

## MEMORANDUM

**TO:** Colorado Transportation Commission  
**FROM:** Nick Farber, CTIO Director  
**SUBJECT:** Request to OEDIT EDC to Extend CDOT/OEDIT Intra-Agency Loan Agreement  
**DATE:** April 21, 2022

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### Purpose

The purpose of this memo is to describe the CDOT/Office of Economic Development and International Trade (OEDIT) Intra-Agency Loan Agreement (IAA) regarding the acquisition of the Union Pacific Railroad (UPRR) Burnham Yard Property.

### Action

Informational only. No action is needed.

### Background

In February of last year, the Transportation Commission and CTIO Board expressed concern about the CTIO's acquisition of the Burnham Yard Property (Property) from the UPRR. Responsive to those concerns, CDOT/CTIO, at the Governor's direction, worked with peer agencies to develop a clear bifurcation of risk and responsibilities associated with working in and around the area. Other state agencies, including the Colorado Office of Economic Development and International Trade (OEDIT), to reimburse CDOT for half of the down payment, and then offset the risk to CDOT for the non-transportation portion of the property while also leading discussions about non-transportation topics such as housing and economic development with other agencies such as the Department of Local Affairs (DOLA).

The OEDIT Economic Development Commission (EDC) approved the earmark, and the IAA described the substantive terms of how CDOT, CTIO, and OEDIT work together and allocate rights and responsibilities regarding the Property's acquisition. If CDOT does not pay back the the loan in a year, the EDC may: 1) extend the loan for another year interest free; 2) extend the loan for another year at a reasonable interest rate; or 3) with the written consent of CDOT, convert the loan to a grant (EDC waives its rights to repayment) in exchange for a percentage of net proceeds from the sale of the non-transportation related parcel.<sup>1</sup> Attachment A is the letter from Executive Director Lew requesting a one-year extension of the IAA interest free. The letter also details CDOT and CTIO's efforts regarding the property over the last year.

### Next Steps

Director Farber will present to the EDC the morning of April 21st to request the extension of the Intra-Agency Loan Agreement.

### Attachments

April 21st Letter from CDOT Executive Director Lew to the Colorado Economic Development Commission

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<sup>1</sup> Net proceeds will be determined after the CTIO has paid off the loan it procured to purchase Burnham Yard, CTIO has paid back any CDOT back-up loans, and the UPRR has been paid its revenue share according to the Purchase and Sale Agreement.