB97-001 funds to pay the credit subsidy fee, so long as subsequently other local funds were reallocated to compensate for this use of the SB97-001 funds; and

WHEREAS USDOT has now not only approved the DUSPA’s application for a TIFIA loan, but also agreed to pay the credit subsidy fee required for the TIFIA loan out of an annual appropriation made available to it in its annual budget rather than requiring the immediate payment of the credit subsidy fee out of DUS local funding sources negating the need to use any SB97-001 funds for the payment of the credit subsidy; and

WHEREAS, the Transportation Commission has reviewed the proposed Project costs, revenue sources and financing methods for Denver Union Station; and

WHEREAS, the Transportation Commission acknowledges the DUS Project Elements are in keeping with the Strategic Transit Plan and the scope of the legislative guidelines; and

WHEREAS, the SB97-001 funds are no longer needed to pay the Credit Subsidy Fee and can now follow normal Departmental processes for reimbursement for expenditure on the Approved Project Element.

NOW THEREFORE BE IT RESOLVED, the Transportation Commission hereby approves the use of up to \$16.8 million of SB1 Transit Funding for the DUS Project Elements as previously approved and hereby removes the three conditions set on the release by the Commission of the SB1 funds for this project set forth in Transportation Commission Resolution Number 1782.

AND THE TRANSPORTATION COMMISSION FURTHER RESOLVES that the Executive Director may concur in the issuance of a Full Notice to Proceed for the construction of the Denver Union Station project once the requisite federal authorization is secured, DUSPA, RTD, and the Department have concluded negotiation of the Intergovernmental Agreements, and project budgeting steps per the Department's normal processes and procedures are complete.