

MEMORANDUM

TO: CTIO¹ BOARD OF DIRECTORS
FROM: PIPER DARLINGTON, CTIO DIRECTOR
SUBJECT: FUNDING MATCH FOR THE FISCAL YEAR (FY) 2023 RECONNECTING COMMUNITIES AND NEIGHBORHOOD GRANT PROGRAM
DATE: SEPTEMBER 19, 2023

PURPOSE:

The Colorado Transportation Investment Office (CTIO) Board of Directors (Board) is being asked to approve the attached resolution that commits to match funding for the Removing the Highway Barrier: Equitably Restoring Colfax and Federal Mobility and Land Use grant being submitted for the fiscal year (FY) 2023 Reconnecting Communities and Neighborhoods (RCN) Discretionary Grant Program.

REQUESTED ACTION:

CTIO staff is requesting Board review and approval of Resolution #427.

BACKGROUND:

Since 2009, planning efforts and area studies in the Sun Valley neighborhood have increased, with a specific focus on addressing the Colfax and Federal Interchange (the Interchange). In 2009, 2012, and 2016, CDOT analyzed various design alternatives for the interchange at the request of various community groups. Since then, CTIO and CDOT have been involved in discussions with local agencies, private developers, and community leaders (including the West Colfax Business Improvement District (BID) about potential transformational alternatives to the Interchange.

In August 2019, the City and County of Denver (CCD) and CTIO/CDOT staff signed a Letter of Commitment (included as Attachment A) to begin a more structured approach to build on the initial visioning work done by external stakeholders and the various studies completed by CDOT. The Letter of Commitment acknowledged that both CCD and CTIO/CDOT support transforming the Interchange into a more urban and community-integrated configuration and redeploying the land, thereby freed up towards high-density, mixed-use, transit-oriented development. Under the Letter of Commitment, CTIO/CDOT and CCD each agreed to commit a minimum of \$500,000 to help advance the re-imagining of the Interchange.

With its funding contribution, the CCD initiated the Colfax and Federal Interchange Transformation Project in early 2020 and was completed in December 2021. The study was an effort to better understand the technical factors, including the interchange configuration and stormwater opportunities, and to evaluate the scenarios that best connect to the vision and goals from previous citywide and area-specific plans.

This Project developed four scenarios that:

¹ The High-Performance Transportation Enterprise (CTIO) is now doing business as the Colorado Transportation Investment Office (CTIO). CTIO is how the enterprise refers to itself now and in the future. However, the CTIO name is retained for legislative and legal documents.

- Re-envisioned the 29 acres occupied by the Interchange;
- Significantly improved pedestrian, bicycle, and transit mobility options;
- Responded to needed stormwater and water quality infrastructure improvements;
- Supported potential future land use and development, connected neighborhoods, and enhanced experience, aesthetics, and safety of the public realm.

Since the completion of the CCD study, CTIO and CDOT have been working to advance the refinement of the scenarios and figure out the best path forward, given other priorities that have emerged for the Colfax and Federal corridors.

CURRENT DETAILS:

The Infrastructure Investment and Jobs Act (Bipartisan Infrastructure Law or IIJA) and the by Inflation Reduction Act (IRA) appropriated \$3.353 billion to be awarded by the US Department of Transportation (USDOT) for FY 2023 for this program. The Notice of Funding Opportunity (NOFO) for the FY 2023 RCN Grant Program was originally released by the U.S. Department of Transportation (USDOT) on July 5, 2023, and on August 21, 2023, Amendment 1 to the original NOFO was issued. Since then, CTIO, CDOT, and CCD have been working closely to draft an application for community planning funds.

If awarded, the CTIO commits to providing up to a maximum of \$400,000 of available revenues to analyze the market value of the land, provide guidance on the highest and best use of the land given the interchange redesign that will result from the study, and coordinate with the development community for due diligence on land valuation and innovative financing feasibility.

CTIO sees the grant match as its contribution under the 2019 Letter of Commitment and aligned with the current FY 2023-24 Fee for Service Intra-Agency Agreement (IAA) Scope of Work and recommends Board support of the CTIO requested RCN grant match.

OPTIONS AND RECOMMENDATIONS:

1. Adopt Resolution #427 Committing a CTIO Funding Match for the Fiscal Year (FY) 2023 Reconnecting Communities and Neighborhoods (RCN) Grant Proposal: Removing the Highway Barrier: Equitably Restoring Colfax and Federal Mobility and Land Use- **Staff Recommendation.**
2. Do not approve.

NEXT STEPS:

1. CDOT will submit a grant application for the project by the USDOT September 28th deadline.
2. If a grant is awarded, CTIO staff will return to the Board requesting to budget the match funding as part of an FY 2023-24 budget amendment.
3. If a grant is not awarded, CTIO, CDOT, and the City and County Denver will continue to explore other funding sources and ways to advance the Colfax and Federal Interchange Project.

ATTACHMENTS:

Attachment A: 2019 Letter of Commitment
Attachment B: Resolution #427