



**Economic & Planning
Systems, Inc.**
The Economics of Land Use

MORENO AND CASCADE EXISTING CONDITIONS SURVEY

DRAFT REPORT

Prepared for:

Colorado Springs Urban Renewal Authority

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1. Introduction

In June of 2025, 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 Moreno and Cascade Urban Renewal Plan Area (Study Area). This proposed plan area generally includes the northwest corner of Moreno Avenue and Cascade Avenue, residential properties at the southeast corner of Moreno Avenue and Sahwatch Street, and adjacent right-of-way (ROW), as shown in **Figure 1** 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 aid 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 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 six properties and adjacent right-of-way at the northwest corner of Moreno Avenue and Cascade Avenue, and southeast corner of Moreno Avenue and Sahwatch Street. An inventory of parcels within the Study Area was compiled using parcel data from the El Paso County Assessor, documenting parcel ownership, use, vacancy, and assessed value. A series of Study Area maps were then developed to facilitate the field survey, and parcels were photographed to illustrate site conditions.

The field survey was conducted by EPS in June of 2025. 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.

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2. Study Area Analysis

Study Area

The proposed Moreno and Cascade Urban Renewal Plan Area is comprised of six parcels on approximately 1.69 acres of land and adjacent right of way (ROW), as shown in **Table 1** and **Figure 1**. The ROW encompasses Moreno Avenue, Cascade Avenue, and alleys. The parcels are owned by DDJ No. 3 LLC and DDJ No. 1 LLC, which are the same ownership group. Parcel 1 includes a 13,300 square foot office building and 1,600 square foot storage garage, which are currently vacant. Parcels 2 to 5 are residential properties located south of Moreno Avenue, which include older, small single family homes, and Parcel 6 is a vacant residential lot.

Table 1. Parcels Contained in the Study Area

#	Address	Land Use	Owner	Acres	Bldg. SF	Assessed Valuation ¹		
						Land	Improv.	Total
1	524 S Cascade Ave	Office	DDJ NO 3 LLC	0.87	14,880	\$123,630	\$383,970	\$507,600
2	601 Sahwatch St	Residential	DDJ NO 1 LLC	0.18	1,100	\$3,860	\$15,800	\$19,660
3	25 W Moreno Ave	Residential	DDJ NO 1 LLC	0.15	925	\$3,860	\$15,800	\$19,660
4	21 W Moreno Ave	Residential	DDJ NO 1 LLC	0.17	826	\$3,860	\$15,010	\$18,870
5	19 W Moreno Ave	Residential	DDJ NO 1 LLC	0.16	714	\$3,860	\$13,690	\$17,550
6	11 W Moreno Ave	Vacant	DDJ NO 1 LLC	<u>0.16</u>	<u>0</u>	<u>\$16,660</u>	<u>\$0</u>	<u>\$16,660</u>
Total				1.69	18,445	\$155,730	\$444,270	\$600,000

¹Non-school assessed valuation

Source: El Paso County Assessor; Economic & Planning Systems

Figure 1. Moreno and Cascade Proposed URA Boundary and Parcels



Field Survey Approach

The following assessment is based on a field survey conducted by EPS in June 2025. The survey team walked 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.

Buildings

The following conditions establish evidence of Urban Renewal Law blight factor “(a) *slum, deteriorated, or deteriorating structures,*” by an evaluation of the overall condition and level of deterioration of structures within the plan area.

Typical examples of conditions that illustrate blighted buildings include:

- Deteriorated External Walls / Visible Foundation
- Deteriorated Roof
- Deteriorated Fascia/Soffits
- Deteriorated Gutters/Downspouts
- Deteriorated Exterior Finishes
- Deteriorated Windows and Doors
- Deteriorated Ancillary Structures

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 are shown below:

- 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

Endangerment

The following conditions evaluate the Urban Renewal Law blight factor “(h) *The existence of conditions that endanger life or property by fire or other causes.*”

Typical examples of conditions that portray this criterion include:

- Fire safety problems
- Hazardous contaminants
- High frequency of crime
- Floodplain or flood hazards

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 five 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.

- (b) *Predominance of defective or inadequate street layout;*
- (c) *Faulty lot layout in relation to size, adequacy, accessibility, or usefulness.*
- (g) *Defective or unusual conditions of title rendering the title nonmarketable.*
- (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 June 2025. **Table 2** documents the specific blight conditions observed. These conditions are further detailed following the table, for each specific category, and include image documentation.

Table 2. Blight Conditions Observed in Study Area

Conditions Observed			
Buildings	1.01	Deteriorated External Walls / Visible Foundation	
	1.02	Deteriorated Roof	
	1.03	Deteriorated Fascia/Soffits	
	1.04	Deteriorated Gutters/Downspouts	X
	1.05	Deteriorated Exterior Finishes	X
	1.06	Deteriorated Windows and Doors	
	1.07	Deteriorated Stairways/Fire Escapes/Loading Docks	
	1.08	Deteriorated Ancillary Structures	
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	X
	4.08	Open / Unenclosed Trash Dumpsters	
	4.09	Cracked or Uneven Surfaces for Pedestrians	X
	4.10	Illegal Dumping / Excessive Litter	X
	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	X
	5.03	Deteriorated Fences, Walls, or Gates	X
	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	X
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	X
	6.04	Inadequate Fire Protection Facilities / Hydrants	
	6.05	Inadequate Sanitation or Water Systems	
	6.06	Unusual Topography	
Endangerment	8.01	Fire safety problems	
	8.02	Hazardous contaminants	
	8.03	High frequency of crime	X
	8.04	Floodplain or flood hazards	
Vacancy	11.04	An Undeveloped Parcel in a Generally Urbanized Area	X
	11.05	Disproportionately Underdeveloped Parcel	X
	11.06	Vacant Structures	X
	11.07	Vacant Units in Multi-Unit Structures	

1. *Buildings: slum, deteriorated, or deteriorating structures*

Buildings in the Study area have deteriorated exterior finishes with peeling paint, exposed cinder block, and chipped and cracked exteriors around doors and windows, shown in **Figure 2**. One structure had the downspout removed and laying next to the building, shown in **Figure 3**.

Figure 2. Deteriorated Exterior Finishes



Figure 3. Deteriorated Gutters/Downspouts



2. Unsafe/Unsanitary: unsaitary or unsafe conditions

Throughout the Study Area unsafe and unsanitary conditions were documented, including excessive litter, vandalism, and vagrants. Additionally, cracked and uneven surfaces were observed along the sidewalk on the south side of Moreno Avenue. Excessive litter was observed and documented throughout the property and along Moreno Avenue, shown in **Figure 4**. This included general trash, drink containers, cardboard, plastic bags, takeout containers, and old food. There was evidence of vandalism and a vagrant in the Study Area, shown in **Figure 5**. Cracked and uneven sidewalks along Moreno Avenue are shown below in **Figure 6**.

Figure 4. Excessive Litter



Figure 5. Evidence of Vandalism and Vagrants



Figure 6. Cracked and Uneven Surfaces for Pedestrians



3. Site Improvements: deterioration of site or other improvements

Deteriorated site improvements observed on Parcel 1, the old office building, include deteriorated signs (**Figure 7**), walls/ pergola (**Figure 8**), and on-site parking surfaces (**Figure 9**). The sidewalk along Moreno Avenue adjacent to Parcels 2 to 6 was deteriorated as shown previously in **Figure 6**. In addition, overgrown vegetation was observed throughout the Study Area, shown in **Figure 10**.

Figure 7. Deteriorated Signage



Figure 8. Deteriorated Walls and Pergola



Figure 9. Deteriorated On-site Parking Surfaces



Figure 10. Overgrown Vegetation



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

Inadequate infrastructure was observed throughout the Study Area, predominately in the form of deteriorated pavement and sidewalks, lack of pavement, and overhead utilities. Deteriorated pavement was observed in the alley behind Parcel 1 and in the office building parking lot, shown in **Figure 11**. As previously mentioned, there is deteriorated sidewalk along Moreno Street (**Figure 11**). The alley behind the residential properties (Parcels 2 to 6) south of Moreno Street is unpaved, shown in **Figure 12**. Additionally, overhead utilities were present in the alley behind Parcel 1 and along Sahwatch Street, shown in **Figure 13**.

Figure 11. Deteriorated Pavement and Sidewalks



Figure 12. Lack of Pavement



Figure 13. Presence of Overhead Utilities



5. 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 located in Downtown Colorado Springs and is surrounded by urban development, as shown in **Figure 14** a bank directly north, high-rise apartments to the west and east, additional office and retail in the Trolley Block to the east, and Weidner Field to the west. Parcel 6 is undeveloped and the remaining parcels in the Study Area are underdeveloped compared to the development opportunities available in the urban core of the community. Additionally, the office building on Parcel 1 is currently vacant, shown in **Figure 15**.

Figure 14. Undeveloped and Underdeveloped Property in Generally Urbanized Area



Figure 15. Vacant Structures



Other Considerations

Additional nonvisual information on the Study Area was collected that contributed to the documentation of blight factors.

Crime

High or unusual crime is determining criterion for the Urban Renewal Law blight factors “(d) Unsanitary or unsafe conditions” and “(h) The existence of conditions that endanger life or property by fire or other causes.” The Colorado Springs Police Department tracks the number of crime offenses reported, including crimes against persons, property, and society, by zip code and citywide. The Study Area is located within zip code 80903. From 2016 to 2024, 80903 had a total of 38,098 offenses reported, which is an average of 4,233 offenses per year, shown in **Table 3**. This represents an average of 9.5 percent of the total crime offenses in the city over this time period. On a per capita basis, zip code 80903 had more crime offenses compared to the city as whole. From 2016 to 2024, 80903 averaged 0.27 offenses per resident, while the city averaged 0.09 offenses per resident. Based on this data, there is evidence of high or unusual crime in the Study Area.

Table 3. Annual Crime Offenses, 2016-2024

Description	2016	2017	2018	2019	2020	2021	2022	2023	2024	2016-2024	
										Total	Avg.
Crime Offenses											
Colorado Springs	40,153	38,275	43,071	46,439	44,909	47,138	47,986	46,937	45,452	400,360	44,484
80903	4,074	4,023	4,342	4,315	3,858	4,474	4,724	4,195	4,093	38,098	4,233
% of City	10.1%	10.5%	10.1%	9.3%	8.6%	9.5%	9.8%	8.9%	9.0%	9.5%	
Offenses Per Capita											
Colorado Springs	0.09	0.08	0.09	0.10	0.09	0.10	0.10	0.09	0.09		0.09
80903	0.27	0.27	0.29	0.28	0.25	0.29	0.30	0.27	0.25		0.27

Source: Colorado Springs Police Department; Economic & Planning Systems

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 June 2025 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:

- (a) Slum, deteriorated, or deteriorating structures.*
- (d) Unsanitary or unsafe conditions.*
- (e) Deterioration of site or other improvements.*
- (f) Unusual topography or inadequate public improvements or utilities.*
- (h) The existence of conditions that endanger life or property by fire or other causes.*
- (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.

- (b) Predominance of defective or inadequate street layout.*
- (c) Faulty lot layout in relation to size, adequacy, accessibility, or usefulness.*
- (g) Defective or unusual conditions of title rendering the title nonmarketable.*
- (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.