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NORTHERN COLORADO LEADERS PUSH FOR FULL FUNDING OF NORTH I-25

Denver - This morning, Northern Colorado business leaders and elected officials urged the Colorado Transportation Commission to fully fund of the entire stretch of the North I-25 Corridor from Fort Collins to Longmont with anticipated revenues from upcoming ballot initiatives.

A statewide sales tax ballot question will likely face voters in November that promises to fund transportation projects across the state, including major interstates. The tax would authorize over $7.5 billion in revenue proceeds from bonds. In July, the Commission is set to finalize the list of projects that will be promised to be funded by the $7.5 bond program for inclusion in the “Blue Book” voter guide provided to voters ahead of the election.

A permanent fix to expand capacity in the North I-25 Corridor between Fort Collins and Loveland is missing from the current project list. The project is slated to cost $660M. Other segments of I-25 south of Loveland to Longmont are included in the list.

“We are asking that North I-25 and the $660M necessary for full EIS build of these segments be included in the Commission-approved Tier One Project List,” began David May, President and CEO of the Fort Collins Chamber, Chair of the Fix North I-25 Business Alliance and member of the Northern Colorado Legislative Alliance.

“We are, and have been, united as a community around funding North I-25”, highlighted Barbara Kirkmeyer, Weld County Commissioner, Chair of the North I-25 Coalition and Chair of the Upper Front Range MPO. “North I-25 is our ‘Main Street’. We have been good partners to CDOT and joined with you to make significant financial investments in the corridor, but our work is far from done. Let’s be certain we can finish the job.”

Fort Collins Mayor Pro Tem Gerry Horak reminded the members of the Commission, “We support express lanes and tolling. In our growing region, we understand their importance to
mobility and trip reliability. Our growth will only be manageable with the right investment of funds into I-25 between Fort Collins and Loveland”, he continued. “With more than $7.5B in funds available if the initiative passes, the dollars are there to provide the $660M to fully fund North I-25.”

Local governments in the region have invested over $55 million dollars to secure $250M in state and federal funds to begin to address the entire $1.8 billion North I-25 project.

“Don’t punish us for our investment,” implored Tom Donnelly, Larimer County Commissioner and Chair of the North Front Range MPO. “Full completion of North I-25 won’t be realized for over 20 years if this project on I-25 is not included in the project list. You have to get this right.”

The Colorado Transportation Commission is scheduled to finalize the “Tier One Project List” in July for publication and reference for the November ballot questions. A joint letter from Fix North I-25 Business Alliance and North I-25 Coalition that was delivered to the Commission this morning with more details is attached.

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June 18, 2017

Sidny Zink, Chair, Colorado Transportation Commission
Members, Colorado Transportation Commission
c/o Herman Stockinger, Commission Secretary
Colorado Department of Transportation Headquarters
4201 E Arkansas Avenue
Denver, CO 80222

Re: Northern Colorado Requests Transportation Commission Support For:
- Final approval of $200M funding for North I-25 Segment 6 from available SB 1 and COP Funds
- Inclusion North I-25 Segments 7 and 8, and its associated $660M in project costs, in the Tier One Project List

Dear Madame Chair Zink and Members:

Thank you for the work you do on behalf of our state. For years, you have endured the difficult task of making the few dollars available for Colorado’s transportation system go as far as possible. Thank you for your tireless efforts.

Since 2015, Northern Colorado has been at the epicenter of the transportation funding and finance discussion. As a region, we were undaunted by news that the North I-25 corridor would be completed in 2075. Rather we saw the challenge as an opportunity to elevate the conversation about the needs in the corridor and, as important, the needs across the state.

With the state’s economic growth providing new, unencumbered revenues into the state’s coffers, we were encouraged by the potential for a transportation funding and finance package during the 2018 legislative session that could meaningfully address the substantial needs along Colorado’s major interstate corridors and regionally significant corridors throughout the state.

While short of what could have been accomplished, another interim step in funding was passed in the form of Senate Bill 1, providing 1) $451M in one-time funding to the state’s highway system, 2) authority to proceed with the first $380M COP tranche, 3) a path for TRANS bonding and 4) an opening for new revenue sources.
With $831M in certain available funding coupled with the potential of up to $7.5B in bonding authority ahead through initiatives, the opportunity to provide a substantial transportation project funding program is before you.

As you start deliberating 1) the final allocation of the available one-time and COP funds, and 2) the final “Tier One Project List”, we wish to reintroduce you to North I-25 and make the case for continued support by the Commission of the full phases of the project.

**Full Funding of North I-25**

North I-25, one of the largest transportation projects in the state, has been the grateful beneficiary of recent patchwork state, local and federal funding to address its $1.8 billion projected costs. These dollars have begun to address the challenges in the corridor – a corridor that hadn’t previously seen capacity improvement funding in over 50 years.

The North I-25 corridor has undergone an extensive Environmental Impact Study, with a corresponding Record of Decision, detailing the standards for expansion of the roadway from Highway 7 through Highway 14. While the funding directed thus far to the corridor is greatly appreciated, the corridor still requires significant dollars to build the highway to the necessary EIS standards as outlined in the Statewide 2040 Transportation Plan.

**Phase One Interim Project – Segments 7 & 8**

The “Phase One” North I-25 Express Lane Project, in Segments 7 and 8 between Fort Collins and Loveland, is underway. An interim project, Phase One provides an additional Express Toll lane in each direction and additional interchange improvements. While providing long needed congestion relief, these segments are being built in an “urban” 2+1 configuration and are not being built to the full EIS standards. The interim project also does not replace the aging infrastructure that exists in the segments. The region understood this to be a temporary, or “interim”, solution with a commitment for the permanent fix to be delivered within the life of the interim project.

The permanent fix, which encompasses the full 2040 EIS 3+1 build commitment to North I-25 Segments 7 and 8, requires **$660M in funding**. A full 3+1 project, as outlined in the EIS, is the appropriate next phase of segments 7 and 8 as merely moving to a rural 2+1 project would build a grassy median and doesn’t satisfy the projected 2040 needs in the corridor.

**Segments 5 & 6**

Segments 5 and 6, between Loveland south to Longmont, requires a fully EIS compliant and permanent fix at the outset. It is necessary to build to full EIS standards in the 5 and 6 corridor segments because of the required complete rebuilds of entire roadway. This permanent fix would provide necessary congestion relief in the corridor with the addition of an Express Toll Lane and provide critical replacement of the aging infrastructure throughout the corridor.
Building a fully EIS compliant Express Toll lane project in Segments 5 and 6 between Loveland and Longmont is slated to cost $636M to construct ($236M for Segment 6 and $400M for Segment 5).

**Tolling and Express Lanes**
The business, elected, and community leaders in the Northern Colorado region are supportive of the utilization of Express Lanes, and its corresponding congestion pricing tolling, to both mitigate congestion and provide funding to fully fund the corridor construction costs.

**Available and Future Available Funds**

**SB 1 One-Time Funds and COPs**
As noted above, $831M is assured to be available over two years for the Commission to allocate to state highway projects. These funds come from the combination of the one-time funds for state highway projects from Senate Bill 1 and from the issuance of a $380M Certificates of Participation.

**Ballot Initiatives**
This fall, two ballot questions could be before voters to provide funding to the state’s transportation system. Provisions related to CDOT are as follows:

1) **Fix Our Damn Roads/Initiative 167:**
   a. Directs CDOT to issue $3.5B in TRANS Bonds
      i. Under SB 1, if passed, CDOT forgoes the remaining $1.5B in COP tranches in SB 17-267
   b. Projects are delineated in the ballot language and were pulled from CDOT’s 2017 Priority Project List

2) **Let’s Go, Colorado/Initiative 153:**
   a. Total **CDOT Financing Authority is $7.5B**
      i. Authorizes the issuance of $6B in TRANS Bonds
      ii. Under SB 1, if passed, CDOT retains authority to issue the remaining $1.5B in COP tranches in SB 17-267
   b. Projects on CDOT’s Tier One Project List are the projects referenced within the initiative as those promised for funding if the initiative passes
      i. CDOT must finalize and approve the Tier One Project List for inclusion in the state’s “Blue Book” Voter Guide.

**Funding the Corridor with Available and Future Available Funds**

**Available Funds: Segment 6**
Last fall, the Commission preliminarily slated $200M of the $880M in anticipated COP proceeds to go to Segment 6 of the North I-25 Corridor as a matching commitment for the INFRA Grant put forth by CDOT and the North Front Range MPO. We were disappointed that the INFRA Grant was not awarded to the region, however, we encourage and ask the Commission to continue forth with the $200M from available one-time funds for Segment 6.
**Future Funds: Segment 5**
At present, Segment 5 is included in the Tier One Project List for funding if and when dollars become available. Should either of the ballot questions be successful, inclusion of the $400M for Segment 5 in the Tier One List provides assurance that this segment will be funded.

**Future Funds: Segments 7 & 8**
At present, full EIS funding for Segments 7 and 8 is not included in the Tier One Project List but is found in the “Tier Two” list. It is imperative that the Commission-approved Tier One Project List include Segments 7 and 8 and the $660M necessary for full EIS build of these segments.

In anticipation of a successful “Let’s Go, Colorado” ballot initiative, we ask for your support of the inclusion of these segments, alongside Segment 5, in the approved Tier One Project List. With $7.5B in bonding authority granted with passage of Let’s Go, Colorado, it is reasonable to assure the economically critical North I-25 Corridor is fully funded, as voters will assume it is.

If the segments are not included in the Tier One Project List, we will not see the full completion of North I-25 for over 20 years should the “Let’s Go, Colorado” initiative pass in November. A pay-as-you-go approach from CDOT will be insufficient and the ability of the region to fund the project itself through a Regional Transportation Authority will be made impossible as the imposition of a statewide .62% sales tax will assure asking voters in the Northern Colorado region for an RTA sales tax is rendered moot.

**Why Provide a Path to Fully Fund North I-25?**
We ask for your support of full funding of North I-25 Segments 5 through 8 through available funds and anticipated future funds. This request is made for the following reasons:

- **Safety.** North I-25 north of Highway 66 has the same capacity today that it did when it opened 50 years ago in 1967. During that half-century, the population has grown dramatically. This stretch of interstate is increasingly dangerous with accidents occurring along the corridor daily.
- **Congestion.** Past inattention to North I-25 combined with population growth has reduced the flow of traffic to Level of Service D on its way to LOS F by 2030. Trips from Fort Collins to Denver and Denver International Airport could routinely take up to 3 hours to travel 63 and 69 miles, respectively.
- **Economically significant region.** Out of 64 counties, the two-county Larimer-Weld region accounts for approximately 8 percent of the state’s GDP, an outsized contribution. Jobs and the economic growth are at stake. With 1 Million in population growth expected by 2040, growing congestion on North I-25 will be a drag on the region and state’s economy.
- **Interconnectedness.** North I-25 is the only federally designated freight corridor in Colorado. The volume of freight traffic on this two-lane interstate is both dangerous and adds to the unique congestion challenges.
• **North I-25 is ready to go.** It has been designed and has secured the necessary environmental clearances. There may not be another project in the state from which the Commission can get quicker results on congestion relief.

• **North I-25 community has been, and is, united.** Local communities have distinguished themselves from other parts of the state by bringing significant financial resources to the table spending $55M thus far of local government funds while bringing political support for CDOT

• **Cost of inaction.** Every year this project is delayed adds an additional $25 million to $40 million to the cost. With construction inflation at 7-8% year over year, dedicating a significant portion of these funds for North I-25, and large-scale projects like it, is the least expensive way to deliver North I-25.

• Finally, **leadership.** Northern Colorado has been the leader in more funding for the entire state. The North I-25 region expended political and financial capital to help the state solve its transportation funding problem, and to that end, area leaders worked directly with cohorts throughout the state, including Colorado Springs, Vail, Grand Junction, Pueblo, and north Metro areas to lobby state leaders for increased general funds for transportation, a $3.5B bonding program and an openness to new funding sources.

### Northern Colorado is United

Northern Colorado is united in its efforts to assure full funding of North I-25.

The North I-25 Coalition, founded in September 2013, is made up of local government entities – counties, cities and towns – along the I-25 corridor. Their focused and cooperative efforts by members of the Coalition, chaired by Weld County Commissioner Barb Kirkmeyer, recently produced over $55M in local matching funds to position the North I-25 Corridor to receive TIGER grant funding and partner with CDOT for the Phase One project.

The region’s business community founded the Fix North I-25 Business Alliance in early 2014. The Alliance, chaired by David May, President & CEO of the Fort Collins Chamber of Commerce, is made up of business organizations and leaders in Larimer and Weld counties. It has invested significant financial resources in the unified North I-25 effort, and the statewide funding conversation, by retaining a lobbyist, media relations firms, pollsters and other experts to help advocate for more transportation funding for Colorado and North I-25.

Together, the North I-25 Coalition and Fix North I-25 Business Alliance, represent the local governments and the business community of the northern Colorado region. We work in close alignment to maintain a common vision and agenda and coordinate our work.

### Conclusion

We appreciate the work you do as a Commission and understand you have difficult choices to make with limited resources. Full funding of North I-25 through a $200M funding commitment for Segment 6 from available funds coupled with the inclusion of the full EIS build of Segments 7 and 8 in the Tier One Project List is a wise choice of these
limited resources. Because of the planning already done along the corridor, the momentum and the regional support, you can get quick results on one of the state’s most significant transportation corridors.

Sincerely,

Barbara Kirkmeyer                     David May
North I-25 Coalition                  Fix North I-25 Business Alliance

cc: Governor John Hickenlooper
    Executive Director Mike Lewis, Colorado Department of Transportation
    Senator John Cooke
    Senator John Kefalas
    Senator Vicki Marble
    Senator Kevin Lundberg
    Representative Jeni Arndt
    Representative Dave Young
    Representative Lori Saine
    Representative Perry Buck
    Representative Joann Ginal
    Representative Hugh McKean
    Representative Stephen Humphrey