



Dessie Hoppes

From: Tom Boni <tomboni@townofeagle.org>
Sent: Monday, February 27, 2012 10:42 AM
To: 'Dessie Hoppes'
Subject: FW: For Eagle River Station record
Attachments: ERS - for record 2012 Financial.pdf; High Gas Prices.pdf

Follow Up Flag: Follow up
Flag Status: Flagged

Dessie

Here are two more for the record. They will be presented for the record at the board's hearing on march 7.

I have read them so do not need a hard copy.

Thanks

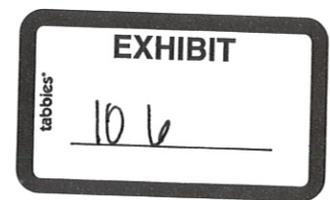
Tom Boni
Town Planner
328-9619
www.townofeagle.org

From: Brandi in Colorado! [<mailto:istandupeight@yahoo.com>]
Sent: Sunday, February 26, 2012 4:01 PM
To: Tom Boni
Subject: For Eagle River Station record

Hi Tom -
Please submit these questions on the construction costs/reports on Eagle River Station 2.0. I will reference them at the next meeting as well. I do not know how the financial agreement is written but if the fees are based on their reports, they should probably be reviewed given the inconsistencies. Also, I'm including an article on high gas prices as I think it is risky to build such a large scale project that is entirely dependent on low gas prices.

Thank you.
Brandi Resa
70 Christian Court

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To: Eagle River Station 2.0 File

From: Brandi Resa, 70 Christian Court

Please submit this as part of the official record on Eagle River Station 2.0 related to financial information/investment submitted by the developer (and/or experts) along with the Town's expert.

- A. The total construction costs do not match and are \$46 million apart in less than 2 months
- \$211,020,157 of construction costs stated on Dec 23rd BBC report page 2
 - \$203,000,000 of construction costs stated on Jan 31st Ray Real Estate Services report page 2
 - \$171,904,908 of construction costs stated on Feb 13th BBC report page 2
 - \$257,857,362 of construction costs stated on Feb 13th BBC report page 7
(The construction value is listed as \$103,142.95 between commercial and residential. If this is 40% of the total noted above the schedule, the costs = the \$257m. (check 257x.40)).
 - \$211,000,000 of construction costs were stated per Town Planner's email dated Feb 22nd to citizen Markus Mueller.

Question:

1. *What changed in the estimation of construction costs of nearly \$39 million in less than 2 months?*
2. *Why is there a range of \$46 million difference between the high and low?*

- B. The residential value changed between the two reports. The latest report that values residential at such a higher value over commercial and at \$204/square foot seems unreasonable. The \$204/sq foot is the value based on 485,000 residential per the Eagle River Station marketing flyer (1,200,000 less 715,000 commercial) page 11 and the value of \$99,000,000 referenced on page 2 of the Feb 13th BBC report. Note: the full marketing info was previously submitted by citizen Julia Parker but the only relevant page is included with this submission.

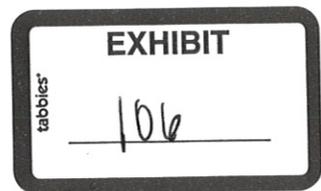
- \$45,135,000 of residential costs plus \$10,560,000 of structured parking on Dec 23rd BBC report page 2. This is a total of \$55,695,000. (The by year breakdown shows \$65,294,471 – what is the difference of the almost \$10 million?)
- \$99,000,000 of residential costs on Feb 13th report on page 2

Question:

1. *What changed the value of residential by over 34 million (\$99m-65m) in less 2 months?*

- C. There seems to be an incorrect mill levy used in the calculations on page 6 of the Feb 13th BBC report

- \$106,200 per year the Town of Eagle would forgo is based on an incorrect mill levy. The correct mill levy is currently 4.044 per the County Assessor's office.



- D. Property Tax Forgo -Page 6 of the Feb 13th BBC report: paragraph 1: It states that the Town of Eagle would forgo about \$106,200 per year in property tax revenue annually at build out. This calculation assumes the Town's current mill levy of 3.659 mills. (As stated in C above, this is not accurate).

Question:

1. *What is the base value of the land used for this assumption? That is, to calculate the amount the Town forgo, doesn't there have to be a base value of land assumed for the additional amount to be calculated?*
 2. *Did the assessor's office determine that land value and if not, who did?*
- E. Assessed Value of 29,000,000 seems low when reviewing the calculations referenced in page 6 (total costs on page 2 backed into from the mill levy referenced on page 6) on the Feb 13th BBC report.
- Please see the calculations submitted with assumptions of values. This seems more reasonable than the developer's calculation (as \$204/square foot for residential seems high and \$102/square foot for commercial seems low) and shows the Town of Eagle variance of higher than the \$106,200 referenced on page 6 of the Feb 13th BBC report.
- F. Net new revenue on Page 10 of the Feb 23rd BBC report, it states that virtually all of the revenue from Eagle River Station would be net new in the Town of Eagle. However, only some but not all would net new for Eagle County. And it states very little of the economic benefit would be net new for the State of Colorado.
- It does not seem reasonable that all new revenue will be new for The Town of Eagle but not overall in the County and State.



Gas prices rise 12 cents in past week

By Aaron Smith

February 24, 2012: 10:30 AM ET

Gas prices are already topping \$4 in Los Angeles, along with other parts of the country.

NEW YORK (CNNMoney) -- Gas prices have gained 12 cents this week, as **tensions over Iran** heat up and oil prices keep moving higher.

The **price of unleaded gasoline** shot up overnight by 3.5 cents to a nationwide average of \$3.647, according to the motorist group AAA. That's the 17th consecutive day of increases.

Since the start of the month, prices have gained nearly 6%. And they're up 11% from the start of the year.

In many parts of the United States, including New York City and parts of California, gas prices are already above \$4 per gallon.

Part of the recent surge in gas prices is being blamed on stocks. The Dow Jones industrial average (**INDU**) is up 6% from the start of the year. The S&P 500 (**SPX**) has gained nearly 8%, and the Nasdaq (**COMP**) has jumped 13%.

iReport: What's the highest gas price you've seen?

The unrest in Iran isn't helping, though that

tends to have a more direct impact on oil prices. **Oil prices** have been steadily increasing, gaining 0.4% to \$108.26 in early trading Friday.

Gus Faucher, senior economist for PNC, said that events in Iran effect gasoline prices though that impact is typically delayed, trailing the effect on oil.

"It shows up almost instantaneously with oil prices, and it doesn't take much longer to show up with gas prices, just a few days," he said.

Check gas prices in your state

Iran recently cut off exports to France and the United Kingdom in response to sanctions from the United States and the European Union. Also, the **Iranians blocked** watchdogs from the International Atomic Energy Agency from inspecting a military base in Parchin, creating concerns that there might be nuclear weapons there.

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