City Auditorium Block

Urban Renewal Plan

City of Colorado Springs, Colorado

January, 2006

Prepared for: Colorado Springs Urban Renewal Authority and Colorado Springs City Council
RESOLUTION NO. 11-06

A RESOLUTION MAKING CERTAIN LEGISLATIVE FINDINGS AND APPROVING THE CITY AUDITORIUM BLOCK URBAN RENEWAL PLAN

WHEREAS, it is desirable and in the public interest that the Colorado Springs Urban Renewal Authority (the Authority) undertake the redevelopment described in the City Auditorium Block Urban Renewal Plan (the Plan), attached hereto and incorporated herein as Exhibit 1; and

WHEREAS, the aforesaid Plan is a matter of public record in the custody of the City Clerk, and is available for public inspection during business hours of the City; and

WHEREAS, there was presented to the City Council for its review and consideration a document entitled the City Auditorium Block Conditions Survey, dated October 2005, prepared by Leland Consulting Group, consisting of 28 pages which shows that the area described in the Plan qualifies as a “blighted area” as such term is defined in the Colorado Urban Renewal Law, Section 31-25-101, et seq., C.R.S. (the Act); and

WHEREAS, on January 24, 2006 the City Council conducted a public hearing and reviewed said Plan pursuant to the procedural and notice requirements of the City Charter and the Act; and

WHEREAS, notice of the public hearing on the Plan was published as required by Section 31-25-107(3), C.R.S., at least thirty days prior to the public hearing; and

WHEREAS, written notice of the public hearing was mailed to each property owner, business, and resident of the area included in the Plan informing them of the public hearing at least 30 days prior to the public hearing; and

WHEREAS, on December 8, 2005 the Colorado Springs Planning Commission found that the Plan is in conformance with the Colorado Springs Comprehensive Plan; and

WHEREAS, the City Council having considered the evidence presented in support of and in opposition to the Plan, the Conditions Survey, the Relocation Policy, the City’s Comprehensive Plan, and staff recommendations and so having considered the legislative record and given appropriate weight to the evidence,

NOW, THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF COLORADO SPRINGS, COLORADO, AS FOLLOWS:

Section 1. The Urban Renewal Area described in the Plan is found and declared to be a blighted area as defined in the Act. This is a legislative finding by the City Council based upon the Conditions Survey and other evidence presented to City Council.

Section 2. The boundaries of the Urban Renewal Area have been drawn as narrowly as the City Council determines feasible to accomplish the planning and development objectives of the Plan.

City Auditorium Block Urban Renewal Project
January 2006
Section 3. The Plan has been submitted to the Board of County Commissioners of El Paso County, Colorado, together with the information required by Section 31-25-107(3.5) of the Act.

Section 4. School District 11 has been permitted to participate in an advisory capacity with respect to the inclusion in the Plan of the tax allocation provisions authorized by Section 31-25-107(9) of the Act.

Section 5. A feasible method exists within the Relocation Policy for the relocation of individuals and families in decent, safe, and sanitary dwelling accommodations within their means and without undue hardship to such individuals and families.

Section 6. A feasible method exists within the Relocation Policy for the relocation of business concerns in the urban renewal area or in other areas that are not generally less desirable with respect to public utilities and public and commercial facilities.

Section 7. The City Council has taken reasonable efforts to provide written notice of the public hearing prescribed by Section 31-25-107(3) of the Act to all property owners, residents and owners of business concerns in the proposed urban renewal area at their last known addresses at least thirty days prior to the public hearing on the Plan.

Section 8. Section 31-25-107(4)(d) of the Act does not apply because no more than 120 days have passed since the commencement of the only public hearing on the Plan.

Section 9. Section 31-25-107(4)(e) of the Act does not apply because the City Council did not fail to previously approve this Plan.

Section 10. The Plan conforms with the Colorado Springs Comprehensive Plan, which is the general plan for the development of the City of Colorado Springs as a whole.

Section 11. The Plan will afford maximum opportunity, consistent with the sound needs of the municipality as a whole, for the rehabilitation or redevelopment of the urban renewal area described in the Plan by private enterprise.

Section 12. To the extent that the Urban Renewal Area described in the Plan may constitute open land within the meaning of Section 31-25-107(5) of the Act, it is found and determined that a shortage of housing of sound standards and design that is decent, safe, and sanitary exists in the City; the need for housing accommodations has been or will be increased as a result of the clearance of substandard and dilapidated housing in the City; the conditions of blight in the urban renewal area described in the Plan and the shortage of decent, safe, and sanitary housing cause or contribute to an increase in and spread of disease and crime and constitute a menace to the public health, safety, morals, or welfare; and, if necessary to carry out the Plan, the acquisition of the area for residential uses is an integral part of and essential to the program of the City.

Section 13. To the extent that the Urban Renewal Area described in the Plan may constitute open land within the meaning of Section 31-25-107(6) of the Act, it is found and determined that the nonresidential uses under the Plan are necessary and appropriate to facilitate the proper growth and development of the community in accordance with sound

City Auditorium Block Urban Renewal Project
January 2006
planning standards and local community objectives and, if necessary to carry out the Plan, the contemplated acquisition of the area may require the exercise of governmental action, as provided in the Act, because of being a blighted area.

Section 14. The Plan has been duly reviewed and considered and is hereby approved. The Authority is hereby authorized to take any and all actions pursuant to the Act to carry out the Plan.

That the City Council of Colorado Springs accepts and puts into action the City Auditorium Block Urban Renewal Plan.

Dated this 24th day of January 2006, at Colorado Springs, Colorado

CITY COUNCIL
COLORADO SPRINGS, COLORADO

By: [Signature]
Lionel Rivera, Mayor

ATTEST:

By: [Signature]
Colorado Springs City Clerk

ATTEST:

City Auditorium Block Urban Renewal Project
January 2006
# City Auditorium Block

## Urban Renewal Plan

City of Colorado Springs, Colorado

January 2006

### Table of Contents

<table>
<thead>
<tr>
<th>Section</th>
<th>Title</th>
<th>Page</th>
</tr>
</thead>
<tbody>
<tr>
<td>Section 1.0:</td>
<td>Preface and Background</td>
<td>1</td>
</tr>
<tr>
<td>Section 2.0:</td>
<td>Qualifying Conditions</td>
<td>5</td>
</tr>
<tr>
<td>Section 3.0:</td>
<td>Relationship to Comprehensive Plan</td>
<td>7</td>
</tr>
<tr>
<td>Section 4.0:</td>
<td>Land Use Plan and Plan Objectives</td>
<td>8</td>
</tr>
<tr>
<td>Section 5.0:</td>
<td>Project Implementation</td>
<td>12</td>
</tr>
<tr>
<td>Section 6.0:</td>
<td>Project Financing</td>
<td>15</td>
</tr>
<tr>
<td>Section 7.0:</td>
<td>Changes &amp; Minor Variations from Adopted Plan</td>
<td>18</td>
</tr>
<tr>
<td>Section 8.0:</td>
<td>Severability</td>
<td>19</td>
</tr>
<tr>
<td>Section 9.0:</td>
<td>Term</td>
<td>19</td>
</tr>
</tbody>
</table>

### Exhibits

<table>
<thead>
<tr>
<th>Exhibit</th>
<th>Title</th>
</tr>
</thead>
<tbody>
<tr>
<td>Exhibit 1:</td>
<td>City Auditorium Block Conditions Survey</td>
</tr>
<tr>
<td>Exhibit 2:</td>
<td>El Paso County Financial Impact Report</td>
</tr>
</tbody>
</table>
City Auditorium Block

Urban Renewal Plan

January 2006

Prepared for: City of Colorado Springs Urban Renewal Authority

1.0 Preface and Background

1.1 Preface

This City Auditorium Block Urban Renewal Plan (the “Plan” or the “Urban Renewal Plan”) has been prepared for the Colorado Springs Urban Renewal Authority of the City of Colorado Springs, (the “Authority”) pursuant to the provisions of the Urban Renewal Law of the State of Colorado, Part 1 of Article 25 of Title 31, Colorado Revised Statutes, 1973, as amended (the “Act”). The administration of this project and the enforcement of this Plan, including the preparation and execution of any documents implementing it, shall be performed by the Authority.

1.2 Description of Urban Renewal Area

According to the Colorado Urban Renewal Law, the jurisdictional boundaries of the urban renewal district shall be the same as the boundaries of the municipality. Additionally, within the municipal boundaries there may be one or more urban renewal area.

Under this law, an urban renewal area is a blighted area, which has been designated for an urban renewal project. In each urban renewal area, conditions of blight must be present at a level defined by the law before the Authority can legally exercise its powers. Finally, in each urban renewal area, undertakings and activities that constitute an urban renewal project are implemented as a way to eliminate the conditions of blight.
The City Auditorium Block Urban Renewal Area (referred to herein as “the Urban Renewal Area” or "the Area") is located in the eastern portion of Downtown Colorado Springs. The site is generally bounded on the north by East Kiowa Street (north r.o.w. line), on the west by North Nevada Avenue (west r.o.w line), on the south by East Pikes Peak avenue (south r.o.w. line), and on the east by West Weber Street (east r.o.w. line). The boundaries of the Area are delineated on Figure No. 1, and described in the legal description included in Section 1.2.1. The figure controls the boundary description in case of any conflict with the legal description. The boundaries of the Urban Renewal Area are drawn narrowly to accomplish the planning and development objectives of the Urban Renewal Plan.

1.2.1 Legal Description

A parcel of land located in the Northeast One-Quarter of Section 18, Township 14 South, Range 66 West of the 6th Principal Meridian, City of Colorado Springs, County of El Paso, State of Colorado, being more particularly described as follows:

Lots 21 through 24, inclusive, the North 8 feet of the East 50 feet of the West 100 feet of Lot 19 and Lot 20 EXCEPTING THEREFROM the East 90 feet of the South 12 feet, all of Block 83 as shown on the plat of TOWN OF COLORADO SPRINGS.

Containing: 1.08 Acres, more or less.

1.2.2 Figure 1, Urban Renewal Area

The urban renewal plan map is presented as Figure 1 on the following page.

1.3 Purpose of the Plan

The purpose of the City Auditorium Block Urban Renewal Plan is to reduce, eliminate and prevent the spread of blight within the Urban Renewal Area and to stimulate growth and reinvestment within the district boundaries, on surrounding blocks and throughout downtown. In particular, this Urban Renewal Plan is intended to promote local objectives with respect to appropriate land uses, private investment and public
improvements provided that the delineation of such objectives shall not be construed to require that any particular project necessarily promote all such objectives. Specifically, the Plan promotes an environment which allows for a range of uses and product types which can respond to market conditions over time; further the goals and objectives of the Colorado Springs Comprehensive Plan, Downtown Action Plan and any other relevant policy document; and, leverage the community’s investment in public improvement projects in the area.

While the principal goal of the urban renewal effort is to redevelop and rehabilitate the area by private enterprise, it is not intended to replace the efforts of area business development or marketing organizations.

The rehabilitation and redevelopment of properties within the Urban Renewal Area will be accomplished through the improvement of existing structures, attraction of new commercial and mixed-use development, and prevention of deterioration of properties in the Area. The effort will involve the Authority and City of Colorado Springs, with participation and cooperation by the private sector.
As the Urban Renewal Law authorizes the Authority to undertake zoning and planning activities to regulate land use, maximum densities, and building requirements in the Urban Renewal Area for the purpose of implementing the plan, the Colorado Springs Urban Renewal Authority shall have governance to require applicable municipal standards and regulations.

1.4 Public Participation

The Plan continues to be made available to business and property owners located within and adjacent to the Plan boundaries, as well as Colorado Springs residents at-large. Notification of the public hearing will be provided to property owners, tenants, and residents of record within the Area as required by the Act. Input on the Plan’s content was solicited of Area property and business owners, and tenants during an informational meeting held in September 2005.

Presentations will be made to the Planning Commission and City Council in the Fall and Winter of 2005 to receive comments and input on the Plan. To the extent provided in Colorado Public Records Act, Colo. Rev. Stat. Title 24, Article 72, Part 2, the same may be amended from time to time, pursuant to policies adopted by the Authority, and project plans and proposals which advance the intent of the Plan will continue to be made available to the public in an open meeting format.

1.5 Definitions

In addition to terms previously defined in the text, the following terms are used in this Urban Renewal Plan:

**Cooperation Agreement** - means any agreement between the Authority and the City or any public body (the term “public body” being used in this Urban Renewal Plan as defined by the Act) respecting action to be taken pursuant to any of the powers set forth in the Act or in any other provision of Colorado law, for the purpose of facilitating public
undertakings deemed necessary or appropriate by the Authority under this Urban Renewal Plan.

Any such cooperation agreement may include, without limitation, agreements regarding the planning or implementation of this Urban Renewal Plan and its projects, as well as programs, public works operations, or activities which the Authority, the City or such other public body is otherwise empowered to undertake and including without limitation, agreements respecting the financing, installation, construction and reconstruction of public improvements, utility line relocation, storm water detention, environmental remediation, landscaping and/or other eligible improvements within the Urban Renewal Area.

Redevelopment/Development Agreement - means an agreement between the Authority and developer(s) regarding the redevelopment or redevelopment of property within the Urban Renewal Area.

Tax Increment Area - means the Urban Renewal Area from which tax increments will be derived for the financing described in the Plan.

2.0 Qualifying Conditions

The City Auditorium Block Conditions Survey, dated April 2004 (the “Survey”), was completed by the Denver, Colorado office of Leland Consulting Group. The 15 page Survey includes an Appendix and 12 exhibits which illustrate the location of qualifying conditions, a final map synthesizing the number of qualifying conditions by parcel, and the supporting field survey. The Survey documents the evidence of blight for the City Auditorium Block Urban Renewal Area and is incorporated into this Urban Renewal Plan by reference.

The legal term “blighted area” describes a wide array of urban problems, which can range from physical deterioration of buildings and the environment, to health, social and economic problems in a particular area. Based on the Survey completed in connection with the adoption and approval of the Urban Renewal Plan, at least four qualifying
conditions of blight, as defined in the Act, are present within the proposed Urban Renewal Area. These conditions, which are summarized as follows, are evidence of a “blighted area” as defined in the Act.

a) Slum, deteriorated, or deteriorating structures;
b) Predominance of defective or inadequate street layout;
c) Faulty lot layout in relation to size, adequacy, accessibility, or usefulness;
d) Unsanitary or unsafe conditions;
e) Deterioration of site or other improvements;
f) Unusual topography or inadequate public improvements or utilities;
g) Defective or unusual conditions of title rendering the title non-marketable;
h) The existence of conditions that endanger life or property by fire or other causes;
i) Buildings that are unsafe or unhealthy for persons to live or work in because of building code violations, dilapidation, deterioration, defective design, physical construction, or faulty or inadequate facilities;
j) Environmental contamination of buildings or property;
k) The existence of health, safety, or welfare factors requiring high levels of municipal services or substantial physical and underutilization of vacancy of sites, buildings, or other improvements.
l) If there is no objection of such property owner or owners and the tenant or tenants of such owner or owners, if, to the inclusion of such property in an urban renewal area, “blighted area” also means an area that, in its present condition and use and, by reason of the presence of any one of the factors specified in paragraphs (a) to (k.5) of this subsection (2), substantially impairs or arrests the sound growth of the municipality, retards the provision of housing accommodations, or constitutes an economic or social liability, and is a menace to the public health, safety, morals or welfare. For purposes of this paragraph (1), the fact that an owner of an interest in such property does not object to the inclusion of such property in the urban renewal area does not mean that the owner has waived any rights of such owner in connection with laws governing eminent domain.

As discussed in the Survey, 9 of 11 qualifying conditions listed in the Act are present within the Area. The only qualifying condition, which was not identified, was "defective or unusual conditions of title rendering the title non-marketable."
3.0 Relationship to Comprehensive Plan

A general plan for the City, known as the *Colorado Springs Area Comprehensive Plan*, was updated in 2001. That plan specifically states “Encourage the development of activity centers designed to include a mix of uses that complement and support each other, such as commercial, employment-related, institutional, civic, and residential.” *Policy LU 302* This Urban Renewal Plan supports, implements, and is in conformance with the goals of, the revised Comprehensive Plan of the City. Specific goals and policies of the Comprehensive Plan that this Plan will further include the following:

**Strategy LU 302d: Revise Development Regulations to Allow Mixed Uses Within Buildings** – Revise zoning and building regulations to allow housing, mixed-use developments and structures, including vertical mixed-use (multi-story buildings) with housing, and / or offices located above ground floor retail services in activity centers.

**Policy LU 303: Promote a Pedestrian-Oriented and Transit-Oriented Development Pattern** – Promote a land use pattern that reduces reliance on automobile travel and supports pedestrian-oriented and transit-oriented development.

**Strategy LU 401b: Provide Incentives to Foster Private Reinvestment** – Utilize incentives to encourage infill and redevelopment. Regulatory incentives can be used to expedite the development approval process. Available financial incentives, such as rehabilitation loans / grants, if targeted and strategic, should be utilized to support additional investment in the community, as well as to assist existing residents to remain in areas that are redeveloping.

**Strategy LU 701e: Combine Commercial and Employment Uses in Regional Centers Designed to Serve Residents Throughout the City and the Region** – Combine commercial center with employment center uses so that they are mutually supportive in a single, integrated regional destination.
4.0 Land Use Plan and Plan Objectives

4.1 General Description

The Area located within the planning boundary includes 8 parcels and comprises approximately 3.5 acres. The site is generally bounded on the north by East Kiowa Street (north r.o.w. line), on the west by North Nevada Avenue (west r.o.w line), on the south by East Pikes Peak Avenue, and on the east by North Weber Street (east r.o.w. line).

The cornerstone of the stakeholder’s vision for revitalization of the area is creation of high quality mixed-use developments which vertically integrate a range of residential and non-residential uses at urban densities and supported by strategic public improvements to facilities, parking, and infrastructure improvements within and adjacent to the Plan bounderies. A combination of uses is proposed all of which will further promote redevelopment of the area as a mixed-use urban enclave in downtown, balancing investment occurring in Southwest and connecting neighborhoods to the east.

Existing conditions present within the Area could be remedied by the proposed Plan, but will need to first be identified as a priority public investment item by the stakeholders and community. Improvements will likely be partially funded by tax increment financing with creation of a special district to serve as a potential supplemental funding source also possible.

Definitions of land use designations presented in the Plan follow. Representative images of the mixed-use designation accompany the definition.

**Mixed-Use** – any combination of uses, residential and non-residential, integrated vertically and / or horizontally into a single project program. Parking requirements associated with mixed-use projects are often adjusted for shared parking opportunities and densities typically exceed traditional single use projects with similar product components.
Civic Auditorium – a public venue for meetings and performances owned and operated by the City of Colorado Springs, currently in-use, yet in disrepair with more than four qualifying conditions present on the property.

Proposed land use designations in conflict with the current will require formal approval in the form of an amendment to the Plan. Properties affected by a new designation will require rezoning (petition-based or city-initiated) in order to implement the Plan in accordance with forecasted revenue assumptions.

4.2 Development Objectives

The development objectives for the Urban Renewal Area include establishment of a variety of uses at urban densities that will allow projects to respond to changing market conditions. Proposed land uses within the Urban Renewal Area include commercial, office, residential, hotel, health club (athletic), public, and parking. Other objectives include:

a) eliminate and prevent blight
b) improve relationship between this area and surrounding uses
c) increase property values
d) provide uses supportive of and complementary to planned improvements
e) provide ease of vehicular and pedestrian circulation
f) encourage continued presence of businesses consistent with the Plan vision
g) provide a range of financing mechanisms for private property re-investment and investment
h) mitigate impacts to businesses for future transportation improvements
i) encourage public-private partnerships to implement the plan
j) adjust parking ratios to reflect urban setting
k) encourage shared parking among projects in area
4.2.1 Redevelopment Opportunities—Catalyst Projects

A key concept associated with implementation of the Plan is targeted investment that will serve to catalyze redevelopment throughout the Area. With three major property holdings – Urban Properties, City of Colorado Springs and ASL Properties LLC – and given the parcel sizes, position within downtown, and favorable ownership surrounding the Plan boundaries, the potential for multiple eligible catalyst projects is high. Development of Pikes Peak Place, a mixed-use residential and office tower with ground floor retail space, in particular presents an early opportunity to demonstrate successful development of a mixed-use infill property positioned to take advantage of public improvements and policy initiatives in downtown.

4.3 Design Objectives

Design objectives for the Urban Renewal Area also promote flexibility, adaptability to a range of uses and product types and consistency with prevailing market conditions. Other objectives include:

a) mix of land uses that promote vitality and livability
b) variety of products to address multiple income segments
c) higher design standards
d) transportation improvements designed to enhance access into and out of area
e) minimal pedestrian / vehicular conflicts
f) pedestrian-friendly landscaped streetscape which unifies uses and plan components
g) lighting and signage standards which are flexible
h) urban densities
i) green development principles

4.4 Building Standards

All development shall conform to the Comprehensive Plan, the Zoning Code, International Building Codes and any site-specific zoning for properties in the Urban Renewal Area until such time these documents are amended to reflect the intent of this document.
In conformance with the Act and Urban Renewal Plan, the Authority may adopt additional design standards and other requirements applicable to properties in the Urban Renewal Area.

4.5 Public Improvements and Facilities

The Authority may undertake certain actions to make the Urban Renewal Area more attractive for private investment. The Authority may, or cause others to, install, construct, and reconstruct any public improvements in the Urban Renewal Area, including, without limitation, streets, sidewalks, underground utility and service facilities, streetscapes, pedestrian corridors, and parking facilities. The Authority may also, or cause others to, install, construct and reconstruct any other authorized improvements in the Urban Renewal Area, including, without limitation, other authorized undertakings or improvements for the purpose of promoting the objectives of this Urban Renewal Plan and the Act.

Public projects are intended to stimulate (directly and indirectly) private sector investment in and around the Urban Renewal Area. The combination of public and private investment will assist in the reinvestment and conversion of the Urban Renewal Area into a viable commercial and employment gateway area with supporting residential and public spaces contributing increased property and sales taxes.

4.5.1 Infrastructure

New infrastructure that is required will be located in public rights-of-way or dedicated easements. These systems will be added to the existing infrastructure to the extent possible. Existing services may be removed or abandoned to accommodate new development in the Area.

In undertaking all activities and improvements pursuant to this Urban Renewal Plan, the Authority shall comply with all applicable building and zoning regulations, and other applicable ordinances of the City.
4.6 Other Improvements and Facilities

There could be other non-public improvements in the Urban Renewal Area that may be required to accommodate development. The Authority may assist in the financing or construction of these improvements.

5.0 Project Implementation

Colorado’s Urban Renewal Law allows for and recommends a wide range of activities be used in the implementation of an urban renewal area. It is the intent of the Colorado Springs Urban Renewal Authority to provide incentives to stimulate private investment in cooperation with property owners and other affected parties in order to accomplish the objectives of the Plan. Public private partnerships and joint venture development will be key to the Authority’s strategy for preventing the spread of blight and eliminating the blighting conditions. Reliance on powers such as eminent domain will only be considered as a final option as determined by the Colorado Springs City Council, to achieve the redevelopment objectives of this plan.

5.1 Property Acquisition and Land Assemblage

The Authority through purchase or eminent domain in accordance with the Act and the Urban Renewal Plan may acquire property. Any property acquired under the power of eminent domain must be approved by a majority vote of the Colorado Springs City Council. The Authority may temporarily operate, manage and maintain property acquired in the Urban Renewal Area. Such property shall be under the management and control of the Authority and may be rented or leased pending its disposition for redevelopment.
5.2.1 Relocation Assistance

It is not anticipated that acquisition of real property by the Authority will result in the relocation of any individuals, families, or business concerns. However, if such relocation becomes necessary, the Authority shall adopt a relocation plan consistent with specific objectives which will be identified in that plan.

5.2.1 Mitigate Inconvenience and Expense

Development of any relocation program for the Area will be designed to mitigate the inconvenience and expense of individuals, families and business concerns that may be displaced by acquisition of property by the Authority.

5.2.2 Information Program

Any relocation program will be accompanied by an information program to keep all affected parties advised of relocation activities on a continuing basis and to encourage all such parties to keep the Authority informed of their needs and requirements.

5.3 Demolition, Clearance, and Site Preparation

In carrying out this Urban Renewal Plan, it is not anticipated that the Authority will be required to demolish and clear buildings, structures and other improvements from property in the Urban Renewal Area. However, development activities consistent with this Plan may require such demolition and clearance to eliminate unhealthy, unsanitary, and unsafe conditions, eliminate obsolete and other uses detrimental to the public welfare, and otherwise remove and prevent the spread of deterioration. They may also be necessary to alleviate identified hazardous environmental conditions.

With respect to property acquired by the Authority, it may demolish and clear, or contract to demolish and clear, those buildings, structures and other improvements from property pursuant to this Urban Renewal Plan if in the judgment of the Authority such
buildings, structures and other improvements can not be rehabilitated in accordance with this Urban Renewal Plan. The Authority may also undertake such additional site preparation activities, as it deems necessary, to facilitate the disposition and redevelopment of such property.

5.4 Property Disposition

The Authority may sell, lease, or otherwise transfer real property or any interest in real property subject to covenants, conditions and restrictions, including architectural and design controls, time restrictions on development, and building requirements, as it deems necessary to redevelop such property. Real property or interests in real property may be sold, leased or otherwise transferred for uses in accordance with this Urban Renewal Plan. All property and interest in real estate acquired by the Authority in the Urban Renewal Area that is not dedicated or transferred to public entities, shall be sold or otherwise disposed of for redevelopment in accordance with the provision of this Plan and the Act.

5.5 Redevelopment and Rehabilitation Actions

Redevelopment and rehabilitation actions within the Urban Renewal Area may include such undertakings and activities as are in accordance with this Urban Renewal Plan and the Act, including without limitation: demolition and removal of buildings and improvements as set forth herein; installation, construction and reconstruction of public improvements as set forth herein; elimination of unhealthful, unsanitary or unsafe conditions; elimination of obsolete or other uses detrimental to the public welfare; prevention of the spread of deterioration; and provision of land for needed public facilities.

5.6 Redevelopment Agreements

The Authority is authorized to enter into Redevelopment Agreements or other contracts with developer(s) or property owners or such other individuals or entities as are determined by the Authority to be necessary or desirable to carry out the purposes of this
Urban Renewal Plan. Such Redevelopment Agreements, or other contracts, may contain such terms and provisions as shall be deemed necessary or appropriate by the Authority for the purpose of undertaking the activities contemplated by this Urban Renewal Plan and the Act, and may further provide for such undertakings by the Authority, including financial assistance, as may be necessary for the achievement of the objectives of this Urban Renewal Plan or as may otherwise be authorized by the Act.

6.0 Project Financing

6.1 Public Investment Objective

It is the intent of the Authority that the public sector continue to play a significant role in revitalization efforts as a strategic partner. Experience has proven that a critical component to the success of any revitalization strategy is participation by both the public and private sectors. Leveraging of resources will be key as no one entity, either public or private, has sufficient resources alone to sustain a long-term improvement effort. Typical public infrastructure investments may include any or all of the following: unifying streetscape elements, improving access and circulation, providing for parking, completing utilities, and creating special districts.

6.2 Authorization

The Authority may finance this Urban Renewal Plan by any method authorized under the Act or any other applicable law, including without limitation, the following:

The Authority is authorized to issue notes and bonds in an amount sufficient to finance all or part of this Plan. The Authority is authorized to borrow funds and create indebtedness in carrying out this Plan. The principal, interest, costs and fees on such indebtedness are to be paid for with any lawfully available funds of the Authority.

Debt may include bonds, refunding bonds, notes, interim certificates or receipts, temporary bonds, certificates of indebtedness, or any other obligation lawfully
created. Pursuant to the Olson decision of the Colorado Court of Appeals, Article X, and Section 20 (TABOR) of the Colorado Constitution does not limit the debt options of an urban renewal authority in Colorado.

6.3 Project Revenues

Tax Increment Financing

The Urban Renewal Plan contemplates that a primary method of financing this project to be the use of municipal sales and property tax increment. The City Council may consider the authorization of a sales tax increment when the Colorado Springs Urban Renewal Authority submits a financing plan outlining the proposed amounts and purpose for which the municipal sales tax increments are to be used. Upon City Council approval, the municipal sales tax increment will be distributed in accordance with the tax increment financing provisions of Section 31-25-107 (9), C.R.S. which is by this reference incorporated herein as if set forth in its entirety. If there is any conflict between the Act and this Urban Renewal Plan, the provisions of the Act shall control, and the language in the Plan will be automatically deemed to conform to the statute.

All property and sales taxes collected within the Tax Increment Area, by or for the benefit of any public body, shall be divided for a period not to exceed 25 years as follows:

a) That portion of the taxes which are produced by the levy at the rate fixed each year by or for each such public body upon the valuation for assessment of taxable property in the Urban Renewal Area last certified, prior to the effective date of approval of the Urban Renewal Plan, or as to an area later added to the Urban Renewal Area, the effective date of the modification of the Plan or that portion of municipal sales tax collected within the boundaries of said Urban Renewal Area in the twelve-month period ending on the last day of the month prior to the effective date of approval of the Plan, or both such portions, shall be paid into the funds of each such public body as are all other taxes collected by or for said public body.
b) That portion of said property taxes and that portion of said sales taxes in excess of such amounts in subparagraph (a) shall be allocated to and, when collected, paid into a special fund of the Authority to pay the principal of, the interest on, and any premiums due in connection with the bonds of, loans or advances to, or indebtedness incurred by (whether funded, refunded, assumed or otherwise) the Authority for financing or refinancing, in whole or in part, the urban renewal project within the Urban Renewal Area. Any excess municipal sales tax collections not allocated pursuant to this subparagraph shall be paid into the funds of the municipality.

c) The portion of taxes described in subparagraph (b) may be irrevocably pledged to the Authority for the payment of the principal of, the interest on, and any premiums due in connection with such bonds, loans, advances, and indebtedness.

d) The City and the Authority may enter into agreements with other public bodies and private parties to provide financial assistance in support of development projects consistent with this plan as may be more fully set forth in the provisions of such agreements. Existing agreements between the City and private parties that are consistent with this plan are intended to remain in full force and effect.

6.4 Financing Mechanisms / Structures

The Authority recognizes that tax increment financing is one tool which can be made available to facilitate investment and that others are needed. The Authority is committed to making a variety of strategies and mechanisms available which are financial, physical, market and organizational in nature. It is the intent of this Plan to use the tools either independently or in various combinations. Given the obstacles associated with infill development, the Authority recognizes that it is imperative that solutions and resources be put in places which are comprehensive, flexible and creative. Among those deemed reasonable for the Urban Renewal Area are improvement district(s) and a mixed-use overlay designation.
6.5 Authority Participating Interest in Private Development Projects

The Authority may require a participating interest in private development projects in which it provides financial support. The philosophy behind this is that public support is frequently needed for projects of this nature, in order to fill a gap left by available traditional financing. In the event the project(s) produces revenues in excess of a market rate of return, the public sector might become a partner and share in the success of the project. In this event, the Authority may also require an excess profits provision. The terms of the participating interest and excess profits provisions will be negotiated in the Redevelopment Agreement(s).

7.0 Changes and Minor Variations from Adopted Plan

7.1 Changes in the Approved Urban Renewal Plan

This Urban Renewal Plan may be modified pursuant to the provisions of the Act governing such modification, including Section 31-25-107 thereof, as the same may be amended from time to time.

7.2 Minor Variations

In specific cases, where a literal enforcement of the provisions contained in the Urban Renewal Plan constitutes an unreasonable limitation beyond the intent and purpose of these provisions, the Authority may allow minor variances from these provisions.

7.3 Inter-Agency Cooperation

For the purpose of this Plan, the Authority may enter into one or more Cooperation Agreements with the City or other public bodies pursuant to the Act. The City and Authority recognize the need to cooperate in the implementation of this Urban Renewal Plan for, but not limited to, such items as project financing and administering the construction of public improvements. This paragraph shall not be construed to require any particular form of cooperation.
7.4 Urban Renewal Plan Review Process

The review process for the Urban Renewal Plan is intended to provide a mechanism to allow those parties responsible for implementing the Plan to periodically evaluate its effectiveness and make adjustments to ensure efficiency in implementing the recommended urban renewal activities.

The following steps are intended to serve as a guide for Plan review:

a) The Authority may propose modifications, and the Authority shall make such modifications as may be necessary provided they are consistent with the Comprehensive Plan and the Urban Renewal Law.

b) Modifications may be developed from suggestions by the Authority, property and business owners, and Staff operating in support of the Authority.

c) A series of joint workshops may be held by and between the Authority and property and business owners to direct and review the development of Plan modifications.

8.0 Severability

If any portion of the Urban Renewal Plan is held to be invalid or unenforceable, such invalidity will not affect the remaining portions of this Urban Renewal Plan.

9.0 Term

The Term of this Plan is twenty-five (25) years from its effective date, unless the Authority deems that all projects have been accomplished and all debts incurred to finance those projects and all expenses of the Authority have been repaid. In that event, the Authority may declare the plan fully implemented and the total tax collections derived from the Urban Renewal Area shall be paid into the funds for the appropriate taxing entity.
City Auditorium Block

Conditions Survey

City of Colorado Springs, Colorado

January 2004 (updated October 2005)

Prepared for: Colorado Springs Urban Renewal Authority and Colorado Springs City Council
City Auditorium Block

Conditions Survey

City of Colorado Springs, Colorado
January 2004 (updated October 2005)

Table of Contents

Section 1.0: Introduction
  Definition of Blight
  Study Methodology
  Report Format

Section 2.0: Area Overview and Description
  Survey Area Description
  Survey Area Context
  Existing Zoning

Section 3.0: Determination of Survey Area Conditions
  Slum, Deteriorated/Deteriorating Structures
  Defective or Inadequate Street Layout
  Faulty Lot Layout
  Unsafe or Unsanitary Conditions
  Deterioration of Site or Other Improvements
  Unusual Topography or Inadequate Public Improvements
  Endangerment from Fire or Other Causes
  Unsafe or Unsanitary Building Conditions
  Environmental Contamination
  High Services Requirements or Underutilized Sites

Section 4.0: Summary of Findings

Appendices

Appendix A: Maps of Blight Conditions by Category
Appendix B: Photo Inventory of Representative Blight Conditions
Appendix C: Field Survey
Section 1.0

Introduction

The following report, the City Auditorium Block Conditions Survey, was completed in January 2004. The purpose of this work was to analyze conditions on all parcels located within the northeast quadrant of East Pikes Peak Avenue and North Nevada Avenue (the “Survey Area” or the “Area”) in order to determine whether factors contributing to blight are present and whether the Survey Area is, therefore, eligible as an urban renewal area under the provisions of Colorado State Statutes. The Area is within the City of Colorado Springs, Colorado, and is generally located east of North Nevada Avenue, south of East Kiowa Street, west of North Weber Street and north of East Pikes Peak Avenue (as depicted on maps located in the Appendix section of this document). Establishment of an urban renewal area would allow the property owners, through the Colorado Springs Urban Renewal Authority, to use designated powers to assist in the redevelopment of properties and improvements within its boundaries.

Definition of Blight

Redevelopment and investment within the Survey Area may be accomplished through the implementation of an urban renewal process. The first step in this process is to determine if the area qualifies as a “blighted area” eligible for urban renewal. The determination that an area constitutes a blighted area is a cumulative conclusion attributable to the presence of several physical, environmental, and social factors. Indeed, blight is attributable to multiple conditions which, in combination, tend to accelerate the phenomenon of deterioration of an area. For purposes of the study, the definition of a blighted area is premised upon the definition articulated in the Urban Renewal Law, as follows:
"Blighted area" means an area that, in its present condition and use and, by reason of the presence of at least four of the following factors, substantially impairs or arrests the sound growth of the municipality, retards the provision of housing accommodations, or constitutes an economic or social liability, and is a menace to the public health, safety, morals, or welfare:

(a) Slum, deteriorated, or deteriorating structures;

(b) Predominance of defective or inadequate street layout;

(c) Faulty lot layout in relation to size, adequacy, accessibility, or usefulness;

(d) Unsanitary or unsafe conditions;

(e) Deterioration of site or other improvements;

(f) Unusual topography or inadequate public improvements or utilities;

(g) Defective or unusual conditions of title rendering the title non-marketable;

(h) The existence of conditions that endanger life or property by fire or other causes;

(i) Buildings that are unsafe or unhealthy for persons to live or work in because of building code violations, dilapidations, deterioration, defective design, physical construction, or faulty or inadequate facilities;

(j) Environmental contamination of buildings or property;

(k.5) 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;

(l) If there is no objection of such property owner or owners and the tenant or tenants of such owner or owners, if an, to the inclusion of such property in an urban renewal area, "blighted area" also means an area that, in its present condition and use and, by reason of the presence of any one of the factors specified in paragraphs (a) to (k.5) of this subsection (2), substantially impairs or arrests the sound growth of the municipality, retards the provision of housing accommodations, or constitutes an economic or social liability, and is a menace
to the public health, safety, morals or welfare. For purposes of this paragraph (1), the fact that an owner of an interest in such property does not object to the inclusion of such property in the urban renewal area does not mean that the owner has waived any rights of such owner in connection with laws governing condemnation.

Source: Colorado Revised Statute 31-25-103(2).

Since this definition is a general overview pertaining to all sites, it is important to clarify its intention as it applies to the Survey Area. According to state law, it is unnecessary for every condition of blight to be present in order to be eligible as an urban renewal area. Rather, an area can be qualified as blighted when as few as four or more conditions are present. Additionally, the conditions need not be present on every parcel, but rather just somewhere within the Area.

The City Auditorium Block Conditions Survey presents an overview of factors within the Survey Area including a review of physical conditions sufficient to make a determination of blight. The “Summary of Findings” provides conclusions regarding the analysis and presence of blight in key areas; however, the Colorado Springs City Council will make a final determination of blight for the entire Survey Area based on the extent to which conditions constitute a liability.

**Study Methodology**

The City Auditorium Block Conditions Survey includes a detailed analysis of site, building and public improvement deterioration, as well as dangers from environmental contamination. Qualifying blight conditions throughout the Survey Area were identified and analyzed on a parcel-by-parcel basis to produce maps showing blight conditions present in the Survey Area.

Leland Consulting Group (LCG) personnel conducted field investigations to document physical conditions within the categories of blight set out in the state statute. Pertinent Geographic Information Systems (GIS) data was obtained through the City and analyzed by Leland Consulting Group. Additional supplemental and updated information was obtained through meetings and interviews with City staff, as well as other experts on local and regional market conditions.
Report Format

The City Auditorium Block Conditions Survey is presented in four sections and an Appendix. Section 1.0 presents an overview of the project, a definition of “blight,” and an explanation of the study methodology. Section 2.0 presents a description of the Survey Area and an overview of existing conditions. Section 3.0 defines the primary categories of blight and documents conditions which are present within each category. Section 4.0 summarizes the findings from the research.

The Appendix includes photographs of representative examples of conditions found in the Survey Area, a map of parcels exhibiting this condition, and a parcel-by-parcel synthesis of qualifying conditions found during the field survey.
Section 2.0

Area Overview and Description

Survey Area Description

As described above, the conditions survey reported here covers properties located in the northeast quadrant of East Pikes Peak Avenue and North Nevada Avenue, or the Survey Area, depicted in maps at the end of this analysis. The Survey Area includes all parcels and roads within and bordering the site. The inventory of conditions (found in the Appendix and reflected in the maps) was conducted on a parcel-by-parcel basis, therefore, the following discussion of qualifying blight conditions focuses specifically on individual properties.

The City Auditorium Block site comprises 8 parcels totaling 3.5 acres (less surrounding roadways) and is located entirely within and surrounded by the City of Colorado Springs in El Paso County, Colorado. The site is bounded on the east by North Nevada Avenue, on the south by East Kiowa Street, on the west by North Weber Street and on the north by East Pikes Peak Avenue.

Survey Area Context

This Survey Area is located in the eastern portion of the City’s central district or Downtown Colorado Springs. Uses within the Survey Area include a combination of public and private uses, and vacant land. Specific uses include the City Auditorium Building; Antique Gallery; Turbo Power Software offices; a multi-tenant building anchored by Kinko’s Copies, Peak Cellular, and Chapter 1 Passport Photos; parking lots; and, vacant land. At the time the survey was conducted, the parcel located in the southeast quadrant of North Nevada Avenue and East Kiowa Street, was listed for sale.

Existing Zoning

The entire Survey Area is zoned C-6 HR, General Business High-Rise, by the City of Colorado Springs. This designation allows for a higher density mix of uses including commercial and non-commercial uses. Although the City encourages mixed land uses on the periphery and throughout Downtown, the General Business zoning emphasizes primarily commercial uses.
Section 3.0

Determination of Survey Area Conditions

Significant findings of the City Auditorium Block Conditions Survey are presented in the discussion which follows. These findings are based on a review of documents and reports, interviews, field surveys, and analyses conducted in January of 2004. The field surveys took place over multiple site visits and at different times of the day in order to observe a variety of conditions. Properties and structures, along with public improvements adjacent to the properties, were evaluated and deficiencies noted. As previously explained, the purpose of this study was to determine whether conditions of blight as defined by the Colorado State Statute exist in the Survey Area. The principal categories reported here and consistent with the statute include: building conditions, site conditions, unusual topography, endangerment from fire or other causes, unsafe or unhealthy work/live conditions, environmental contamination, and inadequate public improvements.

Building Conditions

Slum, Deteriorated and Deteriorating Structures

This section summarizes the on-site investigations of deterioration within the Survey Area. The condition of deteriorating or deteriorated structures was primarily established through field survey work and observation of exterior physical conditions within the Survey Area. No interior inspections were conducted. However, the consultant did receive reports from the Colorado Springs Fire Department regarding code related issues within the City Auditorium Building. Building deterioration rating criteria considered included the following: primary structure (roof, walls, foundation); secondary structure (fascia/soffits, gutters/downspouts, exterior finishes, windows and doors, stairways/fire escapes); and, exterior structure (mechanical equipment, loading areas, fences/walls/ gates, other structures). These conditions were present within the City Auditorium building and multi-story commercial building located in the southwest portion of the block, fronting East Pikes Peak Avenue.

The Appendix section of this report includes photographs of representative examples of deteriorating structures found in the Survey Area, a map of parcels exhibiting this condition, and a parcel-by-parcel summary of qualifying conditions found during the field survey.
**Site Conditions**

The evaluation of site deterioration is divided into four categories according to the definition of blight: 1) defective or inadequate street layout; 2) faulty lot layout; 3) unsafe or unsanitary conditions; and 4) deterioration of site or other improvements. Representative conditions among each category of site deterioration are described as follows:

*Faulty Street Layout* - Conditions typically associated with faulty street layout include poor vehicular access and/or internal circulation; substandard driveway definition and parking layout; offset or irregular intersections; substandard or nonexistent pedestrian circulation; and an extensive history of traffic accidents.

*Faulty Lot Layout* - Conditions typically associated with faulty lot layout include faulty lot shape and/or layout; and inadequate lot size.

*Unsanitary or Unsafe Conditions* – Conditions typically considered unsafe or unsanitary include: poorly lit or unlit areas; cracked or uneven sidewalks; poor drainage; environmental contamination; buildings located within a floodplain; uneven grading or steep slopes; and, unscreened trash/mechanical equipment, abandoned vehicles, high incidence of reported crime, graffiti or other forms of vandalism or vagrant activity.

*Deteriorating Site or Other Improvements* – Site improvements typically considered to be substandard or undesirable include: the presence of billboards, neglected properties, and unscreened trash or mechanical storage areas; deterioration of parking surfaces; lack of landscaping; and, other general site maintenance problems.

Each of these conditions of blight, as they apply to the Survey Area, is discussed separately in the following paragraphs.

*Defective or Inadequate Street Layout*

As described above, there are several conditions used to determine whether a site is blighted based on faulty street layout. During the on-site investigation and field survey, these conditions were observed throughout the Survey Area.
Interior access within the Survey Area is limited to a public alley, while exterior vehicular ingress and egress available from surrounding roadways. All of the properties within the Survey Area have adequate access, the single exception being the City’s Auditorium building which is negatively impacted by a limited driveway definition along its eastern side, creating a condition of defective street layout.

The Appendix includes photographs of representative examples of defective street layout found in the Survey Area, a map of parcels exhibiting this condition, and a parcel-by-parcel synthesis of qualifying conditions found during the field survey.

**Faulty Lot Layout**

There are specific conditions that can be used to determine whether a Survey Area is blighted based on faulty lot layout. Among these conditions are lot shape, layout and size, as well as conformity of use. On-site investigations and field surveys, review of public records and discussions with City staff highlight these conditions throughout the Survey Area.

Parcels limited by size and/or configuration have a limited range of (re-) development options available to them. Inadequately configured lots are deemed to be faulty if the configuration relative to the street is contrary to what is desired for development. These conditions can be found on two parcels located within the Survey Area, both of which are used by contiguous (and joint) property owners for parking.

The Appendix includes aerial photographs of representative examples of faulty lot layout found in the Survey Area, a map of parcels exhibiting this condition, and a parcel-by-parcel synthesis of qualifying conditions found during the field survey.

**Unsafe or Unsanitary Conditions**

The most prevalent Survey Area conditions considered unsafe or unsanitary include: poorly lit or unlit areas; cracked or uneven sidewalks; and, instances of trash/debris/weeds.

Poor lighting is found in association with the vacant lot located in the northwest quadrant of the Survey Area, and parking lot located in the southeast quadrant. Cracked or uneven sidewalks were found adjacent to the City Auditorium building, parking lot located in the southeast quadrant and multi-story commercial building located in the southwest quadrant of the Survey Area.
Problems with trash, debris and particularly weeds can be found throughout the Survey Area as well, but are less pronounced in association with commercial parcels fronting North Nevada Avenue. Vagrants were present during one site visit—considered to be an unsafe condition. It is likely that surrounding uses, including the Springs Transit bus transfer facility, and area’s location on the periphery of the core of Downtown Colorado Springs, together with a general lack of fencing may also encourage transient activity. Evidence for this, in the form of litter, was seen during site inspections.

The Appendix includes photographs of representative examples of unsafe and unsanitary conditions found in the Survey Area, a map of parcels exhibiting this condition, and a parcel-by-parcel synthesis of qualifying conditions found during the field survey.

_Deterioration of Site and Other Improvements_

A variety of blight conditions were observed within the Survey Area related to the deterioration of the site and non-primary improvements. These conditions which negatively affect the appearance and utilization of sites within the area include site maintenance problems, lack of landscaping, and neglected, unscreened trash and parking surface deterioration. These conditions were present, primarily in association with the vacant lot, and lots used for parking.

By urban standards, each vacant parcel within the Survey Area, as well as those improved parcels which had not been developed or redeveloped within the last 5 years, can be considered to have an inadequate level of landscaping -- constituting deterioration of site and other improvements.

The Appendix includes photographs of representative examples of deterioration of site and other improvements found in the Survey Area, a map of parcels exhibiting this condition, and a parcel-by-parcel synthesis of qualifying conditions found during the field survey.

**Unusual Topography or Inadequate Public Improvements**

The topography of properties within the Survey Area is relatively flat. As such, the Survey Area has adequate topography on all parcels.

The primary condition related to inadequate public improvements involves the absence of basic public infrastructure elements such as interior roads, sidewalks, street lighting, curb & gutters, sanitary sewer, and storm drainage. These deficiencies in public
improvements are not present within the Survey Area, largely because of the properties’ location within the central business core of the community. With the exception of the curb and sidewalk deterioration along the Survey Areas’ eastern boundary which is showing evidence of deterioration. Roads surrounding the Survey Area are generally in fair to good condition, with the exception of East Pikes Peak Avenue which is showing similar evidence of decay.

The Appendix includes photographs of representative examples of inadequate public improvements found in the Survey Area, a map of parcels exhibiting this condition, and a parcel-by-parcel synthesis of qualifying conditions found during the field survey.

The Appendix includes photographs of representative examples of unusual topography found in the Survey Area, a map of parcels exhibiting this condition, and a parcel-by-parcel synthesis of qualifying conditions found during the field survey.

**Endangerment from Fire or Other Conditions**

Conditions promoting endangerment from fire or other conditions, as documented by the City of Colorado Springs Fire Department, were only identified for the City Auditorium building which had numerous fire code violations. No parcels are located within a floodplain, an additional consideration relative to endangerment. However, environmental contamination, which also endangers life or property, is present on both properties located in the southern portion of the Survey Area, fronting East Pikes Peak Avenue. This condition is addressed in a later discussion.

The Appendix includes, a map of parcels exhibiting this condition, and a parcel-by-parcel synthesis of qualifying conditions found during the field survey.

**Unsafe or Unhealthy Building Conditions**

Unsafe or unhealthy building conditions are said to be present in parcels with fire safety problems, or obviously unsafe structures or facilities, among other potential hazards. In this Survey Area, fire safety problems are the only factor found to contribute to facilities unsafe or unhealthy for living or working, and the presence of this condition was restricted to the City Auditorium Building.

The Appendix includes photographs of representative examples of unsafe or unhealthy building conditions found in the City, a map of parcels exhibiting this condition, and a parcel-by-parcel synthesis of qualifying conditions found during the field survey.
**Environmental Contamination**

Properties within the City Auditorium Block Survey Area are impacted by hazardous contaminants, largely stemming from previous businesses located on-site including laundry and dry cleaning facilities and a service station. The presence of this condition is restricted to both properties located in the southern portion of the Survey Area, fronting East Pikes Peak Avenue.

Environmental studies on the area suggest that health risks from accidental exposure (via ingestion, inhalation, and skin contact) to these contaminants is limited, even for potential residents and site construction workers.

The Appendix includes a map of all parcels exhibiting environmental contamination, and a parcel-by-parcel synthesis of qualifying conditions found during the field survey.

**High Service Demands or Underutilized Sites**

This statutory category considers two different conditions that can impact the welfare of an area. Sites (in this case parcels) exhibiting “health, safety, or welfare factors requiring high levels of municipal services” may include areas of high crime or repeated fire code violations. Areas characterized by “substantial physical underutilization or vacancy of sites, buildings, or other improvements” may include vacant lots, parcels with vacant structures, or parcels for which the value of improvement is disproportionately small in relation to the land value.

For this analysis, underutilization of a parcel, as evidenced by site or building vacancy, or under-use given its location is considered as an indication of this condition. The Study Area includes one parcel with vacant land and two parcels with underutilization (large surface parking area). These properties are considered underutilized for the purposes of this analysis.

One property having unusually high incidence of fire code violations is considered to create a “high demand on municipal services” as per the statute.
Section 4.0

Summary of Findings

The presence of blight "...substantially impairs or arrests the sound growth of the municipality, retards the provision of housing accommodations, or constitutes an economic or social liability, and is a menace to the public health, safety, morals, or welfare..." [Colorado Revised Statute 31-25-103(2)]

It is the conclusion of this survey that within the Survey Area, as described in this report, there is a presence of adverse physical conditions sufficient to meet criteria established in the state statute. Although some portions of the Survey Area are in adequate or sound condition, there exist deteriorated and substandard conditions throughout the Survey Area as a whole, which could lead the legislative body to a finding that this area is blighted. The conclusion of this study is based on the following summary of qualifying conditions found in the Survey Area and described in this report.

LCG did not perform a title search on any properties within the Survey Area, therefore Condition G (defective or unusual title rendering property unmarketable) was not identified.

(a) and (i): Deteriorating or deteriorated structures and buildings identified as unsafe or unsanitary were evident within the Survey Area, although this condition was limited because of the relative lack of built improvements on the site.

(b) and (c): Conditions of faulty street and lot layout exist throughout the Survey Area, due to poor access and internal circulation, and an absence of streets within the interior of the site. Faulty lots were found throughout due to the lack of conventional urban platting.

(d) and (h): Unsanitary or unsafe conditions and endangerment were prevalent throughout the Survey Area due, primarily to, poorly lit or unlit areas and instances of trash/debris/weeds.

(e): Substandard improvements were prevalent throughout the Survey Area due to neglect and site maintenance problems, along with lack of landscaping.

(f) and (j): Unusual topography and environmental contamination represent the predominant blight conditions in the Survey Area, due to the accumulation of polluted tailings and the resulting aberrant topography.
(k): Inadequate public improvements or utilities exist to a high degree throughout the Survey Area, due to a lack of all major infrastructure elements on all but a few parcels on the site.

Table 1 summarizes blight qualifying conditions present in the City Auditorium Block Survey Area.

City Auditorium Block Conditions Survey

Summary of Findings

<table>
<thead>
<tr>
<th></th>
<th>(a)</th>
<th>(b)</th>
<th>(c)</th>
<th>(d)</th>
<th>(e)</th>
<th>(f)</th>
<th>(g)</th>
<th>(h)</th>
<th>(i)</th>
<th>(j)</th>
<th>(k.5)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Study Area</td>
<td>yes</td>
<td>yes</td>
<td>yes</td>
<td>yes</td>
<td>yes</td>
<td>yes</td>
<td>yes</td>
<td>yes</td>
<td>yes</td>
<td>yes</td>
<td>yes</td>
</tr>
</tbody>
</table>

Source: Leland Consulting Group.

Key

(a) Slum, deteriorated, or deteriorating structures;
(b) Predominance of defective or inadequate street layout;
(c) Faulty lot layout in relation to size, adequacy, accessibility, or usefulness;
(d) Unsanitary or unsafe conditions;
(e) Deterioration of site or other improvements;
(f) Unusual topography or inadequate public improvements or utilities;
(g) Defective or unusual conditions of title rendering the title non-marketable;
(h) The existence of conditions that endanger life or property by fire or other causes;
(i) Buildings that are unsafe or unhealthy for persons to live or work in because of building code violations, dilapidations, deterioration, defective design, physical construction, or faulty or inadequate facilities;
(j) Environmental contamination of buildings or property;
(k.5) 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;
Appendices
a. Deteriorating Structures

Notable deterioration to one or more of the following:

- Roof
- Walls, Fascia, Soffits
- Foundation
- Gutters/Downspouts
- Exterior Finishes
- Windows & Doors
- Stairways/Fire Escapes
- Mechanical Equipment
- Loading Areas
- Fences/Walls/Gates
- Other Structures
b. Faulty street layout

Problems with one or more of the following:

Vehicular Access
Internal Circulation
Driveway Definition/Curbcuts
Substandard Parking Layout
Traffic Accident History
c. Faulty lots

Problems with one or more of the following:
Faulty Lot Shape or Layout
Vehicular Access
Inadequate Lot Size
d. Unsanitary/unsafe conditions

Problems with one or more of the following:
- Poorly Lit or Uplit Areas
- Cracked or Uneven Sidewalks
- Hazardous Contaminants
- Poor Drainage
- Floodplain/Flood Hazard
- Grading/Steep Slopes
- Unscrened Trash/Mechanical
- Abandoned Vehicles
- High Crime Incidence
- Vagrants/Vandalism/Graffiti
e. Deteriorating site
   or other improvements

Problems with one or more of the following:

- Presence of Billboards
- Signage Problems
- Neglect/Maintenance
- Trash/Debris/Weeds
- Parking Surface
- Lack of Landscaping
f. Unusual topography or inadequate public improvements

Problems with one or more of the following:
- Slopes or Unusual Terrain
- Street Pavement
- Curb & Gutter
- Street Lighting
- Utilities Not Buried
- Lack of Sidewalks
- Water/Sewer Service
- Storm Sewer/Drainage
h. Danger to life or property from fire or other causes

- Fire Safety Problems
- Hazardous Contaminants
- High Crime Incidence
- Floodplain
i. Buildings unsafe or unhealthy for living or working

Problems with one or more of the following:

- Hazardous Contaminants
- Fire Safety Problems
- Building/facilities unsafe
j. Environmental contamination
k.5 High service requirements or site underutilization

Problems with one or more of the following:
- High Traffic Accident Rate
- High Crime Incidence
- Underutilization/Vacancy
<table>
<thead>
<tr>
<th>Parcel ID</th>
<th>Map ID</th>
<th>Address &amp; description</th>
<th>Ext. acres</th>
</tr>
</thead>
<tbody>
<tr>
<td>6418112018</td>
<td>016</td>
<td>vacant/parking</td>
<td>0.3</td>
</tr>
<tr>
<td>6418112001</td>
<td>001</td>
<td>City Auditorium building</td>
<td>1.1</td>
</tr>
<tr>
<td>6418112013</td>
<td>013</td>
<td>Antique Gallery</td>
<td>0.4</td>
</tr>
<tr>
<td>6418112004</td>
<td>014</td>
<td>parking</td>
<td>0.2</td>
</tr>
<tr>
<td>6418112005</td>
<td>006</td>
<td>Turbo Power Software office</td>
<td>0.2</td>
</tr>
<tr>
<td>6418112017</td>
<td>017</td>
<td>parking</td>
<td>0.7</td>
</tr>
<tr>
<td>6418112007</td>
<td>007</td>
<td>parking</td>
<td>0.2</td>
</tr>
<tr>
<td>6418112008</td>
<td>008</td>
<td>Interim, Peak Cellular, Chapter 1 Passport Photos</td>
<td>0.4</td>
</tr>
</tbody>
</table>
City of Colorado Springs
City Auditorium Block Urban Renewal Plan
El Paso County Impact Report

November 2005

This report outlines the anticipated impact of the proposed City Auditorium Block Urban Renewal Plan on El Paso 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:

(a) The estimated duration of time to complete the urban renewal project;

(b) 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 time period to fund the urban renewal project;

(c) Any other estimated impacts of the urban renewal project on county services or revenues.”

Summary of Urban Renewal Plan

Development Program

The proposed development program for the City Auditorium Block Urban Renewal Area (the Urban Renewal Area) is based on the current plans of property owners and prospective developers and is subject to change. The anticipated development program is summarized in Table 1.

Table 1
City Auditorium Block Urban Renewal Area
Development Program

<table>
<thead>
<tr>
<th>Land Use</th>
<th>Developed SF</th>
<th>Developed Units</th>
</tr>
</thead>
<tbody>
<tr>
<td>Retail</td>
<td>86,000</td>
<td>--</td>
</tr>
<tr>
<td>Office/Hotel</td>
<td>400,000</td>
<td>--</td>
</tr>
<tr>
<td>Residential -- Rental</td>
<td>--</td>
<td>150</td>
</tr>
<tr>
<td>Residential -- Ownership</td>
<td>--</td>
<td>98</td>
</tr>
</tbody>
</table>

Source: Leland Consulting Group.
Development Timing

The development timetable for the proposed Urban Renewal Area will be determined by prevailing market conditions. A critical component of the development program is the potential redevelopment of existing parcels into a mix of retail/hotel, employment and residential uses. For the purposes of this analysis, it was assumed that these redevelopment opportunities would be completed during the 25-year analysis period.

Summary Impacts to El Paso County

Table 2 provides a summary of property and sales tax revenues that could be generated from new development within the Urban Renewal Area. These estimates are based on the development program outlined above and reflect the entire 25-year tax increment period. It is anticipated that the entire property and sales tax increment over the 25-year period would be dedicated to the Urban Renewal Project.

Property Tax Revenue

As shown in Table 2, based on the proposed development program, the Urban Renewal Area would generate approximately $29.1 million in new property tax revenues and approximately $27.9 million in incremental property tax revenues over the 25-year analysis period. Currently, the property tax base in the Urban Renewal Area is approximately $50,700.

During the 25-year tax increment period, the County’s share of property tax revenue is limited to its share of the property tax base. This totals approximately $5,000 annually, or $126,500 over the 25-year period. After the 25-year tax increment period is completed, the County’s share of property tax revenues would be approximately $140,000 on an annual basis. These figures are presented in constant dollars and do not reflect the impacts of inflation.

Sales Tax Revenue

As proposed, the Urban Renewal Area sales taxes that are to be allocated to the Urban Renewal Project are based on 2.5%, the current sales tax rate for the City of Colorado Springs. Currently, the sales tax base in the Urban Renewal Area is estimated at approximately $90,000. Based on the proposed development program, the Urban Renewal Area would generate approximately $7.3 million in incremental sales tax revenue for the City over a 25-year period. The County will retain its 1.0% rate on taxable sales in the Urban Renewal Area. Based on the proposed development program, the Urban Renewal Area would generate approximately $3.8 million in sales tax revenue for the County over the 25-year period. After the 25-year tax increment period is completed, the County’s share of sales tax revenues would be approximately $172,000 on an annual basis. These sales tax revenue figures are also presented in constant dollars and do not reflect the impacts of inflation.
County Services/Infrastructure

Because the entire Urban Renewal Area is located within the City of Colorado Springs' municipal boundaries, there is anticipated to be a minimal impact on County services. Any infrastructure impacts associated with the proposed development program are assumed to be financed by Colorado Springs with sales and property tax increment revenues. Impacts to the County’s general government services may increase due to the level of new nonresidential development, but such impacts should also be minimal.