

Draft Report

Project Garnet Existing Conditions Survey

The Economics of Land Use



Prepared for:

City of Colorado Springs Urban Renewal Authority

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1. Introduction

In December of 2022, Economic & Planning Systems (EPS), working with the City of Colorado Springs Urban Renewal Authority (CSURA), conducted the following existing conditions survey (Survey) of the proposed Project Garnet Urban Renewal Plan Area (Study Area). This proposed plan area is located in northwest Colorado Springs at 301 South Rockrimmon Boulevard, as shown in **Figure 1** in on page 6.

The CSURA anticipates creating a new plan area to support redevelopment plans of the site. The proposed Urban Renewal Area captures the redevelopment plans and, if approved, will aide in supporting the proposed redevelopment and enabling needed public improvements to be constructed in the area.

Purpose

The primary purpose of this Survey is to determine whether the Study Area qualifies as a “blighted area” within the meaning of Colorado Urban Renewal Law. Secondly, this Survey will influence whether the Study Area should be recommended to be established as a URA Plan Area for such urban renewal activities, as the URA and City Council deem appropriate.

Colorado Urban Renewal Law

The requirements for the establishment of a URA plan are outlined in the Colorado Urban Renewal Law, Colorado Revised Statutes (C.R.S.) § 31-25-101 et seq. In order to establish an area for urban renewal, there are an array of conditions that must be documented to establish a condition of blight. The determination that constitutes a blighted area depends upon the presence of several physical, environmental, and social factors. Blight is attributable to a multiplicity of conditions which, in combination, tend to accelerate the phenomenon of deterioration of an area and prevent new development from occurring.

Urban Renewal Law

Blight Factors (C.R.S. § 31-25-103)

"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 nonmarketable;*
- (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.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; or*
- (l) If there is no objection by the property owner or owners and the tenant or tenants of such owner or owners, if any, 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 (l), 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."*

Use of Eminent Domain

In order for an Urban Renewal Authority to use the powers of eminent domain to acquire properties, 5 of the 11 blight factors must be present (C.R.S. § 31-25-105.5(a)).

"Blighted area' shall have the same meaning as set forth in section 31-25-103 (2); except that, for the purposes of this section only, "blighted area" means an area that, in its present condition and use and, by reason of the presence of at least five of the factors specified in section 31-25-103 (2)(a) to (2)(l), 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."

Urban Renewal Case Law

In addition to the State statute, several principles have been developed by Colorado courts to guide the determination of whether an area constitutes a blighted area under the Urban Renewal Law. The following parameters have been established through case law for determining blight and the role of judiciary review.

Tracy v. City of Boulder (Colo. Ct. App. 1981)

- Upheld the definition of blight presented in the Urban Renewal Law as a broad condition encompassing not only those areas containing properties so dilapidated as to justify condemnation as nuisances, but also envisioning the prevention of deterioration. Therefore, the existence of widespread nuisance violations and building condemnation is not required to designate an area blighted.
- Additionally, the determination of blight is the responsibility of the legislative body and a court's role in review is to verify if the conclusion is based upon factual evidence determined by the City Council at the time of a public hearing to be consistent with the statutory definition.

Interstate Trust Building Co. v. Denver Urban Renewal Authority (Colo. 1970)

- Determined that blight assessment is not on a building-to-building basis but is based on conditions observed throughout the plan area as a whole. The presence of one well maintained building does not defeat a determination that an area constitutes a blighted area.

Methodology

This Conditions Survey was completed by EPS to inventory and establish the existing conditions within the Study Area through data gathering and field observations of physical conditions. The Study Area was defined by the URA to encompass the proposed redevelopment of the property located in northwest Colorado Springs at 301 South Rockrimmon Boulevard. An inventory of parcels within the Study Area was compiled using parcel data from the El Paso County Assessor, documenting parcel ownership, size, use, vacancy, and assessed value.

The field survey was conducted by EPS in December of 2022. The 11 factors of blight in the state statute were broken down into "conditions" - existing situations or circumstances identified in the Study Area that may qualify as blight under each of the 11 factors. The conditions documented in this report are submitted as evidence to support a "finding of blight" according to Urban Renewal Law. Under the Urban Renewal Law, the final determination of blight within the Study Area is within the sole discretion of the Colorado Springs City Council.

2. Study Area Analysis

Study Area

The proposed Project Garnett Urban Renewal Plan Area is comprised of a single parcel with approximately 88 acres of land and adjacent right of way (ROW), as shown in **Table 1** and **Figure 1**. The Study Area is located at 301 South Rockrimmon Boulevard and generally bound by Ute Valley Trail Road to the east, Ute Valley open space to the south, commercial offices to the west, and residential development to the north. The parcel in the Study Area is owned by Classic Investments LLC and DDJ NO 5 LLC. The parcel in the Study Area is currently vacant with no buildings.

Table 1. Parcels Contained in the URA Study Area

#	Parcel	Owner	Land Use	Land		Assessed Value
				Acres	Sq. Ft.	
1	7313001006	Classic Investments LLC and DDJ NO 5 LLC	Vacant	88.37	3,849,397	\$558,160
Total				88.37	3,849,397	\$558,160

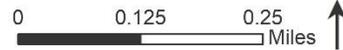
Source: El Paso County Assessor; Economic & Planning Systems

The Study Area is a vacant industrial brownfield site. The property previously housed approximately 800,000 square feet of office and flex space from 1978 to 2012, when the building demolition occurred and most site improvements were removed. The previous owner of the property, Hewlett Packard Enterprise Company (HPE) and affiliates, used the property over this timeframe for office space, engineering, hard disk drive assembly, ribbon cable manufacturing, call center, software development, and product design. In 2019, APTIM Environmental & Infrastructure, LLC conducted the *Environmental Site Assessment Report* and soil-gas sampling. The findings conclude that the soil-gas sampling did not indicate the presence of benzene in soil vapors above state standards and vapor intrusion into future basements is not likely. Therefore, there is currently no evidence of environmental or hazardous contamination in the Study Area.

Figure 1. Project Garnett Urban Renewal Plan Area



-  Project Garnett URA Boundary
-  Project Garnett URA Parcels
-  Parcel



Field Survey Approach

The following assessment is based on a field survey conducted by EPS in December 2022. The survey team toured the entire Study Area, taking notes and photographs to document existing conditions corresponding to the blight factor evaluation criteria detailed in the following section.

Blight Factor Evaluation Criteria

This section details the conditions used to evaluate blight during the field survey. The following conditions correspond with 6 of the 11 blight factors in the Urban Renewal Law. Additional information on a number of these factors for which data was available was also collected. The remaining blight factors cannot be visually inspected and are dependent on other data sources. Given the prevalence of physically observable conditions of blight, these remaining blight factors were not investigated.

Street Layout

The following conditions evaluate the Urban Renewal Law blight factor “(b) *predominance of defective or inadequate street layout,*” through assessment of the safety, quality, and efficiency of street layouts, site access, and internal circulation.

Typical examples of conditions that portray this criterion include:

- Inadequate Street or Alley Width / Cross-section / Geometry
- Poor Provision of Streets or Unsafe Conditions for Vehicular Traffic
- Poor Provision of Sidewalks/Walkways or Unsafe Conditions for Pedestrians
- Insufficient Roadway Capacity
- Inadequate Emergency Vehicle Access
- Poor Vehicular or Pedestrian Access to Buildings or Sites
- Excessive Curb Cuts / Driveways along Commercial Blocks
- Poor Internal Vehicular or Pedestrian Circulation

Lot Layout

The following conditions evaluate the Urban Renewal Law blight factor “(c) *Faulty lot layout in relation to size, adequacy, accessibility, or usefulness.*”

Typical examples of conditions that portray this criterion include:

- Faulty or inadequate lot shape or layout
- Poor vehicular access
- Lot size is deemed unusable

Unsafe/Unsanitary

The following conditions establish evidence of Urban Renewal Law blight factor “(d) *unsanitary or unsafe conditions*,” by evaluating visual conditions that indicate the occurrence of activities that inhibit the safety and health of the area including, but not limited to, excessive litter, unenclosed dumpsters, and vandalism.

Typical examples include:

- Floodplains or Flood Prone Areas
- Inadequate Storm Drainage Systems/Evidence of Standing Water
- Poor Fire Protection Facilities
- Above Average Incidences of Public Safety Responses
- Inadequate Sanitation or Water Systems
- Existence of Contaminants or Hazardous Conditions or Materials
- High or Unusual Crime Statistics
- Open/Unenclosed Trash Dumpsters
- Cracked or Uneven Surfaces for Pedestrians
- Illegal Dumping/Excessive Litter
- Vagrants/Vandalism/Graffiti/Gang Activity
- Open Ditches, Holes, or Trenches in Pedestrian Areas
- Poorly Lit or Unlit Areas
- Insufficient Grading/Steep Slopes
- Unsafe or Exposed Electrical Wire

Site Improvements

The following conditions evaluate the Urban Renewal Law blight factor “(e) *deterioration of site or other improvements*,” by evidence of overall maintenance deficiencies within the plan area including, deterioration, poorly maintained landscaping, and overall neglect.

Examples of blighted site improvements include:

- Neglected Properties or Evidence of Maintenance Deficiencies
- Deteriorated Signage or Lighting
- Deteriorated Fences, Walls, or Gates
- Deteriorated On-Site Parking Surfaces, Curb and Gutter, or Sidewalks
- Unpaved Parking Lot (Commercial Properties)
- Poor Parking Lot/Driveway Layout
- Poorly Maintained Landscaping/Overgrown Vegetation

Infrastructure

The observation of the following infrastructure insufficiencies is evidence of Urban Renewal Law blight factor "(f) *unusual topography or inadequate public improvements or utilities.*"

Prototypical features of blight under this topic include:

- Deteriorated Pavement, Curb, Sidewalks, Lighting, or Drainage
- Lack of Pavement, Curb, Sidewalks, Lighting, or Drainage
- Presence of Overhead Utilities or Billboards
- Inadequate Fire Protection Facilities/Hydrants
- Inadequate Sanitation or Water Systems
- Unusual Topography

Vacancy

The following conditions are evidence of Urban Renewal Law blight factor "(k) *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.*" Various examples of features that fulfill this criterion include:

- An Undeveloped Parcel in a Generally Urbanized Area
- Disproportionately Underdeveloped Parcel
- Vacant Structures
- Vacant Units in Multi-Unit Structures

Other Considerations

The remaining three blight factors specified in the Urban Renewal Law were not investigated further due to sufficient evidence from the visual field survey supporting a condition of blight in 6 of the 11 blight factors.

(a) Slum, deteriorated, or deteriorating structures;

(g) Defective or unusual conditions of title rendering the title nonmarketable.

(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.

Results of Field Survey

This section summarizes the findings of the visual field survey of the Study Area conducted in December 2022.

Table 2 documents the specific blight conditions observed. These conditions are further detailed following the table, for each specific category, and include image documentation or supportive data.

Table 2. Blight Conditions Observed in Study Area

Conditions Observed			
Street Layout	2.01	Inadequate Street or Alley Width / Cross-section / Geometry	
	2.02	Poor Provisions or Unsafe Conditions for Vehicular Traffic	X
	2.03	Poor Provisions or Unsafe Conditions for Pedestrians	X
	2.04	Insufficient Roadway Capacity Leading to Unusual Congestion	
	2.05	Inadequate Emergency Vehicle Access	
	2.06	Poor Vehicular or Pedestrian Access to Buildings or Sites	
	2.07	Excessive Curb Cuts / Driveways along Commercial Blocks	
	2.08	Poor Internal Vehicular or Pedestrian Circulation	X
Lot Layout	3.01	Faulty or inadequate lot shape or layout	
	3.02	Poor vehicular access	X
	3.03	Lot size is deemed not useful	
Unsafe / Unsanitary	4.01	Floodplains or Flood Prone Areas	
	4.02	Inadequate Storm Drainage Systems/Evidence of Standing Water	
	4.03	Poor Fire Protection Facilities	
	4.04	Above Average Incidences of Public Safety Responses	
	4.05	Inadequate Sanitation or Water Systems	
	4.06	Existence of Contaminants or Hazardous Conditions or Materials	
	4.07	High or Unusual Crime Statistics	
	4.08	Open / Unenclosed Trash Dumpsters	
	4.09	Cracked or Uneven Surfaces for Pedestrians	
	4.10	Illegal Dumping / Excessive Litter	
	4.11	Vagrants/Vandalism/Graffiti/Gang Activity	X
	4.12	Open Ditches, Holes, or Trenches in Pedestrian Areas	
Site Improvements	5.01	Neglected Properties or Evidence of Maintenance Deficiencies	
	5.02	Deteriorated Signage or Lighting	
	5.03	Deteriorated Fences, Walls, or Gates	
	5.04	Deteriorated On-Site Parking Surfaces, Curb & Gutter, or Sidewalks	X
	5.05	Unpaved Parking Lot (Commercial Properties)	
	5.06	Poor Parking Lot / Driveway Layout	
	5.07	Poorly Maintained Landscaping / Overgrown Vegetation	
Infrastructure	6.01	Deteriorated pavement, curb, sidewalks, lighting, or drainage	X
	6.02	Lack of pavement, curb, sidewalks, lighting, or drainage	X
	6.03	Presence of Overhead Utilities or Billboards	
	6.04	Inadequate Fire Protection Facilities / Hydrants	
	6.05	Inadequate Sanitation or Water Systems	
	6.06	Unusual Topography	X
Vacancy	11.04	An Undeveloped Parcel in a Generally Urbanized Area	X
	11.05	Disproportionately Underdeveloped Parcel	
	11.06	Vacant Structures	
	11.07	Vacant Units in Multi-Unit Structures	

1. Street Layout; predominance of defective or inadequate street layout

The Study Area includes a large area, nearly 90 acres, and there is a lack of internal connectivity through the site. There is only a dirt road that connects the east and west sides of the site, shown in **Figure 2**. There are multiple driveways along the south side of the property, but these are all gated off and either end abruptly or lead to a dirt path. This lack of street layout in the Study Area creates poor provision for vehicular traffic, shown in **Figure 3**. Poor provisions of street improvements for pedestrians were observed in lack of sidewalks, shown in **Figure 4**.

Figure 2. Poor Internal Vehicular or Pedestrian Circulation



Figure 3. Poor Provision of Street Improvements for Vehicular Traffic



Figure 4. Poor Provision of Street Improvements for Pedestrians



2. Lot Layout: poor vehicular access

The Study Area is a large site with minimal internal vehicular access, shown in **Figure 5**. The road along the southside of the property has multiple driveways for vehicles that either abruptly end or turn into a dirt road. There is only one dirt road that extends through the center of the property connecting the east side to the west side of the site.

Figure 5. Poor Vehicular Access



3. Unsafe/Unsanitary: unsanitary or unsafe conditions

Throughout the Study Area unsafe and unsanitary conditions were documented, including vandalism/graffiti, evidence of vagrants, and litter. Vandalism/graffiti was observed on a no trespassing sign on the west side of the property, shown in **Figure 6**. There was evidence of vagrants on the property with a fire pit and some litter, shown in **Figure 7**.

Figure 6. Vandalism/Graffiti



Figure 7. Evidence of Vagrants



4. Site Improvements: deterioration of site or other improvements

Deterioration of the site was observed under the conditions of deteriorated on-site parking surfaces and curbs, as shown in **Figure 8**. The parking lot located on the north side of the property is deteriorated with cracked pavement, overgrown vegetation, faded or missing line painting, and deteriorated curb.

Figure 8. Deteriorated On-site Parking Surfaces and Curbs



5. Infrastructure: unusual topography or inadequate public improvements or utilities

Unusual topography was observed on the east side of the property and continues along the north side to the west with very steep slopes, shown in **Figure 9**. These sections of the property would require significant grading to enable development. As previously mentioned, there are deteriorated pavement and curbs at both the east and west vehicle entrances to the site, shown in **Figure 10**. Throughout the site there is a lack of site infrastructure including pavement, curb, sidewalks, and lighting. Connections internally are all dirt paths or roads without curb and sidewalks shown in **Figure 11**. There is infrastructure for lighting with multiple bases along a dirt road without light posts.

Figure 9. Unusual Topography



Figure 10. Deteriorated Pavement and Curb



Figure 11. Lack of pavement, curb, sidewalks, and lighting



6. Vacancy: 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.

The Study Area is comprised of parcels that are undeveloped/vacant and it is a brownfield site with former industrial activity from Hewlett Packard Enterprise Company (HPE). The surrounding area is largely developed and urbanized with commercial office buildings to the west, residential development to the north, a tech center to the east, and Ute Valley Open Space to the south, shown in **Figure 12**.

Figure 12. Undeveloped/Underdeveloped Parcels in a Generally Urbanized Area



3. Conclusions

Based on the definition of a blighted area in the Colorado Urban Renewal Law, Colorado Revised Statutes (C.R.S.) § 31-25-101 et seq., and based on the field survey results of the Study Area, EPS concludes that the Study Area is a blighted area as defined in the Colorado Urban Renewal Law, Colorado Revised Statutes (C.R.S.) § 31-25-101 et seq.

The visual field survey conducted in December 2022 documented 6 of the 11 factors of blight within the Study Area. Therefore, this blighted area, as written in the Urban Renewal Law, “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.”

Evidence of the following Urban Renewal Law blight factors are documented in this report:

- (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.*
- (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.*

Evidence of the following Urban Renewal Law blight factors were not visually observable, and based on the presence of other, more significant physical conditions, these factors of blight did not warrant further investigation.

- (a) Slum, deteriorated, or deteriorating structures.*
- (g) Defective or unusual conditions of title rendering the title nonmarketable.*
- (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.*

As established by Urban Renewal case law in Colorado, this assessment is based on the condition of the Study Area as a whole. There is substantial evidence and documentation of 6 of the 11 blight factors in the Study Area as a whole.