

# FISCAL AND ECONOMIC IMPACT ANALYSIS

Amara Development  
La Plata Communities



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

730 17<sup>th</sup> Street, Suite 630 ■ Denver, CO 80202  
303.623.3557 ■ [www.epsys.com](http://www.epsys.com)

# EPS

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REAL ESTATE ECONOMICS

PUBLIC FINANCE

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REVITALIZATION

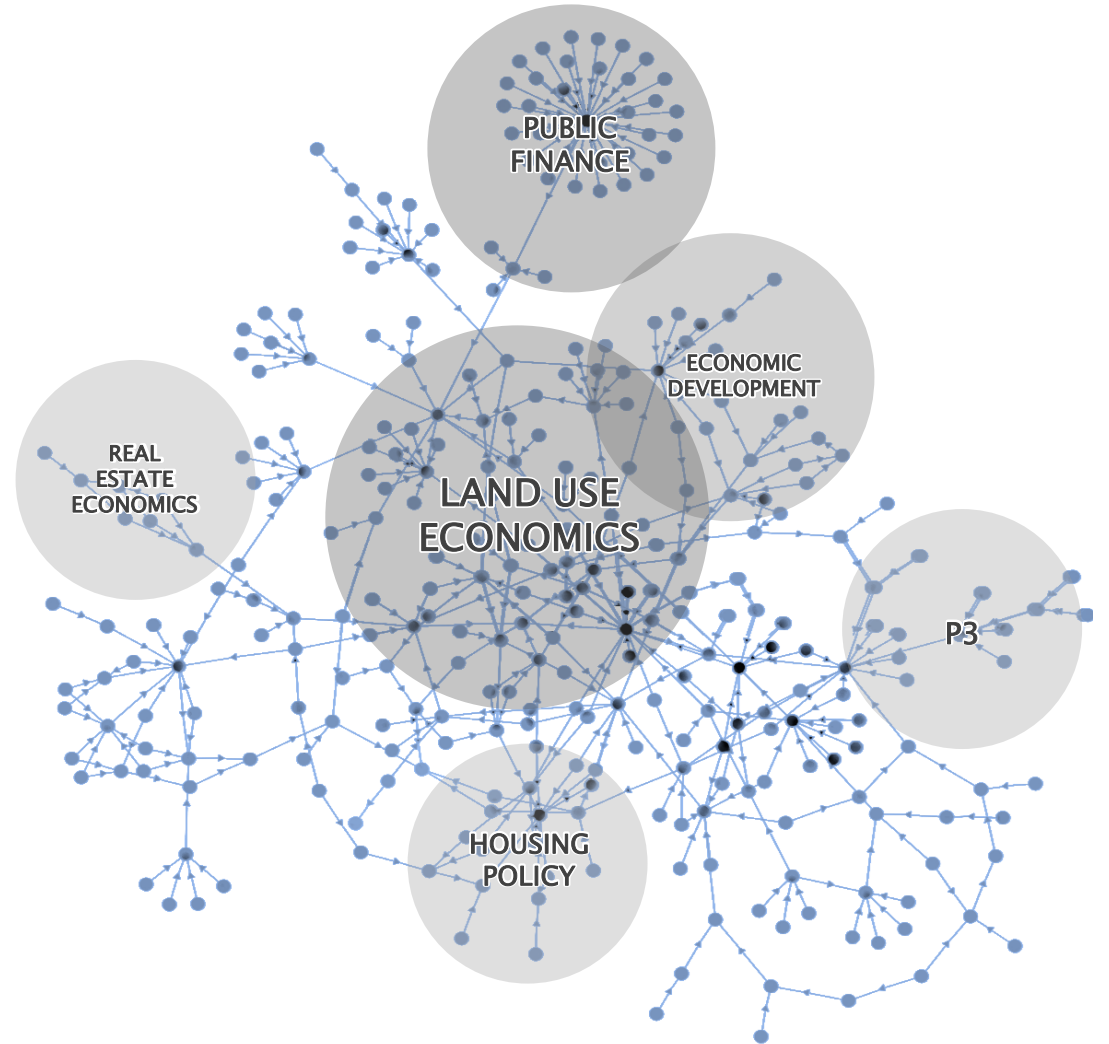
LAND USE & TRANSPORTATION

FISCAL & ECONOMIC IMPACT ANALYSIS

HOUSING POLICY

PUBLIC PRIVATE PARTNERSHIPS (P3)

PARKS & OPEN SPACE ECONOMICS



# AGENDA

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## AMARA FISCAL AND ECONOMIC IMPACT ANALYSIS

- Development Summary
- Fiscal Impacts
  - Overview
    - City Funds
    - Nexus to Growth Factors
    - Fiscal Impact Model
  - Amara Fiscal Impacts
- Economic Impacts
  - Overview
  - Amara Economic Impacts
    - Construction
    - Residential Development
    - Commercial Development

# DEVELOPMENT SUMMARY

## AMARA DEVELOPMENT

Residential  
Development:  
**9,388 units**

Population  
Growth:  
**24,047  
residents**

Commercial  
Development:  
**2,000,000  
sq. ft.**

Job Growth:  
**8,800 jobs**

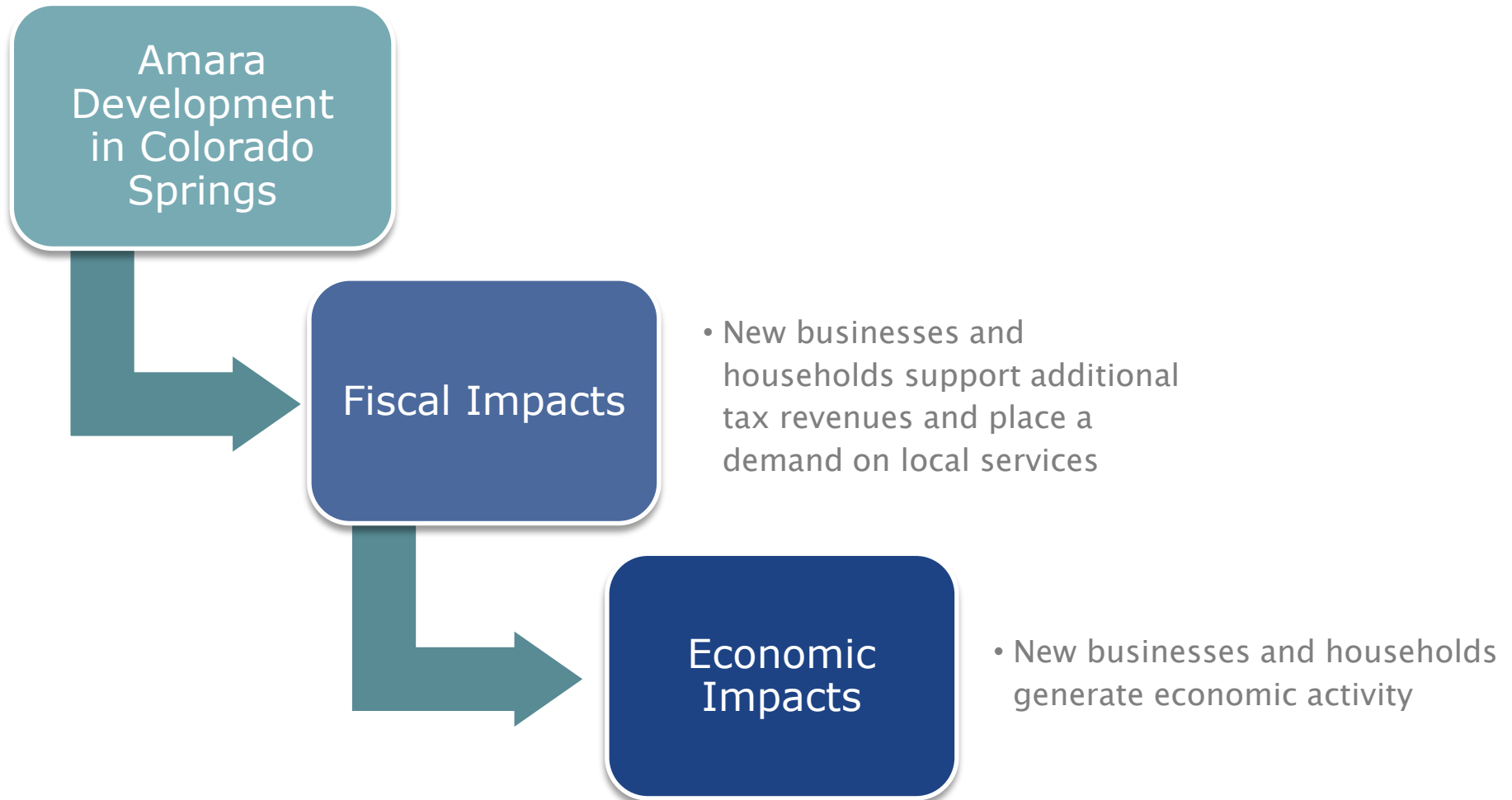
Description	Amara Development
<b>Residential Development (units)</b>	
Single Family Detached	6,695
Townhome	1,009
Multifamily	1,684
<b>Total</b>	<b>9,388</b>
<b>Population Growth</b>	<b>24,047</b>
<b>Commercial Development (sq. ft.)</b>	
Neighborhood Retail	413,633
Regional Retail	413,633
Office	272,734
Light Industrial	900,000
<b>Total</b>	<b>2,000,000</b>
<b>Job Growth</b>	
Direct Jobs	3,334
Indirect and Induced Jobs (Long-Term) [1]	5,466
<b>Total (Long-Term)</b>	<b>8,800</b>

[1] Economic Impact; not included in the Fiscal Impact Model

Source: Economic & Planning Systems

# IMPACT OF DEVELOPMENT

## HOW DOES IT ALL CONNECT?



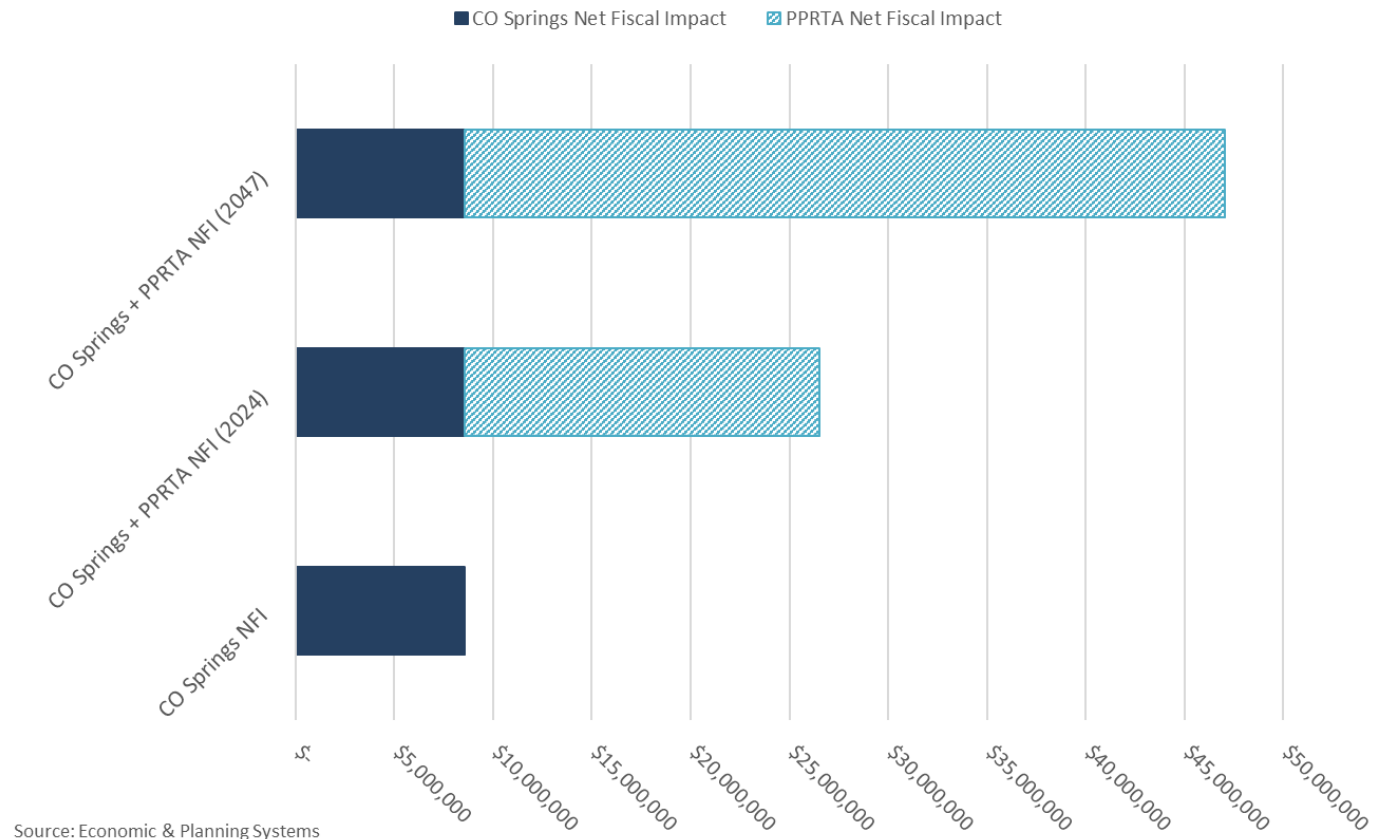
# AMARA NET FISCAL IMPACT

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# NET FISCAL IMPACT

## TOTAL NET FISCAL IMPACT WITH PPRTA REVENUES

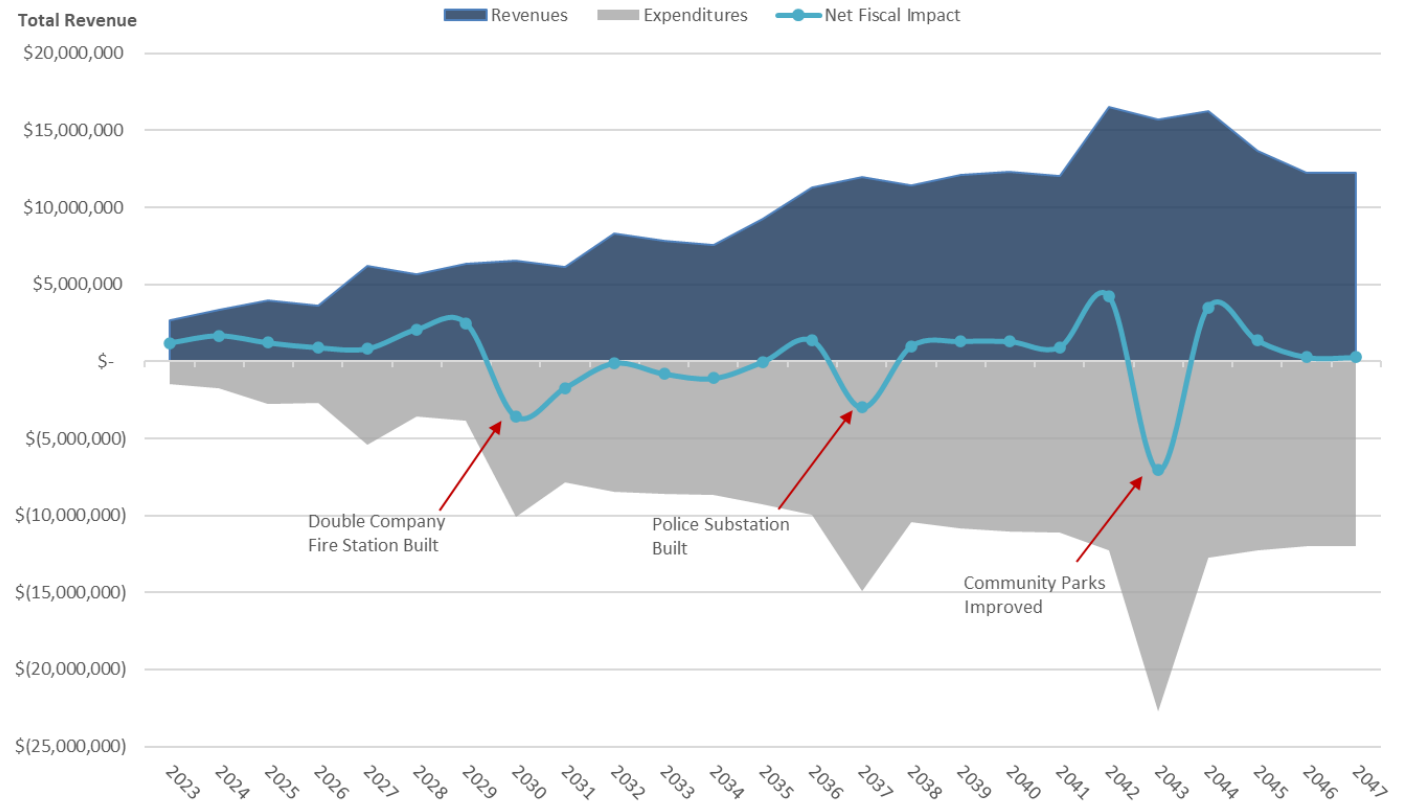
- Total net fiscal impact with PPRTA (2047 Sunset): **Positive \$47.0 million**
- Total net fiscal impact with PPRTA (2024 Sunset): **Positive \$26.5 million**
- Total net fiscal impact without PPRTA: **Positive \$8.6 million**



# NET FISCAL IMPACT

## TOTAL, ONGOING, & AVERAGE

- Total net fiscal impact: **Positive \$8.6 million**
- Average net fiscal impact: **Positive \$456,200**
- Ongoing net fiscal impact: **Positive \$271,500**

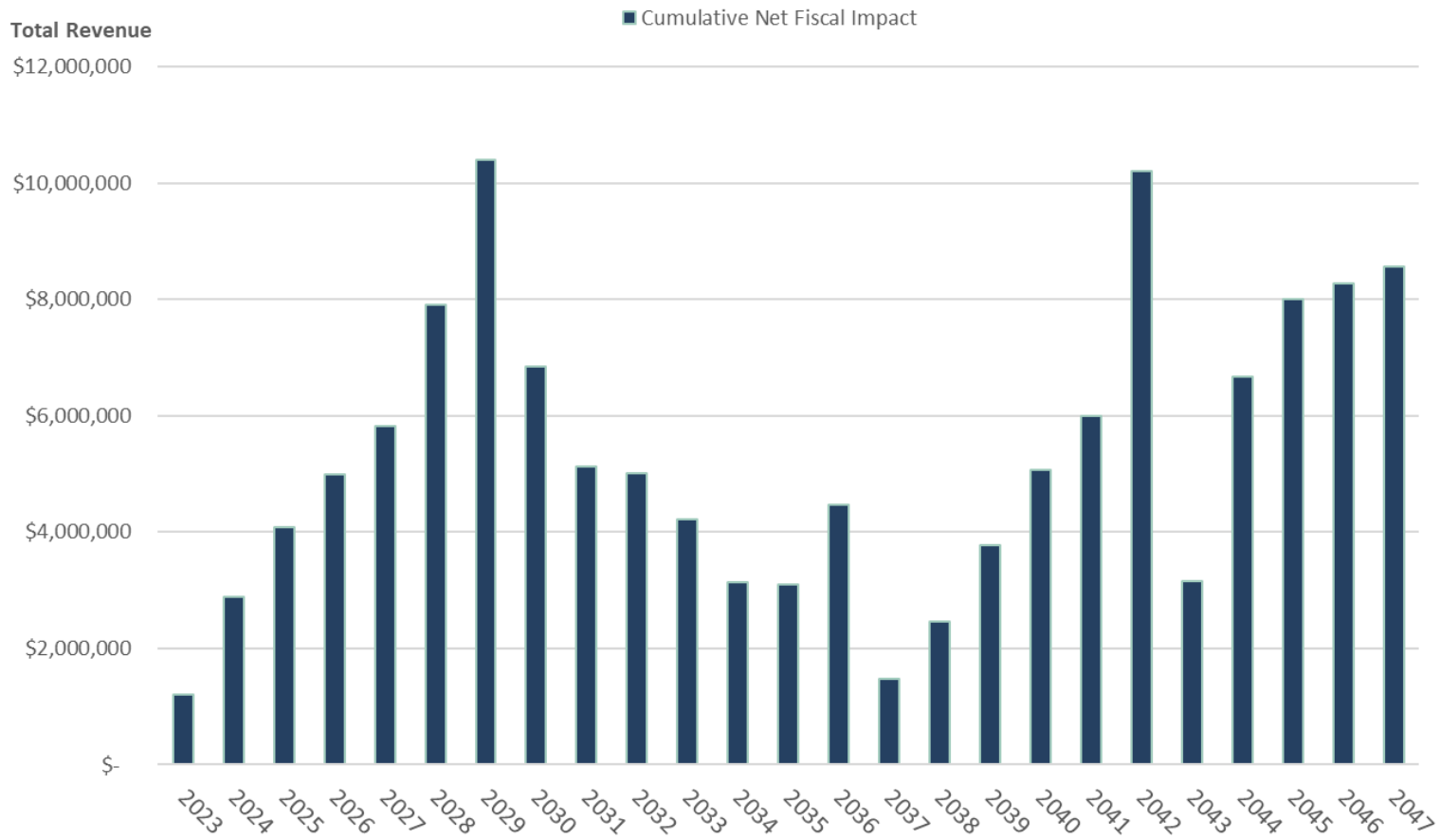


Source: Economic & Planning Systems



# NET FISCAL IMPACT

## CUMULATIVE IMPACT



Source: Economic & Planning Systems

# FISCAL IMPACT METHODOLOGY

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# FISCAL IMPACT

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## METHODOLOGY

- Fiscal impact analysis evaluates the impact of existing and future land use types on Colorado Springs revenues and expenditures.
  - Revenues and expenditures are estimated based on specific nexus to growth factors
    - Example: Revenues/costs per employee, or revenues/costs per total residents and employees
  - Analysis nets estimated revenues against estimated expenditures to estimate annual net fiscal impact

# FISCAL IMPACT

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## CITY FUNDS WITH A NEXUS TO GROWTH

- **General Fund** – Includes all City activities supported by taxes and other non-dedicated revenue.
- **Public Safety Sales Tax Fund (PSST)** – Provides a dedicated source of revenue to fund public safety operating and capital improvement needs.
- **Trails, Open Space and Parks Fund (TOPS)** – Provides a source of revenue to acquire and preserve new trails, open space, and parks.
- **Sales and Use Tax Fund (2C2)** – Provides a dedicated source of revenue to fund road repair, maintenance, and improvements.
- **PPRTA** – While autonomous from the City, revenues to this fund have been estimated as it will benefit the region.

# FISCAL IMPACT

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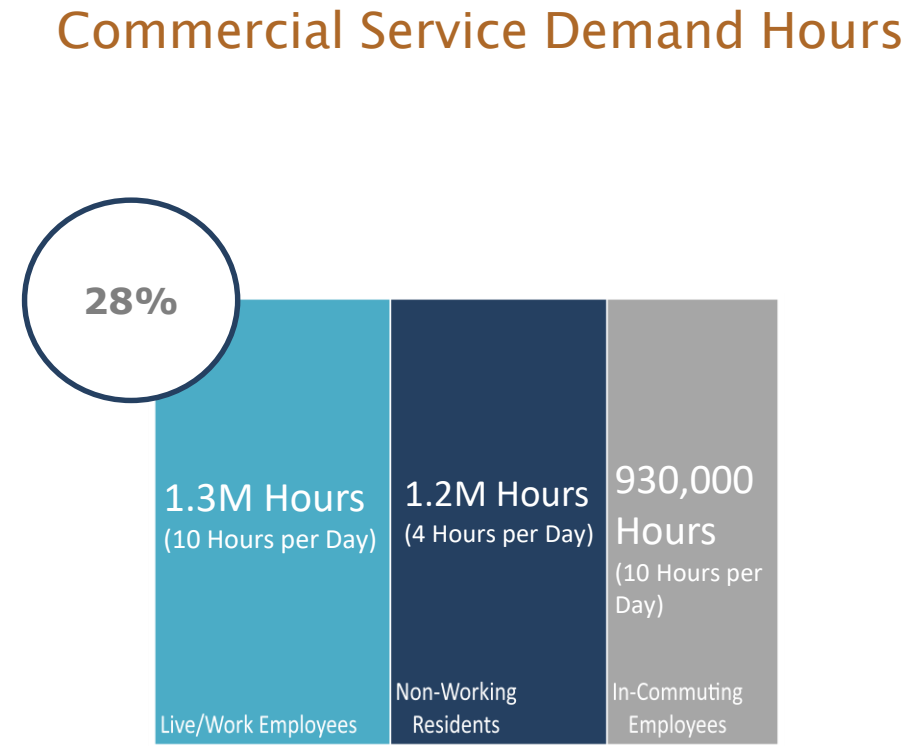
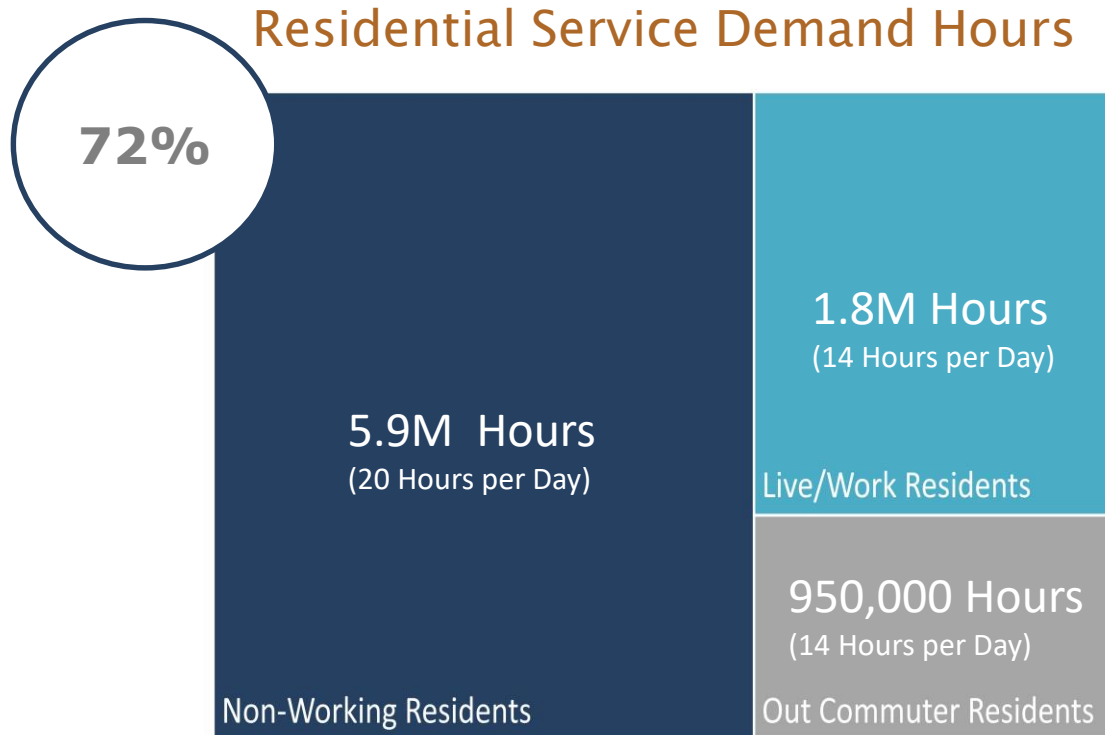
## NEXUS TO GROWTH FACTORS

- **Case Studies** – Estimated using a tailored approach.
- **Residents** – Correlates revenues or expenditures to future growth in residents.
- **Employees (for commercial uses)** – Correlates revenues or expenditures to future growth in employees.
- **Service Population** – Reflects the service demand hours associated with residents and employees in the city.
- **Fixed Revenues/Expenditures** – Indicates that a specific revenue or expenditure item does not have a nexus to growth and as a result is not tied to future development.

# FISCAL IMPACT

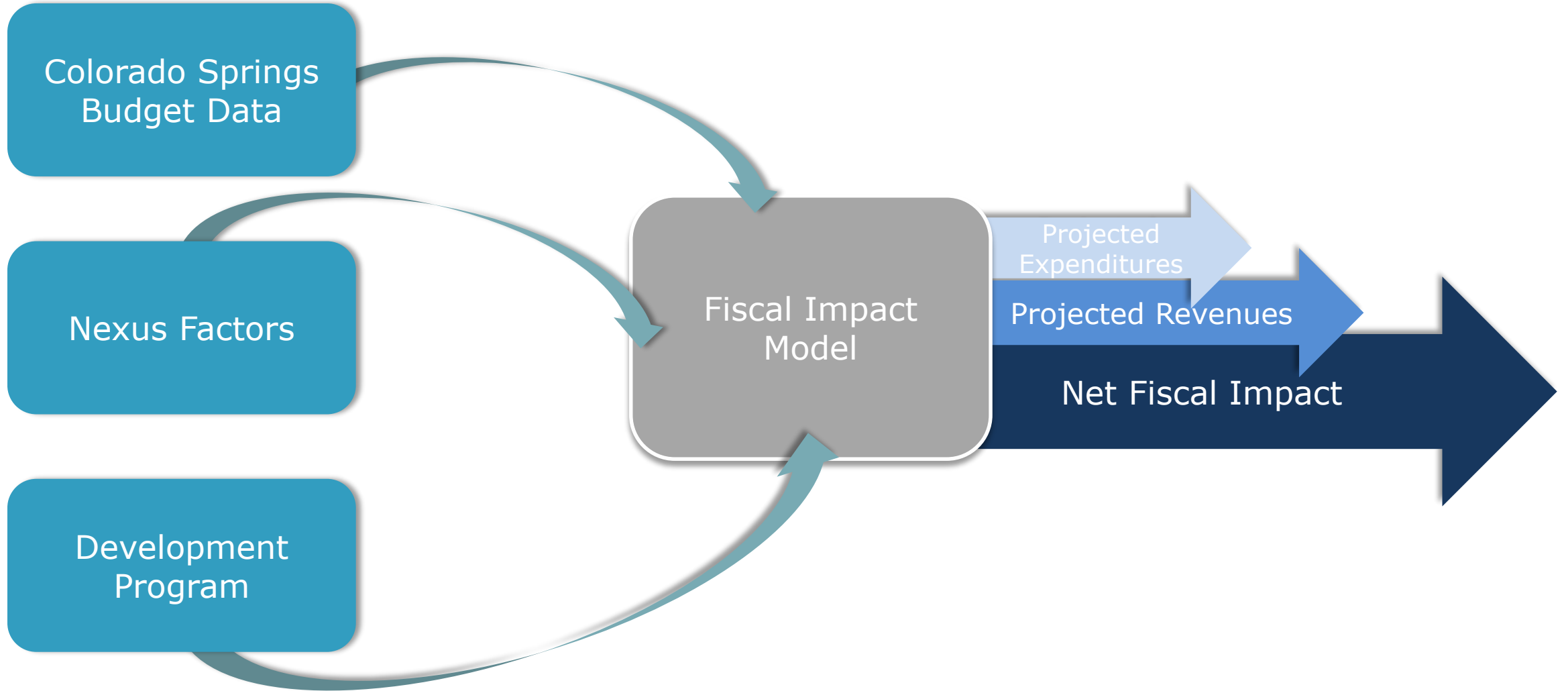
## COST TO SERVE RESIDENTS AND EMPLOYEES

- This methodology estimates the total hourly demand generated by residents and employees to estimate the proportional share generated by each



# FISCAL IMPACT MODEL

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# AMARA REVENUE GENERATION BY FUND

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# KEY ASSUMPTIONS

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## AMARA REVENUE GENERATION

- Residents will vote to extend the Trails, Open Space, and Parks Fund (TOPS) through 2047.
- Residents will vote to extend the Road Repair, Maintenance, and Improvements Fund (2C2) through 2047.
- The City's sales and use tax rate will remain fixed at 2.00 percent over the course of buildout.
- The City's property tax mill rate will remain fixed at 4.2790 mills over the course of buildout.
- Future retail tenants will generate approximately \$334 in sales per square foot.

# KEY ASSUMPTIONS (CONT.)

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## AMARA REVENUE GENERATION

- Sales tax revenues are estimated using the Point of Origin methodology.
- 60 percent of household retail spending will be spent within City limits in the earlier years of development.
- 77 percent of household retail spending will be spent within City limits as Amara matures.
- All revenues are unadjusted and should be interpreted in nominal (2022) values.

# REVENUE SOURCES

## GENERAL FUND

**\$169.5 million**






Total General Fund Revenues

**\$6.4 million**

Average General Fund Revenues

**\$9.7 million**

Ongoing General Fund Revenues

	Sales Tax	Use Tax	General Revenue [1]	Property Tax
				
<b>Total</b>	<b>\$63.7 million</b>	<b>\$46.2 million</b>	<b>\$39.6 million</b>	<b>\$20.0 million</b>
<b>Average</b>	<b>\$2.6 million</b>	<b>\$2.0 million</b>	<b>\$1.6 million</b>	<b>\$952,000</b>
<b>Ongoing</b>	<b>\$4.8 million</b>	<b>N/A</b>	<b>\$3.0 million</b>	<b>\$1.9 million</b>

[1] Includes all revenues estimated using a service population nexus to growth factor: Other, Charges for Services, Fines, Intergovernmental, Licenses and Permits, and Miscellaneous Revenue.

# AMARA REVENUE GENERATION BY FUND

TOTAL REVENUE (2023 TO 2047)



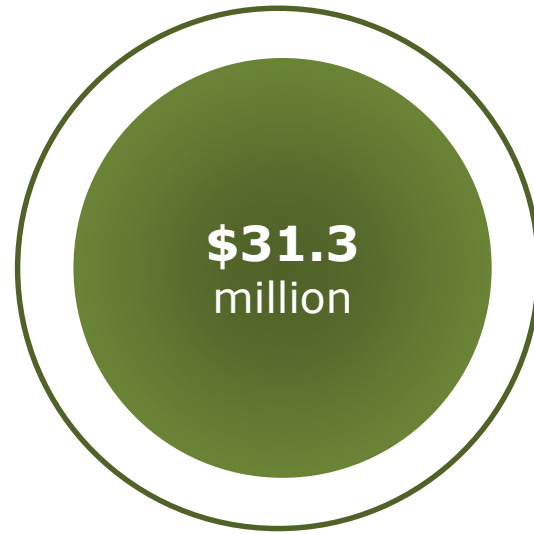
TOPS



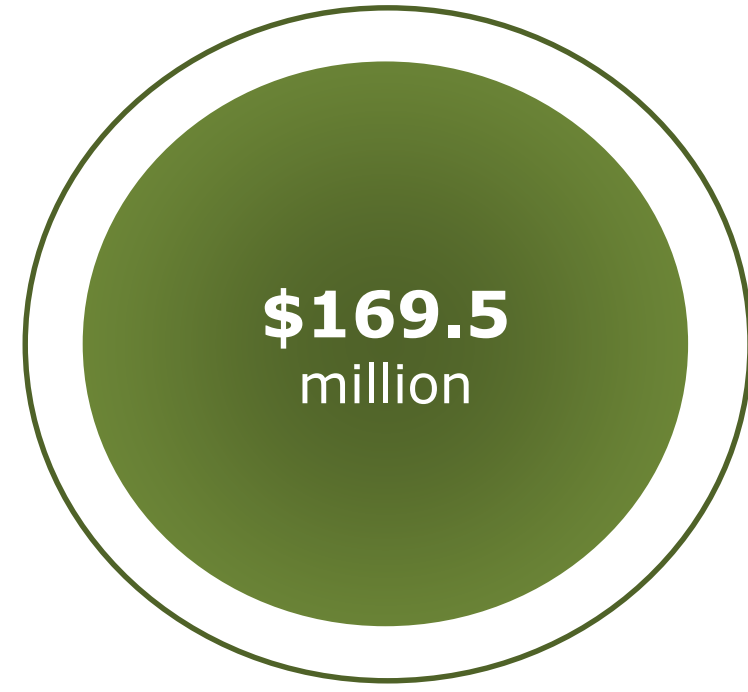
Impact Fee Revenue



PSST



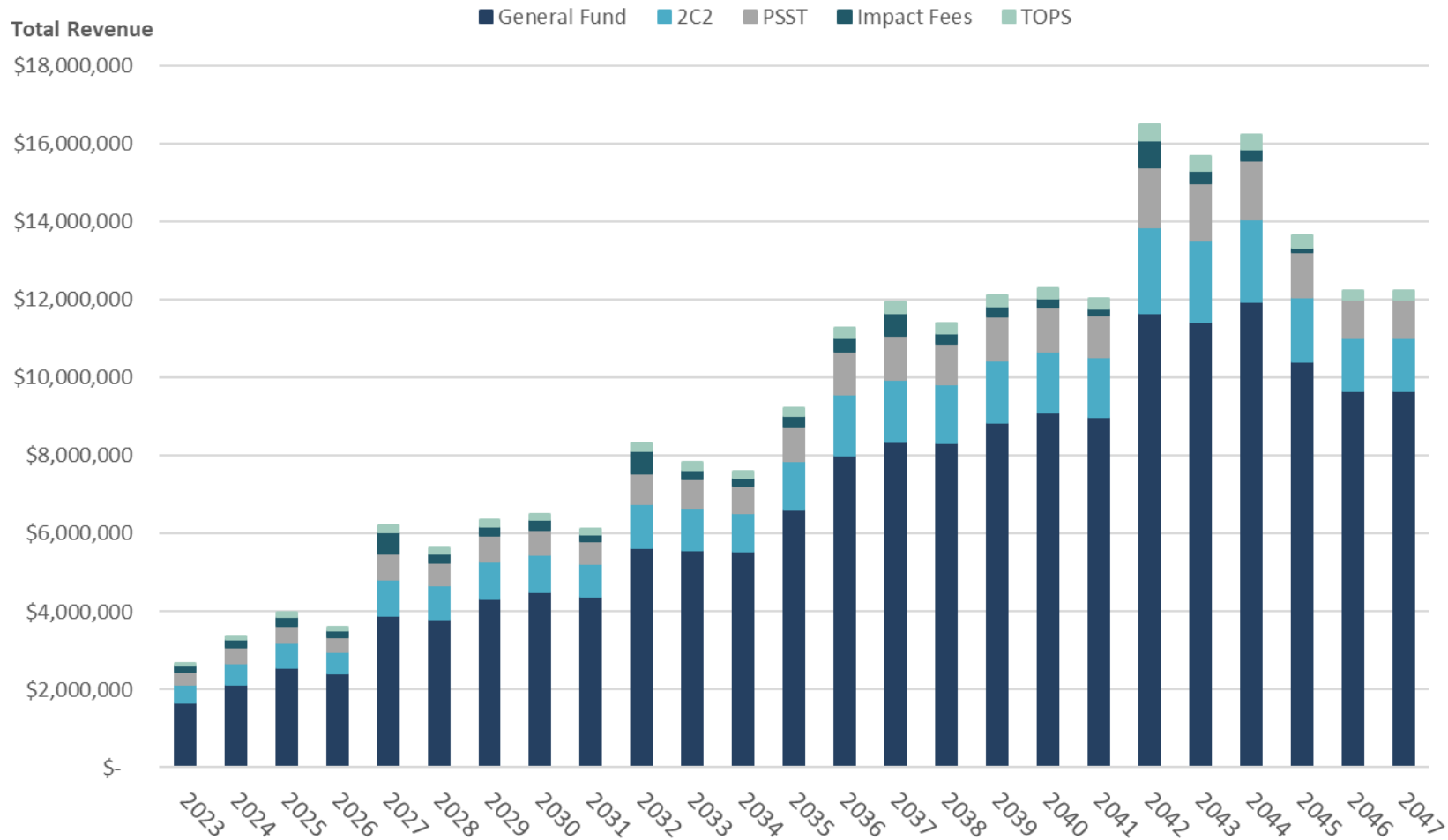
2C2



General Fund

# TOTAL REVENUE GENERATION BY FUND

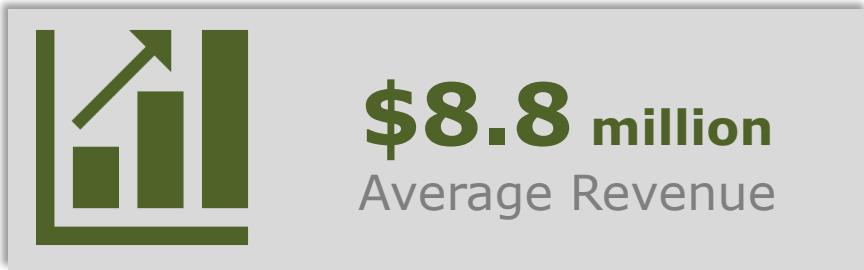
2023 TO 2047



Source: Economic & Planning Systems

# AMARA REVENUE GENERATION BY FUND

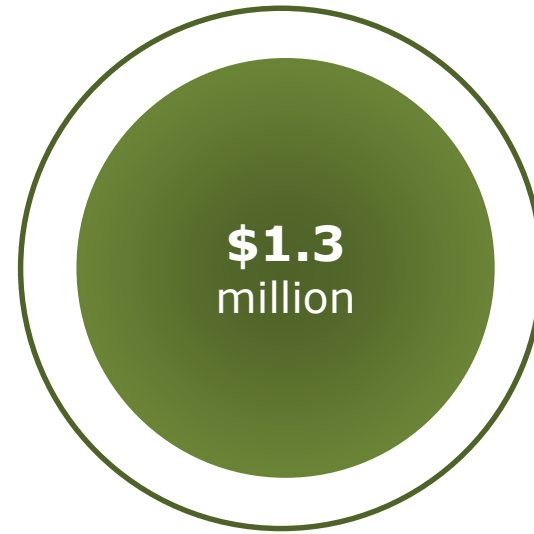
AVERAGE ANNUAL REVENUE (2023 TO 2047)



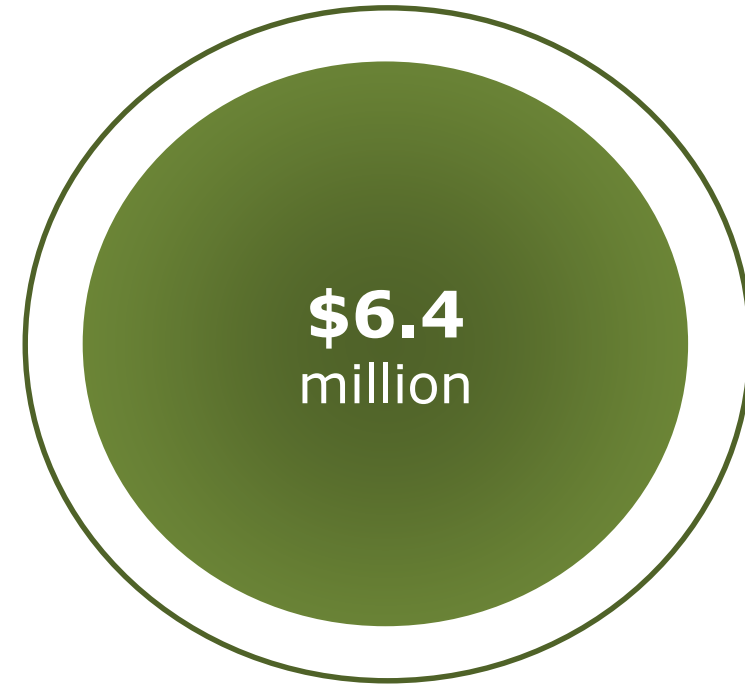
TOPS



PSST



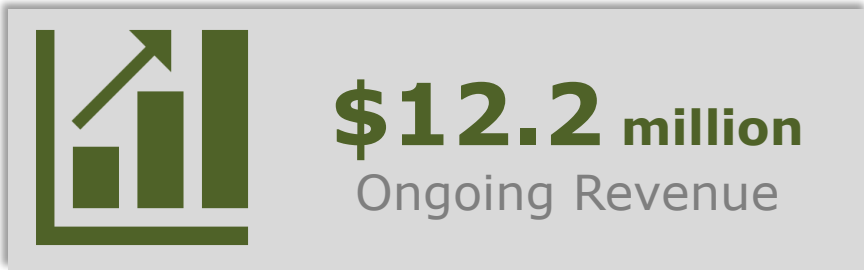
2C2



General Fund

# AMARA REVENUE GENERATION BY FUND

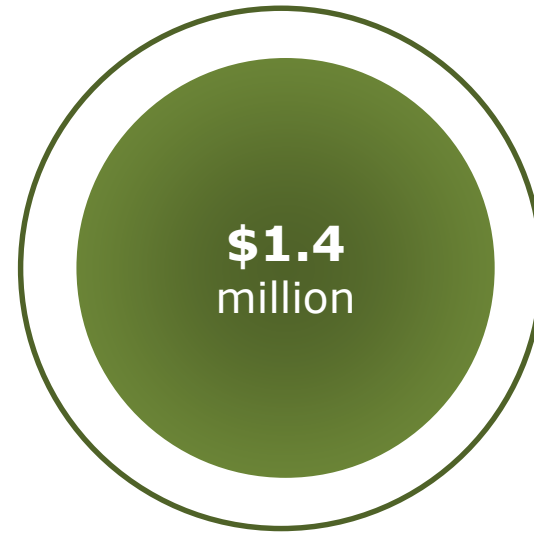
## ONGOING REVENUE AT BUILDOUT



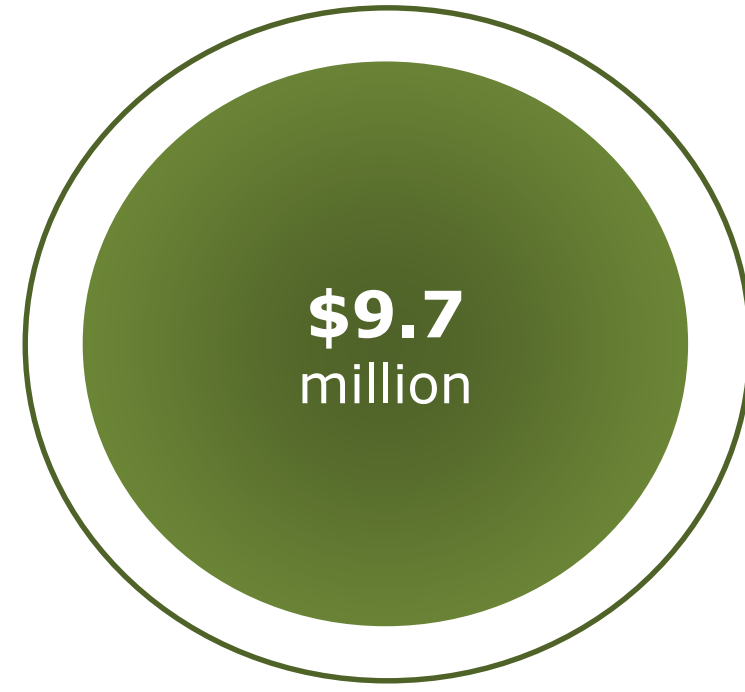
TOPS



PSST




2C2



General Fund

# EXTERNAL REVENUE GENERATION

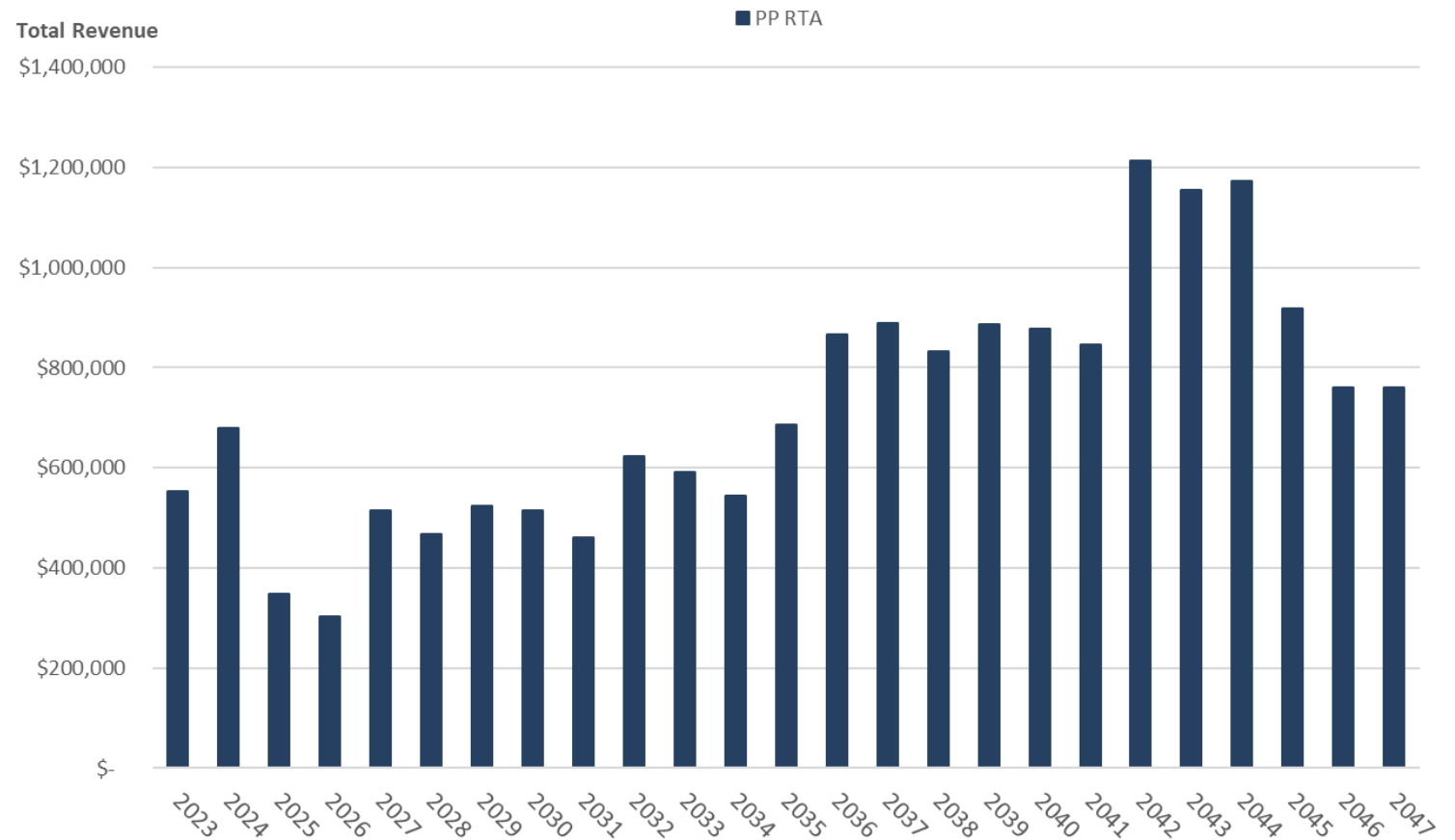
## PIKES PEAK REGIONAL TRANSPORTATION AUTHORITY (PPRTA) WITH SUNSET



### Revenue Generation

<b>Total</b>	<b>\$18.0 million</b>
<b>Average</b>	<b>\$719,000</b>
<b>Ongoing</b>	<b>\$761,000</b>

- Assumes a sunset of the roadway capital improvements portion of the PPRTA sales and use tax in 2024
- After 2024, the PPRTA sales and use tax rate is reduced from 1.00% to 0.45%




Source: Economic & Planning Systems



# EXTERNAL REVENUE GENERATION

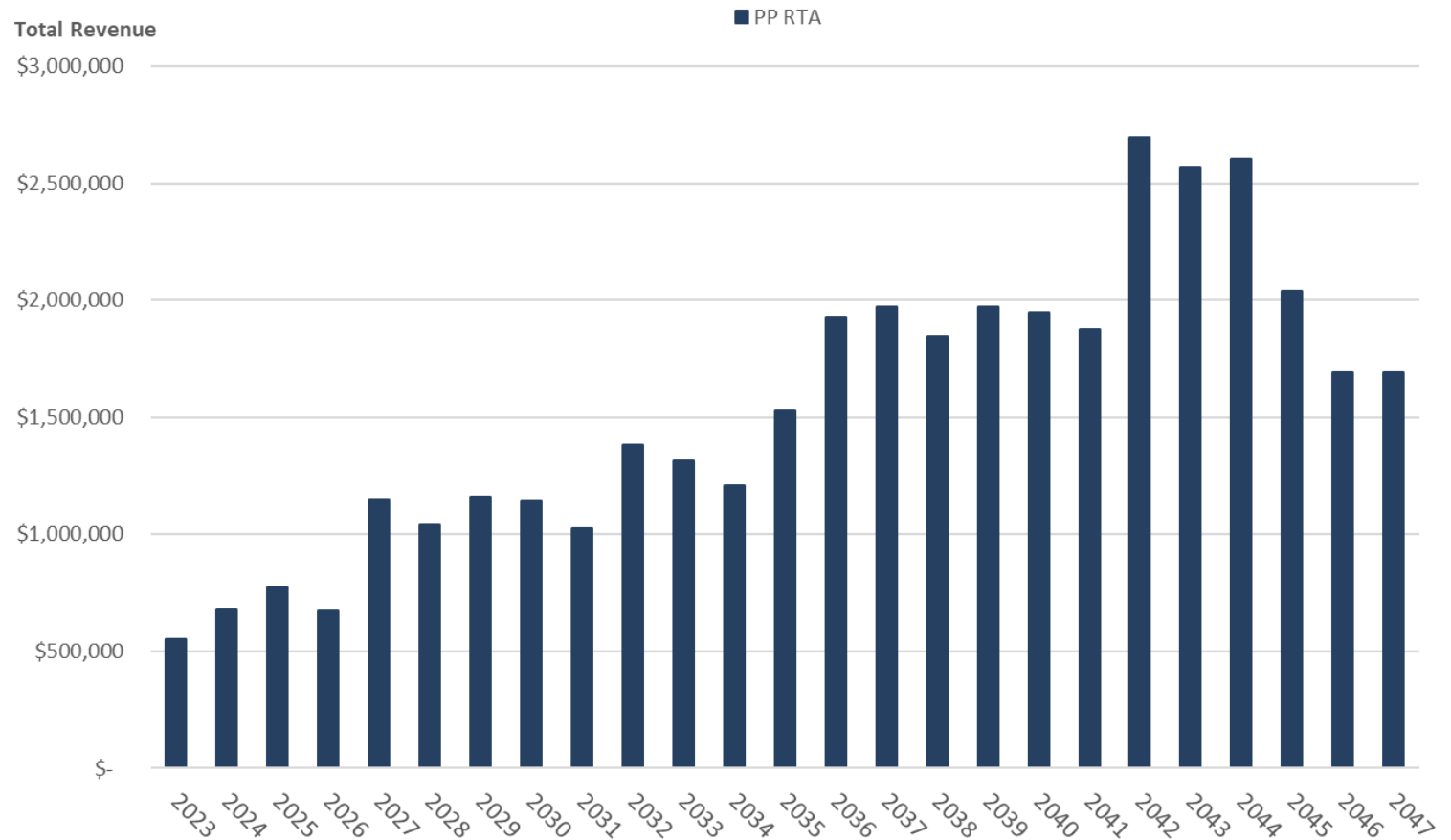
## PIKES PEAK REGIONAL TRANSPORTATION AUTHORITY (PPRTA) WITHOUT SUNSET



### Revenue Generation

<b>Total</b>	<b>\$38.5 million</b>
<b>Average</b>	<b>\$1.5 million</b>
<b>Ongoing</b>	<b>\$1.7 million</b>

- Assumes the roadway capital improvements portion of the PPRTA sales and use tax does not sunset
- The PPRTA collects sales and use tax at a rate of 1.00% through 2047



Source: Economic & Planning Systems

# AMARA EXPENDITURE GENERATION BY FUND

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# KEY ASSUMPTIONS

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## AMARA EXPENDITURE GENERATION

- Residents will vote to extend the Trails, Open Space, and Parks Fund (TOPS) through 2047.
- Residents will vote to extend the Road Repair, Maintenance, and Improvements Fund (2C2) through 2047.
- Police, Fire, and Parks capital expenditures are reflective of the City's current level of service.
- 36 percent of the capital required to improve community parks will be generated through a combination of grants, charitable contributions, TOPS, and PLDO appropriations.
- Neighborhood parks and trails will be built and improved by the Developer and exceed the City's current level of service.

# KEY ASSUMPTIONS

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## AMARA EXPENDITURE GENERATION

- All expenditures are unadjusted and should be interpreted in nominal (2022) values.

# EXPENDITURE SOURCES

## GENERAL FUND

**\$170.3 million**





Total General Fund Expenditures

**\$6.8 million**

Average General Fund Expenditures

**\$10.3 million**

Ongoing General Fund Expenditures

	Fire (O&M)	Police (O&M)	General [1]	Public Works
				
<b>Total</b>	<b>\$96.8 million</b>	<b>\$49.2 million</b>	<b>\$30.4 million</b>	<b>\$7.2 million</b>
<b>Average</b>	<b>\$3.9 million</b>	<b>\$2.0 million</b>	<b>\$1.2 million</b>	<b>\$289,000</b>
<b>Ongoing</b>	<b>\$5.0 million</b>	<b>\$3.6 million</b>	<b>\$2.2 million</b>	<b>\$387,000</b>

[1] Includes all expenditures estimated using a service population nexus to growth factor (i.e., Finance, City Council, etc.)

# EXPENDITURE SOURCES

## POLICE AND FIRE CAPITAL IMPACTS AND COSTS

Description	Cost per Person	Cost per Nonres. Trip	Amara Proj. Population	Amara Proj. Nonres. Trips	Total Cost
<b>Fire Capital Facilities</b>					
Fire Stations	\$91.20	\$52.80	24,047	13,402	\$2,900,729
Fire Support Facilities	\$20.40	\$12.24	24,047	13,402	\$654,603
Fire Apparatus	\$27.41	\$16.44	24,047	13,402	\$879,463
Fire Telecommunications	\$0.83	\$0.50	24,047	13,402	\$26,660
<b>Total/Average</b>	<b>\$139.84</b>	<b>\$81.98</b>	<b>24,047</b>	<b>13,402</b>	<b>\$4,461,455</b>
<b>Police Capital Facilities</b>					
Police Stations	\$129.00	\$64.50	24,047	13,402	\$3,966,512
Police Support Facilities	\$19.80	\$9.90	24,047	13,402	\$608,814
Police Telecommunications	\$2.51	\$1.27	24,047	13,402	\$77,379
<b>Total/Average</b>	<b>\$151.31</b>	<b>\$75.67</b>	<b>24,047</b>	<b>13,402</b>	<b>\$4,652,705</b>
<b>Total Police and Fire Capital Costs</b>	<b>\$291.15</b>	<b>\$157.65</b>	<b>24,047</b>	<b>13,402</b>	<b>\$9,114,160</b>

Source: Economic & Planning Systems; TischlerBise

# EXPENDITURE SOURCES

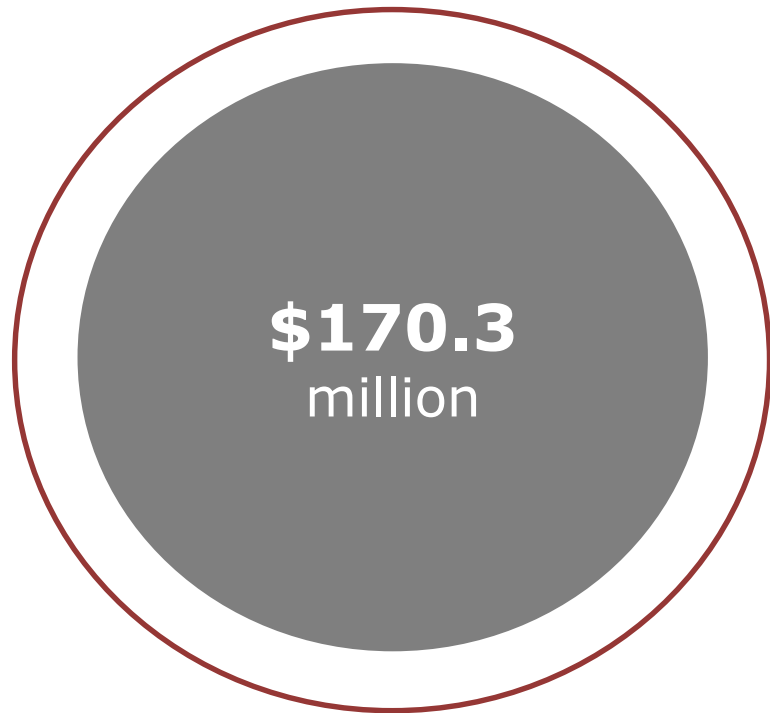
## COMMUNITY PARKS CAPITAL IMPACTS AND COSTS

Description	Factor
Community Park Acreage	729.6
Colorado Springs Population	489,109
Current Level of Service <i>per 10,000 Residents</i>	1.5
Amara Population Growth	24,047
<b>Needed Community Park Acreage</b>	<b>35.9</b>
Cost per Acre	\$450,000
<b>Total Capital Costs</b>	<b>\$16,141,802</b>
<b>Revenue Sources</b>	
TOPS	7%
Grant Funding	5%
Charitable Contributions	21%
PLDO	4%
General Fund	64%
TOPS	\$1,058,685
Grant Funding	\$770,164
Charitable Contributions	\$3,310,315
PLDO	\$660,141
General Fund	\$10,342,497
Construction Year	2043

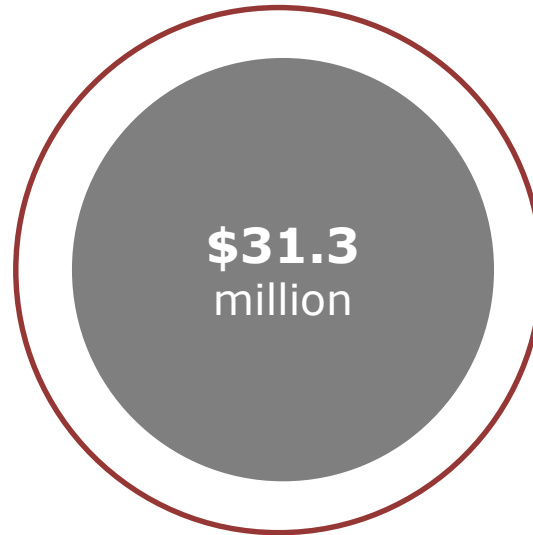
Source: Economic & Planning Systems

# AMARA EXPENDITURE GENERATION BY FUND

TOTAL EXPENDITURES (2023 TO 2047)



General Fund



2C2



Capital Impacts and Costs



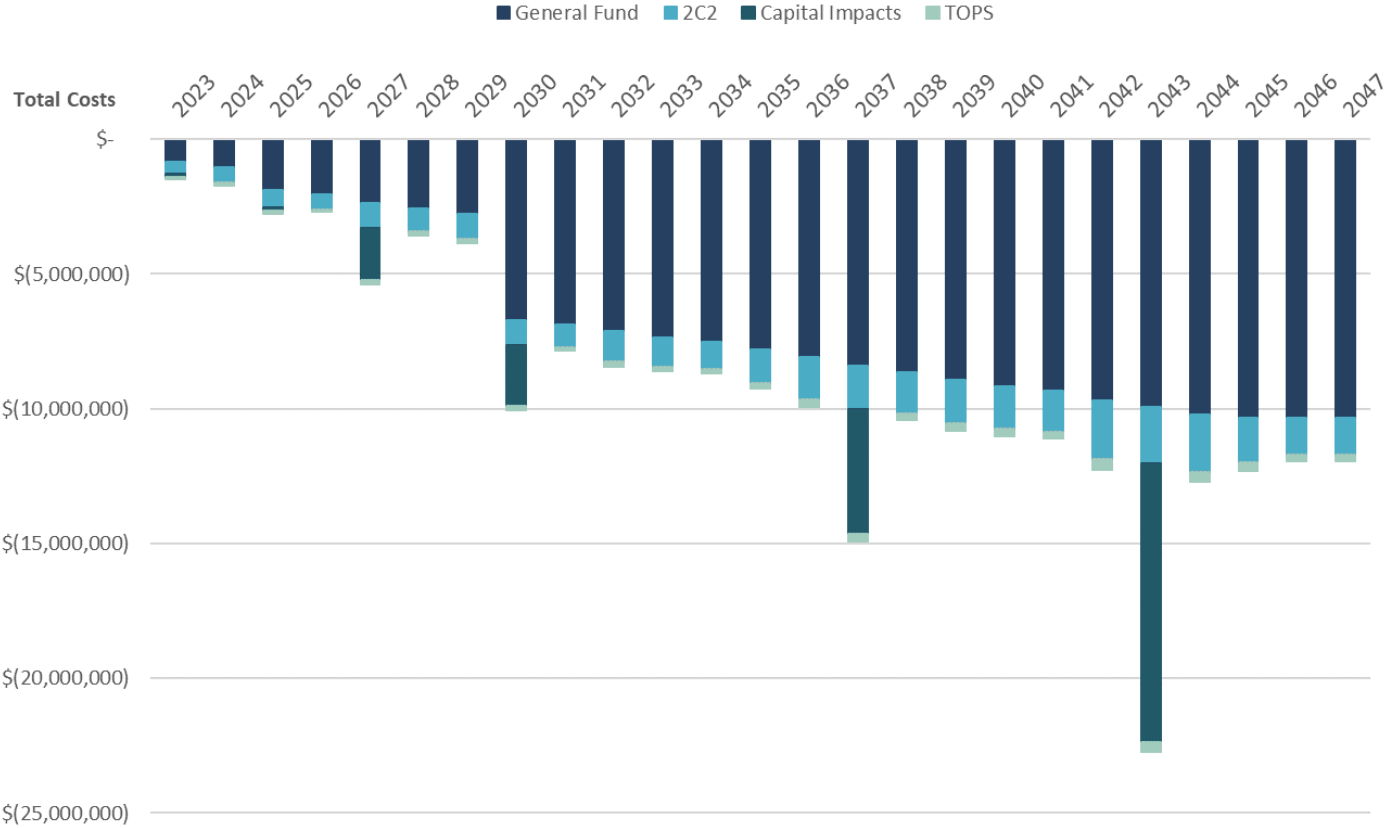
TOPS





# TOTAL EXPENDITURE GENERATION BY FUND

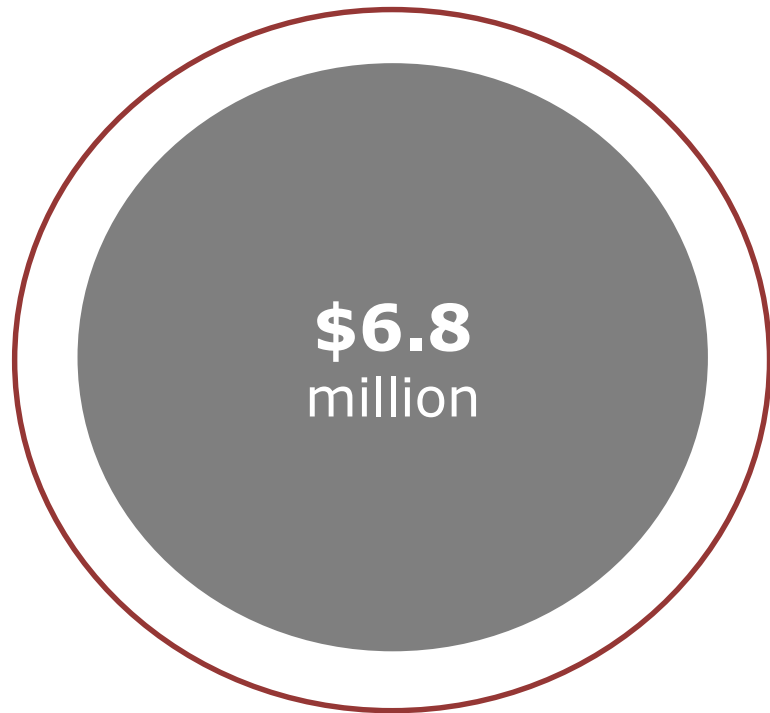
2023 TO 2047



Source: Economic & Planning Systems

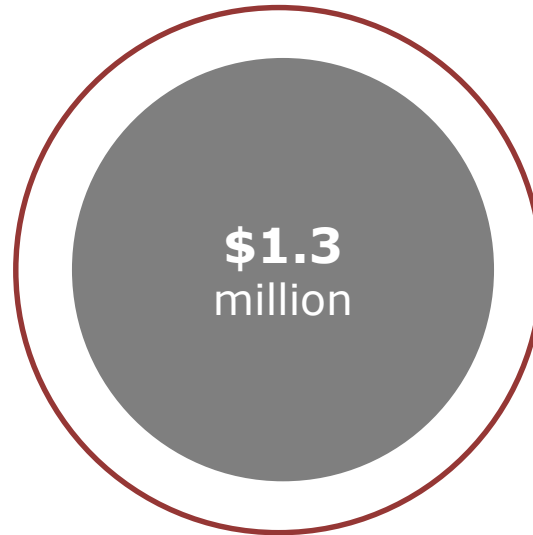
# AMARA EXPENDITURE GENERATION BY FUND

AVERAGE ANNUAL EXPENDITURES (2023 TO 2047)



**\$6.8**  
million

General  
Fund



**\$1.3**  
million

2C2



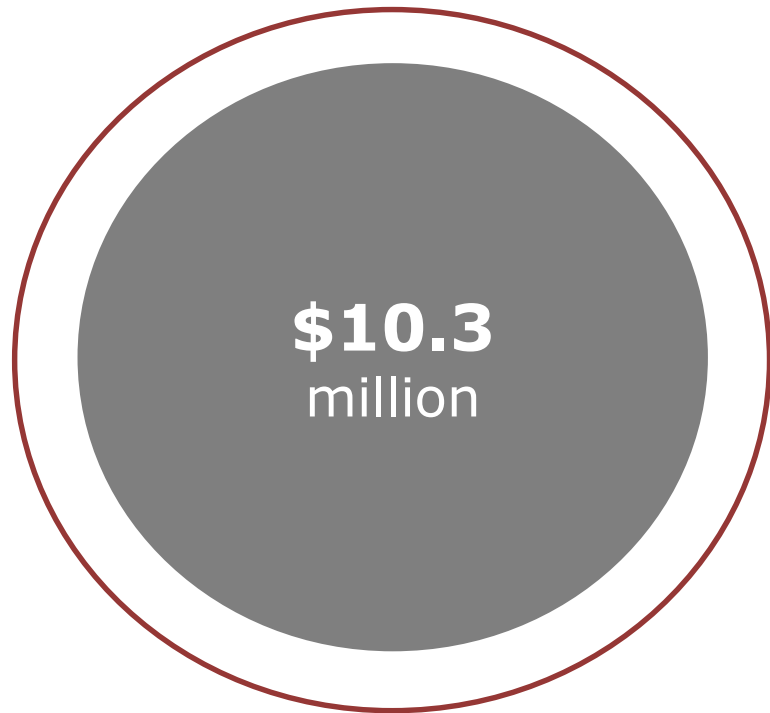
**\$220K**

TOPS

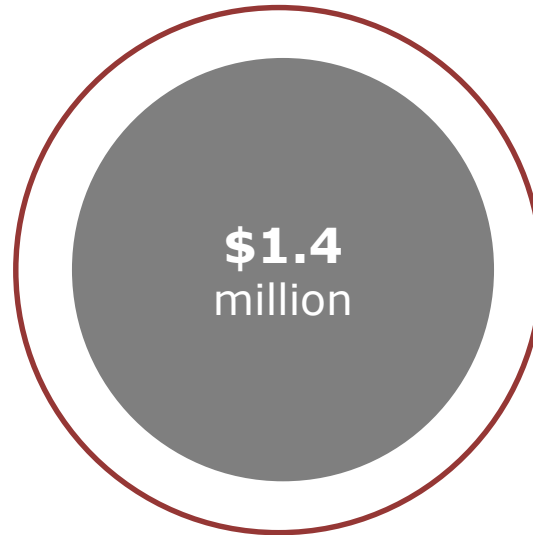


# AMARA EXPENDITURE GENERATION BY FUND

## ONGOING EXPENDITURES AT BUILDOUT



General Fund



2C2



TOPS



# ECONOMIC IMPACTS

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# KEY ASSUMPTIONS

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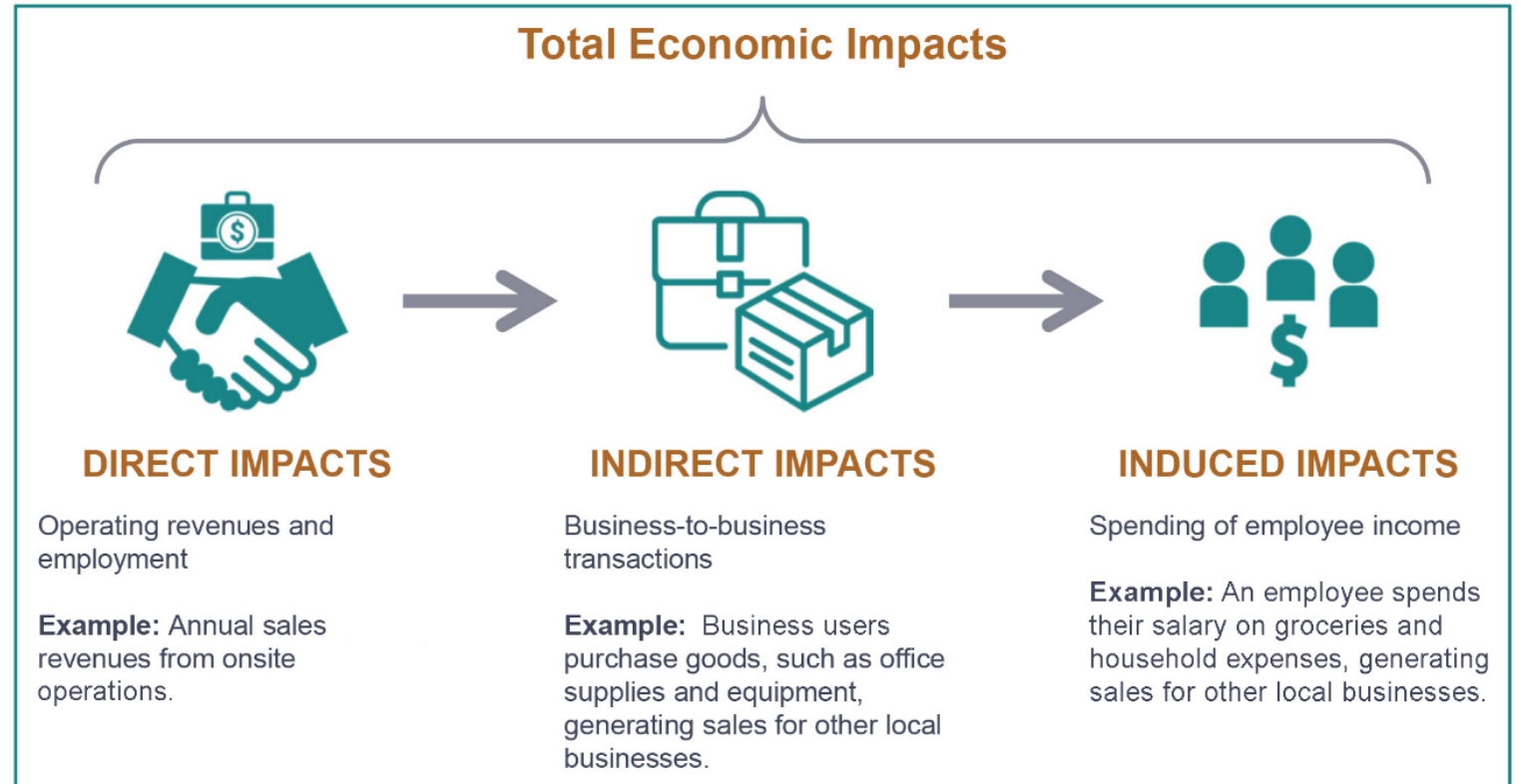
## AMARA ECONOMIC IMPACTS

- The current IMPLAN dataset relies on I/O relations derived from 2019. A more current dataset is available based on 2020 data, but the data were heavily impacted by the impacts of the COVID-19 pandemic and economic shutdowns.
- Economic impacts depicted in this analysis reflect gross impacts. The gross impacts do not account for potential shifts in resources or shifts in consumer expenditures from other local alternatives.
- The I/O methodology assumes that an industry's demand for goods and services results in a corresponding increase in supply and therefore employment.
- The total and average annual economic impacts assume a linear development program.

# ECONOMIC IMPACT

## METHODOLOGY

- Economic impact defines the relationships (transactions) between industries, commodities (goods and services), and institutions (households, government, etc.).



Source: Economic & Planning Systems, Inc.

# ECONOMIC IMPACT

## TOTAL RESIDENTIAL, COMMERCIAL, AND CONSTRUCTION IMPACT (2023–2045)

OVERALL ECONOMIC  
IMPACT

**\$18.6 Billion**

TOTAL RESIDENTIAL, COMMERCIAL, AND CONSTRUCTION ECONOMIC IMPACTS

**\$7.3 billion**  
DIRECT IMPACT

The direct impact of the commercial development and construction buildout on the Colorado Springs region.

**\$2.0 billion**  
INDIRECT IMPACT

The indirect impact is a value representing the business-to-business purchases in the supply chain taking place in the Colorado Springs region that stem from the initial direct impact.

**\$9.3 billion**  
INDUCED IMPACT

The induced impacts represent the value from the spending of the commercial and supply chain company employees and household spending from the residential development.

# ECONOMIC IMPACT

## CONSTRUCTION (TOTAL ECONOMIC IMPACT 2023–2045)

OVERALL ECONOMIC  
IMPACT

**\$3.5 Billion**

TOTAL ECONOMIC IMPACT OF AMARA'S CONSTRUCTION

**\$2.3 billion**  
DIRECT IMPACT

The direct impact stemming from Amara's construction is represented by the total annual expenditures associated with material costs.

**\$443.9 million**  
INDIRECT IMPACT

The indirect impacts from the project's construction are the business-to-business purchases in the supply chain taking place in the Colorado Springs region that stem from the initial direct impact (material costs).

**\$740.6 million**  
INDUCED IMPACT

The induced impacts represent the value from the spending by the construction employees and the supply chain companies.



# ECONOMIC IMPACT

## CONSTRUCTION (ANNUAL AVERAGE ECONOMIC IMPACT THROUGH BUILDOUT)

ANNUAL ECONOMIC  
IMPACT

**\$151.8 Million**

ANNUAL ECONOMIC IMPACT OF AMARA'S CONSTRUCTION

**\$100.4 million**  
DIRECT IMPACT

The direct impact stemming from Amara's construction is represented by the average annual expenditure associated with material costs.

**\$19.3 million**  
INDIRECT IMPACT

The indirect impacts from the project's construction are the business-to-business purchases in the supply chain taking place in the Colorado Springs region that stem from the initial direct impact (material costs).

**\$32.2 million**  
INDUCED IMPACT

The induced impacts represent the value from the spending by the construction employees and the supply chain companies.

# ECONOMIC IMPACT

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## CONSTRUCTION (ANNUAL ECONOMIC IMPACT THROUGH BUILDOUT)

- Annual number of jobs sustained over the course of project buildout



**987**  
Total Jobs

645 **Direct Jobs**

125 **Indirect Jobs**

216 **Induced Jobs**

# ECONOMIC IMPACT

## TOTAL RESIDENTIAL AND COMMERCIAL IMPACT (2023–2045)

OVERALL ECONOMIC  
IMPACT

**\$15.1 Billion**

TOTAL ECONOMIC IMPACT OF AMARA'S RESIDENTIAL AND COMMERCIAL DEVELOPMENT (FULL BUILDOUT)

**\$5.0 billion**  
DIRECT IMPACT

The direct impact is a value representing the direct effects the commercial development has on the Colorado Springs region from spending by tenants and organizations located within the development.

**\$1.6 billion**  
INDIRECT IMPACT

The indirect impact is a value representing the business-to-business purchases in the supply chain taking place in the Colorado Springs region that stem from the initial direct impact.

**\$8.5 billion**  
INDUCED IMPACT

The induced impacts represent the value from the spending of the commercial and supply chain company employees and household spending from the residential development.

# ECONOMIC IMPACT

## AVERAGE ANNUAL RESIDENTIAL AND COMMERCIAL IMPACT (2023–2045)

**ANNUAL ECONOMIC  
IMPACT**

**\$654.7 Million**

ANNUAL ECONOMIC IMPACT OF AMARA'S RESIDENTIAL AND COMMERCIAL DEVELOPMENT (FULL BUILDOUT)

**\$215.2 million**  
DIRECT IMPACT

The direct impact is a value representing the direct effects the commercial development has on the Colorado Springs region from spending by tenants and organizations located within the development.

**\$68.7 million**  
INDIRECT IMPACT

The indirect impact is a value representing the business-to-business purchases in the supply chain taking place in the Colorado Springs region that stem from the initial direct impact.

**\$370.9 million**  
INDUCED IMPACT

The induced impacts represent the value from the spending of the commercial and supply chain company employees and household spending from the residential development.

# ECONOMIC IMPACT

## RESIDENTIAL AND COMMERCIAL IMPACT (ONGOING AT BUILDOUT)

ONGOING ECONOMIC  
IMPACT

**\$1.3 Billion**

ANNUAL ECONOMIC IMPACT OF AMARA'S RESIDENTIAL AND COMMERCIAL DEVELOPMENT (FULL BUILDOUT)

**\$412.4 million**  
DIRECT IMPACT

The direct impact is a value representing the direct effects the commercial development has on the Colorado Springs region from spending by tenants and organizations located within the development.

**\$131.7 million**  
INDIRECT IMPACT

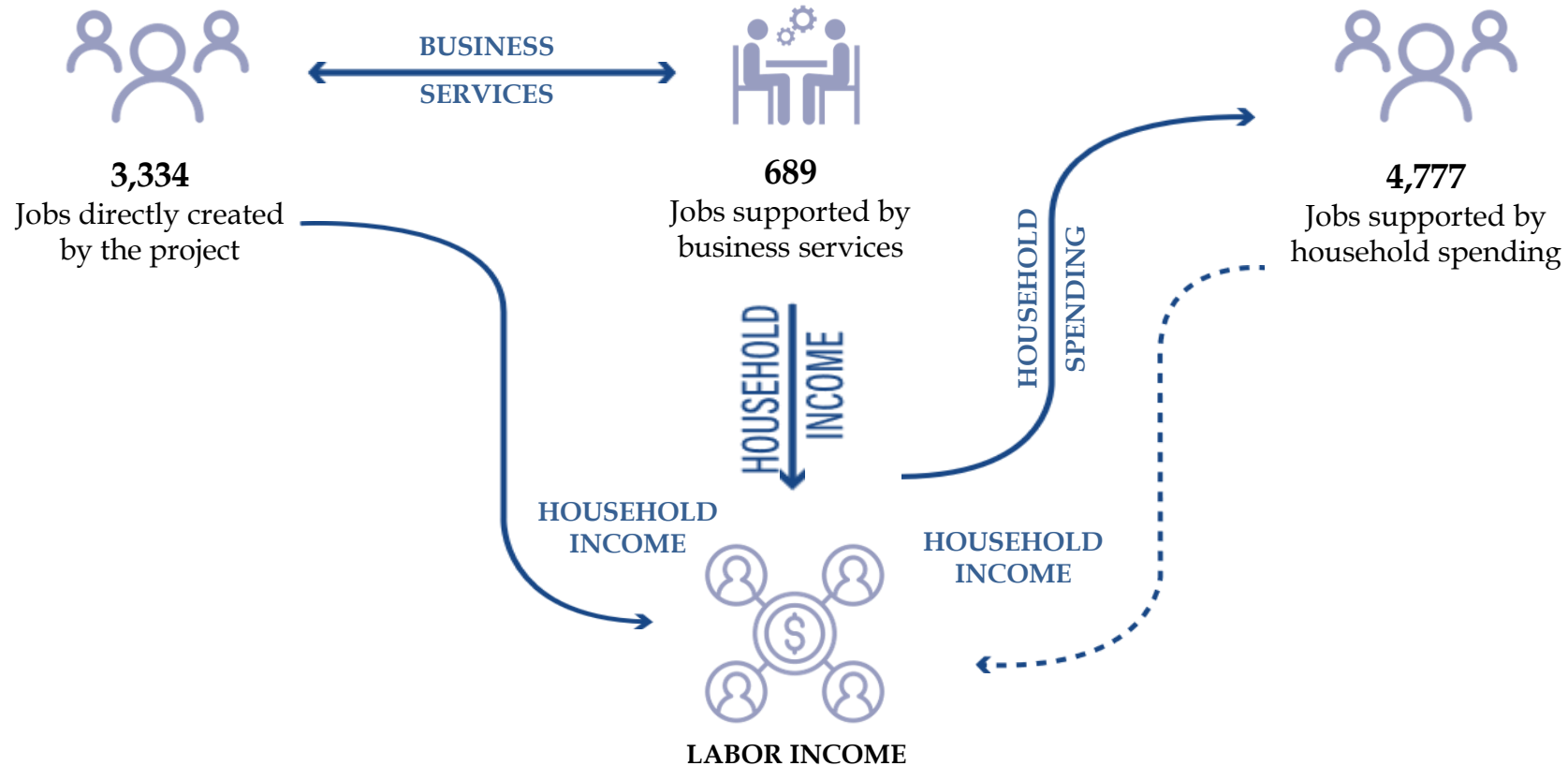
The indirect impact is a value representing the business-to-business purchases in the supply chain taking place in the Colorado Springs region that stem from the initial direct impact.

**\$710.8 million**  
INDUCED IMPACT

The induced impacts represent the value from the spending of the commercial and supply chain company employees and household spending from the residential development.

# ECONOMIC IMPACT

## RESIDENTIAL AND COMMERCIAL EMPLOYMENT IMPACT



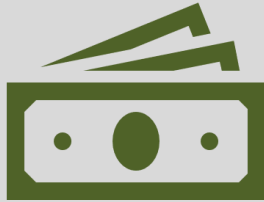
**8,800 Total Jobs**

# ECONOMIC IMPACT

## RESIDENTIAL DEVELOPMENT



9,388



\$555.2  
million



3,880

New Households

Annual Economic  
Impact (Induced)

Jobs Supported  
Annually (Induced)

# ECONOMIC IMPACT

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## COMMERCIAL DEVELOPMENT

- Total jobs supported at Amara in perpetuity at full buildout



**4,920**  
Total Jobs

3,334 **Direct Jobs**

689 **Indirect Jobs**

897 **Induced Jobs**



QUESTIONS?

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