

**Tax Forecast and County Impact Report for
Tejon and Costilla Urban Renewal Area
Colorado Springs, Colorado**

Prepared for:

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Background information and other data have been furnished to DGC Consulting (DGC) by the Colorado Springs Urban Renewal Authority, City of Colorado Springs, El Paso County, the Developer, and/or third parties, which DGC has used in preparing this report. DGC has relied on this information as furnished, and is neither responsible for nor has confirmed the accuracy of this information.

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1. Introduction and Background

This report summarizes the tax forecast and impact on El Paso County (hereafter, the “County”) of the proposed redevelopment of the Tejon and Costilla Urban Renewal Area (hereafter, the “Area” or “Project”) in Downtown Colorado Springs, as described in the Tejon and Costilla Urban Renewal Plan (hereafter, the “Urban Renewal Plan” or “Plan”) and other materials provided by JVK, LLC, a Colorado limited liability company (hereafter, the “Developer”).

The Tejon and Costilla Urban Renewal Area Tax Forecast and County Impact Report (hereafter, “Tax Forecast and County Impact Report”) was prepared by DGC Consulting (hereafter, “DGC”) for the Colorado Springs Urban Renewal Authority (hereafter, “CSURA” or “Authority”) under a contract dated November 21, 2017.

A separate and complementary economic analysis prepared by Tatiana Bailey, Phd., is included in Appendix D. It assesses total economic impact of the proposed project in terms of direct effect, indirect affect and induced affect.

The report includes a summary of forecasted property and sales tax revenues as well as El Paso County fiscal and service impacts associated with development in accordance with the Urban Renewal Plan. Specifically, this report is intended to:

1. Provide a detailed property and sales tax projection for all taxing entities over a 25-year period.
2. Respond to the requirements outlined in the State of Colorado Statutes for Urban Renewal Authorities (Colo. Rev. Stat. § 31-25-101, et seq.) specifically related to the requirements of a County Impact Report (Colo. Rev. Stat. § 31-25-107 (3.5)). These requirements are excerpted as follows:

(3.5) (a) At least thirty days prior to the hearing on an urban renewal plan or a substantial modification to such plan, the governing body or the authority shall submit such plan or modification to the board of county commissioners, and, if property taxes collected as a result of the county levy will be utilized, the governing body or the authority shall also submit an urban renewal impact report, which shall include, at a minimum, the following information concerning the impact of the plan:

- I. The estimated duration of time to complete the urban renewal project;
- II. 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 period to fund the urban renewal project;
- III. 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;
- IV. 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

V. Any other estimated impacts of the urban renewal project on county services or revenues.

2. Urban Renewal Plan

The Tejon and Costilla Area Urban Renewal Plan, dated October 2018, by DGC Consulting, is included by reference and as Appendix C.

3. Development Timing

The proposed project is the Downtown Marriott Hotel (dual-branded Spring Hill Suites & Element), retail space, exterior streetscape and vehicular improvements, and underground parking on the 38,000 square foot site (.87 acres). Development within the Urban Renewal Area will be determined by market conditions. However, a preliminary development absorption timeline was provided by CSURA and JVK, LLC, a Colorado Limited Liability Company (hereafter, “Developer”) to forecast tax revenues and impacts on the County.

The development program is summarized in Table 1. Figure 1 shows the location and site of the proposed project and Figure 2 is an image of the building exterior. Construction of the eight floor building is scheduled to occur over a three-year period, and the project will include approximately 300,445 square feet of hotel and retail space, plus underground parking, sidewalks, and landscaping.

Table 1: Marriot Hotel Development Program

Facility Use	Area (SF)
Hotel (256 rooms)	160,960
Parking (224 spaces)	91,060
Lobby Areas/Amenities (street level)	22,425
Restaurant and Outdoor Seating (street level)	4,265
Restaurant and Outdoor Patio (8th floor - rooftop)	7,925
Conference Facilities (8th floor)	1,685
Apartments and/or Suites (TBD)	12,125
TOTAL BUILDING GROSS AREA	300,445

Source: Developer



Figure 1: Project location and context



Figure 2: Project exterior and streetscape

4. Property, Sales and Other Tax Revenue

This section presents forecasts for property and sales taxes generated by the Urban Renewal Area. Both property and sales taxes are proposed to be deferred for this project. An annual inflation rate of 1% was used for the analysis. This section includes a summary of existing property taxes in the urban renewal area, property tax districts. Sales tax entities are also included, although currently no sales tax is collected in the area.

4.1 Current Taxes, Property Tax Districts and Sales Tax Entities/Assignments

Table 2 summarizes current property taxes paid in the proposed Urban Renewal Area. Currently no sales taxes are collected in the proposed Urban Renewal Area. Table 3 presents current mill levies for all parcels in the taxing district that includes the proposed Urban Renewal Area. Table 4 summarizes sales tax entities and Table 5 presents a breakout of City of Colorado Springs sales tax assignments.

Table 2: Property Taxes (due in 2018)

Address	Market Value 2017 (\$)	Assessed Value 2017 (\$)	Tax Area Code	Mill Levy 2017	Estimated Tax 2018 (\$)
402 S Tejon St	451,858	131,040	FCP	79.49	10,417
408 S Tejon St	126,825	36,780	FCP	79.49	2,924
414 S Tejon St	567,797	164,660	FCP	79.49	13,089
410 S Tejon St	310,245	89,970	FCP	79.49	7,152
Total	1,456,725	422,450			33,582

Source: El Paso County Assessor website and parcel data

Table 3: Project Area Property Tax Entities/Districts

Taxing Entity	Tax Levy Year	Mill Levy
EL PASO COUNTY	2017	7.635
EPC ROAD & BRIDGE SHARE	2017	0.165
CITY OF COLORADO SPRINGS	2017	4.279
EPC-COLORADO SPGS ROAD & BRIDGE SHARE	2017	0.165
COLO SPGS SCHOOL NO 11 - GEN	2017	48.986
COLO SPGS SCHOOL NO 11 - BOND	2017	3.513
PIKES PEAK LIBRARY	2017	3.812
SOUTHEASTERN COLO WATER CONSERVANCY	2017	0.939
GREATER DOWNTOWN BS BID	2017	5.000
CS DOWNTOWN DEVELOPMENT AUTHORITY	2017	5.000
TOTAL	2017	79.494

Source: El Paso County Assessor website

Notes: 2018 values, 2017 levy year

Table 4: Project Area Sales Tax Entities

Sales Tax	Tax Year	Tax Rate (%)
State of Colorado	2017	2.90
El Paso County	2017	1.23
City of Colorado Springs	2017	3.12
Special Tax	2017	1.00
Total	2017	8.25

Source: El Paso County Assessor website

Notes: 2018 values, 2017 levy year

Table 5: Colorado Springs Sales Tax Assignments

Tax Entity	Assignment	Tax Rate (%)
City of Colorado Springs	General Fund	2.00
City of Colorado Springs	RTA (roads)	0.62
City of Colorado Springs	PSST	0.40
City of Colorado Springs	TOPS	0.10
City of Colorado Springs	Total	3.12

Source: El Paso County Assessor website

Notes: 2018 values, 2017 levy year

4.2 El Paso County Property Tax Revenue Forecast

Property Tax Assumptions:

1. All development in a single phase – 300,445 SF hotel, parking, support space, retail, conference spaces, and apartments and/or suites (TBD or to be determined). New property taxes are assessed in 2020 and paid in 2021.
2. All facility uses are commercial category.
3. All real property is taxable.
4. Development program information and tax estimating ratios used in the fiscal analysis are based on information provided by the Developer in the Downtown Marriott Hotel Application, February 2018, prepared for the Colorado Springs Urban Renewal Authority.
5. New Development Program is 300,445 SF of commercial space.
6. Existing property tax base - \$33,582/year.
7. EPC mill levy includes EPC 7.539 plus EPC Road and Bridge .165.
8. 2017 property tax information provided by El Paso County Assessor.
9. El Paso County Assessor provided estimated project market value of \$15M – \$25M (letter dated February 14, 2018). The \$25M estimate was used to derive \$81/SF used in the analysis.
10. Personal Property taxes are not included in this analysis.
11. Analysis includes 1% annual inflation in property value.

Retail Sales Tax Assumptions:

1. All development in a single phase – 300,445 SF hotel, parking, support space retail, conference spaces, and apartments and/or suites (TBD). Construction is assumed to be complete in 2019 so

new retail taxes are paid in 2020.

2. Development program information and tax estimating ratios used in the fiscal analysis are based on information provided by the Developer in the Downtown Marriott Hotel Application, February 2018, prepared for the Colorado Springs Urban Renewal Authority. New Retail Development totals 13,995 SF
3. Site currently generates no retail sales tax base. All future retail sales are taxable.
4. Retail sales tax generated by new retail at rate of \$280/SF based on estimates provided by the Developer in the Downtown Marriott Hotel Application, February 2018, prepared for the Colorado Springs Urban Renewal Authority.
5. Colorado Springs General Fund 3.12% sales tax as follows: 2.0% assigned to URA, 1.12% retained by City.
6. Analysis includes 1% annual inflation in retail sales.

4.3 El Paso County Property Tax Revenue Forecast

The forecast of future property tax revenues was calculated using a spreadsheet, which is included as Table 15. For purposes of clarity, information from the spreadsheet has been excerpted and is presented in the more concise tables and narrative.

County property tax revenues (which include El Paso County and El Paso County Road and Bridge Share) are based on a combined 7.8mil levy. Tables 6 and 7 summarize total property taxes collected, existing property taxes (referred to as the “Base”) which would not be deferred, and future property taxes due to new development (referred to as the “Increment”) that would be deferred. Table 6 summarizes the short-term period of the project (2018-2023), which includes construction through project stabilization. The spreadsheet for the property tax analysis is included as Exhibit A.

Table 7 summarizes the cumulative County property tax revenue in five year increments 2018-2043 (25-year analysis period).

Table 6: Short-Term El Paso County Property Tax Revenue (2018-2023)

Description	2018	2019	2020	2021	2022	2023
Property Taxes (Total)	\$ 3,295	\$ 3,361	\$ 3,395	\$ 60,145	\$ 60,747	\$ 61,354
Property Tax (Base)	\$ 3,295	\$ 3,361	\$ 3,395	\$ 3,429	\$ 3,463	\$ 3,498
Net Property Tax Revenues (Increment)	\$ -	\$ -	\$ -	\$ 56,716	\$ 57,283	\$ 57,856

Source: DGC using information provided by the Developer and the El Paso County Assessor website

Notes: El Paso County (County and Road and Bridge Share) combined mil levy: 7.635

Table 7: Cumulative El Paso County Property Tax Revenue

Description	2018 (\$)	2018-2023 (\$)	2018-2028 (\$)	2018-2033 (\$)	2018-2038 (\$)	2018-2043 (\$)
County Property Taxes (Total)	3,295	192,297	508,393	840,614	1,189,781	1,556,760
County Property Taxes (Base)	3,295	20,441	38,462	57,402	77,309	98,230
County Property Tax Revenues Deferred (Increment)	-	171,856	469,931	783,212	1,112,473	1,458,530

Source: DGC using information provided by the Developer and the El Paso County Assessor website

Notes: El Paso County (County and Road and Bridge Share) combined mil levy: 7.635

If the County portion of the property taxes was deferred during this period, the County would experience an annual fiscal impact of \$56,716/ year in 2021 (the first year of development-induced revenues), growing to approximately \$70,595/year in 2043 (the end of the 25-year tax increment financing period), resulting from the inclusion of the developed parcels in the new urban renewal project area and after accounting for the base property tax. The total property tax deferred by the County during this period would be approximately \$1,458,530.

4.4 El Paso County Sales Tax Revenue Forecast

The County collects 1.23% on taxable sales in the taxing district, which is included in the overall 8.25% sales tax levy. Tables 8 and 9 show total sales taxes collected, existing sales taxes (referred to as the “Base”) which would not be deferred, and future sales taxes due to new development (referred to as the “Increment”) that would be deferred.

Table 8 summarizes the short-term (2019-2023) County sales tax revenue. Table 9 summarizes cumulative County sales tax revenue in five year increments 2018-2043 (25-year analysis period). The spreadsheet used for the sales tax analysis is included as Exhibit B.

Table 8: Short-Term El Paso County Sales Tax Revenue (2018-2023)

	2017	2018	2019	2020	2021	2022	2023
Total Sales Tax	\$ -	\$ -	\$ -	\$ 49,517	\$ 50,012	\$ 50,513	\$ 51,018
Existing Sales Tax (Base)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
New Sales Tax (Increment)	\$ -	\$ -	\$ -	\$ 49,517	\$ 50,012	\$ 50,513	\$ 51,018

Source: DGC using information provided by the Developer and the El Paso County Assessor website

Notes: El Paso County sales tax is 1.23%

Table 9: Cumulative El Paso County Sales Tax Revenue

Description	Rate (%)	2018	2018-2023	2018-2028	2018-2033	2018-2038	2018-2043
County Sales Taxes (Increment)	1.23	\$ -	\$ 201,060	\$ 463,904	\$ 740,156	\$ 1,030,500	\$ 1,335,654
County Sales Taxes (Base)	1.23	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Total County Sales Tax Revenues	1.23	\$ -	\$ 201,060	\$ 463,904	\$ 740,156	\$ 1,030,500	\$ 1,335,654

Source: DGC using information provided by the Developer and the El Paso County Assessor website

Notes: El Paso County sales tax rate is 1.23%

If the County portion of the sales taxes was deferred during this period, the County would experience an annual fiscal impact of \$49,517/ year in 2020 (the first year of development-induced revenues), growing to approximately \$62,251/year in 2043 (the end of the 25-year tax increment financing period). The total sales tax deferred by the County during this period would be approximately \$1,335,654.

5. Impact on El Paso County Services

Municipal and public service providers for the subject property are summarized on Table 10. The proposed Urban Renewal Area is located entirely within the City’s boundaries and municipal services are provided by the

City of Colorado Springs and Colorado Springs Utilities. Telecommunications are provided by private companies. Other public service providers include: Colorado Springs School District #11, Southeastern Colorado Water Conservancy District, and Pikes Peak Library District.

El Paso County provides General Government Services which include: County Attorney, County Sheriff, County Courts, Social Services, Assessor's Office, Coroner's Office, and the Clerk and Recorder's Office. It is likely that County General Governmental Services will be required during construction of the proposed business hotel or during hotel operations which will follow.

Table 10: Service Providers

Service	Provider
Municipal General Government Services	City of Colorado Springs
Streets, Environmental, and Potable Water	Colorado Springs Utilities
Sanitary Sewer	Colorado Springs Utilities
Storm Sewer	Colorado Springs Utilities
Regional Storm Drainage	Southeastern Colorado Water Conservancy
Fire and Emergency Services	City of Colorado Springs
Police	City of Colorado Springs
City Parks	City of Colorado Springs
Library	Pikes Peak Library
County General Governmental Services	El Paso County
Schools	Colorado Springs School District #11
Electrical Power	Colorado Springs Utilities
Natural Gas	Colorado Springs Utilities
Telecommunications	Various

Source: El Paso County website, City of Colorado Springs website, and Colorado Springs Utilities website

6. Impact on El Paso County Infrastructure

New infrastructure, such as roads and utilities within the Urban Renewal Area will be the responsibility of the project developer, and may be funded by the City and/or future metropolitan districts. It is our opinion, based on information provided by City staff, that the development of the proposed Urban Renewal Area will not impact County infrastructure.

7. Financing of New Infrastructure

It is anticipated that new infrastructure serving the Urban Renewal Area will be provided by the Developer, the City, metropolitan districts, or other special districts. Infrastructure will be financed by the project developer, tax increment revenue and/or a combination of tax increment revenue, general fund revenue, and special district revenue (assuming the creation of a special district). Maintenance of infrastructure will be provided mainly by the City and/or existing and future special districts.

8. County Impact Report Conclusions

The anticipated uses within the proposed Urban Renewal Area are consistent with uses in the City of Colorado Springs Zoning, Comprehensive Plan and Experience Downtown Colorado Springs Plan. It is anticipated that

properties would be rezoned, as appropriate, to allow redevelopment that is in conformance with these documents.

1. Development program - the property and sales tax analysis assumes development of a Downtown Marriott Hotel, (dual-branded Spring Hill Suites & Element), retail space, and underground parking on the 38,000 square foot site. Development is assumed to occur over a 3-year period, totaling 300,445 square feet of hotel and retail, plus underground parking, sidewalks, and landscaping.
2. Property taxes - if the County portion of the property taxes was deferred during this period, the County would experience an annual fiscal impact of \$56,716/ year in 2021 (the first year of development-induced revenues), growing to approximately \$70,595/year in 2043 (the end of the 25-year tax increment financing period), resulting from the inclusion of the developed parcels in the new urban renewal project area and after accounting for the base property tax. The total property tax deferred by the County during this period would be approximately \$1,458,530.
3. Sales taxes - if the County portion of the sales taxes was deferred during this period, the County would experience an annual fiscal impact of \$49,517/ year in 2020 (the first year of development-induced revenues), growing to approximately \$62,251/year in 2043 (the end of the 25-year tax increment financing period). The total sales tax deferred by the County during this period would be approximately \$1,335,654.
4. County services – it is not expected that the County will need to provide additional services to the proposed Urban Renewal Area. The Area is located entirely within City municipal boundaries and this responsibility will fall to the City or to Colorado Springs Utilities. Colorado Springs School District #11, Southeastern Colorado Water Conservancy District, and Pikes Peak Library District will continue to provide their respective services. Other private utilities will continue to provide services to the Urban Renewal Area.
5. As is pointed out in the economic impact analysis by Tatiana Bailey, Ph.D. (See Appendix D: Downtown Marriott Hotel Economic Impact Analysis), the project will generate significant positive economic impacts during construction and afterward when the project is operated as a high-quality business hotel. Throughout this period, the County will provide General Government Services which include County Attorney, County Sheriff, County Courts, Social Services, Assessor’s Office, Coroner’s Office, and the Clerk and Recorder’s Office.
6. County infrastructure – based on the economic impact analysis, it is not expected that development of the proposed Urban Renewal Area will negatively impact existing County infrastructure and the County will not need to provide additional infrastructure to serve the proposed project. The City of Colorado Springs, Colorado Springs Utilities, Colorado Springs Urban Renewal Authority, project developers, and/or special districts (including metropolitan districts) will plan, finance, construct and maintain new infrastructure for the Urban Renewal Area. On a commercial basis, private utilities mentioned previously will continue to provide services, and if required, new infrastructure to serve the Urban Renewal Area.

9. Property Taxes for Other Taxing Entities

A five-year snapshot of property taxes generated for non-County taxing entities is presented in Table 11. Exhibit A presents the complete property tax analysis spreadsheet.

Table 11: Short-Term Property Tax Revenues by Taxing District (2018-2023)

El Paso County (General Fund and Road and Bridge Share)							
Description	9.81%	2018	2019	2020	2021	2022	2023
Property Taxes (Total)	0.0078000	\$ 3,295	\$ 3,361	\$ 3,395	\$ 60,145	\$ 60,747	\$ 61,354
Property Tax (Base)		\$ 3,295	\$ 3,361	\$ 3,395	\$ 3,429	\$ 3,463	\$ 3,498
Net Property Tax Revenues (Increment)		\$ -	\$ -	\$ -	\$ 56,716	\$ 57,283	\$ 57,856
City of Colorado Springs (General Fund and Road and Bridge Share)							
Share of Property Tax (%)	5.59%	2018	2019	2020	2021	2022	2023
Property Taxes (Total)	0.0044440	\$ 1,877	\$ 1,915	\$ 1,934	\$ 34,267	\$ 34,610	\$ 34,956
Property Tax (Base)		\$ 1,877	\$ 1,915	\$ 1,934	\$ 1,954	\$ 1,973	\$ 1,993
Net Property Tax Revenues (Increment)		\$ -	\$ -	\$ -	\$ 32,314	\$ 32,637	\$ 32,963
Colorado Springs School District #11 (General and Bond)							
Share of Property Tax (%)	66.04%	2018	2019	2020	2021	2022	2023
Property Taxes (Total)	0.0524990	\$ 22,178	\$ 22,624	\$ 22,850	\$ 404,815	\$ 408,863	\$ 412,952
Property Tax (Base)		\$ 22,178	\$ 22,624	\$ 22,850	\$ 23,079	\$ 23,310	\$ 23,543
Net Property Tax Revenues (Increment)		\$ -	\$ -	\$ -	\$ 381,736	\$ 385,553	\$ 389,409
Pikes Peak Library							
Share of Property Tax (%)	4.80%	2018	2019	2020	2021	2022	2023
Property Taxes (Total)	0.0038120	\$ 1,610	\$ 1,643	\$ 1,659	\$ 29,394	\$ 29,688	\$ 29,985
Property Tax (Base)		\$ 1,610	\$ 1,643	\$ 1,659	\$ 1,676	\$ 1,693	\$ 1,709
Net Property Tax Revenues (Increment)		\$ -	\$ -	\$ -	\$ 27,718	\$ 27,995	\$ 28,275
Southeastern Colorado Water Conservancy							
Share of Property Tax (%)	1.18%	2018	2019	2020	2021	2022	2023
Property Taxes (Total)	0.001	\$ 397	\$ 405	\$ 409	\$ 7,241	\$ 7,313	\$ 7,386
Property Tax (Base)		\$ 397	\$ 405	\$ 409	\$ 413	\$ 417	\$ 421
Net Property Tax Revenues (Increment)		\$ -	\$ -	\$ -	\$ 6,828	\$ 6,896	\$ 6,965
Greater Downtown BS BID							
Share of Property Tax (%)	6.29%	2018	2019	2020	2021	2022	2023
Property Taxes (Total)	0.01	\$ 2,112	\$ 2,155	\$ 2,176	\$ 38,555	\$ 38,940	\$ 39,329
Property Tax (Base)		\$ 2,112	\$ 2,155	\$ 2,176	\$ 2,198	\$ 2,220	\$ 2,242
Net Property Tax Revenues (Increment)		\$ -	\$ -	\$ -	\$ 36,357	\$ 36,720	\$ 37,087
CS Downtown Development Authority							
Share of Property Tax (%)	6.29%	2018	2019	2020	2021	2022	2023
Property Taxes (Total)	0.01	\$ 2,112	\$ 2,155	\$ 2,176	\$ 38,555	\$ 38,940	\$ 39,329
Property Tax (Base)		\$ 2,112	\$ 2,155	\$ 2,176	\$ 2,198	\$ 2,220	\$ 2,242
Net Property Tax Revenues (Increment)		\$ -	\$ -	\$ -	\$ 36,357	\$ 36,720	\$ 37,087

Source: DGC using information provided by the Developer and the El Paso County Assessor website

Table 12 summarizes cumulative property taxes (based on five, 10, 15, 20 and 25-year increments) for non-County taxing entities. Exhibit A presents the complete property tax spreadsheet.

Table 12: Cumulative Property Tax Revenues by Taxing District (2018-2023)

Cumulative El Paso County (General Fund and Road and Bridge Share)						
	2018	2018-2023	2018-2028	2018-2033	2018-2038	2018-2043
Property Taxes (Total)	\$ 3,295	\$ 192,297	\$ 508,393	\$ 840,614	\$ 1,189,781	\$ 1,556,760
Property Taxes (Base)	\$ 3,295	\$ 20,441	\$ 38,462	\$ 57,402	\$ 77,309	\$ 98,230
Property Tax Revenues (Increment)	\$ -	\$ 171,856	\$ 469,931	\$ 783,212	\$ 1,112,473	\$ 1,458,530
Cumulative City of Colorado Springs (General Fund and Road and Bridge Share)						
	2018	2018-2023	2018-2028	2018-2033	2018-2038	2018-2043
Property Taxes (Total)	\$ 1,877	\$ 109,560	\$ 289,654	\$ 478,935	\$ 677,870	\$ 886,954
Property Taxes (Base)	\$ 1,877	\$ 11,646	\$ 21,914	\$ 32,705	\$ 44,046	\$ 55,966
Property Tax Revenues (Increment)	\$ -	\$ 97,914	\$ 267,740	\$ 446,230	\$ 633,824	\$ 830,988
Cumulative Colorado Springs School District #11 (General and Bond)						
	2018	2018-2023	2018-2028	2018-2033	2018-2038	2018-2043
Property Taxes (Total)	\$ 22,178	\$ 1,294,282	\$ 3,421,814	\$ 5,657,872	\$ 8,007,992	\$ 10,477,991
Property Taxes (Base)	\$ 22,178	\$ 137,583	\$ 258,875	\$ 386,354	\$ 520,336	\$ 661,152
Property Tax Revenues (Increment)	\$ -	\$ 1,156,698	\$ 3,162,939	\$ 5,271,518	\$ 7,487,656	\$ 9,816,839
Cumulative Pikes Peak Library						
	2018	2018-2023	2018-2028	2018-2033	2018-2038	2018-2043
Property Taxes (Total)	\$ 1,610	\$ 93,979	\$ 248,461	\$ 410,823	\$ 581,468	\$ 760,816
Property Taxes (Base)	\$ 1,610	\$ 9,990	\$ 18,797	\$ 28,054	\$ 37,782	\$ 48,007
Property Tax Revenues (Increment)	\$ -	\$ 83,989	\$ 229,664	\$ 382,770	\$ 543,685	\$ 712,810
Cumulative Southeastern Colorado Water Conservancy						
	2018	2018-2023	2018-2028	2018-2033	2018-2038	2018-2043
Property Taxes (Total)	\$ 397	\$ 23,150	\$ 61,203	\$ 101,197	\$ 143,231	\$ 187,410
Property Taxes (Base)	\$ 397	\$ 2,461	\$ 4,630	\$ 6,910	\$ 9,307	\$ 11,825
Property Tax Revenues (Increment)	\$ -	\$ 20,689	\$ 56,573	\$ 94,287	\$ 133,925	\$ 175,585
Cumulative Greater Downtown BS BID						
	2018	2018-2023	2018-2028	2018-2033	2018-2038	2018-2043
Property Taxes (Total)	\$ 2,112	\$ 123,267	\$ 325,893	\$ 538,855	\$ 762,680	\$ 997,923
Property Taxes (Base)	\$ 2,112	\$ 13,103	\$ 24,655	\$ 36,796	\$ 49,557	\$ 62,968
Property Tax Revenues (Increment)	\$ -	\$ 110,164	\$ 301,238	\$ 502,059	\$ 713,124	\$ 934,955
Cumulative CS Downtown Development Authority						
	2018	2018-2023	2018-2028	2018-2033	2018-2038	2018-2043
Property Taxes (Total)	\$ 2,112	\$ 123,267	\$ 325,893	\$ 538,855	\$ 762,680	\$ 997,923
Property Taxes (Base)	\$ 2,112	\$ 13,103	\$ 24,655	\$ 36,796	\$ 49,557	\$ 62,968
Property Tax Revenues (Increment)	\$ -	\$ 110,164	\$ 301,238	\$ 502,059	\$ 713,124	\$ 934,955

Source: DGC using information provided by the Developer and the El Paso County Assessor website

10. Sales Taxes for Other Taxing Entities

A five-year snapshot of sales taxes generated for non-County taxing entities is presented in Table 13. Exhibit B is the complete spreadsheet for the sales tax analysis spreadsheet.

Table 13: Short-Term Sales Tax Revenues by Taxing District (2018-2023)

State of Colorado							
Share of Sales Tax (%)	35.15%	2018	2019	2020	2021	2022	2023
Total Sales Tax	2.90%	\$ -	\$ -	\$ 116,748	\$ 117,916	\$ 119,095	\$ 120,286
Existing Sales Tax (Base)		\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
New Sales Tax (Increment)		\$ -	\$ -	\$ 116,748	\$ 117,916	\$ 119,095	\$ 120,286
El Paso County							
Share of Sales Tax (%)	14.91%	2018	2019	2020	2021	2022	2023
Total Sales Tax	1.23%	\$ -	\$ -	\$ 49,517	\$ 50,012	\$ 50,513	\$ 51,018
Existing Sales Tax (Base)		\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
New Sales Tax (Increment)		\$ -	\$ -	\$ 49,517	\$ 50,012	\$ 50,513	\$ 51,018
City of Colorado Springs (General Fund 2% to URA)							
Share of Sales Tax (%)	24.24%	2018	2019	2020	2021	2022	2023
Total Sales Tax	2.00%	\$ -	\$ -	\$ 80,516	\$ 81,321	\$ 82,134	\$ 82,956
Existing Sales Tax (Base)		\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
New Sales Tax (Increment)		\$ -	\$ -	\$ 80,516	\$ 81,321	\$ 82,134	\$ 82,956
City of Colorado Springs (General Fund 1.12% retained)							
Share of Sales Tax (%)	13.58%	2018	2019	2020	2021	2022	2023
Total Sales Tax	1.12%	\$ -	\$ -	\$ 45,089	\$ 45,540	\$ 45,995	\$ 46,455
Existing Sales Tax (Base)		\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
New Sales Tax (Increment)		\$ -	\$ -	\$ 45,089	\$ 45,540	\$ 45,995	\$ 46,455
Special Tax							
Share of Sales Tax (%)	12.12%	2018	2019	2020	2021	2022	2023
Total Sales Tax	1.00%	\$ -	\$ -	\$ 40,258	\$ 40,661	\$ 41,067	\$ 41,478
Existing Sales Tax (Base)		\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
New Sales Tax (Increment)		\$ -	\$ -	\$ 40,258	\$ 40,661	\$ 41,067	\$ 41,478

Source: DGC using information provided by the Developer and the El Paso County Assessor website

Table 14 summarizes cumulative sales taxes (based on five, 10, 15, 20 and 25-year increments) for non-County taxing entities. Exhibit B presents the complete sales tax analysis spreadsheet.

Table 14: Short-Term Sales Tax Revenues by Taxing District (2018-2023)

Cumulative State of Colorado					
	2018	2018-2023	2018-2028	2018-2033	2018-2043
Total Sales Tax	\$ -	\$ 474,044	\$ 1,093,758	\$ 1,745,084	\$ 3,149,102
Existing Sales Tax (Base)	\$ -	\$ -	\$ -	\$ -	\$ -
New Sales Tax (Increment)	\$ -	\$ 474,044	\$ 1,093,758	\$ 1,745,084	\$ 3,149,102
Cumulative El Paso County					
	2018	2018-2023	2018-2028	2018-2033	2018-2043
Total Sales Tax	\$ -	\$ 201,060	\$ 463,904	\$ 740,156	\$ 1,335,654
Existing Sales Tax (Base)	\$ -	\$ -	\$ -	\$ -	\$ -
New Sales Tax (Increment)	\$ -	\$ 201,060	\$ 463,904	\$ 740,156	\$ 1,335,654
Cumulative City of Colorado Springs (General Fund 2% to URA)					
	2018	2018-2023	2018-2028	2018-2033	2018-2043
Total Sales Tax	\$ -	\$ 326,927	\$ 754,316	\$ 1,203,506	\$ 2,171,794
Existing Sales Tax (Base)	\$ -	\$ -	\$ -	\$ -	\$ -
New Sales Tax (Increment)	\$ -	\$ 326,927	\$ 754,316	\$ 1,203,506	\$ 2,171,794
Cumulative City of Colorado Springs (General Fund 1.12% retained)					
	2018	2018-2023	2018-2028	2018-2033	2018-2043
Total Sales Tax	\$ -	\$ 183,079	\$ 422,417	\$ 673,963	\$ 1,216,205
Existing Sales Tax (Base)	\$ -	\$ -	\$ -	\$ -	\$ -
New Sales Tax (Increment)	\$ -	\$ 183,079	\$ 422,417	\$ 673,963	\$ 1,216,205
Cumulative Special Tax					
	2018	2018-2023	2018-2028	2018-2033	2018-2043
Total Sales Tax	\$ -	\$ 163,464	\$ 377,158	\$ 601,753	\$ 1,085,897
Existing Sales Tax (Base)	\$ -	\$ -	\$ -	\$ -	\$ -
New Sales Tax (Increment)	\$ -	\$ 163,464	\$ 377,158	\$ 601,753	\$ 1,085,897

Source: DGC using information provided by the Developer and the El Paso County Assessor website

Exhibit A: Property Tax Analysis Spreadsheet (1/3)

Annual Property Tax Estimates												
Share of Property Tax (%)	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028
Estimated Cumulative New Development												
Residential												
Commercial (office, retail, hotel, institutional, cultural)				300,445	300,445	300,445	300,445	300,445	300,445	300,445	300,445	300,445
Estimated New Development Market Value												
Residential												
Commercial (office, retail, hotel, institutional, cultural)	\$ 81.00	\$ -	\$ -	\$ 25,073,451	\$ 25,374,186	\$ 25,577,420	\$ 25,833,202	\$ 26,091,534	\$ 26,352,450	\$ 26,615,974	\$ 26,882,134	\$ 27,150,955
Estimated New Development Assessed Value												
Residential												
Commercial (office, retail, hotel, institutional, cultural)	7.20%	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Commercial (office, retail, hotel, institutional, cultural)	29.00%	\$ -	\$ -	\$ -	\$ 7,271,301	\$ 7,344,014	\$ 7,417,454	\$ 7,491,629	\$ 7,566,545	\$ 7,642,210	\$ 7,718,632	\$ 7,795,819
Estimated New Development Property Tax Revenues (79.494 mil)												
Residential	0.079494	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Commercial (office, retail, hotel, institutional, cultural)	0.079494	\$ -	\$ -	\$ -	\$ -	\$ 578,025	\$ 583,805	\$ 589,643	\$ 595,540	\$ 601,492	\$ 607,510	\$ 613,585
Total Property Tax New Development (Increment)		\$ -	\$ -	\$ -	\$ 578,025	\$ 583,805	\$ 589,643	\$ 595,540	\$ 601,492	\$ 607,510	\$ 613,585	\$ 619,721
Total Property Tax Existing Development (Base)		\$ -	\$ 33,562	\$ 34,257	\$ 34,600	\$ 34,946	\$ 35,295	\$ 35,648	\$ 36,005	\$ 36,365	\$ 36,728	\$ 37,094
Total Property Tax		\$ -	\$ 33,562	\$ 34,257	\$ 34,600	\$ 35,521	\$ 36,190	\$ 36,291	\$ 36,547	\$ 36,800	\$ 37,052	\$ 37,307
Total Property Tax Existing Development (Base)		\$ -	\$ 33,562	\$ 34,257	\$ 34,600	\$ 34,946	\$ 35,295	\$ 35,648	\$ 36,005	\$ 36,365	\$ 36,728	\$ 37,094
Total Property Tax New Development (Increment)		\$ -	\$ -	\$ -	\$ 578,025	\$ 583,805	\$ 589,643	\$ 595,540	\$ 601,492	\$ 607,510	\$ 613,585	\$ 619,721

Property Tax Estimate by Taxing Entity (annual and cumulative):													
El Paso County (General Fund and Road and Bridge Share)													
Description	9.81%	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028
Property Taxes (Total)	0.0078000	\$ -	\$ 2,295	\$ 2,361	\$ 2,395	\$ 24,145	\$ 24,781	\$ 25,414	\$ 26,044	\$ 26,671	\$ 27,295	\$ 27,916	\$ 28,534
Property Tax (Base)		\$ -	\$ 2,295	\$ 2,361	\$ 2,395	\$ 14,295	\$ 14,940	\$ 15,581	\$ 16,219	\$ 16,854	\$ 17,486	\$ 18,115	\$ 18,741
Net Property Tax Revenues (Increment)		\$ -	\$ -	\$ -	\$ -	\$ 9,850	\$ 9,841	\$ 9,833	\$ 9,825	\$ 9,817	\$ 9,809	\$ 9,801	\$ 9,793

Cumulative El Paso County												
	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028	
Property Taxes (Total)	\$ 2,295	\$ 4,656	\$ 7,051	\$ 9,446	\$ 11,841	\$ 14,236	\$ 16,631	\$ 19,026	\$ 21,421	\$ 23,816	\$ 26,211	\$ 28,606
Property Taxes (Base)	\$ 2,295	\$ 4,656	\$ 7,051	\$ 9,446	\$ 11,841	\$ 14,236	\$ 16,631	\$ 19,026	\$ 21,421	\$ 23,816	\$ 26,211	\$ 28,606
Property Tax Revenues (Increment)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

City of Colorado Springs (General Fund and Road and Bridge Share)													
Share of Property Tax (%)	5.59%	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028
Property Taxes (Total)	0.0042440	\$ -	\$ 1,877	\$ 1,915	\$ 1,934	\$ 19,367	\$ 19,810	\$ 20,253	\$ 20,696	\$ 21,139	\$ 21,582	\$ 22,025	\$ 22,468
Property Tax (Base)		\$ -	\$ 1,877	\$ 1,915	\$ 1,934	\$ 11,954	\$ 12,397	\$ 12,840	\$ 13,283	\$ 13,726	\$ 14,169	\$ 14,612	\$ 15,055
Net Property Tax Revenues (Increment)		\$ -	\$ -	\$ -	\$ -	\$ 7,413	\$ 7,413	\$ 7,413	\$ 7,413	\$ 7,413	\$ 7,413	\$ 7,413	\$ 7,413

Cumulative City of Colorado Springs												
	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028	
Property Taxes (Total)	\$ 1,877	\$ 3,792	\$ 5,707	\$ 7,622	\$ 9,537	\$ 11,452	\$ 13,367	\$ 15,282	\$ 17,197	\$ 19,112	\$ 21,027	\$ 22,942
Property Taxes (Base)	\$ 1,877	\$ 3,792	\$ 5,707	\$ 7,622	\$ 9,537	\$ 11,452	\$ 13,367	\$ 15,282	\$ 17,197	\$ 19,112	\$ 21,027	\$ 22,942
Property Tax Revenues (Increment)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

Colorado Springs School District #11 (General and Bond)													
Share of Property Tax (%)	66.04%	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028
Property Taxes (Total)	0.0524990	\$ -	\$ 22,178	\$ 22,624	\$ 22,850	\$ 204,815	\$ 208,863	\$ 212,911	\$ 216,959	\$ 221,007	\$ 225,055	\$ 229,103	\$ 233,151
Property Tax (Base)		\$ -	\$ 22,178	\$ 22,624	\$ 22,850	\$ 181,728	\$ 185,776	\$ 189,824	\$ 193,872	\$ 197,920	\$ 201,968	\$ 206,016	\$ 210,064
Net Property Tax Revenues (Increment)		\$ -	\$ -	\$ -	\$ -	\$ 23,087	\$ 23,087	\$ 23,087	\$ 23,087	\$ 23,087	\$ 23,087	\$ 23,087	\$ 23,087

Cumulative Colorado Springs School District #11 (General and Bond)												
	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028	
Property Taxes (Total)	\$ 22,178	\$ 44,356	\$ 66,534	\$ 88,712	\$ 110,890	\$ 133,068	\$ 155,246	\$ 177,424	\$ 199,602	\$ 221,780	\$ 243,958	\$ 266,136
Property Taxes (Base)	\$ 22,178	\$ 44,356	\$ 66,534	\$ 88,712	\$ 110,890	\$ 133,068	\$ 155,246	\$ 177,424	\$ 199,602	\$ 221,780	\$ 243,958	\$ 266,136
Property Tax Revenues (Increment)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

Pikes Peak Library													
Share of Property Tax (%)	4.80%	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028
Property Taxes (Total)	0.0038120	\$ -	\$ 1,610	\$ 1,643	\$ 1,659	\$ 15,934	\$ 16,482	\$ 17,030	\$ 17,578	\$ 18,126	\$ 18,674	\$ 19,222	\$ 19,770
Property Tax (Base)		\$ -	\$ 1,610	\$ 1,643	\$ 1,659	\$ 11,718	\$ 12,266	\$ 12,814	\$ 13,362	\$ 13,910	\$ 14,458	\$ 15,006	\$ 15,554
Net Property Tax Revenues (Increment)		\$ -	\$ -	\$ -	\$ -	\$ 4,216	\$ 4,216	\$ 4,216	\$ 4,216	\$ 4,216	\$ 4,216	\$ 4,216	\$ 4,216

Cumulative Pikes Peak Library												
	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028	
Property Taxes (Total)	\$ 1,610	\$ 3,220	\$ 4,830	\$ 6,440	\$ 8,050	\$ 9,660	\$ 11,270	\$ 12,880	\$ 14,490	\$ 16,100	\$ 17,710	\$ 19,320
Property Taxes (Base)	\$ 1,610	\$ 3,220	\$ 4,830	\$ 6,440	\$ 8,050	\$ 9,660	\$ 11,270	\$ 12,880	\$ 14,490	\$ 16,100	\$ 17,710	\$ 19,320
Property Tax Revenues (Increment)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

Southeastern Colorado Water Conservancy													
Share of Property Tax (%)	1.18%	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028
Property Taxes (Total)	0.001	\$ -	\$ 397	\$ 405	\$ 408	\$ 3,741	\$ 3,811	\$ 3,881	\$ 3,951	\$ 4,021	\$ 4,091	\$ 4,161	\$ 4,231
Property Tax (Base)		\$ -	\$ 397	\$ 405	\$ 408	\$ 2,811	\$ 2,881	\$ 2,951	\$ 3,021	\$ 3,091	\$ 3,161	\$ 3,231	\$ 3,301
Net Property Tax Revenues (Increment)		\$ -	\$ -	\$ -	\$ -	\$ 930	\$ 930	\$ 930	\$ 930	\$ 930	\$ 930	\$ 930	\$ 930

Cumulative Southeastern Colorado Water Conservancy												
	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028	
Property Taxes (Total)	\$ 397	\$ 802	\$ 1,207	\$ 1,612	\$ 2,017	\$ 2,422	\$ 2,827	\$ 3,232	\$ 3,637	\$ 4,042	\$ 4,447	\$ 4,852
Property Taxes (Base)	\$ 397	\$ 802	\$ 1,207	\$ 1,612	\$ 2,017	\$ 2,422	\$ 2,827	\$ 3,232	\$ 3,637	\$ 4,042	\$ 4,447	\$ 4,852
Property Tax Revenues (Increment)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

Greater Downtown BS BID													
Share of Property Tax (%)	4.29%	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028
Property Taxes (Total)	0.01	\$ -	\$ 2,112	\$ 2,155	\$ 2,176	\$ 18,555	\$ 19,040	\$ 19,525	\$ 20,010	\$ 20,495	\$ 20,980	\$ 21,465	\$ 21,950
Property Tax (Base)		\$ -	\$ 2,112	\$ 2,155	\$ 2,176	\$ 13,198	\$ 13,683	\$ 14,168	\$ 14,653	\$ 15,138	\$ 15,623	\$ 16,108	\$ 16,593
Net Property Tax Revenues (Increment)		\$ -	\$ -	\$ -	\$ -	\$ 5,357	\$ 5,357	\$ 5,357	\$ 5,357	\$ 5,357	\$ 5,357	\$ 5,357	\$ 5,357

Greater Downtown BS BID												
	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028	
Property Taxes (Total)	\$ 2,112	\$ 4,224	\$ 6,336	\$ 8,448	\$ 10,560	\$ 12,672	\$ 14,784	\$ 16,896	\$ 19,008	\$ 21,120	\$ 23,232	\$ 25,344
Property Taxes (Base)	\$ 2,112	\$ 4,224	\$ 6,336	\$ 8,448	\$ 10,560	\$ 12,672	\$ 14,784	\$ 16,896	\$ 19,008	\$ 21,120	\$ 23,232	\$ 25,344
Property Tax Revenues (Increment)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

CS Downtown Development Authority													
Share of Property Tax (%)	4.29%	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028
Property Taxes (Total)	0.01	\$ -	\$ 2,112	\$ 2,155	\$ 2,176	\$ 18,555	\$ 19,040	\$ 19,525	\$ 20,010	\$ 20,495	\$ 20,980	\$ 21,465	\$ 21,950
Property Tax (Base)		\$ -	\$ 2,112	\$ 2,155	\$ 2,176	\$ 13,198	\$ 13,683	\$ 14,168	\$ 14,653	\$ 15,138	\$ 15,623	\$ 16,108	\$ 16,593
Net Property Tax Revenues (Increment)		\$ -	\$ -	\$ -	\$ -	\$ 5,357	\$ 5,357	\$ 5,357	\$ 5,357	\$ 5,357	\$ 5,357	\$ 5,357	\$ 5,357

Cumulative CS Downtown Development Authority												
	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028	
Property Taxes (Total)	\$ 2,112	\$ 4,224	\$ 6,336	\$ 8,448	\$ 10,560	\$ 12,672	\$ 14,784	\$ 16,896	\$ 19,008	\$ 21,120	\$ 23,232	\$ 25,344
Property Taxes (Base)	\$ 2,112	\$ 4,224	\$ 6,336	\$ 8,448	\$ 10,560	\$ 12,672	\$ 14,784	\$ 16,896	\$ 19,008	\$ 21,120	\$ 23,232	\$ 25,344
Property Tax Revenues (Increment)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

Source: DGC using information provided by the Developer and the El Paso County Assessor website

Exhibit A: Property Tax Analysis Spreadsheet (cont'd 2/3)

Annual Property Tax Estimates		11	12	13	14	15	16	17	18	19	20
Share of Property Tax (%)		2029	2030	2031	2032	2033	2034	2035	2036	2037	2038
Estimated Cumulative New Development											
Residential											
Commercial (office, retail, hotel, institutional, cultural)		300,445	300,445	300,445	300,445	300,445	300,445	300,445	300,445	300,445	300,445
Estimated New Development Market Value											
Residential	\$	-\$	-\$	-\$	-\$	-\$	-\$	-\$	-\$	-\$	-\$
Commercial (office, retail, hotel, institutional, cultural)	\$	81,000	\$ 27,422,465	\$ 27,696,689	\$ 27,973,656	\$ 28,253,397	\$ 28,536,927	\$ 28,821,286	\$ 29,109,499	\$ 29,400,594	\$ 29,694,600
Estimated New Development Assessed Value											
Residential	\$	7,206	-\$	-\$	-\$	-\$	-\$	-\$	-\$	-\$	-\$
Commercial (office, retail, hotel, institutional, cultural)	\$	29,303	\$ 7,962,515	\$ 8,032,040	\$ 8,112,380	\$ 8,193,484	\$ 8,275,419	\$ 8,358,173	\$ 8,441,755	\$ 8,526,172	\$ 8,611,434
Estimated New Development Property Tax Revenues (79.494 Mills)											
Residential	\$	0.079494	-\$	-\$	-\$	-\$	-\$	-\$	-\$	-\$	-\$
Commercial (office, retail, hotel, institutional, cultural)	\$	0.079494	\$ 625,918	\$ 632,177	\$ 638,499	\$ 644,884	\$ 651,333	\$ 657,846	\$ 664,425	\$ 671,069	\$ 677,780
Total Property Tax New Development (Increment)											
	\$	625,918	\$ 632,177	\$ 638,499	\$ 644,884	\$ 651,333	\$ 657,846	\$ 664,425	\$ 671,069	\$ 677,780	\$ 684,567
Total Property Tax Existing Development (Base)											
	\$	37,841	\$ 38,220	\$ 38,602	\$ 38,988	\$ 39,378	\$ 39,772	\$ 40,169	\$ 40,571	\$ 40,977	\$ 41,386
Total Property Tax											
	\$	663,759	\$ 670,397	\$ 677,101	\$ 683,672	\$ 690,111	\$ 696,618	\$ 703,594	\$ 711,040	\$ 718,756	\$ 726,944
Total Property Tax Existing Development (Base)											
	\$	37,841	\$ 38,220	\$ 38,602	\$ 38,988	\$ 39,378	\$ 39,772	\$ 40,169	\$ 40,571	\$ 40,977	\$ 41,386
Total Property Tax New Development (Increment)											
	\$	625,918	\$ 632,177	\$ 638,499	\$ 644,884	\$ 651,333	\$ 657,846	\$ 664,425	\$ 671,069	\$ 677,780	\$ 684,567

Property Tax Estimate by Taxing Entity (annual and cumulative):											
El Paso County (General Fund and Road and Bridge Share)											
Description	11	12	13	14	15	16	17	18	19	20	
Share of Property Tax (%)	2029	2030	2031	2032	2033	2034	2035	2036	2037	2038	
Property Taxes (Total)	0.007800	\$ 65,128	\$ 65,780	\$ 66,438	\$ 67,102	\$ 67,773	\$ 68,451	\$ 69,135	\$ 69,824	\$ 70,525	\$ 71,230
Property Tax (Base)	\$	3,713	\$ 3,750	\$ 3,788	\$ 3,826	\$ 3,864	\$ 3,902	\$ 3,941	\$ 3,981	\$ 4,021	\$ 4,061
Net Property Tax Revenues (Increment)	\$	61,715	\$ 62,030	\$ 62,650	\$ 63,276	\$ 63,909	\$ 64,548	\$ 65,194	\$ 65,846	\$ 66,504	\$ 67,169

Cumulative El Paso County											
Property Taxes (Total)	2018-2033	2018-2038									
	\$ 840,614	\$ 1,189,781									
Property Taxes (Base)	\$ 57,402	\$ 77,309									
Property Tax Revenues (Increment)	\$ 783,212	\$ 1,112,473									

City of Colorado Springs (General Fund and Road and Bridge)											
Description	11	12	13	14	15	16	17	18	19	20	
Share of Property Tax (%)	2029	2030	2031	2032	2033	2034	2035	2036	2037	2038	
Property Taxes (Total)	0.004440	\$ 37,107	\$ 37,478	\$ 37,852	\$ 38,231	\$ 38,613	\$ 38,999	\$ 39,389	\$ 39,783	\$ 40,181	\$ 40,583
Property Tax (Base)	\$	2,115	\$ 2,137	\$ 2,160	\$ 2,183	\$ 2,207	\$ 2,231	\$ 2,256	\$ 2,281	\$ 2,307	\$ 2,334
Net Property Tax Revenues (Increment)	\$	34,991	\$ 35,341	\$ 35,692	\$ 36,051	\$ 36,412	\$ 36,776	\$ 37,144	\$ 37,515	\$ 37,890	\$ 38,269

Cumulative City of Colorado Springs											
Property Taxes (Total)	2018-2033	2018-2038									
	\$ 478,935	\$ 677,870									
Property Taxes (Base)	\$ 32,705	\$ 44,045									
Property Tax Revenues (Increment)	\$ 446,230	\$ 633,825									

Colorado Springs School District #11 (General and Bond)											
Description	11	12	13	14	15	16	17	18	19	20	
Share of Property Tax (%)	2029	2030	2031	2032	2033	2034	2035	2036	2037	2038	
Property Taxes (Total)	66.04%	\$ 438,356	\$ 442,740	\$ 447,167	\$ 451,639	\$ 456,155	\$ 460,711	\$ 465,324	\$ 469,992	\$ 474,677	\$ 479,424
Property Tax (Base)	\$	28,991	\$ 29,241	\$ 29,493	\$ 29,748	\$ 30,006	\$ 30,266	\$ 30,529	\$ 30,794	\$ 31,062	\$ 31,333
Net Property Tax Revenues (Increment)	\$	413,365	\$ 417,499	\$ 421,674	\$ 425,891	\$ 430,150	\$ 434,451	\$ 438,795	\$ 443,184	\$ 447,616	\$ 452,092

Cumulative Colorado Springs School District #11 (General and Bond)											
Property Taxes (Total)	2018-2033	2018-2038									
	\$ 5,657,872	\$ 8,007,992									
Property Taxes (Base)	\$ 386,354	\$ 520,336									
Property Tax Revenues (Increment)	\$ 5,271,518	\$ 7,487,656									

Pikes Peak Library											
Description	11	12	13	14	15	16	17	18	19	20	
Share of Property Tax (%)	2029	2030	2031	2032	2033	2034	2035	2036	2037	2038	
Property Taxes (Total)	4.80%	\$ 31,829	\$ 32,148	\$ 32,469	\$ 32,794	\$ 33,122	\$ 33,453	\$ 33,788	\$ 34,125	\$ 34,464	\$ 34,811
Property Tax (Base)	\$	1,815	\$ 1,833	\$ 1,851	\$ 1,870	\$ 1,888	\$ 1,907	\$ 1,926	\$ 1,946	\$ 1,965	\$ 1,985
Net Property Tax Revenues (Increment)	\$	30,015	\$ 30,315	\$ 30,618	\$ 30,924	\$ 31,234	\$ 31,546	\$ 31,861	\$ 32,180	\$ 32,502	\$ 32,827

Cumulative Pikes Peak Library											
Property Taxes (Total)	2018-2033	2018-2038									
	\$ 410,623	\$ 581,468									
Property Taxes (Base)	\$ 28,054	\$ 37,782									
Property Tax Revenues (Increment)	\$ 382,770	\$ 543,686									

Southeastern Colorado Water Conservancy											
Description	11	12	13	14	15	16	17	18	19	20	
Share of Property Tax (%)	2029	2030	2031	2032	2033	2034	2035	2036	2037	2038	
Property Taxes (Total)	1.18%	\$ 7,840	\$ 7,919	\$ 7,998	\$ 8,078	\$ 8,159	\$ 8,240	\$ 8,321	\$ 8,404	\$ 8,490	\$ 8,575
Property Tax (Base)	\$	447	\$ 451	\$ 456	\$ 461	\$ 466	\$ 470	\$ 474	\$ 479	\$ 484	\$ 489
Net Property Tax Revenues (Increment)	\$	7,393	\$ 7,467	\$ 7,542	\$ 7,618	\$ 7,694	\$ 7,771	\$ 7,848	\$ 7,927	\$ 8,006	\$ 8,086

Cumulative Southeastern Colorado Water Conservancy											
Property Taxes (Total)	2018-2033	2018-2038									
	\$ 101,197	\$ 143,231									
Property Taxes (Base)	\$ 6,910	\$ 9,317									
Property Tax Revenues (Increment)	\$ 94,287	\$ 133,915									

Greater Downtown BS BID											
Description	11	12	13	14	15	16	17	18	19	20	
Share of Property Tax (%)	2029	2030	2031	2032	2033	2034	2035	2036	2037	2038	
Property Taxes (Total)	4.29%	\$ 41,749	\$ 42,167	\$ 42,588	\$ 43,011	\$ 43,444	\$ 43,879	\$ 44,317	\$ 44,761	\$ 45,208	\$ 45,660
Property Tax (Base)	\$	2,380	\$ 2,404	\$ 2,428	\$ 2,452	\$ 2,477	\$ 2,502	\$ 2,527	\$ 2,552	\$ 2,577	\$ 2,603
Net Property Tax Revenues (Increment)	\$	39,369	\$ 39,763	\$ 40,160	\$ 40,562	\$ 40,967	\$ 41,377	\$ 41,791	\$ 42,209	\$ 42,631	\$ 43,057

Greater Downtown BS BID											
Property Taxes (Total)	2018-2033	2018-2038									
	\$ 538,855	\$ 627,680									
Property Taxes (Base)	\$ 36,786	\$ 49,587									
Property Tax Revenues (Increment)	\$ 502,069	\$ 578,093									

CS Downtown Development Authority											
Description	11	12	13	14	15	16	17	18	19	20	
Share of Property Tax (%)	2029	2030	2031	2032	2033	2034	2035	2036	2037	2038	
Property Taxes (Total)	6.29%	\$ 41,749	\$ 42,167	\$ 42,588	\$ 43,011	\$ 43,444	\$ 43,879	\$ 44,317	\$ 44,761	\$ 45,208	\$ 45,660
Property Tax (Base)	\$	2,380	\$ 2,404	\$ 2,428	\$ 2,452	\$ 2,477	\$ 2,502	\$ 2,527	\$ 2,552	\$ 2,577	\$ 2,603
Net Property Tax Revenues (Increment)	\$	39,369	\$ 39,763	\$ 40,160	\$ 40,562	\$ 40,967	\$ 41,377	\$ 41,791	\$ 42,209	\$ 42,631	\$ 43,057

Cumulative CS Downtown Development Authority											
Property Taxes (Total)	2018-2033	2018-2038									
	\$ 538,855	\$ 627,680									
Property Taxes (Base)	\$ 36,786	\$ 49,587									
Property Tax Revenues (Increment)	\$ 502,069	\$ 578,093									

Source: DGC using information provided by the Developer and the El Paso County Assessor website

Exhibit A: Property Tax Analysis Spreadsheet (cont'd 3/3)

Annual Property Tax Estimates		16	21	22	23	24	25	
Share of Property Tax (%)		2034	2039	2040	2041	2042	2043	2018-2043
Estimated Cumulative New Development								
Residential								
Commercial (office, retail, hotel, institutional, cultural)		300,445	300,445	300,445	300,445	300,445	300,445	
Estimated New Development Market Value								
Residential								
Commercial (office, retail, hotel, institutional, cultural)	\$	\$ 28,821,286	\$ 30,291,461	\$ 30,594,376	\$ 30,900,320	\$ 31,209,323	\$ 31,521,416	
Estimated New Development Assessed Value								
Residential								
Commercial (office, retail, hotel, institutional, cultural)	7.20%	\$	\$	\$	\$	\$	\$	
Commercial (office, retail, hotel, institutional, cultural)	29.00%	\$ 8,358,173	\$ 8,784,524	\$ 8,872,369	\$ 8,961,093	\$ 9,050,704	\$ 9,141,211	
Estimated New Development Property Tax Revenues (\$9.94 mbl)								
Residential								
Commercial (office, retail, hotel, institutional, cultural)	0.079494	\$	\$	\$	\$	\$	\$	
Commercial (office, retail, hotel, institutional, cultural)	0.079494	\$ 657,846	\$ 691,403	\$ 698,317	\$ 705,300	\$ 712,353	\$ 719,477	\$ 14,884,660
Total Property Tax New Development (Increment)		\$ 657,846	\$ 691,403	\$ 698,317	\$ 705,300	\$ 712,353	\$ 719,477	\$ 14,884,660
Total Property Tax Existing Development (Base)		\$ 39,772	\$ 41,800	\$ 42,218	\$ 42,641	\$ 43,067	\$ 43,498	\$ 1,001,116
Total Property Tax		\$ 497,618	\$ 733,203	\$ 740,535	\$ 747,941	\$ 755,420	\$ 762,974	\$ 15,885,777
Total Property Tax Existing Development (Base)		\$ 39,772	\$ 41,800	\$ 42,218	\$ 42,641	\$ 43,067	\$ 43,498	\$ 1,001,116
Total Property Tax New Development (Increment)		\$ 457,846	\$ 691,403	\$ 698,317	\$ 705,300	\$ 712,353	\$ 719,477	\$ 14,884,660
Property Tax Estimate by Taxing Entity (annual and cumulative):								
El Paso County								
Description	9.81%	2034	2039	2040	2041	2042	2043	2018-2043
Property Taxes (Total)	0.0078000	\$ 48,451	\$ 71,942	\$ 72,662	\$ 73,389	\$ 74,122	\$ 74,864	\$ 1,556,760
Property Tax (Base)		\$ 3,902	\$ 4,101	\$ 4,142	\$ 4,184	\$ 4,226	\$ 4,268	\$ 98,230
Net Property Tax Revenues (Increment)		\$ 44,548	\$ 67,841	\$ 68,519	\$ 69,204	\$ 69,897	\$ 70,596	\$ 1,458,530
Cumulative El Paso County								
Property Taxes (Total)								\$ 1,556,760
Property Taxes (Base)								\$ 98,230
Property Tax Revenues (Increment)								\$ 1,458,530
City of Colorado Springs								
Share of Property Tax (%)	5.59%	2034	2039	2040	2041	2042	2043	2018-2043
Property Taxes (Total)	0.004440	\$ 8,999	\$ 40,989	\$ 41,399	\$ 41,813	\$ 42,231	\$ 42,653	\$ 886,954
Property Tax (Base)		\$ 2,223	\$ 2,337	\$ 2,360	\$ 2,384	\$ 2,408	\$ 2,432	\$ 55,966
Net Property Tax Revenues (Increment)		\$ 6,776	\$ 38,652	\$ 39,038	\$ 39,429	\$ 39,823	\$ 40,221	\$ 830,988
Cumulative City of Colorado Springs								
Property Taxes (Total)								\$ 886,954
Property Taxes (Base)								\$ 55,966
Property Tax Revenues (Increment)								\$ 830,988
Colorado Springs School District #11 (General and Bond)								
Share of Property Tax (%)	66.04%	2034	2039	2040	2041	2042	2043	2018-2043
Property Taxes (Total)	0.0524990	\$ 460,717	\$ 484,218	\$ 489,060	\$ 493,951	\$ 498,890	\$ 503,879	\$ 10,477,991
Property Tax (Base)		\$ 26,266	\$ 27,606	\$ 27,882	\$ 28,160	\$ 28,442	\$ 28,726	\$ 661,152
Net Property Tax Revenues (Increment)		\$ 434,451	\$ 456,612	\$ 461,179	\$ 465,790	\$ 470,448	\$ 475,153	\$ 9,816,839
Cumulative Colorado Springs School District #11								
Property Taxes (Total)								\$ 10,477,991
Property Taxes (Base)								\$ 661,152
Property Tax Revenues (Increment)								\$ 9,816,839
Pikes Peak Library								
Share of Property Tax (%)	4.80%	2034	2039	2040	2041	2042	2043	2018-2043
Property Taxes (Total)	0.0031200	\$ 33,453	\$ 35,160	\$ 35,511	\$ 35,864	\$ 36,225	\$ 36,587	\$ 762,816
Property Tax (Base)		\$ 1,907	\$ 2,004	\$ 2,025	\$ 2,045	\$ 2,065	\$ 2,086	\$ 48,007
Net Property Tax Revenues (Increment)		\$ 31,546	\$ 33,155	\$ 33,487	\$ 33,821	\$ 34,160	\$ 34,501	\$ 714,810
Cumulative Pikes Peak Library								
Property Taxes (Total)								\$ 762,816
Property Taxes (Base)								\$ 48,007
Property Tax Revenues (Increment)								\$ 714,810
Southeastern Colorado Water Conservancy								
Share of Property Tax (%)	1.18%	2034	2039	2040	2041	2042	2043	2018-2043
Property Taxes (Total)	0.001	\$ 8,240	\$ 8,661	\$ 8,747	\$ 8,835	\$ 8,923	\$ 9,012	\$ 187,410
Property Tax (Base)		\$ 470	\$ 494	\$ 499	\$ 504	\$ 509	\$ 514	\$ 11,825
Net Property Tax Revenues (Increment)		\$ 7,771	\$ 8,167	\$ 8,248	\$ 8,331	\$ 8,414	\$ 8,498	\$ 175,585
Cumulative Southeastern Colorado Water Conservancy								
Property Taxes (Total)								\$ 187,410
Property Taxes (Base)								\$ 11,825
Property Tax Revenues (Increment)								\$ 175,585
Greater Downtown BS BID								
Share of Property Tax (%)	6.29%	2034	2039	2040	2041	2042	2043	2018-2043
Property Taxes (Total)	0.01	\$ 43,879	\$ 46,117	\$ 46,578	\$ 47,044	\$ 47,514	\$ 47,989	\$ 997,923
Property Tax (Base)		\$ 2,502	\$ 2,629	\$ 2,655	\$ 2,682	\$ 2,709	\$ 2,736	\$ 62,968
Net Property Tax Revenues (Increment)		\$ 41,377	\$ 43,488	\$ 43,923	\$ 44,362	\$ 44,805	\$ 45,253	\$ 934,955
Greater Downtown BS BID								
Property Taxes (Total)								\$ 997,923
Property Taxes (Base)								\$ 62,968
Property Tax Revenues (Increment)								\$ 934,955
CS Downtown Development Authority								
Share of Property Tax (%)	6.29%	2034	2039	2040	2041	2042	2043	2018-2043
Property Taxes (Total)	0.01	\$ 43,879	\$ 46,117	\$ 46,578	\$ 47,044	\$ 47,514	\$ 47,989	\$ 997,923
Property Tax (Base)		\$ 2,502	\$ 2,629	\$ 2,655	\$ 2,682	\$ 2,709	\$ 2,736	\$ 62,968
Net Property Tax Revenues (Increment)		\$ 41,377	\$ 43,488	\$ 43,923	\$ 44,362	\$ 44,805	\$ 45,253	\$ 934,955
Cumulative CS Downtown Development Authority								
Property Taxes (Total)								\$ 997,923
Property Taxes (Base)								\$ 62,968
Property Tax Revenues (Increment)								\$ 934,955

Source: DGC using information provided by the Developer and the El Paso County Assessor website

Exhibit B: Sales Tax Analysis Spreadsheet (1/3)

Annual Sales Tax Estimate													
	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028	
Not used	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
Estimated Cumulative Support Retail	\$ 280.00	\$ -	\$ -	\$ 13,955	\$ 13,955	\$ 13,955	\$ 13,955	\$ 13,955	\$ 13,955	\$ 13,955	\$ 13,955	\$ 13,955	
Estimated Taxable Retail Sales from New Development	\$ -	\$ -	\$ -	\$ 4,025,796	\$ 4,066,056	\$ 4,106,717	\$ 4,147,784	\$ 4,189,262	\$ 4,231,154	\$ 4,273,466	\$ 4,316,200	\$ 4,359,362	
Total Sales Tax	\$ 280.00	\$ -	\$ -	\$ 4,039,751	\$ 4,080,011	\$ 4,120,672	\$ 4,161,739	\$ 4,203,217	\$ 4,245,109	\$ 4,287,421	\$ 4,329,715	\$ 4,372,317	
Tax Rate:	8.25%												
Total Sales Tax Existing Development (Base)	\$ -	\$ -	\$ -	\$ 332,128	\$ 335,450	\$ 338,804	\$ 342,192	\$ 345,614	\$ 349,070	\$ 352,561	\$ 356,087	\$ 359,647	
Total Sales Tax New Development (Increment)	\$ -	\$ -	\$ -	\$ 332,128	\$ 335,450	\$ 338,804	\$ 342,192	\$ 345,614	\$ 349,070	\$ 352,561	\$ 356,087	\$ 359,647	
Not used	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
Total Sales Tax	\$ -	\$ -	\$ -	\$ 664,256	\$ 670,899	\$ 677,608	\$ 684,384	\$ 691,228	\$ 698,140	\$ 705,122	\$ 712,173	\$ 719,295	
Sales Tax Estimate by Taxing Entity (annual and cumulative):													
State of Colorado													
Share of Sales Tax (%)	35.15%	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028
Total Sales Tax	2.90%	\$ -	\$ -	\$ -	\$ 116,748	\$ 117,916	\$ 119,095	\$ 120,296	\$ 121,499	\$ 122,703	\$ 123,931	\$ 125,170	\$ 126,422
Existing Sales Tax (Base)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
New Sales Tax (Increment)	\$ -	\$ -	\$ -	\$ 116,748	\$ 117,916	\$ 119,095	\$ 120,296	\$ 121,499	\$ 122,703	\$ 123,931	\$ 125,170	\$ 126,422	
Cumulative State of Colorado													
Total Sales Tax	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 474,044	\$ -	\$ -	\$ -	\$ -	\$ 1,093,758
Existing Sales Tax (Base)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
New Sales Tax (Increment)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 474,044	\$ -	\$ -	\$ -	\$ -	\$ 1,093,758
El Paso County													
Share of Sales Tax (%)	14.91%	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028
Total Sales Tax	1.23%	\$ -	\$ -	\$ -	\$ 49,517	\$ 50,012	\$ 50,513	\$ 51,018	\$ 51,528	\$ 52,043	\$ 52,564	\$ 53,089	\$ 53,620
Existing Sales Tax (Base)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
New Sales Tax (Increment)	\$ -	\$ -	\$ -	\$ 49,517	\$ 50,012	\$ 50,513	\$ 51,018	\$ 51,528	\$ 52,043	\$ 52,564	\$ 53,089	\$ 53,620	
Cumulative El Paso County													
Total Sales Tax	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 201,060	\$ -	\$ -	\$ -	\$ -	\$ 463,904
Existing Sales Tax (Base)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
New Sales Tax (Increment)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 201,060	\$ -	\$ -	\$ -	\$ -	\$ 463,904
City of Colorado Springs (General Fund 2% to URA)													
Share of Sales Tax (%)	24.24%	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028
Total Sales Tax	2.00%	\$ -	\$ -	\$ -	\$ 80,516	\$ 81,321	\$ 82,134	\$ 82,956	\$ 83,785	\$ 84,623	\$ 85,469	\$ 86,324	\$ 87,187
Existing Sales Tax (Base)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
New Sales Tax (Increment)	\$ -	\$ -	\$ -	\$ 80,516	\$ 81,321	\$ 82,134	\$ 82,956	\$ 83,785	\$ 84,623	\$ 85,469	\$ 86,324	\$ 87,187	
Cumulative City of Colorado Springs (General Fund 2% to URA)													
Total Sales Tax	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 326,927	\$ -	\$ -	\$ -	\$ -	\$ 754,316
Existing Sales Tax (Base)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
New Sales Tax (Increment)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 326,927	\$ -	\$ -	\$ -	\$ -	\$ 754,316
City of Colorado Springs (General Fund 1.12% retained)													
Share of Sales Tax (%)	13.58%	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028
Total Sales Tax	1.12%	\$ -	\$ -	\$ -	\$ 45,089	\$ 45,540	\$ 45,995	\$ 46,455	\$ 46,920	\$ 47,389	\$ 47,863	\$ 48,341	\$ 48,825
Existing Sales Tax (Base)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
New Sales Tax (Increment)	\$ -	\$ -	\$ -	\$ 45,089	\$ 45,540	\$ 45,995	\$ 46,455	\$ 46,920	\$ 47,389	\$ 47,863	\$ 48,341	\$ 48,825	
Cumulative City of Colorado Springs (General Fund 1.12% retained)													
Total Sales Tax	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 183,079	\$ -	\$ -	\$ -	\$ -	\$ 422,417
Existing Sales Tax (Base)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
New Sales Tax (Increment)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 183,079	\$ -	\$ -	\$ -	\$ -	\$ 422,417
Special Tax													
Share of Sales Tax (%)	12.12%	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028
Total Sales Tax	1.00%	\$ -	\$ -	\$ -	\$ 40,258	\$ 40,661	\$ 41,067	\$ 41,478	\$ 41,893	\$ 42,312	\$ 42,735	\$ 43,162	\$ 43,594
Existing Sales Tax (Base)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
New Sales Tax (Increment)	\$ -	\$ -	\$ -	\$ 40,258	\$ 40,661	\$ 41,067	\$ 41,478	\$ 41,893	\$ 42,312	\$ 42,735	\$ 43,162	\$ 43,594	
Cumulative Special Tax													
Total Sales Tax	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 163,464	\$ -	\$ -	\$ -	\$ -	\$ 377,158
Existing Sales Tax (Base)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
New Sales Tax (Increment)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 163,464	\$ -	\$ -	\$ -	\$ -	\$ 377,158

Source: DGC using information provided by the Developer and the El Paso County Assessor website

Exhibit B: Sales Tax Analysis Spreadsheet (cont'd 2/3)

Annual Sales Tax Estimate												
	2017	2019	2030	2031	2032	2033	2034	2035	2036	2037	2038	
Not used	\$ -	-	-	-	-	-	-	-	-	-	-	
Estimated Cumulative Support Retail	\$ 280.00	13,955	13,955	13,955	13,955	13,955	13,955	13,955	13,955	13,955	13,955	
Estimated Taxable Retail Sales from New Development	\$ -	\$ 4,402,956	\$ 4,446,986	\$ 4,491,456	\$ 4,536,370	\$ 4,581,734	\$ 4,627,551	\$ 4,673,827	\$ 4,720,565	\$ 4,767,771	\$ 4,815,448	
Tax Rate:	8.25%											
Total Sales Tax	\$ -	\$ 363,244	\$ 366,876	\$ 370,545	\$ 374,251	\$ 377,993	\$ 381,773	\$ 385,591	\$ 389,447	\$ 393,341	\$ 397,274	
Total Sales Tax Existing Development (Base)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
Total Sales Tax New Development (Increment)	\$ -	\$ 363,244	\$ 366,876	\$ 370,545	\$ 374,251	\$ 377,993	\$ 381,773	\$ 385,591	\$ 389,447	\$ 393,341	\$ 397,274	
Not used	\$ -	-	-	-	-	-	-	-	-	-	-	
Total Sales Tax	\$ -	\$ 726,488	\$ 733,753	\$ 741,090	\$ 748,501	\$ 755,986	\$ 763,546	\$ 771,181	\$ 778,893	\$ 786,682	\$ 794,549	
Sales Tax Estimate by Taxing Entity (annual and cumulative):												
State of Colorado												
Share of Sales Tax (%)	35.15%	2017	2019	2030	2031	2032	2033	2034	2035	2036	2037	2038
Total Sales Tax	2.90%	\$ -	\$ 127,686	\$ 128,963	\$ 130,252	\$ 131,555	\$ 132,870	\$ 134,199	\$ 135,541	\$ 136,896	\$ 138,265	\$ 139,648
Existing Sales Tax (Base)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
New Sales Tax (Increment)	\$ -	\$ 127,686	\$ 128,963	\$ 130,252	\$ 131,555	\$ 132,870	\$ 134,199	\$ 135,541	\$ 136,896	\$ 138,265	\$ 139,648	
Cumulative State of Colorado												
						2018-2033					2018-2038	
Total Sales Tax	\$ -	-	-	-	-	\$ 1,745,084	-	-	-	-	\$ 2,429,633	
Existing Sales Tax (Base)	\$ -	-	-	-	-	\$ -	-	-	-	-	\$ -	
New Sales Tax (Increment)	\$ -	-	-	-	-	\$ 1,745,084	-	-	-	-	\$ 2,429,633	
El Paso County												
Share of Sales Tax (%)	14.91%	2017	2019	2030	2031	2032	2033	2034	2035	2036	2037	2038
Total Sales Tax	1.23%	\$ -	\$ 54,156	\$ 54,698	\$ 55,245	\$ 55,797	\$ 56,355	\$ 56,919	\$ 57,488	\$ 58,063	\$ 58,644	\$ 59,230
Existing Sales Tax (Base)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
New Sales Tax (Increment)	\$ -	\$ 54,156	\$ 54,698	\$ 55,245	\$ 55,797	\$ 56,355	\$ 56,919	\$ 57,488	\$ 58,063	\$ 58,644	\$ 59,230	
Cumulative El Paso County												
						2018-2033					2018-2038	
Total Sales Tax	\$ -	-	-	-	-	\$ 740,156	-	-	-	-	\$ 1,030,500	
Existing Sales Tax (Base)	\$ -	-	-	-	-	\$ -	-	-	-	-	\$ -	
New Sales Tax (Increment)	\$ -	-	-	-	-	\$ 740,156	-	-	-	-	\$ 1,030,500	
City of Colorado Springs (General Fund 2% to URA)												
Share of Sales Tax (%)	24.24%	2017	2019	2030	2031	2032	2033	2034	2035	2036	2037	2038
Total Sales Tax	2.00%	\$ -	\$ 88,059	\$ 88,940	\$ 89,829	\$ 90,727	\$ 91,635	\$ 92,551	\$ 93,477	\$ 94,411	\$ 95,355	\$ 96,309
Existing Sales Tax (Base)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
New Sales Tax (Increment)	\$ -	\$ 88,059	\$ 88,940	\$ 89,829	\$ 90,727	\$ 91,635	\$ 92,551	\$ 93,477	\$ 94,411	\$ 95,355	\$ 96,309	
Cumulative City of Colorado Springs (General Fund 2% to URA)												
						2018-2033					2018-2038	
Total Sales Tax	\$ -	-	-	-	-	\$ 1,203,506	-	-	-	-	\$ 1,675,609	
Existing Sales Tax (Base)	\$ -	-	-	-	-	\$ -	-	-	-	-	\$ -	
New Sales Tax (Increment)	\$ -	-	-	-	-	\$ 1,203,506	-	-	-	-	\$ 1,675,609	
City of Colorado Springs (General Fund 1.12% retained)												
Share of Sales Tax (%)	13.58%	2017	2019	2030	2031	2032	2033	2034	2035	2036	2037	2038
Total Sales Tax	1.12%	\$ -	\$ 49,313	\$ 49,806	\$ 50,304	\$ 50,807	\$ 51,315	\$ 51,829	\$ 52,347	\$ 52,870	\$ 53,399	\$ 53,933
Existing Sales Tax (Base)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
New Sales Tax (Increment)	\$ -	\$ 49,313	\$ 49,806	\$ 50,304	\$ 50,807	\$ 51,315	\$ 51,829	\$ 52,347	\$ 52,870	\$ 53,399	\$ 53,933	
Cumulative City of Colorado Springs (General Fund 1.12% retained)												
						2018-2033					2018-2038	
Total Sales Tax	\$ -	-	-	-	-	\$ 673,963	-	-	-	-	\$ 938,341	
Existing Sales Tax (Base)	\$ -	-	-	-	-	\$ -	-	-	-	-	\$ -	
New Sales Tax (Increment)	\$ -	-	-	-	-	\$ 673,963	-	-	-	-	\$ 938,341	
Special Tax												
Share of Sales Tax (%)	12.12%	2017	2019	2030	2031	2032	2033	2034	2035	2036	2037	2038
Total Sales Tax	1.00%	\$ -	\$ 44,030	\$ 44,470	\$ 44,915	\$ 45,364	\$ 45,817	\$ 46,276	\$ 46,738	\$ 47,206	\$ 47,678	\$ 48,154
Existing Sales Tax (Base)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
New Sales Tax (Increment)	\$ -	\$ 44,030	\$ 44,470	\$ 44,915	\$ 45,364	\$ 45,817	\$ 46,276	\$ 46,738	\$ 47,206	\$ 47,678	\$ 48,154	
Cumulative Special Tax												
						2018-2033					2018-2038	
Total Sales Tax	\$ -	-	-	-	-	\$ 601,753	-	-	-	-	\$ 837,805	
Existing Sales Tax (Base)	\$ -	-	-	-	-	\$ -	-	-	-	-	\$ -	
New Sales Tax (Increment)	\$ -	-	-	-	-	\$ 601,753	-	-	-	-	\$ 837,805	

Source: DGC using information provided by the Developer and the El Paso County Assessor website

Exhibit B: Sales Tax Analysis Spreadsheet Combined (cont'd 3/3)

Annual Sales Tax Estimate			21	22	23	24	25	
		2017	2039	2040	2041	2042	2043	2017-2043
Not used	\$ -	-	-	-	-	-	-	-
Estimated Cumulative Support Retail	\$ 280.00	-	13,955	13,955	13,955	13,955	13,955	
Estimated Taxable Retail Sales from New Development		\$ -	\$ 4,863,603	\$ 4,912,239	\$ 4,961,361	\$ 5,010,975	\$ 5,061,085	
Tax Rate:	8.25%							
Total Sales Tax		\$ -	\$ 401,247	\$ 405,260	\$ 409,312	\$ 413,405	\$ 417,539	\$ 8,958,652
Total Sales Tax Existing Development (Base)		\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Total Sales Tax New Development (Increment)		\$ -	\$ 401,247	\$ 405,260	\$ 409,312	\$ 413,405	\$ 417,539	\$ 8,958,652
Not used	\$ -	-	-	-	-	-	-	-
Total Sales Tax		\$ -	\$ 802,494	\$ 810,519	\$ 818,625	\$ 826,811	\$ 835,079	\$ 17,917,305
Sales Tax Estimate by Taxing Entity (annual and cumulative):								
State of Colorado								
		2017	21	22	23	24	25	
Share of Sales Tax (%)	35.15%		2039	2040	2041	2042	2043	2017-2043
Total Sales Tax	2.90%	\$ -	\$ 141,044	\$ 142,455	\$ 143,879	\$ 145,318	\$ 146,771	\$ 3,149,102
Existing Sales Tax (Base)		\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
New Sales Tax (Increment)		\$ -	\$ 141,044	\$ 142,455	\$ 143,879	\$ 145,318	\$ 146,771	\$ 3,149,102
Cumulative State of Colorado								
Total Sales Tax		\$ -					2018-2043	\$ 3,149,102
Existing Sales Tax (Base)		\$ -						\$ -
New Sales Tax (Increment)		\$ -						\$ 3,149,102
El Paso County								
		2017	21	22	23	24	25	
Share of Sales Tax (%)	14.91%		2039	2040	2041	2042	2043	2017-2043
Total Sales Tax	1.23%	\$ -	\$ 59,822	\$ 60,421	\$ 61,025	\$ 61,635	\$ 62,251	\$ 1,335,654
Existing Sales Tax (Base)		\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
New Sales Tax (Increment)		\$ -	\$ 59,822	\$ 60,421	\$ 61,025	\$ 61,635	\$ 62,251	\$ 1,335,654
Cumulative El Paso County								
Total Sales Tax		\$ -					2018-2043	\$ 1,335,654
Existing Sales Tax (Base)		\$ -						\$ -
New Sales Tax (Increment)		\$ -						\$ 1,335,654
City of Colorado Springs (General Fund 2% to URA)								
		2017	21	22	23	24	25	
Share of Sales Tax (%)	24.24%		2039	2040	2041	2042	2043	2017-2043
Total Sales Tax	2.00%	\$ -	\$ 97,272	\$ 98,245	\$ 99,227	\$ 100,219	\$ 101,222	\$ 2,171,794
Existing Sales Tax (Base)		\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
New Sales Tax (Increment)		\$ -	\$ 97,272	\$ 98,245	\$ 99,227	\$ 100,219	\$ 101,222	\$ 2,171,794
Cumulative City of Colorado Springs (General Fund 2% to URA)								
Total Sales Tax		\$ -					2018-2043	\$ 2,171,794
Existing Sales Tax (Base)		\$ -						\$ -
New Sales Tax (Increment)		\$ -						\$ 2,171,794
City of Colorado Springs (General Fund 1.12% retained)								
		2017	21	22	23	24	25	
Share of Sales Tax (%)	13.58%		2039	2040	2041	2042	2043	2017-2043
Total Sales Tax	1.12%	\$ -	\$ 54,472	\$ 55,017	\$ 55,567	\$ 56,123	\$ 56,684	\$ 1,216,205
Existing Sales Tax (Base)		\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
New Sales Tax (Increment)		\$ -	\$ 54,472	\$ 55,017	\$ 55,567	\$ 56,123	\$ 56,684	\$ 1,216,205
Cumulative City of Colorado Springs (General Fund 1.12% retained)								
Total Sales Tax		\$ -					2018-2043	\$ 1,216,205
Existing Sales Tax (Base)		\$ -						\$ -
New Sales Tax (Increment)		\$ -						\$ 1,216,205
Special Tax								
		2017	21	22	23	24	25	
Share of Sales Tax (%)	12.12%		2039	2040	2041	2042	2043	2017-2043
Total Sales Tax	1.00%	\$ -	\$ 48,636	\$ 49,122	\$ 49,614	\$ 50,110	\$ 50,611	\$ 1,085,897
Existing Sales Tax (Base)		\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
New Sales Tax (Increment)		\$ -	\$ 48,636	\$ 49,122	\$ 49,614	\$ 50,110	\$ 50,611	\$ 1,085,897
Cumulative Special Tax								
Total Sales Tax		\$ -					2018-2043	\$ 1,085,897
Existing Sales Tax (Base)		\$ -						\$ -
New Sales Tax (Increment)		\$ -						\$ 1,085,897

Source: DGC using information provided by the Developer and the El Paso County Assessor website

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Appendices:

Appendix A: Sources Consulted

1. State of Colorado Statutes Urban Renewal Law § 31-25-101:
http://www.state.co.us/gov_dir/leg_dir/olls/colorado_revised_statutes.htm
2. City of Colorado Springs website (2018)
3. El Paso County Assessor Data website (2018)
4. Downtown Colorado Springs Marriott Hotel Economic Impact Analysis, by Tatiana Bailey, February, 2018.
5. Property Tax Revenue Spreadsheet (DGC Consulting)
6. Sales Tax Revenue Spreadsheet (DGC Consulting)

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Appendix B: Legal Description and Exhibit



619 N. Cascade Avenue, Suite 200
Colorado Springs, Colorado 80903

(719)785-0790
(719) 785-0799(Fax)

JOB NO. 2104.50-01ROW
OCTOBER 2, 2018
PAGE 1 OF 2

LEGAL DESCRIPTION:

LOT 21, 22, 23 AND 24, BLOCK 131 AS PLATTED IN CITY OF COLORADO SPRINGS
RECORDED IN PLAT BOOK A AT PAGE 3, RECORDS OF EL PASO COUNTY, COLORADO.

AND

THE ADJACENT RIGHT OF WAY NORTHERLY (WEST COSTILLA STREET) AND
EASTERLY (SOUTH TEJON STREET) OF THE ABOVE DESCRIBED LOTS AS PLATTED IN
SAID CITY OF COLORADO SPRINGS RECORDED IN PLAT BOOK A AT PAGE 3.

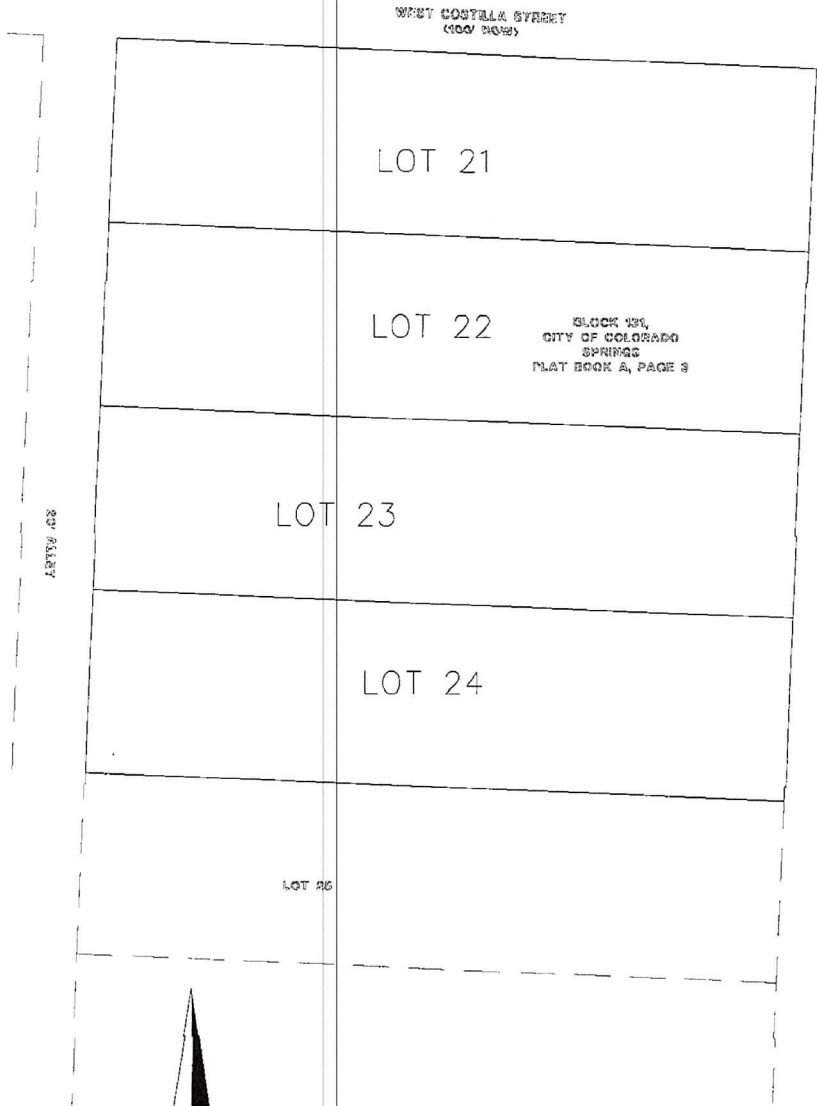
AND

THE ADJACENT ALLEY WESTERLY OF THE ABOVE DESCRIBED LOTS AS PLATTED IN
SAID CITY OF COLORADO SPRINGS RECORDED IN PLAT BOOK A AT PAGE 3.



619 N. Cascade Avenue, Suite 200 (719)785-0790
Colorado Springs, Colorado 80903 (719)785-0799 (Fax)

CITY OF COLORADO SPRINGS
BLOCK 131, LOTS 21-24 & ROW
TEJON & COSTILLA
JOB NO. 2104.50-01ROW
SHEET 2 OF 2
OCTOBER 2, 2018



SCALE: 1" = 40'

CCES, LLC DOES NOT EXPRESS NOR IMPLY ANY WARRANTY WITH THE ABOVE WRITTEN LEGAL DESCRIPTION AND EXHIBIT. THE LEGAL DESCRIPTION WAS WRITTEN FOR INFORMATIONAL PURPOSES ONLY AND DOES NOT DEPICT A MONUMENTED LAND SURVEY.

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Appendix C: Tejon and Costilla Area Urban Renewal Plan

**Urban Renewal Plan for
Tejon and Costilla Urban Renewal Area
Colorado Springs, Colorado**

Prepared for:

Colorado Springs Urban Renewal Authority
30 South Nevada Avenue, Suite 603
Colorado Springs, CO 80903

Prepared by:

DGC Consulting

DGC Consulting
18331 E. Davies Avenue
Foxfield, CO 80016

FINAL
October 2018

Background information and other data have been furnished to DGC Consulting (DGC) by Colorado Springs Urban Renewal Authority, Colorado Springs Downtown Development Authority, City of Colorado Springs, the Developer and/or third parties, which DGC has used in preparing this report. DGC has relied on this information as furnished, and is neither responsible for nor has confirmed the accuracy of this information.

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1.0 Introduction

1.1 Preface

This Tejon and Costilla Urban Renewal Plan (the “Plan” or the “Urban Renewal Plan”) has been prepared for the City of Colorado Springs, Colorado, a home rule municipal corporation of the State of Colorado (the “City”). The Plan will be carried out by the Colorado Springs Urban Renewal Authority (the “Authority”), pursuant to the provisions of the Urban Renewal Law of the State of Colorado, Part 1 of Article 25 of Title 31, Colorado Revised Statutes, 1973, as amended to date (the “Act”). The administration and implementation of this Plan, including the preparation and execution of any documents implementing it, shall be performed by the Authority.

1.2 Blight Findings

Under the Act, an urban renewal area is a blighted area, which has been designated as appropriate for an urban renewal project by the City Council of the City. In each urban renewal area, conditions of blight, as defined by the Act, must be present, and in order for the Authority to exercise its powers, the City Council must find that the presence of those conditions of blight substantially impair or arrest the sound growth of the municipality or constitutes an economic or social liability, and is a menace to the public health, safety, morals or welfare.

The Tejon and Costilla Partial Block Conditions Study prepared by DGC Consulting, dated February 2018, provided to the Authority under separate cover and incorporated herein by this reference (the “Conditions Study”), demonstrates that the Tejon and Costilla Partial Block Study Area (“Study Area”), as defined in the Conditions Study, is eligible to be declared a blighted area by the City Council under the Act.

1.3 Other Findings

The Area (defined in Section 1.4) is appropriate for an urban renewal project to be carried out by the Authority. The activities and undertakings that constitute the urban renewal project as defined in the Act include, without limitation, demolition and clearance of existing improvements, site preparation, installation of needed public improvements, relocation of and provision of new utilities, parking improvements, traffic improvements, and life safety measures. Such actions are necessary to eliminate unsafe conditions, obsolete and other uses detrimental to the public welfare, and otherwise remove and prevent the spread of blight.

As required by §31-25-107(4)(g) of the Act, this Urban Renewal Plan will afford maximum opportunity, consistent with the sound needs of the City, for the redevelopment of the Urban Renewal Area by private enterprise.

It is the intent of the City Council in adopting this Plan that the Authority exercises all powers authorized in the Act which may be necessary, convenient or appropriate to accomplish the objectives of this Plan, except that the use of the power of eminent domain is not authorized. It is the intent of this Plan that

the Authority may exercise all such powers as may now be possessed or hereafter granted for the elimination of qualifying conditions in the Area.

The powers conferred by the Act are for public uses and purposes for which public money may be expended and police powers exercised. This Plan is in the public interest and necessity -- such finding being a matter of legislative determination by the City Council.

1.4 Urban Renewal Area Boundaries

The Tejon and Costilla Urban Renewal Area (the “Urban Renewal Area” or the “Area”) is comprised of approximately 1.5 acres in Downtown Colorado Springs. The Area includes four city lots in a city block and adjoining alley and street rights-of-way. The Area is bounded on the north by the north right of way line of East Costilla Street, on the east by the east right of way line of South Tejon Street, on the south by the south right of way line of East Cimarron Street, and on the west by the west right of way line of South Nevada Avenue. The Area is depicted and shown on Exhibit A: Tejon and Costilla Urban Renewal Area and Legal Description.

The Area is depicted and shown on Appendix A: Tejon and Costilla Urban Renewal Area and Legal Description.

2.0 Definitions

Act – has the meaning given to such term in Section 1.1 above.

Area or Urban Renewal Area – has the meaning given to such term in Section 1.4 above.

Authority – has the meaning given to such term in Section 1.1 above.

Available Property Tax Increment Revenues – means all Property Tax Increment Revenues available pursuant to the Tax Increment Financing provisions of the Act not payable to taxing bodies pursuant to agreements, if any, with the Authority or otherwise as provided in §31-25-107(9.5) of the Act. In the event that an agreement is reached with a taxing body pursuant to § 31-25-107(9.5) of the Act after the Effective Date of Plan Approval, the Property Tax Increment Revenues generated by said taxing body’s mill levy shall become Available Property Tax Increment Revenues, and the addition of such revenue shall not be a substantial modification to this Plan. Upon approval of this Plan the Available Property Tax Increment Revenues are irrevocably pledged to payment of Bonds for the Duration of the Urban Renewal Project as provided in Section 7.0 below.

Base Valuation Revenues – means the revenues produced by the base valuation for taxable property and municipal sales and use taxes as provided in Section 7.0 of this Plan.

Bonds – shall have the same meaning as in §§31-25-103(3) and 109 of the Act, and, without limitation, specifically includes all revenues pledged to the Authority, including Available Property Tax Increment Revenues, and further pledged to pay Project costs pursuant to Redevelopment/Development Agreements or other reimbursement agreements between the Authority and owners and developers.

City – has the meaning given to such term in Section 1.1 above.

City Council – means the City Council of the City.

Colorado Springs Comprehensive Plan (or Comprehensive Plan) – means 2001 City of Colorado Springs Comprehensive Plan, as such plan has been or may be amended from time to time.

Colorado Springs Downtown Plan – means 2016 Experience Downtown Colorado Springs, Plan of Development and Master Plan, prepared by Progressive Urban Management Associates.

Conditions Study (or Study or Survey) – has the meaning given to such term in Section 1.2 above.

Cooperation Agreement – means any agreement between the Authority and City, or between the Authority and any public body (the term “public body” being used in this Plan is as defined by the Act) respecting action to be taken pursuant to any of the powers set forth in the Act or in any other provision of Colorado law, for the purpose of facilitating public undertakings deemed necessary or appropriate by the Authority under this Plan.

County Treasurer – means the El Paso County Treasurer.

C.R.S. – means the Colorado Revised Statutes, as amended from time to time.

Duration – means the entire twenty-five (25) year time period authorized by §31-25-107(9) of the Act.

Effective Date of Plan Approval – means the date this Plan is approved by resolution of the City Council.

Impact Report – means the Tejon and Costilla Tejon and Costilla Urban Renewal Area Tax Forecast and County Impact Report, prepared by DGC Consulting, dated October 2018.

District (or Districts) – means a metropolitan district which is a quasi-municipal corporation and political subdivision of the State of Colorado organized under the Colorado Special District Act, 32-1-101, et seq., C.R.S., as from time to time amended, or a business improvement district which is a quasi-municipal corporation and political subdivision of the State of Colorado organized under the Colorado Business Improvement District Act, 31-25-1201, et seq., C.R.S., as from time to time amended, or any successor District or Districts thereto as may be approved by the City.

Increment Valuation Revenues – means the revenues produced by the increment valuation of taxable property and municipal sales and use taxes as described in Section 7.0 of this Urban Renewal Plan.

Plan or Urban Renewal Plan – has the meaning given to such term in Section 1.1 above.

Pledged Revenues – means any and all revenues available to the Authority, including, without limitation, Available Property Tax Increment Revenues, Sales Tax Increment Revenues and Use Tax Increment

Revenues any revenues available to the Authority from Districts, or any other source that are pledged by this Plan or otherwise to the payment of Bonds of the Authority.

Project or Urban Renewal Project – means all activities and undertakings described in §31-25-103(10), C.R.S., and otherwise authorized by the Act as required for the Duration of the Project to complete development and redevelopment of the Urban Renewal Area, including, without limitation financing and construction of all public and private improvements and payment of all financing obligations included in the definition of Bonds.

Property Taxes – means, without limitation, all levies to be made on an ad valorem basis by or for the benefit of any public body upon taxable real and personal property in the Area.

Property Tax Increment Revenues – means the property tax revenues allocated to the Authority pursuant to §31-25-107(9) of the Act and Section 7.0 of this Plan.

Redevelopment / Development Agreement – means one or more agreements between the Authority and developer(s) and / or property owners or such other individuals or entities as may be determined by the Authority to be necessary or desirable to carry out the purposes of this Plan.

Sales Tax Increment Revenues – means City sales tax revenues allocated to the Authority pursuant to §31-25-107(9) of the Act and Section 7.0 of this Plan.

Study Area – has the meaning given to such term in Section 1.2 above.

Tax Increment Financing or TIF – means tax allocation financing described in §31-25- 107(9) of the Act as in effect on the date this Plan is approved by the City Council. Tax Increment Financing shall be required for the full Duration to carry out all activities and undertakings to complete the Urban Renewal Project, including, without limitation, payment of all Bonds.

Use Tax Increment Revenues – means City use tax revenues allocated to the Authority pursuant to §31-25-107(9) of the Act and Section 7.0 of this Plan.

3.0 Purpose of the Plan

The main public purpose of this Plan is to reduce, eliminate and prevent the spread of blight within the Area through redevelopment by private enterprise. The Plan sets goals to achieve this through implementing established objectives for the Area and assisting with the eligible costs of redevelopment, promoting economic growth and private investment through the tools available within the context of urban renewal tools, laws, and guidelines, including, without limitation, Tax Increment Financing.

Establishment of the Urban Renewal Area will take advantage of improving conditions and the upcoming development cycle by focusing urban renewal efforts in a small Area for the Duration in accordance with the mandates of the Act.

The Authority commissioned a Conditions Study by DGC Consulting to determine if the Urban Renewal Area contained the factors that constitute a Blighted Area as defined in §31-25-103 of the Act. The Conditions Study was issued and approved in 2018. It concluded that nine of the statutory factors are present in the Area, which supports a finding and declaration by the City Council that the Area is a Blighted Area as defined in the Act.

4.0 Blight Conditions

Before an urban renewal plan can be approved and adopted by the City Council, the area must be found and declared to be a “blighted area” as defined in Section 31-25-103(2) of the Act. The Act provides that, in order for blight to be present within the area, at least four specific blight factors must be present in the area, and that such area, in its present condition and use substantially impairs or arrests the sound growth of the municipality, retards the provision of housing accommodations, or constitutes an economic or social liability, and is a menace to the public health, safety, morals, or welfare.

- a. Slum, deteriorated, or deteriorating structures;
- b. Predominance of defective or inadequate street layout;
- c. Faulty lot layout in relation to size, adequacy, accessibility, or usefulness;
- d. Unsanitary or unsafe conditions;
- e. Deterioration of site or other improvements;
- f. Unusual topography or inadequate public improvements or utilities;
- g. Defective or unusual conditions of title rendering the title nonmarketable;
- h. The existence of conditions that endanger life or property by fire or other causes;
- i. Buildings that are unsafe or unhealthy for persons to live or work in because of building code violations, dilapidation, deterioration, defective design, physical construction, or faulty or inadequate facilities;
- j. Environmental contamination of buildings or property;
- k.5 The existence of health, safety, or welfare factors requiring high levels of municipal services or substantial physical underutilization or vacancy of sites, buildings, or other improvements.

DGC conducted the Conditions Study which included the following steps:

1. Defined the Study Area;

2. Conducted a visual field survey for the property and evaluate current conditions;
3. Reviewed data provided by the City;
4. Evaluated conditions found in the context of statutory blight criteria; and
5. Documented the survey findings, as presented in the Conditions Study.

The Study Area is approximately 1.5 acres, including public alley and street rights-of-way, and is owned primarily by private entities. The future redevelopment of the Study Area is proposed to be a hotel with commercial retail uses.

Of the eleven qualifying factors identified in the Act, the Conditions Study revealed the following six qualifying conditions of blight, as defined in Section 31-25-103(2) of the Act, evident within the Study Area.

- a. Slum, deteriorating or deteriorated structures;
- d. Unsanitary or unsafe conditions;
- e. Deterioration of site or other improvements;
- f. Unusual topography or inadequate public improvements or utilities;
- h. The existence of conditions that endanger life or property by fire or other causes; and
- k.5 The existence of health, safety, or welfare factors requiring high levels of municipal services or substantial physical underutilization or vacancy of sites, buildings, or other improvements.

5.0 Plan's Relationship to Local Objectives and Appropriate Land Uses

5.1 Plan Conformity

Implementation of this Plan supports the objectives and requirements of the Comprehensive Plan with respect to connectivity to neighborhoods, accessibility to open space, completion of infrastructure, and preservation of natural features, and quality design that promotes Colorado Springs's unique identity. As development occurs in the Area, it shall conform to the Comprehensive Plan and any subsequent updates; the Pikes Peak Regional Building Code and any rules, regulations, and policies promulgated pursuant thereto; any site-specific planning documents that might impact properties in the Area including, but not limited to, City-approved site, drainage, and public improvement plans; and, any applicable City design standards, all as in effect and as may be amended from time to time. Finally,

existing conditions present within the Area will be remedied by the proposed Plan and funded in part by tax increment revenues and improvements phased as the market allows.

5.2 Consistency with Comprehensive Plan

As explained above, a comprehensive or general plan for the City known as the City of Colorado Springs Comprehensive Plan was adopted in 2001 as an amendment to the 1991 plan of the same name. The Authority, with the cooperation of the City, private businesses, and other public bodies, will undertake projects and activities described herein in order to eliminate the identified conditions of blight while also implementing the goals and objectives of the Comprehensive Plan and all other City-adopted plans which impact properties within the Area. These include the recent key goals and policies of that plan which this Urban Renewal Plan will advance are described in detail in Appendix B: Excerpts from 2001 City of Colorado Springs Comprehensive Plan.

5.3 Relationship to Other Community Plans

Implementation of this Plan will be consistent with the development goals and objectives in other community plans and guides which pertain to development in the Area. The 2016 Experience Downtown Colorado Springs - Plan of Development and Master Plan, summarizes a planning vision, goals, objectives, and actions for Downtown Colorado Springs, which includes the Urban Renewal Area. The 2007 Downtown Colorado Springs Form-Based Code summarizes development standards and design guidelines for Downtown, including the Downtown Central Sector of which the Urban Renewal Area is a part.

6.0 Authorized Urban Renewal Undertakings and Activities

The Act allows for a wide range of activities to be used in the implementation of an urban renewal plan. The Authority is authorized to provide both financial assistance and improvements in partnership with property owners and other affected parties in order to accomplish the objectives stated herein. Public-private partnerships and other forms of cooperative development, including Cooperation Agreements, will be essential to the Authority's strategy for preventing the spread of blight and eliminating existing blighting conditions. Without limitation, undertakings and activities of the Authority in the furtherance of this Plan as described as follows.

6.1 Undertakings and Activities to Remedy Blight

As described in Section 4.0 of this Plan, six qualifying conditions of blight were identified in the Study Area of which this Urban Renewal Plan Area is a part. Implementation of this Plan by providing urban renewal resources for public and private improvements will remedy many of the following conditions:

- (a) Slum, deteriorating or deteriorated structures

Several private structures in the Study Area exhibited a wide range of exterior deterioration in terms of walls, foundations, eaves, finishes, windows and doors, stairways, loading docks, ancillary structures, and exposed electrical and structural elements. It is expected that these

buildings will be demolished and cleared, and that new public and private improvements will be constructed in the Area to remedy this condition.

(d) Unsanitary or unsafe conditions

The site survey identified multiple examples of unsanitary or unsafe conditions in the Study Area. These include poor outdoor lighting, uneven surfaces for pedestrians, poor drainage, insufficient grading, trash and debris, abandoned/inoperable vehicles and equipment, presence of hazardous materials and conditions, evidence of vagrants/vandalism/graffiti and unsafe level changes/drop-offs. Urban renewal resources focused on improvements to the pedestrian zone and right-of-way, including sidewalks, curb and gutter, lighting, and drainage improvements, as well as street paving and intersection improvements. Urban renewal resources to encourage private redevelopment will help to eliminate evidence of blight including abandoned vehicles, equipment, graffiti, and vandalism.

(e) Deterioration of site or other improvements

The site survey documented widespread deterioration of site and other improvements throughout the Study area. These included deteriorated/lack of on-site parking lot paving, curb and gutter, sidewalks, outdoor lighting, and surface drainage facilities. In addition, there were numerous examples of lack of site maintenance, non-conformance to development regulations, deteriorated signage, and deteriorated site improvements such as fencing and walls. Urban renewal resources focused on private development and public improvements will help to eliminate these blight factors.

(f) Unusual topography or inadequate public improvements or utilities

There were widespread examples of inadequate public improvements or utilities in the public right-of-way. This included poor site grading that prevented surface drainage, deteriorated/lack of street pavement, curb and gutter, overhead lighting, and sidewalks. Urban renewal resources focused on improvements in the public right-of-way will help to eliminate these blight factors.

(h) The existence of conditions that endanger life or property by fire or other causes

Examples of life or property-endangering conditions were observed in the Study Area. These include dry debris and hazardous materials near structures, dead trees and shrubs in high traffic areas, and unsafe level changes that could result injury. Urban renewal resources supporting private redevelopment improvements can eliminate or mitigate these conditions.

(k.5) The existence of health, safety, or welfare factors requiring high levels of municipal services or substantial physical underutilization or vacancy of sites, buildings, or other improvements

Many parts of the Study Area have vacant sites or are physically underutilized. This is documented in the [2016 Downtown Colorado Springs Market Assessment](#) as well as a conclusion of a FAR analysis in the Conditions Study. Urban renewal resources that help to

stimulate private development and which are used to construct public improvements will help to eliminate these blight factors.

6.2 Project Development Plan

The primary goal of this Plan is to eliminate the current conditions of blight in the Area and prevent those conditions from reoccurring. The contemplated redevelopment of the Area is for use as hotel, related retail, and parking facilities; provided however, the Authority is authorized to approve any uses for the Area that eliminate blight and are consistent with the Comprehensive Plan and applicable zoning, including, without limitation, mixed use development, including residential, commercial, industrial, and public uses.

6.3 Complete Public Improvements and Facilities

The Authority may undertake certain actions to make the Area more attractive for private investment. The Authority may, or may cause others, including, without limitation, one or more Districts to install, construct, and reconstruct any public improvements, including, without limitation, parking facilities. The Authority may, or may cause others to, demolish and clear buildings and existing improvements for the purpose of promoting the objectives of the Plan and the Act. Additionally, the Authority may, or may cause others to, install, construct and reconstruct any other authorized improvements, including, without limitation, other authorized undertakings or improvements for the purpose of promoting the objectives of this Plan and the Act.

6.4 Plan Modification

The Authority may propose, and City Council may make, modifications to this Plan as may be necessary; provided, however, any modification of the Plan shall (a) comply with the provisions of the Act, including §31-25-107(7); (b) not impair Pledged Revenues or the ability of the Authority to pay any outstanding Bonds, including any reimbursement obligations of the Authority; or (c) not impair the ability of the Authority or any party to any then-existing agreement to fully perform their respective covenants and duties under any such agreement. The Authority may, in specific cases, allow non-substantive variations from the provisions of this Plan if it determines that a literal enforcement or application of the provision would constitute an unreasonable limitation beyond the intent and purpose stated herein.

6.5 Provide Relocation Assistance

While it is not anticipated as of the date of this Plan that acquisition of real property will result in the relocation of any individuals, families, or business concerns; if such relocation becomes necessary, the Authority will adopt a relocation plan as necessary to comply with applicable provisions of the Act.

6.6 Demolish, Clear and Prepare Improvements

The Authority is authorized to demolish or cooperate with others to clear buildings, structures and other improvements within the Area in an effort to advance projects deemed consistent with the vision stated herein. Such demolition or site clearance is necessary to eliminate unhealthy, unsanitary, and unsafe conditions; eliminate obsolete uses deemed detrimental to the public welfare; remove and prevent the spread of blight; and facilitate redevelopment of the Area by private enterprise.

6.7 Acquire and Dispose of Property

It is not expected that the Authority will be required to acquire property to carry out the Project. However, if the Authority determines such acquisition is necessary, it is authorized to acquire any such property by negotiation or any other method, except that the Authority is not authorized to acquire property by eminent domain. Properties acquired by the Authority by negotiation may be temporarily operated, managed and maintained by the Authority if requested to do so by the acquiring entity and deemed in the best interest of the Urban Renewal Project and the Plan. Such property shall be under the management and control of the Authority and may be rented or leased pending its disposition for redevelopment.

The Authority may sell, lease, or otherwise transfer real property or any interest in real property subject to covenants, conditions and restrictions, including architectural and design controls, time restrictions on development, and building requirements in accordance with the Act and this Plan.

6.8 Enter into Redevelopment / Development Agreements

The Authority may enter into Redevelopment / Development Agreements or other contracts with developer(s) or property owners or such other individuals or entities determined to be necessary to carry out the purposes of this Plan, including the further pledge by the Authority of Pledged Revenues to pay eligible costs pursuant to the Act or any other applicable law. Further, such Redevelopment/Development Agreements, or other contracts, may contain terms, provisions, activities, and undertakings contemplated by this Plan and the Act. Any existing agreements between the City and private parties that are consistent with this Plan are intended to remain in full force and effect, unless all parties to such agreements agree otherwise.

6.9 Enter Into Cooperation Agreements

The Authority is authorized to enter into such Cooperation Agreements as may be required by the Act, including tax sharing agreements. The Authority may also use the mediation and other provisions of the Act when necessary to provide adequate financing to carry out this Plan. This paragraph shall not be construed to require any particular form of cooperation.

6.10 Other Project Undertakings and Activities

Other Project undertakings and activities deemed necessary by the Authority to carry out the Plan may be undertaken and performed by the Authority or pursuant to agreements with other parties or public bodies in accordance with the authorization of the Act and any applicable law or laws.

7.0 Project Financing

The Authority is authorized to finance the Project by any method authorized by the Act or any other applicable law, including without limitation, appropriations, loans or advances from the City; federal loans and grants; state loans and grants; interest income; pay as you go arrangements; annual appropriation agreements; agreements with public and private parties or entities including, without

limitation, Districts; issuance of Bonds; sale of securities; Tax Increment Financing (including both property, sales and use tax increments); loans, advances and grants from any other available source.

Any financing method legally available to the City, the Authority, any private developer, redeveloper or owner may be used to finance in whole or in part any lawful cost or financial obligation, including without limitation, the cost of public improvements described, authorized or anticipated in the Act or Plan or in any manner related or incidental to the redevelopment of the Area. Such methods may be combined to finance all or any part of the Project. Any financing method authorized by the Plan or by any applicable law, including without limitation, the Act, may be used to pay the principal of and interest on and to establish reserves for Bonds and all forms of indebtedness (whether funded, refunded, assumed or otherwise) incurred by the Authority or the City to finance the Project in whole or in part.

The Authority is authorized to issue Bonds, including notes or any other financing instruments or documents in amounts sufficient to finance all or part of the Project. The Authority is authorized to borrow funds and to create indebtedness in carrying out this Plan. The principal, interest and any premiums due on or in connection with such indebtedness may be paid from Tax Increment Financing revenue or any other funds available to the Authority, including, without limitation, Pledged Revenues.

The Project may be financed by the Authority under the Tax Increment Financing provisions of the Act. Property taxes levied after the effective date of the approval of this Plan upon taxable property in the Area each year by or for the benefit of each specific public body that levies Property Taxes in the Urban Area on taxable property in the Urban Renewal Area or all or a portion of municipal sales and use taxes collected within the Area, or both such taxes, shall be divided for a period not to exceed twenty-five (25) years after the effective date of this allocation provision, as follows:

7.1 Base Valuation Revenues

That portion of the taxes which are produced by the levy at the rate fixed each year by or for each such specific public body upon the valuation for assessment of taxable property in the Area last certified prior to the effective date of approval of the Plan or, as to an area later added to the Area, the effective date of the modification of the Plan, and, subject to the City Council approval, that portion of municipal sales taxes, not including any sales taxes for remote sales as specified in §39-26-104(2), C.R.S., and use taxes collected within the boundaries of the Area in the twelve-month period ending on the last day of the month prior to the effective date of the approval of the Plan, or, both such portions, must be paid into the funds of each such public body as are all other taxes collected by or for said public body.

7.2 Increment Valuation Revenues

That portion of said property taxes or, subject to City Council approval, all or any portion of said sales taxes and use taxes, or both, in excess of the base amount of property taxes, sales taxes or use taxes paid into the funds of each such public body as provided above must be allocated to and, when collected, paid into a special fund of the authority to pay the principal of, the interest on, and any premiums due in connection with the Bonds of, loans or advances to, or indebtedness incurred by, whether funded, refunded, assumed, or otherwise, the Authority for financing or refinancing, in whole

or in part, the Urban Renewal Project, or to make payments under an agreement executed pursuant to §31-25-107(11) of the Act.

Unless and until the total valuation for assessment of the taxable property in the Urban Renewal Area exceeds the base valuation for assessment of the taxable property in the Urban Renewal Area, as provided above, all of the taxes levied upon the taxable property in the Urban Renewal Area must be paid into the funds of the respective public bodies. Unless and until the respective municipal sales and use tax collections in the Urban Renewal Area exceed the respective base year municipal sales and use tax collections in such urban renewal area, as provided above, all such sales and use tax collections must be paid into the funds of the municipality.

When such bonds, loans, advances, and indebtedness, if any, including interest thereon and any premiums due in connection therewith, have been paid, all taxes upon the taxable property or the total municipal sales and use tax collections, or both, in the Urban Renewal Area must be paid into the funds of the respective public bodies, and all moneys remaining in the special fund that have not previously been rebated and that originated as property tax increment generated based on the mill levy of a taxing body, other than the municipality, within the boundaries of the Urban Renewal Area must be repaid to each taxing body based on the pro rata share of the prior year's property tax increment attributable to each taxing body's current mill levy in which property taxes were divided pursuant to provision. Any moneys remaining in the special fund not generated by property tax increment are excluded from any such repayment requirement. Notwithstanding any other provision of law, revenues excluded by §31-25-107(9)(a)(II) of the Act are not intended to be included in Available Property Tax Increment Revenues.

The Increment Valuation Revenues are irrevocably pledged by the Authority for the payment of the principal of, the interest on, and any premiums due in connection with such Bonds, including any loans, advances and other indebtedness incurred by the Authority to finance the Urban Renewal Project, but excluding any offsets collected by the County Treasurer for return of overpayments or any reserve funds reserved by the Authority for such purposes in accordance with §31-25-107(9)(a)(III) and (b) of the Act, and also excluding a reasonable amount each year as determined by the Authority for payment of maintenance and operating expenses associated with administering the Plan, carrying out the Urban Renewal Project, and maintaining the existence of the Authority.

The Available Property Tax Increment Revenues (as described and defined in this Plan) are immediately subject to the lien provided by the provisions of §11-57-208, C.R.S., effective as of the date this Plan is approved by the City Council of the City. Such pledge is necessary and required for the benefit of the Authority and private enterprise to carry the Urban Renewal Project in accordance with the requirements of §31-25-107(4)(g) of the Act. Such Available Property Tax Increment Revenues are and shall be subject to the lien of such pledge for the Duration of the Project without any physical delivery, filing, or further act. The creation, perfection, enforcement and priority of the pledge of the Available Property Tax Increment Revenues as provided herein shall be governed by §11-57-208, C.R.S. The lien of such pledge on the Available Property Tax Increment Revenues shall have priority over any and all other

obligations and liabilities of the Authority with respect to the Available Property Tax Increment Revenues.

8.0 Severability

If any portion of this Plan is held to be invalid or unenforceable, such invalidity will not affect the remaining portions of the Plan.

Appendix

Appendix A: Tejon and Costilla Urban Renewal Area Legal Description and Map



619 N. Cascade Avenue, Suite 200
Colorado Springs, Colorado 80903

(719)785-0790
(719) 785-0799(Fax)

JOB NO. 2104.50-01ROW
OCTOBER 2, 2018
PAGE 1 OF 2

LEGAL DESCRIPTION:

LOT 21, 22, 23 AND 24, BLOCK 131 AS PLATTED IN CITY OF COLORADO SPRINGS
RECORDED IN PLAT BOOK A AT PAGE 3, RECORDS OF EL PASO COUNTY, COLORADO.

AND

THE ADJACENT RIGHT OF WAY NORTHERLY (WEST COSTILLA STREET) AND
EASTERLY (SOUTH TEJON STREET) OF THE ABOVE DESCRIBED LOTS AS PLATTED IN
SAID CITY OF COLORADO SPRINGS RECORDED IN PLAT BOOK A AT PAGE 3.

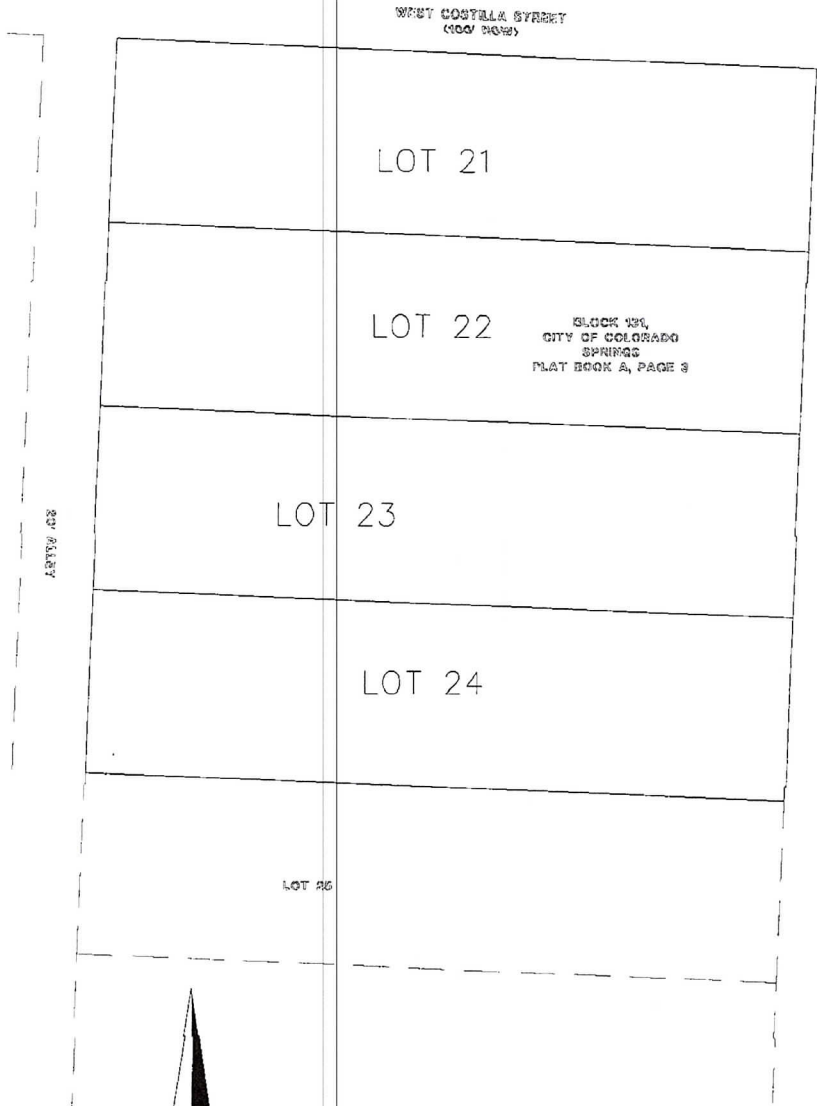
AND

THE ADJACENT ALLEY WESTERLY OF THE ABOVE DESCRIBED LOTS AS PLATTED IN
SAID CITY OF COLORADO SPRINGS RECORDED IN PLAT BOOK A AT PAGE 3.



619 N. Cascade Avenue, Suite 200 (719)785-0790
Colorado Springs, Colorado 80903 (719)785-0799 (Fax)

CITY OF COLORADO SPRINGS
BLOCK 131, LOTS 21-24 & ROW
TEJON & COSTILLA
JOB NO. 2104.50-01ROW
SHEET 2 OF 2
OCTOBER 2, 2018



SCALE: 1" = 40'

CCES, LLC DOES NOT EXPRESS NOR IMPLY ANY WARRANTY WITH THE ABOVE WRITTEN LEGAL DESCRIPTION AND EXHIBIT. THE LEGAL DESCRIPTION WAS WRITTEN FOR INFORMATIONAL PURPOSES ONLY AND DOES NOT DEPICT A MONUMENTED LAND SURVEY.

Appendix B: Excerpts from 2001 City of Colorado Springs Comprehensive Plan

City of Colorado Springs Comprehensive Plan, adopted 2001 (excerpts taken verbatim, but formatted for emphasis). Policies summarized here are relevant to the proposal Urban Renewal Area.

Introduction

Major Issues Addressed by the Plan

This Plan is based on the concept that how the City deals with its growth issues will be more effective in improving our quality of life than any attempts to slow down or stop growth. The city has significant room to grow, and so our challenge is to improve the character of physical development, while protecting and preserving the natural features of the city's setting. Major issues thus correspond to the subjects of the Plan's chapters.

- 1. Develop a coordinated land use pattern that efficiently uses land by encouraging mixed use activity centers rather than segregated land uses.*
- 2. Recognize the central importance of all neighborhoods.*
- 3. Create opportunities for travel modes that can reduce the rate of growth in automobile use.*
- 4. Evaluate effective tools for assessing the fiscal impact of development.*
- 5. Continually improve the community's stewardship of its natural setting.*
- 6. Strengthen the quality of development's visual character and appearance.*
- 7. Maintain a citywide context or perspective as an integral part of incremental land use decision-making.*

The Organization of the Plan

The Plan is then organized into the following policy chapter headings, each containing sets of objectives, policies, and strategies and supporting maps:

- I. Land Use*
- II. Neighborhoods*
- III. Transportation*
- IV. Community Infrastructure and Services*
- V. Natural Environment*
- VI. Community Character and Appearance*
- VII. 2020 Land Use Map*

Objectives are, in essence, goal statements, in that they represent a desired result. Policies represent a more focused statement of action to achieve an objective. Strategies represent specific steps and frequently identify tools or techniques that should be developed.

Chapter 1 - Land Use

Definitions

Activity Center: Activity center is a general term for a mixed-use center that integrates a range of uses and activities which complement and support each other. Typically, an activity center includes a predominant type of use, such as commercial or employment-related, that is then supported by a mix of one or more other uses, such as residential, civic, or institutional. The predominant use generally determines the type of center. Activity centers vary in size, intensity, scale, and their mix of supportive uses, depending on their purpose, location, and context. In each case, activity centers are intended to be mixed use and pedestrian-oriented and to establish good connections and transitions to surrounding areas. The Comprehensive Plan includes the following types of activity centers.

Infill Development: Development of vacant parcels within a built up area. Parks and open space are also considered as infill, since they are permanent uses for vacant parcels.

Mixed-Use Development: Development that integrates two or more land uses, such as residential, commercial, and office, with a strong pedestrian orientation.

Redevelopment: Development of sites that were formerly developed and cleared or that require the clearance of existing structures and improvements prior to new building.

Significant Natural Features: Those ridgelines, bluffs, rock outcroppings, view corridors, foothills, mountain backdrops, unique vegetation, floodplains, streams, surface water, air, natural drainage ways and wildlife habitats that contributes to the attractiveness of the community.

Strategic Network of Long-Range Plans: A network of long-range plans to be developed for transportation, infrastructure, and services as identified in the City's Strategic Plan. They include the Intermodal Transportation Plan, the Long-range Public Works Infrastructure and Services Plan, the Long-Range Plan for Police Services, the Long-range Plan for Fire Services, the Parks Capital System Master Plan, and the Parks System Services Master Plan.

Transit-Oriented Development: Development that supports transit use through a concentration and mix of uses and pedestrian connections.

Land Use Pattern

Objective LU 2: Develop A Land Use Pattern That Preserves the City's Natural Environment, Livability, And Sense of Community

A focused pattern of development makes more efficient use of land and natural and financial resources than scattered, "leap frog" development. In contrast to dispersed patterns of development, a consolidated pattern helps to decrease traffic congestion and facilitates the ability of the City to provide needed services and public facilities, such as street maintenance, public transit, police and fire protection, and emergency services. A more focused land use pattern should be planned to better protect open spaces and natural resources, deliver public facilities and services more effectively, provide a greater range of options for housing in

neighborhoods, preserve the unique character of the community, and make available a greater range of choices in modes of transportation.

Policy LU 201: Promote a Focused, Consolidated Land Use Pattern

Locate new growth and development in well-defined contiguous areas in order to avoid leapfrog, scattered land use patterns that cannot be adequately provided with City services.

Strategy LU 203b: Concentrate and Mix Uses

Concentrate and mix activities and uses in and around defined centers in order to create more diversity and synergy between uses, combine destinations, support more effective transit service, and provide viable pedestrian and bicycle access and circulation.

Land Use Mix

Objective LU 3: Develop A Mix of Interdependent, Compatible, and Mutually Supportive Land Uses

Over the past several decades, the location and design of development have created a pattern of isolated, disconnected, single-purpose land uses. An alternative to this type of land use pattern is one that integrates multiple uses, shortens and reduces automobile trips, promotes pedestrian and bicycling accessibility, decreases infrastructure and housing costs, and in general, can be provided with urban services in a more cost-effective manner.

Policy LU 301: Promote a Mixed Land Use Pattern

Promote development that is characterized by a mix of mutually supportive and integrated residential and non-residential land uses, and a network of interconnected streets with good pedestrian and bicycle access and connections to transit.

Strategy LU 301a: Support Mixed-use Development in Neighborhoods

Support mixed-use development through neighborhood plans and zoning revisions. Develop zoning guidelines and standards that support mixed-use development and pedestrian access by facilitating the integration of residential and non-residential land uses.

Policy LU 302: Encourage Development of Mixed-Use Activity Centers

Encourage the development of activity centers designed to include a mix of uses that compliment and support each other, such as commercial, employment-related, institutional, civic, and residential. A walkable, pedestrian friendly environment will tie the mix of uses in activity centers together. Activity centers will vary in size, intensity, scale, and types of uses depending on their function, location, and surroundings. Activity centers will be designed so they are compatible with, accessible from, and serve as a benefit to the surrounding neighborhood or business area.

Strategy LU 302b: Promote Pedestrian Orientation of New Activity Centers to the Public Right of-Way and Public Spaces

Orient buildings within activity centers toward the street, sidewalks, or public spaces to facilitate pedestrian access and circulation.

Strategy LU 302e: Incorporate Mixed-Use Activity Center Principles into the Design of New and Redeveloping Employment and Commercial Centers

Design and develop commercial and employment centers as activity centers that include a range of integrated uses, such as retail, concentrated office, research and development, institutional, entertainment, and civic activities.

Strategy LU 303a: Design Pedestrian-Friendly Environments Plan and design neighborhoods and activity centers as coordinated pedestrian-friendly environments.

Infill and Redevelopment

Objective LU 4: Encourage Infill and Redevelopment

Encourage infill and redevelopment projects that are in character and context with existing, surrounding development. Infill and redevelopment projects in existing neighborhoods make good use of the City's infrastructure. If properly designed, these projects can serve an important role in achieving quality, mixed-use neighborhoods. In some instances, sensitively designed, high quality infill and redevelopment projects can help stabilize and revitalize existing older neighborhoods.

Strategy LU 401a: Identify Infill and Redevelopment Opportunities and Target Public Investments

Identify major infill and redevelopment opportunities and target infrastructure improvements to the preferred infill development and redevelopment areas.

Strategy LU 401b: Provide Incentives to Foster Private Reinvestment

Utilize incentives to encourage infill and redevelopment. Regulatory incentives can be used to expedite the development approval process. Available financial incentives, such as rehabilitation loans/grants, if targeted and strategic, should be utilized to support additional investment in the community, as well as to assist existing residents to remain in areas that are redeveloping.

Commercial Development

Objective LU 7: Develop Shopping and Service Areas to be Convenient to Use and Compatible with Their Surroundings

Colorado Springs has numerous commercial areas that provide the necessary goods and services for visitors and regional, community, and neighborhood residents. The location and design of these areas not only has a profound effect on the financial success of commercial businesses, but also on the quality of life for the residents. Regardless of whether a commercial development is intended to serve neighborhood, community, citywide, or regional functions, it must be located and designed to balance pedestrian, bicycle, automobile, and, in many cases, transit access. In addition, the location and design of commercial uses must be integrated into

surrounding areas, rather than altering the character of surrounding land uses and neighborhoods. Incorporating a mix of uses will increase the diversity and vitality of commercial areas.

Strategy LU 701a: Locate New Commercial Uses in Activity Centers

Locate new commercial (retail, office, services, etc.) development in identified regional centers, commercial centers, and community or neighborhood activity centers. Prohibit strip commercial development along new major roadways.

Strategy LU 701b: Locate and Design Neighborhood Centers to be Local Pedestrian-Oriented Amenities

Design neighborhood centers primarily for walk-up pedestrian access with low-impact uses and a limited range of convenience goods and services that benefit neighborhood residents. Locate neighborhood centers to take advantage of daily activity patterns, such as the corner of a residential collector street, at the entrance to a neighborhood, or in conjunction with a park, school, civic use, or public space. Prohibit auto-related uses and other uses that produce noxious fumes or excessive light and noise.

Strategy LU 701f: Encourage New Commercial Development in New and Developing Corridors to Form Activity Centers

Encourage new commercial development in new and developing corridors to take place in activity centers that incorporate a mix of uses and avoid large, single-use buildings and dominating parking areas.

Policy LU 702: Design Commercial Redevelopment and Infill Projects as Activity Centers

Design all commercial redevelopment and infill projects as activity centers that incorporate a mix of uses, pedestrian orientation, and transit service wherever possible.

Strategy LU 702a: Redevelop Obsolete Commercial Areas as Activity Centers

Redevelop commercial areas that are obsolete or underutilized either as community activity centers, commercial centers, or employment centers, depending on their size, location and primary function.

Strategy LU 702b: Redevelop and Infill Commercial Uses in Mature/Development Corridors to Form Activity Centers

Redevelop and infill commercial uses in mature/redevelopment corridors to support the formation and evolution of new activity centers. Coordinate the formation of new activity centers with the redevelopment of the entire corridor.

Chapter 2 - Neighborhoods

Definitions

Neighborhood: A geographic sub-area within the city that contains residential land uses. The extent of a neighborhood is variable and may be defined by tradition, period of building and development, or subdivision patterns. Neighborhood boundaries may include such features as major streets or other physical features.

Enhancement

Objective N 2: Enhance Neighborhoods

Preserve and enhance existing and established neighborhoods and support developing and redeveloping neighborhoods. While neighborhoods change over time, there are certain fundamental characteristics of most neighborhoods, such as natural features and landscaping, building and street patterns, historic and cultural features, parks, open space and schools, which need to be preserved in order to maintain their character. At the same time, there are new and developing residential areas that need to be supported so that they emerge as well-functioning neighborhoods.

Strategy N 202e: Encourage Development of Public Gathering Places in Redeveloping Neighborhoods (policy may apply if there is a residential component to the project)

Encourage the development of a landscaped, outdoor center in each redeveloped neighborhood to serve as a focal point and gathering place for the public. This may occur in conjunction with existing schools, parks, recreational facilities, supporting retail uses, community centers, neighborhood life centers, or other civic or institutional uses. Where existing facilities are inappropriate, a new center may be developed.

Strategy N 203b: Achieve Balanced Mix of Land Uses

Use the land development review process to plan well-functioning new neighborhoods. Reserve planned land uses in new neighborhoods to achieve a balanced mix of land uses over time.

Strategy N 203f: Develop Gathering Places

Plan and develop a landscaped, outdoor center for each new neighborhood in conjunction with schools, parks, recreational facilities, supporting retail uses, community centers, neighborhood life centers or other civic or institutional uses to function as a focal point and gathering place for the public.

Mixed-Use

Objective N 3: Vary Neighborhood Patterns

Integrate a variety of housing types and densities with amenities, services, and retail uses to generate opportunities and choices for households. When the character, context and scale of the surrounding neighborhood are taken into account, mixed-use developments can provide unique opportunities for employment, shopping, housing choice, and public gathering space, while having a positive impact on the neighborhood.

Policy N 301: Identify and Develop Mutually Supportive Mixed Uses

Develop an appropriate mix of land uses and differing housing types in both new and existing neighborhoods.

Strategy N 301a: Identify Non-Residential Land Uses that Support Neighborhoods *Identify the type, scale and nature of non-residential uses that contribute to the efficient functioning and attractiveness of neighborhoods.*

Policy N 302: Promote Development of Mixed-Use Neighborhoods

Provide residents the choice of walking, bicycling or driving to parks, schools, work, shopping, places of worship, and transit stops in their own and other neighborhoods.

Chapter 3 - Transportation

Planning and Mobility

Policy T 103: Transportation System and Land Use Pattern

Develop a land use pattern and a transportation system that are mutually supportive. Enhance access to housing, jobs, schools, goods and services, shopping, and recreation through the joint planning of land uses and transportation. Link sites used for living, working, shopping and recreating and make them accessible via transit, bike, foot and car.

Strategy T 103a: Integrate Mixed Land Use

Provide opportunities for mixed land uses to afford proximity choices for working, shopping, recreational and other activities. Encourage a variety of uses in activity centers, commercial centers, employment centers, regional centers and corridors.

Livable Communities

Strategy T 201e: Bicycle and Pedestrian Safety

Designed pedestrian and bicycle facilities, including sidewalks, on-road lanes, off-road trails, connections, crossings, signals, and bridges to facilitate movement in a safe and efficient manner. Facilitate convenient and safe bicycle and pedestrian movement at crossings and traffic signals.

Strategy T 201f: Roadway Beautification

Conduct and implement a citywide street beautification plan. Design residential streets that minimize road mat width and include detached sidewalks, landscaping and adequate pedestrian crossings to enhance neighborhoods. Maintain and protect existing landscaped medians. Include landscaped medians or side parking in new street design. Design streetlights for pedestrian use and to complement neighborhood character. Place utility boxes, cable boxes and similar facilities as unobtrusively as possible, with consideration for operability and safety.

Strategy T 201h: Streetscape and Neighborhood Creation and Preservation

Develop streetscape design criteria that consider the elements essential to the creation and preservation of neighborhood character, including trees, medians, parkways, scenic vistas and the relationship between homes and roadways. Incorporate historic elements such as landscaping, medians, smaller turning radii and narrower configurations in historic neighborhoods. Incorporate design criteria fostering neighborhood livability in all new development and redevelopment.

Policy T 202: Improve Mobility with Multi-Modal System

Plan and develop an integrated all-mode transportation system. Facilities and services will jointly serve all modes while respecting and maintaining the integrity of existing neighborhoods. Support and implement alternative modes and facilities to help maintain and increase Colorado Spring's attractive quality of life.

Strategy T 202a: Improve Mobility Options

Develop a transportation system that increases mobility options, including alternative ways to travel and strategies to manage demand.

Strategy T 202b: Transportation and Land Use

Provide mobility choices for City residents, visitors and businesses in support of the City's land use and development visions, objectives and policies.

Strategy T 202c: Incorporate Non-motorized Transportation Facilities

Incorporate non-motorized transportation facilities into the planning and construction of general transportation improvements, including road construction, bridge construction, subdivision development and new transit systems.

Chapter 6 - Community Character/Appearance

Built Environment and Natural Setting Streets

Policy CCA 401: Support Mixed Land Uses

The City will encourage design that supports mixed land uses and promotes compatibility, accessibility, and appropriate transitions between uses that vary in intensity and scale.

Strategy CCA 401b: Design Mixed-use to Provide Significant Benefits

Design mixed-use development, including infill and redevelopment, to provide significant benefits to the surrounding area.

Strategy 501b: Locate and Design Public Places to Give Quality, Identity, and Focus to the Community

Locate and design public spaces and civic facilities to set a standard in quality design, to provide a focal point and meeting place, and to express community identity within the context of the surrounding private development.

Mixed Uses

Objective CCA 4: Integrate Different Land Uses

The separation of land uses that exists in Colorado Springs increases the reliance on the automobile and detracts from the dynamic urban setting. Integrating land uses increases the opportunities for various modes of travel and contributes to a more interesting and appealing land use pattern. Colorado Springs will encourage new development to integrate a diversity of land uses.

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Appendix D: Downtown Marriott Hotel Economic Impact Analysis

Economic Impact Analysis – Downtown Marriott, Colorado Springs

The hotel will provide significant economic benefit to the New South End, as well as the City of Colorado Springs, El Paso County and the State of Colorado. To help measure these benefits, an *Economic Impact Study* was prepared by Tatiana Bailey, Ph.D. This study examines the benefits to El Paso County, Colorado.

There are three components to comprehensively measuring total economic impact:

Direct Effect: Direct inputs of a business (“Company A”) into the economy including industry sales/revenue, labor wages and benefits, capital expenditures and federal/state/local taxes.

Indirect Effect: The associated business-to-business activity that creates revenue and jobs for those businesses that do business with Company A (e.g. food suppliers to a hotel).

Induced Effect: The additional economic activity generated within a region that stems from the employees of Company A as well as the employees of indirect companies that have benefited from the presence of Company A in a community. This benefit emanates from the wages/salaries that all employees use to buy durable and nondurable goods in the local economy.

The total economic impact encapsulates all three effects and is in essence, all of the direct inputs plus the multiplier, or “ripple effect” within the local economy. The table below summarizes the total economic impact for El Paso County for the construction year, 2019.

Total Economic Impact - Construction Year, 2019				
Impact Type	Employment (Headcount)	Labor Income (\$)	Value Added (\$)	Output (\$)
Direct Effect	228	\$ 12,816,253	\$ 20,114,883	\$ 74,724,330
Indirect Effect	231	\$ 9,322,146	\$ 13,771,254	\$ 26,047,499
Induced Effect	113	\$ 4,434,738	\$ 8,033,691	\$ 14,110,323
Total Effect	572	\$ 26,573,137	\$ 41,919,829	\$ 114,882,152

Because a local firm will be used for the construction of the hotel, the total economic impact is significant. There will be a total of 572 jobs including the direct construction jobs, the additional jobs at businesses that indirectly feed into the construction project, and the additional consumer activity that stems from these local jobs. The associated labor income for these 572 jobs will be \$26.6 million. The total revenue generated in the community from the original construction cost of \$74.7 million will be \$115 million. The total economic impact within El Paso County is sizable because a local firm and local workers will reap the financial benefits of the hotel construction.

Once construction is completed, there is no ongoing economic impact from the construction since it is a one-time event. What will have ongoing impact each year after construction is the operation of the hotel itself. Although we anticipate incremental growth each year for at least 10 years, a conservative estimate of the “stabilized year” was used, 2023.

The table below shows that total jobs generated including direct hotel employment, the indirect business-to-business jobs and the local jobs from the associated consumer impacts will be 237. The associated labor income for these 237 jobs is \$9.6 million. In aggregate, when we incorporate the direct, indirect

(business-to-business) and induced (consumer) impacts, the total economic impact into the El Paso County economy is \$27.0 million per year.

Total Economic Impact - Hotel Operations, 2023				
Impact Type	Employment (Headcount)	Labor Income (\$)	Value Added (\$)	Output (\$)
Direct Effect	163	\$ 6,483,178	\$ 10,016,199	\$ 17,334,956
Indirect Effect	35	\$ 1,550,572	\$ 2,499,811	\$ 4,730,207
Induced Effect	39	\$ 1,562,323	\$ 2,823,896	\$ 4,957,879
Total Effect	237	\$ 9,596,073	\$ 15,339,905	\$ 27,023,042