

Final Report

El Paso County Impact Report

Bristow-Lowell Urban Renewal Area

The Economics of Land Use



Prepared for:

Colorado Springs Urban Renewal Authority

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1. Introduction

This report includes a summary of the expected fiscal impacts of the site included in the Bristow-Lowell Urban Renewal Plan (Plan) in El Paso County (the County). The El Paso County Impact Report for Bristow-Lowell Urban Renewal Area (report) was prepared by Economic & Planning Systems (EPS) for the Colorado Springs Urban Renewal Authority (“CSURA” or “Authority”).

The report includes a summary of forecasted property tax revenues as well as El Paso County fiscal and service impacts associated with development in accordance with the Urban Renewal Plan. It specifically responds to the requirements outlined in C.R.S. 31-25-107 (3.5):

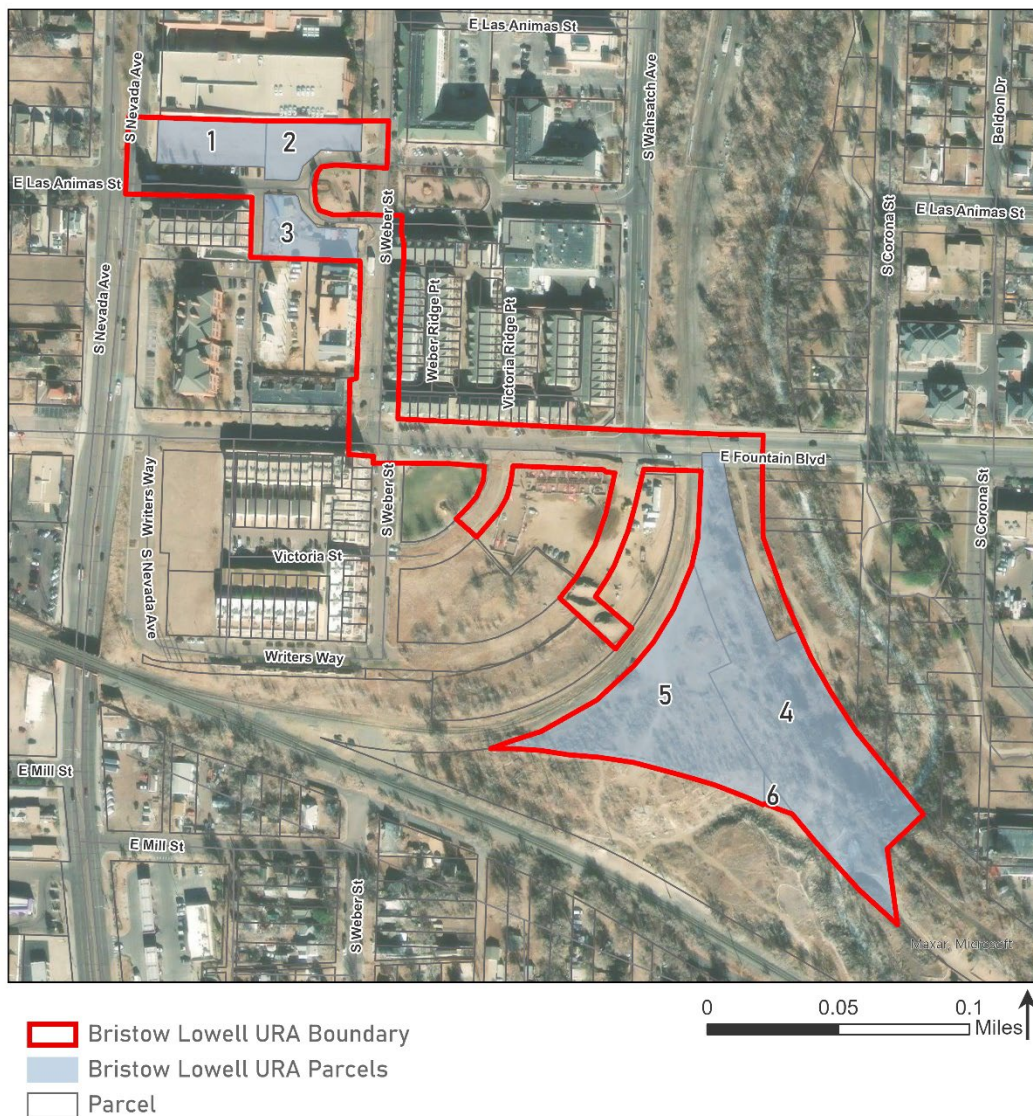
C.R.S. 31-25-107: APPROVAL OF URBAN RENEWAL PLANS BY THE LOCAL GOVERNING BODY

- (3.5) “Prior to the approval of an urban renewal plan, the governing body shall submit such plan to the board of county commissioners, which shall include, at a minimum, the following information concerning the impact of such plan:
- 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.”

Urban Renewal Plan Description

The Bristow-Lowell Urban Renewal Area (“URA” or “Plan Area”) is located in the City of Colorado Springs in El Paso County. The Plan Area is comprised of six parcels on approximately 5.75 acres of land and adjacent right of way (ROW). The boundaries of the Plan Area to which this Plan applies includes parcels 1 to 3 located along East Las Animas Street with South Weber Street to the east and South Nevada Avenue to the west; South Weber Street to East Fountain Boulevard; and parcels 4 to 6 located south of East Fountain Boulevard with South Corona Street to the east and South Weber Street to the west, as illustrated in red below in **Figure 1**.

Figure 1. Bristow-Lowell URA Boundary



2. Development Program

The proposed projects for the Plan Area are workforce housing developments along with associated site improvements including sidewalks, streetscape, landscaping, and a public park. Bristow House and Lowell Commons help to fill a gap in Colorado Spring’s rental housing market by offering units for rent at various AMI levels in Downtown. They address the need for housing at the working household level that is often not addressed by new multifamily development. These units will be affordable for the working residents such as teachers, healthcare workers, government employees, and service employees.

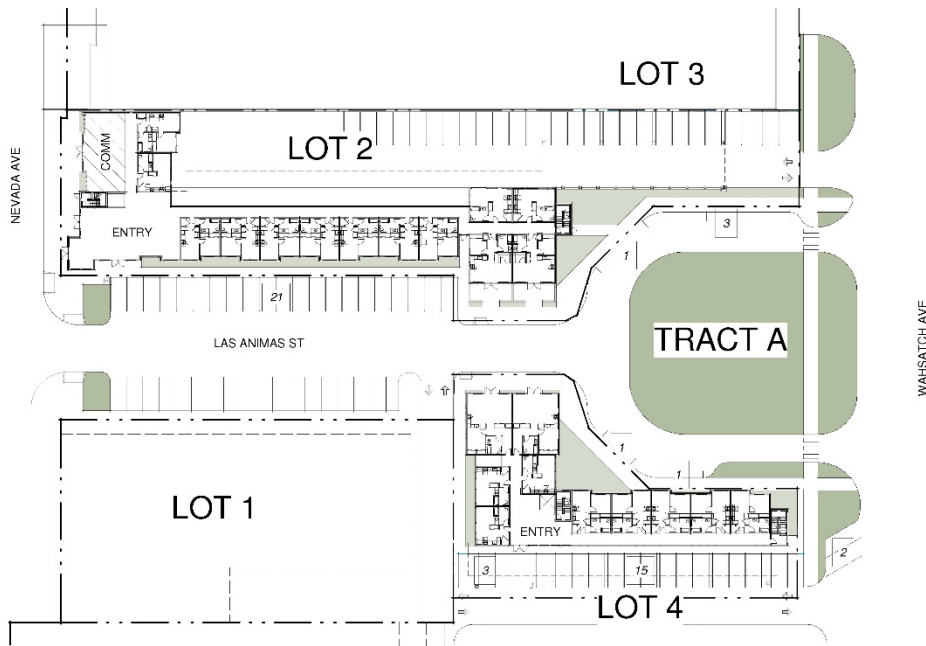
Bristow House will be a workforce housing development located on the southern parcels 4 to 6. The proposed site plan, illustrated in **Figure 2**, includes approximately 185 units ranging from studio, one-, and two-bedroom units. The rental rates for all units will range from 70 percent to 110 percent of area median income (AMI).

Figure 2. Bristow House Site Plan



Lowell Commons, located on northern parcels 1 to 3, is anticipated to include between 185 to 205 workforce housing units priced at levels for households earning between 70 percent and 110 percent of AMI. The proposed site plan is illustrated in **Figure 3**.

Figure 3. Lowell Commons Site Plan



Public improvements proposed for the Bristow-Lowell URA will provide a public benefit of not only eliminating blight, but also enhancing and creating a sense of place and community. Bristow-Lowell URA includes a variety of public improvements, totaling approximately \$5.9 million, shown below in **Table 1**. Both Bristow House and Lowell Commons include affordable units for households earning 80 percent of the area median income (AMI) or lower. These affordable units are essential to the community to offer housing that is affordable for the local workforce. There is value in providing affordable units tied to specific AMI levels compared to market rate housing. Approximately 10 percent of the units in each project will be affordable. The community benefit derived from the affordable units is estimated by comparing the value based on affordable rents to the value if rented at market rate. The difference between the two represents the community benefit, which is \$1.1 million in Bristow House and \$1.2 million in Lowell Commons.

Bristow House will include the perseveration of a historic bridge on the property as well as improvements for a dog park and pickleball courts. Both projects include ROW improvements for utilities, streetscape and sidewalks, and landscaping. Additionally, each development includes \$50,000 for the installation of public art.

Table 1. Bristow-Lowell URA Eligible Improvements

Eligible Improvements	Factor	Total	% Total
Bristow House			
ROW Writers Way/Victoria St		\$973,000	33.1%
Curb, Gutter, and Utilities		\$500,000	17.0%
Historic Bridge		\$50,000	1.7%
Grading for Dog Park and Pickleball Courts		\$250,000	8.5%
Land Planning/Landscaping		\$50,000	1.7%
Public Art		\$50,000	1.7%
Value of Affordable Units	10% of units	<u>\$1,065,395</u>	<u>36.3%</u>
Subtotal		\$2,938,395	100.0%
Lowell Commons			
Roads and Streetscape		\$500,000	17.1%
Utilities		\$650,000	22.3%
Exterior Improvements		\$500,000	17.1%
Public Art		\$50,000	1.7%
Value of Affordable Units	10% of units	<u>\$1,219,843</u>	<u>41.8%</u>
Subtotal		\$2,919,843	100.0%
Total		\$5,858,238	

Source: Developer; Economic & Planning Systems

3. County Fiscal Impact

In order to estimate the anticipated impact of the development of the parcels included in the Plan Area boundary on the County, EPS evaluated expected property tax revenues, infrastructure costs, and impacts on cost of service for the county.

Property Taxes

CSURA is expected to direct 100 percent of the property tax revenues generated by the Plan increment to the project. These revenues include any property tax that is generated by new development on the parcels included in the Plan Area. These revenues are necessary to allow the project to move forward and will be used to fund eligible improvements.

Assumptions

To estimate potential property tax revenues of Bristow-Lowell, EPS estimated market values for the multifamily units at \$300,000 per unit. The estimated value is based on a comparison of construction costs, assessor data, and comparable property research for urban locations with projects that have structured parking. An annual growth rate of 2.0 percent is applied to the market value. In accordance with Colorado Legislature, a biannual reassessment applies to the base value on odd-number years, which is estimated at 2.0 percent.

Property Tax Base

The current assessed value of the vacant land in the proposed Bristow-Lowell URA is \$688,940 per year, shown below in **Table 2**. This base reflects the total value of the six vacant land parcels within the URA boundary. The assessment rate and mill levy are two universally used factors that generate revenue streams that are a portion of total valuation. The assessment rate for commercial property in Colorado is 27.9 percent. Note that per State regulations, vacant land is classified as commercial (27.9 percent) while multifamily is assessed as residential at 6.765 percent.

Table 2. Property Base Value, 2023

Location	Actual Value			Assessed Value		
	Land	Imp.	Total	Land	Imp.	Total
Bristow House						
19-14-66	\$2,883,126	\$0	\$2,883,126	\$158,510	\$0	\$158,510
SANTA FE ST	\$16,798	\$0	\$16,798	\$4,690	\$0	\$4,690
E FOUNTAIN BLVD	<u>\$1,249,083</u>	<u>\$0</u>	<u>\$1,249,083</u>	<u>\$348,490</u>	<u>\$0</u>	<u>\$348,490</u>
Subtotal	\$4,149,007	\$0	\$4,149,007	\$511,690	\$0	\$511,690
Lowell Commons						
202 E LAS ANIMAS ST	\$224,359	\$0	\$224,359	\$62,600	\$0	\$62,600
252 E LAS ANIMAS ST	\$197,740	\$0	\$197,740	\$55,170	\$0	\$55,170
251 E LAS ANIMAS ST	<u>\$213,206</u>	<u>\$0</u>	<u>\$213,206</u>	<u>\$59,480</u>	<u>\$0</u>	<u>\$59,480</u>
Subtotal	\$635,305	\$0	\$635,305	\$177,250	\$0	\$177,250
Total	\$4,784,312	\$0	\$4,784,312	\$688,940	\$0	\$688,940

Source: El Paso County Assessor; Economic & Planning Systems

The 2023 mill levies for all parcels in the taxing district are shown in **Table 3**. The total mill levy in 2023 was 112.9380, but only 54.4590 mills are eligible to pledge to tax increment financing (TIF). This assumes a 100 percent pledge of property taxes from El Paso County, City of Colorado Springs, School District #11, Pikes Peak Library District, and Southeastern Colorado Water Conservancy District. The Lowell Metropolitan District is not eligible because it has debt issued and all the revenues are required for the bond repayment. Additionally, the road and bridge shares are ineligible funds for TIF because they are a dedicated revenue stream.

Table 3. Mill Levies, 2023

Description	Mill Levy	TIF Share	TIF Mill Levy
EL PASO COUNTY	6.862	100%	6.8620
EPC ROAD & BRIDGE SHARE	0.165	0%	0.0000
CITY OF COLORADO SPRINGS	3.579	100%	3.5790
EPC-COLORADO SPGS ROAD & BRIDGE SHARE	0.165	0%	0.0000
COLO SPGS SCHOOL DISTRICT #11	40.069	100%	40.0690
PIKES PEAK LIBRARY DISTRICT	3.061	100%	3.0610
SOUTHEASTERN COLO WATER CONSERVANCY	0.888	100%	0.8880
LOWELL METRO DISTRICT	<u>58.149</u>	0%	<u>0.0000</u>
Total	112.9380		54.4590

Source: El Paso County Assessor; Economic & Planning Systems

Property Tax Increment

Based on the assumptions stated above and information from the Developer, in 2049 the cumulative value of residential development is estimated at \$188.2 million, as shown below in **Table 4**. The future property taxes due to new development are referred to as the increment. The development of Bristow-Lowell is expected to generate approximately \$10.2 million in property tax increment over the 25-year period, which equates to an average of approximately \$410,000 per year, as shown in **Table 5**. The present value, assuming a 5.0 percent discount rate equates to \$5.3 million or an average of \$213,000 per year.

Following the 25-year period, the property tax that has been redirected through the URA will revert to the original taxing entities. At that time, the parcels shown in the Plan Area are expected to generate approximately \$597,195 million annually in total property taxes, which includes approximately \$48,535 that is attributed to the base values and \$548,660 that is generated by the increment or new development.

Table 4. Estimated Development Value, 2024-2049

Year	Plan Year	Bristow ^[1]	Lowell ^[1]	TOTAL
		\$300,000/unit 185 units	\$300,000/unit 205 units	Multifamily
2024	0	\$0	\$0	\$0
2025	1	\$27,750,000	\$0	\$27,750,000
2026	2	\$56,610,000	\$15,682,500	\$72,292,500
2027	3	\$57,742,200	\$63,984,600	\$121,726,800
2028	4	\$58,897,044	\$65,264,292	\$124,161,336
2029	5	\$60,074,985	\$66,569,578	\$126,644,563
2030	6	\$61,276,485	\$67,900,969	\$129,177,454
2031	7	\$62,502,014	\$69,258,989	\$131,761,003
2032	8	\$63,752,055	\$70,644,169	\$134,396,223
2033	9	\$65,027,096	\$72,057,052	\$137,084,148
2034	10	\$66,327,638	\$73,498,193	\$139,825,831
2035	11	\$67,654,190	\$74,968,157	\$142,622,347
2036	12	\$69,007,274	\$76,467,520	\$145,474,794
2037	13	\$70,387,420	\$77,996,870	\$148,384,290
2038	14	\$71,795,168	\$79,556,808	\$151,351,976
2039	15	\$73,231,071	\$81,147,944	\$154,379,015
2040	16	\$74,695,693	\$82,770,903	\$157,466,596
2041	17	\$76,189,607	\$84,426,321	\$160,615,927
2042	18	\$77,713,399	\$86,114,847	\$163,828,246
2043	19	\$79,267,667	\$87,837,144	\$167,104,811
2044	20	\$80,853,020	\$89,593,887	\$170,446,907
2045	21	\$82,470,080	\$91,385,765	\$173,855,845
2046	22	\$84,119,482	\$93,213,480	\$177,332,962
2047	23	\$85,801,872	\$95,077,750	\$180,879,621
2048	24	\$87,517,909	\$96,979,305	\$184,497,214
2049	25	\$89,268,267	\$98,918,891	\$188,187,158

^[1] Reflects annual escalation of 2.0%

Source: Economic & Planning Systems

Table 5. Estimated Property Tax Increment, 2024-2049

Year	Plan Yr.	Appraised Val.	Assessed Value (1-Yr. Lag) ^[1]			Property Tax Increment (1-Yr. Lag) 54.459 mill levy	TIF Present Value (1-Yr. Lag) 5.00%
		Multifamily 95.0% of Act.	Base Val. ^[2] 29.00%	Multifamily 6.765%	Increment Val.		
2024	0	\$0	\$688,940	\$0	\$0	\$0	\$0
2025	1	\$26,362,500	\$702,719	\$0	\$0	\$0	\$0
2026	2	\$68,677,875	\$702,719	\$1,783,423	\$1,261,499	\$0	\$0
2027	3	\$115,640,460	\$716,773	\$4,646,058	\$3,929,285	\$68,700	\$62,313
2028	4	\$117,953,269	\$716,773	\$7,750,313	\$7,033,540	\$213,985	\$184,848
2029	5	\$120,312,335	\$731,109	\$7,979,539	\$7,248,430	\$383,040	\$315,128
2030	6	\$122,718,581	\$731,109	\$7,979,539	\$7,248,430	\$394,742	\$309,291
2031	7	\$125,172,953	\$745,731	\$8,301,912	\$7,556,181	\$394,742	\$294,563
2032	8	\$127,676,412	\$745,731	\$8,301,912	\$7,556,181	\$411,502	\$292,447
2033	9	\$130,229,940	\$760,645	\$8,637,309	\$7,876,664	\$411,502	\$278,521
2034	10	\$132,834,539	\$760,645	\$8,637,309	\$7,876,664	\$428,955	\$276,508
2035	11	\$135,491,230	\$775,858	\$8,986,257	\$8,210,398	\$428,955	\$263,341
2036	12	\$138,201,054	\$775,858	\$8,986,257	\$8,210,398	\$447,130	\$261,428
2037	13	\$140,965,075	\$791,376	\$9,349,301	\$8,557,926	\$447,130	\$248,979
2038	14	\$143,784,377	\$791,376	\$9,349,301	\$8,557,926	\$466,056	\$247,159
2039	15	\$146,660,065	\$807,203	\$9,727,013	\$8,919,810	\$466,056	\$235,390
2040	16	\$149,593,266	\$807,203	\$9,727,013	\$8,919,810	\$485,764	\$233,661
2041	17	\$152,585,131	\$823,347	\$10,119,984	\$9,296,637	\$485,764	\$222,534
2042	18	\$155,636,834	\$823,347	\$10,119,984	\$9,296,637	\$506,286	\$220,891
2043	19	\$158,749,570	\$839,814	\$10,528,832	\$9,689,018	\$506,286	\$210,372
2044	20	\$161,924,562	\$839,814	\$10,528,832	\$9,689,018	\$527,654	\$208,811
2045	21	\$165,163,053	\$856,610	\$10,954,197	\$10,097,586	\$527,654	\$198,867
2046	22	\$168,466,314	\$856,610	\$10,954,197	\$10,097,586	\$549,904	\$197,384
2047	23	\$171,835,640	\$873,743	\$11,396,746	\$10,523,004	\$549,904	\$187,985
2048	24	\$175,272,353	\$873,743	\$11,396,746	\$10,523,004	\$573,072	\$186,576
2049	25	\$178,777,800	\$891,217	\$11,857,175	\$10,965,957	\$573,072	\$177,691
Total						\$10,247,857	\$5,314,687
Avg.						\$409,914	\$212,587
2050			\$891,217	\$11,857,175	\$10,965,957	\$597,195	\$176,353

^[1] Reflects a biannual reassessment.

^[2] Biannual escalation of 2.0%

Source: Economic & Planning Systems

Taxing District Impact

El Paso County Impact

El Paso County has a 6.862 mill levy. Existing property taxes refer to the “Base” and will continue to be collected by El Paso County. The County’s share of the current property tax base is \$4,822, shown in **Table 6**. This base amount is expected to grow at 2.0 percent every two years resulting in an annual amount of \$6,116 for El Paso County in year 25 and generating a total of approximately \$135,463 over the 25-year period. After the 25-year period is complete, the County’s share of property tax revenues will increase to approximately \$81,364 annually due to the new development. This includes approximately \$75,248 generated by the property tax increment from Bristow and Lowell Commons.

Table 6. El Paso County Property Tax Revenue, 2025-2049

Year	Plan Year	El Paso County Property Tax: 6.862 mills		
		Base	Increment 1-Yr. Lag	Total
2025	1	\$4,822	\$0	\$4,822
2026	2	\$4,822	\$0	\$4,822
2027	3	\$4,918	\$8,656	\$13,575
2028	4	\$4,918	\$26,963	\$31,881
2029	5	\$5,017	\$48,264	\$53,281
2030	6	\$5,017	\$49,739	\$54,756
2031	7	\$5,117	\$49,739	\$54,856
2032	8	\$5,117	\$51,851	\$56,968
2033	9	\$5,220	\$51,851	\$57,070
2034	10	\$5,220	\$54,050	\$59,269
2035	11	\$5,324	\$54,050	\$59,374
2036	12	\$5,324	\$56,340	\$61,664
2037	13	\$5,430	\$56,340	\$61,770
2038	14	\$5,430	\$58,724	\$64,155
2039	15	\$5,539	\$58,724	\$64,264
2040	16	\$5,539	\$61,208	\$66,747
2041	17	\$5,650	\$61,208	\$66,858
2042	18	\$5,650	\$63,794	\$69,443
2043	19	\$5,763	\$63,794	\$69,556
2044	20	\$5,763	\$66,486	\$72,249
2045	21	\$5,878	\$66,486	\$72,364
2046	22	\$5,878	\$69,290	\$75,168
2047	23	\$5,996	\$69,290	\$75,285
2048	24	\$5,996	\$72,209	\$78,204
2049	25	<u>\$6,116</u>	<u>\$72,209</u>	<u>\$78,324</u>
Total		\$135,463	\$1,291,261	\$1,426,724
Future Tax Revenue				
2050		\$6,116	\$75,248	\$81,364

Source: Economic & Planning Systems

Colorado Springs School District 11 Impact

The Plan Area is located within the Colorado Springs School District Number 11, which has a 40.069 mill levy. The School District’s share of the current property tax base is \$28,157, shown in **Table 7**, and will continue to be collected by the School District. The base amount is expected to grow at 2.0 percent every two years resulting in an annual amount of \$35,710 in year 25 and generating a total over \$791,000 over the 25-year period. After the 25-year period is complete, the School District’s share of property tax revenues will increase to approximately \$475,100 annually due to the new development. This includes approximately \$439,395 generated by the property tax increment from Bristow and Lowell Commons.

Table 7. School District Property Tax Revenue, 2025-2049

Year	Plan Year	School Dist. Property Tax: 40.069 mills		Total
		Base	Increment 1-Yr. Lag	
2025	1	\$28,157	\$0	\$28,157
2026	2	\$28,157	\$0	\$28,157
2027	3	\$28,720	\$50,547	\$79,267
2028	4	\$28,720	\$157,443	\$186,163
2029	5	\$29,295	\$281,827	\$311,122
2030	6	\$29,295	\$290,437	\$319,732
2031	7	\$29,881	\$290,437	\$320,318
2032	8	\$29,881	\$302,769	\$332,649
2033	9	\$30,478	\$302,769	\$333,247
2034	10	\$30,478	\$315,610	\$346,088
2035	11	\$31,088	\$315,610	\$346,698
2036	12	\$31,088	\$328,982	\$360,070
2037	13	\$31,710	\$328,982	\$360,692
2038	14	\$31,710	\$342,908	\$374,617
2039	15	\$32,344	\$342,908	\$375,251
2040	16	\$32,344	\$357,408	\$389,752
2041	17	\$32,991	\$357,408	\$390,399
2042	18	\$32,991	\$372,507	\$405,498
2043	19	\$33,651	\$372,507	\$406,157
2044	20	\$33,651	\$388,229	\$421,880
2045	21	\$34,324	\$388,229	\$422,553
2046	22	\$34,324	\$404,600	\$438,924
2047	23	\$35,010	\$404,600	\$439,610
2048	24	\$35,010	\$421,646	\$456,656
2049	25	\$35,710	\$421,646	\$457,356
Total		\$791,005	\$7,540,009	\$8,331,014
Future Tax Revenue				
	2050	\$35,710	\$439,395	\$475,105

Source: Economic & Planning Systems

City of Colorado Springs Impact

The City of Colorado Springs has a 3.579 mill levy. The City's share of the current property tax base is \$2,515, shown in **Table 8**, and will continue to be collected by the City. The base amount is expected to grow at 2.0 percent every two years resulting in an annual amount of \$3,190 in year 25 and generating a total of approximately \$70,653 over the 25-year period. After the 25-year period is complete, the City's share of property tax revenues will increase to approximately \$42,437 annually due to the new development. This includes approximately \$39,200 generated by the property tax increment from Bristow and Lowell Commons.

Table 8. City of Colorado Springs Property Tax Revenue, 2025-2049

Year	Plan Year	Co. Springs Property Tax: 3.579 mills		
		Base	Increment 1-Yr. Lag	Total
2025	1	\$2,515	\$0	\$2,515
2026	2	\$2,515	\$0	\$2,515
2027	3	\$2,565	\$4,515	\$7,080
2028	4	\$2,565	\$14,063	\$16,628
2029	5	\$2,617	\$25,173	\$27,790
2030	6	\$2,617	\$25,942	\$28,559
2031	7	\$2,669	\$25,942	\$28,611
2032	8	\$2,669	\$27,044	\$29,713
2033	9	\$2,722	\$27,044	\$29,766
2034	10	\$2,722	\$28,191	\$30,913
2035	11	\$2,777	\$28,191	\$30,967
2036	12	\$2,777	\$29,385	\$32,162
2037	13	\$2,832	\$29,385	\$32,217
2038	14	\$2,832	\$30,629	\$33,461
2039	15	\$2,889	\$30,629	\$33,518
2040	16	\$2,889	\$31,924	\$34,813
2041	17	\$2,947	\$31,924	\$34,871
2042	18	\$2,947	\$33,273	\$36,219
2043	19	\$3,006	\$33,273	\$36,278
2044	20	\$3,006	\$34,677	\$37,683
2045	21	\$3,066	\$34,677	\$37,743
2046	22	\$3,066	\$36,139	\$39,205
2047	23	\$3,127	\$36,139	\$39,266
2048	24	\$3,127	\$37,662	\$40,789
2049	25	<u>\$3,190</u>	<u>\$37,662</u>	<u>\$40,851</u>
Total		\$70,653	\$673,481	\$744,134
Future Tax Revenue				
2050		\$3,190	\$39,247	\$42,437

Source: Economic & Planning Systems

Pikes Peak Library District Impact

The Plan Area is located within the Pikes Peak Library District, which has a 3.061 mill levy. The Library District’s share of the current property tax base is \$2,151, shown in **Table 9**, and will continue to be collected by the Library District. The base amount is expected to grow at 2.0 percent every two years resulting in an annual amount of \$2,728 in year 25 and generating a total of approximately \$60,427 over the 25-year period. After the 25-year period is complete, the Pikes Peak Library District’s share of property tax revenues will increase to approximately \$36,295 annually due to the new development. This includes approximately \$33,567 generated by the property tax increment from Bristow and Lowell Commons.

Table 9. Library Property Tax Revenue, 2025-2049

Year	Plan Year	Library Property Tax: 3.061 mills		
		Base	Increment 1-Yr. Lag	Total
2025	1	\$2,151	\$0	\$2,151
2026	2	\$2,151	\$0	\$2,151
2027	3	\$2,194	\$3,861	\$6,055
2028	4	\$2,194	\$12,028	\$14,222
2029	5	\$2,238	\$21,530	\$23,768
2030	6	\$2,238	\$22,187	\$24,425
2031	7	\$2,283	\$22,187	\$24,470
2032	8	\$2,283	\$23,129	\$25,412
2033	9	\$2,328	\$23,129	\$25,458
2034	10	\$2,328	\$24,110	\$26,439
2035	11	\$2,375	\$24,110	\$26,485
2036	12	\$2,375	\$25,132	\$27,507
2037	13	\$2,422	\$25,132	\$27,554
2038	14	\$2,422	\$26,196	\$28,618
2039	15	\$2,471	\$26,196	\$28,667
2040	16	\$2,471	\$27,304	\$29,774
2041	17	\$2,520	\$27,304	\$29,824
2042	18	\$2,520	\$28,457	\$30,977
2043	19	\$2,571	\$28,457	\$31,028
2044	20	\$2,571	\$29,658	\$32,229
2045	21	\$2,622	\$29,658	\$32,280
2046	22	\$2,622	\$30,909	\$33,531
2047	23	\$2,675	\$30,909	\$33,583
2048	24	\$2,675	\$32,211	\$34,885
2049	25	\$2,728	\$32,211	\$34,939
Total		\$60,427	\$576,006	\$636,433
Future Tax Revenue				
	2050	\$2,728	\$33,567	\$36,295

Source: Economic & Planning Systems

Southeastern Colorado Water Conservancy District Impact

The Plan Area is located within the Southeastern Colorado Water Conservancy District, which has a 0.888 mill levy. The Water Conservancy District’s share of the current property tax base is \$624, shown in **Table 10**, and will continue to be collected by the Water Conservancy District. The base amount is expected to grow at 2.0 percent every two years resulting in an annual amount of \$791 in year 25 and generating a total of approximately \$17,530 over the 25-year period. After the 25-year period is complete, the Southeastern Colorado Water Conservancy District’s share of property tax revenues will increase to approximately \$10,529 annually due to the new development. This includes approximately \$9,738 generated by the property tax increment from Bristow and Lowell Commons.

Table 10. Water Conservancy Property Tax Revenue, 2025-2049

Year	Plan Year	Water Conserv. Property Tax: 0.888 mills		Total
		Base	Increment 1-Yr. Lag	
2025	1	\$624	\$0	\$624
2026	2	\$624	\$0	\$624
2027	3	\$636	\$1,120	\$1,757
2028	4	\$636	\$3,489	\$4,126
2029	5	\$649	\$6,246	\$6,895
2030	6	\$649	\$6,437	\$7,086
2031	7	\$662	\$6,437	\$7,099
2032	8	\$662	\$6,710	\$7,372
2033	9	\$675	\$6,710	\$7,385
2034	10	\$675	\$6,994	\$7,670
2035	11	\$689	\$6,994	\$7,683
2036	12	\$689	\$7,291	\$7,980
2037	13	\$703	\$7,291	\$7,994
2038	14	\$703	\$7,599	\$8,302
2039	15	\$717	\$7,599	\$8,316
2040	16	\$717	\$7,921	\$8,638
2041	17	\$731	\$7,921	\$8,652
2042	18	\$731	\$8,255	\$8,987
2043	19	\$746	\$8,255	\$9,001
2044	20	\$746	\$8,604	\$9,350
2045	21	\$761	\$8,604	\$9,365
2046	22	\$761	\$8,967	\$9,727
2047	23	\$776	\$8,967	\$9,743
2048	24	\$776	\$9,344	\$10,120
2049	25	\$791	\$9,344	\$10,136
Total		\$17,530	\$167,100	\$184,630
Future Tax Revenue				
	2050	\$791	\$9,738	\$10,529

Source: Economic & Planning Systems

Summary of County Impact

Cost of Service and Infrastructure Costs

Development projects such as Bristow-Lowell will generate fiscal and economic impacts to El Paso County, with factors that are both positive and negative. Some uses, such as residential, will have more of an impact on County services and costs.

It is important to recognize that the cost of service and infrastructure costs vary depending on whether or not the development occurs within incorporated or unincorporated areas. The entire Plan Area is located within the City of Colorado Springs municipal boundaries. It is also noteworthy that many of the urban services required by the new development will be provided by the City of Colorado Springs such as police, fire, street maintenance, parks and recreation, and general administration such as planning, zoning, land use code enforcement, business licensing, etc.

For the purposes of this analysis, EPS assumes that the modest additional service cost to the County associated with the future development within the City of Colorado Springs is balanced by additional revenue sources, such as intergovernmental transfers and fees for services. While modest, the County will receive sales tax revenues from the residents living within the development. The County is expected to have no financial exposure for infrastructure costs or other capital improvements, at the time of construction or on an ongoing basis. Future infrastructure costs that are associated with development on parcels included in the Plan Area boundary are anticipated to be financed by the Developer initially, and by the Colorado Springs Urban Renewal Authority and the City of Colorado Springs in the future.

Summary of the Net County Impact

Based on the analysis included in this report, EPS anticipates that the impact of the proposed Bristow and Lowell Commons in the Bristow-Lowell Urban Renewal Plan on El Paso County will be neutral. The County will continue to receive the base amount of \$4,822 annually with biannual escalation. By 2050, the end of the 25-year tax increment period, the County's portion of property tax is expected to increase to \$81,364 as a result of the new development. The County can expect to receive this approximate level of revenue upon the sunset of the TIF in 2049.

Based on previous experience evaluating county fiscal structures, EPS has an understanding of expenditures, revenues, and alternative revenue sources that new development generates as well as the corresponding costs of service attributed to various development types. Moreover, because the future development will be located within the City of Colorado Springs, and the City is responsible for a majority of services, including ones with typically higher costs to local government (i.e., police, fire, public works, water), the County's exposure in

terms of its financial outlay will be modest and is expected to be mitigated with other revenue sources.