



ThunderVillage Urban Renewal Plan PUEBLO COUNTY IMPACT REPORT AND REVENUE PROJECTIONS

As Adopted February 25, 2008

This report outlines the anticipated impact of the proposed *ThunderVillage Urban Renewal Plan* on Pueblo County. It responds to the requirements outlined in C.R.S. 31-25-107 (3.5):

C.R.S. 31-25-107: APPROVAL OF URBAN RENEWAL PLANS BY THE LOCAL GOVERNING BODY

- (3.5) “Prior to the approval of an urban renewal plan, the governing body shall submit such plan to the board of county commissioners, which shall include, at a minimum, the following information concerning the impact of such plan:
- (a) The estimated duration of time to complete the urban renewal project;
 - (b) The estimated annual property tax increment to be generated by the urban renewal project and the portion of such property tax increment to be allocated during this time period to fund the urban renewal project;
 - (c) An estimate of the impact of the urban renewal project on county revenues and on the cost and extent of additional county infrastructure and services required to serve development within the proposed urban renewal area, and the benefit of improvements within the urban renewal area to existing county infrastructure;
 - (d) A statement setting forth the method under which the authority or the municipality will finance, or that agreements are in place to finance, any additional county infrastructure and services required to serve development in the urban renewal area for the period in which all or any portion of the property taxes described in subparagraph (ii) of paragraph (a) of subsection (9) of this section and levied by a county are paid to the authority; and
 - (e) Any other estimated impacts of the urban renewal project on county services or revenues.

Summary of Urban Renewal Plan

Development Program

The proposed development program for the *ThunderVillage Urban Renewal Plan* (the Urban Renewal Area) is based on the current plans of property owners and prospective developers and is subject to change. The anticipated development program is summarized in Table 1.



Table 1
ThunderVillage Urban Renewal Plan - Development Program

<u>Land Use</u>	<u>Developed SF/Units</u>
Commercial/Office	600,000 (four phases)
Residential	1502 (four phases)

The Redevelopment program in Table 1 includes one project proposed by a private development company. While it is anticipated that that additional private development will take place during the 25-year period that it will take to complete redevelopment of the Urban Renewal Area, it is impossible to speculate on the timing, nature, or value of such new construction because market conditions and redevelopment efforts by private enterprise are unknown at this time.

Development Timing

The development timetable for the proposed Urban Renewal Area will be determined by prevailing market conditions. The current development plan includes a four phase project, mixed use development to be constructed over a period of sixteen years. A critical component of the development program is the potential redevelopment of existing parcels into a mix of retail/commercial, employment, and residential uses. For the purposes of this analysis, the assumption is development will take place according to the four phase, twelve year plan.

Summary Impacts to Pueblo County

Exhibit A provides a summary of property tax revenues that could be generated from **new** taxable redevelopment within the Urban Renewal Area; provided however, residentially assessed properties are excluded from the increment. These estimates are based on the development program outlined above and reflect the entire 25-year tax increment period. It is anticipated that the entire property tax increment over the 25 year period would be dedicated to the Urban Renewal Project; provided, however, residential properties are excluded from the increment.

Property Tax Revenue

As shown in Exhibit A, based on the proposed development program, the Urban Renewal Area would generate approximately \$21,452,224 in **incremental** property tax revenues over the 25-year analysis period.

During the 25-year tax increment period, the County's share of property tax revenue is limited to its share of the property tax base and residential properties.



This averages approximately \$182,105 annually or approximately \$4,552,617 over the 25-year period. During this same tax increment period, the total amount allocated by Statute to the Authority in property tax increment revenues each year is estimated to range from approximately \$200,000 to approximately \$1,400,000. After the 25-year tax increment period is completed, the County's share of property tax revenues would rise to approximately \$600,000 on an annual basis.

County Services/Infrastructure

Because the entire Urban Renewal Area is located within the City of Pueblo's municipal boundaries, the City, the Authority, and other public entities, such as special districts, will be responsible for all public improvements including street, water, sewer, and all public utilities. No additional County infrastructure will be required to serve development within the proposed urban renewal area. All police, fire, and other services will be provided by entities other than the County. There may be some indirect impact on County services, but these should be offset and the County will benefit from a combination of increased State revenues to offset the costs of such services, increases in property tax base allocation, and an increase in County sales tax collections based on activities stimulated by the Urban Renewal Authority.

Infrastructure impacts associated with the proposed development program are assumed to be primarily financed by the Authority with property tax increment revenue, which has been allocated to the authority by the provisions of section 31-25-107(9), C.R.S.

If, in the future, the County identifies any additional County infrastructure and services required to serve development in the urban renewal area while the property tax allocation provisions are in effect and the cost of such additional infrastructure and services are not offset by increased County revenues, the Authority will consider entering into agreements to finance such services and infrastructure in the urban renewal area.

The attached Exhibit A is a detailed illustration of property tax projections, as well as the development program for the proposed project area.