



Columbine Square Urban Renewal Area

Arapahoe County Impact Report

Littleton, Colorado

August 2014

Prepared for:

Littleton Invests For Tomorrow (LIFT)
Littleton City Council

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City of Littleton, Colorado

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This report outlines the anticipated impact of the proposed Columbine Square Urban Renewal Plan on Arapahoe County (the County). It responds to the requirements outlined in C.R.S. 31-25-107 (3.5):

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

- (3.5) “Prior to the approval of an urban renewal plan, the governing body shall submit such plan to the board of county commissioners, which shall include, at a minimum, the following information concerning the impact of such plan:
- I. The estimated duration of time to complete the urban renewal project;
 - II. The estimated annual property tax increment to be generated by the urban renewal project and the portion of such property tax increment to be allocated during this period to fund the urban renewal project;
 - III. An estimate of the impact of the urban renewal project on county revenues and on the cost and extent of additional county infrastructure and services required to serve development within the proposed urban renewal area, and the benefit of improvements within the urban renewal area to existing county infrastructure;
 - IV. A statement setting forth the method under which the authority or the municipality will finance, or that agreements are in place to finance, any additional county infrastructure and services required to serve development in the urban renewal area for the period in which all or any portion of the property taxes described in subparagraph (ii) of paragraph (a) of subsection (9) of this section and levied by a county are paid to the authority; and
 - V. Any other estimated impacts of the urban renewal project on county services or revenues.”



Summary of Urban Renewal Area

The proposed development program for the Columbine Square Urban Renewal Area (the Area) is consistent with current policy documents and plans for the City of Littleton. The development program is anticipated to be absorbed over 10 to 20 years, and the total build-out is summarized in Table 1.

Table 1
Columbine Square Urban Renewal Plan
Proposed Development Program

New Development/Redevelopment:	Sq Ft/ Units
Retail	15,000
Employment	10,000
Residential	346

Source: Ricker|Cunningham.

Development Timing

The development timetable for the proposed program presented above will ultimately be determined by prevailing market conditions. A critical component of the analysis presented here is the assumption that key parcels within the planning area will be developed into a mix of residential, retail and employment uses. For the purposes of this analysis, it was assumed that redevelopment and new development in the Columbine Square Urban Renewal Area will be substantially completed during the 25-year development and stabilization period.

Summary Impacts to Arapahoe County

For the purposes of this analysis, it is assumed that 100% of the total County property tax increment over the 25-year period will be allocated to project costs, but that County sales tax revenue will be increased. Table 2 at the end of this report provides a summary of these tax revenues.



Property Tax Revenue

Currently, the property tax base in the Area is approximately \$394,000. During the 25-year statutory period, the County's share of property tax revenue will be derived from its levy against the property tax base assessed value -- approximately \$2.0 million over the 25-year period, adjusted for general reassessments. After the 25-year analysis period is completed, the County's share of property tax revenues will increase to approximately \$78,000 on an annual basis. These figures reflect the impacts of inflation, conservatively estimated at approximately 1% on an annual basis.

Sales Tax Revenue

Currently, the sales tax base in the Area is \$246,544. Based on the proposed development program, the Area is projected to generate approximately \$847,000 in sales tax revenue for the County over the 25-year period. Approximately \$580,000 will be generated from the existing base and approximately \$267,000 will be generated from new redevelopment. Thereafter, the County's share of sales tax revenues is projected to be approximately \$42,000 on an annual basis. These sales tax revenue figures also reflect the impacts of inflation, conservatively estimated at approximately 1% on an annual basis.

County Services / Infrastructure

Because the entire Area is located within the City of Littleton's municipal boundaries, there is anticipated to be minimal impact on County services. Infrastructure impacts associated with the proposed development program will be financed by Littleton Invests For Tomorrow (LIFT), the City of Littleton, private enterprise or other sources, but not the County. Impacts to the County's general government services could increase due to an increase in non-residential development, but such impacts should be more than offset by the increase in revenue described above and value increases in properties outside of the Area.



Net Impact to County

Table 2 also illustrates the net impact to the County over the 25-year tax analysis period. As shown, the County's net impact, in terms of tax revenue, is estimated to be a surplus of approximately \$1.4 million.

Conclusion

In summary, and regarding "the impact of the reinvestment project on county revenues and on the cost and extent of additional county infrastructure and services required to serve development within the proposed reinvestment area", there do not appear to be any significant additional County infrastructure requirements required to serve development in the proposed reinvestment Area. Further, the County will not provide any public improvements, police, fire, utility or other specific services to serve such development, because all properties in the Area are entirely located within the municipal boundaries of the City and will therefore be served by the City. Finally, any additional demands (direct or indirect) on County services due to a general increase in population within the Area should be more than offset (as are all other such costs) by increases in County revenue as described herein and by adjustments in the base property tax assessment roll, as well as increases in property value located in proximity to the Area.

TABLE 2
LITTLETON INVESTS FOR TOMORROW (LIFT)
COLUMBINE SQUARE URBAN RENEWAL PLAN
TIF ANALYSIS -- ARAPAHOE COUNTY IMPACT
AUGUST 2014

	Cumulative Total By:				
	2019	2024	2029	2034	2039
<i>Arapahoe County</i>					
Property Tax Revenues from Existing Base	\$382,211	\$773,659	\$1,175,366	\$1,586,781	\$2,008,980
Property Tax Increment Revenues From New Redevelopment	(\$114,510)	(\$423,197)	(\$764,010)	(\$1,122,208)	(\$1,498,678)
Share of Sales Tax Revenues	\$119,924	\$283,938	\$459,176	\$646,510	\$846,884
Net Tax Revenues -- 25-Year Period	\$387,624	\$634,399	\$870,532	\$1,111,083	\$1,357,186

Source: Ricker | Cunningham

TABLE 2 (CONT'D)
LITTLETON INVESTS FOR TOMORROW (LIFT)
COLUMBINE SQUARE URBAN RENEWAL PLAN
TIF ANALYSIS -- ARAPAHOE COUNTY IMPACT
AUGUST 2014

Development Program

New Development/Redevelopment:	Sq Ft/ Units
Retail	15,000
Employment	10,000
Residential	346

Annual Property Tax Revenue Estimates		Year								
		2015	2016	2017	2018	2019	2020	2021	2022	2023
Estimated Cumulative Development Demand:										
Retail		0	0	0	7,500	15,000	15,000	15,000	15,000	15,000
Employment		0	0	0	0	0	0	10,000	10,000	10,000
Residential		0	175	346	346	346	346	346	346	346
Estimated Development Market Value:										
Retail	\$150	\$0	\$0	\$0	\$1,159,089	\$2,341,359	\$2,364,773	\$2,388,420	\$2,412,305	\$2,436,428
Employment	\$150	\$0	\$0	\$0	\$0	\$0	\$0	\$1,592,280	\$1,608,203	\$1,624,285
Residential	\$90,000	\$0	\$15,907,500	\$31,765,914	\$32,083,573	\$32,404,409	\$32,728,453	\$33,055,737	\$33,386,295	\$33,720,158
Estimated Development Assessed Value:										
Retail	29.00%	\$0	\$0	\$0	\$336,136	\$678,994	\$685,784	\$692,642	\$699,568	\$706,564
Employment	29.00%	\$0	\$0	\$0	\$0	\$0	\$0	\$461,761	\$466,379	\$471,043
Residential	7.96%	\$0	\$1,266,237	\$2,528,567	\$2,553,852	\$2,579,391	\$2,605,185	\$2,631,237	\$2,657,549	\$2,684,125
Estimated Development Property Tax Revenues (89 mills):										
Retail	0.089000	\$0	\$0	\$0	\$0	\$29,916	\$60,430	\$61,035	\$61,645	\$62,262
Employment	0.089000	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$41,097	\$41,508
Residential	0.089000	\$0	\$0	\$112,695	\$225,042	\$227,293	\$229,566	\$231,861	\$234,180	\$236,522
Total Property Tax Revenues from New Redevelopment:		\$0	\$0	\$112,695	\$225,042	\$257,209	\$289,996	\$292,896	\$336,922	\$340,291
Total Property Tax Revenues from Existing Development:		\$394,000	\$394,000	\$397,940	\$397,940	\$401,919	\$401,919	\$405,939	\$405,939	\$409,998
Total Property Tax Revenues:		\$394,000	\$394,000	\$510,635	\$622,982	\$659,128	\$691,916	\$698,835	\$742,861	\$750,289
Existing Property Tax Base:		\$394,000	\$394,000	\$397,940	\$397,940	\$401,919	\$401,919	\$405,939	\$405,939	\$409,998
Total Property Tax Increment:		\$0	\$0	\$112,695	\$225,042	\$257,209	\$289,996	\$292,896	\$336,922	\$340,291
County Impact:										
County Share of Property Tax Base:	0.017130	\$75,834	\$75,834	\$76,592	\$76,592	\$77,358	\$77,358	\$78,132	\$78,132	\$78,913
County Share of Property Tax Increment:	0.017130	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Total County Share of Property Tax Revenue:		\$75,834	\$75,834	\$76,592	\$76,592	\$77,358	\$77,358	\$78,132	\$78,132	\$78,913

Annual Sales Tax Revenue Estimates		Year								
		2015	2016	2017	2018	2019	2020	2021	2022	2023
Estimated Cumulative Retail Development:		0	0	0	7,500	15,000	15,000	15,000	15,000	15,000
Estimated Taxable Retail Sales from New Development:	\$250	\$0	\$0	\$0	\$1,989,765	\$4,059,121	\$4,140,303	\$4,223,109	\$4,307,571	\$4,393,723
Total Sales Tax Revenues from New Redevelopment:		\$0	\$0	\$0	\$59,693	\$121,774	\$124,209	\$126,693	\$129,227	\$131,812
Total Sales Tax Revenue from Existing Development:		\$246,544	\$249,009	\$251,500	\$254,015	\$256,555	\$259,120	\$261,711	\$264,329	\$266,972
Total Sales Tax Revenues:		\$246,544	\$249,009	\$251,500	\$313,707	\$378,328	\$383,329	\$388,405	\$393,556	\$398,784
Existing Sales Tax Base:		\$246,544	\$246,544	\$246,544	\$246,544	\$246,544	\$246,544	\$246,544	\$246,544	\$246,544
Total Sales Tax Increment:		\$0	\$2,465	\$4,956	\$67,163	\$131,784	\$136,785	\$141,861	\$147,012	\$152,240
County Impact:										
County Share of Sales Tax Base:	0.25%	\$20,545	\$20,751	\$20,958	\$21,168	\$21,380	\$21,593	\$21,809	\$22,027	\$22,248
County Share of New Sales Tax Revenue:	0.25%	\$0	\$0	\$0	\$4,974	\$10,148	\$10,351	\$10,558	\$10,769	\$10,984
Total County Share of Sales Tax Revenue:		\$20,545	\$20,751	\$20,958	\$26,142	\$31,527	\$31,944	\$32,367	\$32,796	\$33,232

Source: Ricker | Cunningham

TABLE 2 (CONT'D)
LITTLETON INVESTS FOR TOMORROW (LIFT)
COLUMBINE SQUARE URBAN RENEWAL PLAN
TIF ANALYSIS -- ARAPAHOE COUNTY IMPACT
AUGUST 2014

Development Program	
	Sq Ft/ Units
New Development/Redevelopment:	
Retail	15,000
Employment	10,000
Residential	346

Annual Property Tax Revenue Estimates		Year							
		2024	2025	2026	2027	2028	2029	2030	2031
Estimated Cumulative Development Demand:									
Retail		15,000	15,000	15,000	15,000	15,000	15,000	15,000	15,000
Employment		10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000
Residential		346	346	346	346	346	346	346	346
Estimated Development Market Value:									
Retail	\$150	\$2,460,792	\$2,485,400	\$2,510,254	\$2,535,356	\$2,560,710	\$2,586,317	\$2,612,180	\$2,638,302
Employment	\$150	\$1,640,528	\$1,656,933	\$1,673,503	\$1,690,238	\$1,707,140	\$1,724,211	\$1,741,453	\$1,758,868
Residential	\$90,000	\$34,057,359	\$34,397,933	\$34,741,912	\$35,089,331	\$35,440,225	\$35,794,627	\$36,152,573	\$36,514,099
Estimated Development Assessed Value:									
Retail	29.00%	\$713,630	\$720,766	\$727,974	\$735,253	\$742,606	\$750,032	\$757,532	\$765,108
Employment	29.00%	\$475,753	\$480,511	\$485,316	\$490,169	\$495,071	\$500,021	\$505,021	\$510,072
Residential	7.96%	\$2,710,966	\$2,738,075	\$2,765,456	\$2,793,111	\$2,821,042	\$2,849,252	\$2,877,745	\$2,906,522
Estimated Development Property Tax Revenues (89 mills):									
Retail	0.089000	\$62,884	\$63,513	\$64,148	\$64,790	\$65,438	\$66,092	\$66,753	\$67,420
Employment	0.089000	\$41,923	\$42,342	\$42,765	\$43,193	\$43,625	\$44,061	\$44,502	\$44,947
Residential	0.089000	\$238,887	\$241,276	\$243,689	\$246,126	\$248,587	\$251,073	\$253,583	\$256,119
Total Property Tax Revenues from New Redevelopment:		\$343,694	\$347,131	\$350,602	\$354,108	\$357,649	\$361,226	\$364,838	\$368,487
Total Property Tax Revenues from Existing Development:		\$409,998	\$414,098	\$414,098	\$418,239	\$418,239	\$422,421	\$422,421	\$426,646
Total Property Tax Revenues:		\$753,692	\$761,229	\$764,700	\$772,347	\$775,888	\$783,647	\$787,260	\$795,132
Existing Property Tax Base:		\$409,998	\$414,098	\$414,098	\$418,239	\$418,239	\$422,421	\$422,421	\$426,646
Total Property Tax Increment:		\$343,694	\$347,131	\$350,602	\$354,108	\$357,649	\$361,226	\$364,838	\$368,487
County Impact:									
County Share of Property Tax Base:	0.017130	\$78,913	\$79,702	\$79,702	\$80,499	\$80,499	\$81,304	\$81,304	\$82,117
County Share of Property Tax Increment:	0.017130	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Total County Share of Property Tax Revenue:		\$78,913	\$79,702	\$79,702	\$80,499	\$80,499	\$81,304	\$81,304	\$82,117

Annual Sales Tax Revenue Estimates		Year							
		2024	2025	2026	2027	2028	2029	2030	2031
Estimated Cumulative Retail Development:		15,000	15,000	15,000	15,000	15,000	15,000	15,000	15,000
Estimated Taxable Retail Sales from New Development:	\$250	\$4,481,597	\$4,571,229	\$4,662,654	\$4,755,907	\$4,851,025	\$4,948,045	\$5,047,006	\$5,147,946
Total Sales Tax Revenues from New Redevelopment:		3.00%	\$134,448	\$137,137	\$139,880	\$142,677	\$145,531	\$148,441	\$151,410
Total Sales Tax Revenue from Existing Development:			\$269,642	\$272,338	\$275,061	\$277,812	\$280,590	\$283,396	\$286,230
Total Sales Tax Revenues:			\$404,089	\$409,475	\$414,941	\$420,489	\$426,121	\$431,837	\$437,640
Existing Sales Tax Base:			\$246,544	\$246,544	\$246,544	\$246,544	\$246,544	\$246,544	\$246,544
Total Sales Tax Increment:			\$157,545	\$162,931	\$168,397	\$173,945	\$179,577	\$185,293	\$191,096
County Impact:									
County Share of Sales Tax Base:	0.25%	\$22,470	\$22,695	\$22,922	\$23,151	\$23,383	\$23,616	\$23,852	\$24,091
County Share of New Sales Tax Revenue:	0.25%	\$11,204	\$11,428	\$11,657	\$11,890	\$12,128	\$12,370	\$12,618	\$12,870
Total County Share of Sales Tax Revenue:		0.25%	\$33,674	\$34,123	\$34,578	\$35,041	\$35,510	\$36,470	\$36,961

Source: Ricker|Cunningham

TABLE 2 (CONT'D)
LITTLETON INVESTS FOR TOMORROW (LIFT)
COLUMBINE SQUARE URBAN RENEWAL PLAN
TIF ANALYSIS -- ARAPAHOE COUNTY IMPACT
AUGUST 2014

Development Program

New Development/Redevelopment:	Sq Ft/ Units
Retail	15,000
Employment	10,000
Residential	346

Annual Property Tax Revenue Estimates		Year							
		2032	2033	2034	2035	2036	2037	2038	2039
Estimated Cumulative Development Demand:									
Retail		15,000	15,000	15,000	15,000	15,000	15,000	15,000	15,000
Employment		10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000
Residential		346	346	346	346	346	346	346	346
Estimated Development Market Value:									
Retail	\$150	\$2,664,685	\$2,691,332	\$2,718,245	\$2,745,428	\$2,772,882	\$2,800,611	\$2,828,617	\$2,856,903
Employment	\$150	\$1,776,457	\$1,794,221	\$1,812,163	\$1,830,285	\$1,848,588	\$1,867,074	\$1,885,745	\$1,904,602
Residential	\$90,000	\$36,879,240	\$37,248,032	\$37,620,513	\$37,996,718	\$38,376,685	\$38,760,452	\$39,148,056	\$39,539,537
Estimated Development Assessed Value:									
Retail	29.00%	\$772,759	\$780,486	\$788,291	\$796,174	\$804,136	\$812,177	\$820,299	\$828,502
Employment	29.00%	\$515,172	\$520,324	\$525,527	\$530,783	\$536,090	\$541,451	\$546,866	\$552,335
Residential	7.96%	\$2,935,588	\$2,964,943	\$2,994,593	\$3,024,539	\$3,054,784	\$3,085,332	\$3,116,185	\$3,147,347
Estimated Development Property Tax Revenues (89 mills):									
Retail	0.089000	\$68,095	\$68,776	\$69,463	\$70,158	\$70,859	\$71,568	\$72,284	\$72,284
Employment	0.089000	\$45,396	\$45,850	\$46,309	\$46,772	\$47,240	\$47,712	\$48,189	\$48,189
Residential	0.089000	\$258,680	\$261,267	\$263,880	\$266,519	\$269,184	\$271,876	\$274,595	\$274,595
Total Property Tax Revenues from New Redevelopment:		\$372,171	\$375,893	\$379,652	\$383,449	\$387,283	\$391,156	\$395,067	\$395,067
Total Property Tax Revenues from Existing Development:		\$426,646	\$430,912	\$430,912	\$435,221	\$435,221	\$439,573	\$439,573	\$443,969
Total Property Tax Revenues:		\$798,817	\$806,805	\$810,564	\$818,670	\$822,504	\$830,729	\$834,641	\$839,037
Existing Property Tax Base:		\$426,646	\$430,912	\$430,912	\$435,221	\$435,221	\$439,573	\$439,573	\$443,969
Total Property Tax Increment:		\$372,171	\$375,893	\$379,652	\$383,449	\$387,283	\$391,156	\$395,067	\$395,067
County Impact:									
County Share of Property Tax Base:	0.017130	\$82,117	\$82,938	\$82,938	\$83,768	\$83,768	\$84,606	\$84,606	\$85,452
County Share of Property Tax Increment:	0.017130	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Total County Share of Property Tax Revenue:		\$82,117	\$82,938	\$82,938	\$83,768	\$83,768	\$84,606	\$84,606	\$85,452

Annual Sales Tax Revenue Estimates		Year							
		2032	2033	2034	2035	2036	2037	2038	2039
Estimated Cumulative Retail Development:		15,000	15,000	15,000	15,000	15,000	15,000	15,000	15,000
Estimated Taxable Retail Sales from New Development:	\$250	\$5,250,905	\$5,355,923	\$5,463,042	\$5,572,303	\$5,683,749	\$5,797,424	\$5,913,372	\$6,031,640
Total Sales Tax Revenues from New Redevelopment:		\$157,527	\$160,678	\$163,891	\$167,169	\$170,512	\$173,923	\$177,401	\$180,949
Total Sales Tax Revenue from Existing Development:		\$291,983	\$294,903	\$297,852	\$300,831	\$303,839	\$306,877	\$309,946	\$313,045
Total Sales Tax Revenues:		\$449,510	\$455,581	\$461,743	\$468,000	\$474,351	\$480,800	\$487,347	\$493,995
Existing Sales Tax Base:		\$246,544	\$246,544	\$246,544	\$246,544	\$246,544	\$246,544	\$246,544	\$246,544
Total Sales Tax Increment:		\$202,966	\$209,037	\$215,199	\$221,456	\$227,807	\$234,256	\$240,803	\$247,451
County Impact:									
County Share of Sales Tax Base:	0.25%	\$24,332	\$24,575	\$24,821	\$25,069	\$25,320	\$25,573	\$25,829	\$26,087
County Share of New Sales Tax Revenue:	0.25%	\$13,127	\$13,390	\$13,658	\$13,931	\$14,209	\$14,494	\$14,783	\$15,079
Total County Share of Sales Tax Revenue:		\$37,459	\$37,965	\$38,479	\$39,000	\$39,529	\$40,067	\$40,612	\$41,166

Source: Ricker | Cunningham