



Legislation Text

File #: 20-015, **Version:** 2

Ordinance No. 20-11 Amending Ordinance No. 19-87 (2020 Appropriation Ordinance) for a Supplemental Appropriation to the Trails, Open Space and Parks Fund in the Amount of \$3,362,600 for Acquisition of Approximately 335 Acres of Property for the Purpose of Public Open Space and Trails

Presenter:

Britt I. Haley, Parks, Recreation & Cultural Services Department

Summary:

A supplemental appropriation to the Trails, Open Space and Parks Fund in the amount of \$3,362,600 for acquisition of approximately 335 acres of property.

Background:

One of the identified priorities of the TOPS Working Committee has been to focus on candidate open space parcels that would link the Corral Bluffs Open Space to the Jimmy Camp Creek Regional Park located on the east side of the City of Colorado Springs. Colorado Springs Utilities (Utilities) has begun the process to dispose of properties it acquired in the early 2000s for a reservoir project but which were no longer needed by Utilities for that purpose. This proposal involves an intra city transfer for appraised value of twelve (12) of those properties to make this vital connection and secure habitat and open space conservation across this remarkable landscape.

As a result of extreme drought conditions and watering restrictions from 2002-2004 indicating that additional water storage was needed to ensure sufficient supply for customers, City Council directed Utilities to acquire property for a future terminal storage reservoir for the Southern Delivery System (SDS) project. City Council authorized the purchase of fifteen (15) properties east of Colorado Springs to build the SDS terminal storage near Jimmy Camp Creek in conjunction with SDS. Ten (10) of the fifteen (15) properties were purchased subject to rights of first refusal (ROFR) granting the prior property owners the ability to re-purchase the properties if Utilities did not construct the reservoir project or had no use for the properties. In its 2017 Integrated Water Resource Plan, Utilities formally announced it would not build the Jimmy Camp Creek Reservoir and indicated that it had no use for the properties. At that point Utilities began to evaluate the possible disposal of the Jimmy Camp Creek properties. In accordance with the requirements of the Procedure Manual for the Acquisition and Disposition of Real Property Interests, Utilities through the City's real estate services division invited city departments to purchase the properties and the Parks Department (Parks) expressed interest. At this time, a total of twelve properties are available for Parks to purchase from Utilities.

After a decade of acquiring candidate open space property on the City's eastern boundary, the TOPS program is now presented with the opportunity to create the long sought after link between the Corral Bluffs Open Space and the Jimmy Camp Creek Regional Park which are two keystone park

properties. The twelve (12) properties (referred to as “Jimmy Camp Creek Prairie Preserve”) offers an outstanding natural area that connects two large existing properties, which would achieve landscape-scale conservation in eastern Colorado Springs. The 335 acre prairie preserve will help link the 876 acres of Corral Bluffs to the 693 acres of Jimmy Camp Creek Regional Park, resulting in the conservation of 1,904 acres of critical prairie habitat, distinctive bluff landforms, a transitional ponderosa pine ecosystem and the associated diverse wildlife habitat. Additionally, the discovery of unique paleontological resources in this area has made acquisition of these sites especially impactful for the Parks Department and the community. The total appraised value of the twelve parcels is \$3,360,100 as shown below.

Property

Appraised Value

APN 53-000-00-315\$	175,600
APN 53-000-00-037	172,000
APN 53-000-00-127\$	299,000
APN 53-000-00-200\$	167,000
APN 53-000-00-141\$	581,000
APN 53-000-00-514\$	124,500
APN 53-000-00-124\$	388,000
APN 53-000-00-349\$	394,000
APN 53-000-00-170\$	403,000
APN 53-000-00-515\$	396,500
APN 53-000-00-133\$	115,000
APN 54-000-00-045\$	144,500

Total TOPS Acquisition \$ 3,360,100

Previous Council Action:

City Council authorized the transfer of control of real property acquired for the Jimmy camp Creek Reservoir from Colorado Springs Utilities to the City of Colorado Springs Parks, Recreation and Cultural Services Department via Resolution 124-19 on November 12, 2019.

Financial Implications:

Acquisition: Acquisition of the 335 acres will require funding of \$3,360,100 plus real estate transaction costs of up to \$2,500 from the TOPS Open Space Category. The source of funds for the land acquisition is the TOPS fund balance.

Revenue: Utilities has extended the leases of some of the tenants until June 30, 2020 to enable them to transition to their new locations. The current lease payments are \$300 per month. This means that Parks will begin to receive revenue through assignment of the lease agreements upon closing. The lease assignments will provide approximately six months of lease payments under the current lease terms with Utilities. If Parks elects to continue the leases, the leases would be evaluated and offered at current market value.

City Council Appointed Board/Commission/Committee Recommendation:

At its October 2, 2019 meeting, the TOPS Working Committee voted unanimously to recommend acquisition of the Jimmy Camp Creek Prairie Preserve properties. The Parks, Recreation and

Cultural Services Advisory Board unanimously recommended acquisition of these properties at its October 10, 2019 meeting.

Stakeholder Process:

The TOPS Working Committee meetings and Parks, Recreation and Cultural Services Advisory Board meetings provide opportunities for public comment. In addition, TOPS staff worked with the Corral Bluffs Alliance, the friends group associated with the Corral Bluffs Open Space to evaluate this potential acquisition. The Corral Bluffs Alliance provided a letter of support for this project.

Alternatives:

Staff recommends acquisition of the 335 acres currently owned by Utilities for the appraised value of \$3,360,100 and up to \$2,500 for real estate transaction costs for a total of \$3,362,600 to help link the Corral Bluffs Open Space to the Jimmy Camp Creek Regional Park. In the event staff is able to pursue testing, demolition and disposal of unneeded structures in the 2020 fiscal year, and 2020 revenues support that expenditure, staff will seek approval for a separate supplemental appropriation for that purpose.

Proposed Motion:

A motion to approve a supplemental appropriation to the trails, open space and parks fund in the amount of \$3,362,600 for acquisition of approximately 335 acres of property for the purpose of public open space and trails .

An ordinance amending ordinance no. 19-87 (2020 Appropriation Ordinance) for a supplemental appropriation to the trails, open space and parks fund in the amount of \$3,362,600 for acquisition of approximately 335 acres of property for the purpose of public open space and trails.