

May 9, 2023

Erie Gateway Urban Renewal Plan

Town of Erie Urban Renewal Authority

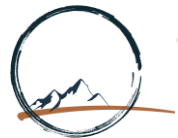


Agenda



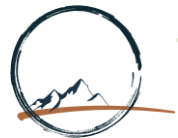
Topics for Tonight

- **Review of Erie Gateway Plan Documents/Reports**
 - Erie Gateway Conditions Survey
 - Erie Gateway Urban Renewal Impact Report
- **Revenue Sharing Recommendations**
 - TIF Sharing that Offsets Impacts
- **Strategic Planning Recommendations**
 - How best to establish a Plan Area/Phasing the Plan



Key Terms

1. **P3's** = Public Private Partnerships
2. **URA** = Urban Renewal Authority
3. Urban Renewal **Project/Plan** =
A designated area in a municipality eligible for urban renewal activities
4. Urban Renewal **Activity** =
A development that occurs within an Urban Renewal Project
5. **TIF** = Tax Increment Financing

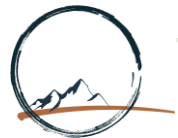


The Erie Gateway Vision



Multiple Areas of Development

- **I-25 Gateway**
 - Erie Gateway
 - North Station
- **Summerfield PD**
 - Planned Development Area
- **Additional Parcels**
 - Northern and Southern Remnants



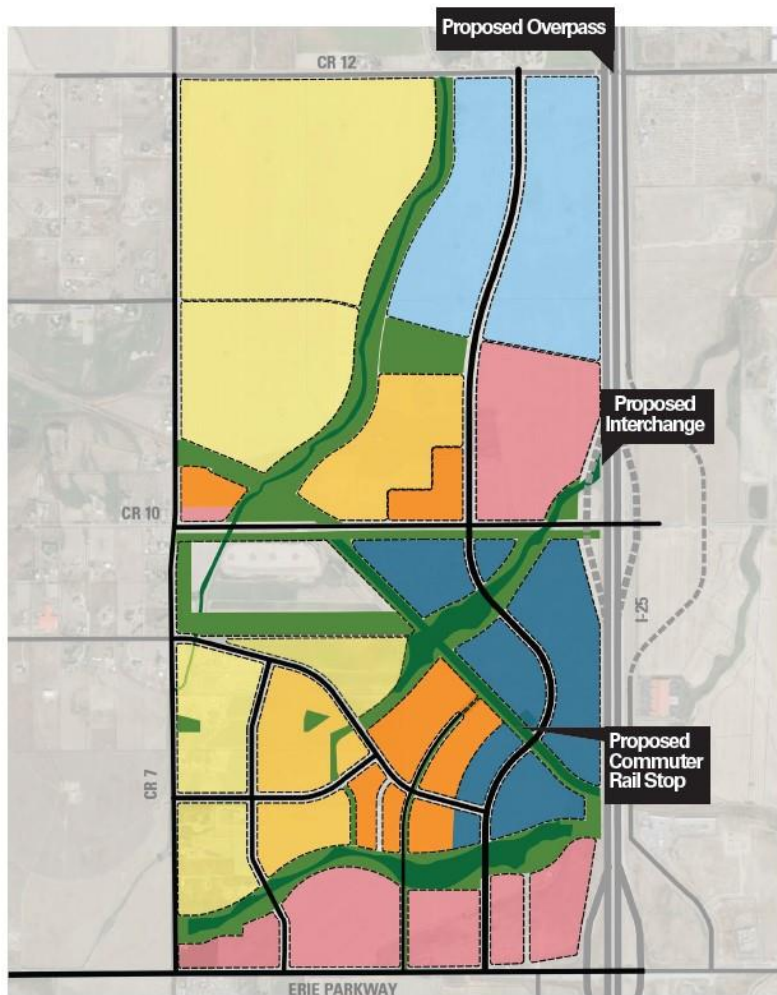
Guiding Principles*

- **Mix of Uses**
- **Creating a Destination**
- **Low Impact Development**
- **Quality of Life and Place**
- **Design with a Legacy**

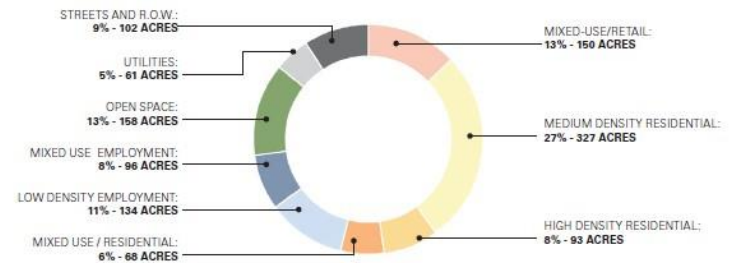
*From Erie Gateway Developer Book



I-25 Erie Gateway



The Vision Development Plan



INTEGRATED OPEN SPACE - X ACRES

- Connect the site with trails and bike paths
- Activate public spaces throughout the week
- Establish multi-functional parks and open spaces

EMBEDDED EMPLOYMENT

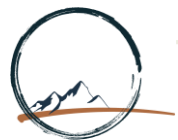
- Promote active transportation commuting
- Activate public spaces throughout the week
- Appeal to a diversity of business sizes and types

MIXED USE RETAIL

- Promote a safe and walkable environment
- Create retail destinations close to home
- Build resilience for market downturns

DIVERSE RESIDENTIAL

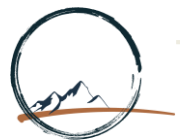
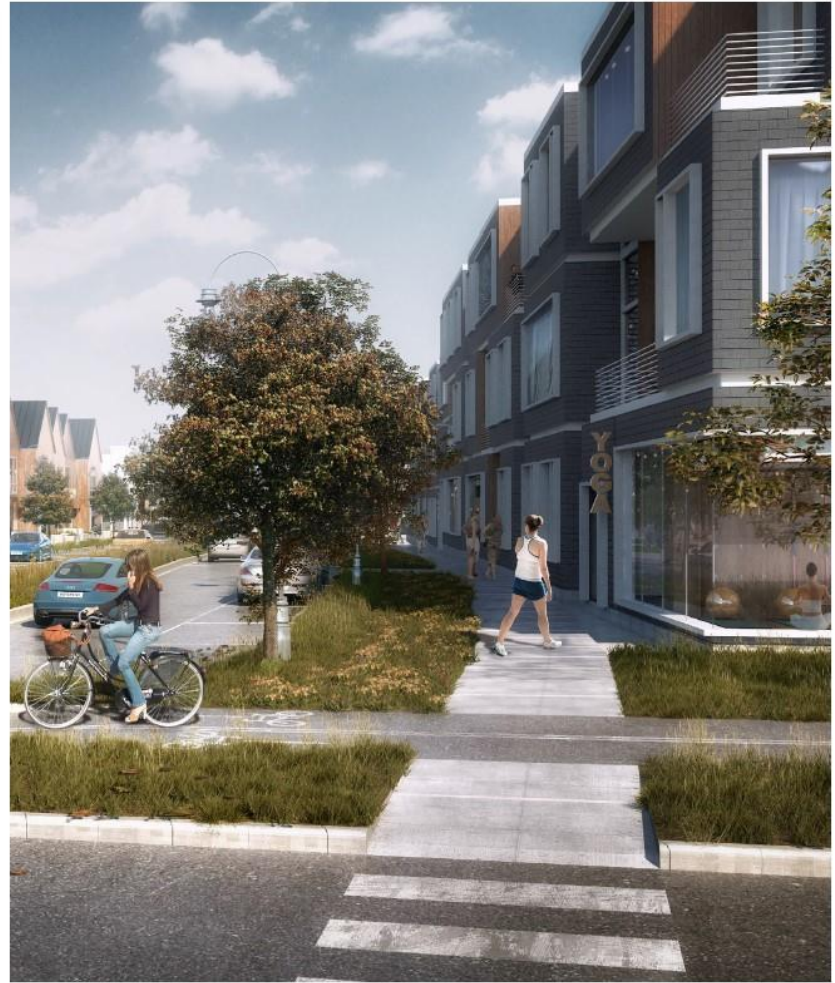
- Increase density and create a wide variety of housing types, allowing for diverse lifestyles
- Locate amenities within walking distance to a variety of housing types



I-25 Erie Gateway

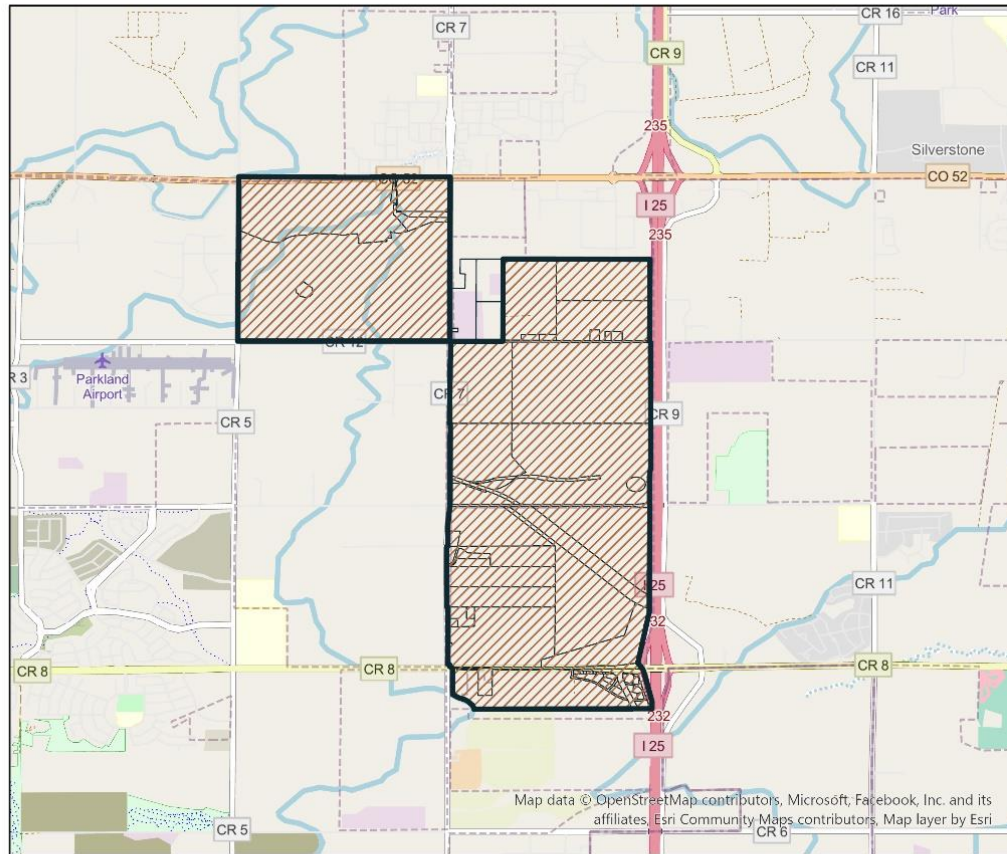


I-25 Erie Gateway



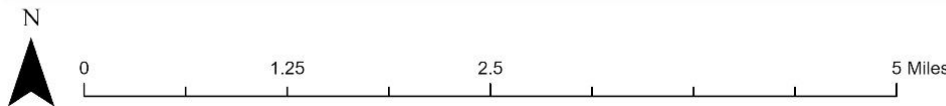
Proposed Urban Renewal Plan

Erie Gateway Urban Renewal Plan

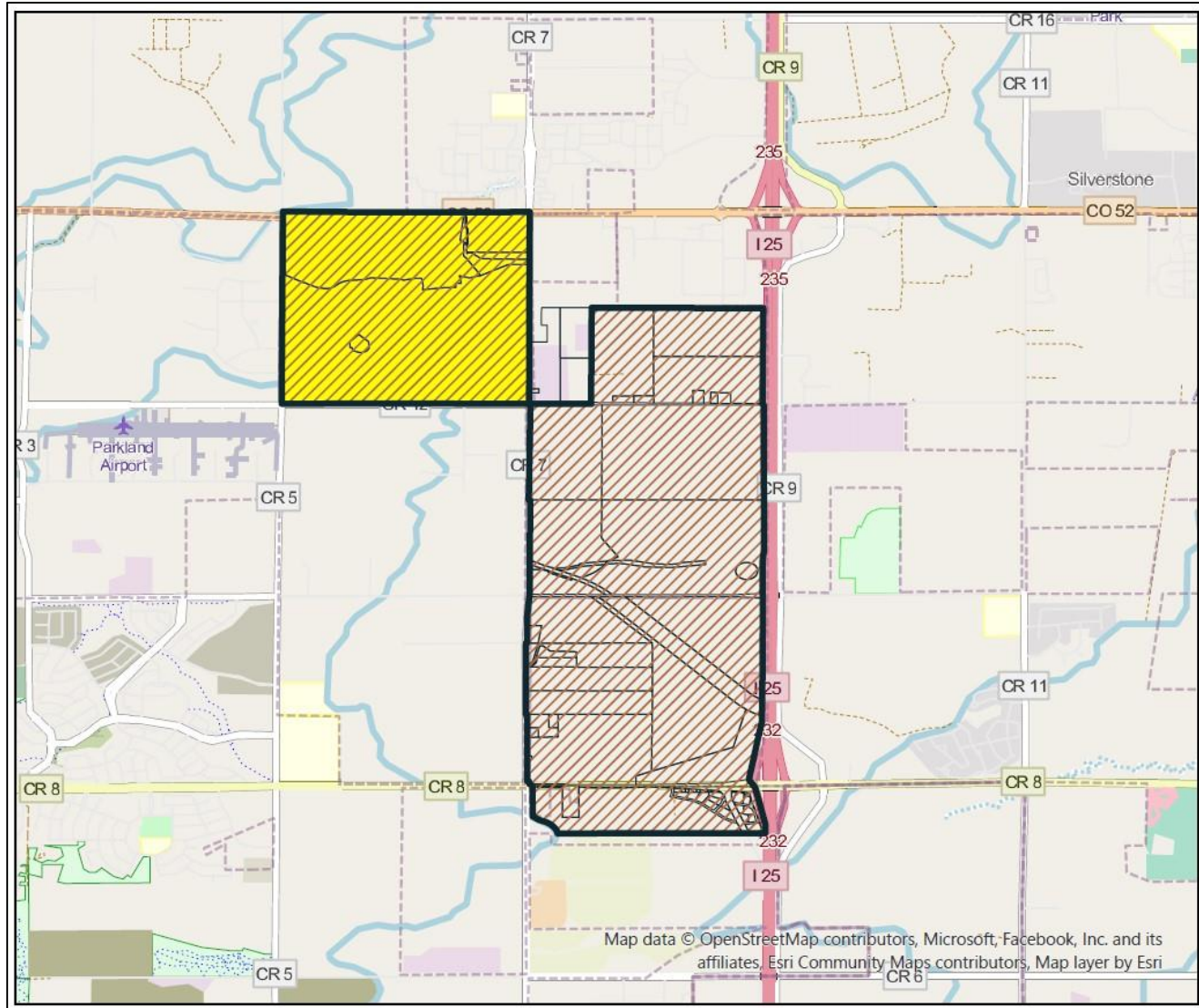


Legend

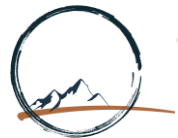
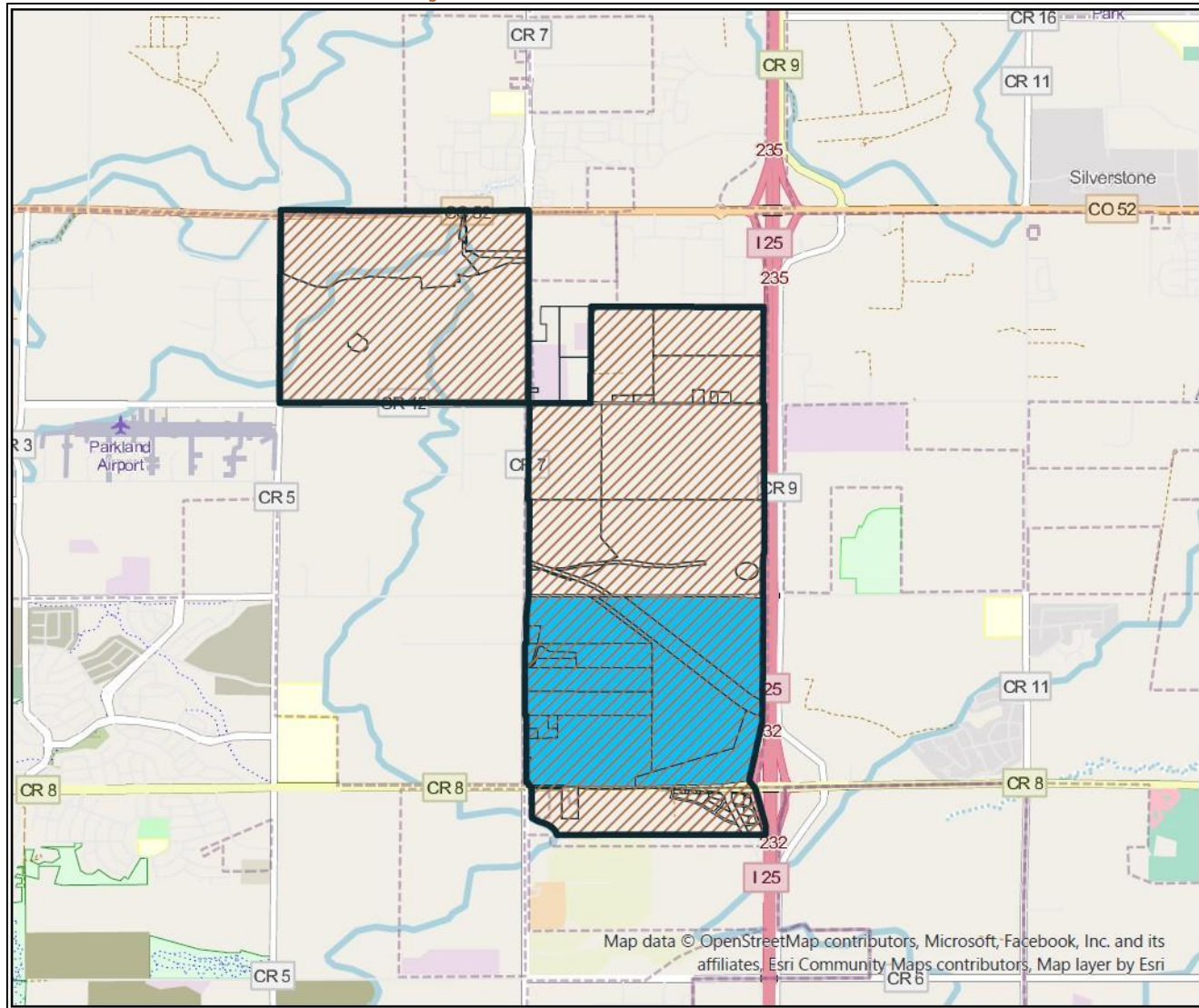
- URA Boundary
- Erie Gateway Parcels



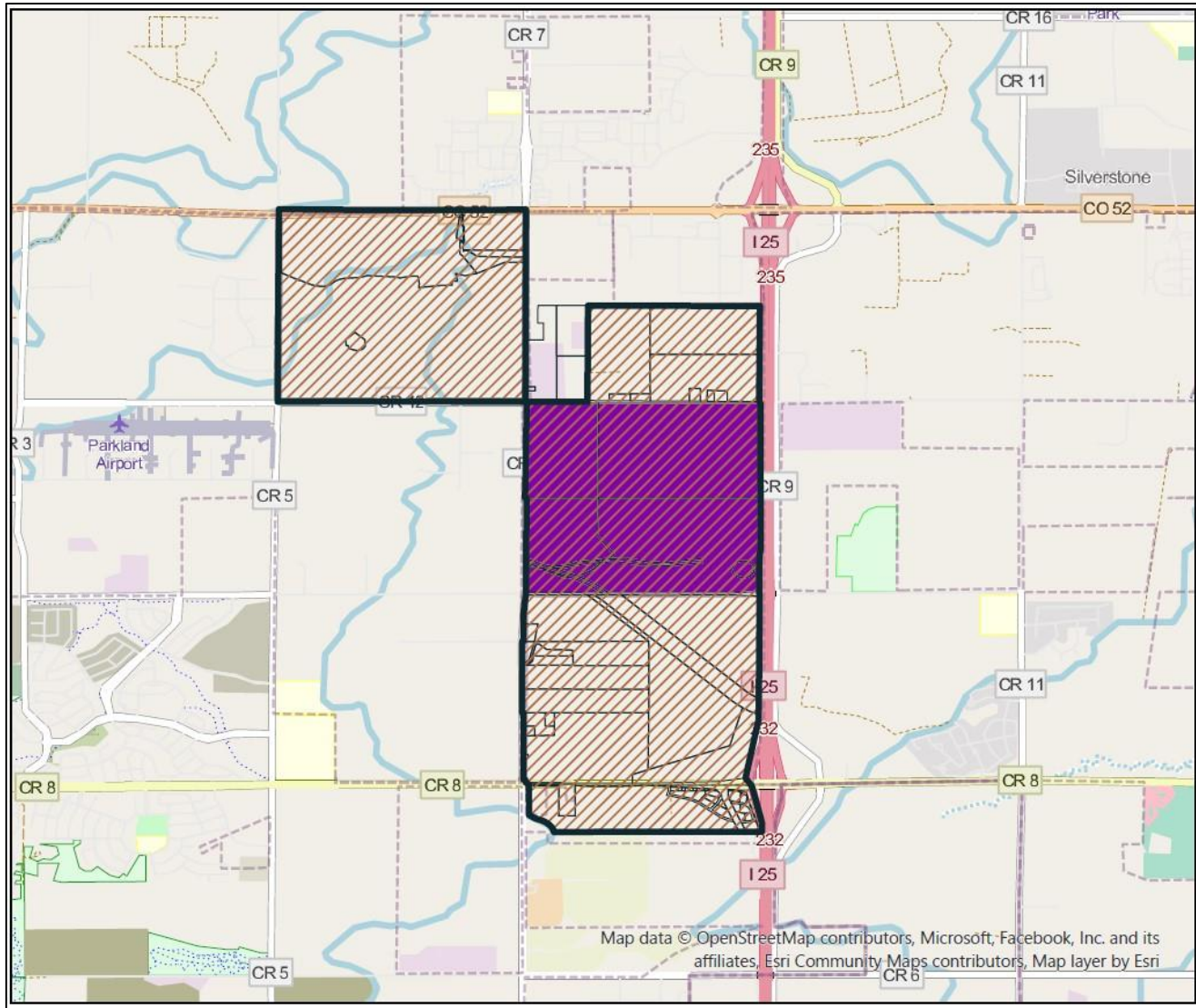
Summerfield PD Area



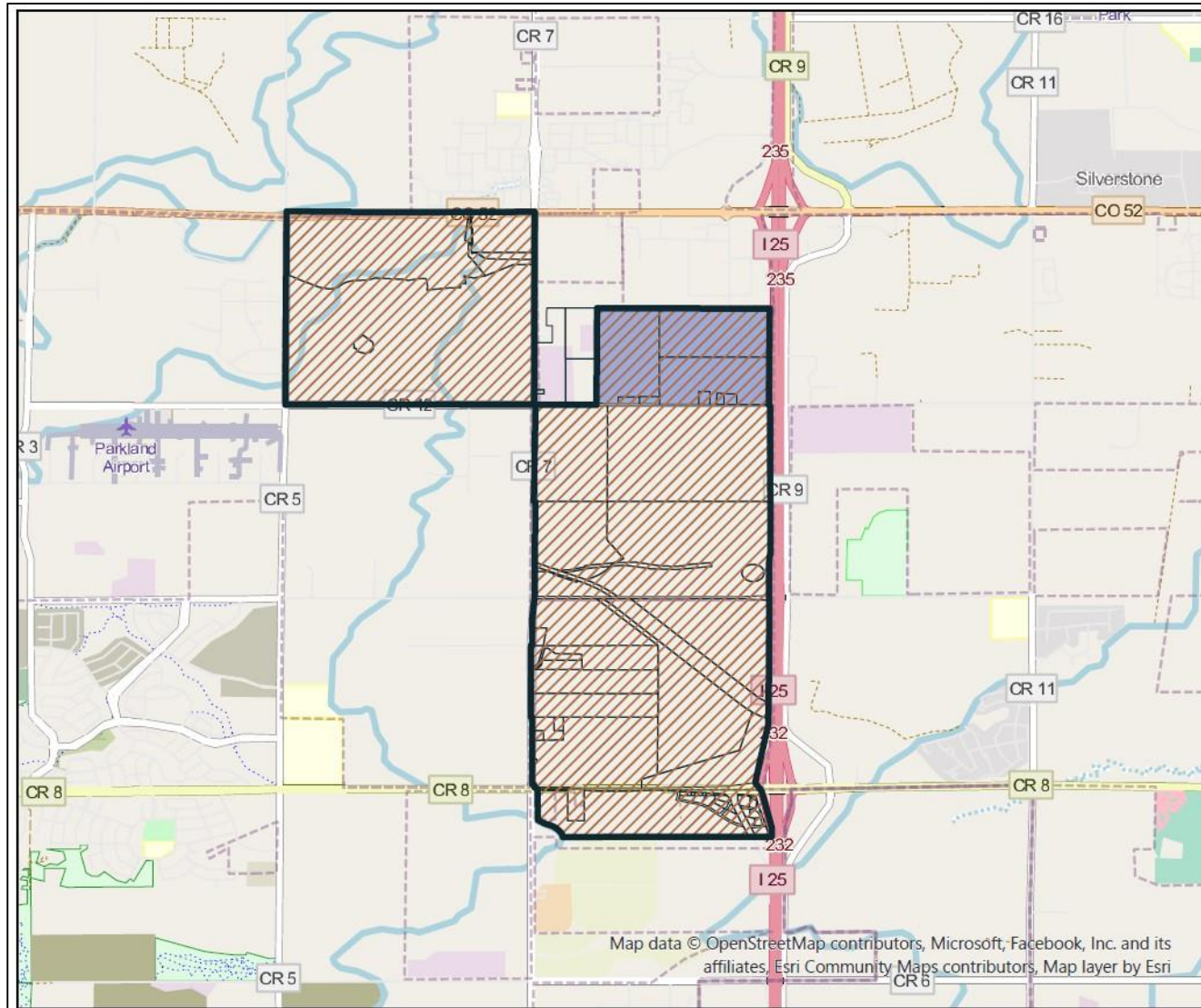
Erie Gateway Area



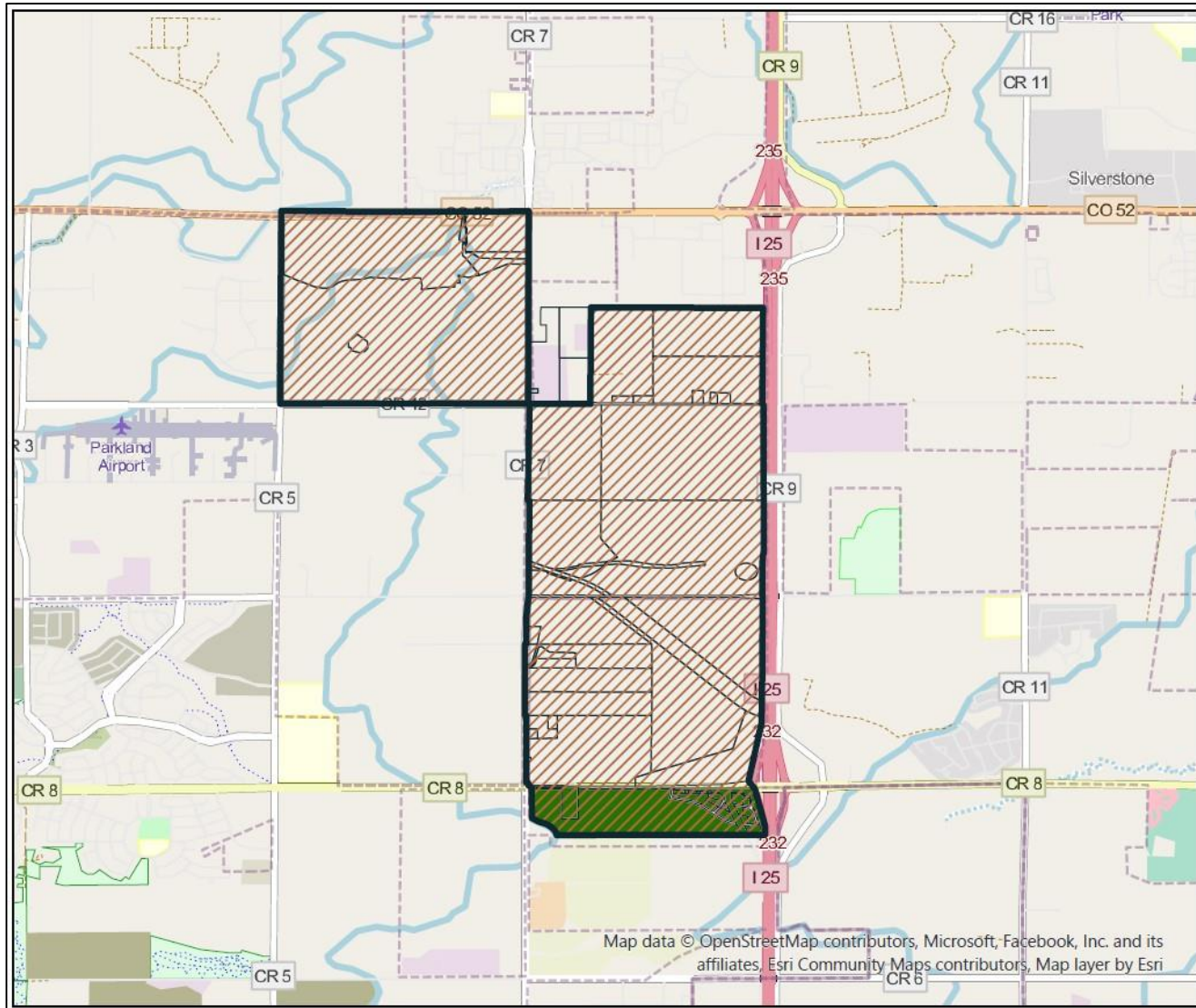
North Station Area



North Remnants Area



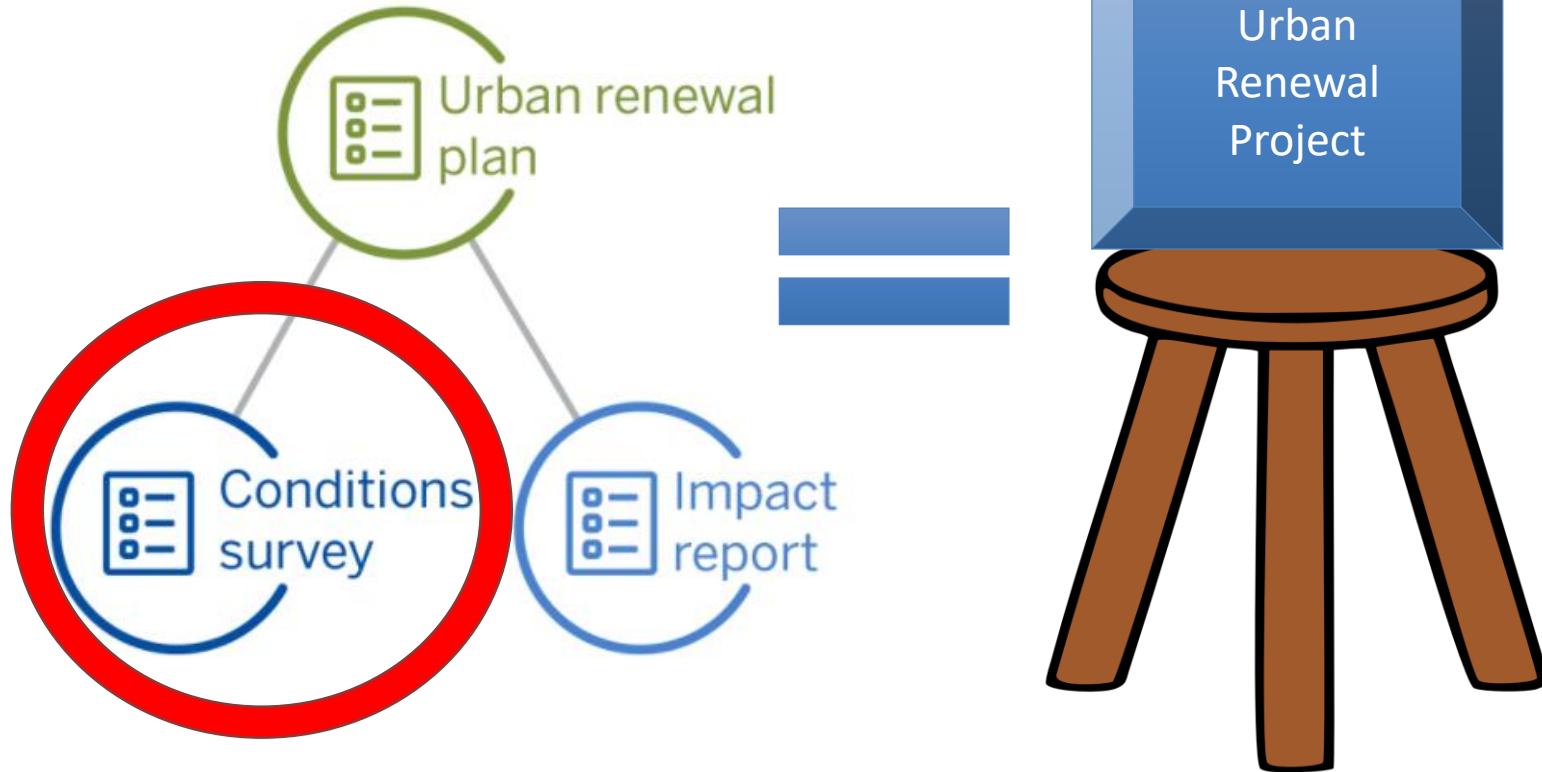
South Remnants Area



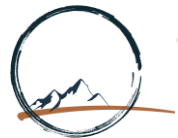
Condition Survey



Plans and Reports



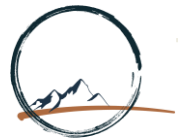
What is a “Conditions Survey”



What is a “Conditions Survey”

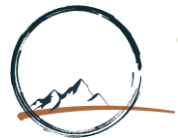


**A Conditions Survey is
not a traditional
survey...**



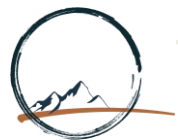
Clearing the Eligibility “Bar”

- If an area is found to exhibit **four or more** of the blighting factors defined by statute*:
 - That area is **eligible** for **Urban Renewal Projects and Activities**



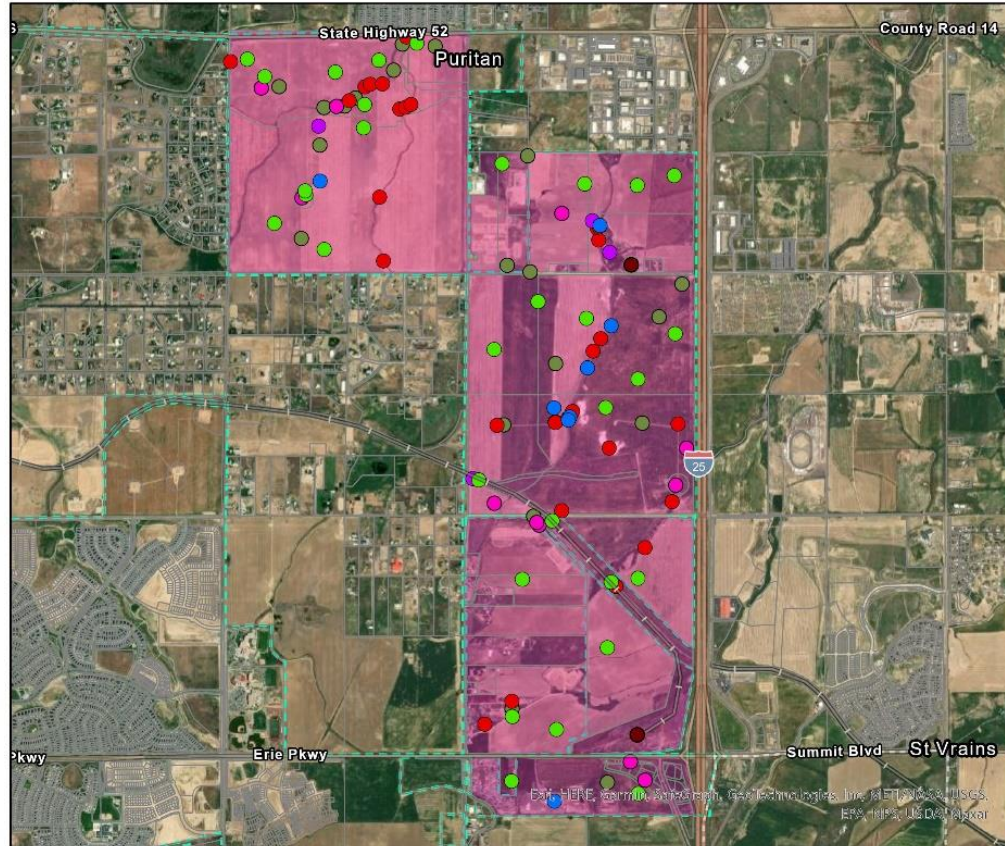
Area NOT Property

- A Conditions Survey analyzes an AREA for the presence of blighting factors.
- If an **area** exhibits **blighting factors**, it **does not mean** that **specific properties** in that area are **blighted**...



Conditions Survey Findings

I-25 Gateway URA Plan Blighting Conditions Map



- Town Boundary
- Weld County Parcels
- I-25 Gateway URA Plan Area
- BF1 - Deteriorating Structures
- BF2 - Defective Streets
- BF3 - Faulty Lots
- BF4 - Unsafe Conditions
- BF5 - Site Deterioration
- BF6 - Topography and Infrastructure
- BF11 - Underutilization and Vacancy



0 1.5 3 Miles



Conditions Survey Findings

I-25 Gateway URA Plan Conditions Survey – Blighting Factors Cataloged

Blighted Area Factor # (C.R.S. 31-25-103.2 List Label)	Definition
Factor 1	Slum, deteriorated, or deteriorating structures
Factor 2	Predominance of Defective or Inadequate Street Layout
Factor 3	Faulty Lot Layout in Relation to Size, Adequacy, Accessibility, or Usefulness
Factor 4	Unsanitary or Unsafe Conditions
Factor 5	Deterioration of site or other improvements
Factor 6	Unusual Topography or Inadequate Public Improvements or Utilities
Factor 8	The existence of Conditions that Endanger Life or Property by Fire or other Causes
Factor 11	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

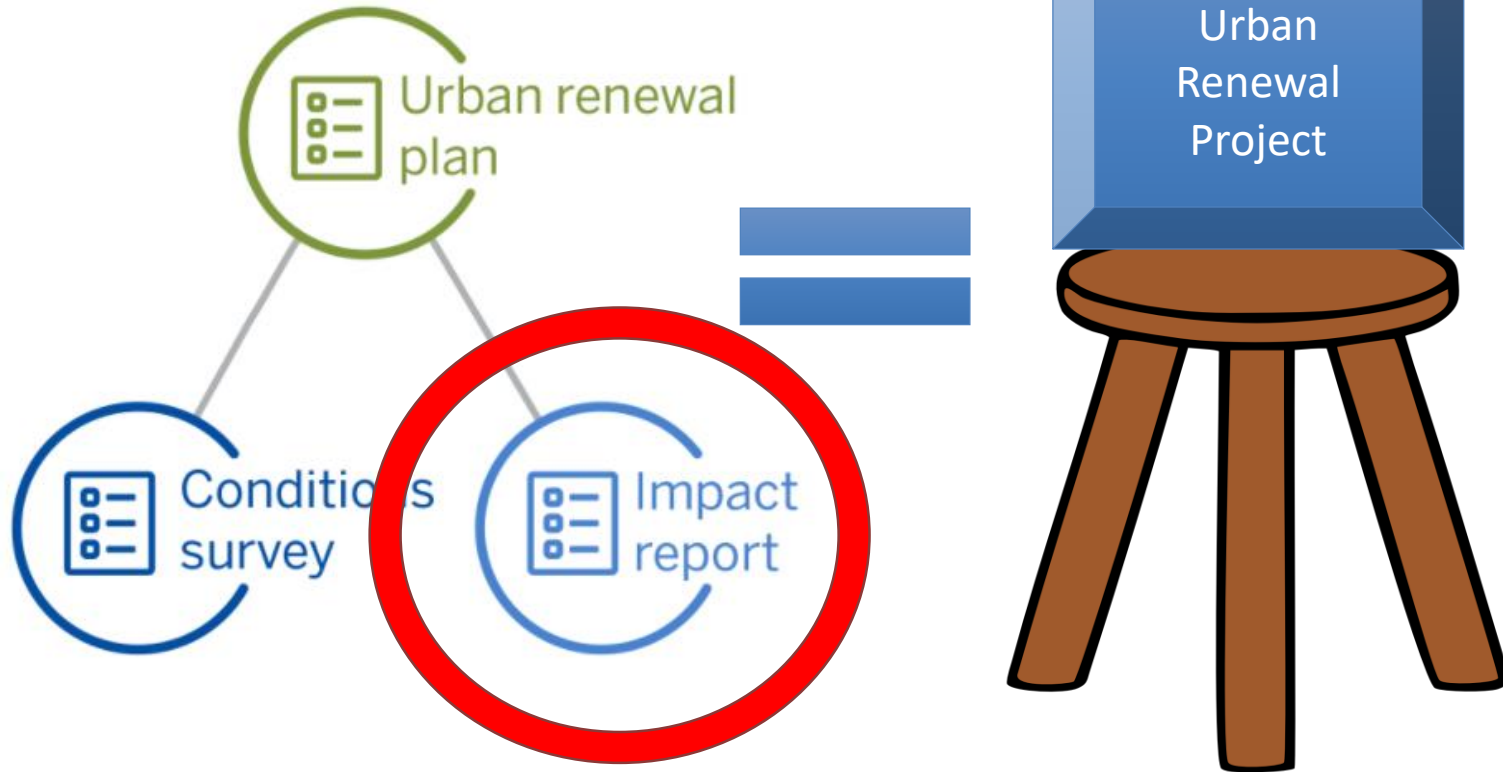
- **Nine Blighted Area Factors Identified**
- **Erie Gateway Plan Area Eligible for Urban Renewal Treatment**



Impact Report



Plans and Reports



Impact Reports

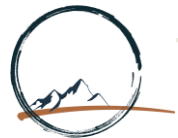
{C.R.S. 31-25-107(3.5)I-V}

According to Statute, the Urban Renewal Impact Report is a supplementary document to the Urban Renewal Plan that is required if the following will be utilized in an Urban Renewal Project area:

- **Property Taxes**
- **Sales Taxes**
- **Lodging Taxes**

TWO PURPOSES:

- 1. Forecast Tax Increment in UR Project**
- 2. Evaluate Fiscal Impacts on Participating Tax Entities**

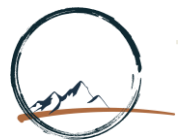


Impact Reports

If the UR Plan is Successful, what are its Impacts on the Community?

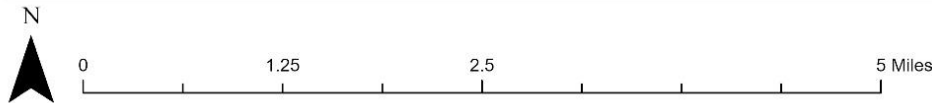
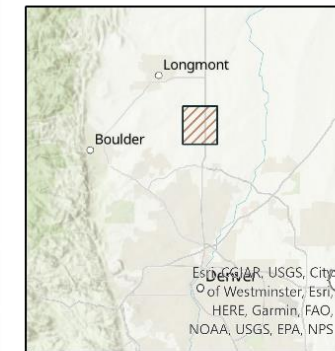
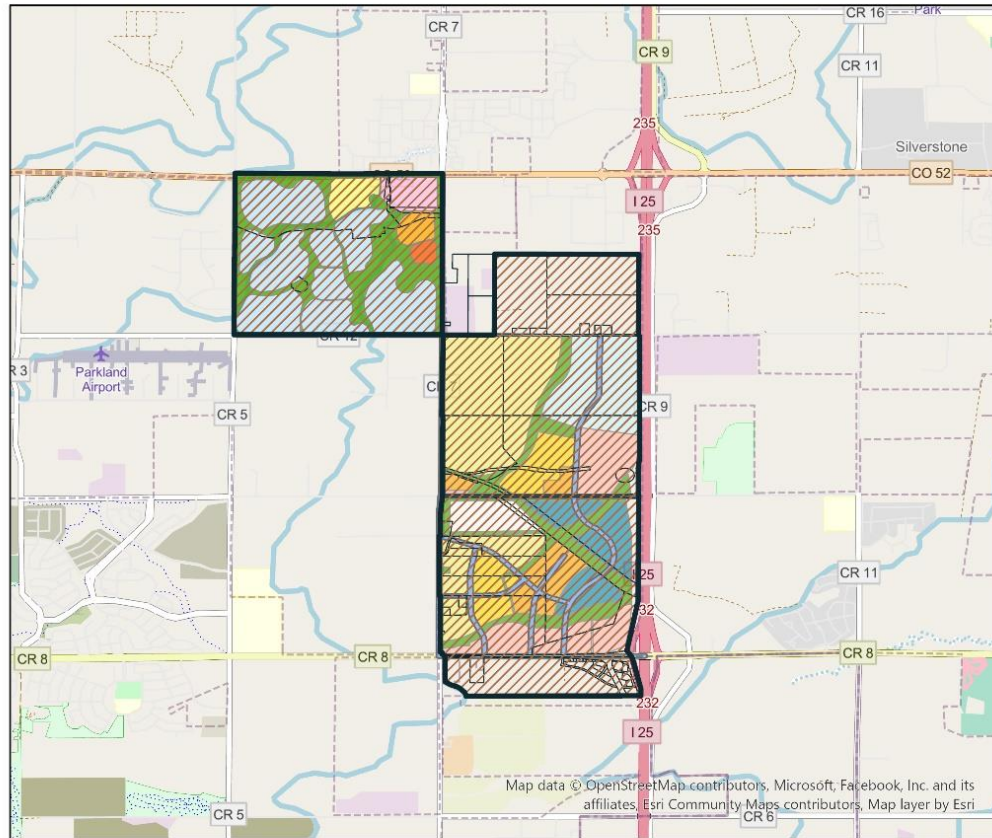
- Cost of Services
- Impact on Infrastructure
- New Residents
- New Students
- New Jobs

Helps to Balance Incentives and Impacts



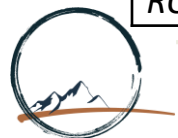
Development Forecast

Erie Gateway Urban Renewal Plan



Development Forecast

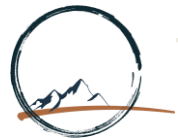
Erie Gateway Land Use Summary		
Area Statistics		
Total Area (Acres)	2,296	
Total Parcel Area (Acres)	2,189	
Total Land Use Acres	2,239	
Total Developable Acres	1,343	
Number of Parcels in Area	87	
Future Land Use Category	Acreage	Percent
Open Space	348	15%
School Area	10	0%
Low Density Residential	356	16%
Medium Density Residential	357	16%
High Density Residential	114	5%
Mixed-Use Residential	68	3%
Mixed-Use	35	2%
Mixed-Use Retail	113	5%
Mixed-Use Employment	96	4%
Low Density Employment	134	6%
Regional Commercial	425	19%
Oil and Gas	46	2%
ROW	194	8%



Development Assumptions

Type of Development = Future Land Use

- Residential Development –
 - Single Family Homes
 - Townhomes/Duplexes
 - Multi-Family (Apartments)
- Commercial Development –
 - Mixed-Use Retail
 - Employment Centers
 - Offices
 - Regional Commercial
 - Warehousing



Development Assumptions

Size of Development – Density and Intensity

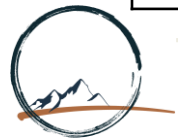
- Residential Density:
 - Ranges from 4 to 45 Units Per Acre Based on Zoning
- Commercial Density:
 - Floor Area Ratios range from 0.13 to 0.75 based on Zoning



Development Assumptions

Size of Development – Density and Intensity

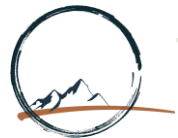
Summary Density and Floor-Area-Ratio Table			
Projected Land Use Categories (All Phases)	Total Acreage	Commercial FAR	Residential Density (Units Per Acre)
Open Space	347.76	-	-
School Area	10.00	-	-
Low Density Residential	356.35	-	4
Medium Density Residential	356.84	-	23
High Density Residential	113.94	-	45
Mixed-Use Residential	67.96	0.13	45
Mixed-Use	34.81	0.13	45
Mixed-Use Retail	112.81	0.75	-
Mixed-Use Employment	95.94	0.63	-
Low Density Employment	133.63	0.10	-
Regional Commercial	425.24	0.20	-



Development Assumptions

Size of Development - Absorption

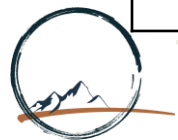
- Forecasted Both Residential and Commercial Absorption
 - Residential Absorption = 426 Units Per Year
 - Commercial Absorption = 185,000 SF Per Year



Development Assumptions

Size of Development - Absorption

Commercial Absorption (Deliveries)							
Development Type	Total Inventory	Vacancy Rates	Cap Rates	Low	High	Average	12-Month Net Absorption
Community Retail Centers	1,300,000	6.50%	6.20%	5,130	28,118	16,616	14,404
Neighborhood Centers	1,900,000	5.80%	6.00%	5,141	12,515	8,820	13,257
Power Centers	3,500,000	3.20%	6.00%	1,966	46,774	22,819	29,763
Lifestyle Centers	967,000	1.60%	5.80%	14,538	228,637	121,813	(1,603)
Office	512,000	8.90%	7.00%	8,307	22,948	15,629	(11,670)
Averages	8,179,000	4.50%	6.07%	35,082	338,992	185,697	44,151
Residential Absorption							
2021 Erie Housing Units	Average Annual Growth Rate (5-Year)	Year	Estimated Housing Units	Housing Unit Absorption Average		Erie Gateway % of Total Town Growth	Erie Gateway Annual Absorption
10,935	4.35%	2022	10,935	852		50%	426



Development Assumptions

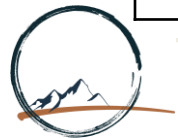
Time of Development – 25 Years

- The Impact Report Only Calculates Values that area generated over the Plan's 25 years.
- The Report Assumes a two-year land development phase, meaning tax increment is not generated until 2026.
- **First Year of Plan is 2024**
- **Final Year of Plan is 2049**



Erie Gateway Phasing

Erie Gateway Urban Renewal Plan Phases	
Phase 1 - Summerfield PD	
Total Parcels	Total Developable Acreage
9	386
Phase 2 -Erie Gateway	
Total Parcels	Total Developable Acreage
17	356
Phase 3 – North Station	
Total Parcels	Total Developable Acreage
11	361
Phase 4 - Northern Remnants	
Total Parcels	Total Developable Acreage
9	107
Phase 5 - Southern Remnants	
Total Parcels	Total Developable Acreage
41	58



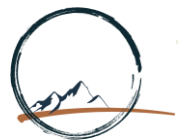
Erie Gateway Forecast

Estimated Assessed Value
\$595,824,613

Residential Absorption = 28 Years
Commercial Absorption = 42 Years

Erie Gateway URA Build Out Summary

Number of Parcels	Developable Acreage	Existing AV	New AV	Net AV	Dwelling Units Per Net Acre	Average FAR	Residential Absorption (Yrs)	Commercial Absorption (Yrs)
87	1,230	\$11,478,412	\$607,303,025	\$595,824,613	7.8	0.135	28	42



Erie Gateway Forecast

New Residents = 94.6% of Town's Population

New Students = 13.4% of St. Vrain School District

New Assessed Value = 109% Town's Current AV

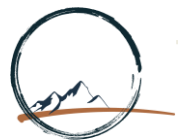
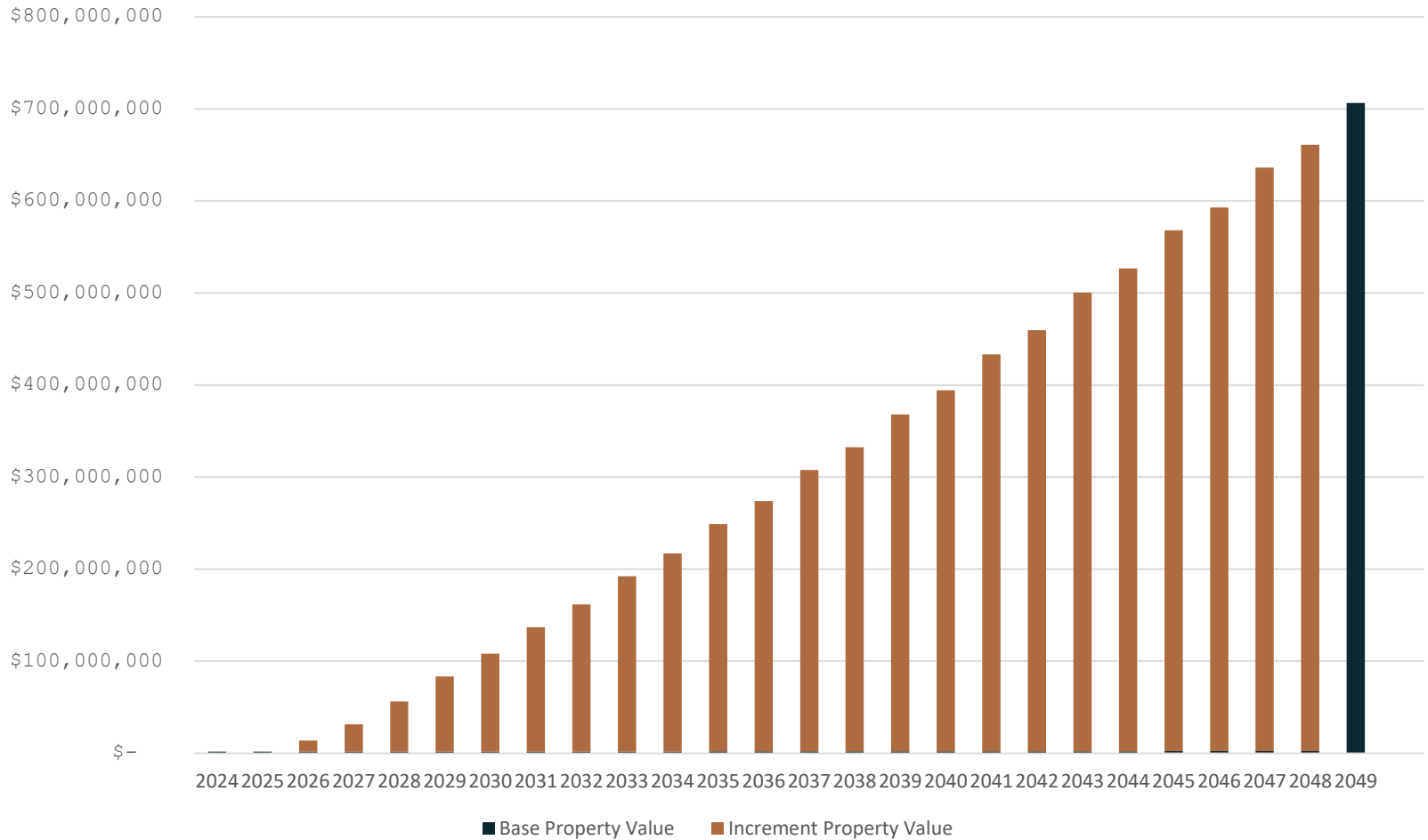
Erie Gateway URA Development Projection Summary

Total Developed Acreage	Total New Residential Units	Total New Commercial SF	New Residents	New Students	New Jobs
1,230	9,642	4,038,284	28,424	4,339	37,195



Erie Gateway TIF

Erie Gateway Urban Renewal Plan
Estimated Assessed Value



Erie Gateway TIF

Total TIF (NPV @ 7%)= \$415,930,000

Property TIF = \$250,419,000

Sales TIF = \$165,511,000

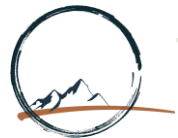
Property and Sales Tax Information				
Estimated Base Taxable Value	\$11,478,412			
Total New Taxable Value	\$607,303,000			
Net Taxable Value	\$595,824,588			
Tax Increment Financing Estimates	Gross (25 Years)	Net Present Value (7% Discount)	Annual Average	Town of Erie Annual Averages
Total (Property and Sales Tax)	\$1,347,945,000	\$415,930,000	\$52,623,000	\$22,481,219
Property Tax	\$840,724,000	\$250,419,000	\$32,335,000	\$2,193,219
Sales Tax	\$507,221,000	\$165,511,000	\$20,288,000	\$20,288,000



Erie Gateway Impacts

Erie Gateway Urban Renewal Plan Impacts Summary

TOEURA Taxing Entity Partners Fiscal Impacts	% District's Total AV	% District's Annual Property Tax	% District's Annual Sales Tax	Impact Assessment
Weld County	4.9%	1.7%	0%	Moderate
Town of Erie	109.4%	44.5%	97.5%	Very High
St. Vrain School District (RE1J-Longmont)	24.7%	12.3%	0%	High
Northern Colorado Water (NCW)	6.8%	3.4%	0%	Low
Left Hand Water	163.1%	0%	0%	Low
Frederick-Firestone Fire	81.2%	5.4%	0%	High
Mountain View Fire Protection District	54.5%	27.0%	0%	High
St. Vrain Sanitation	55.4%	27.6%	0%	High
High Plains Library	5.6%	2.8%	0%	Low
Boulder Valley Conservation	252.5%	0.0%	0%	Low



Erie Gateway Impacts

Taxing Districts Impacted:

- Town of Erie
- St. Vrain School District
- Fire Districts
- Weld County
- St. Vrain Sanitation



Revenue Sharing Recommendations



Revenue Sharing Strategies

- TOEURA shares a percentage of the Town of Erie's sales tax rate, between 0.5% and 1.5%
- TOEURA remits all of the Town's Bonded Mill Levies.
- TOEURA remits the St. Vrain School District's Bond Levy, Override and Abatement.
- TOEURA shares a small portion of Weld County's General Fund Mill levy to offset County Road Maintenance Costs.
- TOEURA remits all or a large portion of the Fire District's property tax mill levies.



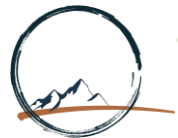
Project Area Strategies



The TIF Clock

An Urban Renewal Plan only lasts 25 Years:

-The longer it takes for an activity to be developed, the less time you have for incentives.



Project Area Strategies

Projected Development Timeline

- Residential Development = 28 Years
- Commercial Development = 42 Years

Is There A Way to “Phase” The Plan Areas to Keep Pace with Absorption and Maximize Your TIF Clock?

