

**Tax Forecast and County Impact Report for  
Southwest Downtown Urban Renewal Area #1  
Colorado Springs, Colorado**

Prepared for:

Colorado Springs Urban Renewal Authority (CSURA)  
30 South Nevada Avenue, Suite 502  
Colorado Springs CO 80903

Prepared by:



DGC Consulting  
18331 E. Davies Avenue  
Foxfield, CO 80016

DRAFT  
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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 Southwest Downtown Urban Renewal Area #1 (hereafter, the “Area” or “Project”) in Downtown Colorado Springs, as described in the Southwest Downtown Urban Renewal Area #1 Plan (hereafter, the “Urban Renewal Plan” or “Plan”) and other materials provided by Nor’wood Development Group, a Colorado limited liability company (hereafter, the “Developer”).

The Southwest Downtown Urban Renewal Area #1 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 February 4, 2016.

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 Southwest Downtown Area #1 Urban Renewal Plan, dated June 2018, by DGC Consulting, is included by reference and as Appendix C.

## 3. Development Timing

The proposed project is the comprehensive redevelopment of xxx acres in Downtown Colorado Springs. Development within the Urban Renewal Area will be determined by market conditions. However, a preliminary development absorption timeline was provided by the Developer to forecast tax revenues and impacts on the County. This has been used to project future tax revenues over the 25-year timeline. The overall development program and phasing is summarized in Table 1. Figure 1 depicts the context and boundaries of the Southwest Downtown Urban Renewal Area #1 (referred to as the “Project”).

**Table 1: Development Program**

	Phase 1 (SF)	Phase 2 (SF)	Phase 3 (SF)	Phase 4 (SF)	Total (SF)
Residential	247,425	164,950	2,317,694	586,693	3,316,762
Commercial	579,953	386,635	895,211	39,165	1,900,964
TOTAL	827,378	551,585	3,212,905	625,858	5,217,726

Source: Developer

Retail development will be part of the overall development and is included in the summary totals above. The breakout of the retail development program is summarized in Table 2.

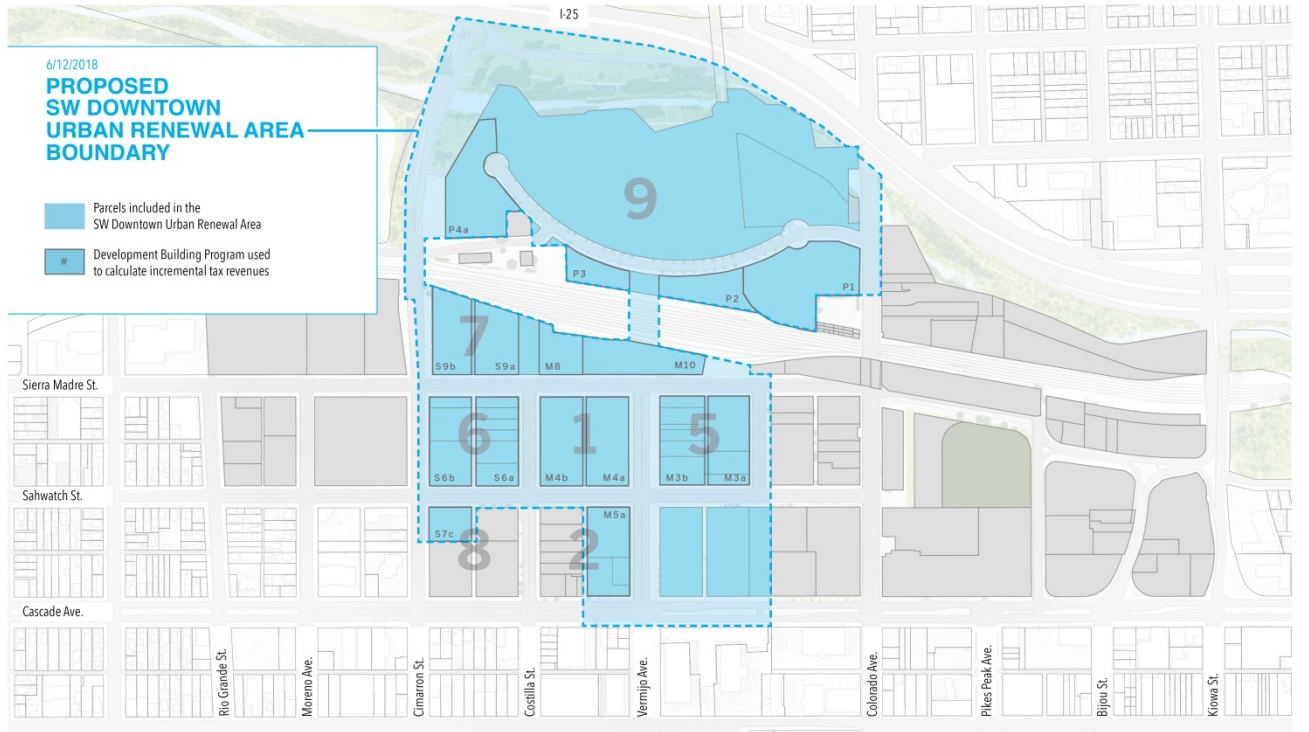
**Table 2: Retail Development Program**

Retail Development	Taxable (SF)
Phase 1	83,664
Phase 2	55,776
Phase 3	140,896
Phase 4	39,165
TOTAL	319,501

Source: Developer

SW DOWNTOWN PROPOSED NEW URA BOUNDARY

CONCEPTUAL DRAFT  
CONFIDENTIAL WORK PRODUCT



NORWOOD

111 SOUTH TEJON ST | SUITE 222  
COLORADO SPRINGS CO 80903  
719.593.2600

SW/DOWNTOWN REVITALIZATION

UNITED STATES OLYMPIC MUSEUM // PEDESTRIAN BRIDGE // PUBLIC REALM IMPROVEMENTS // DISTRICT PARKING  
STRUCTURE // INFRASTRUCTURE IMPROVEMENTS // URBAN RENEWAL // PRIVATE DEVELOPMENT

6

Source: Developer

**Figure 1: Project Context and Boundary**

## 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 3 summarizes County Assessor property tax data within the proposed Urban Renewal Area. In 2018, market value was \$46,051,380, assessed value is \$2,520,130 and taxes due are \$187,735. Sales tax data was estimated based on 2015-2016, the last period for which data was available. During that period the City collected \$71,998 (based on 3.12% tax rate). This was used to extrapolate total sales taxes of \$190,379 for the full 8.25% sales tax rate.

**Table 3: Parcel Data, Values, and Property Taxes**

Address	Schedule #	Area (Acres)	Type	Use	2018 Market	Assessment %	2018 Assessed	Mill Levy	2019 Property Taxes
<b>BLOCK 1</b>									
117 Vermijo Ave W	6418313016	3.55	Commercial	Warehouse / Storage	\$ 1,050,103	29%	\$ 304,530	0.074494	\$ 22,685.66
<b>BLOCK 2</b>									
25 Vermijo Ave W	6418312003	0.98	Commercial	Warehouse / Storage	\$ 524,044	29%	\$ 151,970	0.074494	\$ 11,320.85
11 Vermijo Ave W	6418312015	0.22	Exempt	County	\$ -	N/A	\$ -	0.074494	\$ -
310 S Cascade Ave	6418312014	0.55	Exempt	County	\$ -	N/A	\$ -	0.074494	\$ -
<b>BLOCK 5</b>									
121 Cucharras St W	6418306013	1.13	Commercial	Warehouse / Storage	\$ 1,280,428	29%	\$ 371,320	0.074494	\$ 27,661.11
111 Cucharras St W	6418306014	0.47	Commercial	Merchandising	\$ 199,747	29%	\$ 57,920	0.074494	\$ 4,314.69
103 Cucharras St W	6418306015	0.23	Commercial	Vacant Ind. Lots	\$ 39,500	29%	\$ 11,460	0.074494	\$ 853.70
110 Vermijo Ave W	6418306016	0.60	Commercial	Vacant Com. Lots	\$ 102,463	29%	\$ 29,710	0.074494	\$ 2,213.22
110 Vermijo Ave W	6418306017	0.32	Commercial	Warehouse / Storage	\$ 85,779	29%	\$ 24,880	0.074494	\$ 1,853.41
118 Vermijo Ave W	6418306018	0.23	Commercial	Warehouse / Storage	\$ 306,719	29%	\$ 88,950	0.074494	\$ 6,626.24
122 Vermijo Ave W	6418306019	0.11	Commercial	Warehouse / Storage	\$ 119,249	29%	\$ 34,580	0.074494	\$ 2,576.00
124 Vermijo Ave W	6418306020	0.34	Commercial	Warehouse / Storage	\$ 62,409	29%	\$ 18,100	0.074494	\$ 1,348.34
130 Vermijo Ave W	6418306021	0.23	Commercial	Warehouse / Storage	\$ 304,471	29%	\$ 88,300	0.074494	\$ 6,577.82
<b>BLOCK 6</b>									
129 Costilla St W	6418314016	0.22	Commercial	Warehouse / Storage	\$ 184,625	29%	\$ 53,550	0.074494	\$ 3,989.15
125 Costilla St W	6418314005	0.22	Commercial	Warehouse / Storage	\$ 184,625	29%	\$ 53,550	0.074494	\$ 3,989.15
121 Costilla St W	6418314004	0.22	Commercial	Special Purpose	\$ 62,937	29%	\$ 18,250	0.074494	\$ 1,359.52
119 Costilla St W	6418314003	0.22	Commercial	Special Purpose	\$ 62,937	29%	\$ 18,250	0.074494	\$ 1,359.52
111 Costilla St W	6418314002	0.44	Commercial	Warehouse / Storage	\$ 125,875	29%	\$ 36,500	0.074494	\$ 2,719.03
101 Costilla St W	6418314001	0.44	Commercial	Offices	\$ 1,575,301	29%	\$ 456,840	0.074494	\$ 34,031.84
114 W Cimarron St	6418314018	0.87	Commercial	Special Purpose	\$ 286,132	29%	\$ 82,980	0.074494	\$ 6,181.51
124 W Cimarron St	6418314017	0.65	Commercial	Special Purpose	\$ 334,642	29%	\$ 97,050	0.074494	\$ 7,229.64
425 S Sierra Madre St	6418314007	0.22	Commercial	Merchandising	\$ 114,071	29%	\$ 33,080	0.074494	\$ 2,464.26
<b>BLOCK 7</b>									
200 Sierra Madre St S	6418305052	1.66	Commercial	Vacant Com. Lots	\$ 285,621	29%	\$ 82,830	0.074494	\$ 6,170.34
228 W Cimarron St	6418305046	3.17	Commercial	Vacant Com. Lots	\$ 469,489	29%	\$ 136,150	0.074494	\$ 10,142.36
0 Sierra Madre St S	6418305047	0.64	Commercial	Vacant Com. Lots	\$ 94,425	29%	\$ 27,380	0.074494	\$ 2,039.65
S Sierra Madre St	6418305051	0.03	Commercial	Vacant Com. Lots	\$ 5,937	29%	\$ 1,720	0.074494	\$ 128.13
0 Sierra Madre St S	6418305043	0.23	Commercial	Warehouse / Storage	\$ 282,093	29%	\$ 81,810	0.074494	\$ 6,094.35
<b>BLOCK 8</b>									
435 Sahwach St	6418315021	0.67	Commercial	Vacant Com. Lots	\$ 290,220	29%	\$ 84,160	0.074494	\$ 6,269.42
<b>BLOCK 9</b>									
301 Cimino Dr	7413401027	2.53	Commercial	Code 200 Pres. Worth	\$ 248,983	29%	\$ 72,210	0.074494	\$ 5,379.21
0 Cimino Dr	7413401030	0.04	Exempt	Political Subdivision	\$ 240	N/A	\$ -	0.074494	\$ -
0 Cimino Dr	7413407029	0.05	Exempt	Political Subdivision	\$ 240	N/A	\$ -	0.074494	\$ -
125 Cimino Dr	6418305045	2.23	Exempt	Political Subdivision	\$ 480,833	N/A	\$ -	0.074494	\$ -
25 Cimino Dr	6418221015	3.35	Exempt	Political Subdivision	\$ 791,225	N/A	\$ -	0.074494	\$ -
30 Cimino Dr	7413401025	3.14	Exempt	Political Subdivision	\$ 3,590,529	N/A	\$ -	0.074494	\$ -
126 Cimino Dr	7413401031	16.91	Exempt	Political Subdivision	\$ 3,363,296	N/A	\$ -	0.074494	\$ -
0 Conejos	7413133001	0.11	Commercial	Vacant Ind. Lots	\$ 7,250	29%	\$ 2,100	0.074494	\$ 156.44
<b>OTHER</b>									
200 S Cascade Ave	6418307012	3.67	Exempt	County	\$ 29,134,942	N/A	\$ -	0.074494	\$ -
<b>TOTALS</b>					<b>\$ 46,051,380</b>		<b>\$ 2,520,130</b>		<b>\$ 187,735</b>
Source: Developer using El Paso County Assessor data (2018)									



Table 4 summarizes property tax authorities and respective tax rates in the proposed Urban Renewal Area.

**Table 4: Proposed Urban Renewal Area Property Tax Authorities**

Tax Authority	Tax Levy Year	Tax Rate
EL PASO COUNTY	2017	0.007635
EPC ROAD & BRIDGE SHARE	2017	0.000165
CITY OF COLORADO SPRINGS	2017	0.004279
EPC-COLORADO SPGS ROAD & BRIDGE SHARE	2017	0.000165
COLO SPGS SCHOOL NO 11 - GEN	2017	0.048986
COLO SPGS SCHOOL NO 11 - BOND	2017	0.003513
PIKES PEAK LIBRARY	2017	0.003812
SOUTHEASTERN COLO WATER CONSERVANCY	2017	0.000939
CS DOWNTOWN DEVELOPMENT AUTHORITY	2017	0.005
		<b>0.074494</b>

Source: El Paso County Assessor website

Notes: 2018 values, 2017 levy year

There are four sales tax authorities for the proposed Urban Renewal Area. Table 5 shows a breakout of City of Colorado Springs sales tax authorities, and Table 6 breaks down City of Colorado Springs sales tax assignments with the overall 3.12% sales tax collected.

**Table 5: Project Area Sales Tax Authorities**

Tax Authority	Tax Year	Tax Rate (%)
State of Colorado	2017	2.9
El Paso County	2017	1.23
City of Colorado Springs	2017	3.12
Special Tax	2017	1
Total	2017	8.25

Source: El Paso County Assessor website

Notes: 2018 values, 2017 levy year

**Table 6: Colorado Springs Sales Tax Assignments**

Tax Authority	Assignment	Tax Rate (%)
City of Colorado Springs	General Fund	2
City of Colorado Springs	RTA (roads)	0.62
City of Colorado Springs	PSST	0.4
City of Colorado Springs	TOPS	0.1
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. Private development of the Southwest Downtown Urban Renewal Area #1 (xx acres) will result from market conditions. These may vary from assumptions in the forecast.
2. Existing property tax base - \$187,734/year (2018).

3. For purposes of this forecast, construction occurs in four phases :
  - Year 3 – 2022 (827,378 SF)
  - Year 6 - 2025 (551,585 SF)
  - Year 9 - 2028 (3,212,905 SF)
  - Year 16 - 2035 (625,858 SF)
4. Total new development program: Residential (3,316,762 SF) and Commercial (1,900,964 SF), for a total of 5,217,726 SF.
5. Anticipated development is mixed-use, which includes: commercial (office, retail, hotel, institutional, and cultural), residential (multi-family and apartments), and public.
6. All real property is taxable (except for the Olympic Museum – 20,000 SF not included in totals).
7. The earliest new development property taxes are assessed in 2020 and paid in 2021.
8. Development program information and tax estimating ratios used in the fiscal analysis are based on information provided by the Developer and provided to the Colorado Springs Urban Renewal Authority.
9. EPC mill levy includes EPC 7.539 plus EPC Road and Bridge .165.
10. 2017 property tax information provided by El Paso County Assessor.
11. The El Paso County Assessor provided estimated project market value of \$750M – \$1,000M (letter dated October 3, 2016). This estimate was used to derive market values of \$162/SF for residential and \$153/SF for commercial, which are used in the analysis.
12. Personal Property taxes are not included in this analysis.
13. Analysis includes 1% annual inflation in property value.

**Retail Sales Tax Assumptions:**

1. Retail development in the Southwest Downtown Urban Renewal Area #1 will result from market conditions. These may vary from assumptions in the forecast.
2. Retail tax-producing development (hotel, cultural, and retail) occur as part of the mixed-use development.
3. Development program information and tax estimating ratios used in the fiscal analysis are based on information provided by the Developer.
4. Existing sales tax base - \$183,734, from City tax receipts (2015 - 2016). All future retail sales are taxable.
5. For purposes of this forecast, retail development occurs in four phases :
  - Year 3 – 2022 (83,664 SF)
  - Year 6 - 2025 (55,776 SF)
  - Year 9 - 2028 (140,896 SF)
  - Year 16 - 2035 (39,165 SF)
6. Total new retail - 319,501 SF
7. Retail sales tax generated by new retail at rate of \$280/SF based on recent estimates of comparable development provided to the Colorado Springs Urban Renewal Authority.
8. Colorado Springs General Fund 3.12% sales tax as follows: 2.0% assigned to URA, 1.12% retained by City.
9. Analysis includes 1% annual inflation in retail sales.

**4.1 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 (El Paso County (County and Road and Bridge Share) combined are based on a 7.635mil levy. Table 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 7 summarizes the short-term period of the project (2020-2024), which includes construction through project stabilization, which begins in year 2023. Note that years 2020 -2022 show only the base property tax and no new development. The spreadsheet for the property tax analysis is included as Exhibit A.

**Table 7: Short-Term El Paso County Property Tax Revenue (2020-2024)**

Description	2020	2021	2022	2023	2024
Property Taxes (Total)	\$ 20,052	\$ 20,253	\$ 20,455	\$ 251,776	\$ 254,294
Property Tax (Base)	\$ 20,052	\$ 20,253	\$ 20,455	\$ 20,660	\$ 20,866
Net Property Tax Revenues (Increment)	\$ -	\$ -	\$ -	\$ 231,117	\$ 233,428

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 8 summarizes the cumulative County property tax revenue in five-year increments 2020-2044 (25-year analysis period). Note that the period 2019-2024 includes initial project stabilization (2023) at which new property tax revenue is generated within the Urban Renewal Area.

**Table 8: Cumulative El Paso County Property Tax Revenue (2020-2044)**

Description	2020-2024	2020-2029	2020-2034	2020-2039	2020-2044
Property Taxes (Total)	\$ 566,830	\$ 3,085,042	\$ 8,207,860	\$ 13,901,016	\$ 19,963,776
Property Taxes (Base)	\$ 121,943	\$ 209,789	\$ 322,776	\$ 441,526	\$ 566,334
Property Tax Revenues (Increment)	\$ 444,888	\$ 2,875,253	\$ 7,885,084	\$ 13,459,489	\$ 19,397,442

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 \$231,117/year in 2023 (the first year of development-induced revenues), growing to approximately \$1,211,341/year in 2044 (the end of the 25-year tax increment financing period), resulting from the inclusion of the developed parcels in the Urban Renewal Area and after accounting for the base property tax. The total property tax deferred by the County during this period would be approximately \$19,397,442. See Exhibit A for detail on this analysis.

## 4.2 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 9 and 10 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 9 summarizes the short-term (2020-2024) County sales tax revenue. Table 10 summarizes cumulative County sales tax revenue in five-year increments 2020-2044 (25-year analysis period). The spreadsheet

used for the sales tax analysis is included as Exhibit B.

**Table 9: Short-Term El Paso County Sales Tax Revenue (2019-2024)**

Description	2020	2021	2022	2023	2024
Total Sales Tax	\$ 28,384	\$ 28,384	\$ 328,222	\$ 331,221	\$ 334,249
Existing Sales Tax (Base)	\$ 28,384	\$ 28,384	\$ 28,384	\$ 28,384	\$ 28,384
New Sales Tax (Increment)	\$ -	\$ -	\$ 299,838	\$ 302,837	\$ 305,865

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 10: Cumulative El Paso County Sales Tax Revenue (2020-2044)**

Description	2020-2024	2020-2029	2020-2034	2020-2039	2020-2044
Total Sales Tax	\$ 1,050,459	\$ 4,896,135	\$ 10,665,530	\$ 17,454,889	\$ 24,583,335
Existing Sales Tax (Base)	\$ 141,919	\$ 283,838	\$ 425,757	\$ 567,676	\$ 709,594
New Sales Tax (Increment)	\$ 908,540	\$ 4,612,297	\$ 10,239,773	\$ 16,887,214	\$ 23,873,740

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 \$299,838/ year in 2023 (the first year of development-induced revenues), growing to approximately \$1,425,250/year in 2044 (the end of the 25-year tax increment financing period). The total property tax deferred by the County during this period would be approximately \$23,873,740.

## 5. Impact on El Paso County Services

Municipal and public service providers for the subject property are summarized on Table 11. 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 11: 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 and the Developer, 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 forecast assumes phased, mixed-use development over at least a 25-year timeframe or greater Total new development program: Residential (3,316,762 SF) and Commercial (1,900,964 SF), for a total of 5,217,726 SF. For purposes of this forecast, construction occurs in four phases :
  - Year 3 - 2022 (827,378 SF)

- Year 6 - 2025 (551,585 SF)
  - Year 9 - 2028 (3,212,905 SF)
  - Year 16 - 2035 (625,858 SF)
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 \$231,117/ year in 2023 (the first year of development-induced revenues), growing to approximately \$1,211,341/year in 2044 (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 \$19,397,442. The County will continue to collect its share of the base property tax (\$11,199/year).
  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 \$299,838/ year in 2023 (the first year of development-induced revenues), growing to approximately \$1,425,250/year in 2044 (the end of the 25-year tax increment financing period). The total sales tax deferred by the County during this period would be approximately \$23,873,740. The County will continue to collect its share of the base sales tax (\$28,384/year).
  4. County services - The County will not need to provide significant additional services to the proposed Urban Renewal Area. The Urban Renewal 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. County infrastructure – Based on the analysis, development of the proposed Urban Renewal Area will not 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 six-year snapshot of property taxes generated for non-County taxing entities is presented in Table 11. Exhibit A (at the end of this report) presents the complete property tax analysis spreadsheet.

**Table 11: Short-Term Property Tax Revenues by Taxing District (2019-2024)**

City of Colorado Springs (General Fund and Road and		1	2	3	4	5	
Share of Property Tax (%)	5.97%	2019	2020	2021	2022	2023	2024
Property Taxes (Total)	0.0044440	\$ 11,199	\$ 11,425	\$ 11,539	\$ 11,654	\$ 143,448	\$ 144,882
Property Tax (Base)		\$ 11,199	\$ 11,425	\$ 11,539	\$ 11,654	\$ 11,771	\$ 11,888
Net Property Tax Revenues (Increment)		\$ -	\$ -	\$ -	\$ -	\$ 131,677	\$ 132,994
<b>Colorado Springs School District #11</b>							
Share of Property Tax (%)	70.47%	2019	2020	2021	2022	2023	2024
Property Taxes (Total)	0.0524990	\$ 132,304	\$ 134,963	\$ 136,313	\$ 137,676	\$ 1,694,616	\$ 1,711,562
Property Tax (Base)		\$ 132,304	\$ 134,963	\$ 136,313	\$ 137,676	\$ 139,053	\$ 140,443
Net Property Tax Revenues (Increment)		\$ -	\$ -	\$ -	\$ -	\$ 1,555,564	\$ 1,571,119
<b>Pikes Peak Library</b>							
Share of Property Tax (%)	5.12%	2019	2020	2021	2022	2023	2024
Property Taxes (Total)	0.0038120	\$ 9,607	\$ 9,800	\$ 9,898	\$ 9,997	\$ 123,048	\$ 124,278
Property Tax (Base)		\$ 9,607	\$ 9,800	\$ 9,898	\$ 9,997	\$ 10,097	\$ 10,198
Net Property Tax Revenues (Increment)		\$ -	\$ -	\$ -	\$ -	\$ 112,951	\$ 114,080
<b>Southeastern Colorado Water Conservancy</b>							
Share of Property Tax (%)	1.26%	2019	2020	2021	2022	2023	2024
Property Taxes (Total)	0.001	\$ 2,366	\$ 2,414	\$ 2,438	\$ 2,462	\$ 30,310	\$ 30,613
Property Tax (Base)		\$ 2,366	\$ 2,414	\$ 2,438	\$ 2,462	\$ 2,487	\$ 2,512
Net Property Tax Revenues (Increment)		\$ -	\$ -	\$ -	\$ -	\$ 27,823	\$ 28,101
<b>Southwest Downtown URA</b>							
Share of Property Tax (%)	0.00%	2019	2020	2021	2022	2023	2024
Property Taxes (Total)	0.00	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Property Tax (Base)		\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Net Property Tax Revenues (Increment)		\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
<b>CS Downtown Development Authority</b>							
Share of Property Tax (%)	6.71%	2019	2020	2021	2022	2023	2024
Property Taxes (Total)	0.01	\$ 12,600.61	\$ 12,853.88	\$ 12,982.42	\$ 13,112.25	\$ 161,395.11	\$ 163,009.01
Property Tax (Base)		\$ 12,600.61	\$ 12,853.88	\$ 12,982.42	\$ 13,112.25	\$ 13,243.37	\$ 13,375.80
Net Property Tax Revenues (Increment)		\$ -	\$ -	\$ -	\$ -	\$ 148,152	\$ 149,633

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

Cumulative City of Colorado Springs					
		2020-2024	2020-2029	2020-2034	2020-2039
Table 12 summarizes cumulative property taxes (based on five, 10, 15, 20, and 25-year increments) for 2018-2039 for the County taxing entities. Exhibit A presents the complete property tax spreadsheet.					
Property Taxes (Total)		\$ 822,948	\$ 1,571,683	\$ 1,976,975	\$ 7,920,000
Property Tax Revenues (Increment)		\$ 253,472	\$ 1,638,157	\$ 4,492,476	\$ 7,668,400
Cumulative El Paso County (General Fund and Road and Bridge Share)					
Property Taxes (Total)		\$ 3,295	\$ 192,297	\$ 508,393	\$ 840,614
Property Tax Revenues (Increment)		\$ 1,295	\$ 10,441	\$ 38,462	\$ 57,402
Cumulative Colorado Springs School District #11					
Property Taxes (Total)		\$ 17,858	\$ 469,931	\$ 783,212	\$ 1,124,473
Property Tax Revenues (Increment)		\$ 1,758	\$ 469,931	\$ 783,212	\$ 1,458,531
Cumulative City of Colorado Springs (General Fund and Road and Bridge Share)					
Property Taxes (Total)		\$ 5,370	\$ 10,764	\$ 31,740	\$ 55,244
Property Taxes (Base)		\$ 5,370	\$ 10,764	\$ 31,740	\$ 55,244
Property Tax Revenues (Increment)		\$ 1,877	\$ 1,095	\$ 688,440	\$ 2,172,686
Property Tax Revenues (Increment)		\$ 1,877	\$ 1,686	\$ 3,126,682	\$ 90,590,916
Property Tax Revenues (Increment)		\$ 9,914	\$ 267,740	\$ 446,230	\$ 830,988
Cumulative Colorado Springs School District #11					
Cumulative Pikes Peak Library District #11 (General and Bond)					
Property Taxes (Total)		\$ 22,178	\$ 1,294,282	\$ 3,471,814	\$ 6,577,814
Property Taxes (Base)		\$ 22,178	\$ 1,294,282	\$ 3,471,814	\$ 6,577,814
Property Tax Revenues (Increment)		\$ 1,156	\$ 698	\$ 5,271,518	\$ 192,529
Property Tax Revenues (Increment)		\$ 1,156	\$ 698	\$ 5,271,518	\$ 192,529
Property Tax Revenues (Increment)		\$ 1,156	\$ 698	\$ 5,271,518	\$ 192,529
Property Tax Revenues (Increment)		\$ 1,156	\$ 698	\$ 5,271,518	\$ 192,529
Cumulative Pikes Peak Library District #11					
Cumulative Southeastern Colorado Water Conservancy					
Property Taxes (Total)		\$ 1,610	\$ 8,989	\$ 22,664	\$ 38,238
Property Taxes (Base)		\$ 1,610	\$ 8,989	\$ 22,664	\$ 38,238
Property Tax Revenues (Increment)		\$ 1,610	\$ 8,989	\$ 22,664	\$ 38,238
Property Tax Revenues (Increment)		\$ 1,610	\$ 8,989	\$ 22,664	\$ 38,238
Property Tax Revenues (Increment)		\$ 1,610	\$ 8,989	\$ 22,664	\$ 38,238
Property Tax Revenues (Increment)		\$ 1,610	\$ 8,989	\$ 22,664	\$ 38,238
Cumulative Southeastern Colorado Water Conservancy					
Cumulative Southwest Downtown URA					
Property Taxes (Total)		\$ 2,689	\$ 56,573	\$ 94,287	\$ 33,925
Property Taxes (Base)		\$ 2,689	\$ 56,573	\$ 94,287	\$ 33,925
Property Tax Revenues (Increment)		\$ 2,689	\$ 56,573	\$ 94,287	\$ 33,925
Property Tax Revenues (Increment)		\$ 2,689	\$ 56,573	\$ 94,287	\$ 33,925
Property Tax Revenues (Increment)		\$ 2,689	\$ 56,573	\$ 94,287	\$ 33,925
Property Tax Revenues (Increment)		\$ 2,689	\$ 56,573	\$ 94,287	\$ 33,925
Cumulative Greater Downtown BS BID					
Property Taxes (Total)		\$ 2,112	\$ 123,287	\$ 325,893	\$ 538,855
Property Taxes (Base)		\$ 2,112	\$ 123,287	\$ 325,893	\$ 538,855
Property Tax Revenues (Increment)		\$ 2,112	\$ 13,183	\$ 24,655	\$ 36,796
Property Tax Revenues (Increment)		\$ 2,112	\$ 11,164	\$ 301,238	\$ 502,059
Property Tax Revenues (Increment)		\$ 2,112	\$ 11,164	\$ 301,238	\$ 502,059
Property Tax Revenues (Increment)		\$ 2,112	\$ 11,164	\$ 301,238	\$ 502,059
Cumulative GS Downtown Development Authority					
Property Taxes (Total)		\$ 2,112	\$ 123,287	\$ 325,893	\$ 538,855
Property Taxes (Base)		\$ 2,112	\$ 123,287	\$ 325,893	\$ 538,855
Property Tax Revenues (Increment)		\$ 2,112	\$ 11,164	\$ 630,688	\$ 502,059
Property Tax Revenues (Increment)		\$ 2,112	\$ 297,785	\$ 1,643,111	\$ 5,054,541
Property Tax Revenues (Increment)		\$ 2,112	\$ 297,785	\$ 1,643,111	\$ 5,054,541
Property Tax Revenues (Increment)		\$ 2,112	\$ 297,785	\$ 1,643,111	\$ 5,054,541
Property Tax Revenues (Increment)		\$ 2,112	\$ 297,785	\$ 1,643,111	\$ 5,054,541

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



## 10. Sales Taxes for Other Taxing Entities

A six-year snapshot of sales taxes generated for non-County taxing entities is presented in Table 13. The complete spreadsheet for the sales tax analysis spreadsheet is included as Exhibit B (at the end of the report.)

**Table 13: Short-Term Sales Tax Revenues by Taxing District (2019-2024)**

State of Colorado						
Description	2019	2020	2021	2022	2023	2024
Total Sales Tax	\$ 66,921	\$ 66,921	\$ 66,921	\$ 773,857	\$ 780,927	\$ 788,067
Existing Sales Tax (Base)	\$ 66,921	\$ 66,921	\$ 66,921	\$ 66,921	\$ 66,921	\$ 66,921
New Sales Tax (Increment)	\$ -	\$ -	\$ -	\$ 706,936	\$ 714,005	\$ 721,145
City of Colorado Springs (General Fund 2% to URA)						
Description	2019	2020	2021	2022	2023	2024
Total Sales Tax	\$ 46,152	\$ 46,152	\$ 46,152	\$ 533,695	\$ 538,570	\$ 543,494
Existing Sales Tax (Base)	\$ 46,152	\$ 46,152	\$ 46,152	\$ 46,152	\$ 46,152	\$ 46,152
New Sales Tax (Increment)	\$ -	\$ -	\$ -	\$ 487,542	\$ 492,418	\$ 497,342
City of Colorado Springs (General Fund 1.12% retained)						
Description	2019	2020	2021	2022	2023	2024
Total Sales Tax	\$ 25,845	\$ 25,845	\$ 25,845	\$ 298,869	\$ 301,599	\$ 304,357
Existing Sales Tax (Base)	\$ 25,845	\$ 25,845	\$ 25,845	\$ 25,845	\$ 25,845	\$ 25,845
New Sales Tax (Increment)	\$ -	\$ -	\$ -	\$ 273,024	\$ 275,754	\$ 278,511
Special Tax						
Description	2019	2020	2021	2022	2023	2024
Total Sales Tax	\$ 23,076	\$ 23,076	\$ 23,076	\$ 266,847	\$ 269,285	\$ 271,747
Existing Sales Tax (Base)	\$ 23,076	\$ 23,076	\$ 23,076	\$ 23,076	\$ 23,076	\$ 23,076
New Sales Tax (Increment)	\$ -	\$ -	\$ -	\$ 243,771	\$ 246,209	\$ 248,671

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: Cumulative Sales Tax Revenues by Taxing District (2019-2044)**

Cumulative State of Colorado						
Description	2019	2020-2024	2020-2029	2020-2034	2020-2039	2020-2044
Total Sales Tax	\$ 66,921	\$ 2,476,693	\$ 11,543,732	\$ 25,146,370	\$ 41,153,804	\$ 57,960,708
Existing Sales Tax (Base)	\$ 66,921	\$ 334,606	\$ 669,211	\$ 1,003,817	\$ 1,338,422	\$ 1,673,028
New Sales Tax (Increment)	\$ -	\$ 2,142,087	\$ 10,874,521	\$ 24,142,554	\$ 39,815,381	\$ 56,287,681
Cumulative City of Colorado Springs (General Fund 2% to URA)						
Description	2019	2020-2024	2020-2029	2020-2034	2020-2039	2020-2044
Total Sales Tax	\$ 46,152	\$ 1,708,064	\$ 7,961,195	\$ 17,342,324	\$ 28,381,933	\$ 39,972,902
Existing Sales Tax (Base)	\$ 46,152	\$ 230,762	\$ 461,525	\$ 692,287	\$ 923,050	\$ 1,153,812
New Sales Tax (Increment)	\$ -	\$ 1,477,301	\$ 7,499,670	\$ 16,650,037	\$ 27,458,884	\$ 38,819,090
Cumulative City of Colorado Springs (General Fund 1.12% retained)						
Description	2019	2020-2024	2020-2029	2020-2034	2020-2039	2020-2044
Total Sales Tax	\$ 25,845	\$ 956,516	\$ 4,458,269	\$ 9,711,702	\$ 15,893,883	\$ 22,384,825
Existing Sales Tax (Base)	\$ 25,845	\$ 129,227	\$ 258,454	\$ 387,681	\$ 516,908	\$ 646,135
New Sales Tax (Increment)	\$ -	\$ 827,289	\$ 4,199,815	\$ 9,324,021	\$ 15,376,975	\$ 21,738,690
Cumulative Special Tax						
Description	2019	2020-2024	2020-2029	2020-2034	2020-2039	2020-2044
Total Sales Tax	\$ 23,076	\$ 854,032	\$ 3,980,597	\$ 8,671,162	\$ 14,190,967	\$ 19,986,451
Existing Sales Tax (Base)	\$ 23,076	\$ 115,381	\$ 230,762	\$ 346,144	\$ 461,525	\$ 576,906
New Sales Tax (Increment)	\$ -	\$ 738,651	\$ 3,749,835	\$ 8,325,019	\$ 13,729,442	\$ 19,409,545

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
<b>Estimated Cumulative New Development</b>												
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
<b>Estimated New Development Market Value</b>												
Residential	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
Commercial (office, retail, hotel, institutional, cultural)	\$ 81.00	\$	\$	\$ 25,073,451	\$ 25,324,186	\$ 25,577,428	\$ 25,833,202	\$ 26,091,534	\$ 26,352,450	\$ 26,615,974	\$ 26,882,134	\$ 27,150,955
<b>Estimated New Development Assessed Value</b>												
Residential	1.20%	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
Commercial (office, retail, hotel, institutional, cultural)	29.00%	\$	\$	\$ 7,271,301	\$ 7,344,014	\$ 7,417,454	\$ 7,491,625	\$ 7,566,545	\$ 7,642,210	\$ 7,718,632	\$ 7,795,819	\$ 7,873,771
<b>Estimated New Development Property Tax Revenues (\$9.494 mil)</b>												
Residential	0.07949%	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
Commercial (office, retail, hotel, institutional, cultural)	0.07949%	\$	\$	\$	\$	\$ 576,025	\$ 583,805	\$ 589,643	\$ 595,540	\$ 601,495	\$ 607,510	\$ 613,585
<b>Total Property Tax New Development (Increment)</b>												
	\$	\$	\$	\$ 34,600	\$ 34,940	\$ 35,295	\$ 35,648	\$ 36,005	\$ 36,365	\$ 36,728	\$ 37,094	\$ 37,462
<b>Total Property Tax Existing Development (Base)</b>												
	\$	\$ 33,582	\$ 34,257	\$ 34,600	\$ 34,940	\$ 35,295	\$ 35,648	\$ 36,005	\$ 36,365	\$ 36,728	\$ 37,094	\$ 37,462
<b>Total Property Tax</b>												
	\$	\$ 33,582	\$ 34,257	\$ 34,600	\$ 34,940	\$ 35,295	\$ 35,648	\$ 36,005	\$ 36,365	\$ 36,728	\$ 37,094	\$ 37,462
<b>Total Property Tax New Development (Increment)</b>												
	\$	\$	\$	\$ 34,600	\$ 34,940	\$ 35,295	\$ 35,648	\$ 36,005	\$ 36,365	\$ 36,728	\$ 37,094	\$ 37,462

Property Tax Estimate by Taxing Entity (annual and cumulative):												
El Paso County (General Fund and Road and Bridge Share)												
Description	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028
Property Taxes (Total)	0.0078000	\$	\$ 3,295	\$ 3,361	\$ 3,395	\$ 60,145	\$ 60,747	\$ 61,354	\$ 61,968	\$ 62,587	\$ 63,213	\$ 63,845
Property Tax (Base)		\$ 3,295	\$ 3,361	\$ 3,395	\$ 3,429	\$ 3,463	\$ 3,498	\$ 3,533	\$ 3,568	\$ 3,604	\$ 3,640	\$ 3,676
Net Property Tax Revenues (Increment)	\$	\$	\$	\$	\$ 56,716	\$ 57,283	\$ 57,855	\$ 58,435	\$ 59,019	\$ 59,609	\$ 60,205	\$ 60,807
<b>Cumulative El Paso County</b>												
Property Taxes (Total)		\$ 3,295					\$ 192,297					\$ 508,393
Property Taxes (Base)		\$ 3,295					\$ 20,441					\$ 58,642
Property Tax Revenues (Increment)		\$					\$ 171,856					\$ 449,751

City of Colorado Springs (General Fund and Road and Bridge Share)												
Share of Property Tax (%)	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028
Property Taxes (Total)	5.59%	0.004440	\$	\$ 1,877	\$ 1,915	\$ 1,931	\$ 34,267	\$ 34,010	\$ 34,954	\$ 35,306	\$ 35,659	\$ 36,015
Property Tax (Base)		\$	\$ 1,877	\$ 1,915	\$ 1,931	\$ 1,973	\$ 1,954	\$ 1,992	\$ 2,033	\$ 2,033	\$ 2,053	\$ 2,074
Net Property Tax Revenues (Increment)		\$	\$	\$	\$	\$ 32,314	\$ 32,637	\$ 32,963	\$ 33,293	\$ 33,626	\$ 33,962	\$ 34,302
<b>Cumulative City of Colorado Springs</b>												
Property Taxes (Total)		\$ 1,877					\$ 109,544					\$ 289,624
Property Taxes (Base)		\$ 1,877					\$ 11,646					\$ 21,914
Property Tax Revenues (Increment)		\$					\$ 97,914					\$ 267,710

Colorado Springs School District #11 (General and Bond)												
Share of Property Tax (%)	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028
Property Taxes (Total)	66.04%	0.0524990	\$	\$ 22,178	\$ 22,624	\$ 22,850	\$ 408,815	\$ 408,863	\$ 412,952	\$ 417,081	\$ 421,252	\$ 425,464
Property Tax (Base)		\$	\$ 22,178	\$ 22,624	\$ 22,850	\$ 23,079	\$ 23,310	\$ 23,543	\$ 23,778	\$ 24,016	\$ 24,256	\$ 24,498
Net Property Tax Revenues (Increment)		\$	\$	\$	\$	\$ 381,736	\$ 385,553	\$ 389,409	\$ 393,303	\$ 397,236	\$ 401,208	\$ 405,220
<b>Cumulative Colorado Springs School District #11 (General and Bond)</b>												
Property Taxes (Total)		\$ 22,178					\$ 1,294,282					\$ 3,421,814
Property Taxes (Base)		\$ 22,178					\$ 137,580					\$ 268,875
Property Tax Revenues (Increment)		\$					\$ 1,156,699					\$ 3,152,939

Pikes Peak Library												
Share of Property Tax (%)	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028
Property Taxes (Total)	4.80%	0.0038120	\$	\$ 1,610	\$ 1,643	\$ 1,659	\$ 29,394	\$ 29,488	\$ 29,965	\$ 30,285	\$ 30,587	\$ 30,893
Property Tax (Base)		\$	\$ 1,610	\$ 1,643	\$ 1,659	\$ 1,676	\$ 1,693	\$ 1,709	\$ 1,727	\$ 1,744	\$ 1,761	\$ 1,779
Net Property Tax Revenues (Increment)		\$	\$	\$	\$	\$ 27,718	\$ 27,795	\$ 28,256	\$ 28,558	\$ 28,844	\$ 29,132	\$ 29,423
<b>Cumulative Pikes Peak Library</b>												
Property Taxes (Total)		\$ 1,610					\$ 91,979					\$ 248,611
Property Taxes (Base)		\$ 1,610					\$ 9,990					\$ 18,797
Property Tax Revenues (Increment)		\$					\$ 81,989					\$ 229,814

Southeastern Colorado Water Conservancy												
Share of Property Tax (%)	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028
Property Taxes (Total)	1.18%	0.001	\$	\$ 997	\$ 405	\$ 409	\$ 7,241	\$ 7,313	\$ 7,335	\$ 7,460	\$ 7,535	\$ 7,610
Property Tax (Base)		\$	\$ 997	\$ 405	\$ 409	\$ 413	\$ 417	\$ 421	\$ 425	\$ 430	\$ 434	\$ 438
Net Property Tax Revenues (Increment)		\$	\$	\$	\$	\$ 6,828	\$ 6,896	\$ 6,945	\$ 7,035	\$ 7,105	\$ 7,176	\$ 7,248
<b>Cumulative Southeastern Colorado Water Conservancy</b>												
Property Taxes (Total)		\$ 997					\$ 231,103					\$ 617,203
Property Taxes (Base)		\$ 997					\$ 2,441					\$ 4,430
Property Tax Revenues (Increment)		\$					\$ 20,669					\$ 54,573

Greater Downtown BS BID												
Share of Property Tax (%)	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028
Property Taxes (Total)	6.29%	0.01	\$	\$ 2,112	\$ 2,155	\$ 2,176	\$ 38,555	\$ 38,940	\$ 39,329	\$ 39,723	\$ 40,120	\$ 40,521
Property Tax (Base)		\$	\$ 2,112	\$ 2,155	\$ 2,176	\$ 2,196	\$ 2,220	\$ 2,242	\$ 2,265	\$ 2,287	\$ 2,310	\$ 2,333
Net Property Tax Revenues (Increment)		\$	\$	\$	\$	\$ 36,357	\$ 36,720	\$ 37,087	\$ 37,458	\$ 37,833	\$ 38,211	\$ 38,593
<b>Cumulative Greater Downtown BS BID</b>												
Property Taxes (Total)		\$ 2,112					\$ 123,267					\$ 325,893
Property Taxes (Base)		\$ 2,112					\$ 13,103					\$ 24,655
Property Tax Revenues (Increment)		\$					\$ 110,164					\$ 301,238

CS Downtown Development Authority												
Share of Property Tax (%)	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028
Property Taxes (Total)	6.29%	0.01	\$	\$ 2,112	\$ 2,155	\$ 2,176	\$ 38,555	\$ 38,940	\$ 39,329	\$ 39,723	\$ 40,120	\$ 40,521
Property Tax (Base)		\$	\$ 2,112	\$ 2,155	\$ 2,176	\$ 2,196	\$ 2,220	\$ 2,242	\$ 2,265	\$ 2,287	\$ 2,310	\$ 2,333
Net Property Tax Revenues (Increment)		\$	\$	\$	\$	\$ 36,357	\$ 36,720	\$ 37,087	\$ 37,458	\$ 37,833	\$ 38,211	\$ 38,593
<b>Cumulative CS Downtown Development Authority</b>												
Property Taxes (Total)		\$ 2,112					\$ 123,267					\$ 325,893
Property Taxes (Base)		\$ 2,112					\$ 13,103					\$ 24,655
Property Tax Revenues (Increment)		\$					\$ 110,164					\$ 301,238

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											
Share of Property Tax (%)	2029	2030	2031	2032	2033	2034	2035	2036	2037	2038	
<b>Estimated Cumulative New Development</b>											
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
<b>Estimated New Development Market Value</b>											
Residential											
Commercial (office, retail, hotel, institutional, cultural)	\$ 81.00	\$ 27,422,445	\$ 27,696,689	\$ 27,973,656	\$ 28,253,393	\$ 28,535,927	\$ 28,821,286	\$ 29,109,499	\$ 29,400,594	\$ 29,694,600	\$ 29,991,546
<b>Estimated New Development Assessed Value</b>											
Residential	7.20%										
Commercial (office, retail, hotel, institutional, cultural)	29.00%	\$ 7,952,515	\$ 8,032,040	\$ 8,112,360	\$ 8,193,464	\$ 8,275,419	\$ 8,358,173	\$ 8,441,755	\$ 8,526,172	\$ 8,611,434	\$ 8,697,548
<b>Estimated New Development Property Tax Revenues (P.494 mil)</b>											
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	\$ 684,557
<b>Total Property Tax New Development (Increment)</b>		\$ 625,918	\$ 632,177	\$ 638,499	\$ 644,884	\$ 651,333	\$ 657,846	\$ 664,425	\$ 671,069	\$ 677,780	\$ 684,557
<b>Total Property Tax Existing Development (Base)</b>		\$ 37,841	\$ 38,220	\$ 38,602	\$ 38,988	\$ 39,378	\$ 39,772	\$ 40,169	\$ 40,571	\$ 40,977	\$ 41,386
<b>Total Property Tax</b>		\$ 663,759	\$ 670,397	\$ 677,101	\$ 683,872	\$ 690,711	\$ 697,638	\$ 704,594	\$ 711,640	\$ 718,756	\$ 725,944
<b>Total Property Tax Existing Development (Base)</b>		\$ 37,841	\$ 38,220	\$ 38,602	\$ 38,988	\$ 39,378	\$ 39,772	\$ 40,169	\$ 40,571	\$ 40,977	\$ 41,386
<b>Total Property Tax New Development (Increment)</b>		\$ 625,918	\$ 632,177	\$ 638,499	\$ 644,884	\$ 651,333	\$ 657,846	\$ 664,425	\$ 671,069	\$ 677,780	\$ 684,557
<b>Property Tax Estimate by Taxing Entity (annual and cumulative):</b>											
<b>El Paso County (General Fund and Road and Bridge Share)</b>											
Description	2029	2030	2031	2032	2033	2034	2035	2036	2037	2038	
9.81%											
Property Taxes (Total)	0.007800	\$ 46,126	\$ 46,790	\$ 47,438	\$ 48,102	\$ 48,773	\$ 49,451	\$ 50,136	\$ 50,827	\$ 51,525	\$ 52,231
Property Tax (Base)		\$ 3,713	\$ 3,750	\$ 3,788	\$ 3,826	\$ 3,864	\$ 3,902	\$ 3,941	\$ 3,981	\$ 4,021	\$ 4,061
<b>Net Property Tax Revenues (Increment)</b>		\$ 61,815	\$ 62,040	\$ 62,650	\$ 63,276	\$ 63,909	\$ 64,548	\$ 65,194	\$ 65,846	\$ 66,504	\$ 67,169
<b>Cumulative El Paso County</b>											
Property Taxes (Total)					\$ 840,614						\$ 1,189,761
Property Taxes (Base)					\$ 57,002						\$ 77,539
<b>Property Tax Revenues (Increment)</b>					\$ 783,212						\$ 1,112,473
<b>City of Colorado Springs (General Fund and Road and Bridge)</b>											
Share of Property Tax (%)	2029	2030	2031	2032	2033	2034	2035	2036	2037	2038	
5.99%											
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	\$ 2,158	\$ 2,180	\$ 2,201	\$ 2,221	\$ 2,246	\$ 2,268	\$ 2,291	\$ 2,314
<b>Net Property Tax Revenues (Increment)</b>		\$ 34,991	\$ 35,341	\$ 35,694	\$ 36,051	\$ 36,412	\$ 36,776	\$ 37,144	\$ 37,515	\$ 37,890	\$ 38,269
<b>Cumulative City of Colorado Springs</b>											
Property Taxes (Total)					\$ 478,918						\$ 677,831
Property Taxes (Base)					\$ 32,705						\$ 40,406
<b>Property Tax Revenues (Increment)</b>					\$ 446,230						\$ 633,824
<b>Colorado Springs School District #11 (General and Bond)</b>											
Share of Property Tax (%)	2029	2030	2031	2032	2033	2034	2035	2036	2037	2038	
66.04%											
Property Taxes (Total)	0.052490	\$ 438,356	\$ 442,740	\$ 447,167	\$ 451,639	\$ 456,155	\$ 460,717	\$ 465,324	\$ 469,977	\$ 474,677	\$ 479,424
Property Tax (Base)		\$ 28,991	\$ 29,241	\$ 29,493	\$ 29,748	\$ 29,996	\$ 30,246	\$ 30,498	\$ 30,754	\$ 31,002	\$ 31,252
<b>Net Property Tax Revenues (Increment)</b>		\$ 413,365	\$ 413,499	\$ 417,674	\$ 421,891	\$ 426,159	\$ 430,471	\$ 434,826	\$ 439,229	\$ 443,684	\$ 448,176
<b>Cumulative Colorado Springs School District #11 (General and Bond)</b>											
Property Taxes (Total)					\$ 5,657,872						\$ 8,007,992
Property Taxes (Base)					\$ 386,354						\$ 520,336
<b>Property Tax Revenues (Increment)</b>					\$ 5,271,518						\$ 7,487,656
<b>Pikes Peak Library</b>											
Share of Property Tax (%)	2029	2030	2031	2032	2033	2034	2035	2036	2037	2038	
4.80%											
Property Taxes (Total)	0.0038120	\$ 31,829	\$ 32,148	\$ 32,469	\$ 32,794	\$ 33,122	\$ 33,453	\$ 33,788	\$ 34,125	\$ 34,467	\$ 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
<b>Net Property Tax Revenues (Increment)</b>		\$ 30,015	\$ 30,315	\$ 30,618	\$ 30,924	\$ 31,234	\$ 31,546	\$ 31,861	\$ 32,180	\$ 32,502	\$ 32,827
<b>Cumulative Pikes Peak Library</b>											
Property Taxes (Total)					\$ 410,823						\$ 581,468
Property Taxes (Base)					\$ 20,954						\$ 27,782
<b>Property Tax Revenues (Increment)</b>					\$ 389,770						\$ 553,686
<b>Southeastern Colorado Water Conservancy</b>											
Share of Property Tax (%)	2029	2030	2031	2032	2033	2034	2035	2036	2037	2038	
1.18%											
Property Taxes (Total)	0.001	\$ 7,840	\$ 7,919	\$ 7,998	\$ 8,078	\$ 8,159	\$ 8,240	\$ 8,323	\$ 8,406	\$ 8,490	\$ 8,575
Property Tax (Base)		\$ 447	\$ 451	\$ 456	\$ 461	\$ 465	\$ 470	\$ 474	\$ 479	\$ 484	\$ 489
<b>Net Property Tax Revenues (Increment)</b>		\$ 7,393	\$ 7,467	\$ 7,542	\$ 7,618	\$ 7,694	\$ 7,771	\$ 7,848	\$ 7,927	\$ 8,006	\$ 8,086
<b>Cumulative Southeastern Colorado Water Conservancy</b>											
Property Taxes (Total)					\$ 101,194						\$ 133,231
Property Taxes (Base)					\$ 6,910						\$ 9,307
<b>Property Tax Revenues (Increment)</b>					\$ 94,287						\$ 123,925
<b>Greater Downtown BS BID</b>											
Share of Property Tax (%)	2029	2030	2031	2032	2033	2034	2035	2036	2037	2038	
6.29%											
Property Taxes (Total)	0.01	\$ 41,749	\$ 42,167	\$ 42,588	\$ 43,014	\$ 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
<b>Net Property Tax Revenues (Increment)</b>		\$ 39,369	\$ 39,763	\$ 40,160	\$ 40,562	\$ 40,967	\$ 41,377	\$ 41,791	\$ 42,209	\$ 42,631	\$ 43,057
<b>Greater Downtown BS BID</b>											
Property Taxes (Total)					\$ 538,855						\$ 762,680
Property Taxes (Base)					\$ 36,796						\$ 49,557
<b>Property Tax Revenues (Increment)</b>					\$ 502,059						\$ 713,124
<b>CS Downtown Development Authority</b>											
Share of Property Tax (%)	2029	2030	2031	2032	2033	2034	2035	2036	2037	2038	
6.29%											
Property Taxes (Total)	0.01	\$ 41,749	\$ 42,167	\$ 42,588	\$ 43,014	\$ 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
<b>Net Property Tax Revenues (Increment)</b>		\$ 39,369	\$ 39,763	\$ 40,160	\$ 40,562	\$ 40,967	\$ 41,377	\$ 41,791	\$ 42,209	\$ 42,631	\$ 43,057
<b>Cumulative CS Downtown Development Authority</b>											
Property Taxes (Total)					\$ 538,855						\$ 762,680
Property Taxes (Base)					\$ 36,796						\$ 49,557
<b>Property Tax Revenues (Increment)</b>					\$ 502,059						\$ 713,124

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		21	22	23	24	25	
		2040	2041	2042	2043	2044	2020-2044
<i>Estimated Cumulative New Development</i>							
Residential		3,316,762	3,316,762	3,316,762	3,316,762	3,316,762	
Commercial (office, retail, hotel, institutional, cultural)		1,900,964	1,900,964	1,900,964	1,900,964	1,900,964	
<i>Estimated New Development Market Value</i>							
Residential	\$	162.00	\$ 668,805,055	\$ 675,493,105	\$ 682,248,036	\$ 689,070,517	\$ 695,961,222
Commercial (office, retail, hotel, institutional, cultural)	\$	153.00	\$ 362,022,486	\$ 365,642,711	\$ 369,299,138	\$ 372,992,129	\$ 376,722,051
<i>Estimated New Development Assessed Value</i>							
Residential		6.84%	\$ 45,746,266	\$ 46,203,728	\$ 46,665,766	\$ 47,132,423	\$ 47,603,748
Commercial (office, retail, hotel, institutional, cultural)		29.00%	\$ 104,986,521	\$ 106,036,386	\$ 107,096,750	\$ 108,167,718	\$ 109,249,395
<i>Estimated New Development Property Tax Revenues (62.749 mills)</i>							
Residential		0.074494	\$ 3,374,082	\$ 3,407,822	\$ 3,441,901	\$ 3,476,320	\$ 3,511,083
Commercial (office, retail, hotel, institutional, cultural)		0.074494	\$ 7,743,432	\$ 7,820,866	\$ 7,899,075	\$ 7,978,065	\$ 8,057,846
<b>Total Property Tax New Development (Increment)</b>			\$ 11,117,513	\$ 11,228,688	\$ 11,340,975	\$ 11,454,385	\$ 11,568,929
<b>Total Property Tax Existing Development (Base)</b>			\$ 233,675	\$ 236,012	\$ 238,372	\$ 240,756	\$ 243,164
<b>Total Property Tax</b>			\$ 11,351,189	\$ 11,464,700	\$ 11,579,347	\$ 11,695,141	\$ 11,812,092
<b>Total Property Tax Existing Development (Base)</b>			\$ 233,675	\$ 236,012	\$ 238,372	\$ 240,756	\$ 243,164
<b>Total Property Tax New Development (Increment)</b>			\$ 11,117,513	\$ 11,228,688	\$ 11,340,975	\$ 11,454,385	\$ 11,568,929
<b>Property Tax Estimate by Taxing Entity (annual and cumulative):</b>							
<b>El Paso County (General Fund and Road and Bridge Share)</b>							
	10.47%	2040	2041	2042	2043	2044	2020-2044
Property Taxes (Total)		0.0078000	\$ 1,188,542	\$ 1,200,428	\$ 1,212,432	\$ 1,224,556	\$ 1,236,802
Property Tax (Base)			\$ 24,467	\$ 24,712	\$ 24,959	\$ 25,209	\$ 25,461
<b>Net Property Tax Revenues (Increment)</b>			\$ 1,164,075	\$ 1,175,716	\$ 1,187,473	\$ 1,199,348	\$ 1,211,341
<b>Cumulative El Paso County</b>							
							2020-2044
Property Taxes (Total)							\$ 19,963,776
Property Taxes (Base)							\$ 566,334
<b>Property Tax Revenues (Increment)</b>							\$ 19,397,442
<b>Share of Property Tax (%)</b>							
	5.97%	2040	2041	2042	2043	2044	2020-2044
Property Taxes (Total)		0.0044440	\$ 677,164	\$ 683,936	\$ 690,775	\$ 697,683	\$ 704,660
Property Tax (Base)			\$ 13,940	\$ 14,080	\$ 14,220	\$ 14,362	\$ 14,506
<b>Net Property Tax Revenues (Increment)</b>			\$ 663,224	\$ 669,857	\$ 676,555	\$ 683,321	\$ 690,154
<b>Cumulative City of Colorado Springs</b>							
							2020-2044
Property Taxes (Total)							\$ 11,374,233
Property Taxes (Base)							\$ 322,665
<b>Property Tax Revenues (Increment)</b>							\$ 11,051,568
<b>Share of Property Tax (%)</b>							
	70.47%	2040	2041	2042	2043	2044	2020-2044
Property Taxes (Total)		0.0524990	\$ 7,999,652	\$ 8,079,648	\$ 8,160,445	\$ 8,242,049	\$ 8,324,470
Property Tax (Base)			\$ 164,661	\$ 166,328	\$ 167,991	\$ 169,671	\$ 171,367
<b>Net Property Tax Revenues (Increment)</b>			\$ 7,834,971	\$ 7,913,321	\$ 7,992,454	\$ 8,072,378	\$ 8,153,102
<b>Cumulative Colorado Springs School District #11</b>							
							2020-2044
Property Taxes (Total)							\$ 134,369,009
Property Taxes (Base)							\$ 3,811,793
<b>Property Tax Revenues (Increment)</b>							\$ 130,557,216
<b>Share of Property Tax (%)</b>							
	5.12%	2040	2041	2042	2043	2044	2020-2044
Property Taxes (Total)		0.0038120	\$ 580,862	\$ 586,671	\$ 592,537	\$ 598,463	\$ 604,447
Property Tax (Base)			\$ 11,958	\$ 12,077	\$ 12,198	\$ 12,320	\$ 12,443
<b>Net Property Tax Revenues (Increment)</b>			\$ 568,904	\$ 574,593	\$ 580,339	\$ 586,143	\$ 592,004
<b>Cumulative Pikes Peak Library</b>							
							2020-2044
Property Taxes (Total)							\$ 9,756,654
Property Taxes (Base)							\$ 276,778
<b>Property Tax Revenues (Increment)</b>							\$ 9,479,878
<b>Share of Property Tax (%)</b>							
	1.26%	2040	2041	2042	2043	2044	2020-2044
Property Taxes (Total)		0.001	\$ 143,082	\$ 144,513	\$ 145,958	\$ 147,418	\$ 148,892
Property Tax (Base)			\$ 2,945	\$ 2,975	\$ 3,006	\$ 3,035	\$ 3,065
<b>Net Property Tax Revenues (Increment)</b>			\$ 140,137	\$ 141,538	\$ 142,953	\$ 144,383	\$ 145,827
<b>Cumulative Southeastern Colorado Water Conservancy</b>							
							2020-2044
Property Taxes (Total)							\$ 2,403,331
Property Taxes (Base)							\$ 68,178
<b>Property Tax Revenues (Increment)</b>							\$ 2,335,154
<b>Southwest Downtown URA</b>							
		21	22	23	24	25	
<b>Share of Property Tax (%)</b>	0.00%	2040	2041	2042	2043	2044	2020-2044
Property Taxes (Total)		0.00	\$ -	\$ -	\$ -	\$ -	\$ -
Property Tax (Base)			\$ -	\$ -	\$ -	\$ -	\$ -
<b>Net Property Tax Revenues (Increment)</b>			\$ -	\$ -	\$ -	\$ -	\$ -
<b>Cumulative Southwest Downtown URA</b>							
							2020-2044
Property Taxes (Total)							\$ -
Property Taxes (Base)							\$ -
<b>Property Tax Revenues (Increment)</b>							\$ -
<b>Share of Property Tax (%)</b>							
	6.71%	2040	2041	2042	2043	2044	2020-2044
Property Taxes (Total)		0.01	\$ 761,886.10	\$ 769,504.96	\$ 777,200.01	\$ 784,972.01	\$ 792,821.73
Property Tax (Base)			\$ 15,684.18	\$ 15,841.02	\$ 15,999.43	\$ 16,159.43	\$ 16,321.02
<b>Net Property Tax Revenues (Increment)</b>			\$ 746,202	\$ 753,664	\$ 761,201	\$ 768,813	\$ 776,501
<b>Cumulative CS Downtown Development Authority</b>							
							2020-2044
Property Taxes (Total)							\$ 12,797,292
Property Taxes (Base)							\$ 363,035
<b>Property Tax Revenues (Increment)</b>							\$ 12,434,257

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			1	2	3	4	5	6	7	8	9	10	
		2018	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029
Not used		\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Estimated Cumulative Support Retail		\$ 280.00	\$ -	\$ -	\$ -	\$ 82,644	\$ 83,644	\$ 82,644	\$ 139,440	\$ 139,440	\$ 139,440	\$ 280,336	\$ 280,336
Estimated Taxable Retail Sales from New Development		\$ -	\$ -	\$ -	\$ -	\$ 24,377,106	\$ 24,620,677	\$ 24,867,086	\$ 41,859,595	\$ 42,278,191	\$ 42,700,973	\$ 86,706,297	\$ 87,573,360
<b>Tax Rate:</b>	<b>8.25%</b>												
<b>Total Sales Tax</b>		\$ 190,379	\$ 190,379	\$ 190,379	\$ 190,379	\$ 2,201,490	\$ 2,221,601	\$ 2,241,914	\$ 3,643,796	\$ 3,678,330	\$ 3,713,209	\$ 7,343,649	\$ 7,415,181
Total Sales Tax Existing Development (Base)		\$ 190,379	\$ 190,379	\$ 190,379	\$ 190,379	\$ 190,379	\$ 190,379	\$ 190,379	\$ 190,379	\$ 190,379	\$ 190,379	\$ 190,379	\$ 190,379
Total Sales Tax New Development (Increment)		\$ -	\$ -	\$ -	\$ -	\$ 2,011,111	\$ 2,031,222	\$ 2,051,535	\$ 3,453,417	\$ 3,487,951	\$ 3,522,830	\$ 7,153,270	\$ 7,224,802
Not used		\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
<b>Total Sales Tax</b>		\$ 380,758	\$ 380,758	\$ 380,758	\$ 380,758	\$ 4,402,981	\$ 4,443,203	\$ 4,483,827	\$ 7,287,591	\$ 7,356,660	\$ 7,426,419	\$ 14,687,297	\$ 14,830,362
<b>Sales Tax Estimate by Taxing Entity (annual and cumulative):</b>													
<b>State of Colorado</b>													
	Share of Sales Tax (%)	35.15%											
Total Sales Tax	2.90%	\$ 66,921	\$ 66,921	\$ 66,921	\$ 66,921	\$ 773,857	\$ 780,927	\$ 788,067	\$ 1,290,849	\$ 1,292,989	\$ 1,305,249	\$ 2,381,404	\$ 2,405,549
Existing Sales Tax (Base)		\$ 66,921	\$ 66,921	\$ 66,921	\$ 66,921	\$ 66,921	\$ 66,921	\$ 66,921	\$ 66,921	\$ 66,921	\$ 66,921	\$ 66,921	\$ 66,921
New Sales Tax (Increment)		\$ -	\$ -	\$ -	\$ -	\$ 706,936	\$ 714,006	\$ 721,146	\$ 1,213,928	\$ 1,226,068	\$ 1,238,328	\$ 2,514,483	\$ 2,539,627
<b>Cumulative State of Colorado</b>													
			2019						2020-2024				2020-2029
Total Sales Tax		\$ 66,921	\$ 66,921						\$ 2,476,693				\$ 11,543,732
Existing Sales Tax (Base)		\$ 66,921	\$ 66,921						\$ 334,606				\$ 669,211
New Sales Tax (Increment)		\$ -	\$ -						\$ 2,142,087				\$ 10,874,521
<b>El Paso County</b>													
	Share of Sales Tax (%)	14.91%											
Total Sales Tax	1.23%	\$ 28,384	\$ 28,384	\$ 28,384	\$ 28,384	\$ 328,222	\$ 331,221	\$ 334,249	\$ 543,257	\$ 548,406	\$ 553,606	\$ 1,094,871	\$ 1,105,536
Existing Sales Tax (Base)		\$ 28,384	\$ 28,384	\$ 28,384	\$ 28,384	\$ 28,384	\$ 28,384	\$ 28,384	\$ 28,384	\$ 28,384	\$ 28,384	\$ 28,384	\$ 28,384
New Sales Tax (Increment)		\$ -	\$ -	\$ -	\$ -	\$ 299,838	\$ 302,837	\$ 305,865	\$ 514,873	\$ 520,022	\$ 525,222	\$ 1,066,487	\$ 1,077,152
<b>Cumulative El Paso County</b>													
			2019						2020-2024				2020-2029
Total Sales Tax		\$ 28,384	\$ 28,384						\$ 1,050,499				\$ 4,896,135
Existing Sales Tax (Base)		\$ 28,384	\$ 28,384						\$ 141,919				\$ 283,838
New Sales Tax (Increment)		\$ -	\$ -						\$ 908,580				\$ 4,612,297
<b>City of Colorado Springs (General Fund 2% to URA)</b>													
	Share of Sales Tax (%)	24.24%											
Total Sales Tax	2.00%	\$ 46,152	\$ 46,152	\$ 46,152	\$ 46,152	\$ 533,695	\$ 538,570	\$ 543,494	\$ 883,344	\$ 891,716	\$ 900,172	\$ 1,780,278	\$ 1,797,620
Existing Sales Tax (Base)		\$ 46,152	\$ 46,152	\$ 46,152	\$ 46,152	\$ 46,152	\$ 46,152	\$ 46,152	\$ 46,152	\$ 46,152	\$ 46,152	\$ 46,152	\$ 46,152
New Sales Tax (Increment)		\$ -	\$ -	\$ -	\$ -	\$ 487,543	\$ 492,418	\$ 497,342	\$ 837,192	\$ 845,564	\$ 854,019	\$ 1,734,126	\$ 1,751,467
<b>Cumulative City of Colorado Springs (General Fund 2% to URA)</b>													
			2019						2020-2024				2020-2029
Total Sales Tax		\$ 46,152	\$ 46,152						\$ 1,708,064				\$ 7,961,195
Existing Sales Tax (Base)		\$ 46,152	\$ 46,152						\$ 230,742				\$ 461,525
New Sales Tax (Increment)		\$ -	\$ -						\$ 1,477,301				\$ 7,499,670
<b>City of Colorado Springs (General Fund 1.12% retained)</b>													
	Share of Sales Tax (%)	13.58%											
Total Sales Tax	1.12%	\$ 25,845	\$ 25,845	\$ 25,845	\$ 25,845	\$ 298,869	\$ 301,599	\$ 304,357	\$ 494,673	\$ 499,361	\$ 504,096	\$ 996,956	\$ 1,026,667
Existing Sales Tax (Base)		\$ 25,845	\$ 25,845	\$ 25,845	\$ 25,845	\$ 25,845	\$ 25,845	\$ 25,845	\$ 25,845	\$ 25,845	\$ 25,845	\$ 25,845	\$ 25,845
New Sales Tax (Increment)		\$ -	\$ -	\$ -	\$ -	\$ 273,024	\$ 275,754	\$ 278,511	\$ 468,827	\$ 473,516	\$ 478,251	\$ 971,111	\$ 980,822
<b>Cumulative City of Colorado Springs (General Fund 1.12% retained)</b>													
			2019						2020-2024				2020-2029
Total Sales Tax		\$ 25,845	\$ 25,845						\$ 956,516				\$ 4,458,269
Existing Sales Tax (Base)		\$ 25,845	\$ 25,845						\$ 129,227				\$ 258,454
New Sales Tax (Increment)		\$ -	\$ -						\$ 827,289				\$ 4,199,815
<b>Special Tax</b>													
	Share of Sales Tax (%)	12.12%											
Total Sales Tax	1.00%	\$ 23,076	\$ 23,076	\$ 23,076	\$ 23,076	\$ 266,847	\$ 269,285	\$ 271,747	\$ 441,672	\$ 445,858	\$ 450,086	\$ 890,139	\$ 898,810
Existing Sales Tax (Base)		\$ 23,076	\$ 23,076	\$ 23,076	\$ 23,076	\$ 23,076	\$ 23,076	\$ 23,076	\$ 23,076	\$ 23,076	\$ 23,076	\$ 23,076	\$ 23,076
New Sales Tax (Increment)		\$ -	\$ -	\$ -	\$ -	\$ 243,771	\$ 246,209	\$ 248,671	\$ 418,596	\$ 422,782	\$ 427,010	\$ 867,063	\$ 875,734
<b>Cumulative Special Tax</b>													
			2019						2020-2024				2020-2029
Total Sales Tax		\$ 23,076	\$ 23,076						\$ 854,012				\$ 3,980,597
Existing Sales Tax (Base)		\$ 23,076	\$ 23,076						\$ 115,381				\$ 230,762
New Sales Tax (Increment)		\$ -	\$ -						\$ 738,631				\$ 3,749,835

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		11	12	13	14	15	16	17	18	19	20
		2030	2031	2032	2033	2034	2035	2036	2037	2038	2039
Not used	\$	-	-	-	-	-	-	-	-	-	-
Estimated Cumulative Support Retail	\$ 280.00	280,336	280,336	286,836	286,836	286,836	319,501	319,501	319,501	319,501	319,501
Estimated Taxable Retail Sales from New Development	\$	88,449,094	89,333,585	92,318,964	93,242,154	94,174,575	105,948,206	107,007,688	108,077,765	109,158,543	110,250,128
Tax Rate:	8.25%										
Total Sales Tax	\$	7,487,429	7,560,400	7,806,694	7,882,857	7,959,781	8,931,106	9,018,513	9,106,795	9,195,959	9,095,636
Total Sales Tax Existing Development (Base)	\$	190,379	190,379	190,379	190,379	190,379	190,379	190,379	190,379	190,379	190,379
Total Sales Tax New Development (Increment)	\$	7,297,050	7,370,021	7,616,315	7,692,478	7,769,402	8,740,727	8,828,134	8,916,416	9,005,580	8,905,257
Not used	\$	-	-	-	-	-	-	-	-	-	-
Total Sales Tax	\$	14,974,859	15,120,800	15,613,387	15,766,713	15,919,563	17,862,212	18,037,027	18,213,589	18,391,918	18,381,650
Sales Tax Estimate by Taxing Entity (annual and cumulative):											
State of Colorado											
Share of Sales Tax (%)		35.15%									
Total Sales Tax	2.90%	\$ 2,631,945	\$ 2,657,595	\$ 2,744,171	\$ 2,770,944	\$ 2,797,984	\$ 3,139,419	\$ 3,170,144	\$ 3,201,176	\$ 3,232,519	\$ 3,264,175
Existing Sales Tax (Base)	\$	66,921	66,921	66,921	66,921	66,921	66,921	66,921	66,921	66,921	66,921
New Sales Tax (Increment)	\$	2,565,024	2,590,674	2,677,250	2,704,022	2,731,063	3,072,498	3,103,223	3,134,255	3,165,598	3,197,254
Cumulative State of Colorado											
Total Sales Tax							2020-2034				2020-2039
							\$ 25,146,370				\$ 41,153,804
Existing Sales Tax (Base)							\$ 1,003,817				\$ 1,338,422
New Sales Tax (Increment)							\$ 24,142,554				\$ 39,815,381
El Paso County											
Share of Sales Tax (%)		14.91%									
Total Sales Tax	1.23%	\$ 1,116,308	\$ 1,127,187	\$ 1,163,907	\$ 1,175,262	\$ 1,186,731	\$ 1,331,547	\$ 1,344,578	\$ 1,357,740	\$ 1,371,034	\$ 1,384,460
Existing Sales Tax (Base)	\$	28,384	28,384	28,384	28,384	28,384	28,384	28,384	28,384	28,384	28,384
New Sales Tax (Increment)	\$	1,087,924	1,098,803	1,135,523	1,146,878	1,158,347	1,303,163	1,316,195	1,329,357	1,342,650	1,356,077
Cumulative El Paso County											
Total Sales Tax							2020-2034				2020-2039
							\$ 10,665,530				\$ 17,454,889
Existing Sales Tax (Base)							\$ 425,757				\$ 567,676
New Sales Tax (Increment)							\$ 10,239,773				\$ 16,887,214
City of Colorado Springs (General Fund 2% to URA)											
Share of Sales Tax (%)		24.24%									
Total Sales Tax	2.00%	\$ 1,815,134	\$ 1,832,824	\$ 1,892,532	\$ 1,910,996	\$ 1,929,644	\$ 2,165,117	\$ 2,186,306	\$ 2,207,708	\$ 2,229,323	\$ 2,251,155
Existing Sales Tax (Base)	\$	46,152	46,152	46,152	46,152	46,152	46,152	46,152	46,152	46,152	46,152
New Sales Tax (Increment)	\$	1,768,982	1,786,672	1,846,379	1,864,843	1,883,492	2,118,964	2,140,154	2,161,555	2,183,171	2,205,003
Cumulative City of Colorado Springs (General Fund 2% to URA)											
Total Sales Tax							2020-2034				2020-2039
							\$ 17,342,324				\$ 28,381,933
Existing Sales Tax (Base)							\$ 692,287				\$ 923,050
New Sales Tax (Increment)							\$ 16,650,037				\$ 27,458,884
City of Colorado Springs (General Fund 1.12% retained)											
Share of Sales Tax (%)		13.58%									
Total Sales Tax	1.12%	\$ 1,016,475	\$ 1,026,382	\$ 1,059,818	\$ 1,070,158	\$ 1,080,601	\$ 1,212,465	\$ 1,224,331	\$ 1,236,316	\$ 1,248,421	\$ 1,260,647
Existing Sales Tax (Base)	\$	25,845	25,845	25,845	25,845	25,845	25,845	25,845	25,845	25,845	25,845
New Sales Tax (Increment)	\$	990,630	1,000,536	1,033,972	1,044,312	1,054,755	1,186,620	1,198,486	1,210,471	1,222,576	1,234,801
Cumulative Special Tax											
Total Sales Tax							2020-2034				2020-2039
							\$ 9,711,702				\$ 15,893,883
Existing Sales Tax (Base)							\$ 387,681				\$ 516,908
New Sales Tax (Increment)							\$ 9,324,021				\$ 15,376,975
Special Tax											
Share of Sales Tax (%)		12.12%									
Total Sales Tax	1.00%	\$ 907,567	\$ 916,412	\$ 946,266	\$ 955,498	\$ 964,822	\$ 1,082,558	\$ 1,093,153	\$ 1,103,854	\$ 1,114,662	\$ 1,125,578
Existing Sales Tax (Base)	\$	23,076	23,076	23,076	23,076	23,076	23,076	23,076	23,076	23,076	23,076
New Sales Tax (Increment)	\$	884,491	893,336	923,190	932,422	941,746	1,059,482	1,070,077	1,080,778	1,091,585	1,102,501
Cumulative Special Tax											
Total Sales Tax							2020-2034				2020-2039
							\$ 8,671,162				\$ 14,190,967
Existing Sales Tax (Base)							\$ 346,144				\$ 461,525
New Sales Tax (Increment)							\$ 8,325,019				\$ 13,729,442

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	
		2040	2041	2042	2043	2044	2020-2044
Not used	\$	-	-	-	-	-	-
Estimated Cumulative Support Retail	\$	280.00	319,501	319,501	319,501	319,501	
Estimated Taxable Retail Sales from New Development		\$ 111,352,629	\$ 112,466,156	\$ 113,590,817	\$ 114,726,725	\$ 115,873,993	
Tax Rate:		8.25%					
Total Sales Tax		\$ 9,186,592	\$ 9,278,458	\$ 9,371,242	\$ 9,464,955	\$ 9,559,604	\$ 163,745,948
Total Sales Tax Existing Development (Base)		\$ 190,379	\$ 190,379	\$ 190,379	\$ 190,379	\$ 190,379	\$ 4,759,475
Total Sales Tax New Development (Increment)		\$ 9,186,592	\$ 9,278,458	\$ 9,371,242	\$ 9,464,955	\$ 9,559,604	\$ 160,128,747
Not used	\$	-	-	-	-	-	-
Total Sales Tax		\$ 18,563,563	\$ 18,747,295	\$ 18,932,864	\$ 19,120,289	\$ 19,309,588	\$ 329,014,928
Sales Tax Estimate by Taxing Entity (annual and cumulative):							
<b>State of Colorado</b>							
		21	22	23	24	25	
Share of Sales Tax (%)		2040	2041	2042	2043	2044	2020-2044
Total Sales Tax	35.15%	\$ 3,296,147	\$ 3,328,440	\$ 3,361,055	\$ 3,393,996	\$ 3,427,267	\$ 57,960,708
Existing Sales Tax (Base)	2.90%	\$ 66,921	\$ 66,921	\$ 66,921	\$ 66,921	\$ 66,921	\$ 1,673,028
New Sales Tax (Increment)		\$ 3,229,226	\$ 3,261,519	\$ 3,294,134	\$ 3,327,075	\$ 3,360,346	\$ 56,287,681
<b>Cumulative State of Colorado</b>							
							2020-2044
Total Sales Tax							\$ 57,960,708
Existing Sales Tax (Base)							\$ 1,673,028
New Sales Tax (Increment)							\$ 56,287,681
<b>El Paso County</b>							
		21	22	23	24	25	
Share of Sales Tax (%)		2040	2041	2042	2043	2044	2020-2044
Total Sales Tax	14.91%	\$ 1,398,021	\$ 1,411,717	\$ 1,425,551	\$ 1,439,523	\$ 1,453,634	\$ 24,583,335
Existing Sales Tax (Base)	1.23%	\$ 28,384	\$ 28,384	\$ 28,384	\$ 28,384	\$ 28,384	\$ 709,594
New Sales Tax (Increment)		\$ 1,369,637	\$ 1,383,334	\$ 1,397,167	\$ 1,411,139	\$ 1,425,250	\$ 23,873,740
<b>Cumulative El Paso County</b>							
							2020-2044
Total Sales Tax							\$ 24,583,335
Existing Sales Tax (Base)							\$ 709,594
New Sales Tax (Increment)							\$ 23,873,740
<b>City of Colorado Springs (General Fund 2% to URA)</b>							
		21	22	23	24	25	
Share of Sales Tax (%)		2040	2041	2042	2043	2044	2020-2044
Total Sales Tax	24.24%	\$ 2,273,205	\$ 2,295,476	\$ 2,317,969	\$ 2,340,687	\$ 2,363,632	\$ 39,972,902
Existing Sales Tax (Base)	2.00%	\$ 46,152	\$ 46,152	\$ 46,152	\$ 46,152	\$ 46,152	\$ 1,153,812
New Sales Tax (Increment)		\$ 2,227,053	\$ 2,249,323	\$ 2,271,816	\$ 2,294,535	\$ 2,317,480	\$ 38,819,090
<b>Cumulative City of Colorado Springs (General Fund 2% to URA)</b>							
							2020-2044
Total Sales Tax							\$ 39,972,902
Existing Sales Tax (Base)							\$ 1,153,812
New Sales Tax (Increment)							\$ 38,819,090
<b>City of Colorado Springs (General Fund 1.12% retained)</b>							
		21	22	23	24	25	
Share of Sales Tax (%)		2040	2041	2042	2043	2044	2020-2044
Total Sales Tax	13.58%	\$ 1,272,995	\$ 1,285,466	\$ 1,298,063	\$ 1,310,785	\$ 1,323,634	\$ 22,384,825
Existing Sales Tax (Base)	1.12%	\$ 25,845	\$ 25,845	\$ 25,845	\$ 25,845	\$ 25,845	\$ 646,135
New Sales Tax (Increment)		\$ 1,247,149	\$ 1,259,621	\$ 1,272,217	\$ 1,284,939	\$ 1,297,789	\$ 21,738,690
<b>Cumulative City of Colorado Springs (General Fund 1.12% retained)</b>							
							2020-2044
Total Sales Tax							\$ 22,384,825
Existing Sales Tax (Base)							\$ 646,135
New Sales Tax (Increment)							\$ 21,738,690
<b>Special Tax</b>							
		21	22	23	24	25	
Share of Sales Tax (%)		2040	2041	2042	2043	2044	2020-2044
Total Sales Tax	12.12%	\$ 1,136,603	\$ 1,147,738	\$ 1,158,984	\$ 1,170,343	\$ 1,181,816	\$ 19,986,451
Existing Sales Tax (Base)	1.00%	\$ 23,076	\$ 23,076	\$ 23,076	\$ 23,076	\$ 23,076	\$ 576,906
New Sales Tax (Increment)		\$ 1,113,526	\$ 1,124,662	\$ 1,135,908	\$ 1,147,267	\$ 1,158,740	\$ 19,409,545
<b>Cumulative Special Tax</b>							
							2020-2044
Total Sales Tax							\$ 19,986,451
Existing Sales Tax (Base)							\$ 576,906
New Sales Tax (Increment)							\$ 19,409,545

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](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. Property Tax Revenue Spreadsheet (DGC Consulting)
5. Sales Tax Revenue Spreadsheet (DGC Consulting)
6. Letter to CSURA from the El Paso County Assessor (October 16, 2016) summarizing their estimate of market value based on the development program assumptions provided by Nor'wood.

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## **Appendix B: Legal Description and Exhibit**

(to be attached)

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## **Appendix C: Southwest Downtown Area # Urban Renewal Plan**

(to be attached)

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