

# VAIL CIVIC CENTER MASTER PLAN

## Project Approach



Economic & Planning Systems, Inc.  
*The Economics of Land Use*

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# EPS

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REAL ESTATE ECONOMICS

PUBLIC FINANCE

LAND USE & TRANSPORTATION

ECONOMIC DEVELOPMENT & REVITALIZATION

FISCAL & ECONOMIC IMPACT ANALYSIS

HOUSING POLICY

PUBLIC PRIVATE PARTNERSHIPS (P3)

PARKS & OPEN SPACE ECONOMICS





# RELEVANT PROJECT EXPERIENCE

## Public Finance

Clear Creek Crossing  
Wheat Ridge, CO

Manufacturing  
Pueblo, CO

Land Development  
Brighton, CO

## Partnerships

Historic Adaptive Reuse and P3  
San Antonio, TX

Large Scale Urban Redevelopment  
Denver, CO

Mixed Income JV Housing Authority  
San Antonio, TX

## Market Research

Hotel/Retail/Residential  
Downtown Arlington, TX

Mixed Income Housing  
Denver, CO

Kennecott Master Planned Communities  
Salt Lake City, UT

## Affordable Housing

Regional Plan  
San Antonio, TX

Housing Needs Assessments  
Roaring Fork, CO  
Eagle County, CO  
Telluride, CO  
Lake County, CO  
Summit County, CO

# PRESENTATION OVERVIEW

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## KEY COMPONENTS OF SCOPE OF WORK

- Overview of Approach
- Market Overview and Depth of Support
- Development Cost Estimates
- Public Financing Tools and Revenue Projections
- Public Financing Model
  - Gaps
  - Surpluses
  - Gap Closure Strategies

# OVERVIEW OF APPROACH

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- Integrate policy analysis with quantitative feasibility modeling
  - More than just financial outcomes
  - Balance alternatives with Town Council vision
- Provide direction based on viability testing
  - Clarify implications of a given alternative
- Establish a platform for decision making
  - Provide basis to future partners
  - Support communications to community members

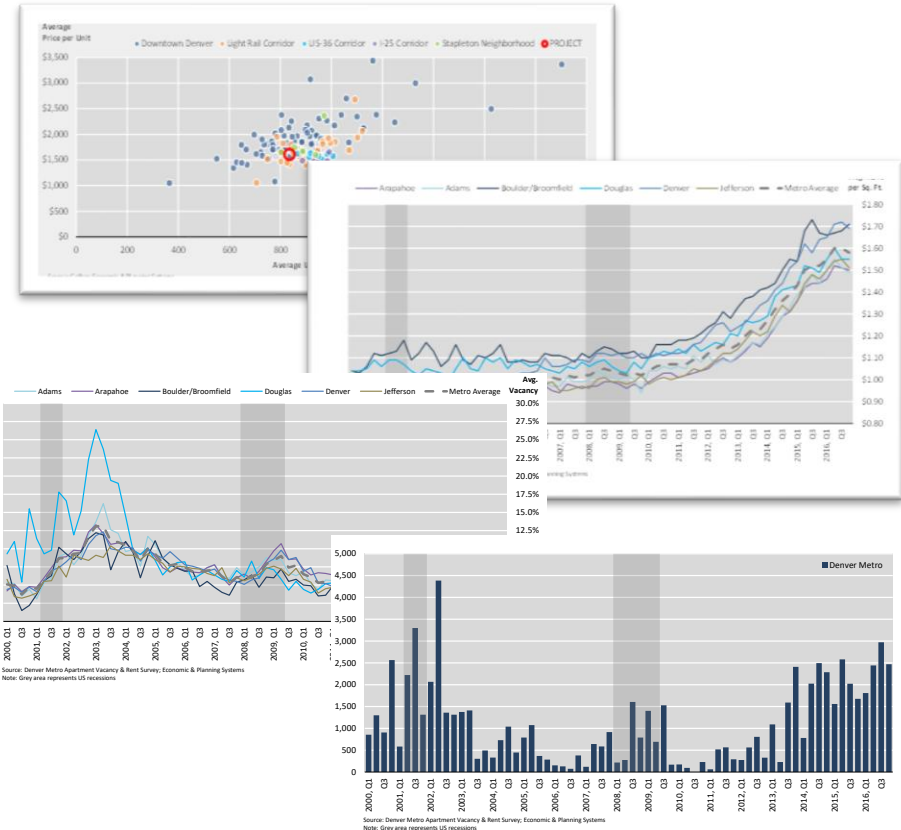
# MARKET OVERVIEW AND DEPTH OF SUPPORT

## APPROACH AND DELIVERABLES

- Assess degree of market support that exists for various uses identified through the planning process.
- Provide high-level integration of quantitative and qualitative insight to inform the degree to which a given facility can be supported from a market perspective

## DELIVERABLE

- Excel model that summarizes potential revenues, costs, utilization rates, land value
- Model will be provide a quantitative evaluation of the feasibility of specific uses.



# DEVELOPMENT COST SUMMARY

## APPROACH AND DELIVERABLES

- Work with the team estimator to summarize rough order of magnitude cost estimates
- Account for timing assumptions, which will be a critical component of the time series model.
- Factor costs into the model using 'dials' such that certain projects can be included or excluded in various model runs.
- Identify the funding and financing gaps that may occur during the redevelopment timeline.

## DELIVERABLE

- Excel model that includes summary of development costs under alternative redevelopment strategies

The top screenshot shows a summary table for 'Table 3: Development Cost: Site - Horizontal Improvements'. It lists various cost items and their totals.

Description	per Acre	per Land SF	Total	% of Tot
LAND COSTS			\$4,500,000	44.0%
10 Land	\$120,399 per land ac.	\$15.74	\$374,119	3.7%
11 Water Land Cost			\$2,389,632	23.2%
SUBTOTAL PRE-DEVELOPMENT COSTS AND DESIGN			\$422,058	4.1%
CONSTRUCTION			\$134,006	1.3%
PRE-DEVELOPMENT COSTS AND DESIGN			\$422,058	4.1%
CONSTRUCTION COSTS			\$134,006	1.3%
City Site			\$705,167	6.9%
Mountain Side			\$1,079,353	10.5%
Other Costs			\$143,973	1.4%
SUBTOTAL CONSTRUCTION COSTS			\$1,928,493	18.9%
SUBTOTAL PRE-DEVELOPMENT COSTS AND DESIGN			\$422,058	4.1%
TOTAL PRE-DEVELOPMENT COSTS			\$2,350,551	23.1%

The bottom screenshot shows a detailed timeline of costs from 2019 to 2023. It includes a 'TOTAL' row for each year and a 'SUBTOTAL PRE-DEVELOPMENT COSTS AND DESIGN' row. The costs are categorized by construction and development costs.

	2019	2020	2021	2022	2023	2024
TOTAL	\$120,399	\$120,399	\$120,399	\$120,399	\$120,399	\$120,399
SUBTOTAL PRE-DEVELOPMENT COSTS AND DESIGN	\$422,058	\$422,058	\$422,058	\$422,058	\$422,058	\$422,058
CONSTRUCTION	\$134,006	\$134,006	\$134,006	\$134,006	\$134,006	\$134,006
PRE-DEVELOPMENT COSTS AND DESIGN	\$422,058	\$422,058	\$422,058	\$422,058	\$422,058	\$422,058
CONSTRUCTION COSTS	\$134,006	\$134,006	\$134,006	\$134,006	\$134,006	\$134,006
City Site	\$705,167	\$705,167	\$705,167	\$705,167	\$705,167	\$705,167
Mountain Side	\$1,079,353	\$1,079,353	\$1,079,353	\$1,079,353	\$1,079,353	\$1,079,353
Other Costs	\$143,973	\$143,973	\$143,973	\$143,973	\$143,973	\$143,973
SUBTOTAL CONSTRUCTION COSTS	\$1,928,493	\$1,928,493	\$1,928,493	\$1,928,493	\$1,928,493	\$1,928,493
SUBTOTAL PRE-DEVELOPMENT COSTS AND DESIGN	\$422,058	\$422,058	\$422,058	\$422,058	\$422,058	\$422,058
TOTAL PRE-DEVELOPMENT COSTS	\$2,350,551	\$2,350,551	\$2,350,551	\$2,350,551	\$2,350,551	\$2,350,551



# PUBLIC FINANCING TOOLS AND REVENUE PROJECTIONS

## APPROACH AND DELIVERABLES

- There are a number of public financing tools available to generate resources for this project.
- Each source will be evaluated from a quantitative and qualitative perspective
- Advantages and disadvantages of each strategy will be summarized
- Potential public revenue will be quantified and forecasted
- Results of analysis will be incorporated into the model, which will have the flexibility to test alternative public funding gap closure strategies

### DELIVERABLE

- Summary of potential public funding strategies
- Incorporation of analysis into Excel model that includes summary of potential revenues under various scenarios

### POTENTIAL PUBLIC FINANCING TOOLS

TIF

BID

GID

PIF

DDA

COPs

Title 32

Land Sales

Land Leasing

JV Terms

Philanthropy

# FINANCIAL MODEL OVERVIEW

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## APPROACH AND DELIVERABLES

- **What is the “financial model”?** Financial model that accounts for potential project revenues and costs and provides an estimate of development return and funding gaps.
- **What can the model do?** Test alternative redevelopment programs, cost and revenue scenarios, and gap closure strategies.
- **How will EPS apply the model?** Define financial implications for specific elements as well as optimal combinations of projects.

## Inputs and Outputs

- Key model inputs
- Market factors
- Sensitives and 'Dials'



## Development Program

- Civic Amenity (sf or \$)
- Private development (units and sf)



## Summary of Project Costs

- Horizontal Costs
- Vertical Costs
- Soft Costs



## Potential Revenues

- Land sales
- Public space operation revenue
- P3 with developer



## Public Revenue Sources

- Tax revenue (sales, property, use, fees, etc.)
- Summary of alternative public revenue options



## Time Series Model and Feasibility

- Time series summary of estimated, costs, revenues, and gap closure strategies



## Time Series Summary

M102  $f_x$  =SUM('T-TIF Estimate'!N87,T-TIF Estimate'!N89)\*\$B102



Tab-A

Time Series Pro Form

RF Request Status: Positive Redvelopment Proposal

Breakdown	Results	Index	Results	Total	2010 Year 0	2010 Year 1	2010 Year 2	2010 Year 3	2010 Year 4	2010 Year 5	2010 Year 6	2010 Year 7	2010 Year 8	2010 Year 9	2010 Year 10	2010 Year 11	2010 Year 12	2010 Year 13	2010 Year 14	2010 Year 15	2010 Year 16	2010 Year 17	2010 Year 18	2010 Year 19	2010 Year 20	2010 Year 21	2010 Year 22	2010 Year 23	2010 Year 24	2010 Year 25	2010 Year 26	2010 Year 27	2010 Year 28				
PLANNING & PERMITS																																					
Professional Consultant Costs				\$11,111,111	\$11,111,111	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0				
Planning/Design/Engineering	1.0		\$11,111,111	Index	\$11,111,111	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0				
Survey Costs	1.0		\$11,111,111	Index	\$11,111,111	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0				
Cost of Staff Consulting	1.0		\$11,111,111	Index	\$11,111,111	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0				
Construction Period Costs	1.0		\$11,111,111	Index	\$11,111,111	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0				
Insurance Costs	1.0		\$11,111,111	Index	\$11,111,111	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0				
Total Planning/Permits Pro Cost	1.0		\$11,111,111	Index	\$11,111,111	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0				
MOBILIZATION/CONSTRUCTION																																					
Professional Consultant Costs				\$11,111,111	\$11,111,111	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0				
Planning/Design/Engineering	1.0		\$11,111,111	Index	\$11,111,111	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0				
Survey Costs	1.0		\$11,111,111	Index	\$11,111,111	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0				
Cost of Staff Consulting	1.0		\$11,111,111	Index	\$11,111,111	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0				
Construction Period Costs	1.0		\$11,111,111	Index	\$11,111,111	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0				
Insurance Costs	1.0		\$11,111,111	Index	\$11,111,111	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0				
Total Construction Costs	1.0		\$11,111,111	Index	\$11,111,111	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0				
OPERATIONS & MAINTENANCE																																					
Professional Consultant Costs				\$11,111,111	\$11,111,111	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0				
Planning/Design/Engineering	1.0		\$11,111,111	Index	\$11,111,111	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0				
Survey Costs	1.0		\$11,111,111	Index	\$11,111,111	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0				
Cost of Staff Consulting	1.0		\$11,111,111	Index	\$11,111,111	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0				
Construction Period Costs	1.0		\$11,111,111	Index	\$11,111,111	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0				
Insurance Costs	1.0		\$11,111,111	Index	\$11,111,111	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0				
Total Operations & Maintenance Pro Cost	1.0		\$11,111,111	Index	\$11,111,111	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0				
TOTAL PROJECT COSTS																																					
Professional Consultant Costs				\$11,111,111	\$11,111,111	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0				
Planning/Design/Engineering	1.0		\$11,111,111	Index	\$11,111,111	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0				
Survey Costs	1.0		\$11,111,111	Index	\$11,111,111	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0				
Cost of Staff Consulting	1.0		\$11,111,111	Index	\$11,111,111	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0				
Construction Period Costs	1.0		\$11,111,111	Index	\$11,111,111	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0				
Insurance Costs	1.0		\$11,111,111	Index	\$11,111,111	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0				
Total Project Costs	1.0		\$11,111,111	Index	\$11,111,111	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0				

Ready

Circular References: A144

Summary

T-Summ-Static

T-Summ-Time

HORZ COSTS>>

T-Cost-Site

T-Cost-Dist

HOTEL>>

T-Cost-HOTEL

T-OPS-HOTEL

MULTIFAMILY>>

T-Cost-MF

T-OPS-MF

TIME SERIES>>

T-S Proforma



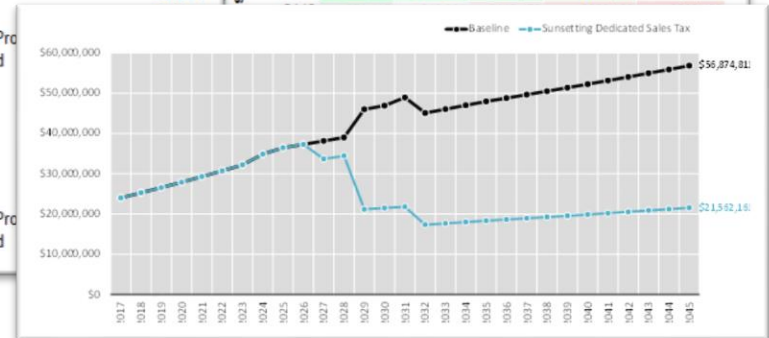
# MODEL SENSITIVES

## RANGE OF TESTS AND SCENARIOS

- Model constructed in order to complete a wide range of sensitivity analysis
- Potential Sensitivities include:
  - Alternative development strategies
  - Range of economic conditions such as changing construction costs and revenue inputs
  - Alternative public funding gap closure strategies
- Sensitivity analysis used to develop distinct scenarios that provide a clear options for a path forward

Public Funding Mechanisms		
Metro District	Commercial	
Operations	No	0.0000
Debt Service	Yes	16.1043
Discount Rate		5.50%
Public Improvement Fee		
Retail Sales Fee: Hotel	Yes	4.00%
ESTIP	No	
Lodging Tax	No	0.00%
Revenue Sharing Period		10 years
CPACE		
Impact: 5% reduction in equity	No	9.975%
TIF: Property Tax Increment		
Total Mill Levy	Yes	90.8280
% to URA		49.00%
% to Taxing Entities		
% of URA Revenue to Pro		
Revenue Sharing Period		
TIF: Sales Tax		
Total Tax Rate		
% Net New		
% to URA		
% to City		
% of URA Revenue to Pro		
Revenue Sharing Period		

Sensitivity Analysis						
Time Series Estimate: Commercial Rental Rate						
	7.75%	8.00%	8.25%	8.50%	8.75%	
\$19.44	-\$1,091,208	-\$1,190,906	-\$1,288,331	-\$1,383,541	-\$1,476,594	
\$21.60	-\$770,769	-\$876,160	-\$979,148	-\$1,079,794	-\$1,178,161	
\$24.00	-\$414,725	-\$526,442	-\$635,611	-\$742,298	-\$846,569	
\$26.40	-\$58,682	-\$176,724	-\$292,074	-\$404,802	-\$514,977	
\$29.04	\$332,965	\$207,966	\$85,817	-\$33,556	-\$150,226	
Time Series Estimate: 1-Bed Rental Rate						
	7.75%	8.00%	8.25%	8.50%	8.75%	
\$1.22	-\$571,022	-\$679,970	-\$786,434	-\$890,478	-\$992,165	
\$1.35	-\$496,987	-\$607,246	-\$714,991	-\$820,288	-\$923,199	
\$1.50	-\$414,725	-\$526,442	-\$635,611	-\$742,298	-\$846,569	
\$1.65	-\$332,464	-\$445,637	-\$556,230	-\$664,309	-\$769,940	
\$1.82	-\$241,976	-\$356,752	-\$468,911	-\$578,521	-\$685,647	
Time Series Estimate: 2-Bed Rental Rate						
	7.75%	8.00%	8.25%	8.50%	8.75%	
\$1.33	-\$1,118,061	-\$1,217,321	-\$1,314,317	-\$1,409,107	-\$1,501,751	
\$1.47	-\$784,902	-\$890,062	-\$992,824	-\$1,093,251	-\$1,191,402	
\$1.64	-\$414,725	-\$526,442	-\$635,611	-\$742,298	-\$846,569	
\$1.80	-\$44,548	-\$162,821	-\$278,397	-\$391,346	-\$501,737	
\$1.98	\$362,646	\$237,161	\$114,538	-\$5,299	-\$122,421	
Time Series Estimate: Construction Hard Cost						
	7.75%	8.00%	8.25%	8.50%	8.75%	
\$129	\$508,942	\$397,225	\$288,057	\$181,369	\$77,098	



# MODEL OUTPUT

## CLEAR, CONCISE, AND EASY TO UNDERSTAND

- While the models are complex, the outputs are intended to be clear, concise and easy to understand.
- Analysis is refined in order to provide a clear menu of options and summary of results.

