

## 3.3 ECONOMIC CONDITIONS

### 3.3.1 Affected Environment

#### 3.3.1.1 EMPLOYMENT STATISTICS

Substantial increases in employment are expected in all seven regional study area counties from 2000 through 2030. According to statistics provided by Denver Regional Council of Government (DRCOG) and North Front Range Metropolitan Planning Organization (NFRMPO), the largest growth in employment is expected to occur in the Broomfield and Weld County portions of the regional study area (177 percent and 118 percent, respectively). This growth translates to approximately 33,000 new jobs in the City and County of Broomfield and 93,000 jobs in Weld County.

**Figure 3.3-1** shows the distribution of future employment by municipal area. Employment statistics at the county level reflect only the unincorporated portion of the county. Substantial growth is anticipated in Loveland, Fort Collins, Greeley, unincorporated Adams County, and Denver. Employment growth in these areas would inevitably strain roadways between northern Colorado and the Denver Metro Area.

According to the 2000 census, more than half (65 percent) of the 397,000 jobs in the regional study area are service-related. By 2030, the services sector would contain the largest number of jobs overall (914,000). This is reflective of a statewide shift from an economy historically driven by agriculture and mining to one driven by services. Many employees working in service positions are employed in the major employment centers and central business districts throughout the regional study area.

#### 3.3.1.2 ECONOMIC ACTIVITY AND REGIONAL GROWTH

The *Northern Colorado I-25 Corridor Plan, 2001* is a resource and policy document prepared by eight northern Colorado jurisdictions (Fort Collins, Loveland, Windsor, Timnath, Johnstown, Berthoud, Larimer County and Weld County) and the NFRMPO that serves as a guide for land use decisions and actions for the land along I-25 in northern Colorado. According to this plan, I-25 from the Berthoud exit to CR 58 just north of Fort Collins is Northern Colorado's primary economic corridor. Coupled with the strong real estate market of recent years, the high visibility of the corridor has made it extremely attractive from a business and economic development perspective.

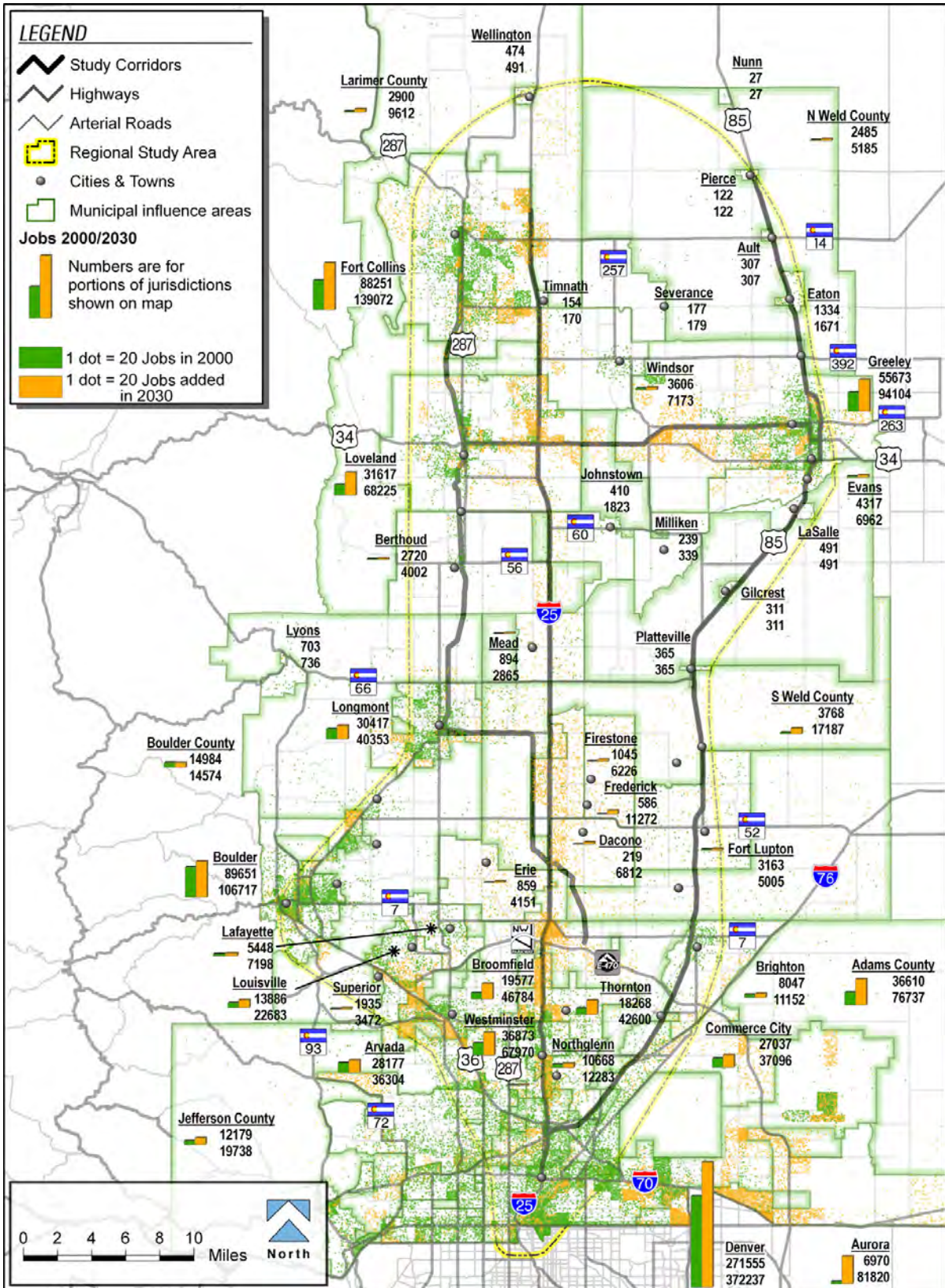
It is anticipated that the corridor would be subject to considerable development activity over the coming years. Substantial projects that are partially developed or are in the planning stages in this portion of the corridor include Centerra (3,000 acres of commercial, residential, and office development along 4 miles of North I-25 at the northeast quadrant of the US 34 interchange near Loveland) and Villages at Johnstown (4.5 million square feet of regional retail space, a golf course, and executive home development along 4 miles of North I-25 at the southeast quadrant of the US 34 interchange near Johnstown).

#### What's in Section 3.3?

##### 3.3 Economic Conditions

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- 3.3.2 Environmental Consequences
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- 3.3.3 Mitigation Measures

1 Figure 3.3-1 Future Employment Summarized by Municipal Area



Map Document - C58: (EJ\_Planners\_Services\_eis.mxd) 2/22/2007

1 Two developments are also planned in Windsor (80 acres of regional commercial and  
2 employment activities on the southeast corner of I-25 and SH 392 and 70 acres of light  
3 industrial development on the southwest corner of I-25 and SH 392).

4 Substantial development is also occurring farther south along the I-25 corridor. In  
5 Westminster, several commercial centers and big box retailers are currently under  
6 construction along I-25. One of these is The Orchard at Westminster, an open air  
7 entertainment, retail, residential, and office center at 144<sup>th</sup> Avenue and I-25. This development  
8 is expected to create more than 3,000 new permanent or part-time jobs and generate more  
9 than \$150 million in sales revenues annually, producing \$86.4 million in new retail sales tax,  
10 property tax, and business license taxes over a 10-year period.

11 Throughout Weld County, particularly in the corridor along and between I-25 and US 85,  
12 growth has been very rapid. Coupled with the presence of developable land, this growth has  
13 resulted in annexations by smaller towns reaching out to the highways to capture potential  
14 commercial and industrial users. Today, substantial amounts of land are zoned for economic  
15 development along I-25.

16 Commercial development within the US 85 corridor consists of small, local businesses and  
17 retail centers. Many of these occur immediately adjacent to the highway or along the frontage  
18 road. Commercial uses between Greeley and Brighton include motels, restaurants, auto body  
19 and repair shops, rail-related industry, small business centers, and agricultural operations  
20 such as corn mazes and produce stands. Many businesses in this portion of the project  
21 corridor provide services and employment for low-income and minority populations.

22 The Burlington Northern Santa Fe (BNSF) rail line and US 287 extend through central  
23 Longmont, Berthoud, Loveland, and Fort Collins. A wide variety of retail, commercial, office,  
24 and industrial enterprises are adjacent to US 287 in these areas. Further south along US 287,  
25 at the Northwest Parkway interchange, a corporate campus, medical center, and mixed-use  
26 development are in the process of being developed.

### 27 **3.3.2 Environmental Consequences**

28 This section details how each alternative would affect economic conditions within the project  
29 area. Impact analysis was based on information gathered in **Section 3.3.1 Affected**  
30 *Environment*. Additional site visits to the project area, evaluation of county assessor parcel  
31 data, review of aerial photography, and analysis of Geographic Information System (GIS) data  
32 were also conducted. To allow comparison with other regional projects, the methods used to  
33 estimate changes in employment, tax base, and revenues are consistent with those used in the  
34 US 36 Environmental Impact Statement (EIS) and Northwest Corridor Transportation and  
35 Environmental Planning Study as described below.

36 Construction employment was estimated by taking the project construction cost and attributing a  
37 portion of it to labor costs (assuming an industry standard of 50 percent). The estimated labor  
38 cost was then divided by the average income (including benefits) for a construction worker in the  
39 Denver/Boulder Metropolitan Area, Larimer County, and Weld County (estimated at \$65,300 in  
40 2005). This produced an approximate number of employees for the project.

41 Changes to the property tax base and revenues were estimated using county assessor data  
42 for each parcel to be acquired, either partially or fully. To calculate these changes, parcels with  
43 exempt status (municipally owned land) or insufficient data (no value or tax data available)

1 were removed from the calculations. To avoid overstating the changes, if only partial  
2 acquisition was required, only a portion of the total assessed value was used. For example, if  
3 10 percent of a parcel was impacted then 10 percent of the assessed value was used. The tax  
4 base and revenues were calculated utilizing the adopted 2007 to 2008 assessment rates. Year  
5 2005 county mill levies were applied to the taxable base to determine the tax rate.

### 6 3.3.2.1 NO-ACTION ALTERNATIVE

7 Given the relatively limited scope of the No-Action Alternative, impacts would be less  
8 substantial than the impacts described below for Package A and Package B. The No-Action  
9 Alternative would not require relocation of any existing businesses. In addition, there would be  
10 no loss to property tax base and revenues.

11 In the absence of the transit or capacity improvements proposed under the build packages,  
12 there would be no opportunities for long-term growth of property tax base and revenues that  
13 would result from transit-oriented development. Worsening congestion and safety concerns  
14 would make it increasingly difficult to access businesses in the regional study area. Future  
15 economic growth would most likely concentrate along the I-25 corridor, where regional access  
16 and large parcels of undeveloped land are available and in the southern end of the study area  
17 where transit enhancements and adequate infrastructure are already in place.

### 18 3.3.2.2 PACKAGE A

#### 19 *Component A-H1: Safety Improvements*

20 **Employment.** Employment in Wellington is expected to grow by 3.6 percent between 2000 and  
21 2030 (from 474 jobs in 2000 to 491 jobs in 2030). This growth would occur regardless of  
22 whether safety improvements are implemented or not. Construction of Components A-H1, A-H2  
23 and A-H3 would generate 6,526 temporary jobs over the estimated six-year construction period.  
24 Because construction costs are not broken down by highway segment, it is impossible to  
25 estimate the number of jobs that would be generated as a result of the implementation of  
26 Component A-H1 alone. Improvements associated with Component A-H1 are limited to safety  
27 upgrades and would generate fewer jobs than Components A-H2 and A-H3.

28 No businesses would be displaced under Component A-H1.

29 **Property Tax Base and Revenues.** The proposed improvements would require additional  
30 land not within the right-of-way. Acquisition of these parcels would result in a \$162,360 loss in  
31 the tax base and \$5,630 loss of tax revenues.  
32

33 **Access.** The proposed improvements would not change access to businesses along I-25  
34 between SH 1 and SH 14. Activity associated with the proposed carpool lot in the southwest  
35 quadrant of the SH 1/I-25 interchange could increase patronage for businesses along SH 1  
36 west of the interchange.

37 During construction some detours, traffic delay, and out-of-direction travel would be required to  
38 reach businesses adjacent to work areas. Construction-related impacts would be greatest for  
39 businesses in the vicinity of the SH 1 and Mountain Vista Drive interchanges (Subway, Burger  
40 King, Comfort Inn Wellington, First National Bank, Anheuser Busch, and Mountain Vista  
41 Greens Golf Course). These businesses would potentially lose customers during construction.

1 *Component A-H2 and A-H3: General Purpose Lanes*

2 **Employment.** Employment within 0.5 mile of the I-25 corridor is projected to increase by  
3 89 percent between 2000 and 2030 (from 6,277 in 2000 to 11,878 in 2030). This growth would  
4 result from a large supply of developable land, easy access to I-25, local pressure to develop  
5 land, and a pro-growth political climate. Construction of Components A-H1, A-H2 and A-H3  
6 would generate 6,526 temporary jobs over the estimated six-year construction period.

7 Employment would also be temporarily impacted by the relocation of businesses for right-of-  
8 way acquisition. The proposed improvements would require the relocation of twelve  
9 businesses between SH 14 and E-470 (eleven between SH 14 and SH 60 and one between  
10 SH 60 and E-470). Affected employees would have to travel to a new location to maintain  
11 their employment or find employment elsewhere.

12 **Property Tax Base and Revenues.** The proposed improvements would require additional  
13 land not within the right-of-way. Acquisition of these parcels would result in a \$2,246,750 loss  
14 in the tax base (\$1,943,840 for Component A-H2 and \$302,910 for Component A-H3) and  
15 \$71,600 loss of tax revenues (\$66,190 for Component A-H2 and \$5,410 for Component A-H3).

16 In locations where access would be improved or capacity added, property values would likely  
17 increase. It is also possible that property values could decrease in locations where proximity to  
18 improved transportation facilities would result in noise impacts, increased air emissions, visual  
19 impacts, or access changes resulting in out-of-direction travel.

20 **Access.** A new access configuration would result in out-of-direction travel for patrons and  
21 employees of businesses in the southwest quadrant of the I-25/SH 14 interchange. Motorists  
22 would be required to travel east on the frontage road and then beneath SH 14 before reaching  
23 the business center.

24 Access to both Centerra and the Loveland Outlets would be via grade separated single point  
25 urban interchanges, in lieu of the existing signalized intersection. The US 34/I-25 interchange  
26 would be converted to a dual diamond/directional interchange.

27 Modification of the SH 392/I-25 interchange would substantially improve access to businesses  
28 and employment centers in Windsor, Fort Collins, Loveland, and Denver for area residents  
29 and commuters that use this interchange on a regular basis. The existing bridge consists of  
30 one lane in each direction with no turn lanes or shoulders. The proposed structure would  
31 include two 12-foot lanes, 8-foot shoulders, and a sidewalk. A turn lane would also be provided  
32 for motorists accessing the interstate. Improved accessibility would better accommodate  
33 commercial development that is planned around this interchange.

34 At the Johnson's Corner truck stop and café, Larimer County Road (LCR) 16 would go over I-25  
35 to more safely accommodate traffic. The two access points to Johnson's Corner from LCR 16  
36 would remain in their existing location. Some out-of-direction travel would be required for  
37 patrons traveling along the frontage road. Existing access from the frontage road would be  
38 replaced so that customers would have to travel east on LCR 16 to the frontage road, circle  
39 around the property, and enter at the south end. This configuration would accommodate trucks.  
40 Access ramps to I-25 would be added at this interchange.

1 Access to businesses in the northwest quadrant of the SH 60/I-25 interchange would remain  
2 similar to existing. Interchange ramps would be shifted to the east to minimize impacts to  
3 these businesses.

4 A new frontage road between 71<sup>st</sup> Street and Crossroads Boulevard in Loveland would provide  
5 additional access to businesses west of the Crossroads/I-25 interchange.

6 During construction, some detours, traffic delay, and out-of-direction travel would be required  
7 to reach businesses adjacent to work areas. Construction-related impacts would be greatest  
8 for businesses adjacent to interchanges where improvements are proposed. These  
9 businesses would potentially lose customers during construction.

#### 10 *Component A-H4: Structure Upgrades*

11 Structure upgrades are limited to minor bridge rehabilitation and maintenance activities.  
12 No roadway widening, bridge widening, or interchange upgrades would occur. Impacts to  
13 economic conditions south of E-470 would be the same as those discussed for the No-Action  
14 Alternative in **Section 3.3.2.1**.

#### 15 *Components A-T1 and A-T2: Commuter Rail*

16 **Employment.** Employment within 0.5 mile of the BNSF rail line is expected to increase by 19  
17 percent between 2000 and 2030 (from 26,407 in 2000 to 31,394 in 2030). Commuter rail  
18 would facilitate infill and re-development in Fort Collins, Loveland, and Longmont;  
19 accommodating economic growth within the center of these communities. An increase in jobs  
20 and commercial activity around commuter rail stations would be expected, especially in  
21 communities with plans for transit-oriented development.

22 Construction would generate 4,100 temporary jobs over the estimated six-year construction  
23 period. The commuter rail would also generate long-term employment for rail operators,  
24 security officers, and at the commuter rail maintenance facility. Approximately 90 jobs would  
25 be created at the proposed maintenance facility.

26 Employment would also be temporarily impacted by the relocation of businesses for right-of-  
27 way acquisition. Construction of the commuter rail would require the relocation of 16  
28 businesses. Fifteen of these would occur between Fort Collins and Longmont and the  
29 remaining one would occur between Longmont and SH 7. Affected employees would have to  
30 travel to a new location to maintain their employment or find employment elsewhere.

31 **Property Tax Base and Revenues.** The proposed improvements would require additional  
32 land not within the existing right-of-way. Acquisition of these parcels would result in a  
33 \$2,104,200 loss in the tax base (\$823,110 from Component A-T1 and \$1,281,090 from  
34 Component A-T2) and \$62,920 loss of tax revenues (\$27,460 from Component A-T1 and  
35 \$35,460 from Component A-T2). However, this would likely be offset by the benefits of public  
36 transportation. Transit-oriented development expands business revenues, leading to new jobs  
37 and higher wages and salaries, thus increasing the tax base and revenues flowing to local and  
38 state governments. Typically, state and local governments realize a 4 percent to 16 percent  
39 gain in revenues as a result of increases in business profits and personal income generated by  
40 public transportation (Cambridge Systematics, 1999).

1 Studies show that, nationwide, residential and commercial property values rise with proximity  
2 to rail transportation systems and stations (Porter, 1997). The increase in value is highest for  
3 those properties located between 0.25 and 1 mile from a station. For residential properties  
4 along segments between stations, property values may decline.

5 For every dollar earned, the average U.S. household spends 18 cents on transportation,  
6 98 percent of which goes towards buying, maintaining, and operating vehicles, the largest  
7 expense after home mortgages (McCann, 2000). Public transportation can save these  
8 households thousands of dollars each year in transportation expenditures.

9 **Access.** Commuter rail would increase access to established businesses and major  
10 employment centers (Fort Collins, Loveland, Longmont, Broomfield, and Denver), resulting in  
11 an increase in economic activity and expanding opportunities for employment. Development  
12 around stations would strengthen existing businesses and attract new businesses. The  
13 increased frequency of trains in the corridor would create some delay for business patrons and  
14 employees traveling across the BNSF. Because commuter rail would operate primarily in an  
15 existing rail corridor, access to businesses would not otherwise be changed.

16 During construction, some detours, traffic delay, and out-of-direction travel would be required  
17 to reach businesses adjacent to work areas. These businesses would potentially lose  
18 customers during construction. Many industries along the existing rail line depend upon the  
19 consistent operation of freight trains. Construction of an additional track south of Colorado  
20 State University (CSU) would require that existing operations be shut down for short periods of  
21 time. This would affect the Great Western Connection in Loveland and Longmont, local  
22 industries with direct rail access between Loveland and Longmont, and industries that are  
23 served by the Barnett Spur, north and west of Longmont.

#### 24 *Components A-T3 and A-T4: Commuter Bus*

25 **Employment.** Employment within 0.5 mile of the US 85 corridor is expected to increase by 12  
26 percent between 2000 and 2030 (from 13,056 in 2000 to 14,555 in 2030). This growth would  
27 occur with or without commuter bus service. Construction would generate 196 temporary jobs  
28 over the estimated six-year construction period. Commuter bus would also generate long-term  
29 employment for bus drivers, security officers, and at the commuter bus maintenance facility.  
30 Approximately 85 jobs would be created at the proposed maintenance facility.

31 Employment would also be temporarily impacted by the relocation of businesses for right-of-  
32 way acquisition. Construction of the queue jumps, bus station, and maintenance facilities  
33 would require the relocation of five businesses. Affected employees would have to travel to a  
34 new location to maintain their employment or find employment elsewhere.

35 **Property Tax Base and Revenues.** The proposed improvements would require additional land  
36 not within the right-of-way. Acquisition of these parcels would result in a \$566,650 loss in the tax  
37 base and \$10,140 loss of tax revenues.

38 Commercial activity may increase around commuter bus stations. However, bus stations are  
39 less likely to attract transit-oriented development and economic growth than commuter rail  
40 stations.

1 **Access.** Commuter bus would increase access to established businesses and community  
2 centers, resulting in an increase in economic activity and expanding opportunities for  
3 employment.

4 During construction, some detours, traffic delay, and out-of-direction travel would be required  
5 to reach businesses adjacent to work areas. This would primarily affect businesses near bus  
6 stations. These businesses would potentially lose customers during construction.

### 7 **Summary of Key Impacts for Package A**

8 Adverse impacts associated with Package A would include:

- 9 ▶ Relocation of 33 businesses
- 10 ▶ \$5,079,960 loss in the tax base and \$150,290 loss of tax revenues
- 11 ▶ Temporary construction-related detours, delays, and out-of-direction travel
- 12 ▶ Temporary impacts to existing freight operations during construction

13  
14 Beneficial impacts associated with Package A would include:

- 15 ▶ Potential for long-term growth of property tax base and revenues as a result of transit  
16 oriented development
- 17 ▶ Some access revisions; transit would improve access to businesses and expand  
18 employment opportunities
- 19 ▶ Creation of 10,822 temporary jobs over the six-year construction period; permanent  
20 employment created by transit operation and maintenance

### 22 **3.3.2.3 PACKAGE B**

#### 23 *Component B-H1: Safety Improvements*

24 Because impacts associated with safety improvements under this component are similar to  
25 those in Package A, Component A-H1, the following discussion focuses on the differences or  
26 incremental changes between them.

27 **Employment.** Construction of Components B-H1, B-H2 and B-H3 would generate 8,702  
28 temporary jobs over the estimated six-year construction period. Because construction costs  
29 are not broken down by highway segment, it is impossible to estimate the number of jobs that  
30 would be generated as a result of the implementation of Component B-H1 alone.  
31 Improvements associated with Component B-H1 are limited to safety upgrades and would  
32 generate fewer jobs than Components B-H2 and B-H3.

33 **Property Tax Base and Revenues.** The proposed improvements would require additional  
34 land not within the right-of-way. Acquisition of these parcels would result in a \$167,660 loss in  
35 the tax base and \$5,820 loss of tax revenues.

36 Access. Impacts are the same as described for Component A-H1.

#### 37 *Components B-H2, B-H3, and B-H4: Tolled Express Lanes*

38 Adding one additional northbound and southbound tolled express lane on I-25 would have a similar  
39 effect on economic conditions as adding one general purpose lane in each direction under



1 Package A, Components A-H2 and A-H3. Interchange improvements for these components are  
2 also the same. Because many of the impacts associated with tolled express lanes are similar in  
3 nature to those of general purpose lanes, the following discussion focuses on the differences or  
4 incremental changes between them.

5 To use the new express lanes, tollway users would be required to pay for their travel,  
6 potentially impacting discretionary income. However, free travel lanes would be maintained  
7 along I-25; toll lanes would most likely be used judiciously, when users need to benefit most  
8 from reduced congestion. Therefore, impacts to discretionary income would be minimal. The  
9 impact of tolling on minority and low-income populations is discussed in **Section 3.2.4**  
10 *Environmental Justice*.

11 Additional capacity and reduced congestion would improve the flow of goods and services,  
12 facilitate commuter travel, and improve access to established businesses and major employment  
13 centers (Fort Collins, Loveland, and Denver).

14 **Employment.** Construction would generate 8,702 temporary jobs over the estimated six-year  
15 construction period. Employment would also be temporarily impacted by the relocation of  
16 businesses for right-of-way acquisition. The proposed improvements would require the relocation  
17 of 15 businesses (13 for Component B-H2 and 2 for Component B-H3). Affected employees would  
18 have to travel to a new location to maintain their employment or find employment elsewhere.

19 **Property Tax Base and Revenues.** The proposed improvements would require additional land not  
20 within the right-of-way. Acquisition of these parcels would result in a \$2,595,440 loss in the tax  
21 base (\$2,107,500 from Component B-H2 and \$487,940 from Component B-H3) and \$81,650 loss  
22 of tax revenues (\$72,940 from Component B-H2 and \$8,710 from Component B-H3).

23 **Access.** Construction impacts would be greater than those identified for Package A. Maintaining  
24 access to cross streets would be more difficult during construction of the barrier and tolled lanes  
25 adjacent to the existing lanes. This would result in some out-of-direction travel for business patrons  
26 and employees.

### 27 *Components B-T1 and B-T2: Bus Rapid Transit (BRT)*

28 **Employment.** Construction would generate 433 temporary jobs over the estimated six-year  
29 construction period. BRT would also generate long-term employment for bus drivers, security  
30 officers, and at the BRT maintenance facility. Approximately 90 jobs would be created at the  
31 proposed maintenance facility. One business would be displaced under Component B-T1. No  
32 businesses would be displaced under Component B-T2.

33 **Property Tax Base and Revenues.** The construction of Component B-T1 would require additional  
34 land not within the right-of-way. Acquisition of these parcels would result in a \$ 51,120 loss in the  
35 tax base and \$1,250 loss of tax revenues.

36 **Access.** BRT would increase access to established businesses and employment centers,  
37 expanding opportunities for employment.

38 During construction, some detours, traffic delay, and out-of-direction travel would be required to  
39 reach businesses adjacent to work areas. This would primarily affect businesses near BRT  
40 stations. These businesses would potentially lose customers during construction.

## Summary of Key Impacts for Package B

Adverse impacts associated with Package B would include:

- ▶ Relocation of 16 businesses
- ▶ \$2,814,220 loss in the tax base and \$88,720 loss of tax revenues
- ▶ Temporary construction-related detours, delays, and out-of-direction travel

Beneficial impacts associated with Package B would include:

- ▶ Limited potential for long-term growth of property tax base and revenues as a result of transit-oriented development
- ▶ Creation of 9,135 temporary jobs over the six-year construction period; permanent employment created by transit operation and maintenance
- ▶ Some access revisions; transit would improve access to businesses and expand employment opportunities

### 3.3.3 Mitigation Measures

Acquisition or relocation of property as a result of this project will comply with the *Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970*, as amended, and other applicable relocation assistance programs. If possible, businesses that need to be acquired will be relocated near their current location. This would allow businesses to retain their general location and client base.

New access will be provided for properties where existing accesses are removed. No businesses will lose access as a result of the project. To avoid disruption of business activities during construction, the new access will be provided before the existing access is removed.

A traffic control plan will be developed to minimize interference to traffic flow from construction equipment and activities. CDOT will provide advance notice to emergency service providers, local businesses, rail operators, and residents with regard to road delays, access, and special construction activities. Such notifications will be accomplished through radio and public announcements, newspaper notices, on-site signage, and CDOT's website.

To minimize disruption to traffic and local businesses, construction activities will be staged and work hours varied. Throughout the construction stage, access will be preserved for each affected business.

Where feasible, retaining walls will be constructed along I-25 and the BNSF to minimize impacts to commercial development.