



BOARD OF COUNTY COMMISSIONERS

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April 21, 2009

Mayor Pielen
Loveland City Council

Mayor Pielen and Council:

As you know, since April 7th when this board last corresponded with you on this issue, there has been considerable discussion regarding the pending request by McWhinney Enterprises to modify their MFA with the City of Loveland. This is an important decision for the council, and as elected officials, we certainly understand and respect the position you are in as you act on this request. Since we are not a party to the MFA, we understand this is an issue solely between the City of Loveland and McWhinney Enterprises, however we appreciate the opportunity to comment as we will be affected by the decision.

Larimer County has had a good relationship with both the City of Loveland and McWhinney Enterprises throughout the development of the Centerra Project and surrounding developments, including The Ranch. Regional transportation plans, jointly developed in partnership with all Loveland, McWhinney and several other entities in Northern Colorado, included a plan for two parallel roads on the east and west side of I-25 that would serve local traffic, while reducing the impact on I-25 and its interchanges. CR 5 (Centerra Parkway) was a key portion of this plan. Larimer County completed the missing portion of CR 5 from ~~392~~ CR 30 to the south entrance to The Ranch to help with the implementation of this plan. (The Ranch development only required to construct the segment of CR 5 from Crossroads to our south entrance.) Larimer County went on to pave and/or reconstruct other segments of CR 5 to provide a continuous parallel roadway from Crossroads north to Harmony Road.

Based on presentations prior to council approval of the URA, it was the understanding of the Board that the TIF funding would assist in the completion of CR 5 from Crossroads to Highway 34 and the 34 and Crossroads interchanges on I-25. With the presentation of the MFA to the BOCC, it was the understanding of the County that the I-25/ 34 interchange would be included at the first financial trigger point in the MFA. We believe this is very important to the citizens of Northern Colorado.

After the Board agreed to support the URA project, the CR5 project was removed from the final MFA as adopted by council. In recent discussions it has been implied that the County asked for

CR 5 to be added to the regional road projects. This is partially true, however, the County was requesting that the CR 5 project be *restored* to the regional list, as originally presented to the Board. The Board of County Commissioners' support for the project, including the formation of the URA and associated TIF financing, was based on the concept that URA funds would be used to address regional transportation needs.

There have been numerous concerns raised about the implications of moving the construction of the interim improvements to I-25/34 to a date uncertain. It is our understanding based on correspondence from CDOT that this project is not eligible for federal funds without becoming subject to numerous additional federal requirements. We also understand that a delay in this project will result in a much more expensive project. Should the project not be commenced by 2011, it will be required to go through the Environmental Impact Statement requirements of NEPA. In addition, the new MS4 regulations will be required, placing further financial burden on the project. CDOT has stated that the waiver to use the design consultant will be voided should the project be postponed.

We understand this is a difficult policy decision for the Loveland City Council, and we respect the responsibility of the Council to make a wise choice.

Sincerely,



Kathay Rennels
Commissioner
District 1



Steve Johnson
Commissioner
District 2



Tom Donnelly
Commissioner
District 3