

Mrs. Sherri Bacca  
Executive Director  
Pueblo City-County Library District  
100 East Abriendo Avenue  
Pueblo, Colorado 81004

December 4, 2024

Re: Dillon Urban Renewal Area

Pueblo Mrs. Bacca,

Your agency has been identified as a taxing body in an area referred to as the proposed Dillon Urban Renewal Area (the "Project") located on the City of Pueblo's north side. Enclosed are the Impact Report, Conditions Survey, and Proposed Plan for your consideration with respect to the "Project". A public hearing before the City Council of the City of Pueblo is tentatively scheduled for April 28, 2025.

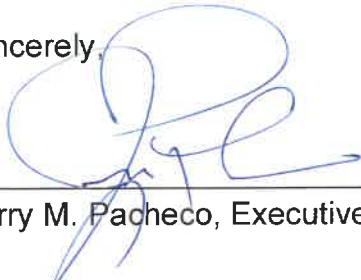
Pursuant to Colorado Revised Statutes, Section 31-25-107(3.5), we offer the following:

1. Redevelopment improvements necessary to remove the conditions identified in the Conditions Survey dated July 25, 2024, hereto attached as Exhibit A. We are requesting the use of Tax Increment Financing for the entire 25 years permissible per CRS 31-25-104.
2. The goal of the "Project" is to eradicate blight through implementing the Plan, hereto attached as Exhibit B. Activities of the Plan include encouraging investment, alleviating blight, attract new commercial investments, to assist in funding County and City Infrastructure and facilities, improve streetscapes to promote pedestrian travel and safety, and invest in cultural/ community spaces.
3. It is anticipated that the generally applicable real and commercial personal property taxes from this project could generate between \$0 to \$7,035,000 over the 25-year period assuming the objectives of developing commercial mixed-use projects, and assisting in infrastructure improvements in the County and the City. This project would reverse years of stagnant property tax revenue receipts within this area, and as shown in the impact Report these new property tax revenues would not be realized in the future without this investment in the project area.

On behalf of the City of Pueblo, and the Pueblo Urban Renewal Authority, we respectfully request your positive consideration and support of the proposed Dillon Urban Renewal Area.

If you have any questions, comments or wish to have clarification of the information above, please contact me directly.

Sincerely,



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Jerry M. Pacheco, Executive Director

Attachments: Conditions Survey, Proposed Plan, Impact Study and Draft Property Tax Increment Revenue Agreement



# **The Dillon Drive Urban Renewal Plan**

September 19<sup>th</sup>, 2024

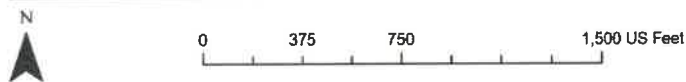


**Prepared by:**  
Pioneer Development Company,  
Pueblo Urban Renewal Authority (PURA)

# Dillon Drive Urban Renewal Plan



Pueblo County Parcels 2024  
 Dillon Drive Survey Area



## Contents

I. Introduction .....	5
II. Urban Renewal Area Boundary.....	5
III. Summary of Statutory Criteria .....	5
IV. Description of Urban Renewal Project.....	7
A. Urban Renewal Plan Goals and the Plan's Relationship to Local /Regional Objectives	
7	
1. Goals of the Plan.....	7
2. Relationship to Comprehensive Plan.....	8
3. Relationship to City Consolidated Plan .....	Error! Bookmark not defined.
B. Land Use Regulations and Building Requirements .....	11
V. PROJECT ACTIVITIES .....	11
A. Land Acquisition .....	11
B. Relocation.....	11
C. Demolition, Clearance, and Site Preparation .....	12
D. Property Management .....	12
E. Public Improvements.....	12
F. Land Disposition, Redevelopment and Rehabilitation.....	12
G. Cooperation Agreements.....	13
H. Other Project Undertakings and Activities.....	13
VI. PROJECT FINANCING .....	14
VII.CHANGES IN APPROVED PLAN .....	15
VIII.....	MINOR VARIATIONS
15	

## **DEFINITIONS**

**The terms used in this Urban Renewal Plan shall have the following meanings:**

**Act** means the Colorado Urban Renewal Law, Part 1 of Article 25 of Title 31, of the Colorado Revised Statutes.

**Area** or **Urban Renewal Area** means the area of the City included within the boundaries of this Urban Renewal Plan as depicted in Exhibit A and described in Exhibit B.

**Authority** means the Urban Renewal Authority of Pueblo, Colorado.

**City** means the City of Pueblo, Colorado.

**City Planning** means the Department of Planning & Community Development of the City of Pueblo, Colorado.

**Comprehensive Plan** means the Pueblo Regional Comprehensive Plan adopted in 2022.

**County** means Pueblo County, Colorado.

**Plan** or **Urban Renewal Plan** means this urban renewal plan as it may be amended in the future.

**Project** or **Urban Renewal Project** means all activities and undertakings described in this Plan.



## **I. INTRODUCTION**

The purpose of this Plan is to implement those provisions of Pueblo's Regional Comprehensive Plan that apply to the Urban Renewal Plan area. The provisions of this Plan are intended to help provide important services to the Area, eliminate and prevent conditions of blight, attract private investment, utilize underdeveloped land, and leverage public investment and funding mechanisms to promote redevelopment and rehabilitation of the area by private enterprise, and, where necessary, provide necessary public infrastructure to serve the Area.

This Urban Renewal Plan has been proposed for consideration by the City Council of Pueblo pursuant to the provisions of the Act. The administration of the Project and the implementation of the Plan shall be the responsibility of the Authority.

## **II. URBAN RENEWAL AREA BOUNDARY**

An Urban Renewal Plan area has been created that includes properties that are within the City of Pueblo's municipal limits. The Area, titled "Dillon Drive Urban Renewal Plan" includes fourteen (14) parcels bisected by Dillon Drive. These parcels encompass ~46.5 acres and are currently zoned I-2 Industrial District, S-1 Governmental Services District, and S-3 Floodplain District. The subject area is characterized by floodplain, vacant land, unusual topography, deteriorating structures, missing infrastructure, irregularly shaped parcels, and homeless encampments. The Area's characteristics make future development challenging. PURA evaluated this area for Urban Renewal treatment because of the propensity for these characteristics to represent blighted area factors.

## **III. SUMMARY OF STATUTORY CRITERIA**

On July 25, 2024, a conditions survey report was delivered to the Pueblo Urban Renewal Authority that summarized a blight study of the area described as the Dillon Drive Urban Renewal Plan. Relevant conditions were researched, documented, photographed, and compared with the blighted area factors pursuant to the Act. The result of the survey is included in a document entitled "The Dillon Drive Urban Renewal Plan Conditions Survey" (the Conditions Survey) dated July 25, 2024, consisting of 30 pages, related exhibits, a description of existing conditions, and numerous photographs. The Conditions Survey is incorporated herein in its entirety by this reference.

The Conditions Survey found that the following factors listed in the Act are present in the Area and that these conditions qualify the Area as a "blighted area" as defined in the Act:



## Conditions Survey – Blighting Factors Catalogued

<b>Blighted Area Factor # (C.R.S. 31-25-103.2 List Label)</b>	<b>Definition</b>
<b>Factor 1 (a)</b>	Slum, Deteriorated, or Deteriorating Structures
<b>Factor 2 (b)</b>	Predominance of Defective or Inadequate Street Layout
<b>Factor 3 (c)</b>	Faulty Lot Layout in Relation to Size, Adequacy, Accessibility, or Usefulness
<b>Factor 4 (d)</b>	Unsanitary or Unsafe Conditions
<b>Factor 5 (e)</b>	Deterioration of Site or Other Improvements
<b>Factor 6 (f)</b>	Unusual Topography or Inadequate Public Improvements or Utilities
<b>Factor 10 (j)</b>	Environmental Contamination of Buildings or Property.
<b>Factor 11 (k.5)</b>	The Existence of Health, Safety, or Welfare Factors Requiring High Levels of Municipal Services or Substantial Physical Underutilization or Vacancy of Sites, Buildings, or Other Improvements

## **IV. DESCRIPTION OF URBAN RENEWAL PROJECT**

This Plan will be implemented as part of a comprehensive program to eliminate and prevent blight in the Urban Renewal Plan Area. The Authority and the City, with the cooperation of private enterprise and other public bodies, will undertake a program to eliminate the conditions of blight identified in the Conditions Survey while supporting Pueblo's Regional Comprehensive Plan, and the Pueblo community's remediation and redevelopment goals. Although there are other adopted Plan's both locally and regionally not listed, the Goals and Policies of these plans are assumed to be subsumed under the Regional Comprehensive Plan.

### **A. Urban Renewal Plan Goals and the Plan's Relationship to Local and Regional Objectives**

#### **Goals of the Plan**

**1. Goals of the Plan** – This Plan has been adopted to achieve the following goals in the Area:

- a) To alleviate blighting conditions within the Area's boundary.
- b) To encourage renewal throughout the Area by attracting additional investment and redevelopment within the Plan.
- c) To leverage Tax Increment Financing to assist with the funding of infrastructure and facilities that will help advance the remediation and revitalization goals of the Area.
- d) To incentivize and invest in catalytic development that will remediate blighting conditions throughout the Area.
- e) To encourage redevelopment within the Area that aligns with the City of Pueblo's future land use designations and zoning districts.
- f) To leverage Tax Increment Financing to help attract new commercial investments and development that align with the City's current and future zoning districts within the area.
- g) To improve the streetscapes to promote on-street bike and pedestrian travel while also enhancing lighting, sidewalks, pedestrian safety, parking, signage, and landscaping.
- h) To improve pedestrian and trail connections to/from the Area to nearby natural amenities.
- i) To invest in cultural and community spaces within the Area.
- j) To help fund and ensure workforce housing is available for the workers in these new areas.

## **2. Relationship to Comprehensive Plan**

The Plan conforms with and is designed to help implement the Visions, Goals, Policies and Guiding Principles detailed in the Regional Comprehensive Plan, revised and adopted September 2022.

In addition to this conformance, the Plan will remediate blighting conditions and attract development that aligns with the following “Key Themes” and their associated “Issues/Opportunities” outlined in the Regional Comprehensive Plan:

- Access to Services:
  - *Proximity of Commercial Services to Neighborhoods*
  - *Public Infrastructure*
- Economy:
  - *Good Paying Jobs*
  - *Availability of Employment Opportunities*
  - *Quality of Businesses and Services*
- Growth and Development
  - *Overall Appearance and Quality of the Built Environment*
  - *Overall Quality and Condition of Existing Neighborhoods*
  - *Maintenance and Beautification*
- Recreation
  - *Access/Proximity to Walking/Biking Paths and Trails*
  - *Access to Public Lands*
- Transportation and Connectivity
  - *Sidewalk Connectivity*
  - *Ease of Travel by Biking*
  - *Ease of Travel by Car*

The following outline details specific “Regional Goals and Policies” in Pueblo’s Regional Comprehensive Plan that the Dillon Drive Urban Renewal Plan’s remediation of Blighted Area Factors and subsequent attraction of new private investment and development will advance:

- a) The Plan will support the Comprehensive Plan’s **Guiding Principle 4: “Celebrate Pueblo”**. Specifically, the Plan will help advance **Goals 4.2 and 4.6**.

**Goal 4.2: “Maintain and Expand Access to Outdoor Recreation” –**

The Plan’s proximity to Fountain Creek provides an opportunity to leverage Urban Renewal treatment within the Area to create and extend pedestrian and bike connectivity to the Fountain Creek Regional Trail.

**Goal 4.6: “Enhance the Appearance of Public Spaces, Rights-of-Way, and Community Gateways”** - The Plan will remediate conditions that have prevented new development in a highly visible, high intensity zoned parcel located near Highway 50, Highway 47, and Interstate 25. The Plan will bring higher and better uses to the site and remove unsightly blight from this area of the city.

b) The Plan will support the Comprehensive Plan’s **Guiding Principle 5: “A Future Ready Economy and Workforce”**. Specifically, the Plan will help advance **Goal 5.2 and Goal 5.5**.

**Goal 5.2: “Diversify the Region’s Economic Base”**. The Plan will promote the regional vision and shared goals for economic development. The Urban Renewal Plan represents a regional partnership of taxing entities that, through revenue sharing agreements, help alleviate blighting conditions and attract economic development within the Plan area. Planned development in this area includes Medical Offices and Commercial Retail Space.

**Goal 5.5: “Make it Easy to Do Business in Pueblo”**. The Plan represents objectives described under this goal “easing” the development process. The Plan represents a regional, collaborative, and focused approach to coordinating economic development, the provision of infrastructure, leveraging funding resources for new development. The Plan is a vehicle that allows these objectives to become realized and help new development align with the Regional Comprehensive Plan.

c) The Plan will support the Comprehensive Plan’s **Guiding Principle 6: “Grow Smarter”**. Specifically, the Plan will help advance **Goal 6.1 and 6.2**.

**Goal 6.1: “Promote a fiscally and environmentally responsible pattern of growth”** - The Plan will support new commercial development that will be coordinated with regional taxing entities, targeted in a concentrated area, and ensure the development is consistent with the Goals and Policies of the Comprehensive Plan. The Plan will also leverage funding mechanisms, such as Tax Increment Financing, in a manner that will offset costs generated by new development activities within the Area by limiting fiscal impacts to taxing entities. This development will also be required to meet environmental standards, especially those related to the Floodplain and nearby Fountain Creek.

**Goal 6.2: “Encourage Infill and Reinvestment in Established Communities and Neighborhoods”** - The Plan is located within an “Underutilized Center or Corridor” per the Regional Comprehensive Plan’s “Priority Areas for Infill and Redevelopment” map on page 66. This priority area is described as “vacant or underutilized commercial centers”. The Plan will remediate blighting factors in this area, thereby clearing hurdles to development. This in turn will attract new development and investment to this underutilized and vacant area. This process fulfills the objectives and policies outlined by the Regional Comprehensive Plan in regard to prioritizing the development of these vacant and underutilized corridors.

**Goal 7 – Improve and maintain public infrastructure and facilities:** Includes street and sidewalk improvements including lighting and streetscaping, water and sewer improvements, flood drainage improvements, solid waste management improvements.

The Plan will improve public infrastructure through enhanced street and sidewalk network connections within the area. These improvements will occur along the Plan area’s adjacent arterials and also in the interior of the properties that will be developed. The Plan will bring additional infrastructure to the area, including central water and sewer services. Stormwater retention areas and floodplain mitigation are planned for the area’s future development. Increased connectivity and system improvements would advance the City’s Consolidated Plan’s Goal.

**Goal 8 – Economic Development:** Includes activities such as workforce and economic development initiatives.

The Plan will alleviate conditions arresting sound development within this specific area and help attract private investment to generate higher and better economic uses. The parcel is zoned industrial and is currently vacant. The Plan will remediate conditions arresting the development of this underutilized and vacant area and attract commercial office and retail development. Attracting commercial development to this Area would advance the City’s Consolidated Plan’s Goal.

**Goal 9 – Eliminate Slum or Blighting Influences:** Includes the demolition of vacant and dilapidated structures that pose a threat to health and safety, code enforcement, and graffiti removal and façade improvement programs.

The Plan's primary charge is to eliminate blighting factors arresting sound development within the Plan Area. The Conditions Survey identified blighting factors in the area that included vacant land, a deteriorating structure and dilapidated signage as well as trash and debris. The Plan's primary purpose is in alignment with the City Consolidated Plan's goal to eliminate slum or blighting influences.

## **B. Land Use Regulations and Building Requirements**

a) The Plan will provide a comprehensive and unified plan to promote and encourage high quality development and redevelopment of the Urban Renewal Area by cooperative efforts of private enterprise and public bodies. Notwithstanding anything in the Plan to the contrary, the development and use of the property within the Urban Renewal Area described in the Plan including, without limitation, land area, land use, design building requirements, timing or procedures applicable to the property, shall be subject to the Pueblo Municipal Code and secondary codes therein adopted by reference, and other applicable standards and regulations of the City of Pueblo ("City Regulations"). Permitted uses for properties in the Urban Renewal Area shall be those uses allowed in the City of Pueblo Zoning Code and Land Use Code.

## **V. PROJECT ACTIVITIES**

The following provisions shall apply to the Area. In accordance with the Act, the Authority may undertake these activities directly or, to the extent authorized by applicable law, contract with third parties to do so.

### **A. Land Acquisition**

To carry out this Plan, the Authority may exercise any and all of its rights and powers under the Act and any other applicable law, ordinance or regulation. The Authority may acquire any interest in property by any manner available. The Authority may acquire property in the Area for the following reasons: To eliminate or prevent conditions of blight; to carry out one or more objectives of the Plan; to assemble property for redevelopment by private enterprise; for needed public improvements; and for any other lawful purpose authorized by the Plan, the Act, or any other applicable law.

Acquisition of property by eminent domain is not authorized unless the City Council approves, by majority vote, the use of eminent domain by the Authority in accordance with the Act and other applicable laws.

### **B. Relocation**

If acquisition of property displaces any individual, family, or business concern, the Authority may assist such party in finding another location, and may, but is not obligated

to, make relocation payments to eligible residents and businesses in such amounts and under such terms and conditions as it may determine and as may be required by law.

#### **C. Demolition, Clearance, and Site Preparation**

The Authority may demolish and clear those buildings, structures, and other improvements from property it acquires if such buildings, structures, and other improvements are not to be rehabilitated in accordance with this Plan. The Authority may provide rough and finished site grading and other site preparation services as part of a comprehensive redevelopment program.

#### **D. Property Management**

During such time as any property is acquired by the Authority, for disposition for redevelopment, such property shall be under the management and control of the Authority and may be rented or leased by it pending disposition for redevelopment or rehabilitation. Notwithstanding the foregoing, the Authority may acquire property, develop, construct, maintain, and operate thereon buildings, and facilities devoted to uses and purposes as the Authority deems to be in the public interest.

#### **E. Public Improvements**

The Authority will cooperate with the City and other public bodies to install, repair or replace necessary public infrastructure including, but not limited to, public streets, ADA accessible routes, stormwater improvements outside the scope of the City Storm Water Enterprise, park and recreation amenities, workforce housing and multi-use recreational trails in the Area or supporting the Area.

#### **F. Land Disposition, Redevelopment and Rehabilitation**

The Authority may dispose of property it acquires by means of a reasonable competitive bidding procedure it establishes in accordance with the Act and pursuant to redevelopment agreements between the Authority and such purchasers.

The Authority may also enter into owner participation agreements with property owners in the Area for the development, redevelopment, or rehabilitation of their property. Such agreements will provide for such participation and assistance as the Authority may elect to provide to such owners. The Authority may develop, construct, maintain, and operate buildings and facilities devoted to uses and purposes as the Authority deems to be in the public interest.

All such redevelopment, owner participation and other agreements shall contain, at a minimum, provisions requiring:

Compliance with the Plan and, if adopted by the Authority, the Design Guidelines and Standards and City codes and ordinances. Covenants to begin and complete development, construction, or rehabilitation of both public and private improvements within a period of time deemed to be reasonable by the Authority.



The financial commitments of each party (but nothing herein shall obligate the Authority to make any such financial commitment to any party or transaction).

**G. Cooperation Agreements**

For the purposes of planning and carrying out this Plan in the Area, the Authority may enter into one or more cooperation agreements with the City, County, or other public bodies. Without limitation, such agreements may include project financing and implementation; design, location, and construction of public improvements; and any other matters required to carry out this Project. It is recognized that cooperation with the City, County, other municipalities, and other public and private bodies may be required to coordinate such issues as the design, construction, maintenance, operation, and timing of public and private improvements within and outside of the Area to properly and efficiently carry out the goals and objectives of this Plan.

**H. Other Project Undertakings and Activities**

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

## **VI. PROJECT FINANCING**

The Authority is authorized to finance activities and undertakings under this Plan by any method authorized by the Act or any other applicable law, including without limitation, appropriations, loans or advances from the City or County; federal loans and grants; state loans and grants; interest income; pay as you go arrangements; annual appropriation agreements; agreements with public and private parties or entities; sale of securities; loans, advances and grants from any other available source.

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

The Authority is authorized to issue notes, bonds or any other financing instruments or documents in amounts sufficient to finance all or part of the Urban Renewal Plan. The Authority is authorized to borrow funds and to create indebtedness in carrying out this Plan. The principal, interest, and any premiums due on or in connection with such indebtedness may be paid from any funds available to the Authority.

The Project may be financed by the Authority under the tax allocation financing provisions of the Act. Under the tax allocation method of financing the Project, property taxes levied after the effective date of the approval of this Plan upon taxable property in the Urban Renewal Area each year by or for the benefit of each public body that levies property taxes in the Area, shall be divided for a period not to exceed twenty-five (25) years after the effective date of the adoption of this tax allocation provision, as follows:

### **Base Amount**

That portion of the taxes which are produced by the levy at the rate fixed each year by or for such public body upon the valuation for assessment of taxable property in the Urban Renewal Area last certified prior to the effective date of approval of the Plan or, as to an area later added to the Urban Renewal Area, and the effective date of the modification of the Plan shall be paid into the funds of each such public body as are all other taxes collected by or for said public body.

### **Increment Amount**

That portion of said property taxes in excess of such base amount shall be allocated to and, when collected, paid into a special fund of the Authority to pay the principal of, the interest on, and

any premiums due in connection with the bonds of, loans or advances to, or indebtedness incurred by (whether funded, refunded, assumed or otherwise) the Authority for financing or refinancing, in whole or in part, the Project.

Unless and until the total valuation for assessment of the taxable property in the Urban Renewal Area exceeds the base valuation for assessment of the taxable property in the Urban Renewal Area, all of the taxes levied upon taxable property in the Urban Renewal Area shall be paid into the funds of the respective public bodies.

When such bonds, loans, advances, and indebtedness, including interest thereon and any premiums due in connection therewith, have been paid, all taxes upon the taxable property in the Urban Renewal Area shall be paid into the funds of the respective public bodies.

The increment portion of the taxes, as described in this subparagraph 2, may be irrevocably pledged by the Authority for the payment of the principal of, the interest on, and any premiums due in connection with such bonds, loans, advances, and indebtedness incurred by the Authority to finance the Project.

## **VII. CHANGES IN APPROVED PLAN**

This Plan may be modified pursuant to the provisions of the Act governing such modifications, including Section 31-25-107, C.R.S.

## **VIII. MINOR VARIATIONS**

The Authority may in specific cases allow minor variations from the provisions of the Plan if it determines that a literal enforcement of the provisions of the Plan would constitute an unreasonable limitation beyond the intent and purpose of the Plan.

EXHIBIT A  
LEGAL DESCRIPTION

A PARCEL OF LAND BEING A PORTION OF THE NORTHWEST QUARTER OF SECTION 18, TOWNSHIP 20 SOUTH, RANGE 64 WEST OF THE SIXTH PRINCIPAL MERIDIAN, COUNTY OF PUEBLO, STATE OF COLORADO, BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS:

COMMENCING AT A POINT MARKED BY AN AXLE IN A RANGE BOX; THENCE S89°31'31"E A DISTANCE OF 792.29 FEET TO A POINT ON THE RIGHT-OF-WAY LINE OF 40TH STREET, SAID POINT BEING THE POINT OF BEGINNING; THENCE ON SAID RIGHT-OF-WAY LINE THE FOLLOWING FOUR (4) COURSES:

1. N00°28'46"E A DISTANCE OF 111.94 FEET TO A POINT OF CURVE;
2. ON THE ARC OF A CURVE TO THE LEFT HAVING A DELTA OF 109°34'28", A RADIUS OF 96.78 FEET, A DISTANCE OF 185.09 FEET TO A POINT OF TANGENT;
3. S70°54'18"W A DISTANCE OF 51.22 FEET;
4. S89°48'46"W A DISTANCE OF 147.64 FEET TO A POINT ON THE NORTHEASTERLY RIGHT-OF-WAY LINE OF DILLON DRIVE;

THENCE ON SAID RIGHT-OF-WAY LINE THE FOLLOWING FIVE (5) COURSES:

1. N26°25'24"W A DISTANCE OF 147.64 FEET TO A POINT OF CURVE;
2. ON THE ARC OF A CURVE TO THE LEFT HAVING A DELTA OF 35°00'00", A RADIUS OF 856.30 FEET, A DISTANCE OF 523.08 FEET TO A POINT OF TANGENT;
3. N61°25'24"W A DISTANCE OF 58.12 FEET;
4. N63°53'34"W A DISTANCE OF 137.90 FEET;
5. N71°13'02"W A DISTANCE OF 43.58 FEET TO A POINT ON THE EASTERLY RIGHT-OF-WAY LINE OF THE DENVER AND RIO GRANDE RAILROAD;

THENCE N23°32'41"E ON SAID EASTERLY RIGHT-OF-WAY LINE A DISTANCE OF 468.55 FEET; THENCE S66°54'44"E A DISTANCE OF 1,065.17 FEET TO THE NORTHWEST CORNER OF THE DEED RECORDED IN BOOK 1842 AT PAGE 897 IN THE RECORDS OF COUNTY OF PUEBLO, STATE OF COLORADO; THENCE S00°25'23"E ON SAID WESTERLY BOUNDARY LINE A DISTANCE OF 806.29 FEET; THENCE N89°30'34"W ON SAID SOUTH LINE A DISTANCE OF 210.38 FEET TO THE POINT OF BEGINNING.

CONTAINING A CALCULATED AREA OF 750,553 SQUARE FEET OR 17.230 ACRES.

TOGETHER WITH

A PARCEL OF LAND BEING A PORTION OF THE NORTHEAST QUARTER OF SECTION 13, TOWNSHIP 20 SOUTH, RANGE 65 WEST AND A PORTION OF THE NORTHWEST QUARTER OF SECTION 18, TOWNSHIP 20 SOUTH, RANGE 64 WEST OF THE SIXTH PRINCIPAL MERIDIAN, COUNTY OF PUEBLO, STATE OF COLORADO, BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS:

COMMENCING AT POINT MARKED BY AN AXLE IN A RANGE BOX AT THE EAST QUARTER CORNER OF SECTION 13, SAID POINT BEING THE POINT OF BEGINNING; THENCE N00°25'23"W, ON THE EAST LINE OF SAID SECTION 13 A DISTANCE OF 60.01 FEET; THENCE S88°34'38"W, PARALLEL TO THE SOUTH LINE OF THE NORTHEAST QUARTER OF SECTION 13, A DISTANCE OF 465.35 FEET TO A POINT ON THE EASTERLY RIGHT-OF-WAY LINE OF THE DENVER AND RIO GRANDE RAILROAD, SAID POINT BEING A POINT ON CURVE; THENCE ON THE ARC OF A CURVE TO THE RIGHT, WHOSE CENTER BEARS S75°47'26"E, HAVING A DELTA OF 09°20'07", A RADIUS OF 1,806.25 FEET A DISTANCE OF 294.30 FEET TO A POINT OF TANGENT; THENCE CONTINUING ON SAID RIGHT-OF-WAY N23°32'41"E A DISTANCE OF 143.62 FEET TO A POINT ON THE SOUTHWESTERLY RIGHT-OF-WAY LINE OF DILLON DRIVE; THENCE ON THE SOUTHWESTERLY RIGHT-OF-WAY LINE OF DILLON DRIVE AND THE NORTHWESTERLY RIGHT-OF-WAY LINE OF 40TH/ STREET, THE FOLLOWING EIGHT (8) COURSES:

1. S66°26'45"E A DISTANCE OF 118.16 FEET;
2. S73°31'50"E A DISTANCE OF 210.80 FEET;
3. S65°51'46"E A DISTANCE OF 64.09 FEET TO A POINT OF CURVE;
4. ON THE ARC OF A CURVE TO THE RIGHT, HAVING A DELTA OF 39°01'16", A RADIUS OF 426.14 FEET, A DISTANCE OF 290.22 FEET;
5. S26°24'11"W A DISTANCE OF 48.36 FEET;
6. S69°39'22"W A DISTANCE OF 70.19 FEET
7. S45°32'06"W A DISTANCE OF 50.97 FEET
8. S79°39'15"W A DISTANCE OF 140.34 FEET TO THE POINT OF BEGINNING.

CONTAINING A CALCULATED AREA OF 201,177 SQUARE FEET OR 4.618 ACRES.

TOGETHER WITH

A PARCEL OF LAND BEING A PORTION OF THE NW ¼ OF THE SW ¼ OF SECTION 18, TOWNSHIP 20 SOUTH, RANGE 64 WEST OF THE SIXTH PRINCIPAL MERIDIAN, CITY AND COUNTY OF PUEBLO, STATE OF COLORADO, BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS:

BEGINNING AT THE INTERSECTION OF THE EASTERLY RIGHT OF WAY LINE OF DILLON DRIVE AND THE SOUTHERLY RIGHT OF WAY LINE OF 40TH STREET FROM

WHICH THE W ¼ CORNER OF SAID SECTION 18 BEARS N 89°10'34" W, (BEARING BASED ON THE WEST LINE OF THE NW ¼ OF THE SW ¼ OF SAID SECTION 18 FROM THE NORTH RIGHT OF WAY ON COLORADO STATE HIGHWAY NO. 47 MONUMENTED WITH A 3 1/4 INCH ALUMINUM CDOT RIGHT OF WAY MARKER PLS NO. 30107 TO THE W ¼ CORNER OF SAID SECTION 18 MONUMENTED WITH A CONCRETE MONUMENT WITH A LEAD PLUG AND BRASS TACK IN A CAST IRON MONUMENT BOX ASSUMED TO BEAR N 01°34'40" W), A DISTANCE OF 490.98 FEET: THENCE EASTERLY  
ALONG SAID SOUTHERLY RIGHT OF WAY LINE OF 40TH STREET AND 40TH STREET EXTENDED THE FOLLOWING TWO (2) COURSES;

1. N 88°35'16" E, A DISTANCE OF 180.70 FEET;
2. S 89°30'34" E, A DISTANCE OF 318.48 FEET;

THENCE S 00°25'01" E, A DISTANCE OF 621.50 FEET TO A POINT ON THE NORTHERLY LINE OF COLORADO STATE HIGHWAY NO. 47 AS DESCRIBED IN THAT "RULE AND ORDER" (R&O) CASE NO. 97-CV-538, DIVISION D, DISTRICT COURT, PUEBLO COUNTY, COLORADO AND FILED FOR RECORD JULY 6, 1999 AT RECEPTION NUMBER 1287660 IN THE RECORDS OF THE PUEBLO COUNTY CLERK AND RECORDER; THENCE WESTERLY AND NORTHERLY ALONG SAID NORTHERLY RIGHT OF WAY LINE OF COLORADO STATE HIGHWAY NO. 47 AND SAID EASTERLY RIGHT OF WAY LINE OF DILLON DRIVE THE FOLLOWING SIX (6) COURSES;

1. S 83°44'03" W (S 83°44'53" W R&O), A DISTANCE OF 405.72 (405.69 R&O) FEET;
  2. N 61°58'57" W (N 62°02'10" W R&O), A DISTANCE OF 40.82 (40.67 R&O) FEET;
  3. N 26°28'24" W (N 26°27'56" W R&O), A DISTANCE OF 82.26 (82.28 R&O) FEET;
  4. N 02°07'45" W (N 02°07'18" W R&O), A DISTANCE OF 200.08 (200.15 R&O) FEET;
  5. N 04°40'40" W (N 04°40'31" W R&O), A DISTANCE OF 187.15 (187.09 R&O) FEET;
  6. N 01°31'50" W (N 01°31'05" W R&O), A DISTANCE OF 184.83 (184.82 R&O) FEET;
- TO THE POINT OF BEGINNING

CONTAINING A CALCULATED AREA OF 7.18 ACRES.

TOGETHER WITH

A PARCEL OF LAND BEING A PORTION OF THE NW ¼ OF THE SW ¼ OF SECTION 18, TOWNSHIP 20 SOUTH, RANGE 64 WEST OF THE SIXTH PRINCIPAL MERIDIAN, CITY AND COUNTY OF PUEBLO, STATE OF COLORADO, BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS:

BEGINNING AT THE INTERSECTION OF THE WESTERLY RIGHT OF WAY LINE OF DILLON DRIVE AND THE SOUTHERLY RIGHT OF WAY LINE OF 40TH STREET

FROM WHICH THE W ¼ CORNER OF SAID SECTION 18 BEARS N 85°59'52" W, (BEARING BASED ON THE WEST LINE OF THE NW ¼ OF THE SW ¼ OF SAID SECTION 18 FROM THE NORTH RIGHT OF WAY ON COLORADO STATE HIGHWAY NO. 47 MONUMENTED WITH A 3 1/4 INCH ALUMINUM CDOT RIGHT OF WAY MARKER PLS NO. 30107 TO THE W ¼ CORNER OF SAID SECTION 18 MONUMENTED WITH A CONCRETE MONUMENT WITH A LEAD PLUG AND BRASS TACK IN A CAST IRON MONUMENT BOX ASSUMED TO BEAR N 01°34'40" W) A DISTANCE OF 322.88 FEET: THENCE SOUTHERLY AND WESTERLY ALONG SAID WESTERLY RIGHT OF WAY LINE OF DILLON DRIVE AND THE NORTHERLY RIGHT OF WAY LINE OF COLORADO STATE HIGHWAY NO. 47 AS DESCRIBED IN THAT "RULE AND ORDER" (R&O) CASE NO. 97-CV-538, DIVISION D, DISTRICT COURT, PUEBLO COUNTY, COLORADO AND FILED FOR RECORD JULY 6, 1999 AT RECEPTION NUMBER 1287660 IN THE RECORDS OF THE PUEBLO COUNTY CLERK AND RECORDER THE FOLLOWING SEVEN (7) COURSES;

1. S 04°09'50" E (S 04°09'33" E R&O), A DISTANCE OF 133.97 (133.90 R&O) FEET;
2. S 00°20'04" W (S 00°20'27" W R&O), A DISTANCE OF 358.23 FEET;
3. S 05°09'42" E (S 05°15'27" E R&O), A DISTANCE OF 82.20 (82.09 R&O) FEET;
4. S 44°07'09" W (S 44°09'41" W R&O), A DISTANCE OF 125.14 (125.34 R&O) FEET;
5. N 84°13'12" W (N 84°15'53" W R&O), A DISTANCE OF 65.20 (65.05 R&O) FEET;
6. S 36°27'01" W (S 36°28'48" W R&O), A DISTANCE OF 31.35 FEET;
7. N 81°37'45" W, A DISTANCE OF 149.27 FEET; TO A POINT ON THE WEST LINE OF THE NW ¼ OF THE SW ¼ OF SAID SECTION 18; THENCE N 01°34'40" W, ALONG SAID WEST

LINE, A DISTANCE OF 270.07 FEET; THENCE N 88°59'28" E, A DISTANCE OF 207.17 FEET; THENCE N 02°38'18" W, A DISTANCE OF 388.22 FEET TO A POINT ON THE SAID SOUTHERLY RIGHT OF WAY LINE OF 40TH STREET; THENCE S 89°33'10" E ALONG SAID SOUTHERLY RIGHT OF WAY LINE, A DISTANCE OF 121.44 FEET TO THE POINT OF BEGINNING.

CONTAINING A CALCULATED AREA OF 3.01 ACRES.

TOGETHER WITH

A PARCEL OF LAND BEING A PORTION OF THE NW ¼ OF THE SW ¼ OF SECTION 18, TOWNSHIP 20 SOUTH, RANGE 64 WEST OF THE SIXTH PRINCIPAL MERIDIAN, CITY AND COUNTY OF PUEBLO, STATE OF COLORADO, BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS:

BEGINNING AT THE INTERSECTION OF THE SOUTHERLY RIGHT OF WAY LINE OF 40TH STREET AND THE WEST LINE OF THE NW ¼ OF THE SW ¼ OF SAID SECTION 18 FROM WHICH THE W ¼ CORNER OF SAID SECTION 18 BEARS N 01°34'40" W, (BEARING BASED ON THE WEST LINE OF THE NW ¼ OF THE SW ¼ OF SAID



SECTION 18 FROM THE NORTH RIGHT OF WAY ON COLORADO STATE HIGHWAY NO. 47 MONUMENTED WITH A 3 1/4 INCH ALUMINUM CDOT RIGHT OF WAY MARKER PLS NO. 30107 TO THE W 1/4 CORNER OF SAID SECTION 18 MONUMENTED WITH A CONCRETE MONUMENT WITH A LEAD PLUG AND BRASS TACK IN A CAST IRON MONUMENT BOX ASSUMED TO BEAR N 01°34'40" W) A DISTANCE OF 22.04 FEET; THENCE EASTERLY ALONG SAID SOUTHERLY RIGHT OF WAY LINE OF 40TH STREET THE FOLLOWING TWO (2) COURSES;

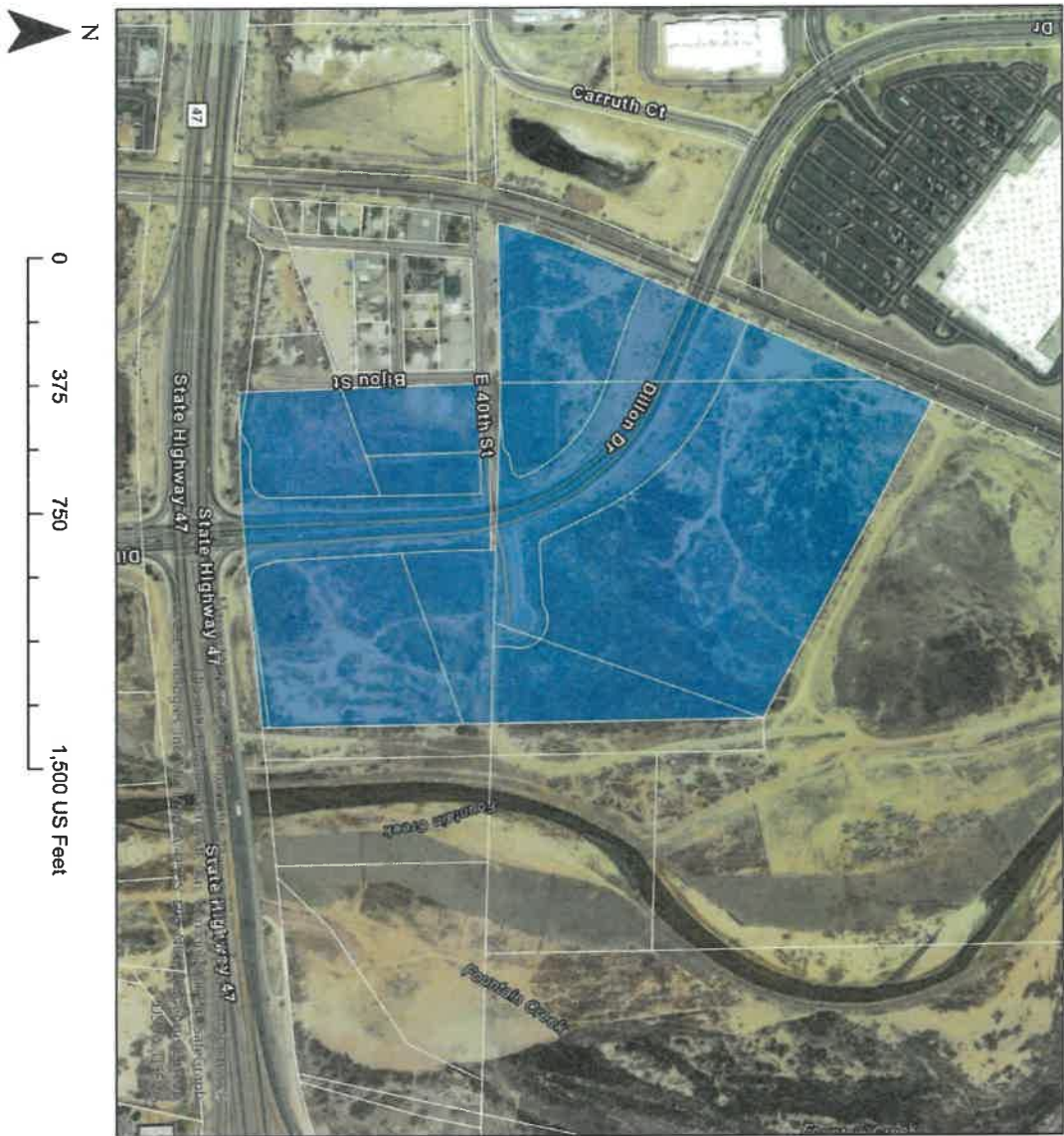
1. N 88°02'36" E, A DISTANCE OF 48.64 FEET;
2. S 89°32'26" E, A DISTANCE OF 151.43 FEET;

THENCE S 02°38'18" E, A DISTANCE OF 388.22 FEET; THENCE S 88°59'28"W, A DISTANCE OF 207.17 FEET TO A POINT ON THE WEST LINE OF THE NW 1/4 OF THE SW 1/4 OF SAID SECTION 18; THENCE N 01°34'40" W ALONG SAID WEST LINE, A DISTANCE OF 391.15 FEET TO THE POINT OF BEGINNING.

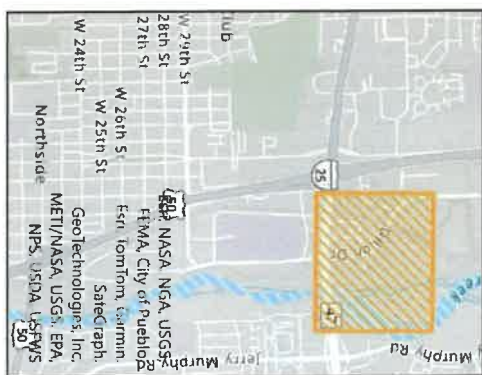
CONTAINING A CALCULATED AREA OF 1.82 ACRES.

# EXHIBIT B URA PLAN MAP

## Dillon Drive Urban Renewal Plan



Pueblo County Parcels 2024  
Dillon Drive Survey Area







PIONEER  
DEVELOPMENT  
COMPANY

we find the way

## Dillon Drive Conditions Survey

Pueblo Urban Renewal Authority

July 25, 2024



July 25, 2024

City of Pueblo, Colorado

Dear Jerry,

This Conditions Survey report is intended to assist the Pueblo Urban Renewal Authority (PURA) with identifying and cataloguing conditions that are arresting sound development throughout a defined survey area. This area is named the "Dillon Drive Urban Renewal Plan" (The Project).

The Project will encompass fourteen (14) parcels (including ROW) and approximately ~46.5 acres. The area is characterized by floodplain, vacant land, steep topography, irregular lots, site deterioration, and underutilization. Currently, the site is vacant and there are no observable uses within the property. There are, however, large homeless encampments on the northern parcels within the survey area. This underutilized is in contrast to the current planning for the area. The subject area's parcels are zoned to support new development and higher intensity uses. This proposed URA area includes three zoning districts, Pueblo's I-2 Industrial District, S-1 Governmental Use District, and S-3 Floodplain District. The area is proximal to major arterials such as Hwy 50, Hwy 47, and I-25.

PURA is evaluating this area to determine its eligibility for Urban Renewal treatment. Multi-tenant commercial development is being proposed on this site, however, it will likely require a public private partnership to become feasible. Forming a public private partnership via an Urban Renewal Project requires identifying conditions on the site that complicate its redevelopment. These conditions are known as blighted area factors, or blighting factors. PURA has commissioned this study to determine if the proposed Urban Renewal Plan area exhibits the necessary number of blighted area factors to make it eligible for urban renewal treatment.

The Conditions Survey evaluates this area for the presence of statutorily defined "blighted area factors" (blighting factors). The Conditions Survey locates, identifies, and describes each statutorily defined blighting factor found to exist within the proposed plan area. Blighting factors have also been mapped to illustrate the location of these observed conditions throughout the impacted parcels. Based upon field observations and analysis, this report finds that the surveyed area meets the minimum number of blighting factors required to designate the proposed Dillon Drive Urban Renewal Plan as an urban renewal project eligible for urban renewal activities.

Sincerely,

**Andrew Arnold**  
Founder | Principal  
Pioneer Development Company  
Durango, Colorado

# Table of Contents

Executive Summary.....	3
Dillon Drive Urban Renewal Plan Conditions Survey: .....	3
Conditions Survey Summary .....	5
Methodology.....	8
Evaluation of Blighting Factors .....	9
Conclusion.....	26
Appendix .....	27



# Executive Summary

## Dillon Drive Urban Renewal Plan Conditions Survey:

The Pueblo Urban Renewal Authority (PURA) is evaluating a specific area for Urban Renewal projects and activities. This area is tentatively named, “Dillion Drive Urban Renewal Plan”, and the area encompasses ~46.5 acres and 14 parcels within the City of Pueblo’s municipal limits. The Plan area is project-driven, meaning new development is currently being proposed within this project area. The proposed development may require a public private partnership to become feasible, which is why the Pueblo Urban Renewal Authority is evaluating the area’s eligibility for urban renewal treatment.

The subject area is located within Pueblo City limits in the central northern section of the city, east of the I-25, Hwy 47, and Hwy 50 intersection. The survey area is bisected by Dillon Drive and is bounded by the jointly operated BNSF/Union Pacific Colorado Joint Line to the west, Hwy 47 to the south and Fountain Creek to the East (just outside the project area’s boundary line). The northern boundary of the proposed plan area is adjacent to vacant land.

The survey area is approximately 46.5 acres and includes 14 parcels, all within municipal limits. Five of these 14 parcels are public ROW. The Survey Area’s parcels are mostly zoned I-2 Industrial District, which permits industrial and limited retail uses. The area does include a small portion of the S-1 Governmental district and the S-3 Floodplain District. The subject area’s features are characterized by floodplain, vacant land, unusual topography, deteriorating or missing infrastructure, irregularly shaped parcels, and homeless encampments. These characteristics make future development challenging and are the reason why PURA is evaluating this site for Urban Renewal treatment.

For an Urban Renewal Plan to be established, a specific geographic area within the community must be found to exhibit certain conditions. These are conditions that, in general, are arresting the sound growth of a municipality. This could include conditions that impair a municipality’s growth, retards housing development and accommodations, or constitutes a liability for economic or community development. Statute describes these conditions as a “menace to public health, safety, morals, and welfare” and defines these conditions as eleven separate factors in C.R.S. 31-25-103.2. These factors must be cataloged before urban renewal projects and activities can commence.

A conditions survey does not create a new Urban Renewal Plan or Urban Renewal Project. The conditions survey is merely a starting point for that process, one that is required before PURA can establish The Dillon Drive Urban Renewal Plan. The conditions survey’s purpose is to evaluate the proposed Plan area and determine if it meets the statutorily required threshold of blighted area factors. Four (4) of these factors must be identified before an Urban Renewal Plan can be established and adopted<sup>1</sup>.

The proposed Urban Renewal Plan area was carefully surveyed using a holistic analysis. Observations were taken during a field visit that identified the presence of statutorily defined blighting factors throughout the area. These observations were supplemented with background research on the site and market characteristics.

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<sup>1</sup> Per C.R.S. 31-25-103(2)(I) only one blighting factor is necessary if all property owners and tenants’ consent to inclusion.

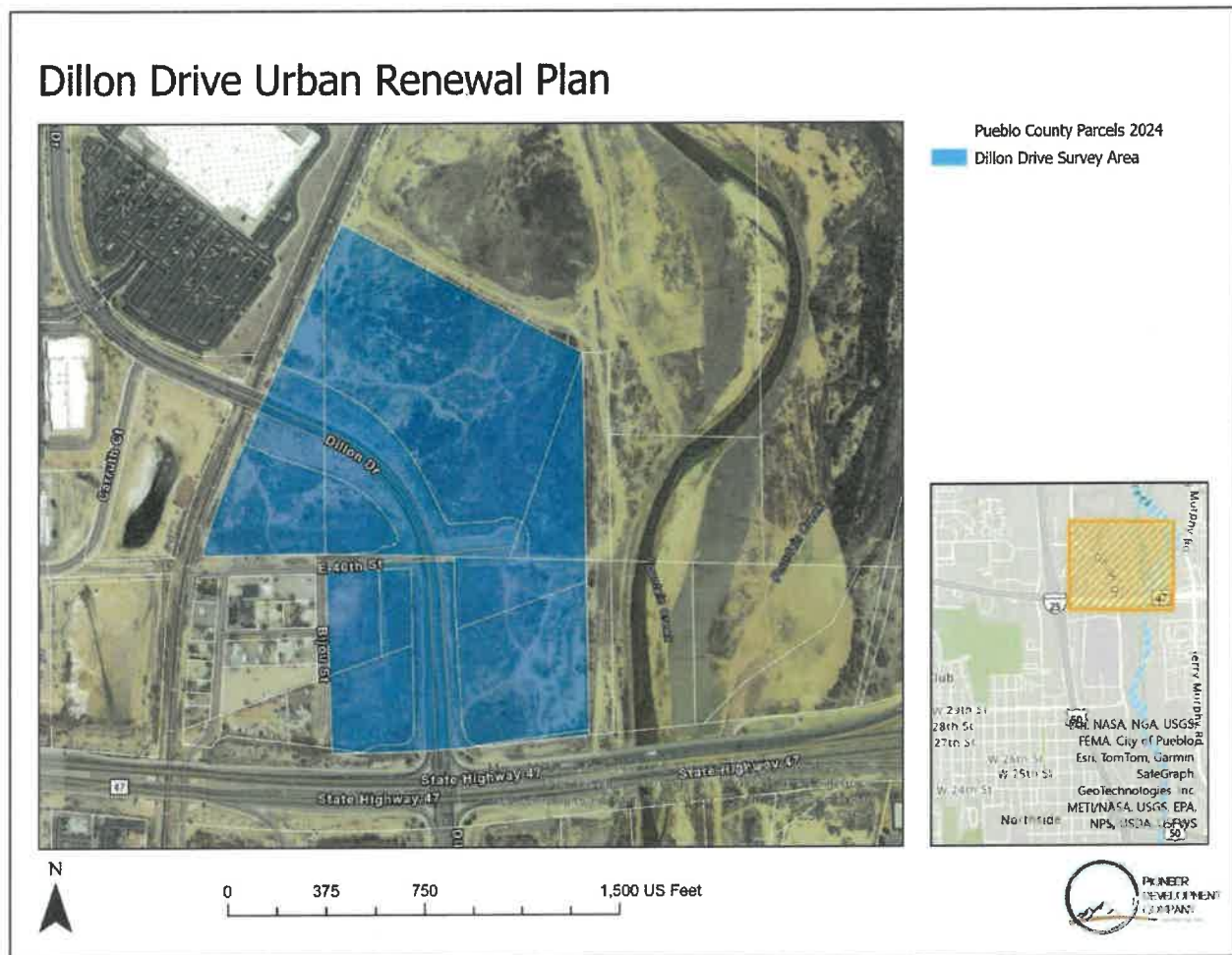


The conditions survey's conclusion is that the proposed Urban Renewal Plan area exhibits the necessary number of blighting factors to make it eligible as an Urban Renewal Plan according to state statute. This conditions survey identified eight (8) blighting factors within the area, listed in the table below:

Conditions Survey – Blighting Factors Catalogued	
Blighted Area Factor # (C.R.S. 31-25-103.2 List Label)	Definition
Factor 1 (a)	Slum, Deteriorated, or Deteriorating Structures
Factor 2 (b)	Predominance of Defective or Inadequate Street Layout
Factor 3 (c)	Faulty Lot Layout in Relation to Size, Adequacy, Accessibility, or Usefulness
Factor 4 (d)	Unsanitary or Unsafe Conditions
Factor 5 (e)	Deterioration of Site or Other Improvements
Factor 6 (f)	Unusual Topography or Inadequate Public Improvements or Utilities
Factor 10 (j)	Environmental Contamination of Buildings or Property.
Factor 11 (k.5)	The Existence of Health, Safety, or Welfare Factors Requiring High Levels of Municipal Services or Substantial Physical Underutilization or Vacancy of Sites, Buildings, or Other Improvements

# Conditions Survey Summary

## Dillon Drive Urban Renewal Plan



## Survey Area

The survey area evaluates ~46.5 acres and 14 parcels within Pueblo's municipal boundaries. This survey used Pueblo County Open Data to create GIS maps for the analysis.

This survey area is in the City of Pueblo's north-central area and is bisected by Dillon Drive. The survey area is bisected by Dillon Drive and is bounded by the jointly operated BNSF/Union Pacific Colorado Joint Line to the west, Hwy 47 to the south and Fountain Creek to the East (just outside the project area's boundary line). The northern boundary of the proposed plan area is adjacent to vacant land.

## Area Description

The survey area encompasses 14 parcels and ~46.5 acres. All property within the survey area is located within the City of Pueblo's municipal limits. The area is predominantly zoned I-2 Industrial. However, there are two other zoning districts that overlay the parcels. These districts include the City's S-1 Governmental Services district, and the S-3 Floodplain district. The survey area is located within the Arterial Commercial Mixed-Use future land use designation.

The survey area is characterized by vacant and underutilized land. The area is also within a FEMA designated Special Flood Hazard Area (AE). This SFHA designation is commonly known as the 100-year floodplain and impacts future development throughout the survey area. The area also exhibits rolling topography and irregularly shaped parcels. Despite being bisected by Dillon Drive and being adjacent to Hwy 47, the area has no direct access to the surrounding arterials. Apart from one parcel, ingress and egress points will need to be constructed to facilitate traffic flow with the parcels and the surrounding road networks. There were also large homeless encampments within the survey area.

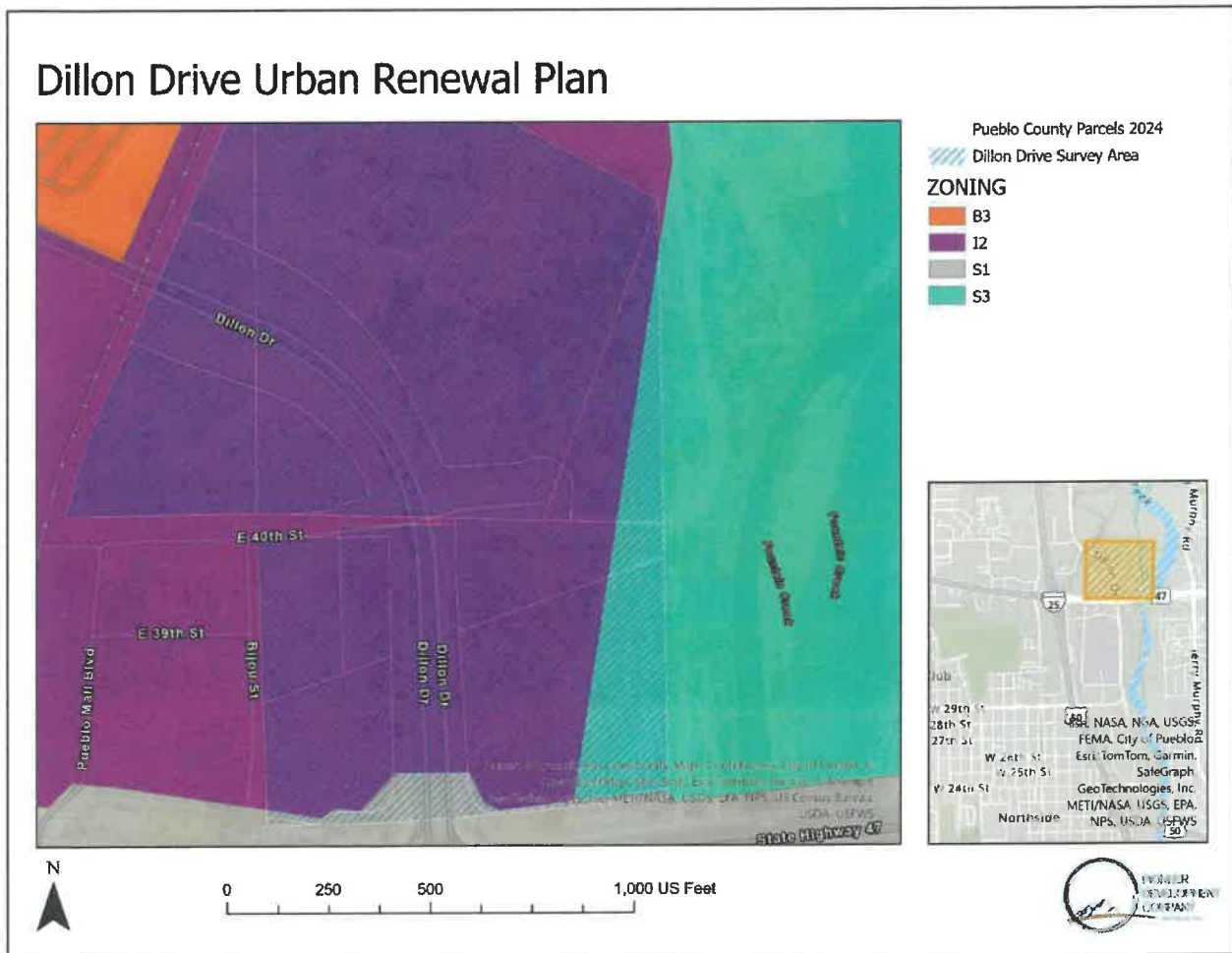
The Plan Area's statistics are described in the table below:

Conditions Survey Land Use Summary			
Area Statistics			
Total Parcel Area (Acres)			46.49
Number of Parcels in Area			14
Assessment Type	Parcel Count	Acreage	Percent Total Acreage
Tax Exempt	5	9.79	25%
Commercial	8	34.98	75%
Residential	1	1.71	4%
Zoning Type <sup>2</sup>	Parcel Count	Acreage	Percent Total Acreage
I-2: Industrial District	10	42.15	91%
S-1 Governmental Services	3	0.8	2%
S-3 Floodplain	4	3.54	8%
Assessed Value			Value
Total Actual Value			\$211,502
Total Assessed Value			\$32,670

<sup>2</sup> Zoning Districts may overlap parcels.

The Plan area includes 14 parcels. This parcel count includes five tax exempt parcels that are public right-of-way. The remaining nine parcels are privately owned. The total equalized assessed value (taxable value) of these parcels, according to the County Assessor's database 2024 valuations, is \$32,670. The total actual value of these parcels, according to the County Assessor's database 2023 valuations is \$211,502.

# Dillon Drive Urban Renewal Plan

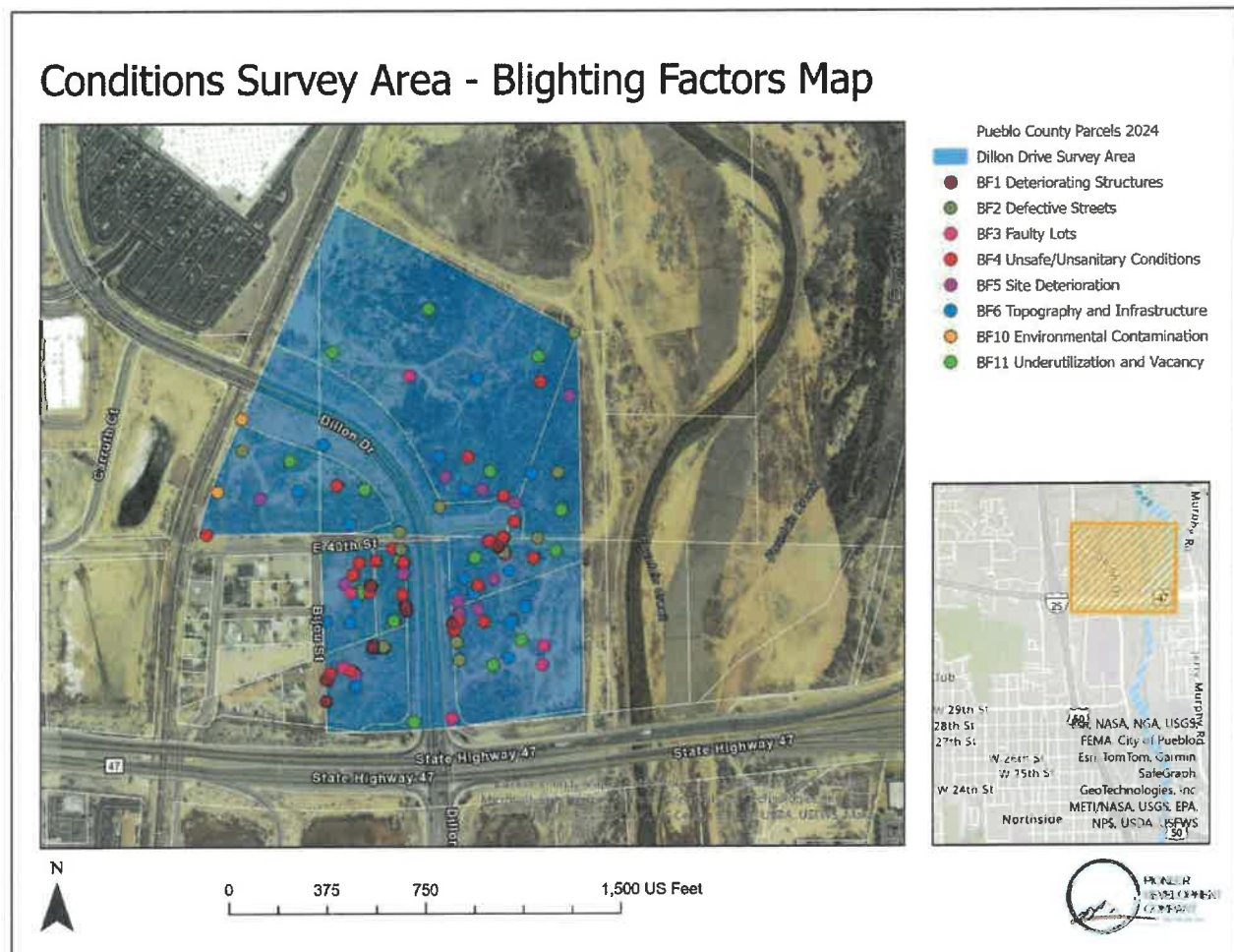




# Methodology

This Conditions Survey utilized a holistic methodology in determining whether blighting factors exist within the proposed Urban Renewal survey boundary. This methodology included a detailed literature review of adopted plans and reports, an analysis of County Assessor records and GIS databases, and a field visit. Field work was supplemented by GIS technology that geolocated and recorded potential blighting factors throughout the survey area. Maps were created for each blighting factor identified within the survey area, illustrating which parcels contain, or are in proximity to, statutorily defined blighting factors. These maps represent the layered information gathering approach used in this report to ensure that each blighting factor was thoroughly analyzed.

## Conditions Survey Area - Blighting Factors Map



# Evaluation of Blighting Factors

## Defining Blighting Conditions

Colorado Revised Statutes 31-25-103 states that for an Urban Renewal Plan area to be established, there must exist certain conditions known as “blighted area factors” (Blighting Factors). State statute defines eleven separate factors for blight. The law indicates that if four or more of these factors are found in an area of the municipality, that area may be declared blighted and qualify for urban renewal treatment<sup>3</sup>.

## Blighted Area Factors Defined:

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

These eleven factors define the “conditions” that are arresting the municipality’s sound development. Per statute, these factors give “reason” to declare an area “blighted”, provided that a specific number of factors are identified. The presence of at least four of these conditions satisfies the state statute defining an area blighted.

This Conditions Survey will unpack each blighting factor to describe various real world “conditions” that indicate the presence of said factor. Only one factor need be identified for a municipality to declare the need to establish an urban renewal authority. An Urban Renewal Plan or Project requires at least four factors identified within its boundaries. It is the culmination of four or more blighting factors which indicate that renewal activities should be applied within the proposed project area.

Blighting Factors were identified based on an objective analysis and urban renewal best practices. The following sections outline the blighting factors found to exist within the survey area. Blighting factors that were not identified are excluded from this report.

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<sup>3</sup> In addition to this list, C.R.S. 31-25-103(2) lists a twelfth condition. This final condition only applies when there is unanimous agreement among affected property owners that their properties can be included in an Urban Renewal Area. In this occurrence, only one blighting factor from the list of eleven needs to be identified to declare the area blighted.

## Factor (a) – Slum, Deteriorated, or Deteriorating Structures

### Description:

This factor refers to the current condition of structures in the survey area as a whole. When the physical condition of structures in an area foment negative perceptions and a corresponding decline in values, it typically signals the existence of this factor. Conditions that would justify the inclusion of this factor in an area may include:

- A deterioration of the building elements, such as cladding, fenestration, roofing, overhangs, fascia and soffit, or the foundation of a structure
- A deterioration of outside elements such as fencing, gates, fire escapes, outdoor lighting, loading areas, gutters and downspouts
- Vacant lots or high vacancy rates in the offices/businesses/apartments are evidence this factor exists in an area
- Decline in property value over time

### Findings

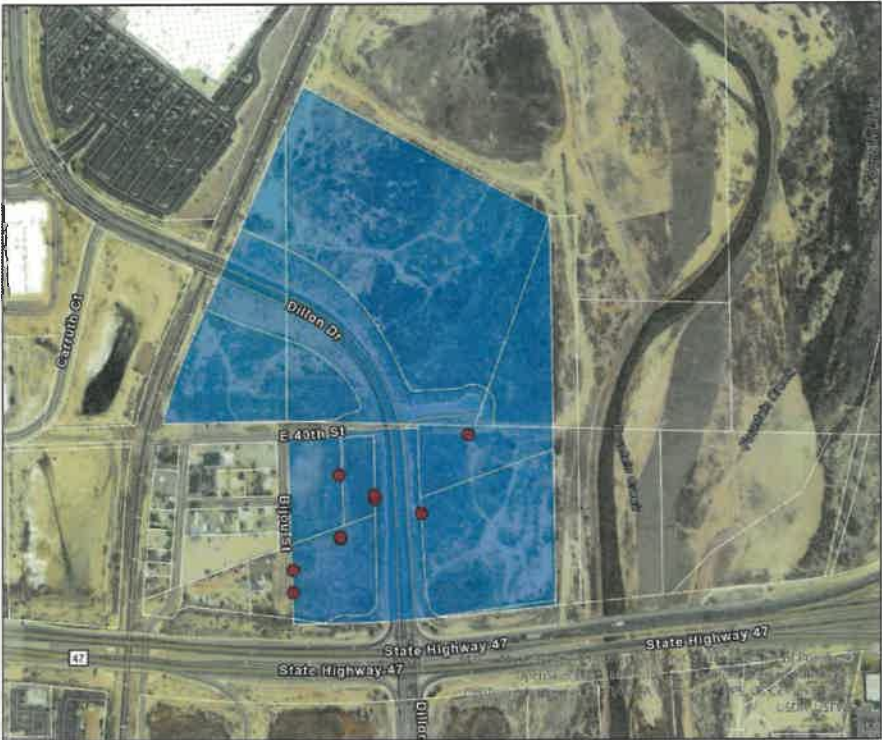
*Vacant land is the predominant characterisitic throughout the survey area. However, there were some deteriorating structures identified during the field visit, especially on the parcels nearest Bijou Street. The field visit identified a deteriorating residential structure, deteriorating fencing along the site, and obvious vacant lots.*

*The other conditions identified during the site visit included landscaping and fencing deterioration. The site is clearly underutilized, with weeds and tall grasses dominating the landscape. There were a few fences identified around the perimeter of the area that have also fallen into disrepair. The three parcels to the west of Dillon Drive have dilapidated fencing along the various property lines while the two parcels to the east of Dillon Drive have fencing around the perimeter of the property which is in disrepair. The wired fencing has been pried apart in areas, while other sections are no longer standing upright.*

*The frequency of deterioration of the structure and fencing indicates the presence of this blighting factor.*



# Blighting Factor (a) - Deteriorating Structures



- Pueblo County Parcels 2024
- Dillon Drive Survey Area
- BFI Deteriorating Structures



## Factor (b) – Predominance of Defective or Inadequate Street Layout

### Description:

This factor refers to surface transportation conditions throughout the survey area. Surface transportation conditions may include road surface quality, the location or existence of streets and sidewalks, multi-modal improvements, traffic safety infrastructure, ingress/egress locations, and emergency access considerations. If surface transportation conditions exist that negatively impact sound development, redevelopment, or threaten safety, the survey includes this factor in its catalogue.

Examples of this factor include:

- Inadequate street widths
- Lack of streets, dead ends
- Overall faulty layouts that impede vehicular access and internal circulation
- Inadequate Traffic Safety facilities
- Streets that exhibit high degrees of traffic or accidents
- Streets that are in need of repair or reconstruction
- Poor emergency access or active transportation

### Findings

*The survey area exhibited inadequate street networks, lack of streets, inadequate traffic safety facilities, streets that exhibit high degrees of traffic, streets in need of repair, poor emergency access and poor active transportation. Field work frequently identified conditions indicating the presence of this blighting factor.*

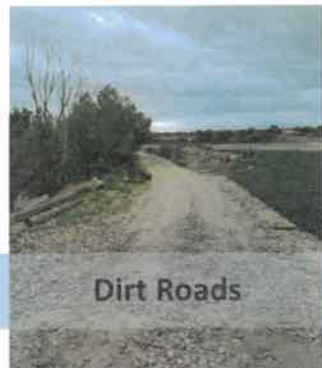
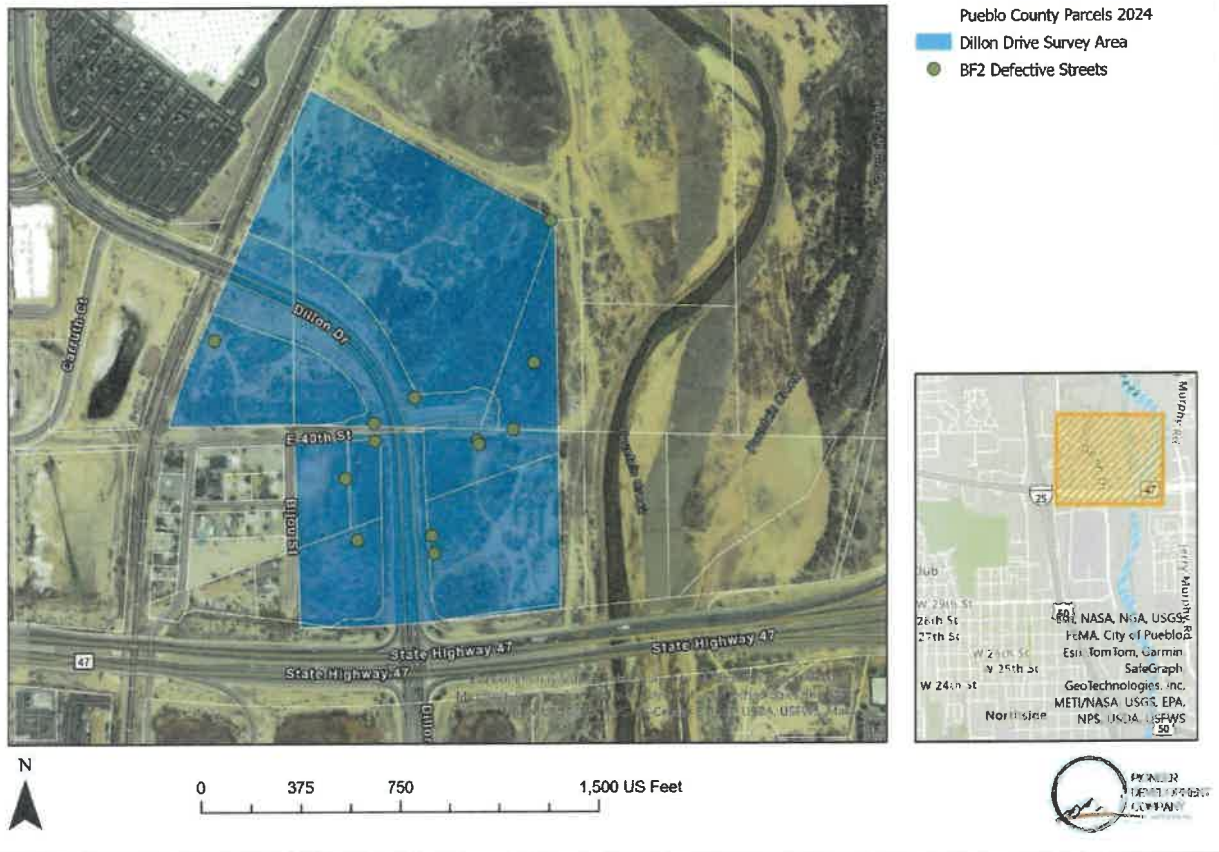
*Despite being a large area bounded by some of the City's busiest arterials, there are no paved internal streets or parking lots within the subject parcels. The three parcels to the west of Dillon Drive have no connecting streets or infrastructure with the existing surrounding network and are inaccessible by vehicle. This inaccessibility and lack of infrastructure also yields faulty lot layouts and poor emergency access. Active transportation facilities are non-existent, which may create future development issues given the area's proximity to major arterials and Fountain Creek.*

*The parcels east of Dillon Drive do not directly access the surrounding road network. Ingress and egress points will need to be constructed, and access permits acquired. The northern parcel to the east of Dillon Drive has one street connection with the existing network, but it is a dead-end route with the concrete surface stopping abruptly at the vacant lot. There is then a dirt road which accesses the internal areas of the site, but this road is dirt and would need to be reconstructed. Access is further complicated because of steep topography and grades within the site area.*

*The survey area is divided by Dillon Drive which is a busy connector street, with 4 lanes of traffic and a center turning lane. The intersection between Dillon Drive and East 40<sup>th</sup> Avenue in the north section of the survey area is a two way stop intersection with the stop signs on 40<sup>th</sup> Avenue that funnel out onto the busy road of Dillon Drive. Future development of the area will likely trigger traffic safety improvements throughout the area, which are absent currently. The street conditions and lack of improvements signal this factor's presence.*



## Blighting Factor (b) - Defective Streets



## Factor (c) – Faulty Lot Layout in Relation to Size, Adequacy, Accessibility, or Usefulness

### Description:

This factor refers to shapes, layout and sizes of lots that complicate sound development and the usefulness of the property. Common conditions that indicate this factor's presence in a survey area includes:

- Impractical Lot Layouts
- Narrow, Irregular, or Oddly Shaped Parcels
- Parcels Too Large or Too Small to Facilitate Development
- Lot Configurations that Yield Unproductive Conditions on the Land as Exhibited by Misuse or Nonuse
- Easements or Setbacks that Yield Unproductive Conditions on the Land as Exhibited by Misuse or Nonuse.

### Findings

*The survey area features fourteen parcels, all of which exhibit narrow, irregular, or oddly shaped features. These features and their corresponding nonuse and misuse conditions underscore this factor's presence.*

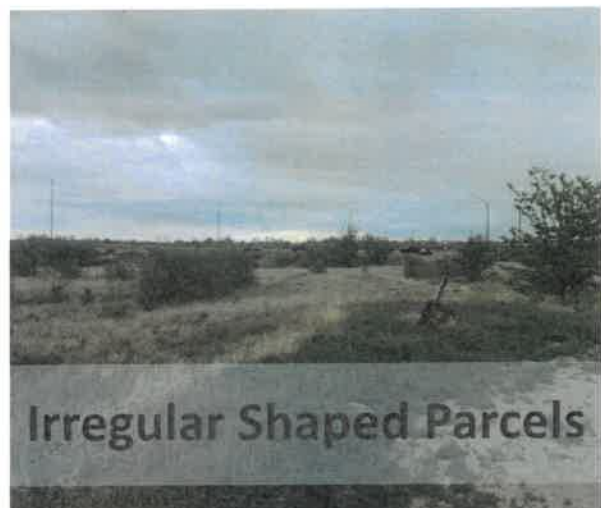
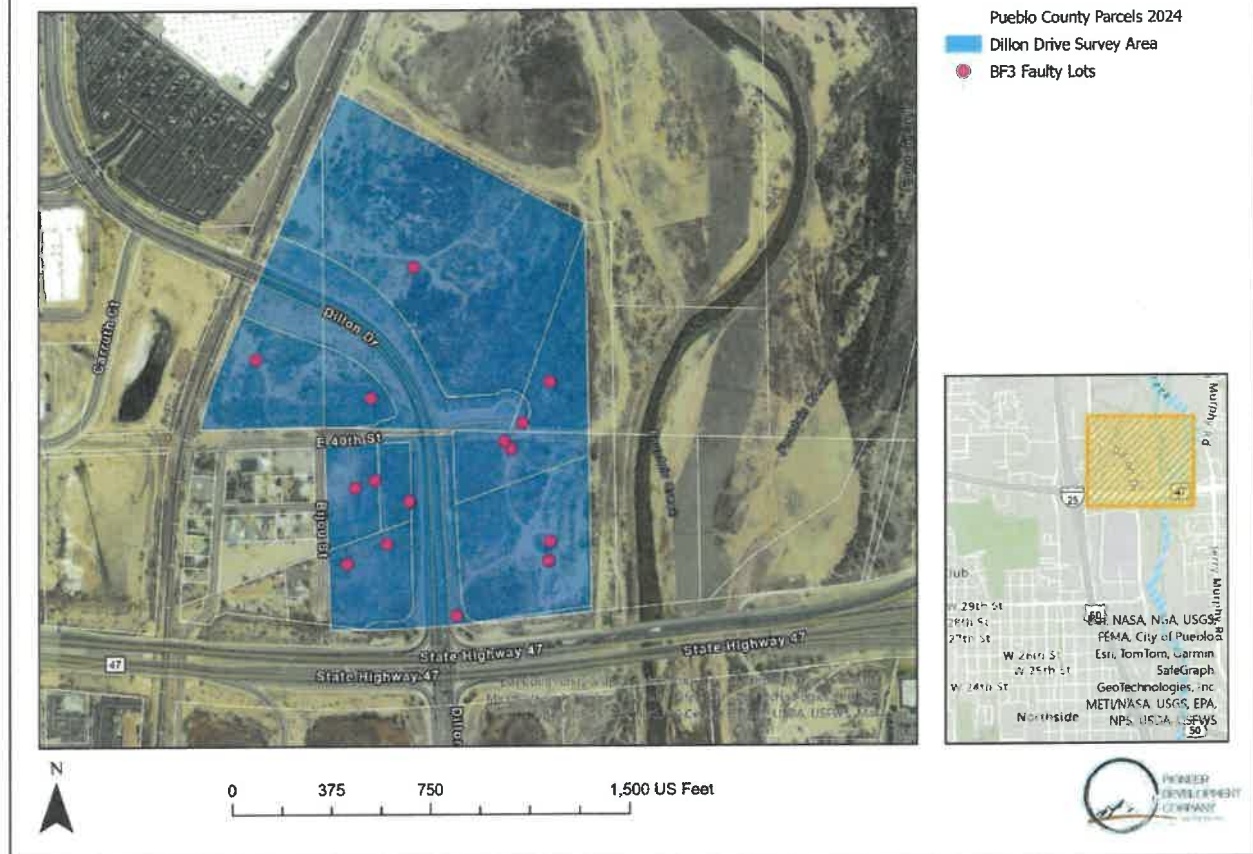
*Each of the 14 parcels in the survey area are irregular and oddly shaped. The parcels are non-rectangular, with diagonal lot lines and narrow parcels. The ROW parcel(s) encompassing Dillon Drive contributes to the odd shapes of the surrounding parcels. There are a few fragmented parcels throughout the area, too small to be developable. Lot consolidation or boundary adjustments may be required to adequately activate the property for development.*

*This blighting factor is often identified not simply by parcel shape, but also the nonuse or misuse of the parcels. These corresponding conditions characterize the parcels evaluated by this conditions survey. Each parcel is vacant and underutilized within the survey area, suggesting that the current parcel configurations yield unproductive development conditions. The large parcel in the survey area's northern extent*

*The evidence of parcel irregularity, nonuse, and misuse on the survey area exemplify this factor.*



## Blighting Factor (c) - Faulty Lots



## Factor (d) – Unsanitary or Unsafe Conditions

### Description:

This factor refers to a multitude of unsanitary, unsafe or hazardous conditions. The commonality is that these conditions contribute to hazards that could have an adverse effect on the health, safety or wellbeing of the public. This factor shares similarities to conditions one (1), five (5), eight (8), nine (9) and ten (10). Conditions that would justify the inclusion of this factor in an area may include:

- Floodplain or flood prone areas
- Poor storm water drainage areas
- Cracked or uneven sidewalks
- Hazardous materials
- Hazardous geology or soil conditions
- Dangerous traffic or pedestrian conditions
- High crime statistics
- Facilities are prone to fire dangers
- Environmental contamination
- Inadequate utility systems
- Water scarcity and lack of water and sewer infrastructure
- Evidence of vandalism or homelessness
- Steep topography
- Trash, debris and noxious weeds

### Findings

*This factor includes multiple conditions identified within the survey area. The conditions include floodplain, poor storm water drainage areas, inadequate utility systems, lack of sewer infrastructure, evidence of homelessness, steep topography, and the presence of trash and weeds.*

*The most notable condition under this blighting factor is the floodplain. Nearly all of the survey area falls within the 100-year floodplain, as designated by FEMA's Special Flood Hazard Area AE. The area is near Fountain Creek, and portions of its easternmost parcel touch or overlap with this floodway. The fact that this survey area falls within the 100-year floodplain marks this blighting factor's presence.*

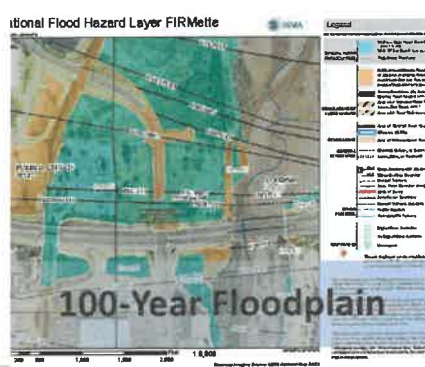
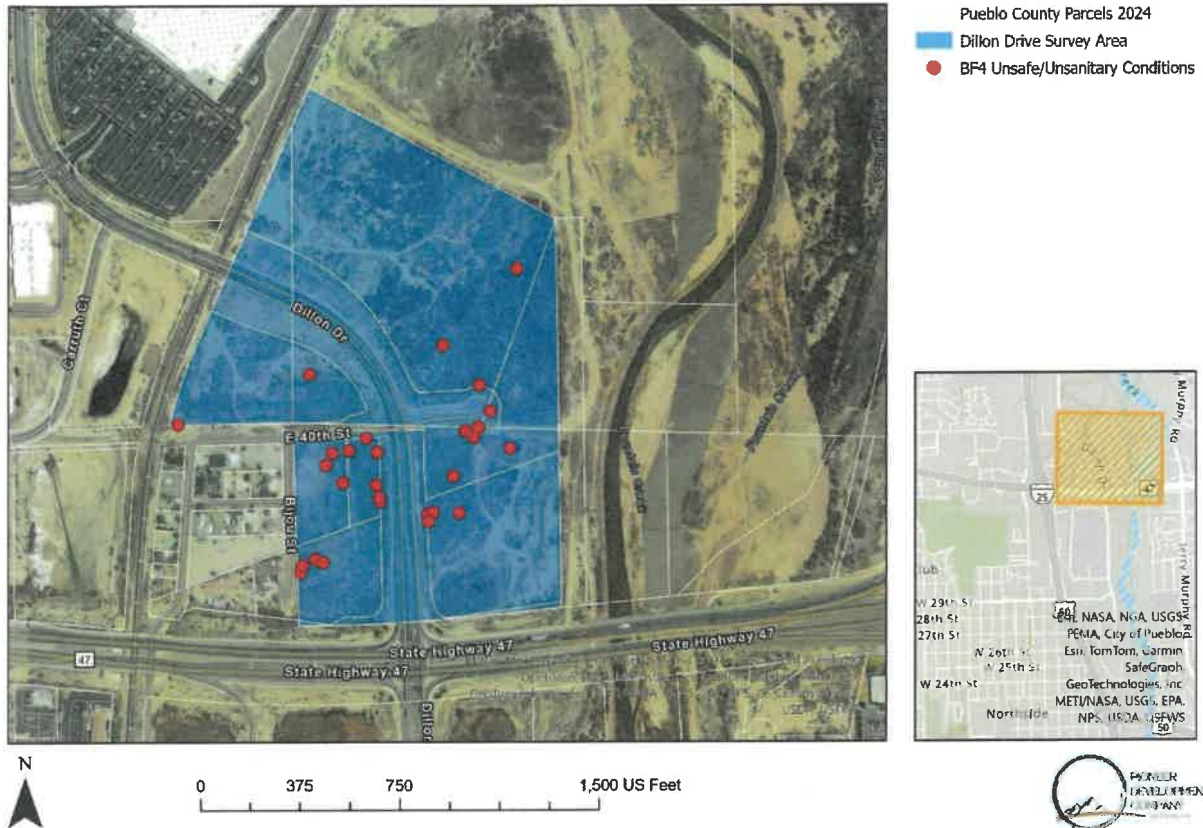
*There are other conditions that were also identified during fieldwork. The survey area lacks storm water drainage systems, a major concern to future development because of the floodplain. There is also no central infrastructure or utilities within the surveyed parcels. Trash and debris were frequently observed scattered throughout the survey area also. It appeared that portions of the site have been used for dumping trash and establishing homeless encampments. During fieldwork, PDC was approached by service workers warning about the large homeless encampment on the northernmost property. The trash in this area was prolific.*

*Steep topography and noxious weeds were another condition highlighting the presence of this factor. The survey area has steep topography on either side of Dillon Drive. Steep topography was especially prevalent in the southern parcel to the east of Dillon Drive. In addition to steep topography, noxious weeds are present throughout the site. The land has been vacant so various types of weeds have grown and spread.*

*These conditions, especially the presence of the 100-year floodplain, underscore the presence of this factor.*



## Blighting Factor (d) - Unsanitary/Unsafe Conditions





# Factor (e) – Deterioration of Site or Other Improvements

## Description:

This factor considers conditions of the site or its infrastructure. It is similar to factor two (2) and four (4), in that it focuses on the deterioration of exterior elements, and/or the current condition of public infrastructure. A visual deterioration of exterior elements, or a decline of public infrastructure, are examples of this factor. Private land and/or structures that have fallen into disrepair or are damaged also exhibit this factor. Conditions that would justify the inclusion of this factor in an area may include:

- Poor condition of streets or sidewalks
- Signage, such as billboards, that has fallen into disrepair
- Neglected Landscaping
- Damaged or missing public utilities
- Abundance of trash, debris or noxious weeds.

## Findings

*This factor includes conditions that contribute to a negative perception throughout the survey area.*

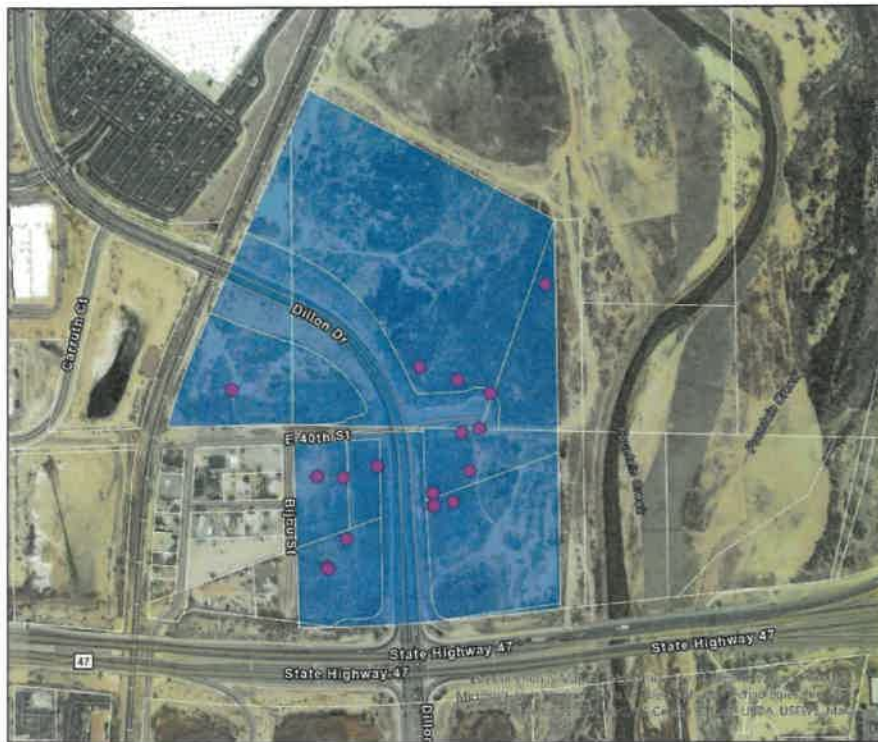
*These conditions may include deteriorating outside elements such as signage, trash and debris, neglected landscaping, and missing public infrastructure. Many of these conditions were also identified in Factor 1 and Factor 4.*

*Neglected landscaping and missing public utilities were evident in the study area and highlight the presence of this factor. The survey area exhibits neglected landscaping, as evidenced by the deteriorating fencing, trash and debris piles, and overgrown weeds. Public utilities such as water and sewer infrastructure are missing, as mentioned in Factor 4. Streets that have fallen into disrepair also exhibited weeds growing through cracks in the asphalt or overgrowing the ROW.*

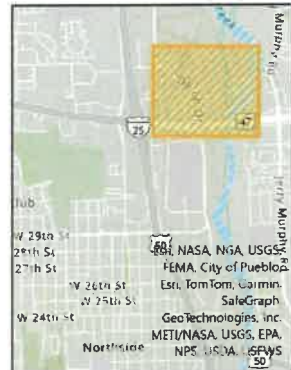
*Sign disrepair was present in the survey area on multiple parcels with dilapidated 'for sale' signs. The signs have evidence of weathering, peeling paint, and neglect.*

*The combination of signage disrepair, neglected landscaping, damaged or missing public utilities, and trash, debris, and weeds in the survey area justified this blighting factor's inclusion.*

## Blighting Factor (e) - Site Deterioration



- Pueblo County Parcels 2024
- Dillon Drive Survey Area
- BFS Site Deterioration



## Factor (f) – Unusual Topography or Inadequate Public Improvements or Utilities

### Description:

This factor refers to unusual topography or lack of public infrastructure that have the effect of arresting sound development in a study area. Areas that exhibit steep grades which cause development to be incompatible or unprofitable would fall under this factor. Properties that are lacking public infrastructure, or are served by deteriorating public infrastructure, would also fall under this factor. This factor shares aspects of factors two (2), four (4) and five (5). Conditions that justify the inclusion of this factor in an area may include:

- Steep slopes or unusual terrain
- Overhead utilities in need of repair
- Deteriorating parking lots, street surfaces, sidewalks
- Poor storm water drainage facilities
- Lack of central sewer or water
- Lack of internal street network
- Broken or inadequate street lighting

### Findings

*Blighting factors two (2), four (4) and five (5) identified conditions that also underscore the presence of blighting factor six (6) within the survey area. Inadequate public improvements or infrastructure, such as the missing road networks in factor two (2), and missing stormwater facilities identified in factor four (4) also serve as examples of blighting factor six (6).*

*The survey area has varying topography which is especially apparent in the areas abutting Dillon Drive. The large parcel in the survey's northern limits experiences a significant depression from the roadway, so much so that substantial grading and stormwater infrastructure will be required for future development. This undulating topography was also exhibited in southern parcel to the east of Dillon Drive and along parcels adjacent to Fountain Creek. The terrain of the entire survey area is at a lower level than Dillon Drive and Highway 47, which explains why this area falls within the 100-year floodplain.*

*In addition to steep slopes, the area is missing public infrastructure necessary for redevelopment. These vacant properties are large in terms of acreage, and central services and roadways will need to be extended in order to activate the properties. Extending these services will be challenging on account of the steep and varied infrastructure. The floodplain also presents development challenges for extending this infrastructure.*

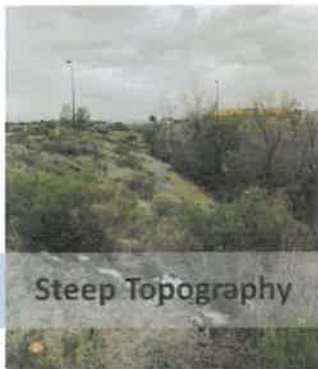
*The presence of each of these conditions justifies this blighting factor's inclusion.*



## Blighting Factor (f) - Topography and Infrastructure



- Pueblo County Parcels 2024
- Dillon Drive Survey Area
- BF6 Topography and Infrastructure



Steep Topography



Unusual Terrain



No Street Network



Missing Central Services

## Factor (j) – Environmental Contamination of Buildings or Property

### Description:

This factor refers specifically to the environmental contamination of buildings or property. In this regard, it shares many similarities with factors four (4) and eight (8). Conditions that would justify the inclusion of this factor in an area may include:

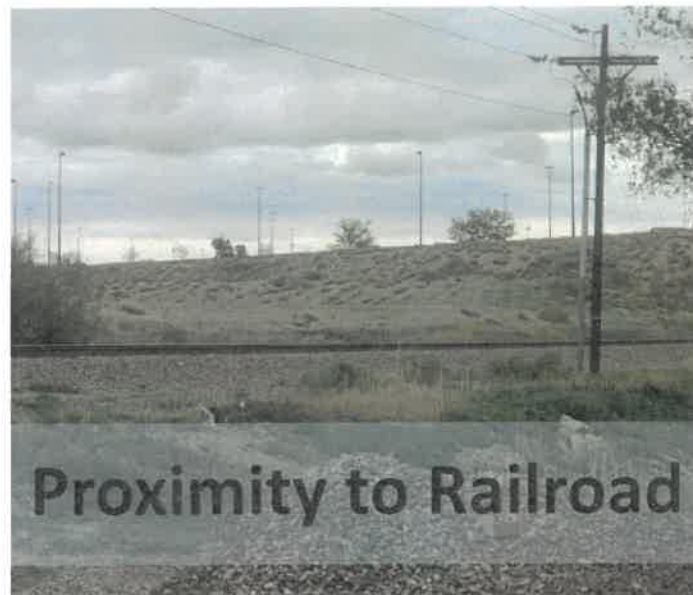
- The presence of hazardous materials in buildings or property

### Findings

*The Plan area includes a feature that yields a propensity for environmental contamination. The feature is a railroad corridor that transects the Plan area's western boundary. Railroad lines can contaminate surrounding soils with hazardous materials. Railroad operations often lead to the presence of Recognized Environmental Contaminants (RECs) through various means, including contaminants such as creosote, metals and petroleum products. There is also a propensity for soil contamination to occur from debris/spills associated with railroad activity. This contamination can be the result of years of use, spills, or former maintenance of the lines. The soil contamination may require remediation efforts along the rail line, which can complicate future development within the area. The presence of a railroad is often enough evidence to warrant the inclusion of this factor, even without Phase 1 or Phase 2 Environmental Site Assessments.*

*These potential contaminants present challenges for redeveloping the properties adjacent to the rail corridor. Remediation efforts for contaminated soil can be costly and time-consuming, impacting project timelines and budgets. Additionally, depending on the severity of the contamination, the developer may be required to implement specific mitigation strategies during construction to protect workers and future residents. Therefore, Phase 1 and Phase 2 Environment Site Assessments are advisable before development commences. These tests will determine the extent of the blighting factors and whether a remediation plan is necessary.*

● **BF10 Environmental Contamination**





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

### Description:

This factor references a broad category of health, safety and welfare factors. The common conditions for this factor to be present are instances where high levels of municipal service are required, substantial physical underutilization of property is exhibited, or high levels of vacancy are common. Vacancy can include land, buildings, or tenancy. This factor shares similarities with many of the factors on this list. Conditions that would justify the inclusion of this factor in an area include:

- Numerous vacant buildings or property throughout the area
- Evidence of underutilized buildings
- Underutilized or vacant sites
- Broken or inadequate street lighting

### Findings

*The survey area is characterized by vacant and underutilized parcels throughout its ~46.5 acres. This vacancy and underutilization are conditions that fall under Blighting Factor k.5.*

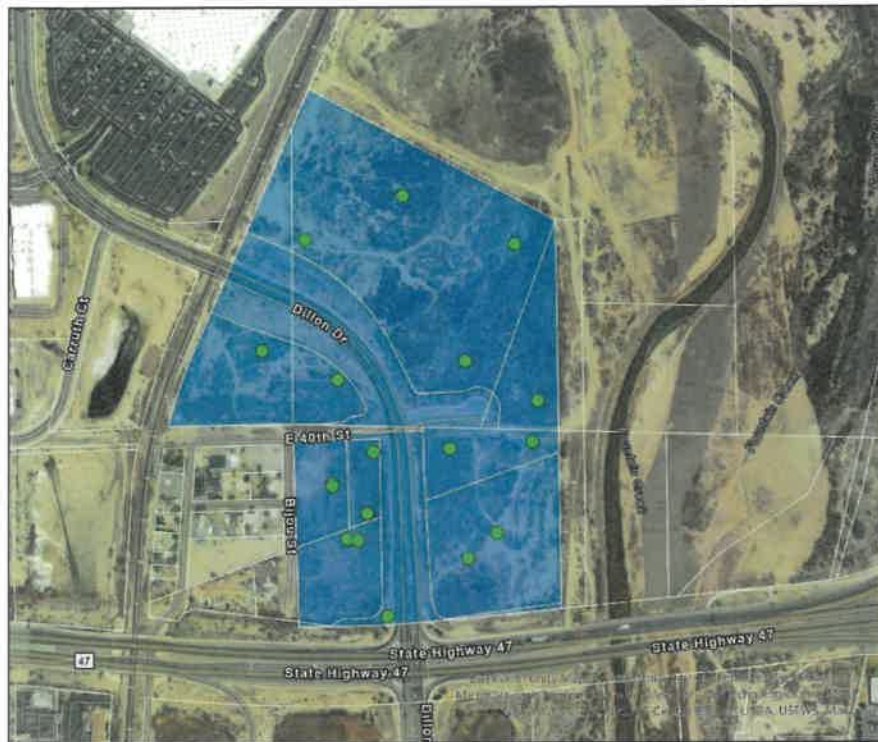
*Each of the 14 parcels in the survey area are vacant and underutilized. The parcels have been vacant for an extended amount of time which has allowed noxious weeds to grow and trash to be dispersed throughout. The one structure present in the survey area is vacant and underutilized which has further progressed its dilapidation and disrepair.*

*It should be noted that this vacancy is unique to the surrounding area. Development is occurring adjacent to the proposed Plan area, and also to the southwest. The fact that development is occurring around this survey area indicates that the market would support development in this location. Dillon Drive also represents a major infrastructure improvement, with four lanes separated by an island within the survey area. This infrastructure is designed in a way that anticipates development, but at the moment, it appears oversized and out of place. The surrounding development pressure and presence of large arterials highlight the fact that blighting factors are arresting sound development from occurring in this location.*

*The level of vacancy and underutilization is direct evidence for the inclusion of this blighting factor.*



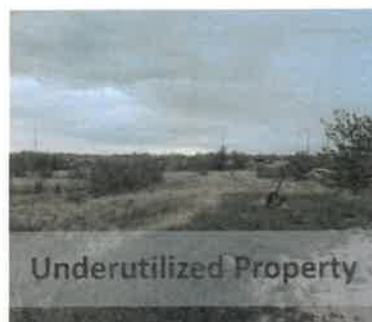
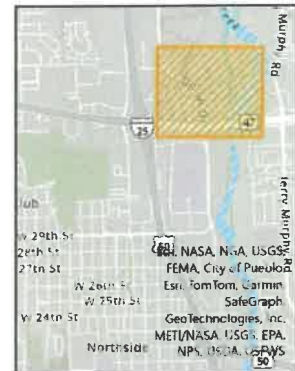
## Blighting Factor (k.5) - Underutilization or Vacancy



Pueblo County Parcels 2024

Dillon Drive Survey Area

BF1.1 Underutilization and Vacancy



# Conclusion

This Conditions Survey catalogs the presence of statutorily defined blighting factors within the proposed Dillon Drive Urban Renewal Plan area. This report was designed to assist Pueblo URA in determining whether this area is 1) eligible for urban renewal projects and activities, and 2) that the proposed boundary is drawn as narrowly as possible.

This Conditions Survey identified eight (8) blighted area factors as defined by Colorado's Urban Renewal Law, within the City's municipal limits. The presence of eight blighting factors meets the requirements outlined in (C.R.S. 31-25-104), in which at least four blighting factors must be present for that area to be declared "blighted" and therefore eligible to be designated as an Urban Renewal Plan area.

The proposed boundary also meets the statutory recommendation of "being drawn as narrowly as possible". The proposed boundary includes 14 parcels with multiple blighting factors present on each parcel.

This Conditions Survey finds that the proposed Dillon Drive Urban Renewal Plan area can be declared a "blighted area" as defined by Colorado's Urban Renewal Law and therefore qualifies for urban renewal treatment.

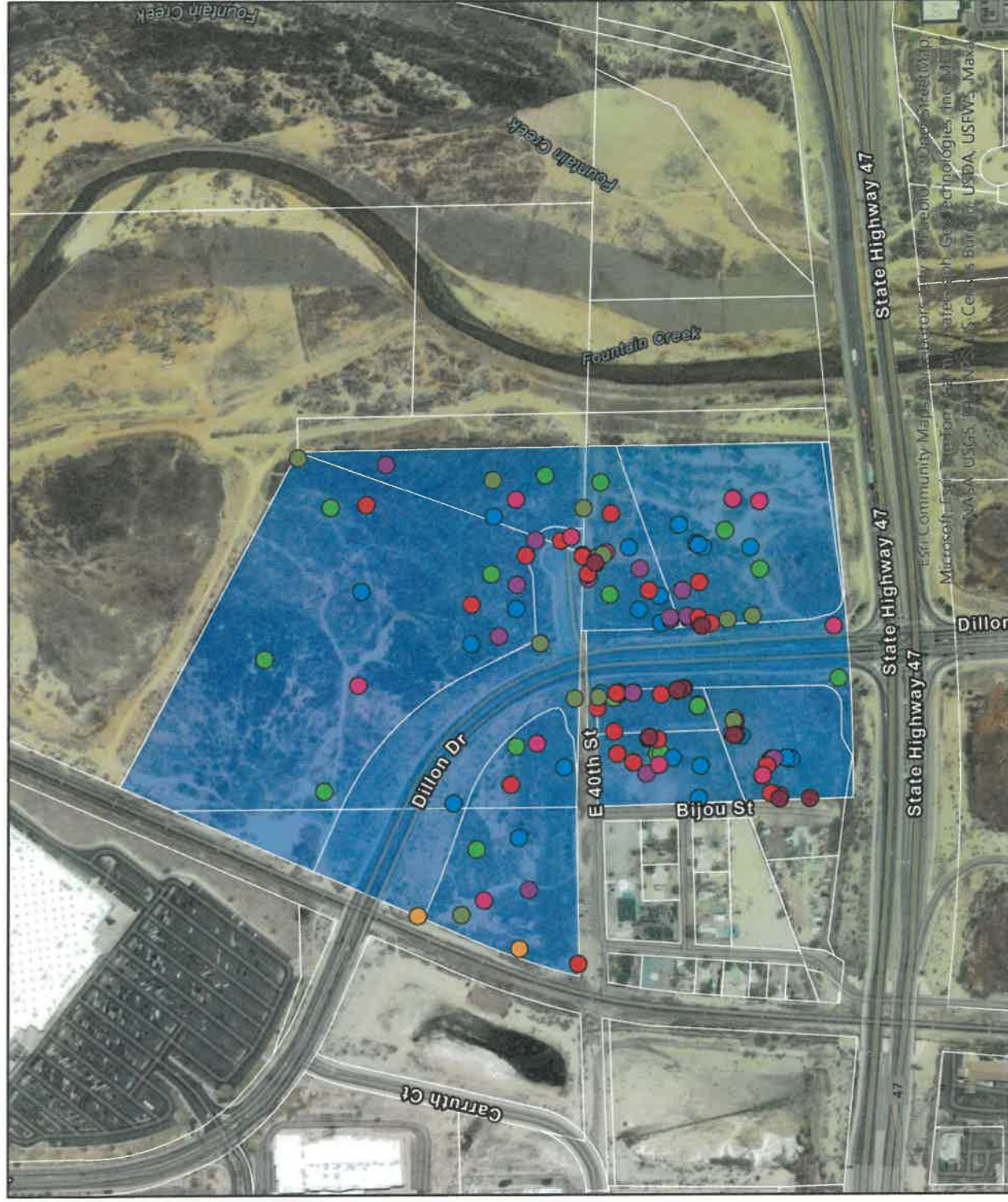
# Appendix

Conditions Survey Maps

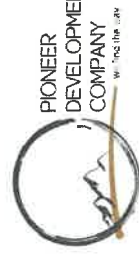
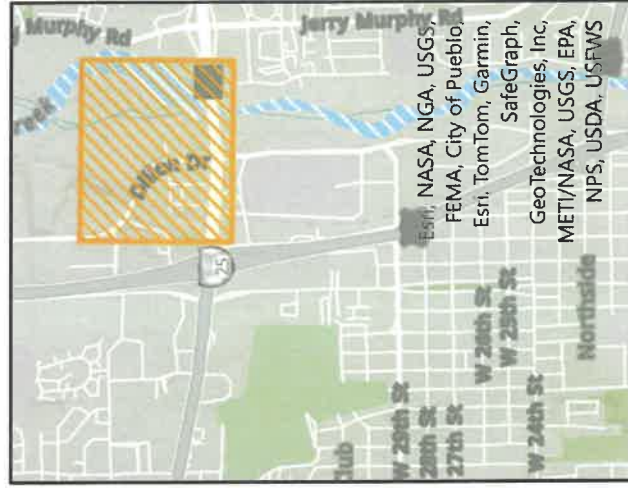
FEMA Flood Insurance Rate Map



# Conditions Survey - Blighting Factors Map



- Pueblo County Parcels 2024
- Dillon Drive Survey Area
- BF1 Deteriorating Structures
  - BF2 Defective Streets
  - BF3 Faulty Lots
  - BF4 Unsafe/Unsanitary Conditions
  - BF5 Site Deterioration
  - BF6 Topography and Infrastructure
  - BF10 Environmental Contamination
  - BF11 Underutilization and Vacancy





# National Flood Hazard Layer FIRMette

104°36'44"W 38°18'50"N



## Legend

SEE FIS REPORT FOR DETAILED LEGEND AND INDEX MAP FOR FIRM PANEL LAYOUT

**SPECIAL FLOOD HAZARD AREAS**

- Without Base Flood Elevation (BFE)  
Zone A, V, AE, AH, AO, AH, AE, AP
- With BFE or Depth Zone AE, AO, AH, AE, AP
- Regulatory Floodway

**OTHER AREAS OF FLOOD HAZARD**

- 0.2% Annual Chance Flood Hazard, Area of 1% annual chance flood with average depth less than one foot or with drainage areas of less than one square mile (Zone X)
- Future Conditions 1% Annual Chance Flood Hazard (Zone X)
- Area with Reduced Flood Risk due to Levees. See Notes. (Zone X)
- Area with Flood Risk due to Levee (Zone D)

**OTHER AREAS**

- NO SCREEN
- Area of Minimal Flood Hazard (Zone X)
- Effective LOMIRs
- Area of Undetermined Flood Hazard (Zone X)

**GENERAL STRUCTURES**

- Channel, Culvert, or Storm Sewer
- Levee, Dike, or Floodwall

**OTHER FEATURES**

- Cross Sections with 1% Annual Chance Water Surface Elevation
- Coastal Transect
- Base Flood Elevation Line (BFE)
- Limit of Study
- Jurisdiction Boundary
- Coastal Transect Baseline
- Profile Baseline
- Hydrographic Feature

**MAP PANELS**

- Digital Data Available
- No Digital Data Available
- Unmapped

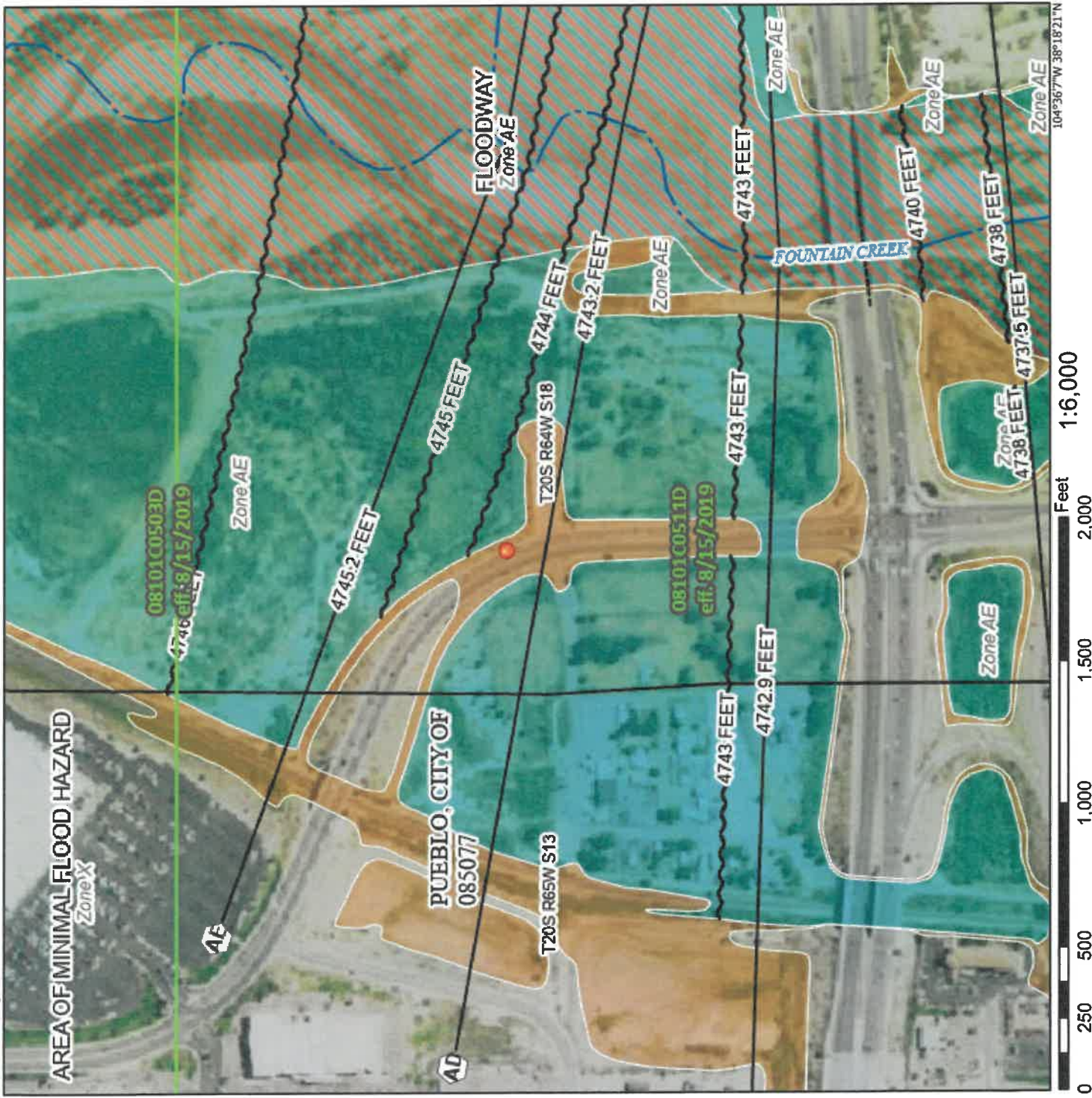


The pin displayed on the map is an approximate point selected by the user and does not represent an authoritative property location.

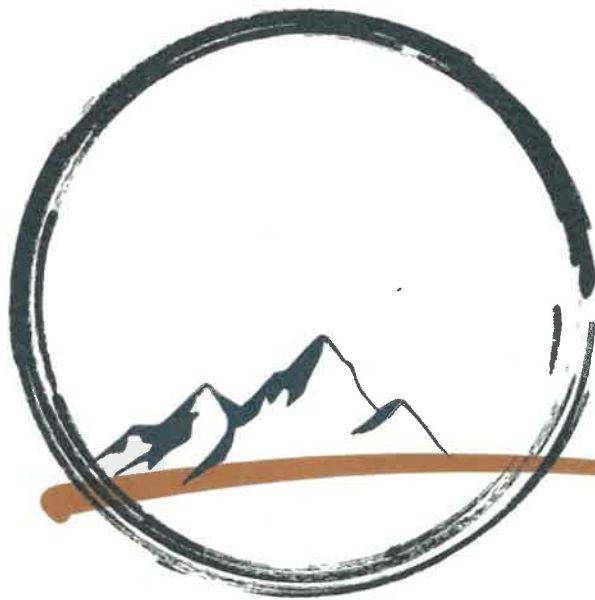
This map complies with FEMA's standards for the use of digital flood maps if it is not void as described below. The basemap shown complies with FEMA's basemap accuracy standards.

The flood hazard information is derived directly from the authoritative NFHL web services provided by FEMA. This map was exported on 7/25/2024 at 11:58 AM and does not reflect changes or amendments subsequent to this date and time. The NFHL and effective information may change or become superseded by new data over time.

This map image is void if the one or more of the following map elements do not appear: basemap imagery, flood zone labels, legend, scale bar, map creation date, community identifiers, FIRM panel number, and FIRM effective date. Map images for unmapped and unmodernized areas cannot be used for regulatory purposes.







PIONEER  
DEVELOPMENT  
COMPANY

we find the way

# Dillon Drive Urban Renewal Plan Impact Report

Pueblo Urban Renewal Authority

September 29, 2024





February 18, 2025

City of Pueblo, Colorado

Dear PURA Board of Commissioners,

This Impact Report is intended to satisfy the requirements outlined in Colorado's Urban Renewal Law, C.R.S. 31-25-107(3.5)I-V and C.R.S. 31-25-107(9.5). According to Statute, the Urban Renewal Impact Report is a supplementary document to the Urban Renewal Plan. It is required if property and/or sales tax are intended to be utilized in the project area for renewal activities. The City of Pueblo's Urban Renewal Authority (PURA) is actively exploring a potential Urban Renewal Plan area titled the "Dillon Drive Urban Renewal Plan". The plan area represents a new Urban Renewal Project that encompasses fourteen parcels within City limits. A mixed-use development has been proposed in this area, however, blighted area factors challenge the project's feasibility. PURA has evaluated the project area for Urban Renewal eligibility and has initiated this Impact Report to forecast tax increment, incentive potential, and impacts on partnering taxing entities. Because the proposed Dillon Drive Urban Renewal Plan intends to utilize tax increment financing (TIF) within the project area, an Impact Report is required prior to adopting the Plan.

This Impact Report meets the minimum requirements defined by C.R.S. 31-25-107(3.5)I-V and C.R.S. 31-25-107(9.5), and has been designed to provide PURA with a realistic forecast of tax TIF that will be generated via blight remediation, investment attraction and redevelopment. The forecast in this report is informed by the proposed development's site plan. A pro forma has not yet been submitted, and so this report's development forecast is based on the site plan and market characteristics. Only parcels with submitted conceptual development plans have been included in this tax revenue forecast. This information is supplemented by interviews with PURA Staff and a regional market analysis. The forecast is intentionally conservative and is informed by community development needs that have been highlighted by this Board and the public. All forecasts are designed to show a "maximum impact scenario", meaning that all potential TIF is quantified, and all possible millage rates and sales tax rates have been leveraged towards increment generation. This design is intended to forecast the Plan's maximum possible TIF generation and provide each taxing entity with an impact assessment.

The goal of this report is to provide PURA with a realistic forecast of impacts to better inform negotiations with impacted taxing entities and ensure that the Dillon Drive Urban Renewal Plan succeeds in bringing about the renewal expected by the community.

Sincerely,

Andrew Arnold  
Founder | Principal  
Pioneer Development Company  
Durango, Colorado

CC: Jerry Pacheco and Cherish Deeg

# Table of Contents

Executive Summary.....	3
Dillon Drive Urban Renewal Plan Summary.....	5
Project Area Existing Conditions .....	6
Tax Area and Millage Rates .....	7
Comprehensive Plan .....	8
Current Assessment of Plan Area .....	8
Impact Report Methodology.....	9
Tax Increment Financing Summary.....	13
Projected Assessment and Phasing .....	13
Property Tax TIF Projections .....	14
Dillon Drive Urban Renewal Plan TIF Projections .....	14
Sales Tax TIF Projections .....	16
Taxing Entity Impacts .....	17
Impact Summary .....	18
Pueblo County.....	19
Revenue Impacts.....	19
Infrastructure and Service Impacts.....	19
County Impact Conclusion .....	20
Pueblo School District 60 .....	21
Revenue Impacts.....	21
Student Population Generation .....	21
School District Impact Conclusion.....	21
City of Pueblo .....	22
Revenue Impacts.....	22
Infrastructure and Service Impacts.....	22
City of Pueblo Impact Conclusion .....	23
Impact Summary on Remaining Taxing Entities .....	24
Conclusion and Recommendations .....	25
Appendix .....	26

# Executive Summary

## Dillon Drive Urban Renewal Plan Impact Report:

The Pueblo Urban Renewal Authority (PURA) is in the process of creating a new Urban Renewal Plan. This Plan is tentatively titled the “Dillon Drive Urban Renewal Plan”. PURA’s purpose for the Plan is to remediate conditions arresting sound development in the area and attract new private investment. As its name suggests, the Dillon Drive Urban Renewal Plan intends to facilitate development around the Dillon Drive corridor. This corridor is currently vacant and underutilized, with the northernmost parcels exhibiting significant trash, debris and homelessness.

Now, a developer has approached the City and PURA with a development concept that would activate the site and bring about development imagined by the City’s Regional Comprehensive Plan and Future Land Use Plan. However, the area resides within the 100-year floodplain, lacks central infrastructure, and exhibits challenging topography, all of which conspire to create significant financial hurdles for the project. These blighting factors in effect cast doubt on the project’s feasibility. PURA is now seeking to create a development-specific Urban Renewal Plan area to ensure that these challenging conditions are overcome, and the project remains feasible.

The Dillon Drive Urban Renewal Plan encompasses ~46-acres and fourteen parcels adjacent to Dillon Drive and US Highway 50. This area was evaluated July 23<sup>rd</sup>, 2024 by PURA for Blighted Area Factors that would make it eligible for Urban Renewal Treatment. That Conditions Survey identified eight (8) blighted area factors within the area. The eight identified blighted area factors exceed the statutory threshold of blighting factors necessary to declare the parcel eligible for Urban Renewal treatment. PURA’s strategy to mitigate these blighted area factors and help make the proposed development feasible involves leveraging tax increment financing. Statute requires that an Impact Report be submitted with a proposed Urban Renewal Plan whenever Tax Increment Financing (TIF) is intended to be utilized within the Plan area. This is reason for this Report.

The Impact Report forecasts commercial development within the Dillon Drive Urban Renewal Plan area over the next 25 years. The timing of development and its tax generation is phased according to development plans provided by PURA for this report. Valuations are derived from comparable commercial sales per SF throughout the regional market, and current Pueblo County assessments of existing and comparable commercial properties. This Impact Report assumes that all new development in the Plan area will follow the City’s zoning and land use code regulations. Specifically, this report does not project any residential development, but instead forecasts future development assuming the entirety of the Plan area will feature commercial uses.

After modeling the most probable development forecast, this report quantified the Plan’s assessed value, property tax, and fiscal impacts. The commercial nature of this development did not generate any demographic projections. The Impact Report estimates the amount of tax increment the Plan will generate over 25 years. Increment estimates are projected for each taxing entity that levies an ad valorem property tax within the Plan area. These tax impacts were used to evaluate potential fiscal impacts on participating taxing entities.

The following outline and tables summarize the Impact Report's conclusion and findings. Impacts to taxing entities are categorized as either low, moderate, or high. A detailed methodology, impact analysis and recommendations are provided within the Report that elaborate on the Executive Summary's findings:

## Conclusion:

Taxing entities within Pueblo 60B tax district should support the Dillon Drive Urban Renewal Plan, as its projected benefits to the Pueblo Community and its taxing partners outweigh its costs. These benefits include the remediation of blight, the development of new commercial property, alignment with the City of Pueblo's Comprehensive Plan, and new assessed value, property tax revenue once the 25-year renewal project concludes. Tax increment leveraged for these purposes is not expected to create adverse impacts on participating taxing entities. The forecast development will not generate new residents or students and will not require new County infrastructure to be extended or financed.

Specific recommendations regarding the Tax Increment Financing agreements are listed below given the Plan's potential impacts are participating taxing entities:

- **All participating taxing entities could pledge 100% of their millage rate to PURA and this Plan Area for the full duration of the Plan.**
- **The School District could at least pledge 100% of its School Finance Act millage rate to this Plan.**
- **The City of Pueblo could pledge 100% of its 3% general sales tax levy to this Plan.**
- **All Bond Redemption Levies should be exempt from TIF agreements with PURA.**

The Dillon Drive Urban Renewal Plan represents PURA's, the City of Pueblo's, the Pueblo School District's and Pueblo County's commitment to achieving public private partnerships that will facilitate community-minded development. Projected Property Tax Increment generated within this Urban Renewal Plan is described in the table and charts on the following page:

## Summary Tables and Charts:

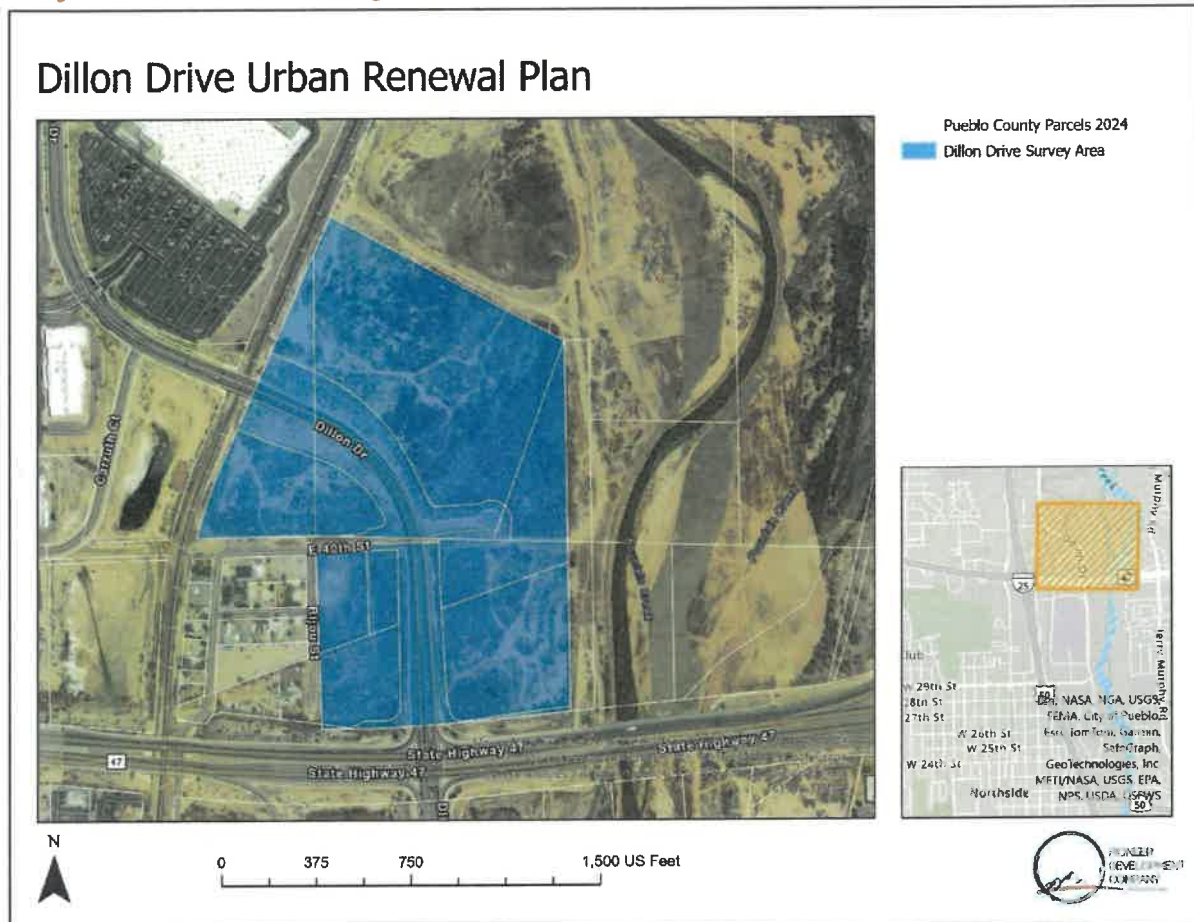
Projected Build-Out Statistics				
Development Type		Units/S.F.	Actual Value	Assessed Value
Commercial		104,600	\$28,532,726	\$7,133,181
Retail 1		12,000	\$2,288,181	\$572,045
Retail 2		9,000	\$1,716,135	\$429,034
C Store		4,000	\$1,819,195	\$454,799
Tire Shop		11,000	\$2,097,499	\$524,375
Coffee Shop		600	\$494,034	\$123,509
QSR		3,000	\$1,318,122	\$329,530
Medical		24,000	\$5,388,845	\$1,347,211
Car Wash		4,000	\$762,727	\$190,682
C Store 2		10,000	\$4,547,988	\$1,136,997
Grocer		27,000	\$8,100,000	\$2,025,000
TOTAL			\$28,533,726	\$7,133,181
Demographics				
Total New Residents		-		
Total New Students		-		
Property Tax Information				
Estimated Base Taxable Value				\$22,500
Total New Taxable Real Property Value				\$7,133,181
Net Taxable Real Property Value				\$7,110,681
Tax Increment Financing Estimates				
	Gross	Net Present Value <sup>1</sup>	Annual Average	City of Pueblo Only
Total	\$36,138,000	\$13,832,000	\$1,390,000	\$801,000
Property Tax	\$18,178,000	\$7,035,000	\$699,000	\$110,000
Sales Tax (Inflation Adj.)	\$17,960,000	\$6,797,000	\$691,000	\$691,000
Dillon Drive Urban Renewal Plan Area Value and Tax Generation Comparison				
Taxing Entity Fiscal Impacts	% District's Total AV	% District's Annual Property Tax	% District's Annual Sales Tax	Impact Assessment
Pueblo County	0.3%	0.4%	-	0.3%
City of Pueblo	0.5%	0.5%	0.9%	0.5%
Pueblo School District	0.5%	0.6%	-	0.5%
L Ark Valley Water Conserv.	0.4%	0.4%	-	0.4%
Library District	0.3%	0.3%	-	0.3%
SE Water Conservancy	0.3%	0.4%	-	0.3%

<sup>1</sup> Assumes a 6.75% Discount Rate.



# Dillon Drive Urban Renewal Plan Summary

## Project Area Existing Conditions



The **Dillon Drive Urban Renewal Plan** area encompasses ~46 acres within the City of Pueblo. This area includes 14 parcels. The Plan area is characterized by vacant and underutilized land that will require public infrastructure extensions within its boundary. The Plan area exhibits rolling topography and irregularly shaped parcels and resides within FEMA's 100-year floodplain. Despite being bisected by Dillon Drive and being adjacent to Hwy 47, the area has no direct access to the surrounding arterials. Apart from one parcel, ingress and egress points will need to be constructed to facilitate traffic flow with the parcels and the surrounding road networks. Water and sewer services will also need to be extended throughout the Plan area. There is one abandoned structure within the Plan area that is now deteriorated.



## Tax Area and Millage Rates

The Plan boundary encompasses property within Pueblo County 60B Tax Area. This area includes six distinct millage rates from taxing entities. These entities include Pueblo County, the City of Pueblo, the Pueblo School District (City), the Lower Arkansas Valley Water Conservancy District, the Southeastern Water Conservancy District, and the Pueblo City-County Library District. This tax area's 2022 certification of mill levies carries a **millage rate of 97.355<sup>2</sup>**. This impact report will analyze impacts on these six taxing districts and assess tax increment generated at their 97.355 overlapping millage rate. The Impact Report assumes that each Taxing Entity shares 100% of the millage rate with the project. This assumption helps evaluate the maximum possible impact the Dillon Drive Urban Renewal Plan may have on each participating taxing entity.

Tax District Name	2022 Mill Levy	TIF Agreement %	TIF Eligible Mill Levy
PUEBLO COUNTY	30.109	100%	30.436
CITY OF PUEBLO	15.633	100%	15.633
S.E. WATER CONSV. DISTRICT	0.942	100%	0.887
LOWER ARKANSAS VALLEY WATER CONSV.	1.503	100%	1.503
PUEBLO CITY-COUNTY LIBRARY DISTRICT	5.872	100%	5.945
SCHOOL DISTRICT 60	45.021	100%	42.951
<b>TOTAL</b>	<b>98.080</b>	<b>100%</b>	<b>98.080</b>

## Zoning Districts

The Dillon Drive Urban Renewal Plan encompasses three (3) City of Pueblo zoning districts. These zoning districts include the I-2 Industrial zone, the S-1 Government Services district, and the S-3 Floodplain district. The Plan area is mostly zoned I-2 Industrial, with the S-1 Government Services district including tax exempt property along the arterials and the S-3 Floodplain district extending from the nearby Fountain Creek canal.

According to the City of Pueblo's Zoning District and Uses, the I-2 Industrial Zone standards "are designed to retain and provide areas for the manufacture, warehousing and limited retailing of products which by their inherent characteristics and the operations involved are not obnoxious to one another or surrounding uses."<sup>3</sup>

The Plan's proposed development program includes some uses permitted by right within the I-2 Industrial Zone (Tire Shop, Car Wash) and other uses permitted by review (general service, restaurant). Many of these uses will also require a Conditional review because of the 100-year floodplain. Medical offices are not permitted in the I-2 Industrial Zone and may require a rezone or variance to proceed. This may also apply to developments located within the S-1 and S-3 zones.

<sup>2</sup> The 2023 millage rates for taxing entities within this area were not published at the time of this report's drafting.

<sup>3</sup> Pueblo Planning & Community Development, Zone District: I-2, p. 2-4-2022, <https://www.pueblo.us/DocumentCenter/View/30878/I-2-12-20-21?bidId=>

Pueblo County Parcels 2024

Dillon Drive Survey Area

**ZONING**

- B3
- I2
- S1
- S3

0 250 500 1,000 US Feet

State Highway 47

Map of Pueblo, Colorado, showing the location of the Dillon Drive Survey Area. The map includes labels for streets (W 21st St, 26th St, 27th St, W 26th St, W 24th St, Northside, Dillon Dr, E 40th St, E 39th St, Dillon St, Pueblo Mall Blvd) and landmarks (FEMA, City of Pueblo, Esri, TomTom, Garmin, Sales.com, GeoTechnologies, Inc., M-TUNASA, USGS, NPS, USDA, USFWS).

The regional comprehensive plan's future land use map designates the Plan's property as an Arterial Commercial Mixed-Use area. The Arterial Commercial Mixed-Use future land use designation is intended to attract development that provides large format retail, personal services, offices, and entertainment uses. It is specifically located near large arterials, such as US Hwy 50 and I-25. These arterials are proximal to the Plan area. The proposed Dillon Drive development aligns with the future land use designation outlined in the regional comprehensive plan. The proposed uses may require rezoning and/or variances with the City's current zoning districts overlaying this area. The Plan area's existing characteristics are not achieving the developments or vision outlined within the City's zoning or comprehensive plan.

The Plan area includes fourteen (14) parcels. The total equalized assessed value (taxable value) of these parcels, according to the County Assessor's database 2024 valuations<sup>4</sup>, is \$22,500. The total actual value of these parcels, according to the County's Assessor's database 2024 valuations is \$211,502. This Impact Report uses **\$22,500** as the Base Value for all Tax Increment Financing projections.

8

# Impact Report Methodology

## Forecasting Future Growth

The Dillon Drive Urban Renewal Plan's goal is to remediate blighting conditions and spur new investments in public infrastructure, commercial development, and employment opportunities. The Dillon Drive Urban Renewal Plan is intended to facilitate the proposed conceptual development for this area, including mitigating floodplain impacts, extending public infrastructure, and attracting new development to an underutilized commercial area that aligns with the Comprehensive Plan.

One of the tools urban renewal authorities can use to bring about these changes is known as Tax Increment Financing (TIF). TIF is a redevelopment strategy that leverages future tax revenues to incentivize redevelopment for urban renewal activities. Colorado's Urban Renewal Law mandates that urban renewal projects that intend to use TIF for renewal activities submit a supplementary Impact Report to forecast growth within a renewal area and estimate the impacts this growth will have on taxing entities within that area. The impact report's purpose is to ensure that taxing entities that rely on property tax and/or sales tax revenues will not be adversely impacted by the urban renewal project.

Quantifying these impacts requires a forecast of probable growth throughout the project area over the Plan's lifetime. **The Dillon Drive Urban Renewal Plan allows TIF to be collected for up to 25 years, the maximum amount of time authorized by Colorado's Urban Renewal Law.**

This report estimated where and when redevelopment will take place in the Dillon Drive Urban Renewal Plan area by reviewing current development proposals, working closely with the Pueblo Urban Renewal Authority staff, and evaluating market comparables. The projections made by this impact report have been informed by these development proposals, current assessments of comparable commercial development throughout the City of Pueblo, and market studies throughout Pueblo County.

## Dillon Drive Development Concept

This report assumes that the Dillon Drive Urban Renewal Plan will attract ten new commercial developments within its boundary. These developments range from a Medical Office property to a potential grocer, to various commercial retail properties. Most of these uses align with the existing City zoning districts in the Plan area, although some may require conditional use permits or, in the case of the proposed medical office, a rezone. The Impact Report assumes that the proposed commercial properties will total 104,000 square feet in new building improvement space and cost approximately \$30.1 million to construct. The development is assumed to follow comparable price per square foot estimates for commercial development within Pueblo and yield a taxable value that is similar to other, competing commercial properties in the localized area. This report also assumes that the assessed actual value for these developments will exhibit a similar variance to other commercial properties throughout the area. A copy of the proposed Conceptual Development Plan analyzed by this report is included in the Report's appendix.

## Development Assumptions and Feasibility

The development forecast used certain assumptions to predict the type, size, time, and value for this development concept. The assumptions are informed by local market studies, the conceptual development plan, urban renewal best practices and community desires. These assumptions are listed below:

- **Type of Development** – The Dillon Drive Urban Renewal Plan will be a commercial development. Conceptual site plans and proposed commercial uses have been submitted to PURA that detail the type of development being proposed. The site plan includes eight building envelopes for commercial development and two conceptual commercial uses in Plan’s northern area. PURA was given preliminary information about the specific types of development that may be constructed within each specific building envelope location. This Impact Report was not provided specific development plans, lease agreements or letters of intent from future tenants to confirm that these proposed uses are finalized. The assumed uses for development within the Plan area are as follows: a Medical Office building, two Convenience Stores, a Tire/Auto Repair shop, Quick Service Retail (QSR), a Car Wash, a Coffee Kiosk, a Grocer, and two freestanding retail buildings. No residential development is currently being proposed within the Plan.
- **Size of Development** – The scale of the proposed development is similar to other commercial developments along the City of Pueblo’s US Hwy 50 and I-25 corridors. The proposed medical office building has a similar footprint to other medical offices within the City, and the freestanding retail buildings are likewise proposed for a similar scale to other comparable freestanding retail properties in the area. This Report analyzed the commercial market within Pueblo, identifying 18 comparable properties with the proposed development. These properties exhibited similar square footage to the proposed development and informed the development’s valuation. The Impact Report assumes that the total building square footage for the proposed development will total 104,600 SF. This report also assumes that 80,600 SF will be retail sales tax producing space<sup>5</sup>. This report assumes that the local market can support this amount of commercial space at this location.
- **Time of Development** – This report assumes that development within the Dillon Drive Urban Renewal Plan area will follow the proposed conceptual development plan provided by the developer and PURA. This report assumes that the project will proceed in three phases, the first phase will include all property to the east of Dillon Drive, and the second Phase all property to the west of Dillon Drive, and the third phase all property north of 40<sup>th</sup> street. Construction for Phase 1 is assumed begin July 1<sup>st</sup>, 2025 to take 14 months to complete, with Phase 2 beginning July 1<sup>st</sup>, 2026 and taking 14 months to complete, and Phase 3 beginning July 1<sup>st</sup>, 2027 and taking 14 months to complete. The Plan will not begin generating increment until 2027 and will be fully stabilized by 2028.
- **Value of Development** – This report estimated the future value of development by comparing the conceptual plan with existing commercial developments within the Pueblo market area. These developments were selected based on their use, size, year constructed, and sales data. The current assessments of these comparable properties were also evaluated. Eighteen comparable properties were utilized by this analysis, and their evaluation provided an estimated Value per Square Foot for each proposed use in the Plan area. The value per square foot is based on the value of each property’s most recent sale and the County assessor’s actual value per square foot. It should be noted, that these values are less than the cost to construct these development’s on a per square foot basis. This analysis yields a value per square foot weighted average of \$272.78. The equalized assessed value for these proposed developments was based on their estimated market value, the equalization rate, and a reduction factor. This report conservatively estimates the Plan Area’s taxable value will reach \$7,133,181 at stabilization.

<sup>5</sup> The proposed Grocer will not collect sales tax on an estimated 70% of its sales due to the grocery sales tax exemption.



## Tax Increment Financing Assumptions

As part of Statutory Requirements, this report projects the estimated property tax generation for future development within the Dillon Drive Urban Renewal Plan area. These projections are based on Pueblo County's 2023 certified assessments of property and the 2024 mill levies associated with the taxing entities present in the project area. The full list of taxing entities and their associated millage rates are tabulated below:

Dillon Drive Urban Renewal Plan Mill Levies			
Note:	TIF Percentages are assumed to be 100% for the Impact Report		
Tax Area(s): 60B			
<u>Tax Entity</u>	<u>2024 Mill Levy</u>	<u>TIF Agreement %</u>	<u>TIF Eligible Mill Levy</u>
PUEBLO COUNTY	30.109	100%	30.109
CITY OF PUEBLO	15.633	100%	15.633
S.E. WATER CONSV. DISTRICT	0.942	100%	0.942
LOWER ARKANSAS VALLEY WATER CONSV.	1.503	100%	1.503
PUEBLO CITY-COUNTY LIBRARY DISTRICT	5.872	100%	5.872
SCHOOL DISTRICT 60	45.021	100%	45.021
Total	99.080	100%	99.080

This report assumes that all impacted taxing entities will pledge 100% of their millage rate to the Urban Renewal Project. This assumption is required to project the maximum impact this renewal plan area will have on the City and other partnering entities<sup>6</sup>. Property tax projections made by this report assume that the number of taxing entities, as well as their millage rates, will remain unchanged over the project's lifetime.

Tax increment assumptions are based on the above mill levies and assumes that the project area's starting base value is \$22,500. This report projects that both the project base and all future development will appreciate at a rate pegged to inflation. This report assumes that the inflation rate will average 2% over the project's lifetime. This report adjusts the Plan area's base biennially for TIF projections.

## The But-For Assumption

The final assumption made in this report is that the type, size, and value of new development would not occur but for the Dillon Drive Urban Renewal Plan and the Pueblo Urban Renewal Authority. The goal of this urban renewal plan is to incentivize development through a variety of tools, TIF being just one example, where new investments manifest throughout the Plan area because of PURA's efforts. All tax increment estimates must be considered revenue that is generated because of the URA's efforts to attract and facilitate redevelopment in the Plan area. The Dillon Drive Urban Renewal Plan Conditions

<sup>6</sup> This report does not consider previously signed TIF agreements with partner taxing entities.

Survey identified eight (8) statutorily defined blighting factors within the Plan area that impair and arrest sound development. The renewal project will remediate these conditions and bring about development that is desired by the Pueblo community. A commercial development is a higher and better use for this area and one that aligns with the Comprehensive Plan's vision for this site. Because of this, future incremental revenues should not be considered property/sales tax that is diverted from the area's taxing entities. Instead, these incremental revenues should be perceived as a future tax base that would not exist but for the creation of the Dillon Drive Urban Renewal Plan.

# Tax Increment Financing Summary

This Report forecasts the Plan's development over the next 25 years and projects its assessed value and taxable revenue. These projections were used to estimate the amount of property tax increment generated within the Plan area if the urban renewal project is successful. Projections are based on the methodology outlined in Section Two "Impact Report Methodology".

## Projected Assessment and Phasing

The assessed valuation for the proposed Dillon Drive development is estimated by this report. The following table includes the number of years it will take to absorb the development, its first assessment year, total square footage of the development, the development's market value per SF and its total taxable value (Equalized Assessed Valuation).

Commercial Development					
<u>Type of Development</u>	<u>SF</u>	<u>\$ Per SF<sup>2</sup></u>	<u>Estimated Taxable Value</u>	<u>Absorption Yr</u>	<u>Assessment Yr</u>
Convenience Store	4,000	455	\$454,799	2026	2027
Freestanding Retail 1	12,000	191	\$572,045	2026	2027
Quick Service Retail	3,000	439	\$329,530	2026	2027
Car Wash	4,000	191	\$190,682	2026	2027
Freestanding Retail 2	9,000	191	\$429,034	2026	2027
Tire Shop	11,000	191	\$524,375	2027	2028
Coffee Shop	600	823	\$123,509	2027	2028
Medical Office	24,000	225	\$1,347,211	2027	2028
Grocer	27,000	300	\$2,025,000	2028	2029
Convenience Store	10,000	455	\$1,136,997	2028	2029

<sup>7</sup> Based on Comparable Sales on the past 10-years. Also adjusted for Regional Assessments of Actual Value.

## Property Tax TIF Projections

This Impact Report estimated the Dillon Drive Urban Renewal Plan's future TIF revenue over the next 25 years in accordance with C.R.S. 31-25-107(3.5)I-V. These estimates are used to determine the property tax revenue likely to be generated by new developments within the Plan area. The report assumes this tax revenue is the result of the Pueblo Urban Renewal Authority's efforts to remediate blight and attract new investments within the Plan area.

Property tax TIF is estimated by comparing the Plan area's base value against its projected new improvement value. These assessed values each generate tax revenue based on the current millage rate of taxing entities within the Plan area. The base value's property tax revenue is not impacted by urban renewal projects. The new improvement's tax revenue, however, is the result of the urban renewal plan. This new revenue is known as "increment".

The property within the Urban Renewal Plan has a current assessed value of \$22,500. The Report estimates that new improvements within the Plan area will add an additional \$7,110,681 in assessed property value.

Development in the Plan is modeled according to its first assessment year, taxable value, and absorption schedule. The Report then applies tax district millage rates to both existing and new improvements within the plan area. Tax revenue generated by new improvements is incremental revenue. These revenues can be utilized by PURA for urban renewal activities within the Plan area.

Incremental revenue is also determined by TIF-sharing agreements signed between the Pueblo Urban Renewal Authority and the impacted entities that levy taxes within the Dillon Drive Urban Renewal Plan area. This report assumes that all taxing entities have pledged 100% of their millage rates to support the Dillon Drive Urban Renewal Plan.

**The following charts and tables illustrate the Plan's 25-Year TIF Projections:**



Property TIF Estimates <sup>8</sup>		
Base Value of Plan Area		\$22,500
Total New Taxable Real Property Value		\$7,133,181
Total Net Taxable Value		\$7,110,681
Total TIF Revenue (Gross 25 Years)		\$18,178,000
Annual TIF Revenue (25-Year Average)		\$699,000

Taxing District	Estimated Property Taxes	Estimated Tax Increment
	25 Years	25 Years
PUEBLO COUNTY	\$5,544,000	\$5,524,000
CITY OF PUEBLO	\$2,878,000	\$2,868,000
S.E. WATER CONSV. DISTRICT	\$173,000	\$173,000
LOWER ARKANSAS VALLEY WATER CONSV.	\$277,000	\$276,000
PUEBLO CITY-COUNTY LIBRARY DISTRICT	\$1,081,000	\$1,077,000
SCHOOL DISTRICT 60	\$8,290,000	\$8,260,000
TOTAL	\$18,243,000	\$18,178,000

<sup>8</sup> Estimates are rounded. Sum totals may be different because of rounding.

## Sales Tax TIF Projections

Colorado's Urban Renewal Law permits Urban Renewal Authorities to collect municipal sales tax as a source of incremental taxable revenue. This report assumes that the Dillon Drive Urban Renewal Plan will utilize sales tax revenue as a potential source of TIF revenue. The City of Pueblo levies 3.7% sales and use tax on retail sales, however, this report only forecasts sales tax increment based on the 3% general sales tax levy.

This analysis estimated potential sales tax generation by first estimating the amount new commercial-retail square footage within the Plan area. An annual sales tax multiplier was applied based on similar retail sales tax producing properties across Pueblo County and similar Colorado communities. This helped determine an average sales per square foot multiplier.

The analysis estimates that retail space, on average, will generate ~ \$233 per SF per year within the Plan area. This estimate is based on the retail tenants that are expected to locate within the Dillon Drive Urban Renewal Plan area. Sales tax generation is adjusted annually based on a 2% inflation rate. The summary of these inputs and their estimated sales tax generation are listed in the table below.

<b>New Retail Space (25-Years)</b>	<b>80,600 SF</b>
<b>TIF Eligible Sales Tax Rate</b>	<b>3%</b>
<b>Estimated Sales Per SF</b>	<b>\$ 233</b>
<b>Estimated Sales Tax Increment (Gross)<sup>9</sup></b>	<b>\$17,960,000</b>
<b>Estimated Sales Tax Increment (Annual Average)</b>	<b>\$691,000</b>
<b>Percent of Annual Sales Tax Collections (City)</b>	<b>0.9%</b>

This report assumes that the Dillon Drive Urban Renewal Plan will generate 80,600 square feet of retail space. Using an estimated sales per square of \$233 PSF, this amount of space equates to \$17,960,000 in sales tax increment over the next 25 years. This estimate is rounded and adjusted for inflation. The estimated annual average for sales tax increment generated is \$691,000. For comparison, the City of Pueblo budgeted \$75 million in general sales tax in 2024. This means that the projected retail development in the Dillon Drive Urban Renewal Plan area will generate annual sales tax revenues that are approximately 0.9% of the City's 2024 budgeted sales tax collections. This estimate does not include County or State Sales Tax collections.

<sup>9</sup> Inflation Adjusted @ 2% Annually

# Taxing Entity Impacts

Assessing an Urban Renewal Plan's impacts on partnering taxing entities requires careful consideration of the revenue, services and infrastructure required to achieve that plan's goals. These impacts also need to consider the purpose of the Urban Renewal Plan. In addition to remediating blighting conditions, an Urban Renewal Plan typically is designed to bring about a public good, either in the form of public amenities or infrastructure, a specific type of development, additional housing, or employment.

The Dillon Drive Urban Renewal Plan area is intended to facilitate commercial development within a 46-acre area of the city. This area was found to exhibit eight of eleven statutorily defined blighting factors. Despite the area's proximity to the City's major arterials (US Hwy 50 and I-25), the 46-acres remain vacant and underutilized. There are significant development challenges with the site, including its lack of infrastructure and location within a 100-year floodplain. There is also structural deterioration noted in the Conditions Survey. The Dillon Drive Urban Renewal Plan is intended to help alleviate the present blighting conditions and provide incentives to make the proposed commercial development feasible and successful.

The Dillon Drive Urban Renewal Plan and its proposed development aligns with the City of Pueblo's Comprehensive Plan, its future land use, and the community's stated goals and visions for the property. The proposed development will not generate new housing, and therefore will not create impacts associated with new residents or students. Instead, this development represents a highly valued commercial development that will also create new property and sales tax revenue. The Dillon Drive Urban Renewal Plan represents a public private partnership that will eliminate blighting factors and attract significant investment to the City of Pueblo.

This public private partnership needs to be weighed against the possible fiscal impacts caused by the Urban Renewal Plan on partnering taxing entities. Colorado's Urban Renewal Law is direct in C.R.S. 31-25-107(3.5)I-V), when it lists requirements for Urban Renewal Impact Reports to evaluate potential impacts on effected taxing entities. The statute requires that the report examine County impacts, stating the following:

- An estimate on the county revenue impact, 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,
- 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,
- Any other estimated impacts of the urban renewal project on county services and revenues.

The Impact Report answers these requirements directly regarding the Dillon Drive Urban Renewal Plan's impacts to Pueblo County. This section will also address the Plan's impacts to the City of Pueblo, the Pueblo School District, the Pueblo City-County Library District and the remaining three taxing entities within the Plan area. Because the Plan area proposes only commercial development, only assessed value and revenue impacts are analyzed for these taxing entities. The Plan does not propose new residential units, and therefore will not generate new residents or students.

# Impact Summary

The Dillon Drive Urban Renewal Plan is located within the 60B Taxing District and includes six (6) taxing entities. All six taxing entities levy a property tax within the Plan area. These districts include: Pueblo County, the City of Pueblo, the Pueblo School District (City), the Lower Arkansas Valley Water Conservancy District, the Southeastern Water Conservancy District, and the Pueblo City-County Library District.

The table below provides a comparison between the Project and all six taxing entities based on value and annual revenue collection. It provides a snapshot that demonstrates the Project's value and tax generation potential relative to each district. Specifically, it compares the Dillon Drive Urban Renewal Plan's assessed value (AV) and average annual property tax to these six taxing entities. The comparison represents a snapshot in time, contrasting the taxing entities' 2024 AV, budgeted property tax with the Plan's completed AV, and its average property tax. The reason for this comparison is to determine if the Plan area's Assessed Value and Tax Increment generated is significant at each taxing entity's AV or millage rate. This report qualifies "significance" as any Plan metric that is 10% or more than its associated taxing entity metric.

The table below summarizes this comparison. All comparisons over 10% are highlighted in red, as this represents a High Impact relative to assessed value and revenue. All comparisons greater than 5% but less than 10% are highlighted in brown. This percentage range represents a moderate impact to assessed value and revenue collections. Both high and moderate impacts indicate a need for PURA and the associated taxing entity to carefully assess the project's benefits and costs when drafting a tax increment financing agreement.

The Impact Assessment categories, which range from Low, Moderate, High, represent this report's Impact conclusion based on the quantitative comparison and additional measures explained in the following sections.

Dillon Drive Urban Renewal Plan Area Value and Tax Generation Comparison				
Taxing Entity Fiscal Impacts	% District's Total AV	% District's Annual Property Tax	% District's Annual Sales Tax	Impact Assessment
Pueblo County	0.3%	0.4%	-	Low
City of Pueblo	0.5%	0.5%	0.9%	Low
Pueblo School District 60	0.5%	0.6%	-	Low
Lower Arkansas Valley Water Conservancy	0.4%	0.4%	-	Low
Pueblo City-County Library District	0.3%	0.3%	-	Low
South East Water Conservancy	0.3%	0.4%	-	Low

The Report did not find any moderate or high impacts to value or revenue generated by the Dillon Drive Urban Renewal Plan and its forecasted tax increment. The fact that the proposed development is commercial development and will not generate any residential units, new residents, or students, implies that impacts beyond fiscal impacts are also low to each taxing entity. PURA and its associated taxing entities are encouraged to draft TIF agreements that ensure the Dillon Drive Urban Renewal Plan achieves its goal in remediating blight and making the development project feasible.



# Pueblo County

## Revenue Impacts

Pueblo County imposes a mill levy of 30.109 within the Dillon Drive Urban Renewal Plan area. This levy is a significant revenue source for the County's operations and funds. According to County's 2024 budget, net property taxes account for 17.5% of its General Fund revenue. According to the County's 2024, annual property tax collections amount to \$71,607,825.

To quantify potential revenue impacts to the County, this report compared the projected annual property tax revenue within the renewal project to the County's budgeted property tax revenue. Projected property tax revenue is derived from new improvements and taxable equipment in the Plan area, meaning that the Plan area's base assessed value was not included in this comparison.

This Report projected the Plan area's annual property tax TIF revenue per the County's millage rate and compared it as a percentage to total property tax revenue collections. This report estimates that the Urban Renewal Plan's property tax increment generated at the County's millage rate will account for just 0.4% of its annual property tax revenue collections.

Pueblo County	2024 Property Tax Revenue (Budget)	Plan Area Estimated Tax Increment (Annual Average)	Percent of Total
Property Tax	\$ 71.6 Million	\$212,000	0.4%

The Dillon Drive Urban Renewal Plan will last 25 years. Over that time, the new improvements incentivized by this Plan will begin to accumulate incremental property tax revenue. These incremental property tax revenues represent a revenue stream that is remitted to PURA in accordance with law and pursuant to a TIF agreement in support of its remediation and redevelopment efforts in the Plan area.

The Plan area's projected development accounts for only 0.4% of the County's annual property tax revenue collections, when averaged. This report does not find this level to be fiscally significant to Pueblo County. The County's annual revenue budget, excluding debt proceeds, is \$409,877,419. When compared to the Plan area's annual incremental property tax revenue, this amount is less than 0.0517% of the County's budgeted revenue. This means that over the next 25 years, the Urban Renewal Plan will alleviate blight and attract new commercial investment without significantly detracting from the County's revenues.

This report did not identify negative revenue impacts to Pueblo County caused by the Dillon Drive Urban Renewal Plan.

## Infrastructure and Service Impacts

The Dillon Drive Urban Renewal Plan is within the City of Pueblo's municipal limits. The Plan is situated along state highway 50, and gains access to the City owned Street of Dillon Drive. Future infrastructure improvements such as central water and sewer services will be owned, operated and maintained by the City of Pueblo. The Plan area and its future development will not directly impact existing County infrastructure and services at this location, nor will it require the construction of new County infrastructure and/or services at this location.

Development within the Plan will primarily access Dillon Drive, Bijou Street,. US Hwy 50 and I-25. These streets and arterials are owned and maintained by either the City of Pueblo or the state of Colorado. Ingress and egress points accessing the property will be designed and developed as part of the Urban Renewal Plan area. The financing of these improvements will be accomplished through a combination of developer contributions and tax increment financing. In addition to surface infrastructure, all water, sewer, police and fire services will also be served by the City of Pueblo.

This report did not find evidence that the Dillon Drive Urban Renewal Plan will require improvements to County-owned infrastructure. The Report also did not find evidence that the Dillon Drive Urban Renewal Plan will require Pueblo County to finance infrastructure improvements.

Although Pueblo County does provide services to Pueblo City residents, this plan is not projected to generate any new housing or new residents. The projected development is strictly commercial and will feature retail and office space throughout the area. This type of development will require water, sewer, and other utility services, in addition to fire protection. However, these services will be provided by the City and other taxing entities. For these reasons, this Report did not identify any significant impacts on Pueblo County services caused by this Plan.

## County Impact Conclusion

This report concludes that the Dillon Drive Urban Renewal Plan will not generate adverse fiscal impacts on Pueblo County's revenue, infrastructure, or services.

# Pueblo School District 60

## Revenue Impacts

The Pueblo School District 60 (School District) is the taxing entity that levies the largest millage rate within the Dillon Drive Urban Renewal Plan area. The School District's millage rate is 45.021 including its Bond Levy, or approximately 45% of the total tax rate within the Plan area. The School District is therefore an important partner to PURA and vulnerable to the Plan's tax increment financing impacts.

According to the FY 2024 adopted budget, the School District general fund budgeted revenues is \$459,227,561. Property tax revenue accounts for only 12%, or \$53,097,440 of that total. The following table compares these annual tax revenues with the estimated annual incremental property tax revenue generated by the Dillon Drive Urban Renewal Plan.

Dillon Drive Urban Renewal Plan Impacts			
School District Fund	2024 Property Tax Revenue	Estimated Property Tax TIF (Annual Average)	Percent of Total
Total	\$53,097,440	\$318,000	0.6%

The Dillon Drive Urban Renewal Plan is not expected to generate a significant impact to the school district's annual property tax revenue given its low percent total of the District annual property tax revenue. The school district can effectively make this impact zero, however, it only pledges its School Finance Act (SFA) millage rate as part of a TIF sharing agreement. The state will backfill this fund, while mills dedicated to bonded debt service, overrides and abatements are not eligible for that reimbursement.

This report recommends that the School District pledge at least 100% of its SFA mill levy to Dillon Drive Urban Renewal Plan as it will not be adversely impacted.

## Student Population Generation

The Dillon Drive Urban Renewal Plan is not projected to generate any residential development over the next 25-years. The commercial development proposed in the Plan area will create a negligible impact on the School District. Residential development, however, could lead to additional households and students, and therefore additional impacts on the school district. Because the Dillon Drive Urban Renewal Plan does not contemplate any residential development in the Plan area, this report concludes that there will be no students generated by this Plan. The possible impacts derived from residential development are not applicable to this Plan area. This report forecasts potential student generation to quantify that impact.

## School District Impact Conclusion

The Dillon Drive Urban Renewal Plan is likely to not generate significant impacts on the Pueblo County School District 60. The Plan's projected property tax TIF represents only 0.6% of the district's annual property tax revenue.

Although PDC finds the impacts of the Dillon Drive Urban Renewal Plan to be minimal on the school district, this report does not recommend allocating any debt service mill levy to the plan area. Instead, this report recommends that the school district pledge its SFA levy in support of the Dillon Drive Urban Renewal Plan.

# City of Pueblo

## Revenue Impacts

The City of Pueblo imposes a mill levy of 15.633 within the Dillon Drive Urban Renewal Plan area. This mill levy is a significant revenue source to the City's general fund. According to the City's adopted FY2024 budget, General Fund revenues are estimated to be \$102,092,312. Property tax revenue represents 21% of this total, or \$21,046,922.<sup>10</sup>

To quantify potential revenue impacts to the City, this report compares the projected annual property tax revenue within the Plan area to the City's property tax revenue. Projected property tax revenue is derived from new improvements in the Plan area, meaning that the Plan area's base assessed value was not included in this comparison.

This Report projected the Dillon Drive Urban Renewal Plan area's annual property tax TIF per the City's millage rate and compared it as a percentage to total property tax revenue collections. This report estimates that the Plan area's property tax increment generated at the City's 15.633 millage rate will account for 0.3% of the City's annual property tax revenue collections.

City of Pueblo	2024 Property Tax Revenue (Budget)	Property Tax TIF (25-Year Annual Average)	Percent of Total
<b>General Fund</b>	\$ 21,046,922	\$110,000	0.5%

This report also evaluated sales tax revenue that may be generated by the Dillon Drive Urban Renewal Plan. The proposed development is expected to generate 80,600 square feet of retail commercial space. Using assumptions outlined in Section 3, the renewal project should generate an average of \$691,000 sales tax annually. This sales tax TIF represents 0.9% of the City's annual sales tax revenues.

City of Pueblo	2023 Sales Tax Revenue (Budgeted)	Sales Tax TIF (25-Year Annual Average)	Percent of Total
<b>General Fund</b>	\$ 75,525,971	\$ 691,000	0.9%

These revenue impacts are well below the 10% threshold that typically signals a possible fiscal impact. The report recommends that given the Plan's low fiscal impact, the City should be willing to share both its property and sales tax levy with the Project to ensure that the project becomes feasible.

## Infrastructure and Service Impacts

The Dillon Drive Urban Renewal Plan will help facilitate new commercial development throughout an underutilized and blighted parcel within municipal limits. This commercial development will align with the Comprehensive Plan's vision for this area by bringing commercial retail to a highly trafficked area. This development will require infrastructure and services to be successful, however, the extension of these services will be financed via the Urban Renewal Plan. This mitigates financial impacts on the City while also achieving the municipal goal of attracting commercial development to this area.

The Dillon Drive Urban Renewal Plan will not generate residential development, and therefore will not directly increase population for the City of Pueblo. This means that impacts to infrastructure and

<sup>10</sup> Per City's 2024 Budget.



services will be minor. This report finds the Plan's demands on infrastructure and services to constitute an insignificant impact on the City.

## City of Pueblo Impact Conclusion

This report finds that the Dillon Drive Urban Renewal Plan will not create significant impacts to the City of Pueblo's finances and services. The City of Pueblo should pledge both its Property and Sales tax levy to this Urban Renewal Project because these impacts are minor. This revenue sharing agreement will succeed in remediating blight and attracting new development that satisfies community goals for this area.

# Impact Summary on Remaining Taxing Entities

The Dillon Drive Urban Renewal Plan is designed to remediate blight and incentivize commercial development. Residential development is not considered within this Plan, and it will not generate new residents or students. TIF projections indicate that annual property tax collections are less than 1% for all associated taxing entities' annual property tax collections. The fact that this project is strictly a commercial development and generates an insignificant amount of annual property tax relative the taxing entities' annual budgets, the Report concludes that there are no negative impacts forecast for the partnering taxing entities. These taxing entities include Pueblo County, City of Pueblo, the Pueblo School District, the Southeast Water Conservancy District, the Lower Arkansas Valley Conservancy District, and Pueblo County-City Library District.

The Dillon Drive Urban Renewal Plan is designed to remove blighting factors, attract investment, and promote development that is in alignment with the City's Comprehensive Plan and Zoning Districts. The Dillon Drive Urban Renewal Plan will provide these benefits without negatively impacting partnering taxing entities. This Report suggests that the partnering taxing entities that are not impacted support this renewal project as it will advance Pueblo Comprehensive planning goals for the area and generate a positive impact on the Pueblo Community.

# Conclusion and Recommendations

The Pueblo Urban Renewal Plan represents a creative and proven approach to Urban Renewal in Colorado and in the City of Pueblo. This Plan targets an area where a private developer has proposed a commercial development. This development is being jeopardized, however, by challenging “blighting factors” afflicting the property. The Conditions Survey identified eight blighted area factors on this site, many of which contribute to significant development costs. The Dillon Drive Urban Renewal Plan will help eliminate the blighting factors identified in the Conditions Survey, which will remove barriers to development in the area. The development and the blight remediation will likely require tax increment financing to make the project viable and ensure its success.

This report finds that the Plan will not generate significant impacts to any of the six partnering taxing entities that levy a mill within the 60B Tax Area.

This report recommends the following:

- **All participating taxing entities could pledge 100% of their millage rate to PURA and this Plan Area for the full duration of the Plan.**
- **The School District could pledge 100% of its School Finance Act millage rate to this Plan.**
- **The City of Pueblo could pledge 100% of its 3% general sales tax levy to this Plan.**
- **All Bond Redemption Levies should be exempt from TIF agreements with PURA.**

This report only recommends TIF sharing agreements that will provide PURA with the funds it needs to financially support the Dillon Drive Urban Renewal Plan, remediate blighted area factors, and make the development feasible. Proper TIF sharing agreements will ensure this development remediates blight and attracts investment that match community desires, without adversely impacting PURA’s partners.



# Appendix

## Tax Increment Pro Forma







**PROPERTY TAX INCREMENT REVENUE AGREEMENT**  
(Pueblo City-County Library District – Dillon Drive Urban Renewal Project)

1.0 **PARTIES.** This Agreement (the “Agreement”) is made and executed effective as of \_\_\_\_\_, 202\_, by and between the PUEBLO URBAN RENEWAL AUTHORITY, a body corporate and politic of the State of Colorado (the “Authority”) and the PUEBLO CITY-COUNTY LIBRARY DISTRICT, a political subdivision of the State of Colorado (the “District”). The Authority and the District are also referred to herein collectively as the “Parties” or individually as a “Party.”

2.0 **RECITALS.** The following recitals are incorporated in and made a part of this Agreement. Capitalized terms are defined in Section 4.0.

2.1 **Urban Renewal Project; Project Documents.** Pursuant to the Colorado Urban Renewal Law, Part 1 of Article 25 of Title 31, C.R.S. (the “Act”), the City Council of the City of Pueblo (the “City”) is expected to consider approving the “Dillon Drive Urban Renewal Plan” (the “Urban Renewal Plan” or “Plan”) at its meeting on \_\_\_\_\_, 202\_ pursuant to the notices of public hearing required by the Act. The purpose of the Plan is to eliminate conditions of blight documented in the “Dillion Drive Conditions Survey” dated July 25, 2024 (the “Conditions Survey”), and to redevelop and rehabilitate the Urban Renewal Area described in the Plan by private enterprise as required by the Act. The benefits and potential burdens of the Urban Renewal Project on the District and other taxing entities are described in that certain document entitled “Dillon Drive Urban Renewal Plan Impact Report” dated September 29, 2024 (the “Impact Report”).

2.2 **Tax Increment Financing.** The Urban Renewal Plan contains provisions the permit the financing of the Urban Renewal Project by means of property tax increment financing (“TIF Financing”) contained in Section 31-25-107(9) of the Act and is therefore subject to the requirements contained in House Bill 15-1348 enacted in 2015, as amended to date (collectively, the “Amended 1348 Requirements”).

2.3 **Nature of Urban Renewal Project and Purpose of Agreement.** The proposed Urban Renewal Project consists of any and all undertakings and activities authorized in the Plan and the Act to eliminate conditions of blight and to comply with Section 31-25-107(4)(g) of the Act that requires the Plan afford maximum opportunity, consistent with the sound needs of the municipality as a whole, for the rehabilitation and redevelopment of the Urban Renewal Area by private enterprise.

2.4 **Colorado Urban Renewal Law.** In accordance with the Act as amended to the date of this Agreement (including the Amended 1348 Requirements), the Parties desire to enter into this Agreement to facilitate adoption of the Plan and redevelopment of the Urban Renewal Area. The Agreement addresses, among other things, the estimated impacts of the Urban Renewal Plan on the District services associated solely with the Plan.

3.0 AGREEMENT, in consideration of the covenants, promises and agreements of each of the Parties hereto, to be kept and performed by each of them, it is agreed by and among the Parties hereto as set forth herein.

4.0 DEFINITIONS. In this Agreement, unless a different meaning clearly appears from the context:

4.1 “Act” means the Colorado Urban Renewal Law, Part 1 of Article 25 of Title 31, C.R.S., as amended to date.

4.2 “Agreement” means this Agreement, as it may be amended or supplemented in writing. References to sections or exhibits are to this Agreement unless otherwise qualified.

4.3 “Amended 1348 Requirements” means the requirements applicable to use of Property Tax Increment Revenues imposed by House Bill 15-1348 enacted in 2015, as amended to date.

4.4 “Authority” means the Party described in Section 1.0, and its successors and assigns.

4.5 “Bonds” means any bonds (including refunding bonds), notes, interim certificates or receipts, temporary bonds, certificates of indebtedness, debentures, or other obligations provided in the Act.

4.6 “District” means the Party described in Sections 1.0 and 2.1, and its successors and assigns.

4.7 “Duration” means the twenty-five (25) year period that the tax increment or tax allocation provisions of the Plan will be in effect as specified in Section 31-25-109(a) of the Act and the Plan and the Authority will receive the Property Tax Increment Revenues. The last year the assessment roll will be divided to produce Property Tax Increment Revenues is 2049 and the last year the Authority will receive Property Tax Increment Revenues is from taxes payable in 2050.

4.8 “Party” or “Parties” shall have the meaning described in Section 1.0.

4.9 “Plan” or “Urban Renewal Plan” means the urban renewal plan defined in Section 2.2.

4.10 “Project” shall have the same meaning as Urban Renewal Project.

4.11 “Project Documents” means the Conditions Survey, Impact Report, Urban Renewal Plan, and the notice of public hearing described in Section 2.1.



4.12 “Property Tax Increment Revenues” means all revenues produced by property tax levies on the tax increment portion of the property tax assessment roll, as described in Section 31-25-107(9)(a)(II) of the Act allocated to the Special Fund for the Duration.

4.13 “Special Fund” means the fund described in the Plan and Section 31-25-107(9)(a)(II) of the Act into which the Property Tax Increment Revenues will be deposited.

4.14 “TIF Financing” means the financing authorized and permitted pursuant to the tax allocation or tax increment provisions of the Plan and Section 31-25-107(9) of the Act.

4.15 “Urban Renewal Area” means the area included in the boundaries of the Plan.

4.16 “Urban Renewal Project” means all undertakings and activities, or any combination thereof, required to carry out the Urban Renewal Plan authorized by and pursuant to the Act.

5.0 COOPERATION. In accordance with Section 31-25-112 of the Act, this Agreement shall constitute an agreement in writing by the District to aid the Authority in (1) the elimination of conditions of blight from the Urban Renewal Area, and (2) providing necessary infrastructure through the unqualified payment or reimbursement of eligible costs of the Project.

5.1 Property Tax Increment Revenues. The District agrees the Authority may retain and expend in furtherance of the Urban Renewal Project 100% of the Property Tax Increment Revenues it receives from the Pueblo County Treasurer each year from the property tax levy of the District against the tax increment portion of the assessment roll as authorized in the Plan for the maximum period of twenty-five (25) years that the Authority is authorized to receive Property Tax Increment Revenues pursuant to the Act (the “Duration”).

5.2 Pledge of Property Tax Increment Revenues. The District recognizes and agrees that in reliance on this Agreement, the Authority intends to and shall have the unqualified right to irrevocably pledge all the Property Tax Increment Revenues it receives to payment of the eligible costs of the Urban Renewal Project for the Duration. The Authority has elected to apply the provisions of Section 11-57-208, C.R.S. to this Agreement. The Property Tax Increment Revenues, when and as received by the Authority shall be subject to the lien of such pledge for the Duration of the Project without any physical delivery, filing, or further act and shall be an obligation of the Parties pursuant to Section 31-25-107(9) of the Act. The Parties agree that the creation, perfection, enforcement and priority of the pledge of the Property Tax Increment Revenues shall be governed by Section 11-57-208, C.R.S.

5.3 Amended 1348 Requirements. The Parties acknowledge that the Amended 1348 Requirements created new requirements applicable to new or modified urban renewal projects. By entering into this Agreement, the Parties intend to resolve all questions concerning the applicability of these statutory changes to the matters described herein to aid in the timely execution of the Urban Renewal Project.

5.4 Receipt of Project Documents; Waivers. The District acknowledges receipt of the

Project Documents and agrees that the Project Documents and execution of this Agreement satisfy the requirements of the Act regarding all applicable Amended 1348 Requirements for the adoption of the Plan, TIF Financing for this Urban Renewal Plan, and notices related thereto, except those that may apply to future modifications of Plan as required by Sections 31-25-107 (3.5) and (7) of the Act. Subject to such right to receive notice of any proposed future modification of the Plan, the District hereby waives (1) the right to receive any funds to finance any additional infrastructure and services required to serve development within the Urban Renewal Area; (2) the right to enjoin any activity of the Authority pursuant to the Plan, including the right of the Authority to issue Bonds necessary to finance the Project; (3) the rights to receive the notice and share in Property Tax Increment Revenues in accordance with the provisions of Sections 31-25-107 (9.5) and (11) of the Act; (4) the arbitration rights contained in Section 31-25-107 (12) of the Act; and (5) any other right or remedy that would materially interfere with or impair the validity of the Bonds or the rights and remedies of any holder of the Bonds.

6.0 NOTIFICATION OF PROPOSED MODIFICATIONS OF THE PLAN; AGREEMENT NOT PART OF PLAN. The Authority agrees to notify the District of any proposed modification of the Plan as required by Sections 31-25-107(3.5) and (7) of the Act. This Agreement is not part of the Plan.

7.0 AGREEMENT CONFINED TO URBAN RENEWAL PLAN. This Agreement applies only to the Urban Renewal Plan and the Urban Renewal Area, and does not include any other urban renewal plan or urban renewal area.

8.0 MISCELLANEOUS.

8.1 Delays. Subject to Section 8.2 herein, any delays in or failure of performance by any Party of its obligations under this Agreement shall be excused if such delays or failure are a result of acts of God; fires; floods; earthquake; abnormal weather; strikes; labor disputes; accidents; regulation or order of civil or military authorities; shortages of labor or materials; or other causes, similar or dissimilar, including economic downturns, which are beyond the control of such Party.

8.2 Termination; Subsequent Legislation or Litigation. In the event of termination of the Plan, including its TIF Financing provision, the Authority may terminate this Agreement by delivering written notice to the District. The Parties further agree that in the event legislation is adopted or a decision by a court of competent jurisdiction on or after the effective date hereof that invalidates or materially effects any provisions hereof, the Parties will in good faith negotiate for an amendment to this Agreement that most fully implements the original intent, purpose and provisions of this Agreement, but does not impair any otherwise valid contracts in effect at such time.

8.3 Entire Agreement. This instrument embodies the entire agreement of the Parties with respect to the subject matter hereof. There are no promises, terms, conditions, or obligations other than those contained herein; and this Agreement shall supersede all previous communications, representations, or agreements, either verbal or written, between the Parties hereto. No modification to this Agreement shall be valid unless agreed to in writing by the

Parties.

8.4 Binding Effect. This Agreement shall inure to the benefit of and be binding upon the Parties and their successors in interest.

8.5 No Third-Party Enforcement. It is expressly understood and agreed that the enforcement of the terms and conditions of this Agreement, and all rights of action relating to such enforcement, shall be strictly reserved to the undersigned Parties and nothing in this agreement shall give or allow any claim or right of action whatsoever by any other person not included in this Agreement; provided, however, a bond trustee or lender may enforce its rights as provided under the documents authorizing the issuance or sale of the Bonds. It is the express intention of the undersigned Parties that any person or entity other than the undersigned Parties receiving services or benefits under this Agreement shall be an incidental beneficiary only.

8.6 No Waiver of Immunities. No portion of this Agreement shall be deemed to constitute a waiver of sovereign or governmental immunity that the Parties or their officers or employees may possess, nor shall any portion of this Agreement be deemed to have created a duty of care which did not previously exist with respect to any person not a party to this agreement.

8.7 Amendment. This Agreement may be amended only by an instrument in writing signed by the Parties.

8.8 Parties not Partners. Notwithstanding any language in this Agreement or any other agreement, representation, or warranty to the contrary, the Parties shall not be deemed to be partners or joint venturers, and no Party shall be responsible for any debt or liability of any other Party.

8.9 Interpretation. All references herein to Bonds shall be interpreted to include the incurrence of debt by the Authority in any form consistent with the definition of "Bonds" in the Act, including payment of eligible costs or any other lawful financing obligation related to the Project.

8.10 Incorporation of Recitals and Exhibits. The provisions of the Recitals and any exhibits attached to this Agreement are incorporated in and made a part of this Agreement.

8.11 No Assignment. No Party may assign any of its rights or obligations under this Agreement; provided, however, the Agreement may be assigned by a Party to a successor of such Party.

8.12 Execution in Counterparts. This Agreement may be executed in several counterparts, each of which shall be deemed an original and all of which shall constitute but one and the same instrument.

8.13 No Presumption. The Parties to this Agreement and their attorneys have had a full opportunity to review and participate in the drafting of the final form of this Agreement.

Accordingly, this Agreement shall be construed without regard to any presumption or other rule of construction against the Party causing the Agreement to be drafted.

8.14 Severability. If any provision of this Agreement as applied to any Party or to any circumstance shall be adjudged by a court to be void or unenforceable, the same shall in no way affect any other provision of this Agreement, the application of any such provision in any other circumstances or the validity, or enforceability of the Agreement as a whole.

8.15 Minor Changes. This Agreement has been approved in substantially the form submitted to the governing bodies of the Parties. The officers executing this Agreement are authorized to make and may have made, minor changes to this Agreement as they have considered necessary. So long as such changes were consistent with the intent and understanding of the Parties at the time of approval by the governing bodies, the execution of the Agreement shall constitute the approval of such changes by the respective Parties.

8.16 Electronic Transactions. The Parties agree that any individual or individuals who are authorized to execute this Agreement on behalf of the Authority or the District are hereby authorized to execute this Agreement electronically via facsimile or email signature. This agreement by the Parties to use electronic signatures is made pursuant to Article 71.3 of Title 24, C.R.S., also known as the Uniform Electronic Transactions Act. Any electronic signature so affixed to this Agreement shall carry the full legal force and effect of any original, handwritten signature. The Parties hereto agree that the transactions described herein may be conducted and related documents may be stored by electronic means. Copies, telecopies, facsimiles, electronic files, and other reproductions of original executed documents shall be deemed to be authentic and valid counterparts of such original documents for all purposes, including the filing of any claim, action, or suit in the appropriate court of law.

IN WITNESS WHEREOF, the Parties hereto have caused their duly authorized officials to execute this Agreement effective as of the day and year first above written.

ATTEST:

PUEBLO URBAN RENEWAL AUTHORITY

By: \_\_\_\_\_  
Secretary/Executive Director

By: \_\_\_\_\_  
Chair

ATTEST:

PUEBLO CITY-COUNTY LIBRARY DISTRICT

By: \_\_\_\_\_

By: \_\_\_\_\_

DRAFT