

Facts about ERS

I am writing to offer information objectively concerning the Eagle River Station Planned Unit Development project, proposed in Eagle.

The project is a mixed-use commercial and residential apartment PUD on 88 acres and consisting of up to 732,500 square feet of commercial space and 550 apartment units.

Review of Eagle River Station PUD submittal: Some residents have questioned why the town of Eagle Board of Trustees is reviewing the Eagle River Station project a second time when voters turned down the project during the first review process.

Any municipality is required by code and state statute to review any land use application upon submittal.

The owners of the ERS property, Trinity-RED Development, made a revised application of the project on July 7.

Following the submittal, the town Planning and Zoning Commission reviewed and on Oct. 18, recommended approval of the application with conditions, which is now before the Town Board.

The P&Z and Town Board review the application for compliance with the town's master plans and land use codes.

As many people are aware, the pending application of ERS is being reviewed under the 2011 Eagle Area Community Plan, the town's comprehensive land-use plan.

Sales tax revenues and revenue sharing: The town sales tax rate is 4.0 percent on taxable goods. The current development agreement proposes to share the sales tax: 1.45 percent to the town general fund and 2.55 percent to fund the construction of infrastructure and public improvements associated with ERS, such as the East Eagle interchange, water and sewer system improvements and other items.

The town's 1.45 percent is added with 0.15 percent from county revenue sharing, making the total proposed revenues 1.6 percent.

Projections are that this 1.6 percent going to the town would generate \$2,360,000 with completion of the first phase and \$3,000,000 after completion of the second and final phase.

The 2.55 percent used to fund infrastructure would revert back to the town after 25 years or when infrastructure bonds are fully repaid, whichever occurs first.

Debt liability to the town: Any debt for project improvements, including infrastructure, at Eagle River Station is required to be issued by the Eagle

River Station Metropolitan District, not the town.

The metropolitan district is solely responsible for repaying any and all bonds. Any liabilities stemming from repayment of the bonds or any other issue is strictly the business of the metropolitan district.

The town would have absolutely no legal, ethical or moral responsibility for repayment of any bonds connected to the project.

All agreements for the town related to the ERS project are very carefully drafted to fully protect the residents and tax payers of Eagle from any debt repayment obligation.

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Tax increment financing: TIF involves the dedication of incremental property tax revenues (the difference in valuation before development and after) from other special districts to the financing of the Eagle River Station infrastructure.

Initial TIF decisions were made with the adoption of the East Eagle Urban Renewal Plan in July 2009. No TIF decisions can be changed from those made in 2009.

Under the 2009 decisions, some districts will be receiving property tax increment revenues from the project, and some will not.

Following is a synopsis of the effect and reasoning behind decisions embodied in the East Eagle Urban Renewal Plan.

Special district revenues: The Western Eagle County Health Services District and the Greater Eagle Fire Protection District will receive the full amount of property tax increment, the new growth in property tax revenue, with the project.

The Western Eagle County Metropolitan Recreation District will receive the increment on residential valuations only. These districts were deemed to incur the most impact from development of the project.

The school district will not receive the tax increment, but will be backfilled from state funds for similar amounts as the increment. Thus, the school district will receive the same per-student funding.

The following districts will not receive the property tax increment from the project: Eagle Valley Library District, Eagle Cemetery District, Colorado Mountain College and the Colorado Water Conservation District. The town has assisted both the Library District and Cemetery District in securing land for their facilities.

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Local government revenues: The town of Eagle will not receive the property tax increment. However, the town will receive substantial annual increased sales tax revenues from the project. See above for estimated sales tax revenues to the town.

In addition, the town will receive projected one-time revenues from ERS as follows: Use Tax of \$4,126,000, (which monies are directed to the Capital Projects Fund), building permit fees of \$703,000, water tap fees of \$3,716,000 and sewer tap fees of \$5,310,000.

Eagle County will not receive the proper-

ty tax increment. However, annual anticipated sales tax revenue at build-out is \$1,593,000 for the county general fund and \$937,000 for ECO Transit and Trails.

Future actions: It is anticipated the Board of Trustees will vote on the project in March. If approved, the Town Board will likely call for an election to be held in May. To receive additional information on the project, go to www.townofeagle.org or attend the remaining public hearings for the project.

William Powell is the town manager of Eagle.

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Eagle valley

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