

Impact Report for 13th Avenue Station Urban Renewal Plan

Arapahoe County, Colorado

In accordance with the requirements of Section 31-25-107(3.5), C.R.S. and the requirements of House Bill 15-1348, the Aurora Urban Renewal Authority (the Authority) and the City of Aurora, Colorado (the City) are submitting to the Arapahoe County Board of Commissioners the following Urban Renewal Impact Report concerning the proposed 13th Avenue Station Urban Renewal Plan (the Plan) and two proposed Tax Increment Financing Areas (TIF Area 1 and 2) covering the southern portion of the urban renewal area.

BENEFITS AND IMPACTS

The creation of the proposed urban renewal area and associated TIF areas will provide essential financing to facilitate the construction of a significant concentration of nearly 1,000 affordable housing units within the 13th Avenue Station area. The anticipated benefits and impacts are summarized in the following table.

Benefits	Impacts
<ul style="list-style-type: none">▪ 526 workforce housing units: 457 rental apartments and 59 rental townhomes▪ approximately 430 affordable, deed-restricted units within several separate projects targeting different market segments▪ Use of urban renewal financing to match and leverage State grant funding, overcoming public infrastructure challenges that have long prevented development▪ Increased taxable value within TIF Area 1 (development south of Tollgate Creek); possible increase in taxable value within TIF Area 2 (RTD property), depending on the housing product and the ownership structure▪ Development of a new transit-oriented neighborhood at an urban infill location with excellent access and proximity to jobs and services▪ Alignment with recommendations in the 2020 Aurora Housing Strategy, the City's Proposition 123 affordable housing commitment to DOLA (1,650 new units over three years), and RTD's Equitable TOD Policy▪ Potential increased ridership on the R Line, which could support improved service frequency▪ Potential reduction in Vehicle Miles Traveled (VMT) and Greenhouse Gas (GHG) emissions (compared to standard suburban development)▪ Potential construction of often-requested park space for underserved surrounding neighborhoods	<ul style="list-style-type: none">▪ Incremental increase in City service needs:<ul style="list-style-type: none">○ Police and public safety○ Fire and emergency medical services○ Public works: streets, sidewalks, snow removal, parking enforcement○ Water and wastewater○ Parks, recreation and open spaces○ Library and cultural services○ Animal control○ Housing and community services○ International and immigrant affairs▪ Incremental increase in County service needs:<ul style="list-style-type: none">○ Human Services: community and child support services; child and adult protection services○ Clerk and recorder: motor vehicle; public records; voter services and elections○ Public health○ Workforce center○ Courts○ Detention○ Coroner▪ Incremental increases in developmental disability service needs▪ Incremental increase in preschool through 12th grade students enrolled in Aurora Public Schools▪ Incremental impacts to stormwater management by Mile High Flood District▪ Increased neighborhood traffic

BACKGROUND

The 13th Avenue Station Urban Renewal Area (“Area” or “Plan Area”) includes properties from two separate submarkets, each anchored by an Aurora light rail station: Colfax Station on the north and 13th Avenue Station on the south. The Colfax Station submarket is comprised of stable land uses and the Plan does not contemplate any immediate changes in that area. The primary purpose of the proposed Plan is to facilitate residential transit-oriented development (TOD) on the currently vacant and underutilized land surrounding the 13th Avenue Station. Since 2009, the City’s Comprehensive Plan and Station Area Plan have prioritized dense infill development, and particularly Transit-Oriented Development (TOD), as the most efficient strategy to accommodate growth in a cost-effective manner that maximizes previous public investments in infrastructure and facilities.

Opening in 2017, the 10.5-mile Regional Transportation District (RTD) R Line traverses the city, providing connectivity to major activity centers such as Aurora City Center, Anschutz Medical Campus/Fitzsimons Innovation Community, and Peoria Station (with A Line commuter rail service to Union Station and Denver International Airport). The 13th Avenue Station, however, currently has one of the lowest ridership levels in the RTD system. Located at 13th Avenue and I-225, about two blocks west of Sable Boulevard, the empty commuter parking lot and surrounding vacant land are uniquely well-served by multimodal connections. The site is adjacent to both the regionally significant Tollgate Creek Trail, as well as the only bicycle/pedestrian underpass along I-225, providing a direct connection for neighborhoods on either side of the interstate. The Colfax Bus Rapid Transit will also serve the site in the future. With excellent transit service, an ever-expanding multimodal mobility network, and proximity to over 47,000 jobs, the City has long-envisioned the transformation of 13th Avenue Station into a multifaceted neighborhood with diverse transit-oriented housing choices.

Currently Sable and 13th Avenue provide the only vehicular access to the station and surrounding undeveloped RTD property. Because of the limited access, the development potential at the station has not been realized. Proposed infrastructure improvements, mainly the extension of Dillon Way and a multimodal bridge crossing of Tollgate Creek, would enable the redevelopment of two attractive sites adjacent to and near the station: 1) the 13-acre private property south of the creek (currently owned by Bach Homes); and 2) 16-acre RTD-owned station property north of Tollgate Creek. Both residential redevelopment sites benefit from proximity to the 13th Avenue station as well as good visibility from I-225; however, neither site can be developed due to the need for a secondary access road to meet life-safety requirements.

URBAN RENEWAL STRATEGY

The high-level vision for residential development at the 13th Avenue Station hinges on solving the access and infrastructure challenges in the area. By taking the lead in planning and securing financing for necessary infrastructure, mainly the extension of Dillon Way and a multimodal bridge crossing of Tollgate Creek, the City and Authority will enable the construction of a significant concentration of workforce and affordable/mixed-income housing. Subject to final site plan design and approvals, development at 13th Avenue station is anticipated to provide up to 1,000 infill housing units.

In 2019, after reviewing a conditions survey that identified the presence of six blight factors, Council declared the area as blighted and appropriate for urban renewal. The continued presence of these factors was reconfirmed by a 2024 conditions survey. Because the site conditions and market forces cannot be overcome by tax increment financing alone, the City has secured grant funding to fill the remaining budget gap. With adequate infrastructure funding, the City and Authority will maximize the development potential for the area, enabling new affordable and workforce housing in a compact, sustainable format.

In 2024 Aurora was awarded two Colorado Department of Local Affairs (DOLA) competitive grants, totaling \$4 million, to facilitate the essential road extensions and a multimodal bridge over Tollgate Creek:

- 1) Strong Communities Infrastructure Grant: \$2 million with a \$350,000 local match. Signed grant agreement effective 9/3/2024.
- 2) Energy Impact Assistance Fund (EIAF) More Housing Now Initiative: \$2 million with \$2.9 million local match. Grant agreement effective 10/14/2024.

Infrastructure costs are currently estimated at \$8 million, which will be refined in the coming design process. Nevertheless, the Authority expects that the \$4 million in grant funding will cover no more than half of the estimate bridge infrastructure costs. Tax Increment Financing (TIF) will be an important mechanism for closing the financial gap for the bridge and related public infrastructure.

Figure 1: Proposed Dillon Way Extension and Bridge Connection to 13th Avenue

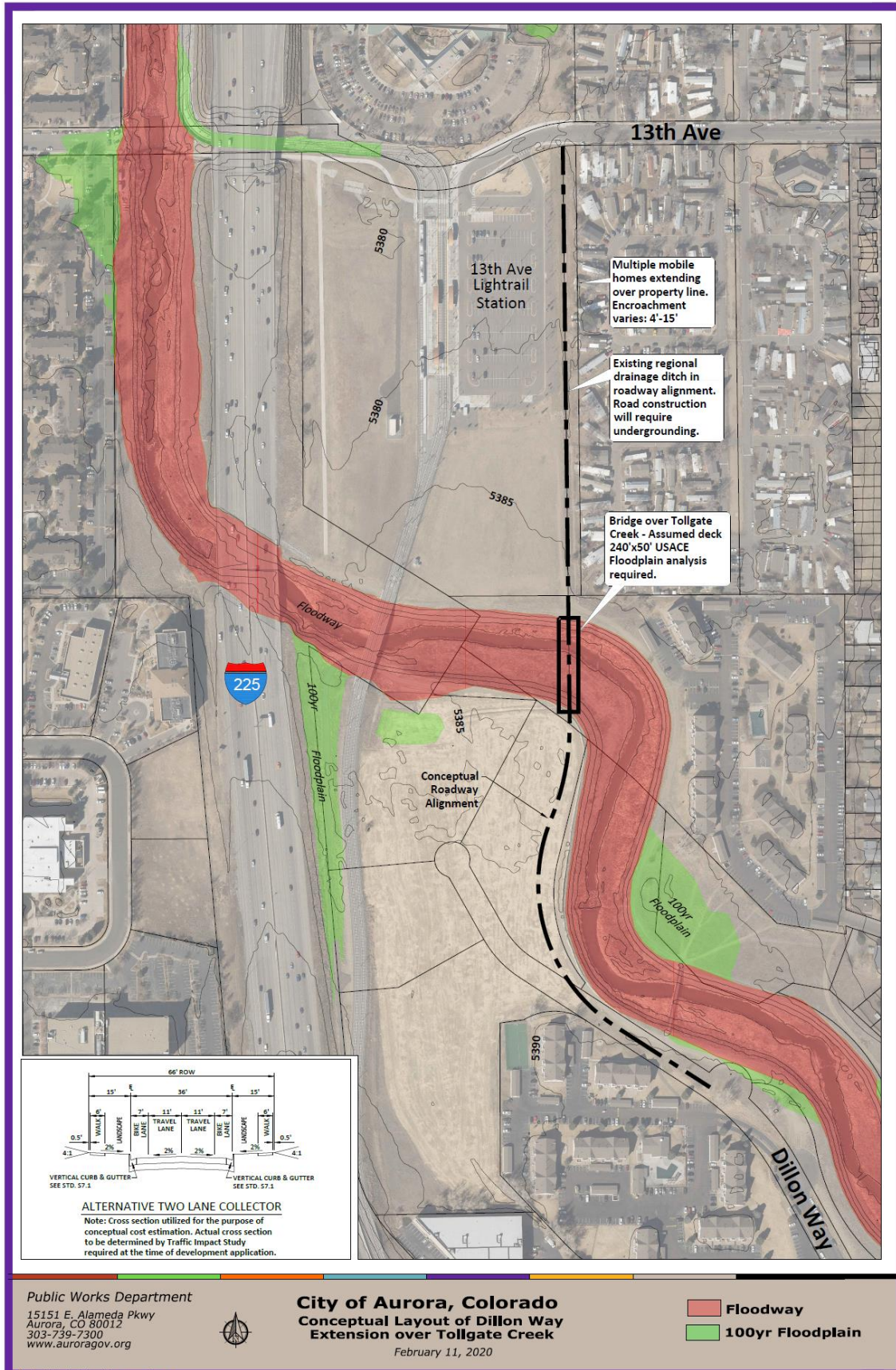
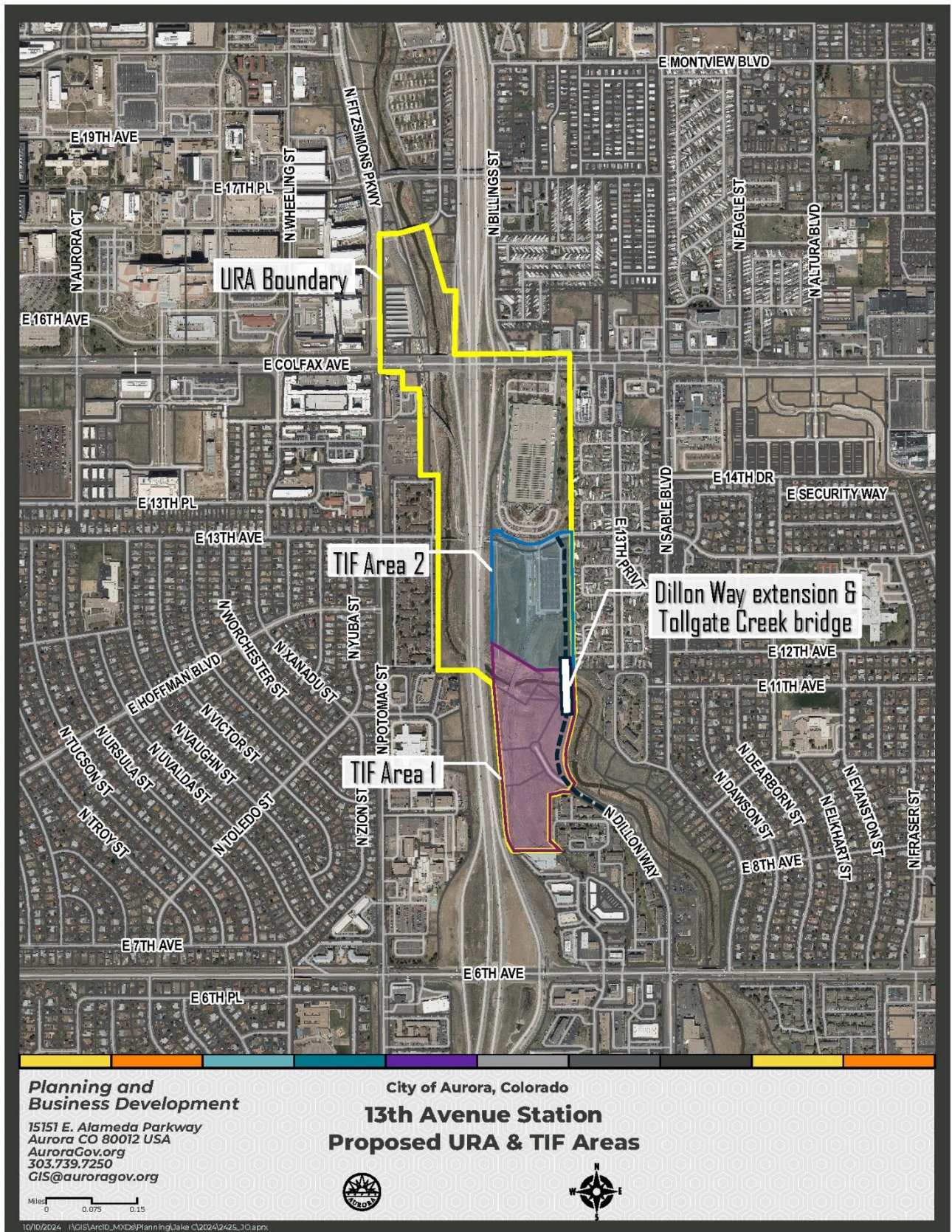


Figure 2: Proposed 13th Avenue Station Urban Renewal Area



TIF AREA 1 PROJECT AND DESCRIPTION: PROPERTY SOUTH OF TOLLGATE CREEK

The proposed TIF Area 1 comprises approximately 13 acres of developable land south of Tollgate Creek, as well as approximately 8.5 acres of existing/future public right-of-way and floodplain. Bach Homes, a private housing developer, has owned the development site since 2019, with the intention of constructing workforce housing. The site, an assemblage of four large parcels previously plated for light industrial uses, is accessed from East 6th Avenue and Dillon Way (currently ending in a cul-de-sac). The developer will oversee the design and construction of the bridge/access roads in conjunction with the finalization of their site plan and phased construction of their housing development.

In June 2023, Council unanimously approved the rezoning of the property to Mixed-Use TOD, in preparation for the development of new housing units. The developer is currently refining site plans for up to 526 workforce housing units (457 rental apartments and 59 rental townhomes). The units will have market rents, which in Aurora, are typically affordable to households at 60% to 90% of the area median income (AMI). The unit mix includes studios, 1-, 2-, and 3-bedroom configurations with anticipated monthly rents ranging from \$1,450 to \$2,950, as shown below.

Tollgate Apartment Community Preliminary Pro Forma @ Full Occupancy									
Last Updated: 07/03/2024									
Unit Mix									
Const. Type	Unit Type Description	Unit Name	Unit Finish	# of Units	Sft.	Rent /Sq. Ft	Rent / Unit	Monthly	Annual
0.b	Studio - 1 Bath		Select	52	475	\$ 3.05	\$ 1,450.00	\$ 75,400.00	\$ 904,800.00
1.b.	1 Bed - 1 Bath		Select	177	861	\$ 1.97	\$ 1,700.00	\$ 300,900.00	\$ 3,610,800.00
2.b	2 Bed - 2 Bath		Select	238	1058	\$ 1.89	\$ 2,000.00	\$ 476,000.00	\$ 5,712,000.00
3.a	3 Bed - 2.5 Bath	2 car gar	Select	59	1664	\$ 1.77	\$ 2,950.00	\$ 174,050.00	\$ 2,088,600.00
Gross Rental Income				526	1002	\$ 1.95	\$ 1,951.24	\$ 1,026,350.00	\$ 12,316,200.00

According to the 2024 Maximum Rent Table published by Colorado Housing Finance Agency (CHFA), shown below, the projected rents for the Bach Homes project would be affordable at the following percentages of the area median income:

- Studio: between 60% and 70% AMI
- 1 Bedroom: approximately 70% AMI
- 2 Bedroom: approximately 70% AMI
- 3 Bedroom: between 80% and 90% AMI

County	HERA	AMI	2024 Maximum Rents				
			0 Bdrm	1 Bdrm	2 Bdrm	3 Bdrm	4 Bdrm
Arapahoe		120%	2,739	2,935	3,522	4,069	4,539
Arapahoe		110%	2,510	2,690	3,228	3,730	4,160
Arapahoe		100%	2,282	2,446	2,935	3,391	3,782
Arapahoe		90%	2,054	2,201	2,641	3,052	3,404
Arapahoe		80%	1,826	1,957	2,348	2,713	3,026
Arapahoe		70%	1,597	1,712	2,054	2,373	2,647
Arapahoe		60%	1,369	1,467	1,761	2,034	2,269
Arapahoe		55%	1,255	1,345	1,614	1,865	1,937
Arapahoe		50%	1,141	1,223	1,467	1,695	1,891
Arapahoe		45%	1,027	1,100	1,320	1,526	1,702
Arapahoe		40%	913	978	1,174	1,356	1,513
Arapahoe		30%	684	733	880	1,017	1,134
Arapahoe		20%	456	489	587	678	756

Development of the property will require a replat and build-out is expected to occur in phases, as shown below. The estimated total development cost is approximately \$124.5 million.

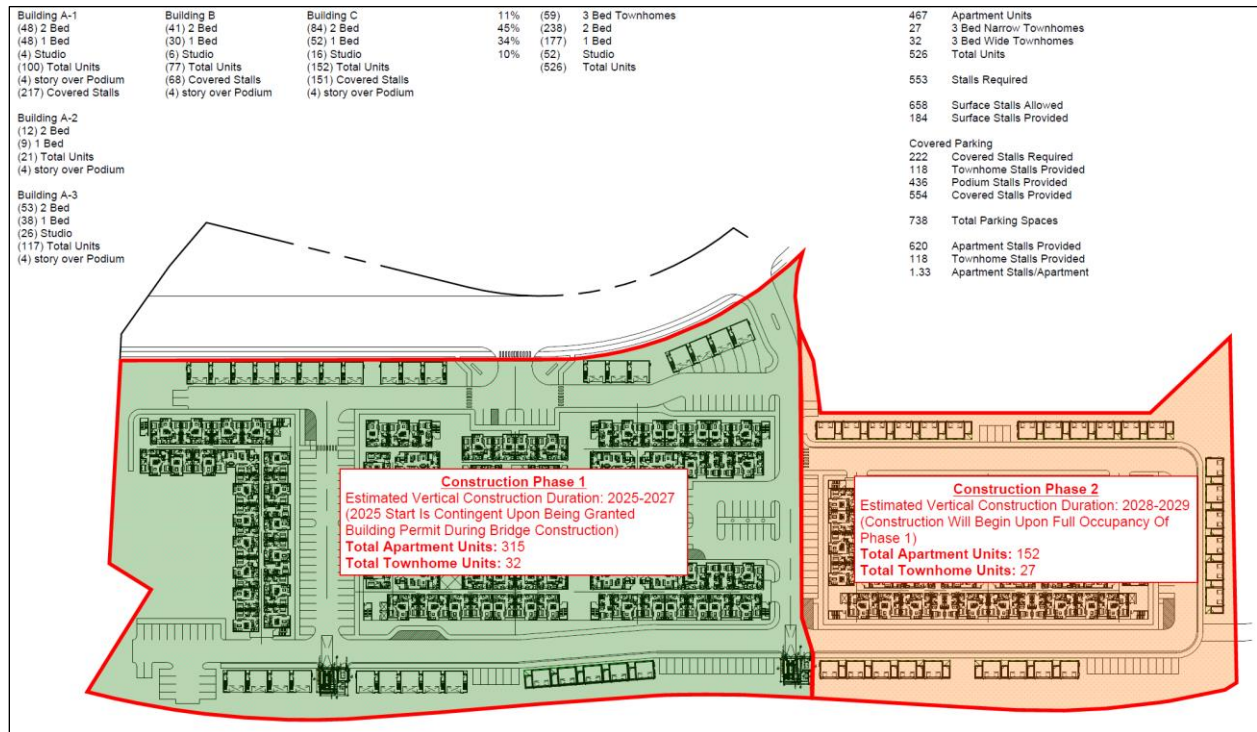
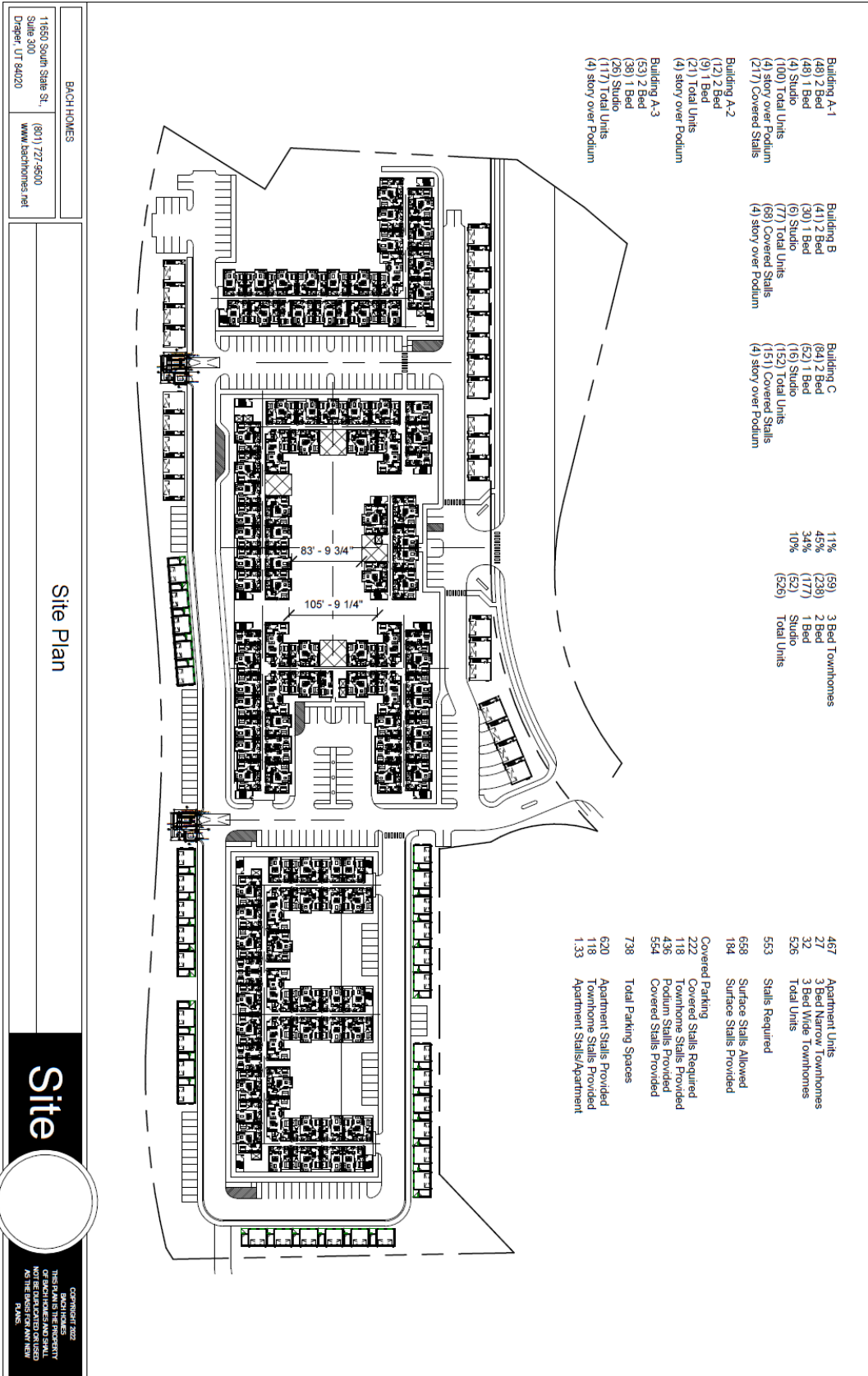


Figure 3: Bach Homes in Context



Figure 4: Bach Homes Site Plan



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TIF AREA 2 PROJECT AND DESCRIPTION: RTD PROPERTY

The 16-acre RTD property at 13th Avenue Station is accessed from E. 13th Avenue and Sable Boulevard. Since 2015 the site has been zoned Mixed-Use Transit-Oriented Development (MU-TOD), in anticipation of potential infill redevelopment. Once bridge design is underway, the City and Authority will collaborate with RTD in issuing a Request for Proposal (RFP) for redevelopment of the station property. Typically, RTD prefers to retain land ownership, offering developers long-term ground leases. The ultimate configuration of the build-out of the RTD site will be determined by the successful respondent(s) to the RFP; however, there is an expectation for a wide range of affordable/mixed income product types, serving diverse populations.

In October 2022 the City's Planning Department and the Housing and Community Development Department jointly funded a consultant-led charrette for affordable/mixed-income development at the RTD station. RTD staff actively engaged in the charrette, helping to test and refine development concepts for approximately 430 units. The following Design Test Fit Scheme, one of several possible development scenarios from the charrette, shows that the eastern portion of the RTD property (approximately 8 acres) can accommodate up to 430 total housing units, including:

- 8 affordable homeownership townhomes (60-90% AMI)
- 42 permanent supportive housing units (<30% AMI)
- 230 attainable apartments (30-80% AMI)
- 150 mixed-income apartments (30-90% AMI)

There is also an opportunity for a small, 6-acre urban park on the west side of the RTD property. The design charrette noted that this portion of the RTD property, being inaccessible and unsuitable for development, is likely best used as park space. A neighborhood park would not only serve new residents of the station area but also provide much-needed and often-requested park space for underserved surrounding neighborhoods.

Figure 5: RTD Property Charrette Design Test Fit Scheme



EVALUATION QUESTIONS

1. What is the public purpose of the project, and how will this development benefit Arapahoe County?
 - a. Number of jobs created (including those jobs at or above the median income level, and temporary vs. permanent jobs). Tax base benefits, Housing benefits, Transportation benefits, Environmental benefits, etc.

With the proposed 13th Avenue Station Urban Renewal Area and associated TIF areas, the City and Authority are seeking to use incremental tax revenues to assist with funding the infrastructure necessary to develop a significant concentration of new workforce and affordable housing units at a strategic light rail station location along Aurora's R line. The provision of new affordable housing has a positive impact on the single issue most affecting the city and county's economy: housing costs. Without the City and Authority's efforts to overcome the infrastructure challenges, the developable land at 13th Avenue Station will remain vacant and underutilized.

Number of Jobs Created

The redevelopment proposed at 13th Avenue Station is entirely residential and therefore does not create new permanent jobs. However, providing new units of workforce housing at this strategic location, adjacent to transit and in close proximity to existing major employers, is highly valued.

Employment Concentration	Estimated Employees
Fitzsimons Health Sciences Area	<ul style="list-style-type: none"> ▪ Direct employment of over 28,600 people from over 111 entities (2019 data) ▪ At build-out, over 40,000 people will be employed on campus (January 2021 economic impact study conducted with the University of Colorado Business Division)
Buckley Space Force Base	<ul style="list-style-type: none"> ▪ Over 12,000 employees on Base (State of the Base 2024)
I-70/DIA logistics hubs	<ul style="list-style-type: none"> ▪ Over 7,000 (Aurora businesses only, Aurora EDC data)

Anschutz Medical Campus has identified a lack of affordable housing as a barrier to attracting employees. Presently, potential employees that are unable to afford market rate housing commute from outside Aurora or take positions elsewhere. The implementation of housing at 13th Avenue Station will assist in supplying affordable/ workforce units within walking, cycling, or an easy transit distance from the campus, helping to support additional life sciences and healthcare jobs for Aurora.

Tax Base Benefits

The following tables show the current property tax district levies for both TIF areas.

TIF Area 1 (Property South of Tollgate Creek)

2024 Tax Levies for Taxing Authority 1155		
Code	Taxing Authority	Levy
0801	Aurora School Dist # 28	71.3310000000
2998	Arapahoe County	15.8850000000
2999	Developmental Disability	01.0000000000
3001	City Of Aurora	06.6130000000
4528	Regional Transportation	00.0000000000
4712	Urban Drainage & Flood	00.9000000000
4713	Urban Drainage & Flood (S Platte)	00.1000000000
4744	W. Arap. Conservation Dis	00.0000000000
	TOTAL	95.8290000000

TIF Area 2 (RTD Property)

2024 Tax Levies for Taxing Authority 1755		
Code	Taxing Authority	Levy
0801	Aurora School Dist # 28	71.3310000000
2998	Arapahoe County	15.8850000000
2999	Developmental Disability	01.0000000000
3001	City Of Aurora	06.6130000000
4528	Regional Transportation	00.0000000000
4703	13Th Ave Station Metro Dist	00.0000000000
4712	Urban Drainage & Flood	00.9000000000
4713	Urban Drainage & Flood (S Platte)	00.1000000000
4744	W. Arap. Conservation Dis	00.0000000000
	TOTAL	95.8290000000

Taxable values within the TIF Area 1 (property south of Tollgate Creek) will grow significantly. The existing 2024 tax base represents \$84,063 in total annual revenue for all the tax entities combined. If the property is developed with 526 rental units, as proposed by the current property owner, the equivalent 2024 total tax revenue is estimated to be \$1,105,052, as shown in the following tables.

TIF Area 1 (Property South of Tollgate Creek) 2024 Existing Tax Base

AIN	Gross Land Area (Ac)	Land SF	Appraised Value PSF	Appraised Value Land (2024)	Appraised Value Improvements	Assessed Value (2024)	Tax Bill (2024)
1975-06-3-14-015	1.594	69,435	\$5.90	\$409,482	\$-	\$114,245	\$10,948
1975-06-3-14-004	2.813	122,534	\$4.20	\$514,727	\$-	\$143,609	\$13,762
1975-06-3-14-013	3.2785	142,811	\$6.00	\$856,866	\$-	\$239,066	\$22,909
1975-06-3-14-017	5.2277	227,719	\$5.99	\$1,363,068	\$-	\$380,296	\$36,443
Total	12.91	562,498.99	\$5.59	\$3,144,143	\$-	\$877,216	\$84,063

TIF Area 1 (Property South of Tollgate Creek) 2024 Equivalent for Proposed Development

Residential Units	Average Appraised Value/Unit (2024 Equivalent)	Appraised Value (2024 Equivalent)	Assessed Value (2024 Equivalent)	Tax Bill (2024 Equivalent)
526	\$327,209	\$172,111,861	\$11,531,494	\$1,105,052

Changes in taxable values within the TIF Area 2 (RTD Property) are more speculative. The entire property is currently tax-exempt. When it is redeveloped with a variety of affordable housing projects, it is likely that a portion of those projects will be developed under tax-exempt ownership arrangements. This Impact Report optimistically assumes that the 150 mixed-income apartments proposed in the Charrette Design Test Fit Scheme will have market rate rents and taxable values. The remaining 280 units are projected to be tax-exempt. The equivalent 2024 total tax revenue for those 150 units is estimated to be \$315,129, as shown in the following tables.

TIF Area 2 (RTD Property) 2024 Existing Tax Base

AIN	Gross Land Area (Ac)	Land SF	Appraised Value PSF	Appraised Value Land (2024)	Appraised Value Improvements	Assessed Value (2024)	Tax Bill (2024)
1975-06-2-00-021	16.0608	699,608	\$1.64	\$1,148,862	\$-	\$320,532	\$-

TIF Area 2 (RTD Property) 2024 Equivalent for Proposed Development

Residential Units	Average Appraised Value/Unit (2024 Equivalent)	Appraised Value (2024 Equivalent)	Assessed Value (2024 Equivalent)	Tax Bill (2024 Equivalent)
150	\$327,209	\$49,081,350	\$3,288,450	\$315,129

Housing Benefits

Aurora has a shortage of 12,000 affordable housing units and 46,370 existing households are considered cost burdened or severely cost burdened. The 13th Avenue Station area can meet some of this need, with space to accommodate approximately 956 new homes. The 13th Avenue TOD project addresses several recommendations in the 2020 Aurora Housing Strategy, including: foster a balanced and sustainable housing portfolio; expand the inventory of housing options; and identify and set aside publicly owned land for mixed-income housing. The proposed 956 new housing units will assist the City in meeting its Proposition 123 affordable housing commitment to DOLA (1,650 new units over three years).

The proposed housing is also in alignment with RTD's aims to site affordable housing at stations and increase transit passenger market share. RTD's Equitable TOD Policy (Resolution 2021-002) states the goal that 35% of all residential units developed on RTD property (system-wide) will be affordable to low-income households. Individual projects on RTD property will likely be supported with Low-Income Housing Tax Credits (LIHTC) requiring deed restrictions through a CHFA (Colorado Housing and Finance Agency) required LURA (Land Use Restriction Agreement) to maintain long-term affordability. The LURA is recorded as a restricted covenant that runs with the land and binds existing and subsequent owners to maintain affordability. In addition, the future housing developed on the RTD site would provide an additional layer of long-term affordability enforcement through the ground lease provisions of the future lease between RTD and the housing developer(s).

Future residents in the 13th Avenue Station area will enjoy convenient access to nearby amenities and

services. The development sites are less than one mile from a grocery store. Other destinations within one to three stops on the R Line include regional shopping areas, civic institutions, and major healthcare facilities. Students living in the station area will be within walking distance of all P-12 schools.

Transportation Benefits

The residents of the future housing units at 13th Avenue Station will provide an additional transit market for the R Line, which could result in RTD resuming its pre-pandemic train frequency of 15 minutes, rather than the current 30 minutes in between trains. As such, the project will not only support attainable housing with access to transit but will positively impact transit access in the wider Aurora area. The anticipated increase in ridership will help offset long-term maintenance costs of the R Line, while preventing the need to otherwise expand transit service to previously undeveloped areas. In addition, future residential Transit-Oriented Development will enable the street and pedestrian network connection to surrounding neighborhoods.

Environmental Benefits

Housing at 13th Avenue Station has the potential to reduce usage of fuel for private motor vehicle travel. Providing housing adjacent to the Tollgate Creek Trail and 13th Ave Station will allow bicycle/pedestrian travel and transit ridership in lieu of some private vehicular trips. The project will reduce the community carbon footprint by facilitating residential TOD adjacent to the 13th Avenue light rail station. This will increase transit ridership and reduce reliance on private vehicular travel for new residents, reducing associated Vehicle Miles Traveled (VMT) and Greenhouse Gas (GHG) emissions. The bridge will provide direct access between the development site south of Tollgate Creek and the RTD site to the north, reducing out-of-direction travel for the area residents and further reducing VMT and GHG emissions.

Other strategies to provide alternatives to private vehicular travel include the following principles, derived from the Station Area Plan and the Comprehensive Plan, which will guide development at 13th Avenue Station:

- TOD works as a dense, well-designed district. Compact development draws value from the transit station and supports an active center. Livability increases with high-quality building architecture and well-designed streets, parks and plazas.
- TOD must be walkable and connect to the surrounding neighborhoods. The relatively small block sizes allow for an attractive and convenient pedestrian experience.
- Natural assets should be celebrated. The Tollgate Creek is a major open space amenity and multimodal transportation resource.
- The city's diverse population is best served by a mix of housing forms that provide a variety of product types and configurations, in locations near existing services.
- Urban development requires a street grid, efficiency in infrastructure, and innovative approaches to detention/water quality.

2. Why is public financing (TIF) needed for the project?

The City has long sought residential development at the 13th Avenue Station. During the R Line design, the City advocated for the addition of this station, seeing its potential for housing near Fitzsimons/Anschutz Campus. The 2009 Station Area Plan reinforced the vision for Transit Oriented Development. Despite this, without Authority participation and grant support for bridge construction, the Bach Homes and RTD projects are not financially feasible.

While the 13th Avenue Station area is designated for Transit Oriented Development, the lack of a bridge connection is the single item preventing affordable and attainable housing from infilling this area. Without

the up-front investment in infrastructure, the 13th Avenue station area will continue to languish – a strategic urban, transit-oriented infill location with unrealized potential. Recognizing that housing does not generate large amounts of property tax increment and that deed-restricted affordable units are often tax-exempt, the City and Authority successfully secured \$4 million in State grant funding to work in tandem with TIF to cover the extraordinary infrastructure expenses.

Beyond TIF, Aurora’s Housing and Community Development Division will consider applications for gap financing to the successful respondent(s) to the RTD RFP. Twice annually the Community Investment Financing Program invites developers to utilize a single application to apply for project assistance from various sources: Community Development Block Grant (CDBG), HOME Investment Partnership Program (HOME), Private Activity Bonds (PAB), and the General Fund. City code also exempts the Aurora Housing Authority (AHA) from all development application fees and this benefit is extended to other affordable housing developers that engage the AHA in a Special Limited Partnership.

3. What is the proposed revenue sharing structure for the project?

The Authority is proposing a complete (100%) pass-through of incremental property taxes derived from the Developmental Disability mill levy. This pass-through, together with the Developmental Disability share of the Base, is expected to generate approximately \$429,000 over the life of the TIF areas.

For the incremental property taxes derived from County taxes, the Authority is proposing a revenue share whereby 70 percent (70%) of available incremental revenues would be used by the Authority within the proposed 13th Avenue Station Urban Renewal Area (URA) and thirty percent (30%) of available incremental revenues would be distributed to Arapahoe County.

The final revenue sharing agreement is subject to negotiations. The table below represents sharing structures between AURA and Arapahoe County ranging between seventy percent (70%) to sixty (60%) revenue sharing, also shown in the attached exhibits.

Arapahoe County Project Participation	Arapahoe County Project Contribution (Future Value)	Arapahoe County Base + TIF Share-Back (Future Value)	Total TIF Project Funds (Present Value)
70%	\$4.159 M	\$2.660 M	\$9.060 M
65%	\$3.862 M	\$2.957 M	\$8.974 M
60%	\$3.565 M	\$3.254 M	\$8.888 M

In these scenarios, sixty to seventy percent (60-70%) of available incremental revenues retained by the Authority (subject to negotiation) would support the infrastructure and related public improvements required to enable workforce and affordable housing development at 13th Avenue Station. Over the life of the TIF areas, the Authority’s 60%-70% is expected to generate between \$3.565 and \$4.159 million for public improvements, while the County’s 30%-40% share, together with the County’s share of the Base, is expected to generate between \$2.660 to \$3.254 million for the County. See the attached increment projections for both TIF Area 1 and TIF Area 2.

4. What, if any, private funding will be allocated to the project?

Bach Homes will be privately developing their 526-unit/\$124.5 million housing project without Authority assistance. The total development cost for a likely maximum of 430 units on the RTD property is estimated at \$102 million. While the future housing on the RTD site will include some amount of private funding, there will likely be significant public funding supporting the affordable housing development on the RTD property, via State and Federal Low Income Housing Tax Credit (LIHTC) allocations, the City’s

Community Investment Financing Program (gap financing), and potentially, additional soft loan funding from the Colorado Department of Housing and other non-profit loan sources, such as Mercy Housing.

5. What is the total cost of the project?

Infrastructure costs for the bridge and roads were initially estimated at \$8 million in mid-2024 and will be refined in the design process, currently underway. There is a real possibility of schedule or cost overruns due to Section 404 permitting for impacts to the floodplain or due to materials cost escalation, particularly, steel tariffs. A 25% to 50% cost escalation could increase project costs to \$10 million to \$12 million.

In addition to project costs (for design, related soft costs, and construction for the bridge and connecting roads), additional funding will be required for the acquisition of right-of-way from adjacent property owners. Appraisal costs are estimated to be \$25,000 and land costs are estimated to be \$10 per square foot. Acquisition costs for privately owned land could range from \$195,000 to \$1,545,000 depending on the final square footage of the area to be acquired (between 17,000 SF and 152,500 SF). Therefore, final project costs could total between \$8.195 million and \$13.545 million (with 50% cost escalation).

Subtracting the \$4 million in awarded State grant funding, the Authority's remaining infrastructure expenses are estimated to be between \$4.195 million and \$9.545 million. This upper limit exceeds the projected \$8.888 to \$9.060 million in available TIF revenues (with 60-70% participation by Arapahoe County, subject to negotiation). Ultimately, if project costs exceed the projected TIF revenues, the Authority will seek additional funding from Bach Homes and/or the City. If additional funding is unavailable, the project will not proceed.

Assuming that final total project costs do not exceed current estimates, the tax increment generated over the 25-year period will be utilized to re-pay the Authority for the required front-funded grant match, as well as to potentially assist with needs related to the construction of affordable housing on the RTD station parcel.

6. What is the anticipated timeframe for project completion?

The estimated design and construction period of the bridge is eighteen months to two years. However, the total design and construction period could extend to three to four years, if it is determined that the bridge design impacts the designated floodplain. Modifications to the floodplain require a Section 404 Permit as part of the Clean Water Act. A 404 permit is issued by the U.S. Army Corps of Engineers and is required for any work in navigable waters, including construction and dredging. The studies required and 404 Permit review process have the potential to substantially lengthen the project timeline.

The financial modeling for the residential development anticipates the completion of the first phase of the Bach Homes project in 2028, with the second phase wrapping up in 2030. The development of the RTD property will require a longer timeline in order to accommodate a formal Request for Proposal process and the longer lead-time needed to arrange financing for tax credit-supported projects. The financial modeling for the development of the RTD property projects the completion of an initial phase of development in 2030, followed by a second phase ending in 2032.

7. What is the term (length) of the TIF and related financing?

The TIF will be in existence for a period of twenty-five years from the time it is established.

8. What risks does the project pose to the County?

a. What are the plans for mitigating those risks?

The project does not pose any risk to the County. Without the additional funding for the infrastructure, the project and associated private development will not happen in the foreseeable future.

9. How do the plans for this project compare to similar projects completed in the County?

The use of TIF to supplement grant funding to finance essential infrastructure is unique.

The Authority has been a financial partner in several other residential transit-oriented developments at other R Line Stations. In these instances, however, the Authority's participation was required to close a financial gap for the private development partners.

- Fitzsimons Boundary Area II URA:
 - Forum at Fitzsimons (2019): 397 multi-family rental units, 28,000 square feet of first floor retail/commercial space, and an internal six-story structured parking garage.
 - Legacy at Fitzsimons (2022): 363 rental apartments, including flats and townhome layouts, as well as a five-level parking garage and pedestrian "paseo."
- Alameda Center URA:
 - Parkside at City Center (2021): 216 rental apartments in Stella on the Park, 36,000 square feet of retail space, and 274 structured parking spaces.
- Iliff Station URA:
 - Marq at Iliff Station (2020): 315 rental apartments, 12,400 square feet of ground-floor retail, and structured parking.

As the multi-family residential market has matured in Aurora, the Authority no longer subsidizes single asset market-rate residential projects. Instead, the Authority has recently used TIF to support affordable deed-restricted housing in Fitzsimons Gateway B URA, directly across from the Anschutz Medical Campus. In 2022 Colorado Housing and Financing Authority (CHFA) approved a LIHTC award for the Fitzsimons Gateway Apartments. This 221-unit project will serve tenants with incomes ranging from 30% to 70% of the area median income (AMI) and will have structured parking, mid-level outdoor community spaces, and other amenities.

10. How will this project impact any other publicly financed projects in the County?

The necessary bridge infrastructure required to support dense residential transit-oriented development will not impact any other publicly financed projects in the County. However, there are opportunities for collaboration between the City and County on other aspects of development within the TIF areas. County participation in affordable housing project(s) at the RTD station would be welcome and could allow both the City and County to make progress on their respective affordable housing goals (and Proposition 123 targets, subject to negotiation). Moreover, the City would welcome any County participation in constructing a new neighborhood park on the undevelopable western portion of the RTD property.

11. How will this project impact current residents/businesses in the project area?

Staff has conducted public engagement for the update to the Fitzsimons-Colfax and 13th Avenue Station Area Plan which includes both the property south of Tollgate Creek and the RTD 13th Avenue Station site. An initial community meeting was held on March 6, 2024 with a second meeting held on December 10, 2024. Invitees and attendees included nearby residents, businesses, property owners, RTD staff, local government officials, Anschutz Medical Campus staff and employees, and others. The City has offered both traditional and virtual input opportunities with full translation and language support. An online survey, available in English and Spanish, received 246 responses from the community.

Feedback from the community has highlighted concerns related to existing crime, traffic, and homelessness in the area. The impacts of new residential development on these concerns are difficult to predict. Traffic impact studies will be required with all new development. Although the new development will likely increase neighborhood traffic, the new Dillon Way extension and bridge connection will also provide an alternative route for neighborhood access to 6th Avenue. Numerous public comments have also focused on the lack of existing park space in the surrounding neighborhoods. As previously mentioned, with this proposed Urban Renewal Area, there is an opportunity to create a neighborhood park on the west side of the RTD property, serving residents of the station area and surrounding neighborhoods.

12. How will this project impact current public services in the County?

The social infrastructure in this area of Aurora is well established, with nearby schools, police/fire, libraries, and County facilities. The proposed residential development (946 new housing units) may have incremental impacts on public services due to the population increase. The following table outlines the public service needs that may be incrementally impacted by the proposed residential projects and the new residents.

Potential Incremental Impacts on Public Service Needs

City of Aurora	Arapahoe County
<ul style="list-style-type: none"> Police and public safety Fire and emergency medical services Public works: streets, sidewalks, snow removal, parking enforcement Water and wastewater Parks, recreation and open spaces Library and cultural services Animal control Housing and community services International and immigrant affairs 	<ul style="list-style-type: none"> Human Services: community and child support services; child and adult protection services Clerk and recorder: motor vehicle; public records; voter services and elections Public health Workforce center Courts Detention Coroner Developmental Disabilities
Aurora Public Schools	Mile High Flood District
<ul style="list-style-type: none"> Preschool Elementary Middle school High school Career and vocational education 	<ul style="list-style-type: none"> Stormwater management

For Arapahoe County, it is expected that some proportion of new residents will require County services. Common services could include human services, clerk and recorder, public health, workforce development, courts, detention, and the coroner.

The Authority is proposing that thirty percent (30%) of incremental property taxes derived from County taxes be allocated to the County, thereby providing financial assistance to meet the incremental service needs of the new residents. Over the life of the TIF areas, a thirty to forty percent (30%-40%) share-back (as contemplated in the attached scenarios and subject to negotiations), together with the County's share of the Base, could generate between \$2.660 and \$3.254 million for the County.

13. How will this project impact the tax base of the area surrounding the project?

The development proposed for both TIF areas may have a positive increase on the residential tax base in

the surrounding areas due to the highly visible, significant new investments.