

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

March 18, 2026

Re: Southwest Pueblo Urban Renewal Area

Dear Mrs. Bacca,

Your agency has been identified as a taxing body in an area referred to as the proposed Southwest Pueblo Urban Renewal Area (the "Project") located on the City of Pueblo's southwest 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 September 21, 2026.

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 September 8, 2025, 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, activating vacant and underutilized land, and creating additional destination-oriented recreational amenities within our community.
3. It is anticipated that the generally applicable real and commercial personal property taxes from this project could generate between \$0 to \$63,800,000 over the 25-year period assuming the project objectives are met. 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 Southwest Pueblo Urban Renewal Area.

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

Sincerely,



Cherish K. Deeg,
Executive Director

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



PIONEER
DEVELOPMENT
COMPANY

we find the way

Jackson Ranch Conditions Survey

Pueblo Urban Renewal Authority

September 8th, 2025

September 8th, 2025

City of Pueblo, Colorado

Dear Pueblo Urban Renewal Authority Board,

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 tentatively named the "Jackson Ranch Urban Renewal Plan" (The Plan). This proposed Urban Renewal Plan is designed to assist two proposed developments within this area, a large residential development and a tourist-oriented commercial development. This area was recently annexed into the City of Pueblo, and development will require significant public infrastructure extensions from the former city limits. The Urban Renewal Plan will act as a public private partnership between the Development, the City and PURA that facilitates new housing, an RV Resort, restaurants and stores, and public amenities. This public private partnership will improve and extend public infrastructure, activate underutilized areas, and create new commercial hubs and neighborhoods for the Pueblo community.

The first step in forming an Urban Renewal Plan is to perform a conditions survey on the subject area and determine its eligibility for urban renewal treatment. The Conditions Survey area encompasses the recently annexed Pueblo Recreation Investors and Jackson Ranch areas. The combined annexation area is 846-acres and includes agriculturally assessed property. The survey area has been strategically selected to include property positioned for future development, provided that public infrastructure can be extended throughout the area. Until recently, the proposed plan area was beyond City Limits, and therefore requires significant road, water, sewer and drainage improvements. The property owner's envision new residential neighborhoods, as well as tourist-oriented outdoor recreation amenities and commercial development phased within the Plan area. This conditions survey evaluates the area's existing conditions and identified statutorily defined blighting factors that may arrest this development from advancing.

The Conditions Survey area is characterized by a lack of public infrastructure, vacancy and underutilization, defective streets, faulty lot layout, and floodplain. An Urban Renewal Plan can help mitigate these existing conditions by attracting private investment and funding necessary public infrastructure improvements. This is why PURA is evaluating the proposed Plan area to determine its eligibility for Urban Renewal treatment. Forming a public private partnership via an Urban Renewal Plan requires identifying conditions throughout 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 statutorily defined blighted area factors to make it eligible for urban renewal treatment.

The Conditions Survey locates, identifies, and describes each statutorily defined blighting factor found to exist within the proposed plan area. Based upon field observations and analysis, this report finds that the surveyed area meets the minimum number of blighting factors required to make the proposed urban renewal project eligible for urban renewal activities.

Sincerely,

Andrew Arnold
Founder | Principal
Pioneer Development Company
Durango, Colorado

CC: Cherish Deeg

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Executive Summary

The Jackson Ranch Conditions Survey:

The Pueblo Urban Renewal Authority (PURA) is exploring the possibility of forming a new Urban Renewal Plan (Plan) within a recently annexed area. This proposed Plan area would be located on the City's western limits, along State Highway 78, and would encompass ~846-acres of privately-owned property. This area was selected to study as a potential Urban Renewal Plan at the behest of the property owners and developers. This owner/developer group have annexed their properties into Pueblo in pursuit of a visionary development program. This vacant and underutilized area would in time be transformed into new residential neighborhoods, public amenities, and commercial development. The commercial component of the project envisions a tourist oriented, outdoor recreation resort. Its proximity to Lake Pueblo and scenic beauty make this area a logical location for this use. The proposed development will help add much needed housing supply to the city, and help generate new property, sales and lodging taxes. This development vision imagines new development and private investment that will generate positive impacts on the City of Pueblo, Pueblo County, and PURA's taxing entity partners.

The Urban Renewal Plan is a key component to achieving this vision. An Urban Renewal Plan can help remediate conditions that frustrate development by leveraging tax increment financing to help attract private investment and fund public infrastructure. The annexation area being surveyed is characterized by a lack of public infrastructure, vacancy and underutilization, and 100-year floodplain. Water and sewer lines need to be extended and upgraded from the former city limits, road improvement and new road networks developed and repaired, and multi-modal connectivity improved. Many of PURA's existing Urban Renewal Plan areas share similar characteristics to the survey area, which is why PURA is evaluating this area for urban renewal eligibility.

This report seeks to understand the Jackson Ranch Annexation Area's development challenges by evaluating the survey area for conditions that historically arrest sound development from proceeding. The purpose is to determine whether statutorily defined conditions exist that challenge or complicate development. This conditions survey helps to clearly articulate an area's need for public private partnerships, such as Urban Renewal Plans, which can remediate development barriers and attract new private investment.

PURA has agreed to commission this study to determine if the survey area exhibits the necessary number of blighted area factors to make it eligible for urban renewal treatment. Before an Urban Renewal Authority can be established, a specific geographic area within the community must be found to exhibit certain conditions. These conditions are known as "blighting factors", and they must be cataloged before urban renewal plans can be formed. Cataloging an area for the presence of blighting factors is known as a Conditions Survey, a report that carefully analyzes the area to determine the existence of factors defined by Colorado's Urban Renewal Law. In general, these are conditions that, "substantially impairs or arrests the sound growth of the municipality, retards the provision of housing accommodations, or constitutes an economic or social liability, and is a menace to the public health, safety, morals, or welfare" (C.R.S. 31-25-103(2)).

This Conditions Survey provides the PURA board members and the public with a summary of blighting factors which currently exist within the proposed redevelopment area. This Conditions Survey does not represent the creation of a new Urban Renewal Plan. This Conditions Survey is starts the Urban Renewal process and is required before the City of Pueblo and PURA can designate a specific project boundary and negotiate revenue sharing agreements with its partnering taxing entities and adopt the Plan. The Conditions Survey's purpose is to evaluate the potential Plan area for the existence of statutorily defined blighting factors. Colorado's Urban Renewal Law defines eleven factors, and four or more of these blighting factors must be found within the survey boundary before the City can establish it as an Urban Renewal Plan (C.R.S. 31-25-104).

Eight (8) parcels and 846-acres were carefully surveyed by this Report. 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 subject property. This report thoroughly reviewed both City and County planning documents, environmental reports and assessments, FEMA data, as well as GIS datasets and County assessment information that could help identify blighting factors that were not easily observable during the field visit.

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 five (5) blighting factors within the area, listed in the table below. The Report elaborates on each blighting factor in the following sections.

Pueblo Conditions Survey – Blighting Factors Catalogued

| Blighted Area Factor # (C.R.S. 31-25-103.2 List Label) | Definition |
|---|--|
| 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 6 (f) | Unusual Topography or Inadequate Public Improvements or Utilities |
| 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 |

Area Description

The survey area includes 8 parcels and ~1,443 acres. There are two property owners included within the survey boundary, Pueblo Recreation Investors LLC and RJPC Ranch LLC. The survey area's parcels are assessed as either Vacant Commercial or Agricultural. The survey area's properties are characterized by missing public infrastructure, missing street networks, underutilization, and vacancy and the FEMA designated 100-year floodplain.

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

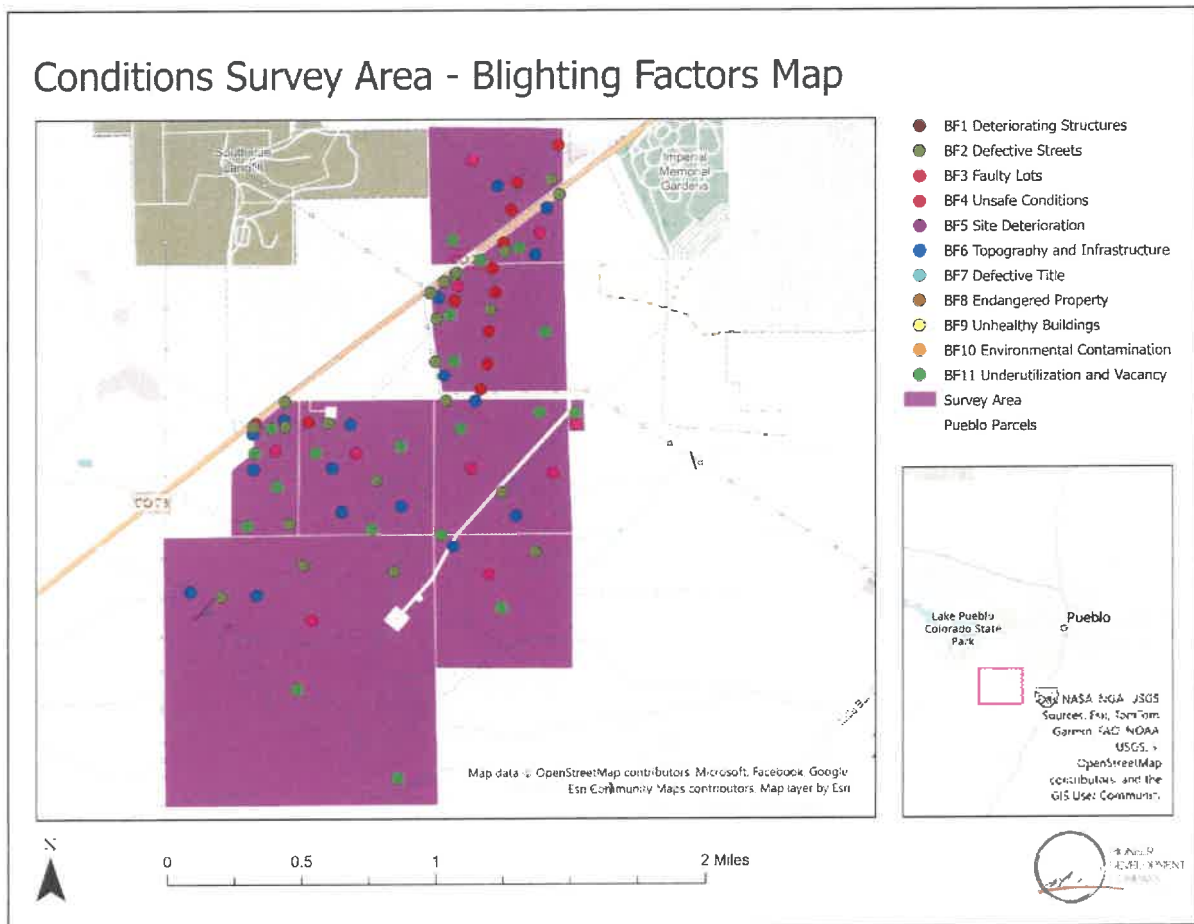
| Conditions Survey Land Use Summary | | | |
|------------------------------------|----------------|---------------------|------------------------------|
| Area Statistics | | | |
| Total Survey Area | | | 1,443.3 |
| Annexation Area | | | 846.3 |
| Parcel Count | | | 8 |
| Assessment Type | Acreage | Parcel Count | Percent Total Acreage |
| Vacant Commercial | 297.05 | 2 | 21% |
| Agricultural | 1,146.26 | 6 | 79% |
| Assessed Value | | | Value |
| Total Actual Value | | | \$ 1,056,407 |
| Total Assessed Value | | | \$ 285,231 |

Current Assessment of Survey Area

The Survey area includes vacant commercial and agriculturally assessed property. The total equalized assessed value (taxable value) of these parcels, according to the County Assessor's database 2024 valuations, is \$285,231. Because a majority of the survey area is agriculturally assessed, the Pueblo County assessor's office will need to provide a hypothetical vacant commercial value to quantify the Urban Renewal Plan's total base value.

Methodology

This Conditions Survey utilized a holistic methodology in determining whether blighting factors exist within the 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.



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 blighting factors. 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 treatment¹.

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

¹ 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 (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

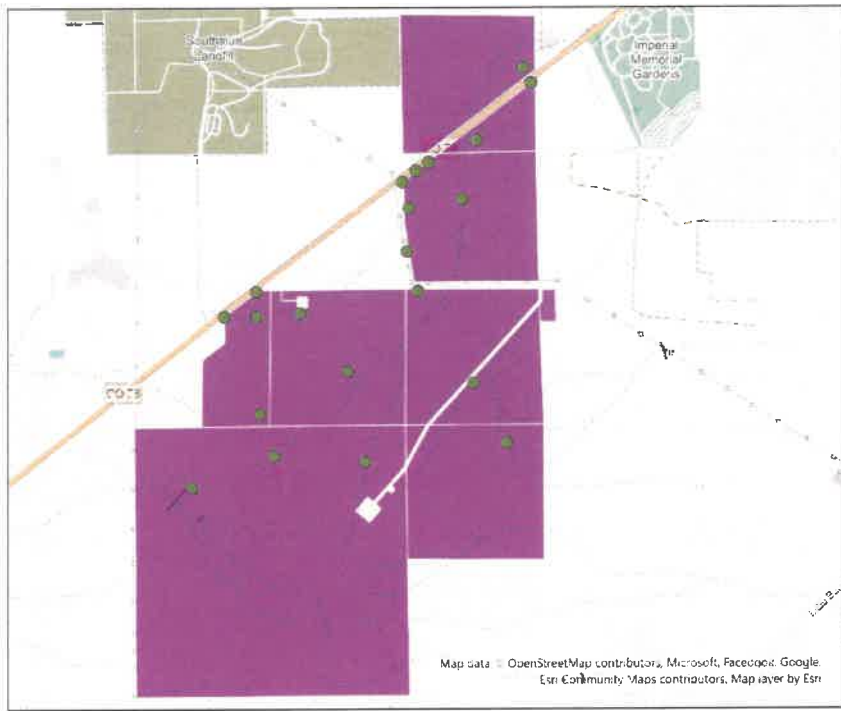
The survey identified multiple conditions that are examples of this blighting factor. The surveyed area consist of vacant land that was formerly unincorporated county. State Highway 78 is the primary access to this area, apart from abandoned dirt roads and utility roads. Existing access points are rare, and those that do exist are hazardous given the blind verticals along State Highway 78. These existing conditions mirror most of this blighting factors conditions - inadequate street networks, road surfaces in need of upgrade or repairs, poor emergency access or complete lack of access, and gaps in the area's active transportation infrastructure.

The survey area encompasses 1,443 acres. Despite this large area, there is only one paved road that transects the survey area, State Highway 78. The remaining area is inaccessible by vehicle. Field work identified a few deteriorating dirt roads that can be accessed off the highway, however, these roads are better suited for OHV vehicles than traditional automobiles. The area's expanse and lack of road networks represent an inadequate street layout. The proposed developments, including the residential neighborhoods and the commercial areas, further underscore the need for new and improved streets throughout the survey area. Conceptual development plans indicate multiple new arterials throughout the survey area, helping to create additional connectivity with the City and help provide alternative access routes to CO-78.

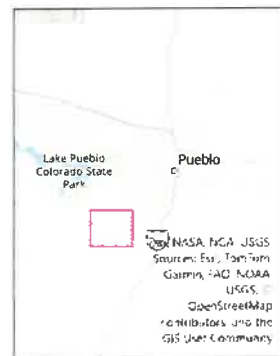
Traffic safety was also flagged during the conditions survey research and field work. CO-78 has recorded multiple fatal crashes over the past 5 years, albeit closer to the Rock Creek Intersection and Beulah. However, field work observations supported the fact that this road is unsafe for turning vehicles and pedestrians along the survey area. High traffic speeds and blind verticals caused by the area's topography will require new traffic safety facilities, potentially signalized intersections.

These cumulative deficiencies— deteriorated roadway surfaces, missing network connections, and incomplete active-transportation infrastructure— demonstrate a “defective or inadequate street layout” within the meaning of Blight Factor (b).

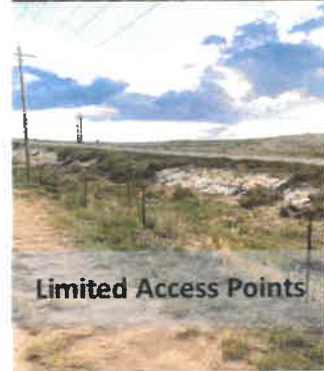
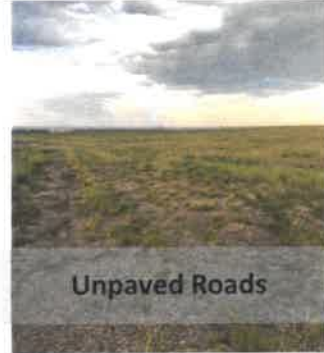
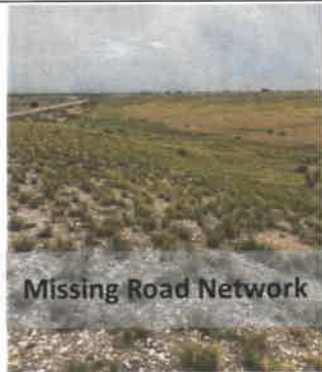
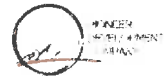
Blighting Factor (b) - Defective Streets



- BF2 Defective Streets
- Survey Area
- Pueblo Parcels



0 0.5 1 2 Miles



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 factors 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.

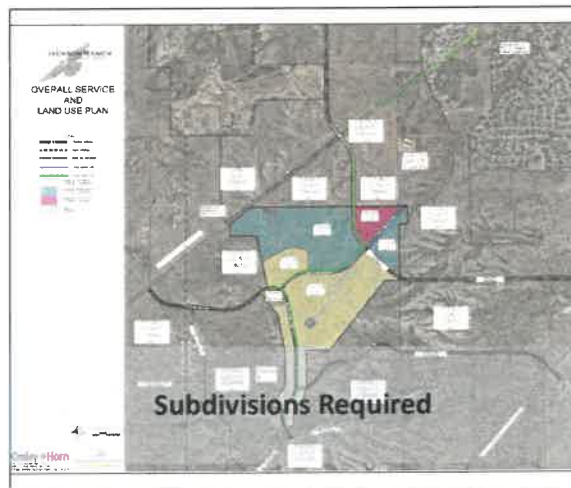
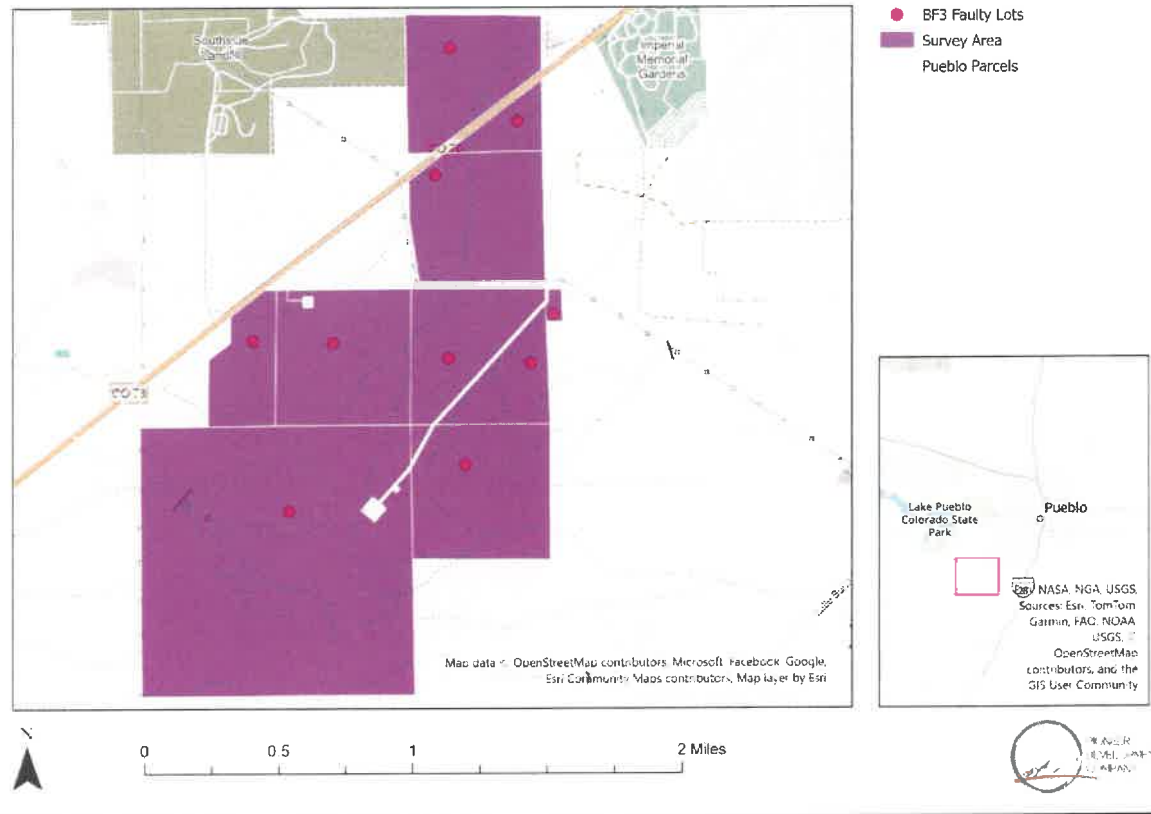
Findings

The survey area evaluated eight parcels encompassing ~1,443 acres (846 are currently annexed into City limits). The existing parcel structure presents significant barriers to coordinated development. The area is comprised of eight expansive parcels that have not been subdivided, platted, or otherwise prepared for urban-level development. Although the owners and the city are actively working through entitlement, the current condition of this area mirrors conditions described by blighting factor 3 (c). These large, undifferentiated tracts are not aligned with the City of Pueblo’s development standards, and their size and configuration prevent the introduction of appropriately scaled development without first undertaking extensive entitlement processes. This includes rezonings, subdivision approvals, boundary adjustments, and right-of-way dedications, all of which represent considerable barriers to investment.

The irregular nature of the parcels, combined with the absence of internal public infrastructure, results in faulty lot conditions that yield underutilization and continued nonuse of the land. In their current state, the lots are impractical for the creation of functional residential neighborhoods or commercial development. Without reconfiguration into more practical sizes and shapes, these properties will remain underutilized and vacant.

Moreover, the lack of coordinated subdivision and platting within the area exacerbates challenges related to infrastructure extension and service provision. Easements, rights-of-way, and utility corridors have not yet been established, further complicating sound development. These conditions collectively demonstrate the presence of faulty lot layouts, as defined under Colorado Urban Renewal law, and justify inclusion of this factor within the Jackson Ranch Urban Renewal Plan findings.

Blighting Factor (b) - Defective Streets



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

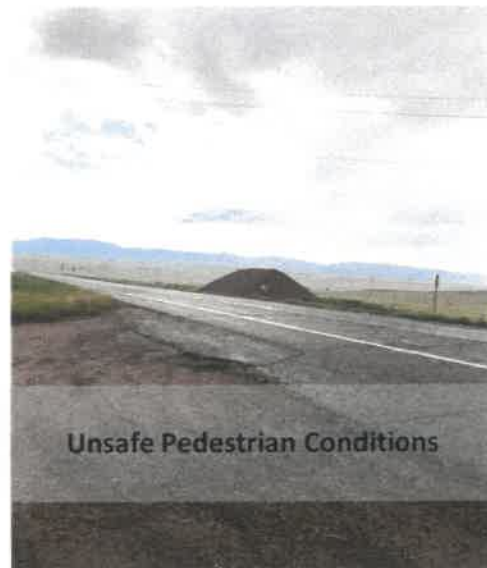
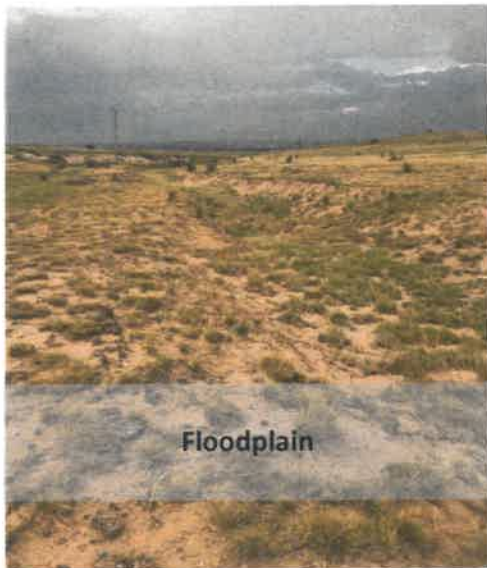
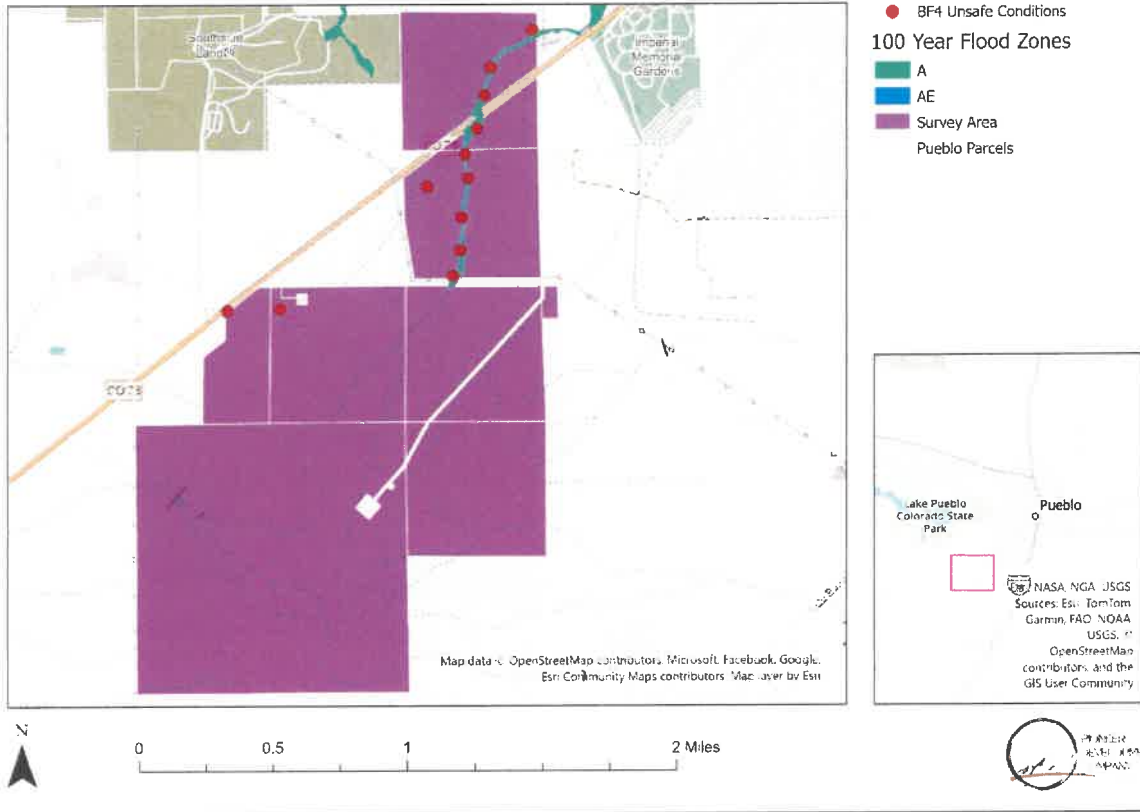
Findings

The survey area demonstrates several unsafe and unsanitary conditions that may arrest sound development within the proposed Plan. Access to the area is currently limited to Colorado State Highway 78, a high-speed corridor with undulating topography and vertical blind spots. These conditions create hazardous traffic and pedestrian environments, particularly where future development would require access points, bicycle facilities, or pedestrian crossings. Without significant roadway and access improvements, these deficiencies will persist as a barrier to safe and efficient circulation. These conditions were also highlighted by Blighting Factor 2(b)

The annexation area also lacks basic public infrastructure, including stormwater drainage systems, water and sewer utilities, and an internal street network. The absence of these facilities represents unsafe and unsanitary conditions by limiting adequate service provision, impeding emergency access, and increasing the risk of flooding and erosion. Portions of the northeast area are further constrained by the FEMA-designated 100-year floodplain, compounding drainage concerns and heightening risks to future development. Together, these conditions constitute public health and safety concerns, and are evidence of this factor.

Additional hazardous conditions observed during fieldwork include steep topography in localized areas and the presence of trash, debris, and noxious weeds. While these issues were identified on a more limited basis, they nevertheless reinforce the existence of environmental and physical conditions that contribute to unsanitary or unsafe circumstances. Collectively, the presence of hazardous roadway conditions, inadequate infrastructure, floodplain impacts, and environmental nuisances clearly establish this blight factor within the Jackson Ranch Conditions Survey report.

Blighting Factor (d) - Unsafe or Unsanitary Conditions



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

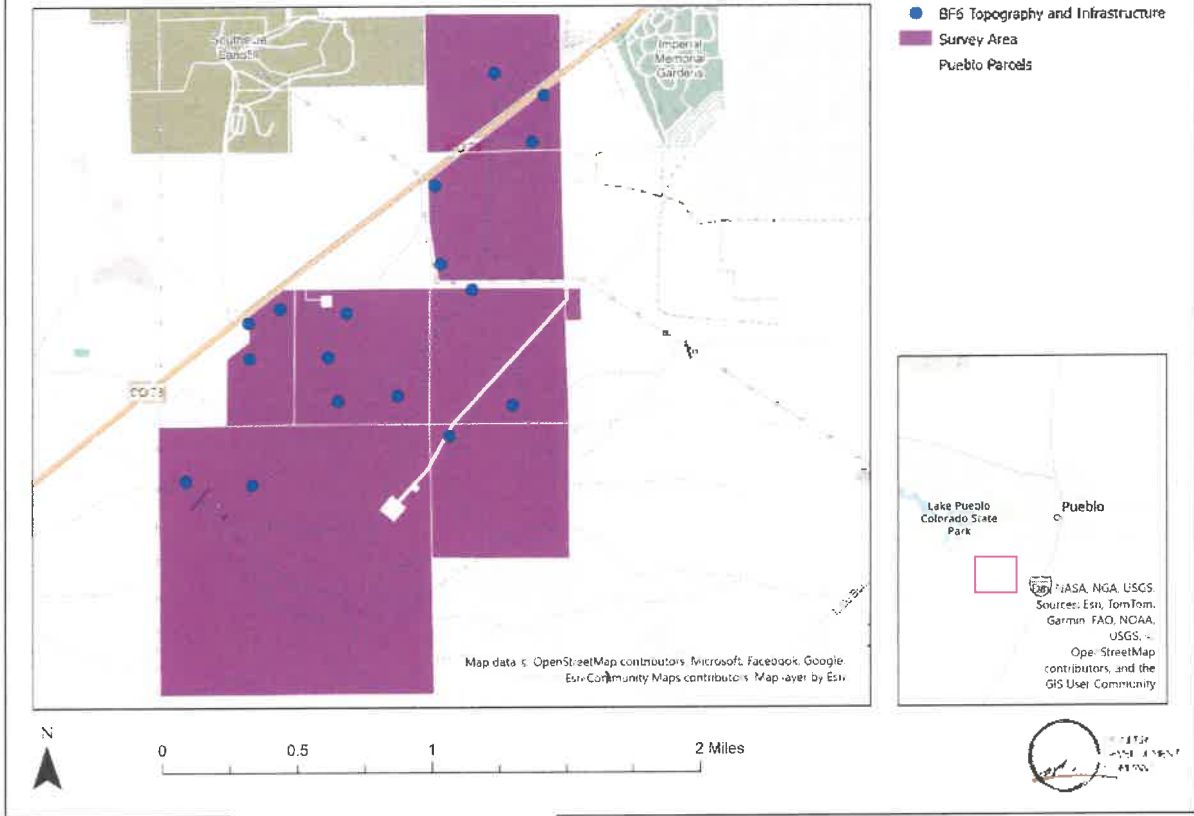
Findings

Blighting factors two (b), four (d) and five (e) identified conditions that also underscore the presence of blighting factor six (f) within the survey area. Inadequate public improvements or infrastructure, such as the missing road networks in factor two (b), and missing stormwater facilities identified in factor four (d) also serve as examples of blighting factor six (f). The survey area is characterized by a near total absence of public infrastructure improvements necessary to support urban development. The annexation area lacks an internal street network, stormwater drainage facilities, and both water and sewer service. Access is currently limited to Colorado State Highway 78, which provides the only paved connection to the site but does not offer the internal circulation or connectivity required for future residential or commercial development.

The lack of sewer infrastructure represents one of the most significant impediments to development. Extension of the City's main line sewer service will require substantial investment, as the line must nearly a mile to simply reach proposed Plan area, not including the many miles of extensions necessary to activate the full 846-acres annexation area. Without this extension, the land cannot feasibly support higher intensity uses or urban densities envisioned by the City's long-term growth plans and the development team. The scale and cost of these improvements underscore why the area is being studied for urban renewal intervention.

Topographical constraints further complicate the provision of infrastructure and increase development challenges. The area exhibits steep and undulating terrain, which elevates the cost and complexity of extending utilities and constructing roads, drainage systems, and building pads. In addition, portions of the northeast area are located within the FEMA-designated 100-year floodplain, which creates further restrictions on land use and infrastructure placement. Collectively, these conditions clearly demonstrate the presence of unusual topography and inadequate public improvements, justifying the inclusion of this blight factor in the Jackson Ranch Conditions Survey report.

Blighting Factor (f) - Topography and Infrastructure



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

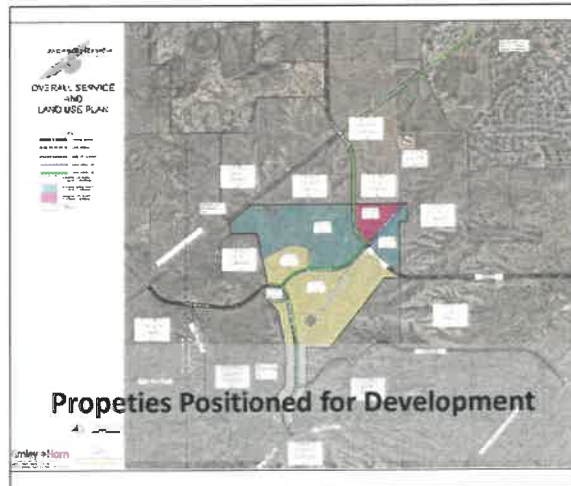
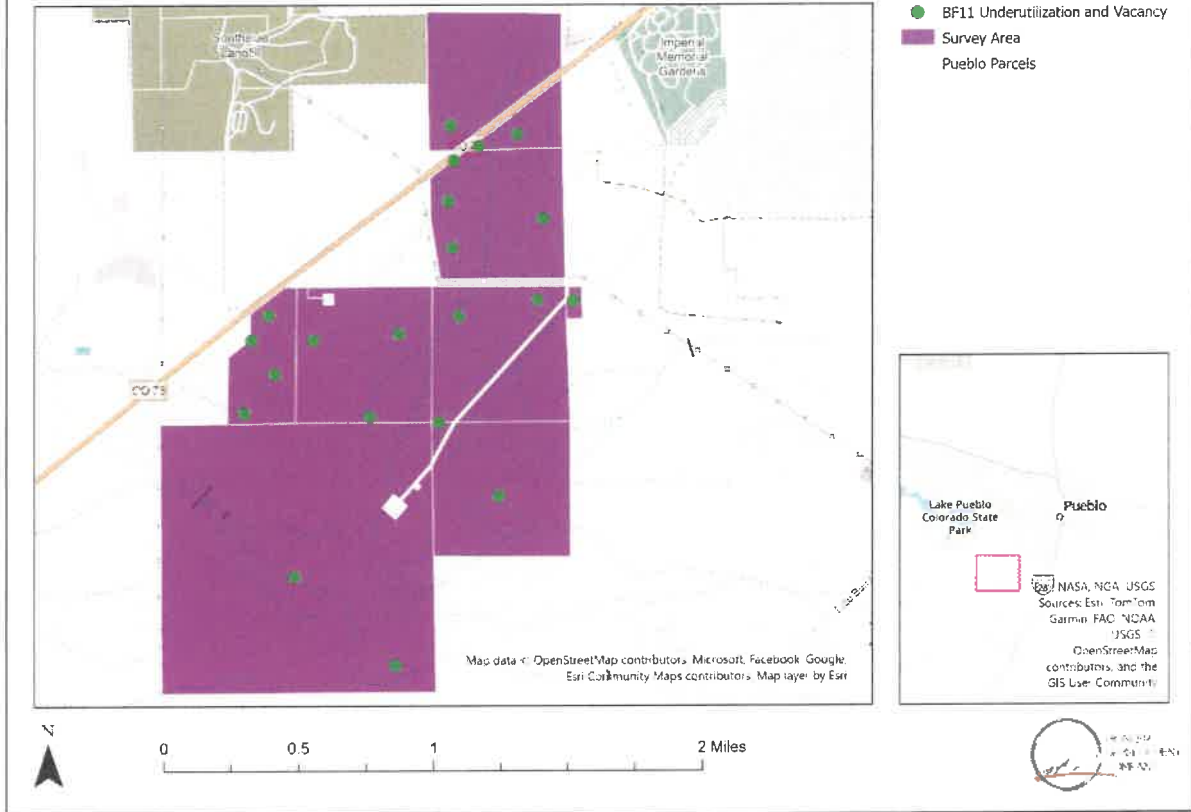
Findings

Vacant and underutilized property is the dominant condition within the 1,443-acre survey boundary. The recently annexed 846-acre area is entirely vacant, with little to no development activity due to the absence of essential public infrastructure. Parcels are currently undeveloped or underutilized, with no internal roadways, stormwater systems, or utility service to support new uses. As a result, the land does not contribute meaningfully to the City's residential, commercial, or recreational needs, and its current condition, in light of the annexation and ongoing rezones, demonstrates a clear case of substantial underutilization.

Future development of Jackson Ranch is envisioned as a mix of new residential neighborhoods and tourist-oriented outdoor recreation uses, which would strengthen the City's economic base and expand housing opportunities. However, realizing this vision requires significant municipal services, particularly the costly extension of the City's sewer system and related infrastructure. These improvements cannot be delivered through private investment alone and necessitate a public-private partnership. Urban Renewal provides the statutory vehicle to facilitate this partnership, enabling the area to transition from its current vacant state into a productive and sustainable development.

In its present condition, the survey area simultaneously requires a high level of municipal investment to become development-ready and reflects substantial underutilization through widespread vacancy. These characteristics meet the statutory definition of this blight factor. These extraordinary expenditures, together with the extensive roadway, utility, and safety deficiencies already documented under Factors (b), (d), and (f), confirm the presence of the conditions described by Blight Factor (k.5). The combination of widespread vacancy, physical underutilization, and the need for substantial new public infrastructure warrants inclusion of this factor within the survey area's blight determination. This context reveals that these parcels are underutilized relative to their location, community planning initiatives and market forces. This underutilization is evidence for blighting factor eleven (k.5) and represents an additional condition for Urban Renewal treatment.

Blighting Factor (k.5) - Underutilization and Vacancy



Conclusion

This Conditions Survey catalogs the presence of statutorily defined blighting factors within the Pueblo Urban Renewal Authority (PURA)'s proposed Jackson Ranch Urban Renewal Plan. This report was designed to assist the City and PURA 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 five (5) blighted area factors as defined by Colorado's Urban Renewal Law, within the City's municipal limits. The survey area's five blighting factors meets the requirements outlined in (C.R.S. 31-25-103), 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 survey area also meets the statutory recommendation of "being drawn as narrowly as possible". The boundary encompasses areas being positioned for future development. Although the area is large (1,443 acres surveyed), the annexed 846-acres are those being considered as a new Urban Renewal Plan area. This annexed area is currently moving through the City's entitlement process, and its future development is complicated by the factors outlined in this report. The Plan area needs to be drawn large enough to encompass all potential development that can occur over the next 25 years, and also encompass the full extent of public infrastructure needed to make these developments possible. Also, the blighting factors identified are dispersed throughout the survey area, meaning that all parcels surveyed were found to exhibit multiple blighting factors. The fact that blighting factors were evenly disbursed throughout the proposed plan area, in addition to the Plan's strategic purpose, indicates that its potential boundary is drawn as narrowly as possible.

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

Appendix

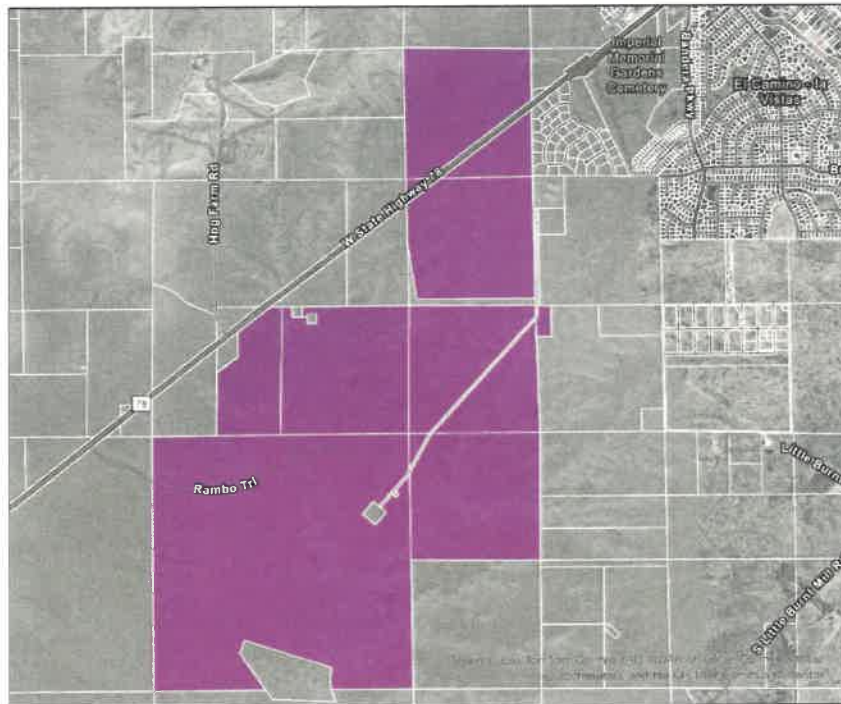
1. Pueblo Recreation Investors Annexation
2. Jackson Ranch Annexation

Southwest Pueblo
Urban Renewal Plan
February 11th, 2026



Prepared by:
Pueblo Urban Renewal Authority (PURA)

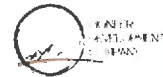
Southwest Pueblo Urban Renewal Plan



Pueblo County Parcels
Southwest Pueblo Urban Renewal Plan



0 0.5 1 2 Miles



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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.

City Consolidated Plan means the City of Pueblo 2025-2029 Consolidated Plan, approved June 14, 2021, by Ordinance No. 9951.

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 and the City of Pueblo's Consolidated Plan that apply to the Urban Renewal Plan area. The Urban Renewal Plan area is located within a recently annexed area of the City of Pueblo known as the Jackson Ranch area and will help advance development envisioned by the property owners and the City. 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 public infrastructure needed to serve the area.

This Urban Renewal Plan is proposed for consideration by the City Council of Pueblo pursuant to the provisions of the Act. The Authority shall administer the Project and implement the Plan.

II. Urban Renewal Area Boundary

An Urban Renewal Plan area has been created that includes properties located within the City of Pueblo's municipal limits and adjacent recently annexed areas commonly referred to as Jackson Ranch. The Area, titled the "Southwest Pueblo Urban Renewal Plan," includes multiple parcels owned by private entities that are in the process of annexation into the City in anticipation of future development. The Plan Boundary encompasses approximately 890 acres and is currently assessed as vacant commercial and agricultural land. The subject area is characterized by vacant and underutilized land, missing public infrastructure, defective or nonexistent street networks, faulty lot configurations, and areas impacted by floodplain and topographic constraints. The Area's characteristics make future development challenging. PURA evaluated this area for Urban Renewal treatment because these characteristics exhibit a propensity to represent statutorily defined blighted area factors.

III. Summary of Statutory Criteria

On September 8th, 2025, a conditions survey report was delivered to the Pueblo Urban Renewal Authority that summarized a blight study of the area described as the Jackson Ranch 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 "Jackson Ranch Conditions Survey" (the Conditions Survey) dated September 8th, 2025, consisting of multiple pages, related exhibits, a description of existing conditions, and supporting documentation. 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:

Jackson Ranch Conditions Survey – Blighting Factors Catalogued

| Blighted Area Factor # (C.R.S. 31-25-103.2 List Label) | Definition |
|---|--|
| 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 6 (f) | Unusual Topography or Inadequate Public Improvements or Utilities |
| 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 |

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. Colorado's Urban Renewal Law (§31-25-101 et seq.) requires every Urban Renewal Plan to demonstrate conformance with the municipality's adopted plans. The following sections demonstrate how the Plan's Goals align with Pueblo's Regional Comprehensive Plan, the City of Pueblo's Consolidated Plan, and the Pueblo community's remediation and redevelopment goals. Although other adopted plans exist locally and regionally, the Goals and Policies of those plans are assumed to be subsumed under the Regional Comprehensive Plan.

A. Urban Renewal Plan Goals and Relationship to Local and Regional Objectives:

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 private investment and redevelopment within the Plan.
- c)** To leverage Tax Increment Financing to assist with the funding of public infrastructure and facilities necessary to remediate blighting conditions and support new development within the Area.
- d)** To incentivize and invest in catalytic development that will remediate blighting conditions and activate vacant and underutilized land throughout the Area.
- e)** To encourage redevelopment within the Area that aligns with the City of Pueblo's future land use designations, zoning districts, and adopted planning documents.
- f)** To support the development of new residential neighborhoods within the Area, including single-family housing and housing opportunities that allow residents to age in place, consistent with the City's housing and demographic goals.
- g)** To leverage Tax Increment Financing to help attract new commercial investment and tourist-oriented development within the Area that expands the City's tax base and aligns with the City's current and future zoning districts.
- h)** To support the development of a destination-oriented RV resort and related recreational amenities that attract visitors to Pueblo, generate sales and lodging tax revenue, and strengthen the City's tourism economy.
- i)** To leverage Tax Increment Financing to help provide new lodging accommodations and visitor-serving amenities within the Plan Area.
- j)** To leverage Tax Increment Financing to help provide new housing accommodations within the Plan Area and increase the City's overall housing supply.
- k)** To improve transportation infrastructure and connectivity within the Area, including streets, intersections, and multimodal facilities, to enhance safety, accessibility, and circulation for vehicles, pedestrians, and cyclists.
- l)** To extend and upgrade public infrastructure, including water, sewer, drainage, and other utilities, from the City into the recently annexed Area in order to support orderly growth and long-term development.

2. Alignment with the Pueblo Regional Comprehensive Plan (2022)

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 in 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:**
 - *Public infrastructure, including water, sewer, drainage, and roadways*
 - *Extension of municipal services to recently annexed areas*
- **Economy:**
 - *Diversification of the City’s economic base*
 - *Tourism-oriented development and visitor spending*
 - *Expansion of commercial activity and tax base*
- **Growth and Development**
 - *Activation of vacant and underutilized land*
 - *Planned and orderly growth in annexed areas*
 - *Long-term maintenance and quality of the built environment*
- **Recreation**
 - *Development of destination-oriented recreational amenities*
 - *Access to outdoor recreation and visitor-serving facilities*
- **Transportation and Connectivity**
 - *Construction of new internal street networks*
 - *Safe and efficient access to regional roadways*
 - *Accommodation of vehicular, pedestrian, and bicycle travel in new development areas*

The following outline details specific “Regional Goals and Policies” in Pueblo’s Regional Comprehensive Plan that the 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 3: “Community Health, Equity, and Wellbeing.”** Specifically, the Plan will help advance **Goal 3.2** and **Goal 3.3**.

Goal 3.2: “Support housing stability and meet the needs of vulnerable populations.” The Plan is designed to remediate conditions that currently prevent residential development within the Plan Area, including a lack of public infrastructure, unsafe access conditions, and large areas of vacant and underutilized land. By leveraging urban renewal tools to fund public infrastructure and reduce development barriers, the Plan will help facilitate the delivery of new housing options that support aging in place and address the needs of older adults and other vulnerable populations. Residential development within the Area is anticipated to include single-family housing and housing products oriented toward active adults, consistent with the Comprehensive Plan’s emphasis on housing stability and demographic responsiveness.

Specific Policies that Align with this Urban Renewal Plan include:

(1) Policy 3.2.5 Housing for Vulnerable Populations

Goal 3.3: “Promote healthy lifestyles and active living.” The Plan will support development patterns that encourage active living through the construction of walkable street networks, pedestrian and bicycle facilities, and access to recreational amenities within new residential neighborhoods. Infrastructure improvements enabled by the Plan will help create a built environment that supports physical activity, mobility, and overall wellbeing, consistent with the Comprehensive Plan’s active living objectives.

Specific Policies that Align with this Urban Renewal Plan include:

(2) Policy 3.3.6 Active Living

b) The Plan will support the Comprehensive Plan’s **Guiding Principle 4: “Celebrate Pueblo.”** Specifically, the Plan will help advance **Goal 4.4**.

Goal 4.4: “Establish Pueblo County as a tourist destination.” The Plan will support tourism-oriented development that leverages Pueblo’s regional assets and attracts visitors to the community. Development within the Plan Area includes a destination-oriented RV resort and associated recreational amenities that will generate visitor spending, lodging activity, and positive economic impacts for the City and region. By addressing infrastructure deficiencies that currently limit development, the Plan enables tourism investments that would not otherwise occur and strengthens Pueblo’s position as a regional destination.

Specific Policies that Align with this Urban Renewal Plan include:

(1) Policy 4.4.3 Economic Impacts

c) The Plan will support the Comprehensive Plan's **Guiding Principle 5: "A Future Ready Economy and Workforce."** Specifically, the Plan will help advance **Goal 5.1, Goal 5.2, and Goal 5.5.**

Goal 5.1: "Leverage the region's assets and opportunities." The Plan will leverage regional assets, including proximity to Lake Pueblo State Park and access to regional transportation corridors, to support new residential and tourism-oriented development within the Plan Area. Investment facilitated by the Plan will enhance quality-of-life amenities and help attract residents, visitors, and private investment.

Specific Policies that Align with this Urban Renewal Plan include:

- (1) Policy 5.1.1 Land for Opportunities
- (2) Policy 5.1.4 Quality of Life

Goal 5.2: "Diversify the region's economic base." The Plan will promote economic diversification by enabling new residential development, visitor-serving uses, and supporting commercial activity within the Urban Renewal Plan Area. The RV resort and related amenities represent net-new economic activity that expands Pueblo's tourism economy, supports local businesses, and broadens the City's economic base. The Plan reflects a coordinated public-private partnership that aligns multiple taxing entities around shared redevelopment objectives.

Specific Policies that Align with this Urban Renewal Plan include:

- (3) Policy 5.2.1 Regional Collaboration

Goal 5.5: "Make it easy to do business in Pueblo." The Plan advances this goal by providing a coordinated framework for infrastructure investment, development financing, and implementation in a large, newly annexed area of the City. Urban renewal serves as an implementation tool that reduces upfront development costs, coordinates public and private investment, and provides certainty for private development consistent with adopted plans.

Specific Policies that Align with this Urban Renewal Plan include:

- (4) Policy 5.5.1 Ease of Doing Business
- (5) Policy 5.5.2 Regional Development Coordination
- (6) Policy 5.5.3 Regional Comprehensive Plan Alignment

d) The Plan will support the Comprehensive Plan's **Guiding Principle 6: "Grow Smarter."** Specifically, the Plan will help advance **Goal 6.1.**

Goal 6.1: "Promote a fiscally and environmentally responsible pattern of growth." The Plan supports planned, orderly growth within a newly annexed area of the City by facilitating the extension of public infrastructure and services. The Plan Area is identified as a new growth and annexation area where development cannot proceed without significant upfront infrastructure investment. The Plan provides a mechanism to fund infrastructure improvements, share costs among future users, and ensure development occurs in a coordinated manner. The Plan also supports appropriate infrastructure siting and development that accounts for environmental constraints such as floodplains and topography.

Specific Policies that Align with this Urban Renewal Plan include:

- (1) Policy 6.1.3 New Growth Areas
- (2) Policy 6.1.4 Annexation Areas
- (3) Policy 6.1.7 Funding to Support New Development Areas
- (4) Policy 6.5.1 Infrastructure Siting

e) The Plan will support the Comprehensive Plan's **Guiding Principle 7: "Strong Local and Regional Connections."** Specifically, the Plan will help advance **Goal 7.1** and **Goal 7.3.**

Goal 7.1: "Provide a safe, efficient, and connected transportation system." The Plan will support the construction of new internal street networks and improved access to regional roadways serving the Plan Area. Infrastructure investments facilitated by the Plan will improve safety, circulation, and connectivity for vehicles, pedestrians, and bicyclists, and ensure that new development integrates with the City's broader transportation system.

Specific Policies that Align with this Urban Renewal Plan include:

- (1) Policy 7.1.5 Streets and Highways

Goal 7.3: “Encourage and Prioritize the Use of Alternative Forms of Transportation” - The Plan will extend and improve existing road networks on campus. This Plan will leverage tax increment financing and Metropolitan District to construct new roads that will feature sidewalks and bike lanes. The Plan will also help reconstruct existing roadways, improving their active transportation facilities. The Plan will ensure that roads within its boundary become “complete streets” with pedestrian and bicycle facilities.

Specific Policies that Align with this Urban Renewal Plan include:

- (1) Policy 7.3.3 Bicycle and Pedestrian Connectivity
- (2) Policy 7.3.4 Complete Streets

3. Relationship to City Consolidated Plan

The Plan conforms with and is designed to implement the following Goals detailed in the City's 2025-2029 Consolidated Plan:

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, and solid waste management improvements.

The Plan’s purpose is to remediate conditions associated with a lack of public infrastructure within the Urban Renewal Plan Area. The Plan will help extend public infrastructure throughout its boundaries by leveraging Tax Increment Financing. This revenue may be combined with Metropolitan District financing, City resources, and private investment to construct new water and sewer lines, road networks, and stormwater and drainage facilities necessary to serve new development. The extension and improvement of these public infrastructure systems will support planned residential development, a tourism-oriented RV resort, and related uses within a recently annexed area of the City. Increased connectivity, infrastructure capacity, and system improvements would advance the City’s Consolidated Plan Goal.

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

The Plan will alleviate conditions arresting sound development within the Urban Renewal Plan Area and help attract private investment to activate vacant and underutilized land. Planned development within the Area includes new residential neighborhoods and a destination-oriented RV resort that will attract visitors, generate new economic activity, and expand the City's commercial and tourism tax base. By addressing infrastructure deficiencies and other blighting conditions, the Plan will help create conditions that support economic development and private enterprise consistent with the City's Consolidated Plan Goal.

Goal 10 – 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 Jackson Ranch Conditions Survey identified blighting factors that include vacant and underutilized land, missing or inadequate public infrastructure, unsafe or unsanitary conditions, unusual topography, and overall underutilization. The Plan's primary purpose is to remediate these conditions and prevent the spread of blight through coordinated public and private investment. This purpose is directly aligned with the City Consolidated Plan's goal to eliminate slum or blighting influences.

B. Land Use Regulations and Building Requirements

The Plan will provide a comprehensive and unified plan to promote and encourage high quality development and redevelopment of the Urban Renewal Area through the cooperative efforts of private enterprise and public bodies. Notwithstanding anything in the Plan to the contrary, the development and use of 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 adopted by reference, and other applicable standards and regulations of the City of Pueblo ("City Regulations") and Pueblo County ("County Regulations"). Permitted uses for properties in the Urban Renewal Area shall be those uses allowed in the City of Pueblo Municipal 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 by this Plan.

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 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 buildings, structures, and other improvements from property it acquires if such buildings, structures, and other improvements exist and 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 and multi-use recreational trails in the Area.

F. Land Disposition, Redevelopment and Rehabilitation

The Authority may dispose of property it acquires to private persons 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. 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, and municipal and county sales and lodging taxes collected within 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.

For sales and lodging taxes, the base will be that portion of municipal and/or County sales and lodging taxes collected within the boundaries of the Area in the twelve-month period ending on the last day of the month prior to the effective date of approval of the Plan.

Increment Amount

The increment amount is that portion of property taxes, sales taxes and lodging taxes in excess of the base amount as defined above. That portion of said property taxes, said municipal sales and lodging taxes, and said county sales 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.

Unless and until the total municipal sales tax collections in the Urban Renewal Area exceed the base year municipal sales tax collections all such sales tax collections shall be paid into the funds of the City.

Unless and until the total municipal lodging tax collections in the Urban Renewal Area exceed the base year municipal lodging tax collections all such lodging tax collections shall be paid into the funds of the City.

Unless and until the total county sales tax collections in the Urban Renewal Area exceed the base year county sales tax collections all such sales tax collections shall be paid into the funds of the County.

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.

When such bonds, loans, advances and indebtedness, including interest thereon and any premiums due in connection therewith, have been paid, all municipal sales and lodging taxes collected within the Urban Renewal Area shall be paid into the Funds of the City.

When such bonds, loans, advances and indebtedness, including interest thereon and any premiums due in connection therewith, have been paid, all county sales taxes collected within the Urban Renewal Area shall be paid into the Funds of the County.

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.

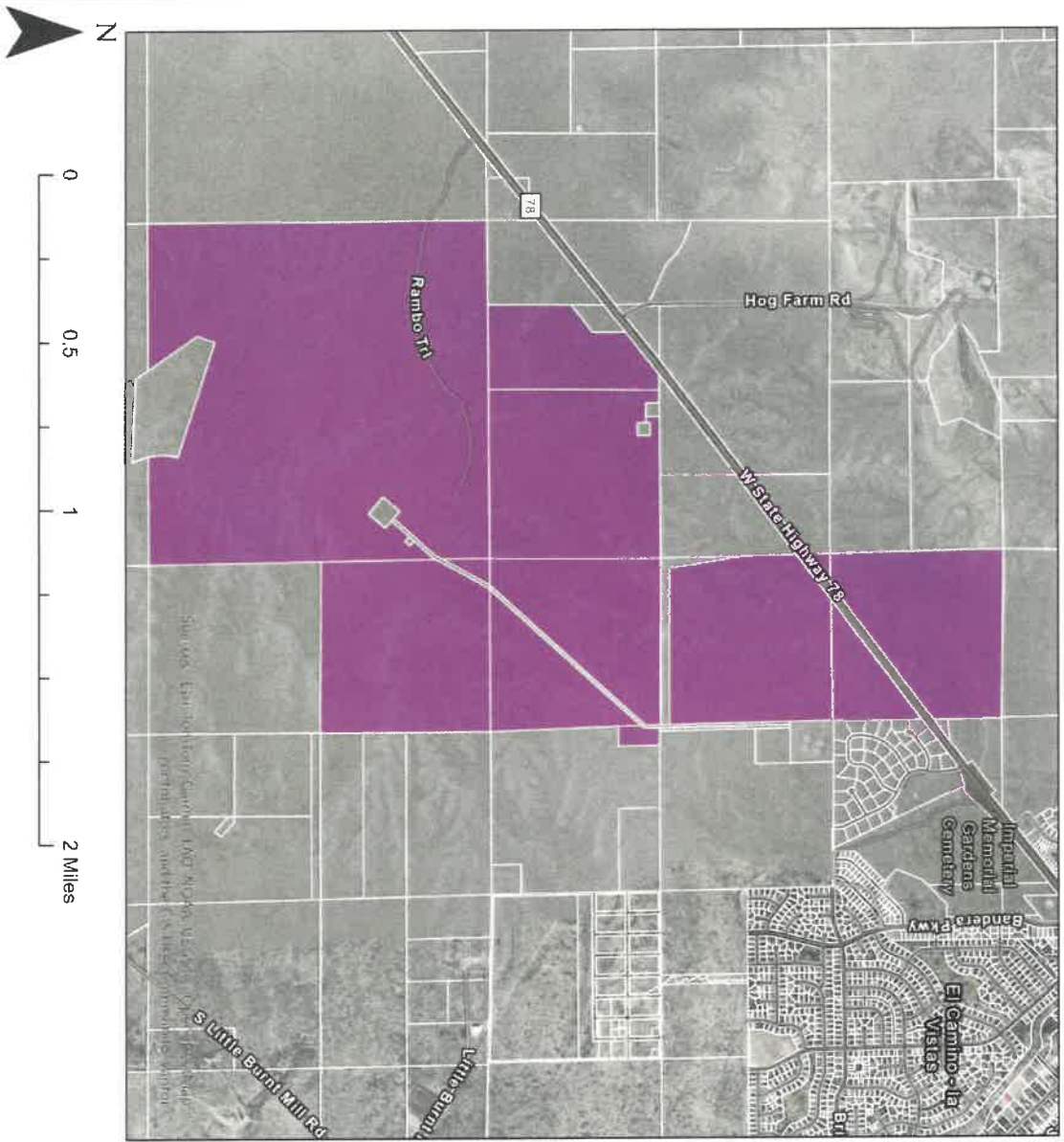
VIII. MINOR VARIATIONS

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.

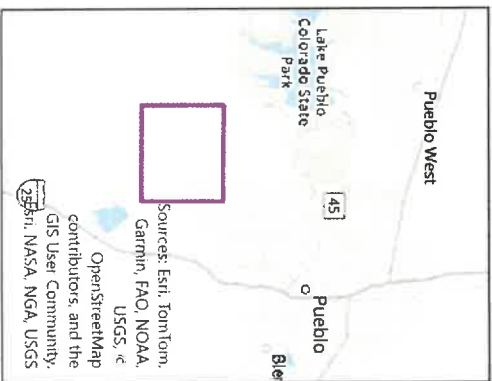
EXHIBIT A - LEGAL DESCRIPTION

EXHIBIT B
URA PLAN MAP

Southwest Pueblo Urban Renewal Plan



Pueblo County Parcels
Southwest Pueblo Urban Renewal Plan





PIONEER
DEVELOPMENT
COMPANY

we find the way

Southwest Pueblo Urban Renewal Plan Impact Report

Pueblo Urban Renewal Authority

February 15, 2026



February 15, 2026

City of Pueblo, Colorado

Dear Pueblo Urban Renewal Authority (PURA) Board,

PURA is studying a potential urban renewal plan area (the Plan) located within recently annexed land to the City's southwest. The Plan is titled the "Southwest Pueblo Urban Renewal Plan" and will include ~890 acres. This Impact Report forecasts tax revenues and fiscal impacts generated within the proposed Plan area by two new developments, the proposed RV Resort development and the Jackson Ranch residential development (Project). This 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).

An Urban Renewal Impact Report is a supplementary document to the Urban Renewal Plan required if tax increment financing (TIF) is to be utilized in the project area for renewal activities. PURA is considering creating an Urban Renewal Plan that would include both the RV Park and Jackson Ranch developments. Although these two developments would be within the same Urban Renewal Plan area, they are likely to be distinct tax increment financing districts. This separation is strategic and intended to maximize tax increment revenue dedicated to funding public infrastructure, while simplifying the revenue tracking process. This report analyzes the development as a single project and will refer to both TIF districts as the "Southwest Pueblo Urban Renewal Plan." This proposed Urban Renewal Plan will authorize TIF within the project area and therefore requires an Impact Report.

This Impact Report meets the 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 the City of Pueblo, PURA (Authority) and its taxing entity partners with a realistic forecast of property and sales tax increment that will be generated via blight remediation, investment attraction and development. The forecast in this report is informed by the City and County's Regional Comprehensive Plan, City Zoning Code, Planned Unit Development submissions, developer site plans, pro forma, market studies and underwriting models. This information is supplemented by interviews with the developers, PURA and City Staff, and taxing entity representatives. The forecasts are intentionally designed to be conservative estimates. All forecasts are designed to show a "maximum impact scenario," meaning that both property and sales tax increment is quantified, and all possible millage rates and sales (lodging and non-lodging) tax rates are retained by the Authority for use within the Plan.

This report provides a realistic forecast to better inform negotiations between the Authority and impacted taxing entities. The goal is to ensure that the Southwest Pueblo Urban Renewal Plan succeeds in remediating blight, attracting investment, and advancing projects desired by the Pueblo Community.

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

CC: Cherish Deeg

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Executive Summary

Urban Renewal Plan Impact Report:

PURA is in the process of forming a new urban renewal plan (Plan). The proposed Plan will include two large developments. They are the RV Resort project and the Jackson Ranch residential development project. Pueblo Recreation Investors, LLC is advancing the RV Park development, and RJPC Ranch, LLC are advancing the Jackson Ranch development. These developments are linked, in that their future property and sales tax revenues will help fund public infrastructure that makes both projects feasible.

The overall project is located on property that was recently annexed into the City of Pueblo. The area lacks public infrastructure, including roads, water and sewer services, and stormwater facilities. The area is also challenging topographically and is impacted by the 100-year floodplain. New development must contend with this lack of infrastructure, access, and topography. These challenges create significant financial hurdles for future development, which is why both proposed projects are pursuing a public private partnership with PURA to increase project feasibility. The proposed strategy between PURA and the development team is to leverage tax increment financing that can be pledged to special districts (metropolitan districts), which in turn will issue debt to fund the necessary public improvements. The project promises to not only extend public roads, water and sewer throughout the Plan area, but create regional transportation connections that allow the City of Pueblo to expand and grow sustainably.

The tax increment is generated solely by new development in the Plan area and would not increase taxes on the community, nor would it leverage existing revenues collected by PURA's tax partners. The tax increment revenue instead will be collected by PURA, which in turn, would pledge a specified amount to the project's Metropolitan Districts to fund publicly eligible infrastructure. Excess tax increment revenue could then be remitted back to the taxing entity partners.

It is important to note that without PURA's support, the metro district bonds are not sufficient to cover the project's expected public infrastructure costs. In other words, but for PURA's support, this project is not feasible. This test and the fact that the area qualifies for urban renewal treatment, justifies the use of TIF within the proposed plan area. This report evaluates the project's tax revenue generation and taxing entity impacts so that PURA can enter negotiations with its taxing partners. These two projects are treated as a single development by this report, subsumed within the Southwest Pueblo Urban Renewal Plan.

Phase 1 – RV Park Development Project

The Project's first phase of development is the RV Resort (RV Resort). The RV Resort development encompasses ~299 acres within the Plan's northeast corner. This land is vacant and undeveloped. It lacks safe access to Highway 78, and must contend with steep slopes, the 100-year floodplain, and the complete absence of public infrastructure. Activating the area will require extending the City's water and sewer service nearly a mile down Highway 78 and into the development area. Roadway improvements will also be necessary, including a signalized intersection, acceleration and deceleration lanes, and an internal street network. The RV Report's public infrastructure is essential for activating Phase 2, the Jackson Ranch residential development.

The RV Resort development program represents a tourist-oriented, outdoor recreation resort. The resort will cater to recreational vehicles and feature campsites, glamping sites, and park model cabins. Amenities will include a water park and commercial retail options. The resort will also feature a residential component tentatively titled the "Casitas Village", complete with a pool, bathhouse, sports area, and clubhouse. The RV Resort and Casitas Village are estimated to cost ~\$140 million. These costs include new public infrastructure that must be extended throughout the area to activate development.

Phase 2 - Jackson Ranch Development Project

After Phase 1 is completed and new roads, water and sewer lines, and stormwater facilities have been extended within the Plan area, Phase 2 will commence. Phase 2 is titled the Jackson Ranch Development Project. This development includes the recently annexed areas of Jackson Ranch, which total ~591 acres. The project proposes a new residential subdivision, one that could add ~902 new homes to the City's housing stock. Although the development program is still conceptual at this time, the recent annexation rezoned the 591 acres into four zoning districts with specific residential densities. The development team expects the A-1 and A-4 zones to feature large lot residential development. The R-2 zone will emphasize Active Adult product, which is geared towards seniors who wish to age-in place. The R-3 can provide a variety of housing types, including higher density single family attached homes (half-plex residences). These zones and their associated acreages are tabulated below:

| Jackson Ranch Annexation – Zoning and Acreage | |
|---|--------------|
| Zoning Code | Acreage |
| A-1 | 292.6 |
| A-4 | 46 |
| R-2 | 220 |
| R-3 | 33 |
| TOTAL | 591.6 |

If successful, Jackson Ranch will become one of the city's largest residential growth areas, helping to add housing units to the city to help facilitate growth for decades to come. Estimated development costs, including infrastructure, are ~\$462 million. This development, as well as Phase 1, will extend the City of Pueblo Southwest, and create new regional transportation connections for both its existing and new residents.

Conditions Survey Assessment

The Plan is eligible for Urban Renewal treatment based on the blighting factors identified within the plan boundary. A conditions survey was conducted for this Urban Renewal Plan on September 8th, 2025. That survey identified the requisite number of blighting factors for the Plan area to be eligible for urban renewal treatment. This also helped ensure that the Urban Renewal Plan boundary was drawn as narrowly as possible around these development projects. The blighted area factors identified by the Conditions Survey are tabulated on the following page:

| Southwest Pueblo Urban Renewal Plan Conditions Survey – Blighting Factors Catalogued | |
|--|--|
| Blighted Area Factor # (C.R.S. 31-25-103.2 List Label) | Definition |
| 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 6 (f) | Unusual Topography or Inadequate Public Improvements or Utilities |
| 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 |

Impact Report Methodology

This Impact Report analyses the Plan area and forecasts future development for 25 years after Plan adoption. The Report forecasts future growth according to the combined development program, the City of Pueblo's adopted plans and market conditions, and it evaluates potential impacts on the City and participating taxing bodies. PURA staff assisted in producing this study, which relied on submitted development plans and conversations with Pueblo Recreation Investors, LLC and the RJPC Ranch, LLC development teams. The projections were tempered according to regional market capacities and regulatory controls. The Impact Report also analyzed comparable development projects throughout Colorado to further refine its analysis and estimate future development size, quality, value, and timing.

The Impact Report forecasts residential and commercial development within the Southwest Pueblo Urban Renewal Plan area over the next 25 years. All development is phased according to market absorption rates, and the proposed progression of infrastructure throughout the area. Valuations are derived from market studies conducted by the development team, comparable properties and current market benchmarks. These values are also adjusted for inflation. The location, type and density for future development are based on submitted development plans and existing zoning.

After modeling the most probable development forecast, this report quantified the Plan's assessed value, property tax, sales tax, demographics, and fiscal impacts. This information provides estimates regarding the amount of tax increment (both property and sales) the Plan will generate over 25 years. Incremental revenue estimates are projected for each taxing entity that levies an ad valorem property tax within the Plan area. The Impact Report also estimates the number of new residents and students the Plan area will generate over 25 years. These tax increment and demographic impacts were used to evaluate potential fiscal impacts on participating taxing entities.

The following section summarizes the Impact Report's conclusion, assumptions, and findings. **Impacts on taxing entities are categorized as either low, medium, or high.** This report considers revenue sharing agreements that cause incremental revenue collections (either property or sales/lodging) to exceed 10% of a taxing entity's annual revenues as evidence of high-level, fiscal impact. A detailed methodology, impact analysis and recommendations are provided in this Report that elaborate on the Executive Summary's findings.

Conclusion

The Southwest Pueblo Urban Renewal Plan is designed to extend City of Pueblo into a formally undeveloped and underutilized area. The City supports this expansion, as evidenced by its annexation approvals. The City Council unanimously voted to annex both the Phase 1 – RV Park Development and the Phase 2 – Jackson Ranch Development. The city's approved zoning amendments also support the Project's proposed development. The city recognizes the need to grow its tax base and population, a community goal that new commercial and residential development can support. The RV Resort and Jackson Ranch residential development projects represent a significant investment within the City of Pueblo, one that could increase its tax base and generate new sales and lodging tax revenues. Jackson Ranch can also help absorb the City's population growth for the next two decades, adding residents and students to both the City and its School Districts. The Southwest Urban Renewal Plan represents a targeted approach to growth that can sustainably grow the City's population, economy, and tourism.

This Plan's Impact Report forecasts project development over the next 25 years. The Plan's infrastructure is assumed to begin construction in 2026 and allow for vertical development at the end of 2027. Vertical improvements will begin to be phased into the Plan area starting in 2028 and continue through 2047. Phase 1 includes the RV Park Development and the Casitas Village. Phase 2 will begin after Phase 1's infrastructure has been extended and includes the Jackson Ranch Residential Development. Overall, the Plan's development program is expected to generate 1,202 residential units, 6,000 square feet of commercial retail space, and 748 RV Stall and Park Model Cabins. The project will also construct a water park, pool, sport recreation areas, and a bathhouse.

The Impact Report found only low-level fiscal impacts to participating taxing entities. This means that the conceptual development is not forecast to generate significant fiscal impacts on the following tax entities: the City of Pueblo, Pueblo County, Pueblo School District 60, the Pueblo City-County Library District, the Lower Arkansas Valley Water Conservancy, or the Southeast Water Conservation District.

This report recommends that the Authority support TIF sharing negotiations with these taxing bodies to ensure that the Plan's taxing partners are supportive of the Urban Renewal Plan vision. The Authority should work collaboratively with these taxing entities to craft TIF sharing agreements that make the proposed development feasible. TIF revenues are expected to fund only public infrastructure extensions and revenue sharing agreements should be designed to mitigate negative impacts on PURA's taxing partners.

The following list and tables summarize the Impact Report's recommendations, assumptions and findings that underscore this conclusion.

Impact Report Recommendations:

Considering the minimal fiscal impacts projected for this Plan, and that TIF will only fund public infrastructure within recently annexed areas, the report recommends the following revenue sharing agreements:

- The Authority and the City of Pueblo agree to share 100% of its property tax levy with the Plan. The Plan will remit 100% of the City's sales tax and lodging tax increment generated at its 3.7% and 4.3% rate back to the city.
- The Authority and the Pueblo School District agree to share 100% of the total program property tax levy. The School District's Mill Levy Override and Bond Levy should be remitted by the Plan.
- The Authority and Pueblo County agree to share 100% of its general property tax and road and bridge levies with the Plan. Special Fund levies such as Human Services and Employee Retirement should be negotiated within TIF Revenue Sharing Agreements. The Plan will remit 100% of the County's sales tax increment generated at its 1.00% rate back to the County.
- The Authority and the Pueblo City-County Library district agree to share a majority of its property tax levy with the Plan. The TIF revenue sharing agreement should account for library district service needs generated by new residents.
- The Authority should retain 100% of property tax generated by the water conservation districts' mill levy.

The Impact Report's Assumptions:

- The Urban Renewal Plan is eligible for Urban Renewal treatment. The Conditions Survey, completed June 5th, 2025, found that the urban renewal area exhibits **five of the eleven** statutorily defined blighting conditions, meaning that the Plan area is eligible for urban renewal activities.
- Phasing is expected to proceed in a linear fashion based on these annual absorption rates. Phase 1 development will begin first, followed by Phase 2 development. Residential development and commercial development are assumed to proceed concurrently after their staggered start due to infrastructure timing.
- All TIF forecasts assume a 100% mill levy commitment from each participating taxing entity. This is to forecast the maximum potential impact of the proposed plan area.
- Property Tax, Sales Tax and Lodging Tax are assumed to be available for TIF sharing agreements.
- All property within the Plan area will be taxed at an overlapping millage rate of 92.2762 in its formation year. Metropolitan District Millage Rates are excluded and not considered increment.

Summary Tables and Charts:

| Southwest Pueblo Urban Renewal Plan - Development Program Summary | | | |
|---|-----------------------------|-----------------------------------|----------------------|
| Real Estate Product | Phase 1 RV Park Development | Phase 2 Jackson Ranch Development | Total |
| Residential Units | 300 | 902 | 1,202 |
| RV Stalls and Park Model Cabins | 748 | - | 748 |
| Commercial Retail Square Footage | 6,000 | - | 6,000 |
| Total Actual Value (Pueblo County Assessor Estimate) | \$182,181,731 | \$466,944,668 | \$649,126,398 |

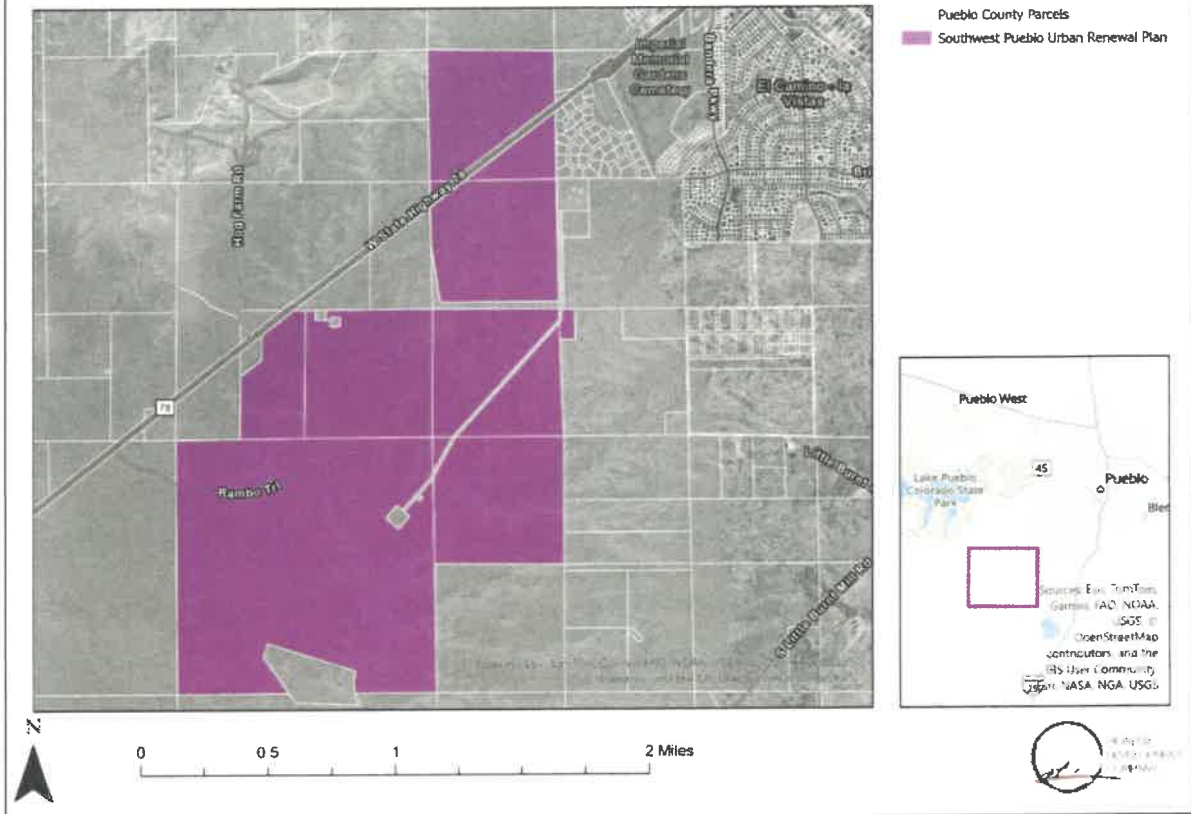
| Southwest Pueblo Urban Renewal Plan - Public Finance Summary | | | | |
|--|---------------------|----------------------|--------------------|--------------------|
| Estimated Base Taxable Value (Local Government) | \$4,052,189 | | | |
| Estimated Base Taxable Value (School District) | \$4,052,189 | | | |
| Total New Taxable Real Property Value (Local Government) | \$45,654,225 | | | |
| Total New Taxable Real Property Value (School District) | \$49,299,799 | | | |
| Net Taxable Real Property Value (Local Government) | \$41,602,036 | | | |
| Net Taxable Real Property Value (School District) | \$45,247,610 | | | |
| Total Incremental Assessed Value (Local Gov.) | \$41,602,036 | | | |
| Total Incremental Assessed Value (School) | \$45,247,610 | | | |
| | | | | |
| Tax Increment Financing Estimates | Term Total | Present Value | Annual Average | City of Pueblo |
| Total | \$81,040,699 | \$28,736,843 | \$2,535,000 | \$1,255,000 |
| Property Tax Increment Estimates | \$63,800,000 | \$22,200,000 | | |
| Property Tax (Local Government) | \$36,200,000 | \$12,600,000 | \$1,392,000 | \$620,000 |
| Property Tax (School District) | \$27,600,000 | \$9,600,000 | \$1,063,000 | |
| Sales Tax Increment Estimates | \$2,800,000 | \$1,200,000 | | |
| Municipal Sales Tax | \$1,800,000 | \$800,000 | \$80,000 | \$80,000 |
| County Sales Tax | \$500,000 | \$200,000 | \$22,000 | |
| Lodging Tax Increment Estimates | \$14,440,699 | \$5,336,843 | | |
| Municipal Lodging Tax | \$14,400,000 | \$5,300,000 | \$555,000 | \$555,000 |
| TOTAL PUBLIC FINANCE ESTIMATES | Term Total | Present Value | | |
| TOTAL | \$81,040,699 | \$28,736,843 | | |
| Property Tax | \$63,800,000 | \$22,200,000 | | |
| Sales Tax (Inflation Adj.) | \$2,800,000 | \$1,200,000 | | |
| Lodging Tax (Inflation Adj.) | \$14,400,000 | \$5,300,000 | | |
| GRAND TOTAL | \$81,000,000 | \$28,700,000 | | |

Urban Renewal Plan Area Value and Tax Generation Comparison

| Tax District Name | % District's Total AV | % District's Annual Property Tax | % District's Annual Sales Tax | % District's Annual Lodging Tax | Impact Assessment |
|---|-----------------------|----------------------------------|-------------------------------|---------------------------------|-------------------|
| Pueblo City School District General Fund | 2.792% | 1.890% | | | LOW |
| Pueblo City School District Bond | 2.792% | 1.733% | | | LOW |
| Pueblo County General Fund | 1.555% | 1.017% | 0.08% | | LOW |
| Pueblo County Road and Bridge Fund | 1.555% | 1.130% | | | LOW |
| Pueblo County Human Services | 1.555% | 1.118% | | | LOW |
| Pueblo County Employee Retirement | 1.555% | 1.022% | | | LOW |
| City of Pueblo | 3.000% | 1.884% | 0.11% | 33.6% | LOW |
| Southeast Water Conservation District | 1.904% | 0.219% | | | LOW |
| Lower Arkansas Valley Water Conservation District | 2.385% | 1.347% | | | LOW |
| Pueblo Library District | 1.555% | 0.975% | | | LOW |

Urban Renewal Plan Summary

Southwest Pueblo Urban Renewal Plan

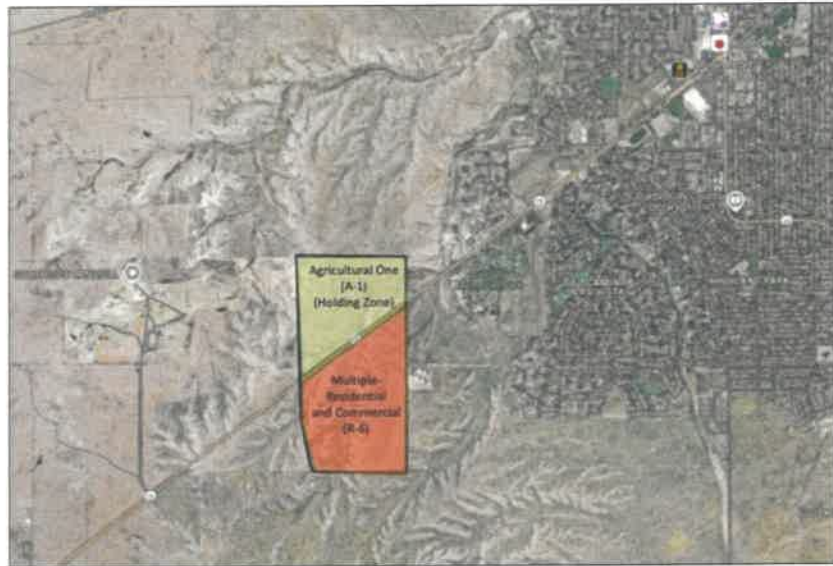


Urban Renewal Plan Area

The proposed Plan encompasses large vacant parcels that have been recently annexed into the City of Pueblo. The Plan's boundaries will be strictly located within the City of Pueblo's municipal limits. Although most of the project area was recently annexed into the City of Pueblo, a few parcels still extend into unincorporated areas. The annexation boundaries are not contiguous with the parcel boundaries currently, causing the survey area to be larger than the annexation area. The Urban Renewal Plan's final legal description may transect parcels located both within the City and the County. These parcels will require future subdivisions so that their boundaries neatly align with the annexation area. This report has included the approved annexation within its appendix for reference.

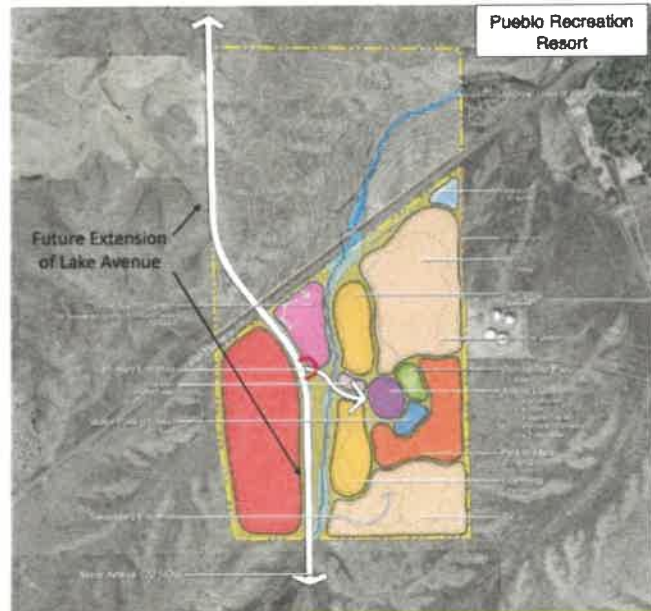
Pueblo County and Pueblo City data were used to create GIS maps for the analysis and evaluate parcel assessment information. According to these County GIS and Assessor's databases, the survey area includes 7 parcels and encompasses ~1,485 acres. The total annexation area, however, is ~890 acres. This area will be contiguous with the Southwest Pueblo Urban Renewal Plan boundaries. The following exhibits depict the approved zoning configuration and site plan for the annexed properties within the Plan area. A detailed site plan is also included in the Appendix under Section 4.

Planned Zoning



VERTEX
PLANNING & DESIGN

Planned RV Resort



VERTEX
PLANNING & DESIGN

Area Description

The Plan area includes 7 parcels and ~890 acres (the following table is based on a 1,485-acre area because the parcel boundaries do not yet reflect the annexation boundaries). The Plan area includes agriculturally assessed land and will require that its base value be updated to vacant commercial by the Pueblo County assessor after Plan adoption.

There are two property owners included within the survey boundary, Pueblo Recreation Investors LLC and RJPC Ranch LLC. The survey area's parcels are assessed as either Vacant Commercial or Agricultural. The survey area's properties are characterized by missing public infrastructure, missing street networks, underutilization, and vacancy and the FEMA designated 100-year floodplain.

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

| Urban Renewal Plan Land Use Summary | | |
|-------------------------------------|----|-----------|
| Area Statistics | | |
| Total Plan Area (Acres) | | 890 |
| Total Parcel Area (Acres) | | 1,485 |
| Total Number of Parcels | | 7 |
| Assessed Value | | Value |
| Total Actual Value | \$ | 1,056,407 |
| Total Assessed Value | \$ | 285,231 |
| Total Taxable Value | \$ | 285,231 |

Current Assessment of Plan Area

The Survey area includes vacant commercial and agriculturally assessed property. The total equalized assessed value (taxable value) of these parcels, according to the County Assessor's database 2025 valuations, is \$285,231. Because a majority of the survey area is agriculturally assessed, the Pueblo County assessor's office will need to provide a hypothetical vacant commercial value to quantify the Urban Renewal Plan's total base value. **This report adjusts Agricultural Land by \$0.25 per SF to estimate its value if assessed vacant commercial. The hypothetical Base Value used in this Report is therefore \$4,052,189.**

Impact Report Methodology

Forecasting Future Growth

The Southwest Pueblo Urban Renewal Plan's goal is to incentivize development by remediating blighting conditions and spurring new investments in public infrastructure, commercial development, housing, amenities, and community and economic development needs.

Urban renewal authorities can use a variety of tools to actualize these changes, the most powerful being Tax Increment Financing (TIF). TIF is a redevelopment strategy that leverages future tax revenues to incentivize 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 that forecasts growth within a proposed renewal area and estimates the impact this growth will have on taxing entities within that area. The report's purpose is to ensure that taxing entities that rely on property tax and, as applicable, sales/lodging 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 project's lifetime. **The Southwest Pueblo Urban Renewal Plan is expected to last 25 years**, the maximum amount of time permitted by Colorado's Urban Renewal Law for the collection of TIF.

This report projected where and when redevelopment will take place within the Plan area by reviewing the proposed development program, market studies, conceptual development renderings, underwriting, the City's Comprehensive Plan and Zoning map, and regional development patterns. These resources were synthesized to inform the report's development assumptions and estimates. There are two distinct development programs that are being modeled and analyzed by this impact report. These programs are organized into two phases.

Phase 1 is the RV Resort and Casitas Village. This project is located within ~300 acres in the Plan's northeast quadrant. The program features a recreational vehicle resort, a water park, a second-home village, and commercial amenities. The project is expected to begin construction by fall of 2026 and have its final phases completed by 2038. Phase 1's public infrastructure will facilitate Phase 2.

Phase 2 is the Jackson Ranch residential development. This project is located within ~590 acres recently annexed into the City of Pueblo. The annexation and zoning allows for residential development products ranging from large lot residential to single family attached (half plex). Conceptual development plans for this area include Active Adult housing, as well as larger estate lots and half plex buildings.

Phase 1 and Phase 2 will require substantial public infrastructure improvements to become feasible. These improvements will activate undeveloped land within the Plan area but also provide regional transportation connectivity on Pueblo's southwest side. The extension of water and sewer infrastructure to this area will also facilitate future development beyond the Plan's boundaries.

Navigating this complex development roadmap will require significant cooperation with the City of Pueblo, PURA (Authority), its partnering taxing entities, and the private sector. The Plan represents an ambitious public private partnership, one that will remediate conditions arresting sound development throughout the area by providing a mix of public incentives, bonds, and private investment. The Authority is expected to be a key partner, and TIF is vital for making the overall development project feasible. The projections made by this impact report have been informed by this perspective and market realities.

Development Assumptions and Feasibility

The Plan and its two Phases represent a large, mixed-use development that will activate new development in recently annexed areas within the City's southwest boundary. The Plan will also help fund major transportation connections, such as Lake Avenue, as well as extending City water and sewer lines into these vacant ~890 acres.

The Plan is expected to be an economic catalyst for the City of Pueblo. It will increase the City's total assessed value, population and commercial activity over the next 25 years. The proposed development programs include residential units, as well as a significant hospitality development. The Plan is also expected to generate significant property, sales, and lodging tax revenues. To accurately forecast these revenues, development costs and market benchmarks were analyzed to further evaluate the Plan's assumptions and feasibility.

Interviews with the Development Team, PURA Staff, and the Pueblo County Assessor's office informed the Impact Report. These inputs were used to predict the project's type, size, time, and value. The assumptions are informed by the development program, market studies on the Plan's specific real estate products, bond underwriting, urban renewal best practices, City land use regulations and community desires. The goal is to anticipate development that will be both financially and politically feasible, meaning that future development in the Plan area matches the City of Pueblo's market demands and community interests. The assumptions are cataloged below:

Type of Development –

The Plan area will include residential and commercial development:

The project includes residentially assessed development both in Phase 1 and Phase 2. Phase 1 residential development includes the "Casitas Village", where smaller single-family homes will be constructed on land that is ground-leased from the landowner. These Casitas will be owner-occupied and will be marketed to second-home owners that wish to live close to the resort, the City of Pueblo, and Lake Pueblo. The Casitas Village will include a bathhouse, pool, and sports area owned and maintained by the future Homeowners Association (HOA). This report assumes that the Casitas Village, including the land being ground leased, will be residentially assessed. The report assesses residential development at a 6.25% equalization rate for local governments, and a 7.05% equalization rate for the school district.

Phase 2 is completely residential. The Jackson Ranch development is zoned A-1, A-4, R-2 and R-3. This development is expected to include a variety of housing types, ranging from single family attached dwellings (half plex), to Active Adult homes, and large lot residential estates. All homes are assumed to be sold and owner-occupied. The report assesses residential development at a 6.25% equalization rate for local governments, and a 7.05% equalization rate for the school district.

The development program also features commercial uses. Phase 1 is assumed to be the only phase with commercially assessed development. Phase 1 includes the RV Resort, a tourist-oriented, outdoor recreation resort that features campsites, glamping sites, park model cabins, a water park, and commercial retail amenities. The RV Resort is assumed to be commercially assessed at a 27.0% equalization rate by this report.

Size of Development –

This report estimated the Plan area development’s size (or scale) by analyzing the City’s regulatory controls, submitted plans by the developer, and the regional market. This analysis was supplemented by PDC’s market studies, as well as market studies provided by Pueblo Recreation Investors, LLC¹.

Phase 1 includes the RV Resort and Casitas Village. The RV Resort is expected to include 472 Campsites (RV Stalls), 114 Glamping Sites, and 162 Park Model Cabins. The resort will also include a water park (and future expansion area) and commercial retail clubhouse. The Casitas Village will include 300 Casitas Cabins, as well as a private pool, bathhouse, and sports area.

Phase 2 includes the ~591-acre Jackson Ranch residential subdivision. The report’s development program is based on interviews with the development team, the adopted zoning districts for the annexation, and assumptions regarding land area’s that are developable within the annexation (due to its undulating topography). This report assumes that residential development will feature three categories of housing units, single-family attached units (half plex), Active Adult senior living units, and large lot residential units. In total, Phase 2 is expected to generate 902 residential units over the Plan’s 25 years. Phase 2’s assumptions are tabulated below:

| Jackson Ranch Development (Per Annexation Agreement) | | | | | | |
|--|--------------|--------------------|--------------------------|-----------------------------|------------------|----------------------|
| Development Area | Pricing | Anticipated Zoning | Density (Units Per Acre) | Acreage (Per Staff Reports) | Developable Area | Estimated Unit Count |
| Annexation 1 Phase 1 | Half Plex | R-3 | 12 | 31.2 | 40% | 150 |
| Annexation 1 Phase 2 | Active Adult | R-2 | 8 | 110.8 | 40% | 354 |
| Annexation 1 Phase 3 | Large Lot | A-1 | 0.025 | 10.3 | 40% | 0 |
| Annexation 1 Total | | | | 152.3 | | 504 |
| Annexation 2 Phase 1 | Half Plex | R-3 | 12 | 1.8 | 40% | 8 |
| Annexation 2 Phase 2 | Active Adult | R-2 | 8 | 109.2 | 40% | 350 |
| Annexation 2 Phase 3 | Large Lot | A-1 | 0.025 | 282.3 | 40% | 3 |
| Annexation 2 Phase 4 | Large Lot | A-4 | 2 | 46.0 | 40% | 37 |
| Annexation 2 Total | | | | 439.3 | | 398 |
| Total Both Annexations | | | | 591.6 | | 902 |

Time of Development –

The timing of this projected development is limited by regulatory controls and market demand. This report assumes that the proposed development will be successful through entitlement and therefore models the timing for specific uses based on their absorption rates. An absorption rate is an estimate for the number of dwelling units or square footage that can be absorbed by the market each year. Absorption was modeled on submitted market studies, developer pro formas, and average annual building permits issued by the City and County over the last five years. Data was derived from CoStar and the State Demographer’s office.

¹ Market Studies included PDC market studies and a “Feasibility Report Jellystone Park™ Lake Pueblo, CO” October 3rd, 2025.

Phase 1 development is based heavily on submitted market studies provided by the development team and their investment pro forma. The Casitas Cabins are assumed to be absorbed at a higher rate than traditional single-family homes within Pueblo County and the City of Pueblo. The RV Resort and Casitas Village construction is expected to commence in 2026, with amenities and RV Stalls, and Casitas Cabins coming online in 2028. Construction will continue in phases through 2038.

Phase 2 will begin as soon as horizontal infrastructure is extended throughout Phase 1 (estimated to occur by 2027). The first residential units will be completed in 2029 and development will continue through 2047.

Value of Development –

This report estimated the future value of development by evaluating market studies, current assessments of comparable properties, development pro forma, as well as market benchmarks. Residential units were priced according to the pro forma and current market values of similar product. All residential price points were adjusted for inflation. The report's tax forecast used these sales prices as inputs.

The commercial real estate assets evaluated by this report were appraised using either an income-based approach, or a cost approach. The RV Resort is difficult to appraise using an income-based approach, since the resort has multiple sources of revenue and net operating income margins can vary. Pueblo Recreation Investors LLC provided PDC with a feasibility study that estimated development costs per unit type within the park. The Water park costs were also estimated. This Report used the development costs associated with these specific improvements to arrive at a total development cost. This cost was used in the model to estimate property taxes. It should be noted that the model reduced assessed value by 20% for all development, in order to conservatively estimate property tax increment.

The retail product in Phase 1 was appraised by this report using an income-based approach. Market rents were used to project the retail amenities effective gross income. Vacancy rates, credit loss, and expenses were then factored to arrive at a net operating income (NOI)². Current market benchmarks and investor surveys were reviewed to estimate an appropriate capitalization rate (Cap Rate) for the real estate product. The NOI and Cap Rate are used to estimate the market value for the commercial retail amenity.

These sale, cost and income appraisal approaches were all utilized within the model to arrive at the estimated total actual and assessed value. The model estimates that the Plan's total actual value at full build-out is \$649.1 million, with an estimated assessed value of \$45.7 million.

This report assumes that retail commercial development will generate sales taxes based on the City's sales tax rate and average sales per square foot multipliers. This report assumes that the City's non-lodging sales tax rate will remain at 3.7% over the next 25 years, and that retail commercial development will average \$300 per square foot in sales (adjusted for inflation).

This report assumes that the RV Resort will also generate taxes at the City's lodging tax rate. This rate is currently 4.3% and is assumed to remain static over the next 25 years. The RV Resort is expected to generate lodging tax based on a \$40 RevPAR for Campsites, \$52 RevPAR for Glamping site, and a \$80 RevPAR for Park Model Cabins.

² Commercial Retail NOI Margins are assumed to be 85% by this Report.

The table below provides specific valuation estimates for each real estate product:

| Southwest Pueblo Urban Renewal Plan - All Development Program | | | | | |
|---|------------------|---------------------------------------|--------------------------|----------------------|-----------------------------|
| Development Type | Development Code | Development Description | Units/S.F. | Actual Value | Assessed Value (Local Gov.) |
| Residential | | | 1,206³ | \$565,300,972 | \$28,481,047 |
| Casitas Land | CD1 | Other - Land (Casitas) | 1 | \$7,474,000 | \$373,700 |
| Casitas Phase 1 | CD2 | Residential - For Sale - Casitas | 30 | \$9,180,900 | \$459,045 |
| Casitas Phase 2 | CD3 | Residential - For Sale - Casitas | 65 | \$20,090,870 | \$1,004,543 |
| Casitas Phase 3 | CD4 | Residential - For Sale - Casitas | 70 | \$21,852,684 | \$1,092,634 |
| Casitas Phase 4 | CD5 | Residential - For Sale - Casitas | 70 | \$22,071,211 | \$1,103,561 |
| Casitas Phase 5 | CD6 | Residential - For Sale - Casitas | 55 | \$17,515,082 | \$875,754 |
| Casitas Phase 6 | CD7 | Residential - For Sale - Casitas | 10 | \$3,216,406 | \$160,820 |
| Casitas Pool | CD9 | Other - Casitas Pool | 1 | \$765,075 | \$38,254 |
| Casitas Sports Area | CD10 | Other - Sports Area | 1 | \$255,025 | \$12,751 |
| Casitas Bathhouse | CD11 | Other - Poolhouse | 1 | \$255,025 | \$12,751 |
| Half Plex | JR1.1 | Residential - For Sale - Half Plex | 50 | \$20,136,604 | \$1,027,068 |
| Half Plex | JR1.2 | Residential - For Sale - Half Plex | 50 | \$20,337,970 | \$1,037,338 |
| Half Plex | JR1.3 | Residential - For Sale - Half Plex | 50 | \$20,541,350 | \$1,047,712 |
| Active Adult | JR2.1 | Residential - For Sale - Active Adult | 44 | \$20,748,187 | \$1,058,261 |
| Active Adult | JR2.2 | Residential - For Sale - Active Adult | 44 | \$20,955,669 | \$1,068,844 |
| Active Adult | JR2.3 | Residential - For Sale - Active Adult | 44 | \$21,165,226 | \$1,079,532 |
| Active Adult | JR2.4 | Residential - For Sale - Active Adult | 44 | \$21,376,878 | \$1,090,328 |
| Active Adult | JR2.5 | Residential - For Sale - Active Adult | 44 | \$21,590,647 | \$1,101,231 |
| Active Adult | JR2.6 | Residential - For Sale - Active Adult | 44 | \$21,806,553 | \$1,112,243 |
| Active Adult | JR2.7 | Residential - For Sale - Active Adult | 44 | \$22,024,619 | \$1,123,366 |
| Active Adult | JR2.8 | Residential - For Sale - Active Adult | 44 | \$22,244,865 | \$1,134,599 |
| Large Lot | JR3 | Residential - For Sale - Large Lot | 0 | \$92,580 | \$4,675 |
| Half Plex | JR4 | Residential - For Sale - Half Plex | 8 | \$3,858,027 | \$192,901 |
| Active Adult | JR5.1 | Residential - For Sale - Active Adult | 50 | \$25,828,883 | \$1,291,444 |
| Active Adult | JR5.2 | Residential - For Sale - Active Adult | 50 | \$26,087,171 | \$1,304,359 |
| Active Adult | JR5.3 | Residential - For Sale - Active Adult | 50 | \$26,348,043 | \$1,317,402 |
| Active Adult | JR5.4 | Residential - For Sale - Active Adult | 50 | \$26,611,524 | \$1,330,576 |
| Active Adult | JR5.5 | Residential - For Sale - Active Adult | 50 | \$26,877,639 | \$1,343,882 |
| Active Adult | JR5.6 | Residential - For Sale - Active Adult | 50 | \$27,146,415 | \$1,357,321 |
| Active Adult | JR5.7 | Residential - For Sale - Active Adult | 50 | \$27,417,879 | \$1,370,894 |
| Large Lot | JR6 | Residential - For Sale - Large Lot | 3 | \$2,783,530 | \$139,176 |
| Large Lot | JR7 | Residential - For Sale - Large Lot | 37 | \$36,644,435 | \$1,814,081 |
| Commercial | | | 6,000 | \$79,505,453 | \$17,173,178 |
| Land | JS1 | Other - Land (RV Park) | - | \$1,421,986 | \$307,149 |
| Campsites Phase 1 | JS2 | Hospitality - Campsites | - | \$8,167,512 | \$1,764,183 |
| Campsites Phase 2 | JS3 | Hospitality - Campsites | - | \$9,443,496 | \$2,039,795 |
| Campsites Phase 3 | JS4 | Hospitality - Campsites | - | \$4,524,284 | \$977,245 |
| Glamping Sites Phase 1 | JS5 | Hospitality - Glamping Sites | - | \$2,391,420 | \$516,547 |

³ The unit count includes residentially assessed land and amenities. Actual residential unit count is 1,202.

| | | | | | |
|--------------------------|------|--------------------------------|-------|----------------------|---------------------|
| Glamping Sites Phase 2 | JS6 | Hospitality - Glamping Sites | - | \$1,463,693 | \$316,158 |
| Glamping Sites Phase 3 | JS7 | Hospitality - Glamping Sites | - | \$1,478,330 | \$319,319 |
| Glamping Sites Phase 4 | JS8 | Hospitality - Glamping Sites | - | \$1,493,113 | \$322,512 |
| Glamping Sites Phase 5 | JS9 | Hospitality - Glamping Sites | - | \$3,076,712 | \$664,570 |
| Glamping Sites Phase 6 | JS10 | Hospitality - Glamping Sites | - | \$1,569,277 | \$338,964 |
| Park Model Sites Phase 1 | JS11 | Hospitality - Park Model Cabin | - | \$8,774,747 | \$1,895,345 |
| Park Model Sites Phase 2 | JS12 | Hospitality - Park Model Cabin | - | \$2,685,336 | \$580,033 |
| Park Model Sites Phase 3 | JS13 | Hospitality - Park Model Cabin | - | \$2,712,189 | \$585,833 |
| Park Model Sites Phase 4 | JS14 | Hospitality - Park Model Cabin | - | \$2,739,311 | \$591,691 |
| Park Model Sites Phase 5 | JS15 | Hospitality - Park Model Cabin | - | \$3,725,828 | \$804,779 |
| Park Model Sites Phase 6 | JS16 | Hospitality - Park Model Cabin | - | \$3,800,718 | \$820,955 |
| Park Model Sites Phase 7 | JS17 | Hospitality - Park Model Cabin | - | \$4,798,406 | \$1,036,456 |
| Water Park | JS18 | Other - Water Park | - | \$10,100,000 | \$2,181,600 |
| Water Park Expansion | JS19 | Other - Water Park Expansion | - | \$3,281,056 | \$708,708 |
| Casitas Clubhouse | CD8 | Commercial - Retail | 6,000 | \$1,858,039 | \$401,336 |
| TOTAL | | | | \$644,806,425 | \$45,654,225 |

Tax Increment Financing Assumptions

As part of statutory requirements, this report forecast property, sales and lodging tax generation by future development within the Southwest Pueblo Urban Renewal Plan area. These projections are based on Pueblo County's 2025 certified assessments of property and the mill levies associated with the taxing entities present in the project area. The Impact Report assumes 100% revenue sharing agreements at all mill levies, save the metro districts. A taxing entities list and associated millage rates are tabulated below:

| Taxing District | Mill Levy (Mills) | Rate (decimal) | TIF Share % | TIF Eligible Mills |
|---------------------------------------|-------------------|----------------|-------------|--------------------|
| SCHOOL DISTRICT 60 (SFA) | 27.00 | 0.027000 | 100% | 27.00 |
| SCHOOL DISTRICT 60 (Bond) | 11.00 | 0.011000 | 100% | 11.00 |
| SCHOOL DISTRICT 60 (MLO + Abatement) | 0.04 | 0.000041 | 100% | 0.04 |
| PUEBLO COUNTY GENERAL | 24.15 | 0.024147 | 100% | 24.15 |
| PUEBLO COUNTY ROAD AND BRIDGE | 1.05 | 0.001048 | 100% | 1.05 |
| PUEBLO COUNTY SOCIAL SERVICES | 2.35 | 0.002354 | 100% | 2.35 |
| PUEBLO COUNTY O & E RET | 2.45 | 0.002450 | 100% | 2.45 |
| PUEBLO COUNTY ABATEMENT | 0.10 | 0.000099 | 100% | 0.10 |
| CITY OF PUEBLO | 15.63 | 0.015633 | 100% | 15.63 |
| S.E. WATER CONSV. DISTRICT | 0.82 | 0.000818 | 100% | 0.82 |
| LOWER ARKANSAS VALLEY WATER CONSV. | 1.50 | 0.001503 | 100% | 1.50 |
| PUEBLO CITY-COUNTY LIBRARY DISTRICT | 6.18 | 0.006183 | 100% | 6.18 |
| Total Overlapping Millage Rate | 92.2762 | | 100% | 92.2762 |

This report assumes 100% TIF sharing agreements between impacted taxing entities and the Urban Renewal Plan. This assumption helps forecast the maximum impact the Plan could have on the City and its partner tax entities. 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. This assumption, however, is not a recommended TIF sharing agreement. These recommendations are made in the report's Conclusion and Executive Summary.

Tax Increment assumptions are based on the above millage rates and assume the starting base value is \$4,052,189⁴. This report assumes that the inflation rate will average 1% over the project's lifetime. This report adjusts the Plan area's base biennially by 2% for TIF projections.

Sales and Lodging Tax Assumptions

Colorado's Urban Renewal Law permits sales and lodging tax collected within urban renewal plan areas to be leveraged for tax increment financing.⁵ The amount of sales tax that can be allocated to an urban renewal project is determined by calculating the amount of sales tax collected within the plan area's boundary over the past 12 months. This is known as the sales tax base. Sales tax revenue that exceeds this base within the plan area is incremental revenue subject to negotiations between the Authority, the municipality and/or the County.

This report assumes that 100% of the City of Pueblo and Pueblo County's sales and lodging tax (referred to hereafter as sales tax) generated by new improvements within the Urban Renewal Plan area will be allocated to the Authority. All sales tax estimates have been isolated to only include new retail and lodging space within the Plan area. This report assumes that retail space will generate sales tax based on a \$300 average sales per square foot estimate. The report also assumes that the RV Resort's rental spaces and cabins will generate lodging tax based on their respective RevPAR. This estimate is derived from conversations with the development team, market studies, and submitted market reports.

The But-For Assumption

The final assumption made in this report is that none of the new developments would occur but for the Southwest Pueblo Urban Renewal Plan and 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 the Authority's efforts. All tax increment is therefore revenue generated because of the Authority's efforts to attract and facilitate redevelopment. The Plan's conditions survey identified five statutorily defined blighted area 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. Also, the Plan will directly fund public infrastructure that activates undeveloped, recently annexed land with the Plan area, making the proposed developments feasible.

Because of this, future incremental revenues should not be considered property tax or sales tax that is abdicated by 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 Southwest Pueblo Urban Renewal Plan.

⁴ This base value is only an estimate. The Pueblo County Assessor must assign an assessed land with a vacant commercial value.

⁵ C.R.S. 31-25-107(9)(e)

Tax Increment Financing Summary

This Report forecasts the Plan's development over the next 25 years and estimates its assessed value and taxable revenue. This forecast is used to estimate the amount of property tax increment and sales/lodging tax increment that will be generated within the Plan area if the urban renewal project is successful. Development projections are based on the methodology outlined in Section Two "Impact Report Methodology." A development absorption and valuation table is provided in this Report's appendix.

Property Tax TIF Projections

This Report estimated the 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 generated by new developments within the Plan area. This tax revenue is assumed to be the result of the Authority's efforts to remediate blight and attract new investments within the Plan area.

Property tax increment is calculated by comparing the base value against projected new improvement value. Tax revenue is generated by applying the current millage rate of taxing entities within the Plan area to its assessed value. 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. That revenue is labeled as "increment." The property within the Plan has an adjusted assessed value of **\$4,052,189**.⁶ This assessed value includes both building improvement values and land values. This assessed value includes all parcels within the Plan area. This current assessed value is known as the **Base Value** in tax increment financing.

New improvements within the Plan area will amount to an additional **\$45.65 million** in assessed value. This value is not generated at once but is instead phased in over the life of the Plan.

New development is modeled according to its first assessment year, taxable value, and absorption schedule. It then applies the tax district's 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 the Authority for urban renewal activities within the Plan area.

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

This report assumes that all property within the Plan area is within the City of Pueblo municipal limits. The Report also assumes that the plan will facilitate the extension of surface transportation infrastructure, central water and sewer lines which will be maintained by the development's Metropolitan Districts for 30 years.

The following charts and tables illustrate the Southwest Pueblo Urban Renewal Plan's 25-Year TIF Projections:

⁶ This is an estimated assessed value based on converting agriculturally assessed land to vacant commercial land. The Pueblo County Assessor will need to make a final determination of this land value prior to plan adoption.

Southwest Pueblo Urban Renewal Plan - TIF Projections

| Southwest Pueblo Urban Renewal Plan - Property TIF Estimates | | |
|--|-------------------------------|--------------------------------------|
| Estimated Base Taxable Value (Local Government) | | \$4,052,189 |
| Estimated Base Taxable Value (School District) | | \$4,052,189 |
| Total New Taxable Real Property Value (Local Government) | | \$45,654,225 |
| Total New Taxable Real Property Value (School District) | | \$49,299,799 |
| Total Incremental Assessed Value (Local Government) | | \$41,602,036 |
| Total Incremental Assessed Value (School District) | | \$45,247,610 |
| Annual Property Tax Increment Revenue (25-Year Average) | | \$ 2,535,000⁷ |
| Total Property Tax Increment Revenue (25 Year Total) | | \$63,800,000⁸ |
| | Estimated Real Property Taxes | Estimated Tax Increment ⁹ |
| Taxing District | 25 Years | 25 Years |
| Pueblo School District 60 (All Levies) | \$29,705,000 | \$27,646,000 |
| Pueblo County (All Levies) | \$22,026,000 | \$20,083,000 |
| City of Pueblo | \$11,441,000 | \$10,431,000 |
| Southeast Water Conservancy | \$599,000 | \$546,000 |
| Lower Arkansas Valley Water Conservancy District | \$1,100,000 | \$1,003,000 |
| Pueblo City and County Library District | \$4,525,000 | \$4,126,000 |
| TOTAL | \$69,396,000 | \$63,835,000 |

⁷ TIF Estimate is rounded

⁸ Estimate is rounded and therefore may deviate from tables within report.

⁹ All Tax Increment estimates have been rounded down.

Sales and Lodging Tax TIF Projections

Colorado's Urban Renewal Law permits urban renewal authorities to collect sales and lodging tax as a source of incremental taxable revenue. This includes both municipalities and counties. This report assumes that the Southwest Pueblo Urban Renewal Plan will utilize sales tax revenue as a potential source of TIF revenue.

Sales Tax (Retail Sales Tax)

Future sales tax was quantified by first estimating new commercial-retail square footage within the Plan area. Similar commercial retail developments in the local market area were then evaluated, and their square footage compared to annual sales. This value was used to estimate average sales per square foot multiplier for the Plan area. The analysis conservatively estimates that retail space will generate a weighted average of \$300 sales per SF per year. The summary of these inputs and their estimated sales tax generation are listed in the table below.

| City of Pueblo Sales Tax Estimates | |
|--|--------------------|
| New Retail Space (25-Years) ¹⁰ | 6,000 Square Feet |
| TIF Eligible Sales Tax Rate | 3.7% ¹¹ |
| Estimated Sales Per SF | \$300.00 |
| Estimated Sales Tax Increment (Gross) | \$1,800,000 |
| Estimated Sales Tax Increment (Annual Average) | \$80,000 |
| Percent of Annual Sales Tax Collections (City) ¹² | 0.1% |

| Pueblo County Sales Tax Estimates | |
|--|--------------------|
| New Retail Space (25-Years) | 6,000 Square Feet |
| TIF Eligible Sales Tax Rate | 1.0% ¹³ |
| Estimated Sales Per SF | \$300.00 |
| Estimated Sales Tax Increment (Gross) | \$500,000 |
| Estimated Sales Tax Increment (Annual Average) | \$22,000 |
| Percent of Annual Sales Tax Collections (City) ¹⁴ | 0.1% |

¹⁰ Sales tax estimates are rounded and adjusted for inflation.

¹¹ This report models sales tax collected at the City's General Tax Rate (3.0%), the economic development rate (0.5%) and the 0.2% Rate dedicated to Police Personnel and Operating.

¹² Estimate compares the Plan's projected non-lodging sales tax generation with the City's total sales tax collections.

¹³ Pueblo County Sales Tax Rate.

¹⁴ Estimate compares the Plan's projected non-lodging sales tax generation with the Town's 2024 total sales and lodging tax collections. These collections include non-lodging sales tax, lodging sales tax, accommodation tax, supplementary tax, and transit and trails tax.

Lodging Sales Tax (Lodging Tax)

Future lodging tax was quantified by estimating the number of new campsites, glamping sites and park model cabins developed within the Plan area. Each type of RV Stall/Cabin was assigned an average daily rate and occupancy rate to determine its Revenue Per Available Room (RevPAR). RevPAR was then used to estimate the total annual lodging revenue generated by the development. This revenue was then taxed according to the City's lodging tax rate, resulting in an incremental lodging tax revenue stream. RevPAR was adjusted for inflation.

The analysis conservatively estimates that the development will result in 748 stalls upon completion. Annually, this equals 273,020 available rooms. RevPAR for each lodging unit type was used to calculate the lodging tax generated by RV Park over the next 25 years. The summary of these inputs and their estimated lodging tax generation are listed in the table below.

| New Lodging Space (25-Years) | 748 RV Stalls and Park Model Cabins |
|--|-------------------------------------|
| TIF Eligible Lodging Tax Rate | 4.3% |
| Campsites Weighted Average RevPAR | \$39.96 |
| Glamping Sites Weighted Average RevPAR | \$52.20 |
| Park Model Cabins Weighted Average RevPAR | \$79.92 |
| Estimated Lodging Tax Increment (Gross) | \$14,400,000 |
| Estimated Lodging Tax Increment (Annual Average) | \$555,000 |
| Percent of Annual Lodging Tax Collections (City) | 33% |

The RV Resort is estimated to generate \$14,400,000 in lodging tax increment over the next 25 years. Annually, this equates to an average of \$555,000 in lodging tax TIF collected. For comparison, the City of Pueblo is budgeting for ~\$1.7 million in lodging tax in 2026. This means that projected hospitality development in the Plan area could increase the City's lodging tax collections by 33% annually at stabilization. This estimate does not include County or State Lodging Tax collections.

Taxing Entity Impacts

Assessing an urban renewal plan (Plan)'s impact on partnering taxing entities requires careful consideration of the revenue, services and infrastructure required to achieve its goals. Public benefit must be weighed against potential impacts. The Impact Report articulates this comparison by quantifying the proposed development projects within the Plan area. The Report then forecasts the development program, new residents, new students and tax revenue generated within that Plan over 25 years. These forecasts are then compared with each taxing partner which collects property, sales or lodging tax within the Plan area. The comparison seeks to understand how future development, infrastructure, residents, students and tax revenue impacts these entities. The goal is to understand the degree to which a TIF revenue sharing agreement may negatively impact on the taxing entity based on the Plan's infrastructure and service demands. PURA and these entities must ultimately contrast these impacts with the benefits generated by the project, which may extend beyond the Plan's boundaries.

The Southwest Pueblo Urban Renewal Plan is essentially focused on providing four outcomes:

- Remediating "Blighting Factors" identified in the Plan's Conditions Survey
- Funding public infrastructure extensions throughout recently annexed, underutilized property
- Attracting private investment and development that aligns with the City's Comprehensive Plan and associated Zoning Districts
- Generating catalytic development that positively increases the City's population, the School District's Pupil Count, and the region's economy.

The Southwest Pueblo Urban Renewal Plan is part of a public finance strategy that would extend roads, water, sewer, and stormwater facilities into ~890 acres that have been annexed into the City's Southwest Quadrant. The Public Finance strategy would have the Urban Renewal Plan pledge TIF revenues to Special Districts (Metropolitan Districts set up by the Developers), where the combined property tax revenues of the Districts and TIF are leveraged as bonds for public infrastructure improvements. The Plan, therefore, uses the development's future tax revenue to extend the City to the Southwest.

The public finance strategy is necessary to make the proposed development projects feasible. Initial cost estimates indicate that these infrastructure extensions will cost over \$30 million. Without the Southwest Pueblo Urban Renewal Plan, the Metropolitan District lacks the tax revenues necessary to fund the public infrastructure. Without the public infrastructure, both the RV Resort and the Jackson Ranch residential development cannot exist.

This report's purpose is to provide PURA, its taxing entities, and the development team with a realistic forecast of the Plan's tax revenues and impacts. This information can then be used by this stakeholder group to craft Tax Increment Financing Revenue Sharing agreements that succeed in funding the public infrastructure without adversely impacting the taxing entities.

Colorado's Urban Renewal Law is clear in C.R.S. 31-25-107(3.5)I-V), when it lists the impacts an Urban Renewal Impact Report must evaluate on affected taxing entities. The statute requires that the report examine County impacts, in particular, 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 Report will answer how the Plan impacts Pueblo County directly. This report will also address the impacts to the Pueblo County School District, City of Pueblo, and the Pueblo City-County Library District. The Plan is projected to yield insignificant impacts to the Southeast Water Conservation District and the Lower Arkansas Valley Water Conservancy.

Urban Renewal Plan Impact Summary

The Plan includes six (6) taxing districts. All six districts levy property tax within the Plan area. These districts include:

| Tax Districts within the Plan Area |
|---|
| Pueblo County |
| City of Pueblo |
| Lower Arkansas Valley Water Conservation District |
| Southeastern Colorado Water Conservation District |
| Pueblo City-County Library District |
| School District 60 |

The table below compares the Districts' and the Plan's assessed value (AV) and average annual property, sales and lodging tax. The comparison represents a snapshot in time, contrasting the taxing entities' 2025 AV, budgeted property tax revenue and (when applicable) budgeted sales/lodging tax revenue, with the Plan's stabilized AV and its property tax and sales/lodging tax 25-year incremental revenue averages. The reason for this comparison is to determine if the Plan area's AV and tax increment generated is significant at each taxing entity's AV, millage rate or sales/lodging tax rate.

This report qualifies "significance" as any Urban Renewal Plan metric that is 10% or more than its associated taxing entity metric.

The Impact Report's assumes **100% revenue sharing agreements**. The purpose is to determine if a maximum revenue sharing scenario triggers a substantial impact on a taxing entity. The table below summarizes this comparison. Any comparison over 10% is highlighted. The Impact Assessment categories, which range from Low, Medium, and High represent this report's impact conclusion based on the quantitative comparison and additional measures explained in the following sections.

The proposed Plan will generate **LOW IMPACTS** on participating taxing entities, as demonstrated in the following table:

Urban Renewal Plan Area Value and Tax Generation Comparison

| Tax District Name | % District's Total AV | % District's Annual Property Tax | % District's Annual Sales Tax | % District's Annual Lodging Tax | Impact Assessment |
|---|-----------------------|----------------------------------|-------------------------------|---------------------------------|-------------------|
| Pueblo City School District General Fund | 2.792% | 1.890% | | | LOW |
| Pueblo City School District Bond | 2.792% | 1.733% | | | LOW |
| Pueblo County General Fund | 1.555% | 1.017% | 0.08% | | LOW |
| Pueblo County Road and Bridge Fund | 1.555% | 1.130% | | | LOW |
| Pueblo County Human Services | 1.555% | 1.118% | | | LOW |
| Pueblo County Employee Retirement | 1.555% | 1.022% | | | LOW |
| City of Pueblo | 3.000% | 1.884% | 0.11% | 33.6% | LOW |
| Southeast Water Conservation District | 1.904% | 0.219% | | | LOW |
| Lower Arkansas Valley Water Conservation District | 2.385% | 1.347% | | | LOW |
| Pueblo Library District | 1.555% | 0.975% | | | LOW |

Pueblo County

Revenue Impacts

Pueblo County imposes a mill levy of 30.503 within the Plan area. This levy is a significant revenue source for the County’s operations and funds. In addition to property tax, the County also collects sales taxes at a 1.0% rate. These are the major revenue sources associated with Tax Increment Financing. The County’s Marijuana Sales Tax, Specific Ownership Tax, Use Tax, Highway User’s Tax, Licenses, Permits, and Intergovernmental Grants is not impacted by the Plan’s tax increment revenue sharing agreements. However, new residences and businesses generated by the Plan will positively impact these revenue sources.

To quantify potential revenue impacts to the County, this report first compares the projected annual property tax revenue within the renewal project to the County’s budgeted property tax revenue. Property tax revenue is derived from new improvements and taxable equipment in the Plan area.

This Report projected the Plan area’s annual property tax revenue generated at the County’s millage rate and compared it as a percentage to total property tax revenue collections. There are four County Funds that collect property tax, and each is compared with the Plan’s tax forecast in the table below:

| Pueblo County | 2025 Property Tax Revenue | Plan Area Estimated Property Tax TIF (Annual Average) | Percent of Total |
|---------------------|------------------------------|---|------------------|
| General Fund | \$60,975,697 | \$620,000 | 1.02% |
| Road and Bridge | \$2,389,837 | \$27,000 | 1.13% |
| Human Services | \$5,368,945 | \$60,000 | 1.12% |
| Employee Retirement | \$6,161,448 | \$63,000 | 1.02% |

The Plan will last 25 years. During that time, new improvements incentivized by this Plan will accumulate incremental property tax revenue (increment). These incremental property tax revenues represent a revenue stream that collected by PURA in accordance with Colorado’s urban renewal law and pursuant to a TIF agreement in support of its remediation and redevelopment efforts in the Plan area.

The Plan’s projected increment accounts for ~1% of the County’s annual property tax revenues, when averaged. 1% is not considered fiscally significant to Pueblo County. The County’s 2026 budgeted expenditures for 2026 are \$255,812,443. When compared to the Plan area’s annual incremental property tax revenue, this amount is less than 0.3% of the County’s budgeted revenue. This represents a small fraction of the County’s overall budget and property tax revenue. However, the County’s property tax increment represents a vital component to the Plan’s public finance strategy that makes its development feasible.

Although County sales tax revenue is not considered part of the Urban Renewal Plan, this report did project the Plan’s sales tax increment at the County’s 1% rate. This projection and its comparison to the County’s budgeted sales tax revenue is tabulated below.

| Pueblo County | 2025 Sales Tax Revenue (Budgeted) | Plan Area Estimated Sales Tax TIF (Annual Average) | Percent of Total |
|---------------|---|--|------------------|
| General Fund | \$ 27,500,000 ¹⁵ | \$22,000 | 0.1% |

¹⁵ Does not include Marijuana Sales Tax Revenue or Sales Tax Transfers to the Road and Bridge Fund.

The Plan's sales tax revenue generated by the County's 1% sales tax rate is only 0.1% of the County's budgeted sales tax revenue. The Plan's sales tax increment is not considered a significant revenue impact on the County.

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

Infrastructure and Service Impacts

The Plan is located within ~890 acres, recently annexed into the City of Pueblo's municipal limits. The Plan area lacks roads, water, sewer and stormwater infrastructure. The Plan would access State Highway 78, however, there are no existing access roads into the Plan area. Aside from State Highway 78, the Plan area does not connect with any existing County Roads.

The Plan area's annexation means that all new infrastructure serving the Plan area will ultimately be owned and maintained by the City of Pueblo. The proposed development is in the process of forming a Metropolitan District that would fund (with TIF revenue also) all new infrastructure serving the Plan's development. This Metro District will construct and maintain the Plan's infrastructure for 30-years, during which the Plan will sunset. The combination of a Metro District and City-Owned Infrastructure ensures that no County infrastructure will be directly impacted by the Plan. For these reasons, 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.

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

Pueblo County also provides services to City of Pueblo residents. These services are largely funded through the County's Human Services fund. New residents, therefore, are highly correlated with impacts on the County's Human Services fund. This report conservatively estimates that the Plan's residential development could generate ~2,626 new residents over the next 25 years, representing 1.55% of the county's 169,422 residents. Although the increase is small from a nominal perspective, per capita, this increase warrants a revenue sharing agreement between PURA and the County regarding its Human Services fund.

County Impact Conclusion

This report concludes that the Southwest Pueblo Urban Renewal Plan will not generate adverse fiscal impacts on Pueblo County's revenue, infrastructure, or services. **The report recommends that the Authority retain 100% of the property tax increment generated at the County's general fund, road and bridge, and Employee retirement mill levies. However, the report does recommend a revenue sharing agreement between the Authority and the County regarding its Human Services millage rate.**

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 Urban Renewal Plan area. The School District is therefore an important partner to PURA and vulnerable to the Plan's tax increment financing impacts. The School District's 2025 millage rate is 38.04¹⁶. The total district mill levy is broken into two funds, its School Finance Act levy (General Fund) of 27.00 mills, and its Bond Redemption Levy of 11.0 mills. The Bond Redemption levy represents 29% of the district's property tax revenues.

According to the 2025 adopted budget, the School District's general fund budgeted revenues equal \$162,164,423. Property tax revenue accounts for only 25%, or \$39,946,316 of that total. The school district's Bond Redemption Budget is \$18,536,960, and property tax accounts for 96%, or \$17,719,960 of that total. The following table compares these annual tax revenues with the estimated annual incremental property tax revenue generated by the Plan.

| Southwest Pueblo Urban Renewal Plan Impacts | | | |
|---|---------------------------|---|------------------|
| School District Fund | 2025 Property Tax Revenue | Estimated Property Tax TIF (Annual Average) | Percent of Total |
| General | \$39,946,316 | \$755,000 | 1.89% |
| Bond | \$17,719,960 | \$307,000 | 1.73% |

The Plan will not generate significant revenue impacts to the school district. The Plan's projected annual property tax revenue is only 1.89% of the district's general fund property tax collections, and 1.73% of the district's bond redemption levy property tax collections.

Despite the Plan's low fiscal impact on the district, it is not recommended that the Plan retain revenues generated by the School District's Bond Redemption levy or Mill Levy Override. This report recommends the Authority retains revenues generated by the School Finance Act (SFA), or general fund, 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 the Southwest Pueblo Urban Renewal Plan, because that fund will not be adversely impacted. The Authority will remit all property tax increment revenues generated by the Bond Redemption levy or a future Mill Levy Override.

Student Population Generation

The Plan is projected to generate both residential and commercial development over the next 25 years. The commercial development will create a negligible impact on the school district. However, residential development leads to additional households and students. This report forecasts potential student generation to quantify that impact.

This report used the Pueblo School District's number of students per household population to estimate the Plan's new students generated by new development. Pueblo County's total household population in

¹⁶ Includes abatement

2023 was 165,925¹⁷. The County’s total number of students in 2024 was 24,481. School District 60’s total pupil membership was 14,089¹⁸.

Given these estimates, Pueblo County exhibits approximately 0.144 students per capita. The Plan estimated to generate 1,202 new residential units, which could yield approximately 2,626 new residents. Using this report’s estimated students per capita in Pueblo County, the Plan will generate ~379 additional students for Pueblo School District 60. This represents 2.7% of the district’s current pupil membership. The table below summarizes the School District Pupil Membership data¹⁹.

| Estimated Population and Pupil Generation | |
|---|--------|
| Projected Population | 2,626 |
| Pupils Per Capita | 0.144 |
| Projected Pupils | 379 |
| School District Pupil Membership (2023) | 14,089 |
| Percentage of School District | 2.7% |

This report estimates that the Plan will generate 379 students once residential development is completed. This increase in students is projected to occur between 2029 and 2048. This equates to about ~20 new students per year.

This increase, however small, in students may be a welcome change to the Pueblo School District. Since the 2014-2015 school year, the school district has lost 3,871 students. School district budgets are based on pupil membership, and a declining pupil count could negatively impact budgets in the future. The Plan’s modest generation of students could help the district stabilize its enrollment, without overwhelming its facilities and staff. Also, if the district elects to retain its MLO and Bond levy, future staffing and capital expenses will continue to be funded by this Plan incremental tax revenues.

School District Impact Conclusion

The Southwest Pueblo Urban Renewal Plan is not likely to generate significant adverse impacts on the Pueblo School District. The school district’s finances will not be negatively impacted by an SFA revenue sharing agreement with this plan. In fact, if the Plan is successful, it will provide new revenues for the school at its Bond millage rate and future mill levy overrides. The projected increase in students is unlikely to trigger the need for capital improvements and teacher hirings. However, this modest increase in students could help mitigate or reverse a decade long decline in enrollment.

This report does not recommend allocating any debt service (bond) or override mill levy to the plan area. Instead, this report recommends that the school district pledge its school finance act (SFA) mill levy in support of the Urban Renewal Plan.

¹⁷ Per SDO Estimates, 2023.

¹⁸ Colorado Dept. of Education PK-12th Total Membership by District, 2024-2025

¹⁹ Colorado State Demographer and Colorado Department of Education 2025 County Population and Pupil Counts.

City of Pueblo

Revenue Impacts

The City of Pueblo collects tax revenue from three primary sources: Property Tax, Sales Tax and Lodging Tax. Together, these three revenue sources account for ~80% of the City's annual revenue. Tax Increment Financing, therefore, can generate significant impacts on the City's financing. The section unpacks the Plan's impact on these revenue sources and also describes impacts to the City's Infrastructure and Services.

The City imposes a property tax mill levy of 15.633 within the Plan area. This mill levy is a significant revenue source to the City's general fund. According to the City's adopted FY2026 budget, General Fund revenues are estimated to be \$117,891,135. Property tax revenue represents 18% of this total, or \$21,280,967.²⁰

This report compares the Plan's projected annual property tax revenue to the City's property tax revenue to estimate the tax increment's fiscal significance. Projected property tax revenue is derived from new improvements in the Plan area. This report estimates that the Plan area's property tax increment generated at the City's 15.633 millage rate will account for just 1.9% of the City's annual property tax revenue collections.

| City of Pueblo | 2026 Property Tax Revenue (Budget) | Property Tax TIF (25-Year Annual Average) | Percent of Total |
|----------------|------------------------------------|--|------------------|
| General Fund | \$ 21,280,967 | \$401,000 | 1.9% |

This report also evaluated sales and lodging tax revenue that may be generated by the Urban Renewal Plan. The proposed development is expected to generate 6,000 square feet of retail commercial space and an RV Park with 748 stalls. Using assumptions outlined in Section 3, the renewal project should generate an average of \$80,000 in sales tax and \$555,000 in lodging tax annually. The sales tax generation is not significant, representing less than 1.0% of the City's annual collections.

However, the lodging tax estimates are extraordinary. The Plan, specifically the RV Park, could increase the City's lodging tax collections once stabilized by a third. This is a significant source of revenue to the City and its lodging tax purposes. The Plan's sales and lodging tax generation is expected to exceed its average property tax generation.

| City of Pueblo | 2026 Sales/Lodging Tax Revenue (Budget) | Sales/Lodging Tax TIF (25-Year Annual Average) | Percent of Total |
|----------------|---|---|------------------|
| Sales Tax | \$ 70,370,981 | \$ 80,000 | 0.1% |
| Lodging Tax | \$1,650,000 | \$555,000 | 33.6% |

This report recommends that the Authority retain 100% of the City's property tax millage rate. In return, the report recommends that the Authority remit 100% of the sales and lodging tax generated by the Plan. This arrangement will offset any revenue impacts generated by the Plan, since the incremental sales and lodging tax is greater than the incremental property tax.

²⁰ Per City's 2025 Budget.

Infrastructure and Service Impacts

The Plan will help facilitate new commercial and residential development throughout an underutilized, recently annexed area within municipal limits. This development area will require significant public infrastructure and services to be successful; however, the extension of these services will be financed via Metropolitan Districts and the Urban Renewal Plan. The Plan will help develop new roads, water lines, sewer lines, and stormwater infrastructure throughout ~890 acres that were unanimously approved for annexation and rezoning. The project public finance strategy assumes that the Plan will pledge tax increment to Metropolitan Districts within the area. These special districts will then issue debt (bonds) to fund the public infrastructure. The metropolitan districts will also maintain the infrastructure it builds. This strategy allows the city to extend its public infrastructure without paying or maintaining it for the next 30 years, five years longer than the Urban Renewal Plan's term.

This public finance strategy ensures that the City's infrastructure is not impacted. In fact, the Plan will help construct new municipal infrastructure without requiring the city to fund or maintain that infrastructure over the life of the Urban Renewal Plan.

City services may be impacted by the Plan's development. One example is police and fire. These departments will serve both the commercial and residential development constructed within the Plan area. The Plan is expected to generate 1,202 new residences, and an estimated 2,626 new residents. This new population may require significant services from the City. To offset these service costs, this Plan recommends that the Authority remit 100% of the Plan's sales and lodging tax increment generated by new development.

City of Pueblo Impact Conclusion

This report finds that the Southwest Pueblo Urban Renewal Plan will not create significant impacts to the City of Pueblo's finances and services, provided that a revenue sharing agreement can be negotiated. **This report recommends that the City of Pueblo pledge its Property Tax levy to the Plan to support its public infrastructure financing. In turn, the Authority should remit 100% of the City Sales/lodging tax levy. This arrangement will ensure that negative impacts are mitigated, while ensuring the Plan can successfully fund the infrastructure required to make the development feasible.**

Pueblo Library District

Revenue Impacts

The Pueblo City-County Library District (“Library District”) is primarily funded through property tax revenue. Unlike the City of Pueblo, the Library District does not impose sales or lodging taxes. According to the District’s 2025 budget information, total annual revenues are approximately **\$17,989,992**, of which **\$16,311,369** (approximately 91%) is derived from property tax collections. The district’s total assessed valuation is **\$2,674,852,240**.

Because property tax represents the overwhelming majority of the Library District’s revenue base, Tax Increment Financing (TIF) affects the district exclusively through property tax increment.

This report compares the Urban Renewal Plan’s projected annual property tax increment attributable to the Library District to the District’s total annual property tax collections to determine fiscal significance. As shown in the Urban Renewal Plan Area Value and Tax Generation Comparison table, the Plan area’s projected annual property tax increment attributable to the Library District represents approximately **0.975%** of the District’s annual property tax revenue. The projected increment represents less than one percent of the District’s annual property tax revenue collections. As a result, the fiscal impact to the Library District is considered **LOW**.

| Pueblo City-County Library District | 2025 Property Tax Revenue (Budget) | Property Tax TIF (25-Year Annual Average) | Percent of Total |
|-------------------------------------|------------------------------------|---|------------------|
| Library District | \$16,311,369 | \$159,000 | 0.975% |

Infrastructure and Service Impacts

The Urban Renewal Plan is expected to generate approximately **1,202 new residential units** and an estimated **2,626 new residents** at full buildout. The Library District serves all residents within Pueblo County and operates multiple branch locations throughout the community.

Based on the district’s most recent operating budget, annual operating expenditures equate to approximately \$90–\$95 per capita on an average cost basis. However, library systems are characterized by high fixed costs, including facilities, staffing, collections, and information technology infrastructure. Because these fixed costs do not increase proportionally with modest population growth, the marginal cost of serving additional residents is substantially lower than the average per capita expenditure.

The addition of approximately 2,626 residents represents roughly **1.5%** of the district’s existing service population. This level of growth is not anticipated to require new branch construction or significant capital expansion. Existing facilities and staffing are expected to absorb incremental demand within normal operational adjustments. Furthermore:

- The Library District does not provide capital infrastructure to the development area (roads, utilities, or stormwater infrastructure).
- No new library facilities are contemplated within the Plan area.
- Any incremental service demand will be addressed through existing system capacity and normal budget growth.

Given these considerations, the operational impact to the Library District is expected to be modest and manageable within existing service structures.

Library District Impact Conclusion

This report finds that the Southwest Pueblo Urban Renewal Plan will not create significant fiscal or operational impacts to the Pueblo City-County Library District. The projected property tax increment represents less than 1% of the district's annual property tax collections, and the anticipated population increase represents approximately 1.5% of the district's service population. Due to the Library District's high fixed-cost structure and existing system capacity, marginal service costs associated with the development are expected to be limited.

Accordingly, the impact to the Pueblo City-County Library District is assessed as **LOW**. **This report recommends that the Authority and the Library District negotiate a revenue sharing agreement where a majority of the district's property tax levy is retained by the Plan, with a smaller portion of the levy remitted back to the district to cover increased operational costs associated with new residents within the district.**

Conclusion and Recommendations

The Southwest Pueblo Urban Renewal Plan represents a creative and proven approach to Urban Renewal in Colorado and in the City of Pueblo. This Plan is designed to remediate blighting factors, such as a lack of public infrastructure, within ~890 acres recently annexed into the City. The Plan is part of a financing strategy where future property tax increment is pledged to a special district (Metropolitan District), that in turn issues debt to fund new roads, water, sewer and stormwater. This strategy will make new commercial and residential development feasible within the annexation and Plan area. The proposed development includes an RV Park and new residential subdivisions. The project is expected to yield significant benefits to Pueblo's economy, especially tourism. This Plan alone could increase the City's lodging tax collections by 33% annually. This, as well as the significant increase in residents and students, represents a positive growth model for the City, County, School District, and Special Districts.

The Plan's development vision is challenged by a series of blighting factors. The Plan's Conditions Survey identified five blighted area factors throughout its boundaries. These factors include public infrastructure extensions and repairs, which are estimated to total ~\$30 million. The Plan will help eliminate the blighting factors identified in the Conditions Survey, which will remove barriers to development in the area. This remediation and funding of public infrastructure will require tax increment financing to make the proposed development feasible.

This report finds that the Plan will not generate significant impacts to any of the six partnering taxing entities that levy an ad valorem property tax within the Urban Renewal Project.

This report recommends the following:

- The Authority and the City of Pueblo agree to share 100% of its property tax levy with the Plan. The Plan will remit 100% of the City's sales tax and lodging tax increment generated at its 3.7% and 4.3% rate back to the city.
- The Authority and the Pueblo School District agree to share 100% of the total program property tax levy. The School District's Mill Levy Override and Bond Levy should be remitted by the Plan.
- The Authority and Pueblo County agree to share 100% of its general property tax and road and bridge levies with the Plan. Special Fund levies such as Human Services and Employee Retirement should be negotiated within TIF Revenue Sharing Agreements. The Plan will remit 100% of the County's sales tax increment generated at its 1.00% rate back to the County.
- The Authority and the Pueblo City-County Library district agree to share a majority of its property tax levy with the Plan. The TIF revenue sharing agreement should account for library district service needs generated by new residents.
- The Authority should retain 100% of property tax generated by the water conservation districts' mill levy.

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

Appendix

1. Tax Increment Pro Forma
2. Taxing Partner Tax Increment Revenue Forecasts
3. Development Absorption and Valuation Table
4. Zoning Exhibit – Site Plan

Local Government Tax Increment Forecast



| TIF Revenue Sharing % | | 100% | | 100% | | 100% | | |
|-----------------------|------------|-----------------------|------|-------------------------------|--------------------|-------------------------------|--------------------|--------|
| Taxing Entity | | PUEBLO COUNTY GENERAL | | PUEBLO COUNTY ROAD AND BRIDGE | | PUEBLO COUNTY SOCIAL SERVICES | | |
| Allocation | Collection | Year | Year | Assessed Valuation | Assessed Valuation | Assessed Valuation | Assessed Valuation | |
| 1 | | 2027 | \$ | \$ | \$ | \$ | \$ | |
| 2 | | 2028 | \$ | \$ | \$ | \$ | \$ | |
| 3 | | 2029 | \$ | \$ | \$ | \$ | \$ | |
| 4 | | 2030 | \$ | 3,908,650 | \$ | \$ | \$ | |
| 5 | | 2031 | \$ | 5,940,261 | \$ | 94,382 | \$ | |
| 6 | | 2032 | \$ | 9,056,088 | \$ | 143,439 | \$ | |
| 7 | | 2033 | \$ | 12,112,512 | \$ | 218,677 | \$ | |
| 8 | | 2034 | \$ | 17,170,531 | \$ | 292,481 | \$ | |
| 9 | | 2035 | \$ | 18,400,195 | \$ | 414,617 | \$ | |
| 10 | | 2036 | \$ | 20,487,352 | \$ | 444,310 | \$ | |
| 11 | | 2037 | \$ | 23,928,202 | \$ | 494,708 | \$ | |
| 12 | | 2038 | \$ | 26,108,892 | \$ | 577,794 | \$ | |
| 13 | | 2039 | \$ | 28,596,555 | \$ | 630,451 | \$ | |
| 14 | | 2040 | \$ | 30,017,120 | \$ | 690,521 | \$ | |
| 15 | | 2041 | \$ | 31,349,296 | \$ | 724,823 | \$ | |
| 16 | | 2042 | \$ | 32,967,147 | \$ | 756,991 | \$ | |
| 17 | | 2043 | \$ | 34,271,506 | \$ | 796,058 | \$ | |
| 18 | | 2044 | \$ | 35,944,797 | \$ | 827,554 | \$ | |
| 19 | | 2045 | \$ | 37,275,373 | \$ | 867,959 | \$ | |
| 20 | | 2046 | \$ | 39,005,448 | \$ | 900,088 | \$ | |
| 21 | | 2047 | \$ | 40,362,769 | \$ | 941,865 | \$ | |
| 22 | | 2048 | \$ | 42,150,999 | \$ | 974,640 | \$ | |
| 23 | | 2049 | \$ | 44,104,257 | \$ | 1,017,820 | \$ | |
| 24 | | 2050 | \$ | 44,545,299 | \$ | 1,064,985 | \$ | |
| 25 | | 2051 | \$ | 44,545,299 | \$ | 1,075,635 | \$ | |
| 26 | | 2052 | \$ | 44,990,752 | \$ | 1,086,392 | \$ | |
| Totals | | | | 16,111,827 | | 699,267 | 1,570,681 | |
| Totals (Rounded) | | | | 16,112,000 | | 699,000 | 1,571,000 | |
| Annual Averages | | | | \$ | 620,000 | \$ | 27,000 | \$ |
| | | | | | | | | 60,000 |

Local Government Tax Increment Forecast

TAX REVENUE FORECAST FOR LOCAL GOVERNMENTS (NON-SCHOOL)

TAX INCREMENT CALCULATION

| | 100% PUEBLO COUNTY O & E RET | 100% PUEBLO COUNTY ABATEMENT | 100% CITY OF PUEBLO | 100% S.E. WATER CONSV. DISTRICT |
|----|---------------------------------|---------------------------------|------------------------|------------------------------------|
| \$ | - \$ | - \$ | - \$ | - \$ |
| \$ | - \$ | - \$ | - \$ | - \$ |
| \$ | - \$ | - \$ | - \$ | - \$ |
| \$ | 9,576 \$ | 387 \$ | 61,104 \$ | 3,197 |
| \$ | 14,554 \$ | 588 \$ | 92,864 \$ | 4,859 |
| \$ | 22,187 \$ | 897 \$ | 141,574 \$ | 7,408 |
| \$ | 29,676 \$ | 1,199 \$ | 189,355 \$ | 9,908 |
| \$ | 42,068 \$ | 1,700 \$ | 268,427 \$ | 14,045 |
| \$ | 45,080 \$ | 1,822 \$ | 287,650 \$ | 15,051 |
| \$ | 50,194 \$ | 2,028 \$ | 320,279 \$ | 16,759 |
| \$ | 58,624 \$ | 2,369 \$ | 374,070 \$ | 19,573 |
| \$ | 63,967 \$ | 2,585 \$ | 408,160 \$ | 21,357 |
| \$ | 70,062 \$ | 2,831 \$ | 447,050 \$ | 23,392 |
| \$ | 73,542 \$ | 2,972 \$ | 469,258 \$ | 24,554 |
| \$ | 76,806 \$ | 3,104 \$ | 490,084 \$ | 25,644 |
| \$ | 80,770 \$ | 3,264 \$ | 515,375 \$ | 26,967 |
| \$ | 83,965 \$ | 3,393 \$ | 535,766 \$ | 28,034 |
| \$ | 88,065 \$ | 3,559 \$ | 561,925 \$ | 29,403 |
| \$ | 91,325 \$ | 3,690 \$ | 582,726 \$ | 30,491 |
| \$ | 95,563 \$ | 3,862 \$ | 609,772 \$ | 31,906 |
| \$ | 98,889 \$ | 3,996 \$ | 630,991 \$ | 33,017 |
| \$ | 103,270 \$ | 4,173 \$ | 658,947 \$ | 34,480 |
| \$ | 108,055 \$ | 4,366 \$ | 689,482 \$ | 36,077 |
| \$ | 109,136 \$ | 4,410 \$ | 696,377 \$ | 36,438 |
| \$ | 109,136 \$ | 4,410 \$ | 696,377 \$ | 36,438 |
| \$ | 110,227 \$ | 4,454 \$ | 703,340 \$ | 36,802 |
| | 1,634,736 | 66,057 | 10,430,952 | 545,802 |
| | 1,635,000 | 66,000 | 10,431,000 | 546,000 |
| \$ | 63,000 \$ | 3,000 \$ | 401,000 \$ | 21,000 |

Local Government Tax Increment Forecast

| | 100% | 100% | Total |
|------------------------------------|--------------|--------------|---------------|
| | | | Increment |
| LOWER ARKANSAS VALLEY WATER CONSV. | \$ - | \$ - | \$ - |
| | \$ - | \$ - | \$ - |
| | \$ - | \$ - | \$ - |
| | \$ 5,875 | \$ 24,168 | \$ 211,986 |
| | \$ 8,928 | \$ 36,730 | \$ 322,171 |
| | \$ 13,611 | \$ 55,996 | \$ 491,159 |
| | \$ 18,205 | \$ 74,894 | \$ 656,925 |
| | \$ 25,807 | \$ 106,169 | \$ 931,247 |
| | \$ 27,655 | \$ 113,772 | \$ 997,938 |
| | \$ 30,792 | \$ 126,677 | \$ 1,111,136 |
| | \$ 35,964 | \$ 147,953 | \$ 1,297,751 |
| | \$ 39,242 | \$ 161,437 | \$ 1,416,021 |
| | \$ 42,981 | \$ 176,818 | \$ 1,550,940 |
| | \$ 45,116 | \$ 185,602 | \$ 1,627,984 |
| | \$ 47,118 | \$ 193,839 | \$ 1,700,235 |
| | \$ 49,550 | \$ 203,842 | \$ 1,787,980 |
| | \$ 51,510 | \$ 211,908 | \$ 1,858,722 |
| | \$ 54,025 | \$ 222,254 | \$ 1,949,473 |
| | \$ 56,025 | \$ 230,481 | \$ 2,021,637 |
| | \$ 58,625 | \$ 241,178 | \$ 2,115,468 |
| | \$ 60,665 | \$ 249,571 | \$ 2,189,083 |
| | \$ 63,353 | \$ 260,628 | \$ 2,286,068 |
| | \$ 66,289 | \$ 272,705 | \$ 2,392,003 |
| | \$ 66,952 | \$ 275,432 | \$ 2,415,923 |
| | \$ 66,952 | \$ 275,432 | \$ 2,415,923 |
| | \$ 67,621 | \$ 278,187 | \$ 2,440,082 |
| | \$ 1,002,861 | \$ 4,125,674 | \$ 36,187,857 |
| | \$ 1,003,000 | \$ 4,126,000 | \$ 36,187,857 |
| | \$ 1,002,861 | \$ 4,125,674 | \$ 36,187,857 |
| | \$ 38,570 | \$ 159,000 | \$ 1,392,000 |
| | \$ 38,570 | \$ 159,000 | \$ 1,392,000 |

School District Tax Increment Forecast

TAX REVENUE FORECAST FOR LOCAL GOVERNMENTS (NON-SCHOOL)

TAX INCREMENT CALCULATION

| Allocation | Collection | Year | SCHOOL DISTRICT 60 (SFA) | | SCHOOL DISTRICT 60 (Bond) | |
|-------------------------------|------------|------|--------------------------|---------------|---------------------------|------------------|
| | | | 100% | 100% | 100% | 100% |
| | | Year | Total Increment Assessed | Valuation | | |
| 1 | | 2027 | \$ - | \$ - | \$ - | \$ - |
| 2 | | 2028 | \$ - | \$ - | \$ - | \$ - |
| 3 | | 2029 | \$ - | \$ - | \$ - | \$ - |
| 4 | | 2030 | \$ 4,105,999 | \$ 4,105,999 | \$ 110,862 | \$ 45,166 |
| 5 | | 2031 | \$ 6,397,656 | \$ 6,397,656 | \$ 172,737 | \$ 70,374 |
| 6 | | 2032 | \$ 9,833,941 | \$ 9,833,941 | \$ 265,516 | \$ 108,173 |
| 7 | | 2033 | \$ 13,165,728 | \$ 13,165,728 | \$ 355,475 | \$ 144,823 |
| 8 | | 2034 | \$ 18,524,831 | \$ 18,524,831 | \$ 500,170 | \$ 203,773 |
| 9 | | 2035 | \$ 19,911,892 | \$ 19,911,892 | \$ 537,621 | \$ 219,031 |
| 10 | | 2036 | \$ 22,194,249 | \$ 22,194,249 | \$ 599,245 | \$ 244,137 |
| 11 | | 2037 | \$ 25,774,662 | \$ 25,774,662 | \$ 695,916 | \$ 283,521 |
| 12 | | 2038 | \$ 28,156,706 | \$ 28,156,706 | \$ 768,231 | \$ 309,724 |
| 13 | | 2039 | \$ 30,786,735 | \$ 30,786,735 | \$ 831,242 | \$ 338,654 |
| 14 | | 2040 | \$ 32,414,953 | \$ 32,414,953 | \$ 875,204 | \$ 356,564 |
| 15 | | 2041 | \$ 33,917,647 | \$ 33,917,647 | \$ 915,776 | \$ 373,094 |
| 16 | | 2042 | \$ 35,768,662 | \$ 35,768,662 | \$ 965,754 | \$ 393,455 |
| 17 | | 2043 | \$ 37,239,979 | \$ 37,239,979 | \$ 1,005,479 | \$ 409,640 |
| 18 | | 2044 | \$ 39,153,790 | \$ 39,153,790 | \$ 1,057,152 | \$ 430,692 |
| 19 | | 2045 | \$ 40,554,680 | \$ 40,554,680 | \$ 1,097,676 | \$ 447,201 |
| 20 | | 2046 | \$ 42,632,807 | \$ 42,632,807 | \$ 1,151,086 | \$ 468,961 |
| 21 | | 2047 | \$ 44,163,864 | \$ 44,163,864 | \$ 1,192,424 | \$ 485,803 |
| 22 | | 2048 | \$ 46,207,857 | \$ 46,207,857 | \$ 1,247,612 | \$ 508,286 |
| 23 | | 2049 | \$ 48,411,131 | \$ 48,411,131 | \$ 1,307,101 | \$ 532,522 |
| 24 | | 2050 | \$ 48,935,765 | \$ 48,935,765 | \$ 1,321,266 | \$ 538,293 |
| 25 | | 2051 | \$ 48,935,765 | \$ 48,935,765 | \$ 1,321,266 | \$ 538,293 |
| 26 | | 2052 | \$ 49,465,644 | \$ 49,465,644 | \$ 1,335,572 | \$ 544,122 |
| Totals | | | | | 19,622,383 | 7,994,304 |
| Totals (Rounded) | | | | | 19,622,000 | 7,994,000 |
| With Personal Property | | | | | 19,622,383 | 7,994,304 |
| Annual Averages | | | | | 755,000 | 307,000 |

School District Tax Increment Forecast

| | | Total | |
|----|---------------|-----------|-------------------|
| | | Increment | |
| \$ | | \$ | |
| \$ | | \$ | |
| \$ | | \$ | |
| \$ | 168 | \$ | 156,196 |
| \$ | 262 | \$ | 243,373 |
| \$ | 403 | \$ | 374,093 |
| \$ | 540 | \$ | 500,837 |
| \$ | 760 | \$ | 704,703 |
| \$ | 816 | \$ | 757,468 |
| \$ | 910 | \$ | 844,291 |
| \$ | 1,057 | \$ | 980,494 |
| \$ | 1,154 | \$ | 1,071,109 |
| \$ | 1,262 | \$ | 1,171,158 |
| \$ | 1,329 | \$ | 1,233,097 |
| \$ | 1,391 | \$ | 1,290,261 |
| \$ | 1,467 | \$ | 1,360,676 |
| \$ | 1,527 | \$ | 1,416,646 |
| \$ | 1,605 | \$ | 1,489,449 |
| \$ | 1,667 | \$ | 1,546,545 |
| \$ | 1,748 | \$ | 1,621,795 |
| \$ | 1,811 | \$ | 1,680,038 |
| \$ | 1,895 | \$ | 1,757,793 |
| \$ | 1,985 | \$ | 1,841,608 |
| \$ | 2,006 | \$ | 1,861,565 |
| \$ | 2,006 | \$ | 1,861,565 |
| \$ | 2,028 | \$ | 1,881,723 |
| | 29,797 | | 27,646,485 |
| | 30,000 | | 7% |
| \$ | 29,797 | \$ | 9,577,388 |
| \$ | 1,000 | \$ | 1,063,000 |

PROPERTY TAX INCREMENT REVENUE AGREEMENT

(Pueblo City-County Library District – Southwest Pueblo Urban Renewal Project)

1.0 **PARTIES.** This Property Tax Increment Revenue 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 have the definitions set forth 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., as amended to date (the “**Act**”), the City Council of the City of Pueblo (the “**City**”) is expected to consider approving the “Southwest Pueblo Ranch Urban Renewal Plan” (the “**Urban Renewal Plan**” or “**Plan**”) at its meeting on September 21, 2026 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 “Jackson Ranch Urban Renewal Plan Conditions Survey” dated September 8, 2025 (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 “Southwest Pueblo Urban Renewal Plan Impact Report” dated February 15, 2026 (the “**Impact Report**”).

2.2 **Tax Increment Financing.** The Urban Renewal Plan contains provisions that permit the financing of the Urban Renewal Project by means of TIF Financing and is therefore subject to 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**” shall have the meaning set forth in Section 2.1.

4.2 “**Agreement**” means this Property Tax Increment Revenue 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 the 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 “**City**” shall have the meaning set forth in Section 2.1.

4.7 “**Conditions Survey**” shall have the meaning set forth in Section 2.1.

4.8 “**District**” means the Party described in Section 1.0, and its successors and assigns.

4.9 “**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 31-25-107(9)(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 20__ and the last year the Authority will receive Property Tax Increment Revenues is from taxes payable in 20__.

4.10 “**Impact Report**” shall have the meaning set forth in Section 2.1.

4.11 “**Party**” or “**Parties**” shall have the meaning set forth in Section 1.0.

4.12 “**Plan**” or “**Urban Renewal Plan**” means the urban renewal plan defined in Section 2.1.

4.13 “**Project**” or “**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.

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

4.15 “**Property Tax Increment Revenues**” means all revenues produced by property tax levies on the TIF allocated to the Special Fund for the Duration.

4.16 “**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.

4.17 “**TIF**” means all of the property tax increment portion of the property tax assessment roll as described in Section 31-25-107(9)(a)(II) of the Act.

4.18 “**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.

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

5.0 **COOPERATION.** In accordance with Sections 31-25-112 and 31-25-107(9.5)(a) 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 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.

5.5 Future Cooperation. Urban renewal activity may require the District to construct additional library infrastructure for future services in this area of the City. Accordingly, (a) upon receipt from the District of evidence of impacts from development of residential uses that utilize tax increment financing in new urban renewal areas, the Parties will negotiate in good faith to provide financial or other assistance to the District in procuring land for a future library site and/or financial assistance for construction thereof and (b) if all Urban Renewal Project costs are fully paid prior to expiration of the full 25 year Duration authorized for TIF Financing, the Parties will consider structuring legally available financing vehicles utilizing the portion of Property Tax Increment Revenues produced by the levy of the District each year to provide facilities or services that offset the impacts of TIF Financing attributable to urban renewal projects in the City.

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. 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 affects 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.

8.17 Notices. All notices required by this Agreement shall be in writing and (a) personally delivered with a written receipt of delivery; (b) sent by a nationally-recognized overnight delivery service requiring a written acknowledgement of receipt or providing a certification of delivery or attempted delivery; (c) sent by certified or registered mail, return receipt requested; or (d) sent by confirmed facsimile transmission or electronic delivery with an original copy thereof transmitted to the recipient by one of the means described in subsections (a) through (c) no later than five business days thereafter. Each Party shall be entitled to change its address for notices from time to time by delivering to the other Party notice thereof in the manner herein provided for the delivery of notices. All notices shall be sent to the addressee at its address set forth in the signature block to this Agreement.

8.18 Authority. Each Party represents and warrants that the persons executing this Agreement on such Party's behalf are fully authorized to execute this Agreement on behalf of such Party. Each Party further represents and warrants that it is authorized to enter into this Agreement pursuant to law, including, without limitation, Section 31-25-107(9.5) of the Act.

[SIGNATURE PAGE FOLLOWS]

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

Address:

ATTEST:

PUEBLO CITY-COUNTY LIBRARY DISTRICT

By: _____

By: _____

Address:

DRAFT