



Traffic congestion and the deterioration of community infrastructure such as roads, bridges, storm water drainage systems are often identified as negative consequences of "growth."

## Background:

- The investment in new roads and infrastructure and the costs of expansions of the infrastructure networks are required for one of these reasons:
  - Population growth
  - Growth in the "consumption" of the transportation infrastructure by existing residents
  - Ongoing repair and maintenance needs
- Much of the costs of providing new infrastructure and the expansion of existing infrastructure are paid in the development and homebuilding process. In addition, the new homeowner instantly becomes a taxpayer, helping to offset the costs of general infrastructure needs.
- The changes in local driving habits and behaviors by existing residents over the past several years have significantly added to the traffic congestion in the Pikes Peak Region. From 1982 to 2000, per capita Vehicle Miles Traveled (VMT) increased 70%. The total Vehicle Miles Traveled (VMT) per day went up by a similar factor.
- The City has chosen to reduce the amounts allocated to infrastructure construction, repairs and maintenance over the past several years due to a variety of factors, not the least of which is TABOR.
- Several local organizations agree (including The City, El Paso County, PPACG, EDC, SCIP and others) that the Pikes Peak Region has a serious and significant multi-million dollar infrastructure improvement backlog.
- A recent report published by David Bamberger & Associates estimates that a delay of just one year in the needed infrastructure construction and maintenance will cost the taxpayers of the region in excess of \$25 million in construction costs. This is due to the low interest rates vs. the inflation rate of the costs of construction or repairs.

## Position:

- *The industry is committed to paying and providing for infrastructure needs created by the construction of new housing and commercial buildings.*
- *Transportation and infrastructure needs resulting from the increased individual demand on the systems and the ongoing repairs and maintenance needs are properly a community responsibility and should be funded by the general tax base.*
- *A dedicated infrastructure funding source such as a capital improvements tax has worked well in the past and HBA supports such a method for future needs.*