COLORADO
Transportation
Investment Office

Senate Bill 24-184 Revenue & Project Analysis

July 15, 2026

SB 24-184 Congestion Impact Fee Overview

Goal

- Implement a fee on short-term vehicle rentals that helps reduce congestion through funding transit and rail projects

Implementation date

- January 1, 2025

Fee

- $3.13 ($3.00 base plus average annual inflation for previous five years)

Allowable Uses

- Surface transportation projects: highway, bridge, any other infrastructure, facility, or equipment used to transport people and move freight on systems that operate on or are affixed to the ground, including passenger rail, bus, or other public transportation vehicles.

SB 24-184 Reporting Requirements

Inflation Adjustment

- Starting for FY 2026-27, the fee will be brought to the board for an inflation adjustment based on the annual average of the past five years of Denver-Aurora-Lakewood CPI.
  - An adjustment was approved at the May board meeting to increase the fee from $3.00 to $3.13.

Multimodal Strategic Capital Plan

- Submitted March 1, 2025, this included how 184-funded projects align with CDOT’s Ten-Year Plan, statewide and transportation commission GHG goals, and how 184-funded projects will benefit fee payers and reduce adverse impacts on highways.
- CTIO is working on an update to the Multimodal Strategic Capital Plan (MMSC) plan to align with CDOT’s recently adopted Ten-Year Plan.

Federal Funding Opportunities

- Submitted March 1, 2025, with the MMSC plan, information on federal funding opportunities through 2030.

Revenue Analysis

- By March 1, 2030, CTIO is required to perform an analysis of the congestion impact fee rate, total revenue collected, and the uses of the fee to ensure the fee is set no higher than required to meet financial obligations and to lower the fee or pause inflation adjustments as appropriate. This will be required every five years.

Congestion Impact Fee Drivers

55% Airport Rentals

- Leisure Travel
- Business Travel & Conferences

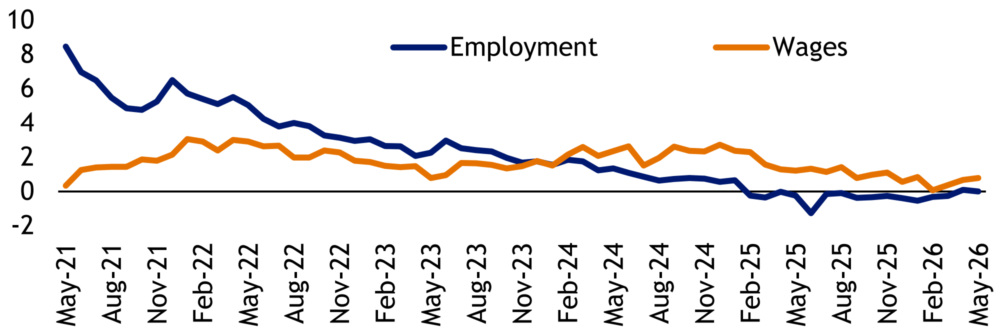
45% Non-airport Rentals

- Population
- Unemployment
- Seasonal Leisure Travel
- Temporary Accidents/Need

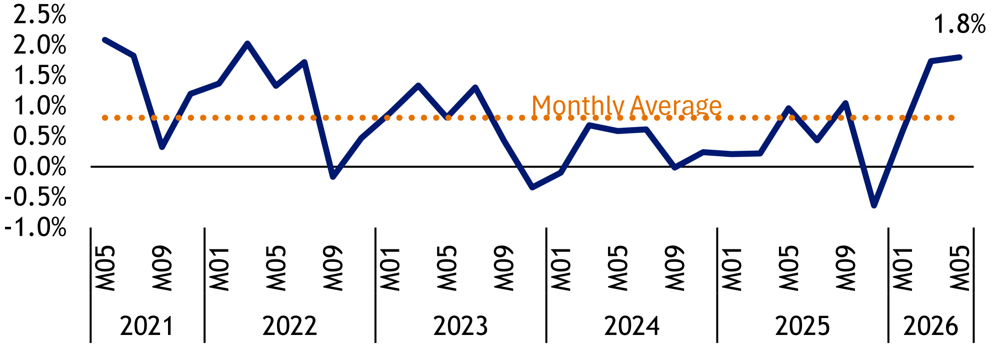
Economic Overview

- Employment
  - -0.3% job growth in 2025
  - +0.2% YTD 2026 but still down -0.4% from Jan 2025
- Wages
  - +4.6% YoY in 2025, lowest since 2020
- Consumer Spending
  - +6.3% Personal Consumpion Exp YoY in May 2026
- Inflation
  - +2.3% for Denver-Aurora-Lakewood in 2025
  - +3.5% January to May 2026
- Tourism
  - -2.6% DIA deplanements in 2025
  - -2.4% YTD 2026

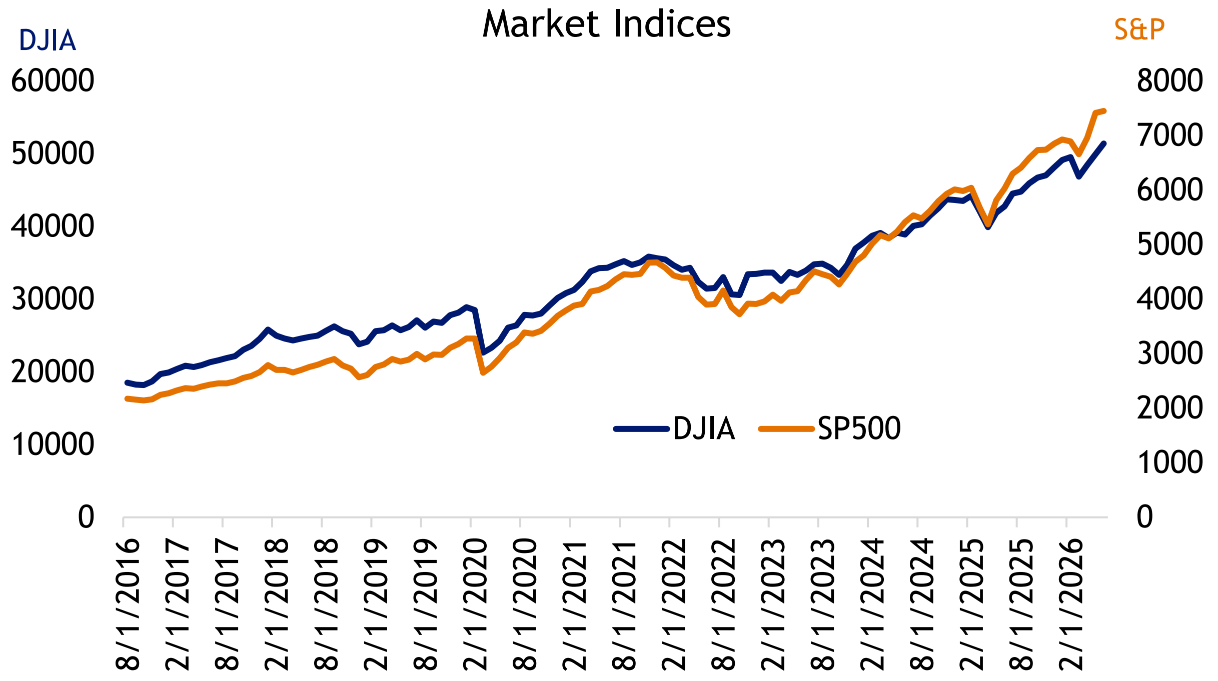
Monthly Employment & Wage Growth



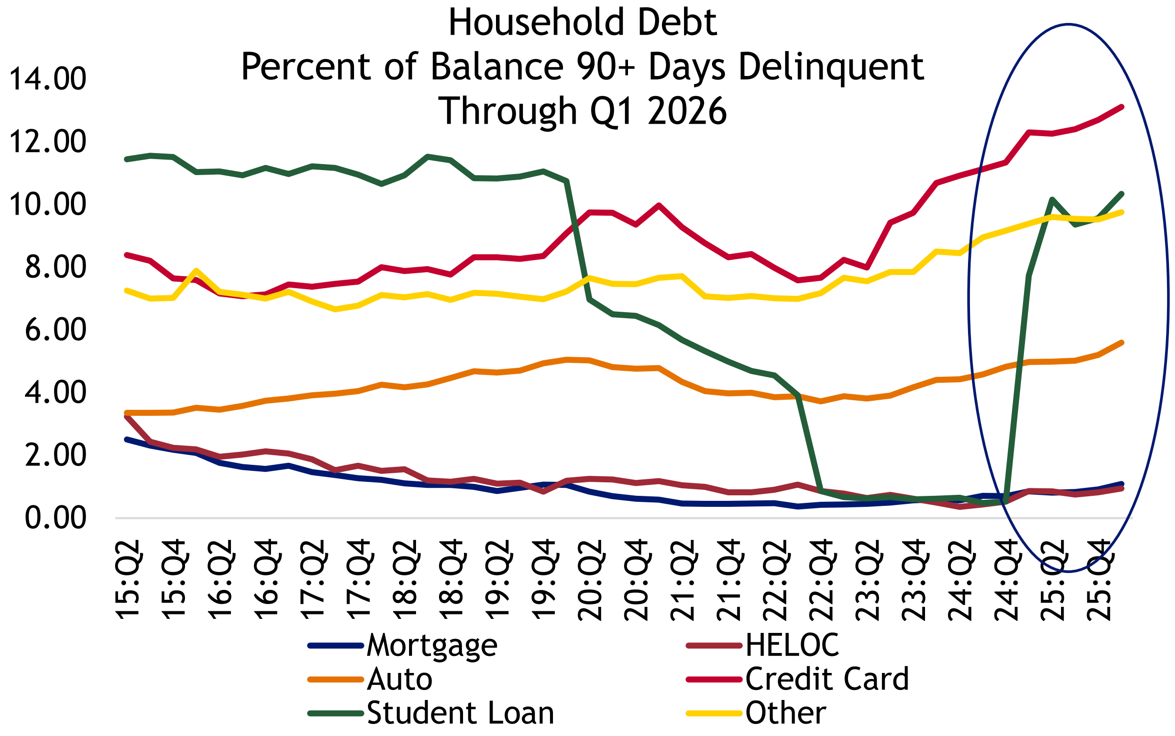
Bimonthly Consumer Price Index
Denver-Aurora-Lakewood



K-shaped Economy Impacts Persist

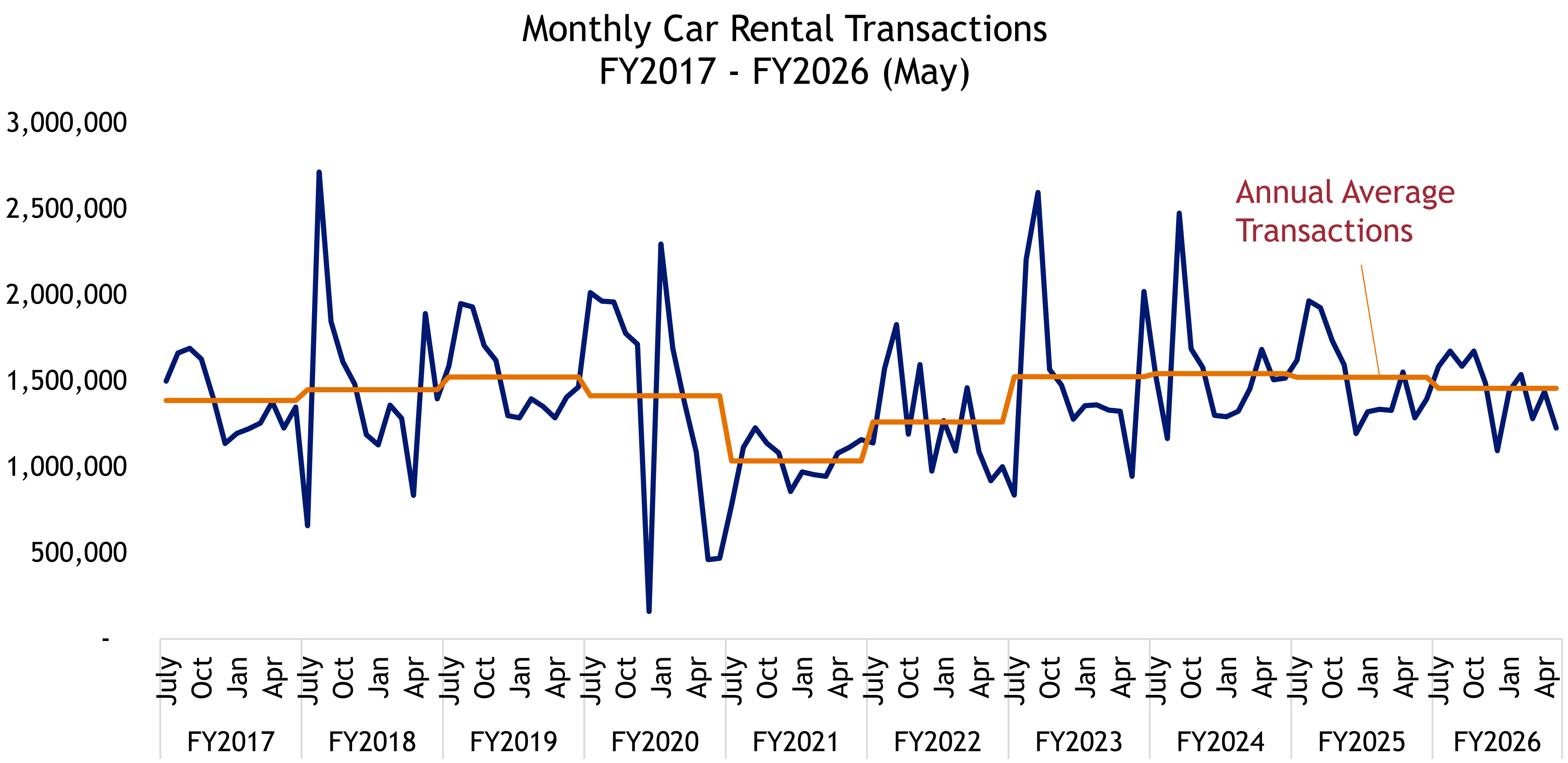


Source: S&P Dow Jones Indices LLC.



Source: Federal Reserve Bank of New York

State Rental Car Fee Revenue History



Year	Strongest	Weakest
FY17	September	Dec
FY18	August	July
FY19	August	January
FY20	NA	NA
FY21	September	July
FY22	September	May
FY23	September	May
FY24	September	August
FY25	August	Dec
FY26	August	Dec

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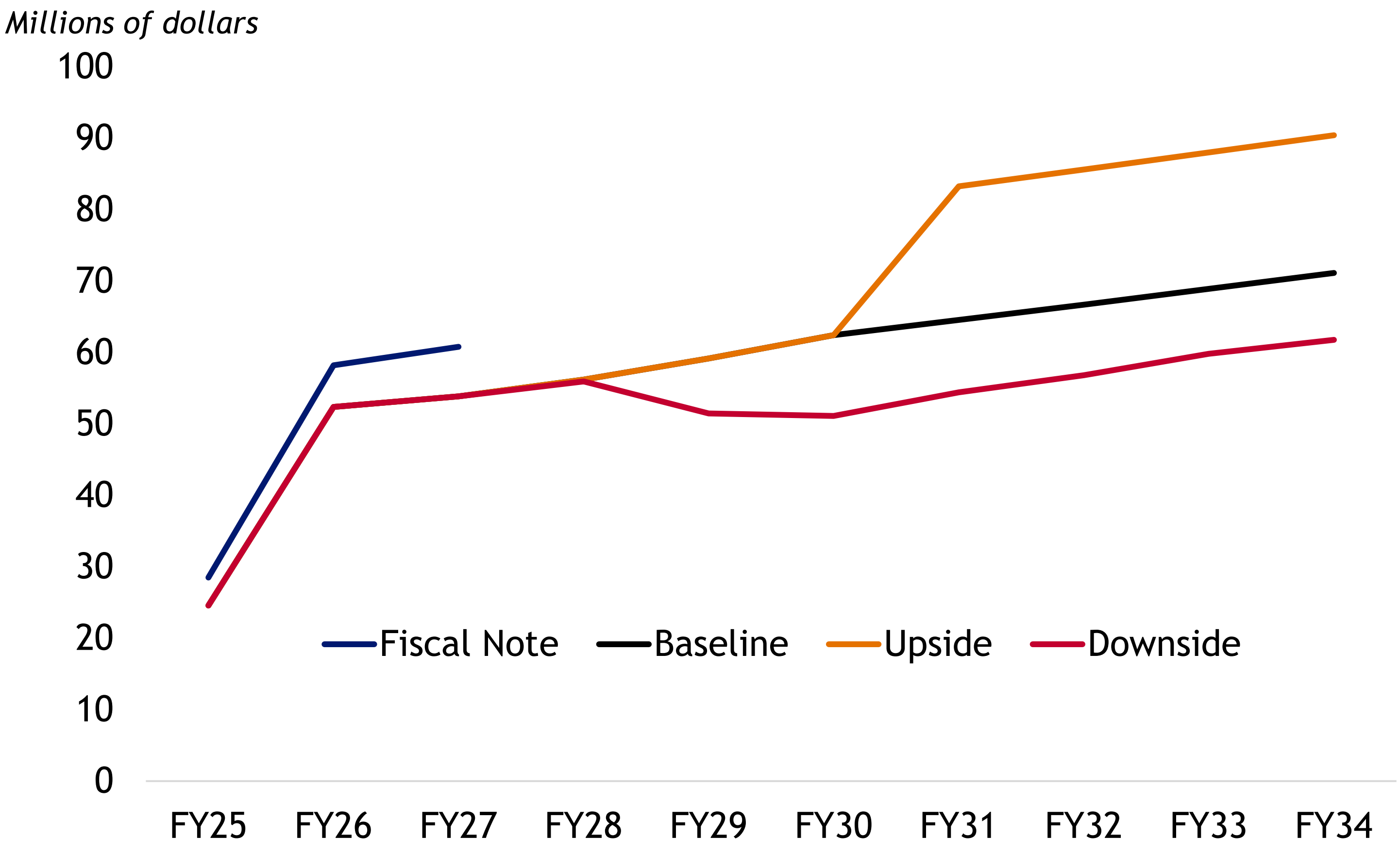
Congestion Impact Fee Revenue Projections



FY25: Half-year impact

Baseline: Near-term decline and then modest growth

Upside: $0.50 fee increase in FY31 in addition to inflation adjustment

Downside: Near-term downturn

Fiscal Note: Initial projections higher than actual collections

Risks to the Revenue Estimates

Upside Risks

- Consumer spending remains strong
- Resolution of conflicts help lower gas prices
- Markets remain strong

Downside Risks

- Continuing softening of labor market and wages
- Inflation remains high
- Tariffs reduced or removed

Rail Project Cost Estimates

Risks to the Cost Estimates

Upside Risks

- Joint Service (JS): Front Range Passenger Rail District (FRPRD) ballot measure
- MR: Final Amtrak operating and insurance costs under negotiation; conservative estimates included
- Farebox revenues higher than projected
- Federal funding opportunities in 2029

Downside Risks

- JS capital costs at 2% design
- American Car Rental Association (ACRA) lawsuit
- Low reserves for Mountain Rail insurance & maintenance
- Economic and climate-related headwinds

Mountain Rail Capital Cost Estimates

Phase	Project	Cost
1a	Granby Layover Facility	$17.8
	Winter Park Resort Station	$0.5
	Fraser Winter Park Station	$0.5
	Granby Station	$0.4
	Denver Union Station	$0.2
	Total Phase 1a	**$19.4**
1b	Henderson Siding	$19.0
	Rollinsville Station	$2.2
	Total Phase 1b	**$21.2**
TBD		
	Rail Maintenance Facility	$22
	West Metro Station	$20

- Granby Layover Facility at 90% design. Awaiting updated costs for the other phases.
- Station upgrades for Phase 1a include only must haves like lighting, way finding, fencing, and signals, depending on the station.
- Maintenance facility and West Metro Station are placeholder amounts.
- Includes 8% CDOT indirect costs.

* O&M costs not listed here but included in scenario charts.

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Joint Service Cost Estimates

Source	Amount	Note
Capital	$176M	2% design; includes approved design budget of $3.8M
CDOT Indirect 8%	$14M	Reduced from 12% and working on refining the %
Operations & Maintenance annual costs	$12M	One-third of total O&M expenses
CDOT/CTIO Costs	$2.0M	Includes staff time, external legal counsel, financial consultants, etc. Will decrease over time.

Bonding Scenarios

Recommendation:

- Bond for Joint Service

  $172M capex + $12.5M debt reserve

  - $12.6M annual debt service
  - $5M debt service coverage ratio
  - 30-year term

Additional Option:

- Higher capex scenario

  $250M capex + $18.3M debt reserve

  - $18.3M annual debt service
  - $7.7M debt service coverage ratio
  - 30-year term

- Timing:
  - Post favorable resolution of the ACRA litigation; 6-9 months to complete transaction

- Considerations:
  - Full capital project list available
  - Need to spend down by 80% in 3 years
  - Maximizes flexibility and cash flow for Mountain Rail and operating costs
  - Can structure bond agreement to leverage future issuances if needed
  - The larger the debt, the less cash flexibility

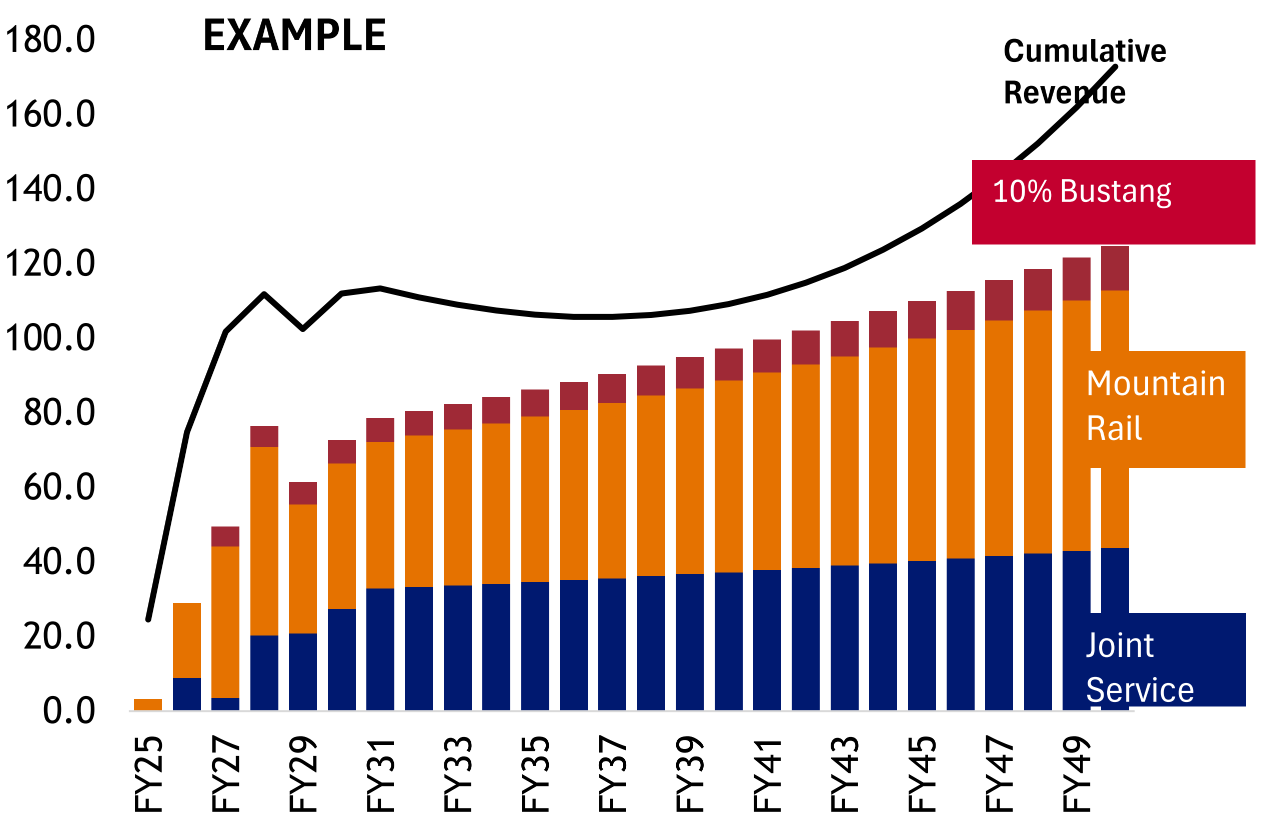
Bustang Funding Options

	FY27	FY28	FY29	FY30	FY31
Fee + Interest	**56.0**	**58.5**	**61.5**	**64.9**	**67.1**
80% Rail	44.8	46.8	49.2	51.9	53.7
20% Bustang	11.2	11.7	12.3	13.0	13.4
85% Rail	47.6	49.7	52.3	55.2	57.1
15% Bustang	8.4	8.8	9.2	9.7	10.1
90% Rail	50.4	52.6	55.4	58.4	60.4
10% Bustang	5.6	5.8	6.2	6.5	6.7

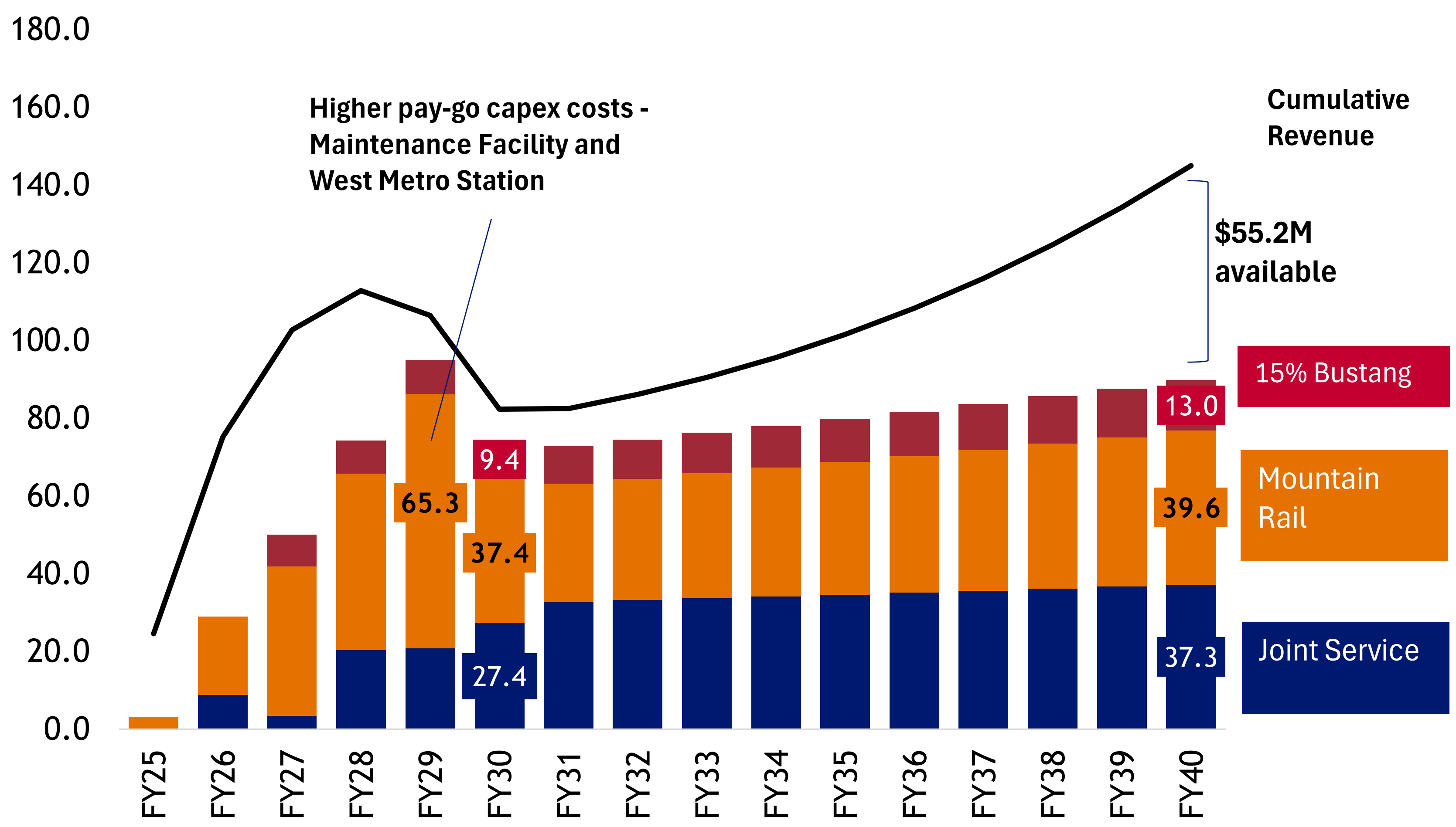
- Various scenarios showing amounts that could be allocated based on percentages of the congestion impact fee.
- 10% allocation was initially contemplated for non-rail projects.

Scenario Chart Explanations

- **Cumulative Revenue** = Congestion impact fee revenue + Interest + Farebox revenue + Roll forward revenue; excess can be used to advance future rail phases or other allowable projects
- Mountain Rail and Joint Service bars represent all costs for each service each year
- Bustang portion does not represent project-specific contingencies but a flexible pot of funds
- If the Available Revenue line dips below colored bars, that year is not affordable



Scenario 1: Baseline - $172M Bond



- Bond in FY27 for Joint Service, payments begin in FY28
- Mountain Rail: Phases 1a and 1b only
- Includes Maintenance Facility and the West Metro Station
- Can afford 15% for Bustang

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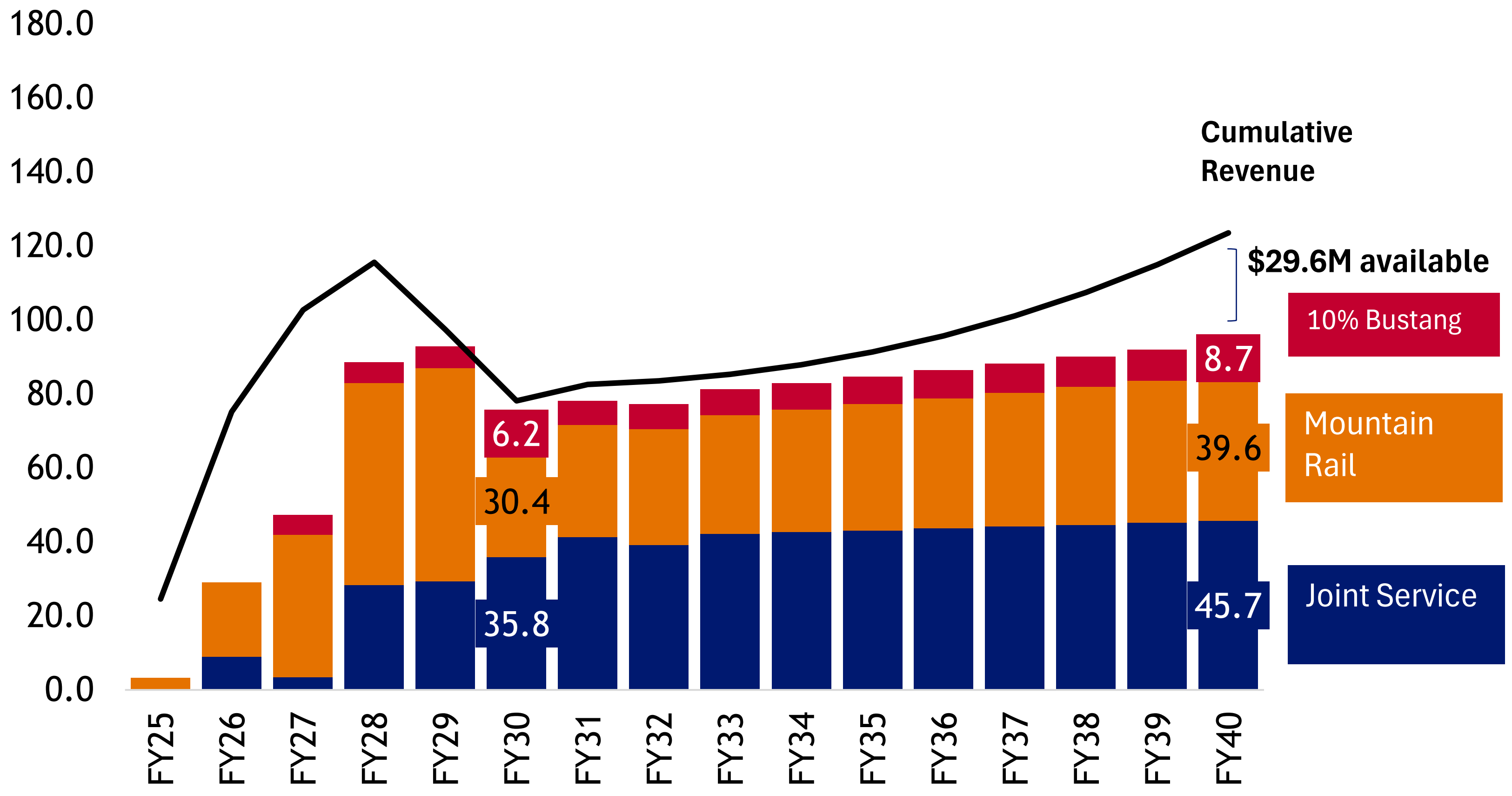
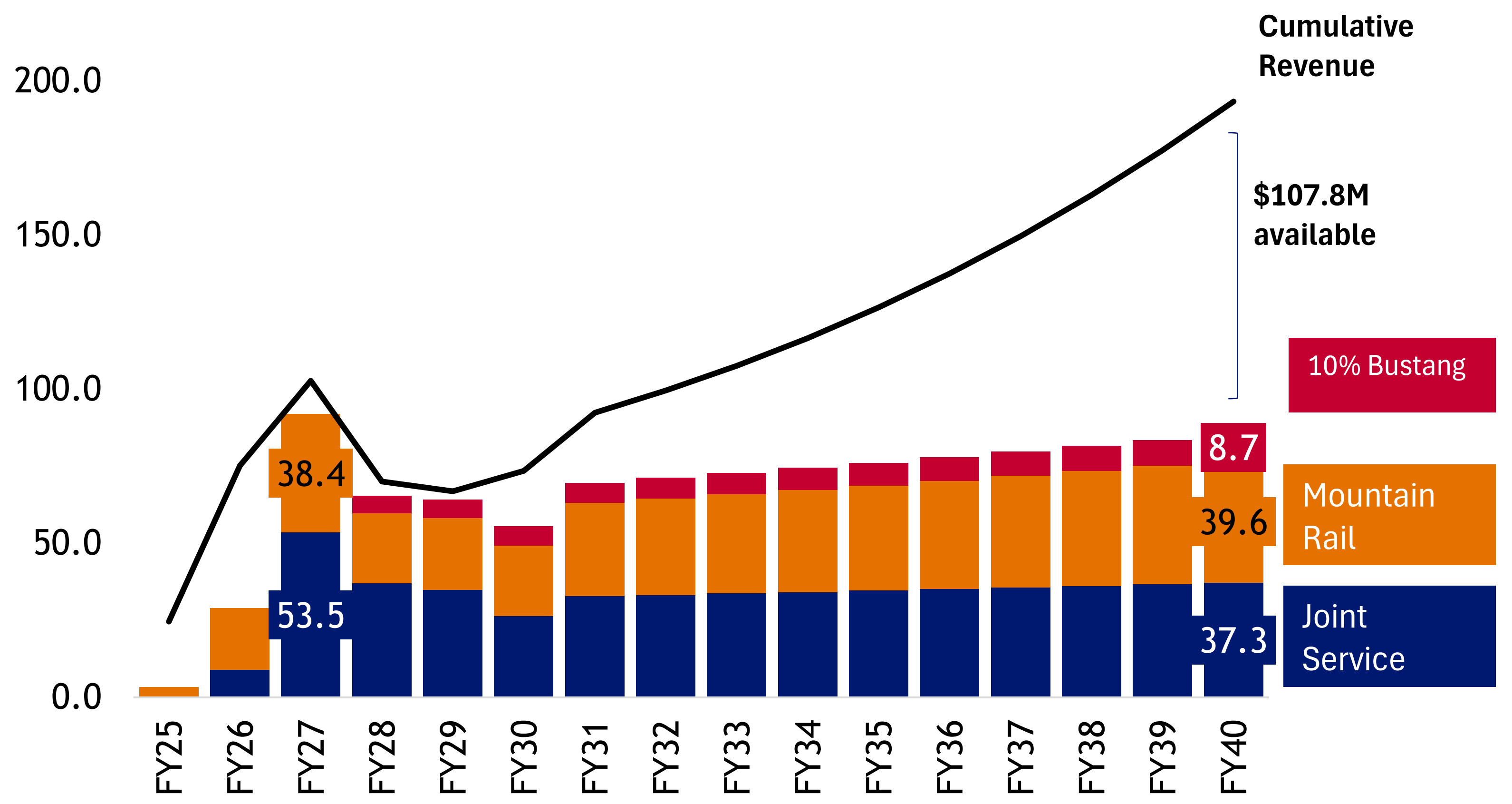
Scenario 2: Higher CapEx - $250M Bond



- Bond in FY28 for $250M if capex costs are higher than anticipated
- Costs include Joint Service, Phase 1b, West Metro Station, and Maintenance Facility
- Can afford 10% of revenue for Bustang

Scenario 3: ACRA Delays - Pay-go until FY30



- Joint Service ($172M total): $118M pay-go FY27-29; bond starting in FY30 for the rest; project delays
- Mountain Rail: $17M pay-go in FY27 for Phase 1a only; Phase 1b will be delayed until FY30 and bond funded
- 10% for Bustang would be delayed FY28

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Questions?