



# Arapahoe County

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## Board Summary Report

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**File #:** 25-411

**Agenda Date:** 8/4/2025

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**To:** Board of County Commissioners

**Through:** Bryan Weimer, PWLF, Director, Public Works & Development

**Prepared By:**

James Katzer, PE, Transportation Division Manager, Public Works & Development

**Presenter:** James Katzer, PE, Transportation Division Manager, PWD Bryan  
Weimer, PWLF, Director, Public Works & Development

**Subject:**

1:00 PM \*I-70/Airpark (Monaghan) Project Impact Fee Proposal

**Purpose and Request:**

Staff will be providing the Board of County Commissioners (BOCC) with answers to previous questions and additional information on the proposed impact fee to fund the I-70/Airpark (Monaghan) Interchange improvements (case nos. C17-07, C22-15). New information includes a complete Interchange Impact Fee Study and a draft resolution to enact the impact fee. Staff is seeking support from the BOCC for implementation of this Impact Fee proposal for the construction of the current project improvements at the I-70/Airpark (Monaghan) interchange.

Public Works and Development staff recommends that the County pursue this funding option, as discussed further in this report, for the current project improvements at the I-70/Airpark (Monaghan) Interchange.

**Background and Discussion:** In collaboration with the developers of Sky Ranch, the County is completing a CDOT 1601 interchange approval process to obtain the approvals and permits necessary to construct improvements needed at the I-70/Airpark (Monaghan) interchange. It has been determined that planned development south of the existing interchange will create a need for capacity and safety improvements to the I-70/Airpark (Monaghan) interchange, as the interchange was designed to accommodate lower, rural levels of traffic. In addition to Sky Ranch, which is currently in development, future developments within the unincorporated County and the City of Aurora will also have impacts on this interchange and will benefit from the proposed project.

For the Sky Ranch Development, the original Plan Development Plan (PDP) and a subsequent amendment require the developer to provide the necessary interchange improvements needed for their development. The PDP and amendment allow the developer to develop up to 1,400 single family dwelling equivalents without the interchange improvements. This is also a requirement of the CDOT access permit that the County and Sky Ranch signed. Sky Ranch has been developing the property in phases and is now approaching the limit of residential units that can be served by the existing interchange improvements.

Interchange Impact Fee Study

The costs of the current interchange improvement project have been estimated to be about \$40 million. As part of the current 1601 Interchange Approval Process, Felsburg, Holt, & Ullevig (FHU) evaluated the extent of traffic forecasted to use the interchange from the areas expect to generate traffic demand. FHU has been working with the County Project Team to design an equitable impact fee structure to help fund the interchange and the proposed fee structure is documented in an Interchange Impact Fee Study finalized in June 2025.

The following steps are involved in calculating proposed impact fees. Each step is documented in the report.

1. **Define Impact Fee Source/Benefit Area:** Identify the development area that will generate traffic using the interchange and will correspondingly be the primary beneficiaries of interchange improvements.
2. **Develop Forecasts:** Prepare forecasts of developments anticipated in the impact fee area.
3. **Allocate Interchange Use/Benefits:** Forecast relative interchange use rates for different parts of the impact fee area.
4. **Define Interchange Costs:** Develop estimates of cost to construct and finance interchange improvements.
5. **Calculate Cost Per Trip:** Calculate the interchange cost per trip generated that can be applied to development.
6. **Develop Fee Schedule:** Develop an impact fee schedule for different land use types based on cost per trip and trip generation estimates for new development.

The impact fee schedule for Tier 1 and Tier 2 (see Figure 5 in the Impact Fee Study) for common land uses is included on pg. 16, Table 7 of the attached final report.

Also attached is a summary of the projected interchange costs and impact fee revenues from the proposed fee captured in the table referenced above, which outlines a total project cost of \$68 million, a total projected impact fee return of \$45.5 million, and an approximate shortfall of \$22.5 million.

#### Draft Impact Fee Resolution

The draft resolution was based on previous resolutions that established the Regional Transportation Impact Fee (RTIF) and the Rural Transportation Impact Fee (RUTIF). The proposed resolution captures the fee schedule and the area it is applicable to. The resolution also memorializes the County's position on the funding of future phases of improvements.

#### Previous BOCC Questions

PWD Staff provided an impact fee update at a BOCC Study Session on January 21, 2025. At that study session, the BOCC asked Staff several questions about the impact fee and options for funding if the City of Aurora does not participate in the impact fee assessment. PWD and County Attorney Staff provided responses and additional discussion at a BOCC Executive Session on March 17, 2025. Responses to the BOCC questions from both January and March meetings and additional updated information will be discussed at the August 4 study session and are included as an attachment.

#### Interchange Implementation Plan and Agreements

Upon approval of the Impact Fee, the completed 1601 Report will be submitted to CDOT for approval. If approved, the parties will proceed to final design and approval of the Interchange. Once final design and approval are complete, the Sky Ranch CAB will proceed to competitively bid the construction of the Interchange, and completion of financing including issuing municipal bonds for the construction of the Interchange.

During final design, the County and the Sky Ranch CAB will finalize the IGA relating to collection of the Impact Fee and remittance to the Sky Ranch CAB for pledge to the Interchange bonds. As the Eastgate development proceeds the County will look to develop an IGA with the Eastgate district(s) for the collection and remittance of the Eastgate Impact Fees for their pro-rata participation and reimbursement to the Sky Ranch CAB.

The County plans to continue to meet with Sky Ranch and Eastgate developers to discuss the funding of the interchange and the agreements needed to implement the plan. An update on this conversation will be provided during the study session.

The decision on who leads construction will be determined in future conversation with CDOT. Sky Ranch CAB will most likely manage the construction of the Interchange, much like all other public improvements relating to the development pursuant to CDOT design standards. Once completed the Interchange improvements will be turned over to CDOT who will operate and maintain pursuant to an Operating and Maintenance IGA which will be developed/negotiated during the final design phase of the Interchange. Construction is expected to occur once the final design is completed and ROW acquired, 2027 at the earliest.

**Fiscal Impact:** The County has signed a funding agreement with the Sky Ranch Developer, which the Developer is obligated for \$923,765 cost to complete the CDOT 1601 Interchange Approval Process, including the calculations for an impact fee to fund the interchange improvements. Previously the Sky Ranch Developer has funded \$500,000 for the Watkins/ Airpark Interchange Study and has funded approximately \$500,000 in improvements to the existing Airpark interchange. Because the 1601 process must be initiated and completed by a local jurisdiction, the work is being managed by the Public Works and Development Department, however, the County will see no fiscal impact.

The Sky Ranch Community Advisory Board (CAB) will issue bonds for construction of the interchange, with pledged revenue from the impact fee and Sky Ranch mills. The County will collect the impact fees and remit to Sky Ranch for bond payments. Sky Ranch CAB is solely responsible for paying off the bonds, including finance charges. The County will not be responsible for any repayment of the bonds since Sky Ranch CAB is the bond issuer.

There is no funding action required with this study session agenda.

**Alternatives:** The County could pursue the no-build alternative, which would not provide any improvements at the interchange in the immediate future, but the County will continue to restrict the Sky Ranch, Eastgate, and other developments while Aurora allows developments within their jurisdiction to continue to build. These developments would then contribute traffic to the interchange absorbing existing capacity and, in a few years, the existing interchange will be at or over capacity.

**Alignment with Strategic Plan:**

- ☒ Be fiscally sustainable
- ☒ Provide essential and mandated service
- ☒ Be community focused

**Staff Recommendation:** PWD Staff recommends that the County pursue the implementation of an impact fee to help fund the improvements at the I-70/Monaghan (Airpark) interchange.

**Concurrence:** N/A