

# **Socioeconomics Technical Memorandum**

## **New Pueblo Freeway**

CDOT Project No. IM 0251-165

Project Control No. 12831

**Colorado Department of Transportation**

November 2003  
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## Project Description

The Federal Highway Administration (FHWA), in cooperation with the Colorado Department of Transportation (CDOT), is preparing an Environmental Impact Statement (EIS) for the New Pueblo Freeway project, a proposal to improve a 7-mile segment of Interstate 25 (I-25) through Pueblo, Colorado. Improvements are necessary to address an outdated roadway and bridges with inadequate geometrics, safety issues, and existing and future traffic demand.

Alternatives under consideration include taking no action (No Action Alternative), reconstruction of the interstate on essentially the existing alignment (Existing I-25 Alternative), and reconstruction of the interstate on existing and new alignments (Modified I-25 Alternative). The alternatives are further described as follows:

- **No Action Alternative** - This alternative provides only for minor improvements, repairs, and other maintenance actions. The existing four-lane highway will otherwise remain unchanged.
- **Existing I-25 Alternative** - This alternative consists of reconstructing I-25 to six lanes on essentially the same location, reconfiguring and eliminating access points to the interstate to improve safety, and providing other improvements to the local street system to enhance system connectivity and traffic movement near the interstate.
- **Modified I-25 Alternative** - This alternative consists of rebuilding I-25 to six lanes and providing the other improvements included in the Existing Alignment Alternative, except the alignment would be shifted to accommodate different interchange configurations.

Transportation Management strategies and design variations of grade and alignment are incorporated into the Build Alternatives.

## Methods and Assumptions

This technical memorandum (TM) describes demographic characteristics of the Pueblo, Colorado, Metropolitan Statistical Area, which is defined as Pueblo County. The study area is referred to as "Pueblo County" because that is more meaningful to most readers. This analysis evaluates the potential for the alternatives evaluated in the EIS to impact population, employment, income, education, and housing.

The data used in this analysis was obtained by making several sites visits during 2003 to evaluate characteristics of the study area; by contacting federal, state, and local agencies; and by collecting data from published reports and online sources. The primary sources of information include the 2000 U.S. Census, Colorado Department of Local Affairs (DOLA), the Pueblo Area Council of Governments (PACOG), and the City of Pueblo (City). Data sources for the analysis also include other federal, state, and local agencies, published reports, and internet sites. Sources are identified in the document.

## Existing Conditions

The City of Pueblo is the largest municipality in Pueblo County, and accounted for approximately 72 percent (102,000) of the County's population (141,500) in 2000. This proportion is reduced from the 80 to 83 percent range of the previous 30 years following the emergence of unincorporated Pueblo West as a major residential development (with 16,900 residents in 2000). Other population centers in Pueblo County include Colorado City (2,000), Avondale (750), Boone (300), and Rye (200).

The I-25 corridor in Pueblo is an important national, regional, and local travel route. Nationally, the highway is the main surface link between Mexico and Canada along the eastern slope of the Rocky Mountains, and it is an increasingly important trade corridor since the passage of the North American Free Trade Agreement (NAFTA). Regionally, the interstate serves as the primary travel route along the bustling Front Range corridor that extends from Pueblo north to Cheyenne, Wyoming. Within the study area, I-25 connects with three state highways (CH 45, SH 47, and SH 96) and intersects or shares alignments with three US highways (US 50, US 85, and US 87).

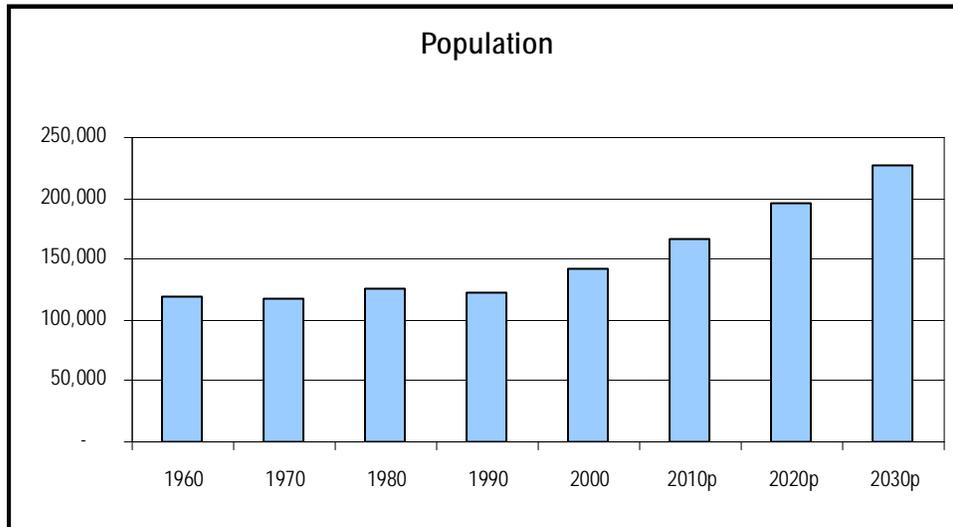
Locally, the interstate is the primary route for north-south travel to and through Pueblo. Pueblo Boulevard is the only other continuous north-south travel major arterial, though it does not function as a bypass because of location and traffic volumes.

Several of the city's largest employment centers are located along I-25, thus commercial activity depends on the interstate for delivery of materials and products. Interstate 25 provides direct access to the Central Business District and the Rocky Mountain Steel Mill, and connects to other federal and state highways that access the airport, the Pueblo Chemical Depot, and the US 50 corridor. The interstate provides regional access to Lake Pueblo State Park via SH 96. Major residential areas outside the city – Pueblo West and St. Charles Mesa – also depend on I-25 for access to local and regional destinations.

## Population

Pueblo County, home to approximately 141,500 residents in 2000, grew 15 percent (18,500 new residents) between 1990 and 2000. This increase is less than half the 31 percent growth statewide during the same time period. One reason for this slower growth is the lack of high-technology manufacturing firms that fueled much of the growth in the state during the 1990s. Exhibit 1 shows the historic and projected populations for Pueblo County.

Department of Labor Affairs (DOLA) forecasts Pueblo County population will increase by nearly 85,000 residents, or 60 percent, between 2000 and 2030. This growth would be markedly higher than historic rates; for example, the county grew by 20 percent in the 30 years from 1970 to 2000. The county's forecast growth approaches the 66 percent growth that DOLA forecasts statewide for the next 30 years. Some of this forecasted growth may be based on mustard gas remediation about to commence at the Pueblo Chemical Depot. Pueblo County anticipates that this Department of Defense effort may create 12,000 new jobs over the next 10 years.

**EXHIBIT 1**

Population of Pueblo County, Colorado (Projected 2010-2030)

Source: U.S. Census Bureau 2003, State of Colorado 2003

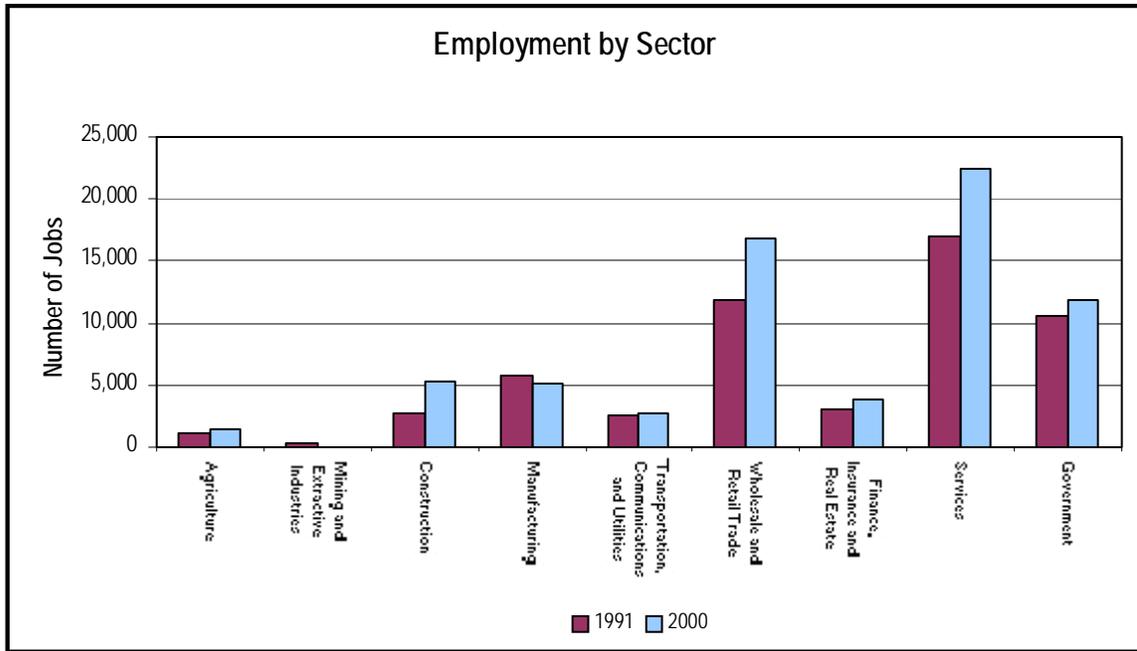
## Employment

The labor force in Pueblo County totaled 69,600 in 2000. Unemployment was 4.3 percent of the civilian labor force in 2000, well above the 2.8 percent figure for Colorado.

DOLA classifies employment into nine economic sectors (see box at right), which illustrate the character and diversity of a region's economy. Employment in Pueblo County by economic sector in 1991 and 2000 is shown in Exhibit 2. Most changes mirror trends in the larger state and national economies, including increasing employment in Services and Wholesale and Retail Trade, and reduced employment in Manufacturing.

Economic Sectors
Agriculture
Mining
Construction
Manufacturing
Transportation, Communication, Utilities
Wholesale and Retail Trade
Finance, Insurance, and Real Estate
Services
Government

In 2000, the economic sectors that provided the most employment in Pueblo County were the same as in the State, as shown in Exhibit 3. The proportion of employment provided in these five sectors is higher in Pueblo County (88 percent vs. 83 percent), indicating the local economy is slightly less diverse than the state economy. Pueblo's role as a regional trade center for surrounding rural communities is implied in the larger proportion of Wholesale and Retail Trade, though sales per capita of 15 percent below the statewide average suggest a predominance of less expensive commodities. Government (civilian and military; federal, state, and local) typically provides a larger share of employment in Pueblo County because basic services, such as school districts and local government, require a certain level of "critical mass" to function well, and that critical mass is proportionally larger in smaller or more rural regions.



**EXHIBIT 2**  
 Employment by Economic Sector, Pueblo County, Colorado  
 Source: State of Colorado, 2003

**EXHIBIT 3**  
 Employment by Economic Sector

Sector	Pueblo County	Colorado
<b>5 Largest Industry Employers</b>		
<b>Percent of Total Labor Force</b>		
Services	32.2	32.0
Wholesale and Retail Trade	24.1	21.6
Government	17.1	13.9
Construction	7.7	7.9
Manufacturing	7.3	7.8

Source: U.S. Census Bureau, 2003

**Fewer High-Paying Jobs**

*Management and Professional Employment*  
 Pueblo County 28 percent of occupations  
 Colorado 37 percent of occupations

Source: U.S. Census Bureau, 2003

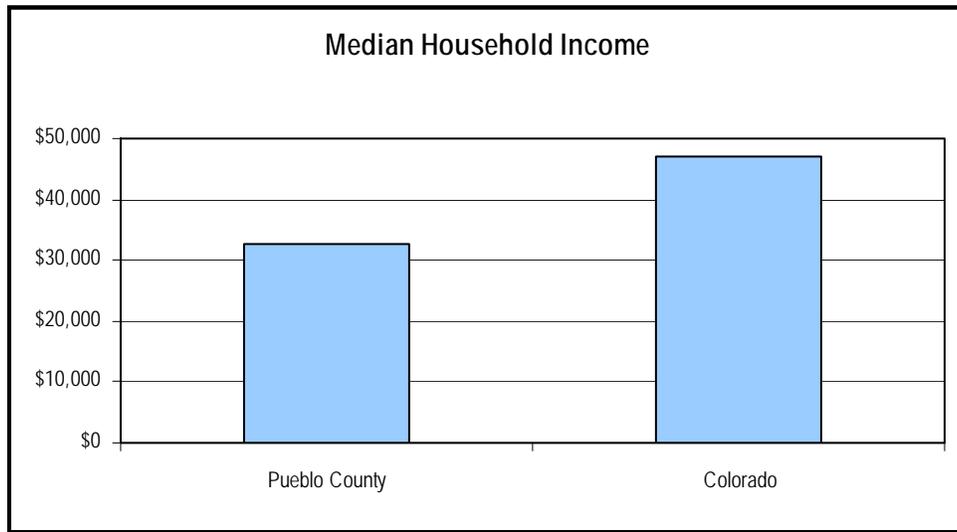
**Lower Retail Sales**

*Retail Sales per Capita*  
 Pueblo County \$ 8,900  
 Colorado \$10,400

Source: U.S. Census Bureau, 2003

## Income

“Median household income” reflects the amount of earnings at which an equal number of households earn greater and lesser amounts. This measure of earnings varies from an “average” by identifying the middle value in a list that is ranked from high to low, and is not weighted by the dollar amounts of earnings. Median household income in Pueblo County was \$32,775 in 1999, 31 percent below the \$47,200 median for the state, as illustrated in Exhibit 4.



**EXHIBIT 4**

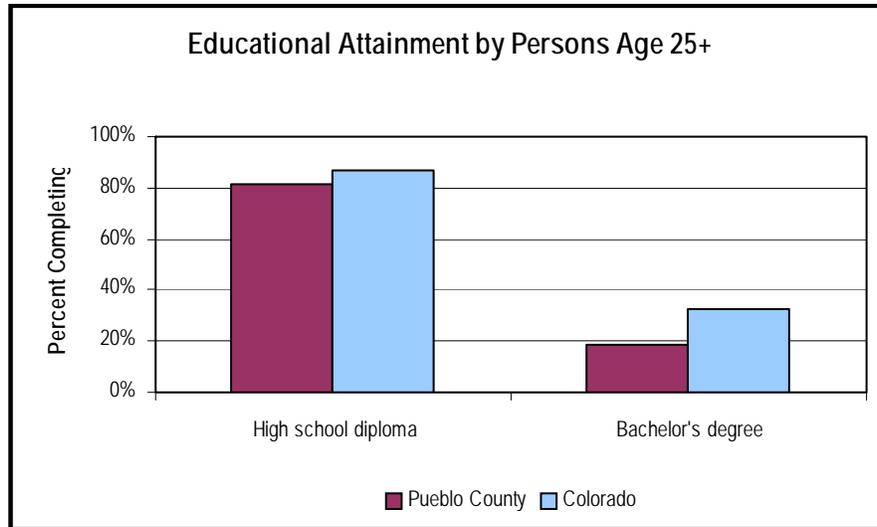
Median Household Income in Pueblo County, Colorado and State of Colorado, 1999

Source: U.S. Census Bureau, 2003

## Education

Educational attainment in a particular area provides several insights, including the availability of educational opportunities, the training and skills of the labor pool, and the demand for trained/skilled labor by employers. Pueblo is home to Colorado State University-Pueblo, a campus with more than 4,000 students in undergraduate and graduate degree programs. Relative to the statewide population, fewer Pueblo County residents hold high school diplomas and undergraduate college degrees.

Eighty-one percent of residents over 25 years of age had earned a high school diploma (or equivalent) in 2000, about 5 percentage points below the statewide level (see Exhibit 5). The disparity in secondary education (bachelor’s degree or equivalent) is even greater. About 18 percent of county residents over 25 years old had earned a bachelors degree or higher in 2000, about 60 percent of the statewide proportion.

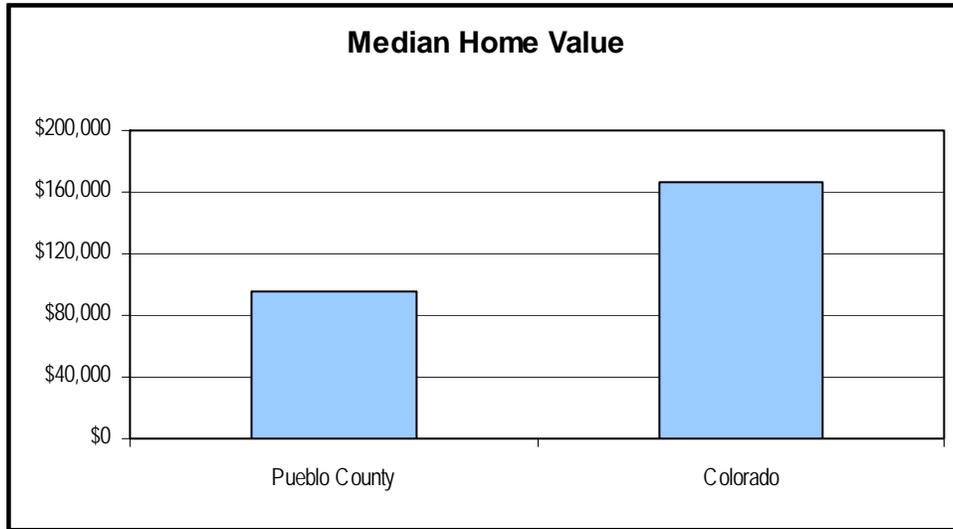


**EXHIBIT 5**  
 Educational Attainment in Pueblo County, Colorado and State of Colorado, 2000  
 Source: U.S. Census Bureau, 2003

## Housing

The characteristics of a region’s housing stock illustrate real estate values (a factor in county property tax receipts), geographic stability and tenure of residents, and recent construction activity. Relative to the State of Colorado, Pueblo County has a higher rate of home ownership, residents with longer tenure in their homes, and older houses with lower median value.

The median value of an owner-occupied home in Pueblo County was \$95,200 in 2000, about 57 percent of the \$166,600 median home value statewide (see Exhibit 6). This reflects the housing stock of smaller and older homes in Pueblo County, as shown in Exhibit 7. Compared to the statewide housing inventory, four times the number of homes in Pueblo were valued under \$100,000 in 2000.



**EXHIBIT 6**  
Median Home Value in Pueblo County, Colorado, and State of Colorado, 2000  
*Source: U.S. Census Bureau, 2003*

**EXHIBIT 7**  
Characteristics of Housing Units

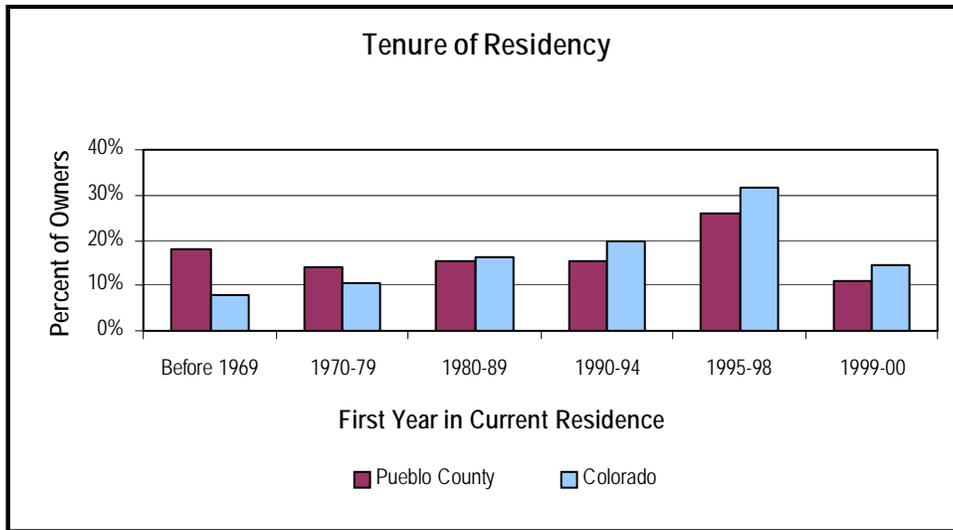
Characteristic	Pueblo County	Colorado
Median Year of Construction	1966	1977
Percent of Units Built Before 1940	19%	10%
Percent of Units Built After 1990	7%	15%
Number of Rooms	<i>Need data</i>	<i>Need data</i>

*Source: U.S. Census Bureau, 2003*

More than 70 percent of Pueblo County residents own the home in which they reside, slightly higher than the 67 percent statewide average. Typical Pueblo residents have lived in their current residence longer than the typical citizen of Colorado, as shown in Exhibit 8. This chart illustrates that nearly one in five residents of Pueblo moved into their current home before 1969; this number is almost three times the statewide proportion of seven percent. Similarly, just over half of Pueblo's citizens moved into their current home since 1990, well below the two-thirds statewide proportion.

## Summary

The demographic profile of Pueblo County, Colorado, varies in several respects from other counties along Colorado's Front Range. Pueblo County has missed the high tech-driven boom of the past two decades, and its homeowners have longer tenure in their homes. Pueblo County serves as a regional trade center, but employment opportunities tend to be at lower pay rates and with fewer high-paying professional and managerial positions. Educational attainment and median household income lag statewide levels, as do median home values.



**EXHIBIT 8**  
 Homeowners' Tenure in Current Residence, Pueblo County, Colorado, and State of Colorado, 2000  
 Source: U.S. Census Bureau, 2003

## Impacts

### No Action Alternative

Under the No Action Alternative, there would be no impacts to population, educational attainment, income, employment, or sales and property tax revenues.

### Build Alternatives

Interstate 25 is an existing transportation corridor. The Build Alternatives will provide safer and more efficient access to the interstate from areas surrounding the highway but will not introduce new transportation infrastructure to areas that do not already have access to the interstate. Because of this, impacts to population, educational attainment, and median household income after construction of any Build Alternative are unlikely.

Property acquisitions adjacent to I-25 (as discussed in further detail in the Right-of-Way Technical Memorandum) would be required for the Build Alternatives. The acquisitions have the potential to impact employment and sales and property tax revenues along the corridor.

The jobs provided by potentially affected businesses account for less than 1 percent of the total labor force in Pueblo County. Impacted businesses will be eligible for relocation, as all property acquisition and relocation shall comply fully with federal and state requirements, including the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970, as amended (Uniform Act), and is discussed in the Right-of-Way Technical Memorandum. If the majority of businesses are able, and choose to relocate, few jobs would be permanently lost due to the Build Alternatives.

Through the north and south segments, the alternatives would impact the same businesses. Through the central portion of the corridor, most of the business impacts would be the

same. However, each alternative would impact businesses that the other alternative would not affect. These impacts are described in more detail below, by corridor segment.

The removal of businesses in an area can impact employment. An estimated 548 to 571 jobs are provided by businesses that are affected by the Build Alternatives. However, the total number of jobs lost is affected by a variety of circumstances. These include changes in freeway access, existing business viability, existing business access conditions, and business target market locations.

The Existing I-25 Alternative requires acquiring 219 full parcels of land. Of that number, 24 percent are used for commercial activities. Commercial activities include retail businesses, warehousing, and small manufacturing uses. The 53 parcels of land in the commercial category consume 53 acres of land. The Modified I-25 Alternative requires acquiring 246 full parcels of land. Of that number, almost 23 percent are used for commercial activities as described above. The 56 parcels of land in the commercial category consume 34 acres of land.

### North Area

In the North Area, 25 businesses would be displaced under both Build Alternatives. These businesses employ at least 300 persons and many have specific property considerations such as the need to be near the highway for access or visibility or service to the existing neighborhood. There is available commercial property in Pueblo and along the I-25 corridor for business relocations. Employment and tax revenues would be similar to today if most businesses choose to and are able to relocate. The types of businesses that would be displaced are listed below. The number of each type is indicated in parentheses.

- Auto sales (6)
- Auto/truck repair/service (2)
- Fitness center (1)
- Food and beverage distributor (1)
- Motel/lounge (3)
- Private club (1)
- Radio station (1)
- Restaurant (2)
- Retail merchandiser (4)
- Sign company (1)
- Telecommunications retailer (1)
- Veterinary clinic (1)
- YMCA (Acquired by CDOT)

### South Area

In the South Area, four businesses would be displaced under either Build Alternative. These businesses employ at least 62 persons. Two of these businesses have specific property considerations including industrial zoning and the need for highway access. There are large amounts of vacant land zoned for industrial use in Pueblo where the impacted businesses could relocate, if they choose to build new facilities. Employment and tax revenues would be similar to today if businesses choose to and are able to relocate. The types of businesses

that would be displaced are listed below. The number of each type is indicated in parentheses.

- Auto salvage (1)
- Construction/Contractor (2)
- Landscaping (1)

## Central Area

### *Existing I-25 Alignment*

Under the Existing I-25 Alternative, 30 businesses would be displaced from the Central Area. These businesses employ at least 186 employees and many have specific property considerations such as industrial zoning, the need to be near the highway for access, or visibility or service to the existing neighborhood. There are large amounts of vacant land zoned for industrial use in Pueblo where the impacted businesses could relocate, if they choose to build new facilities. Employment and tax revenues would be similar to today if businesses choose to and are able to relocate. The types of businesses that would be displaced are listed below. The number of each type is indicated in parentheses.

- Auto/truck repair/service (3)
- Construction contractor (3)
- Convenience store (2)
- Equipment rentals (1)
- Food and beverage distributor (2)
- Medical service (1)
- Metals recycling/fabrication (2)
- Personal services (2)
- Restaurant/caterer (2)
- Retail liquor (1)
- Retail merchandiser (6)
- Tavern (2)
- Wholesale merchandiser (1)
- Unknown (2)

### *Modified I-25 Alignment*

Under the Modified I-25 Alternative, 34 businesses would be displaced from the Central Area. These businesses employ at least 209 persons and many have specific property considerations such as industrial zoning, the need to be near the highway for access, or visibility or service to the existing neighborhood. There are large amounts of vacant land zoned for industrial use in Pueblo where the impacted businesses could relocate, if they choose to build new facilities. Employment and tax revenues would be similar to today if businesses choose to and are able to relocate. The types of businesses that would be displaced are listed below. The number of each type is indicated in parentheses.

- Auto/truck repair/service (4)
- Construction contractor (4)
- Convenience store (1)
- Equipment/auto rental (2)

- Food and beverage distributor (2)
- Medical service (2)
- Metals recycling/fabrication (2)
- Restaurant/caterer (1)
- Retail liquor (1)
- Retail merchandiser (6)
- Tavern (4)
- Wholesale merchandiser (1)
- Unknown (3)
- Utility (1)

## Mitigation

Impacted businesses will be eligible for relocation, as all property acquisition and relocation shall comply fully with federal and state requirements, including the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970, as amended (Uniform Act), and is discussed in the Right-of-Way Technical Memorandum. If the majority of businesses are able, and choose to relocate, few jobs would be permanently lost due to the Build Alternatives. Potential loss of jobs along the project corridor associated with the Build Alternatives will be mitigated as listed below.

- Relocation areas for citywide and regions serving businesses will be identified. Pueblo's *Comprehensive Plan*, the *Central Pueblo Framework Plan*, and the Pueblo Expanded Urban Renewal Project have all generally identified locations for employment along the corridor. Efforts will be made to retain businesses that are displaced within the city limits to maintain property and sales tax revenues to the City.
- Businesses not identified for acquisition but adjacent to construction are identified for partial acquisition may encounter reduced access and limited visibility that affect the viability of their operation. During construction, signage and detours will be set in place to direct traffic to businesses impacted by temporary or permanent access changes. Additionally, businesses and properties that can demonstrate a hardship due to construction of the alignment will be acquired.
- All purchased or unused remainders of highway property will be examined to determine if it can be reverted to private ownership. If appropriate and allowed by city regulations, those affected by the project will be provided the opportunity to acquire excess property for the purpose of business relocation.