

**REVISED**

**GRAND JUNCTION CITY COUNCIL  
MONDAY, APRIL 25, 2016**

**WORKSHOP, 3:00 P.M.  
FIRE DEPARTMENT TRAINING ROOM  
625 UTE AVENUE**

*To become the most livable community west of the Rockies by 2025*

**1. Capital Spending Priorities**

[Supplemental Documents](#)

**2. Other Business**

**3. Board and Committee Reports**



## City Council Workshop April 25, 2016

### Summary Statement

The capital worksheet is not intended to be used for a balancing exercise at this point in time, but rather in response to Council's request at the April 11<sup>th</sup> workshop, staff is intending to present financial capacity to pay for ongoing capital needs as well as one-time capital projects. This should prove useful for Council in beginning to prioritize a short list of capital projects for which Council directs staff to begin exploring solutions and recommendations, including asking for voter authorization for the use of TABOR funds, debt issuance, and/or additional taxes. In coordination with this ongoing discussion, staff and Council will need to address funding of the operating components of the budget as the 2017 budget development progresses.

As requested by Council, staff revised the previous capital listing by:

1. Separating ongoing capital needs from one-time capital projects
2. Using a \$2 million dollar floor to reduce the number of projects and highlight larger projects
3. Grouping like type projects together (ie. G Road roundabouts)
4. One-time projects are ordered by the cost of project (high to low)

### **Does Not Include:**

- Capital needs less than \$2 million, therefore is not an all-inclusive list
- Major operating needs such as funding of the E-911 Regional Communication Center
- Other potential outside funding in the form of grants and community partnerships for all projects

### **Does Include:**

*Assumptions and estimations of resources and uses are based on current economic conditions as well as historical trends:*

- Sales tax projected growth (assumed growth rate for revenue and TABOR excess)
- Grants that have been applied for or awarded as of today
- TABOR excess and accumulation of funds for early retirement of the Parkway Bonds
- Cost of "on-going" projects which were categorized based on the historical and future need to allocate funds for these projects to maintain, replace, or repair existing capital assets and infrastructure

**Potential Tax Revenue, Future Unencumbered Revenue for Ongoing and One-Time Capital:**

- Estimated that a .25% increase in City sales tax would generate \$4 million additional annual revenue
- Estimated that a 1 mill increase of City property tax would generate \$917,000 additional annual revenue
- Estimated that a 1% increase in City lodging tax would generate \$468,000 additional annual revenue
- Future TABOR Authorization after payoff of Parkway Debt is estimated to average \$1.2 to \$1.5 million per year (with a larger amount the first year after payoff)
- Future re-purposing of \$3.8 million annual Parkway Debt Service

**Potential Debt Service:**

- Assuming 30 year bonds at 3%, every \$270,000 in debt service yields \$5 million in proceeds and every \$1.1 million in debt service yields \$20 million in proceeds



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	2017	2018	2019	2020	2021	Five Year Total	2022	2023
<b>Ongoing Sources (A):</b>								
1 Sales Tax CIP 3/4% (3% growth)	\$ 12,600,000	\$ 12,978,000	\$ 13,367,340	\$ 13,768,360	\$ 14,181,411	\$ 66,895,111	\$ 14,606,853	\$ 15,045,059
2 Transportation Capacity Fee	700,000	700,000	700,000	700,000	700,000	3,500,000	700,000	700,000
3 Conservation Trust Funds	600,000	600,000	600,000	600,000	600,000	3,000,000	600,000	600,000
4 Open Space	62,000	62,000	62,000	62,000	62,000	310,000	62,000	62,000
5 <b>Total Ongoing Sources</b>	<b>\$ 13,962,000</b>	<b>\$ 14,340,000</b>	<b>\$ 14,729,340</b>	<b>\$ 15,130,360</b>	<b>\$ 15,543,411</b>	<b>\$ 73,705,111</b>	<b>\$ 15,968,853</b>	<b>\$ 16,407,059</b>
<b>Uses:</b>								
6 Riverside Parkway Debt Payment	\$ 3,853,375	\$ 3,854,625	\$ 3,858,625	\$ 3,856,375	\$ -	\$ 15,423,000	\$ -	\$ -
7 TABOR Transfer (B)	1,148,980	1,089,605	1,244,538	1,174,795	1,340,997	5,998,915	2,603,963	1,444,870
8 Net Public Safety COP Lease Payment	1,812,075	1,833,313	1,843,855	1,841,218	1,835,923	9,166,384	1,834,824	1,831,866
9 CTF to Stadium COP Lease Payment	228,650	231,175	228,675	230,406	231,163	1,150,069	229,900	233,213
10 CTF to Golf Internal Loan	155,000	155,000	155,000	155,000	155,000	775,000	155,000	155,000
11 DDA TIF Transfer (3% growth)	144,572	148,909	153,376	157,978	162,717	767,552	167,599	172,627
12	\$ 7,342,652	\$ 7,312,627	\$ 7,484,070	\$ 7,415,772	\$ 3,725,800	\$ 33,280,921	\$ 4,991,286	\$ 3,837,576
13 <b>Available Ongoing Sources</b>	<b>\$ 6,619,348</b>	<b>\$ 7,027,373</b>	<b>\$ 7,245,270</b>	<b>\$ 7,714,588</b>	<b>\$ 11,817,611</b>	<b>\$ 40,424,191</b>	<b>\$ 10,977,567</b>	<b>\$ 12,569,483</b>
<b>Ongoing Uses:</b>								
14 Contract Street Maintenance	4,000,000	4,000,000	4,000,000	4,000,000	4,000,000	20,000,000	4,250,000	4,250,000
15 Facilities Capital Maintenance	672,439	1,567,469	1,632,021	2,505,125	431,140	6,808,194	2,263,576	760,150
16 Economic Development Budget	1,122,000	1,122,000	1,122,000	1,122,000	1,122,000	5,610,000	1,122,000	1,122,000
17 Chipseal and Crackfill Program	787,000	816,000	675,500	886,000	886,000	4,050,500	886,000	886,000
18 TCP - Local Improvements	100,000	950,000	950,000	975,000	975,000	3,950,000	975,000	975,000
19 Alley Improvement District	400,000	400,000	400,000	400,000	420,000	2,020,000	420,000	420,000
20 Curb, Gutter & Sidewalk Replacement	100,000	350,000	400,000	400,000	400,000	1,650,000	400,000	400,000
21 Operations Capital	200,000	206,000	212,180	218,545	225,102	1,061,827	586,855	1,448,682
22 <b>Total Ongoing Uses</b>	<b>\$ 7,581,439</b>	<b>\$ 9,617,469</b>	<b>\$ 9,603,881</b>	<b>\$ 10,725,216</b>	<b>\$ 8,684,344</b>	<b>\$ 46,212,348</b>	<b>\$ 11,135,286</b>	<b>\$ 10,500,642</b>
23 <b>Available/(Deficit) Resources After Ongoing Uses</b>	<b>\$ (962,091)</b>	<b>\$ (2,590,096)</b>	<b>\$ (2,358,611)</b>	<b>\$ (3,010,627)</b>	<b>\$ 3,133,267</b>	<b>\$ (5,788,158)</b>	<b>\$ (157,718)</b>	<b>\$ 2,068,841</b>

24 (A) Resources do not include grant funds. The City has historically been very successful in obtaining significant grant funds for capital projects. Some resources are restricted to specific type of projects such as transportation capacity, parks, recreation, and open space.

25 (B) TABOR transfer is projected based on assumptions regarding interest income, local growth, Denver/Boulder/Greeley CPI, and sales tax and property tax growth. These assumptions will be adjusted as there are influencing changes in the economy which will result in a revision to the projected excess and resulting transfer. However at this time, the assumptions show that sufficient funds are available in 2020 to pay off the 2012 Riverside Parkway Bonds after making the regularly scheduled debt payment in 2020.

	2017	2018	2019	2020	2021	Five Year Total	2022	2023	Project Ranking (1 low - 5 high)			
One-Time Projects:									Public Safety	Infra-structure	Econ. Dev.	Total Score
<i>Public Works Projects</i>												
26 Riverside Parkway Overlay	3,500,000	-	-	-	-	3,500,000	-	-	1	5	3	9
27 Contract Street Maintenance PCI Improvement	1,500,000	1,500,000	1,500,000	1,500,000	1,500,000	7,500,000	1,500,000	1,500,000	1	4	3	8
28 I-70 Interchange at 29 Rd (1/2 County)	1,600,000	-	4,896,000	2,220,000	25,680,000	34,396,000	25,680,000	-	1	2	3	6
29 Westside Beltway (24 & 25 Road Widening)	-	1,000,000	8,000,000	500,000	7,000,000	16,500,000	-	-	1	2	3	6
30 24 Road & Riverside Parkway Interchange	-	-	-	7,500,000	7,500,000	15,000,000	-	-	1	2	3	6
31 G Rd Improvements	56,000	1,365,800	1,653,897	1,985,250	4,279,850	9,340,797	2,537,900	720,350	2	3	1	6
32 24 1/2 Rd; F Rd to I-70	-	200,000	839,850	2,519,550	2,239,600	5,799,000	-	-	1	2	3	6
33 29 Rd Parkway F Rd to I-70 (1/2 County)	-	167,000	709,350	4,019,650	-	4,896,000	-	-	1	2	3	6
34 TCP-F 1/2 Rd Parkway	1,000,000	2,100,000	3,800,000	3,100,000	-	10,000,000	-	-	1	2	2	5
35 25 Rd. F Rd. to G Rd.	-	205,000	582,000	5,238,000	-	6,025,000	-	-	1	2	1	4
36 D 1/2 Rd. (29 to 30)	-	146,000	794,200	3,176,800	-	4,117,000	-	-	1	2	1	4
37 28 3/4 Rd; North Ave to Orchard Ave	86,000	474,800	1,899,200	-	-	2,460,000	-	-	1	2	1	4
38 Orchard: Normandy to 29 Rd	-	400,000	1,900,000	-	-	2,300,000	-	-	1	2	1	4
<i>Public Safety Projects</i>												
39 Fire Station 6 (North)	500,000	3,500,000	812,000	-	-	4,812,000	-	-	5	3	2	10
40 Public Safety Training Campus	1,000,000	1,000,000	712,700	-	-	2,712,700	-	-	5	2	1	8
41 Police Building Annex	400,000	1,600,000	-	-	-	2,000,000	-	-	3	3	2	8
42 Fire Station 3 Relocation	-	364,652	3,750,000	-	-	4,114,652	-	-	3	1	2	6
<i>Parks and Recreation Projects</i>												
43 Community Center	-	-	-	-	30,000,000	30,000,000	-	-	3	4	3	10
44 Matchett Park Development	-	-	18,000,000	18,000,000	-	36,000,000	-	-	1	4	4	9
45 Event Center - Includes TRCC renovation (C)	-	5,000,000	28,500,000	28,650,000	-	62,150,000	-	-	1	4	3	8
46 Las Colonias Park Development (no Amphitheatre)	2,122,000	3,803,500	2,188,000	3,452,000	-	11,565,500	-	-	1	2	3	6
<i>Other Projects</i>												
47 Facilities 2016 Unfunded Projects	1,479,876	-	-	-	-	1,479,876	-	-	2	4	2	8
48 Two Rivers Building Requirements	804,678	39,556	700,744	612,249	949,980	3,107,207	155,175	598,779	1	4	2	7
49 <b>Total One-Time Projects</b>	<b>\$ 14,048,554</b>	<b>\$ 22,866,308</b>	<b>\$ 81,237,941</b>	<b>\$ 82,473,499</b>	<b>\$ 79,149,430</b>	<b>\$ 279,775,732</b>	<b>\$ 29,873,075</b>	<b>\$ 2,819,129</b>				

One-Time Projects With Sources Applied for or Awarded:

One-Time Uses	2017	2018	2019	2020	2021	Five Year Total	2022	2023
50 <b>One-Time Uses</b>								
51 North Avenue Complete Streets (Grant) <sup>1</sup>	50,000	50,000	300,000	6,550,000	6,550,000	13,500,000	-	-
52 22 Rd/River Road Railroad Crossing (Grant) <sup>2</sup>	100,000	400,000	7,833,000	-	-	8,333,000	-	-
53 Monument Road Trail Phase 1 (Grant) <sup>3</sup>	-	300,000	3,950,000	-	-	4,250,000	-	-
54 Horizon Drive I-70 To G Road <sup>4</sup>	-	-	350,000	6,650,000	-	7,000,000	-	-
55 <b>Total One-Time Uses</b>	<b>\$ 150,000</b>	<b>\$ 750,000</b>	<b>\$ 12,433,000</b>	<b>\$ 13,200,000</b>	<b>\$ 6,550,000</b>	<b>\$ 33,083,000</b>	<b>\$ -</b>	<b>\$ -</b>
56 <b>One-Time Sources</b>								
57 <sup>1</sup> Federal TIGER VIII Grant	-	-	-	5,000,000	4,900,000	9,900,000	-	-
58 <sup>2</sup> Federal FASTLANE Grant	100,000	400,000	6,600,000	-	-	7,100,000	-	-
59 <sup>3</sup> Federal FLAP Grant	-	150,000	3,368,275	-	-	3,518,275	-	-
60 <sup>4</sup> Federal TARP, DOLA and Haz. Elimination Grant	-	-	350,000	5,150,000	-	5,500,000	-	-
61 <b>Total One-Time Sources</b>	<b>\$ 100,000</b>	<b>\$ 550,000</b>	<b>\$ 10,318,275</b>	<b>\$ 10,150,000</b>	<b>\$ 4,900,000</b>	<b>\$ 26,018,275</b>	<b>\$ -</b>	<b>\$ -</b>
62 <b>Total Net One-Time Use Costs</b>	<b>\$ (50,000)</b>	<b>\$ (200,000)</b>	<b>\$ (2,114,725)</b>	<b>\$ (3,050,000)</b>	<b>\$ (1,650,000)</b>	<b>\$ (7,064,725)</b>	<b>\$ -</b>	<b>\$ -</b>

(C) Assumes the purchase of the Mesa Pawn property. The City currently has a purchase option of \$750,000 that expires in June 2016.