

Final Report

Gold Hill Mesa Commercial Existing Conditions Survey

The Economics of Land Use



Prepared for:

City of Colorado Springs Urban Renewal Authority

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1. Introduction

In February 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 Gold Hill Mesa Urban Renewal Plan Area (Study Area). This proposed plan area is located in west Colorado Springs with Highway 24 to the northeast, South 21st Street to the west, and existing Villa De Mesa and Gold Hill Mesa residential developments to the south, 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 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 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 19 properties located in west Colorado Springs with Highway 24 to the northeast, South 21st Street to the west, and existing Villa De Mesa and Gold Hill Mesa residential developments to the south. 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 February 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

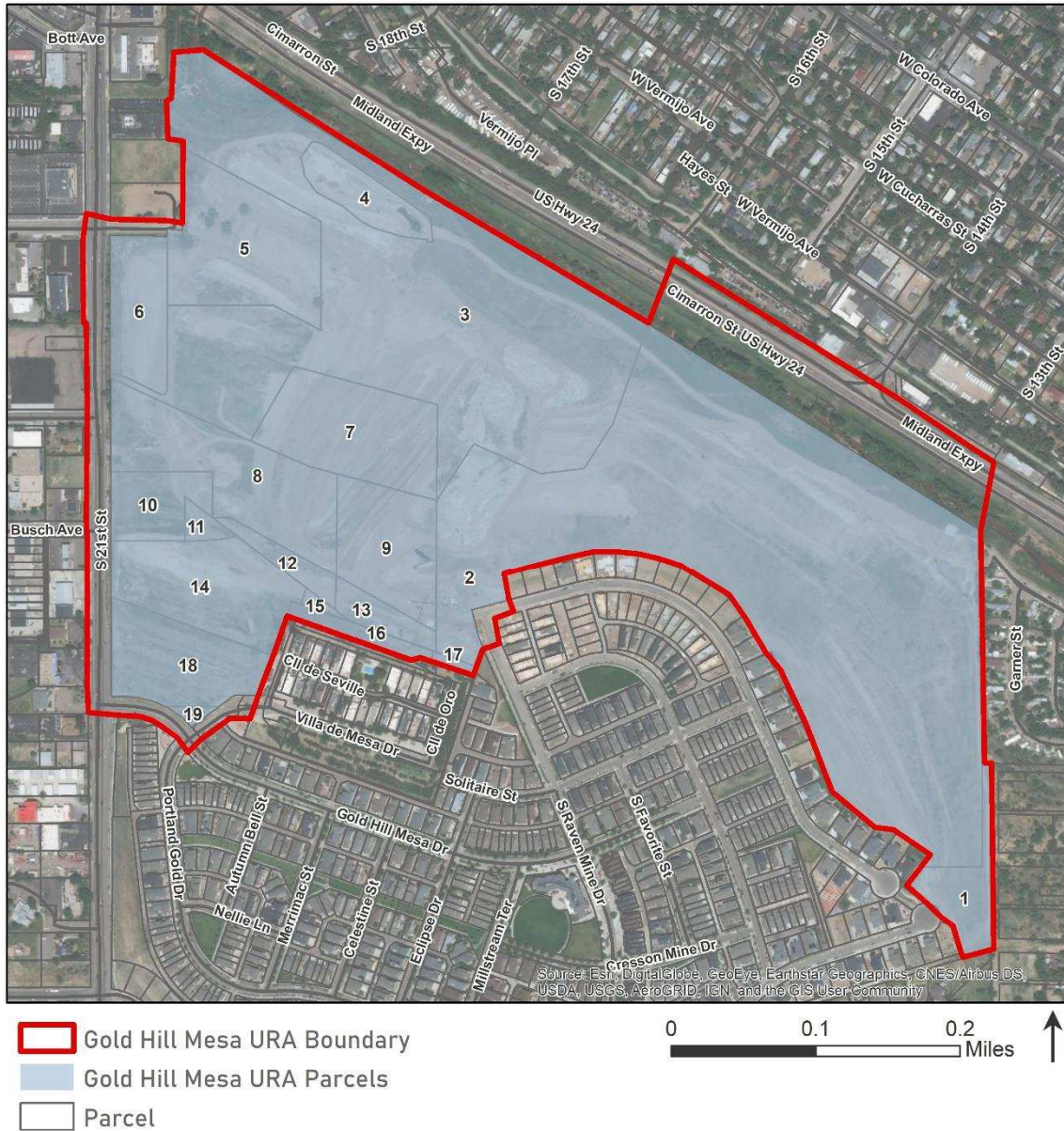
The proposed Gold Hill Mesa Urban Renewal Plan Area is comprised of 19 parcels on approximately 107 acres of land and adjacent right of way (ROW), as shown in **Table 1** and **Figure 1**. The Study Area is bound by Highway 24 to the northeast, South 21st Street to the west, and existing Villa De Mesa and Gold Hill Mesa residential developments to the south. Parcels in the Study Area are owned by the Gold Hill Neighborhood LLC, Gold Hill Mesa Metro District No. 1, and AIPA Colorado Investments LLC. All of these entities represent the same general ownership group and are part of the Gold Hill Mesa development group. All parcels in the Study Area are vacant with no buildings.

Table 1. Parcels Contained in the URA Study Area

#	Parcel	Location	Owner	Land Use	Land		Assessed Value
					Acres	Sq. Ft.	
1	7413300085	LADY CAMPBELL DR	GOLD HILL NEIGHBORHOOD LLC	Vacant	1.74	75,794	\$21,750
2	7414100066	14-14-67	GOLD HILL NEIGHBORHOOD LLC	Vacant	39.61	1,725,412	\$12,640
3	7414100056	14-14-67	AIPA COLORADO INVESTMENTS LLC	Vacant	26.24	1,143,014	\$7,460
4	7414100057	14-14-67	GOLD HILL MESA METRO DIST NO 1	Exempt	1.71	74,488	\$0
5	7414100036	S TWENTY FIRST ST	AIPA COLORADO INVESTMENTS LLC	Vacant	5.52	240,451	\$3,490
6	7414100035	BROADWAY AVE	AIPA COLORADO INVESTMENTS LLC	Vacant	3.54	154,202	\$15,650
7	7414100007	14-14-67	AIPA COLORADO INVESTMENTS LLC	Vacant	4.85	211,266	\$21,440
8	7414100033	1305 S TWENTY FIRST ST	AIPA COLORADO INVESTMENTS LLC	Vacant	6.38	277,913	\$28,210
9	7414100024	1300 S TWENTY FIRST ST	AIPA COLORADO INVESTMENTS LLC	Vacant	3.74	162,914	\$16,540
10	7414100034	S TWENTY FIRST ST	AIPA COLORADO INVESTMENTS LLC	Vacant	1.81	78,844	\$8,000
11	7414100018	14-14-67	AIPA COLORADO INVESTMENTS LLC	Vacant	0.36	15,500	\$1,570
12	7414100027	14-14-67	AIPA COLORADO INVESTMENTS LLC	Vacant	0.88	38,333	\$3,890
13	7414100044	1345 S TWENTY FIRST ST	AIPA COLORADO INVESTMENTS LLC	Vacant	0.93	40,697	\$290
14	7414108088	S TWENTY FIRST ST	AIPA COLORADO INVESTMENTS LLC	Vacant	4.48	195,149	\$7,150
15	7414108064	14-14-67	AIPA COLORADO INVESTMENTS LLC	Vacant	0.15	6,320	\$60
16	7414108085	14-14-67	AIPA COLORADO INVESTMENTS LLC	Vacant	0.72	31,159	\$0
17	7414100054	14-14-67	GOLD HILL NEIGHBORHOOD LLC	Vacant	0.14	5,882	\$150
18	7414108089	S TWENTY FIRST ST	AIPA COLORADO INVESTMENTS LLC	Vacant	3.76	163,786	\$6,000
19	7414108084	1429 S TWENTY FIRST ST	AIPA COLORADO INVESTMENTS LLC	Vacant	0.15	6,532	\$2,410
Total					106.70	4,647,656	\$156,700

Source: El Paso County Assessor; Economic & Planning Systems

Figure 1. Gold Hill Mesa Proposed URA Boundary and Parcels



The Study Area has a rich history and was previously the Golden Cycle Mill, a major economic hub in Colorado Springs. The Golden Cycle Mill, shown below in **Figure 2**, was established in 1905 and processed gold for over 40 years until it shut down in 1948. The mill processed 1,500 tons of ore per day at the height of productivity and processed the most gold in the world. This area was vacant since the closure of the gold mill until Gold Hill Mesa began development in 1998 with the first phase of homes completed in 2015. The iconic Golden Cycle Mill smokestack remains on the site today and will be preserved as a symbol of the heritage of Colorado Springs.

Figure 2. Golden Cycle Mill



Field Survey Approach

The following assessment is based on a field survey conducted by EPS in February 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 8 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

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

Environmental Contamination

The following conditions are evidence of Urban Renewal Law blight factor “(j) *Environmental contamination of buildings or property, through assessment of chemical or biological contamination. Such contamination may pose a health risk or other problems, such as inhibit development.*

Typical examples of conditions that portray this criterion include:

- Environmental contamination of buildings
- Environmental contamination of property

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 8 of the 11 blight factors.

(a) Slum, deteriorated, or deteriorating structures;

(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.

Results of Field Survey

This section summarizes the findings of the visual field survey of the Study Area conducted in February 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	X
	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	X
	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	X
	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	X
	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	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	X
	5.02	Deteriorated Signage or Lighting	
	5.03	Deteriorated Fences, Walls, or Gates	
	5.04	Deteriorated On-Site Parking Surfaces, Curb & Gutter, or Sidewalks	
	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	
	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	X
	6.06	Unusual Topography	X
Endangerment	8.01	Fire safety problems	
	8.02	Hazardous contaminants	X
	8.03	High frequency of crime	
	8.04	Floodplain or flood hazards	
Cont.	10.01	Environmental contamination of buildings	
	10.02	Environmental contamination of property	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, over 100 acres, with 19 parcels. Many of these parcels are located within the interior of the site without street access due to lack of internal streets on site. This lack of connectivity is shown below in **Figure 3** as well as the progress of forming roadways and connections throughout the site to resolve this issue. This lack of connectivity also inhibits access to the existing residential homes and commercial buildings in Gold Hill Mesa to the major thoroughfares of Highway 24 and 21st Street. Additionally, this lack of street layout in the Study Area creates poor provision for vehicular traffic. Poor provisions of street improvements for pedestrians were observed in lack of sidewalks and lighting along the east side of South 21st Street, north side of Gold Hill Mesa Drive, and north side of Villa de Mesa Drive, as shown below in **Figure 4**.

Figure 3. Poor Internal Vehicular or Pedestrian Circulation



Figure 4. Poor Provision of Street Improvements for Pedestrians



Source: Google Street View September 2019

2. Lot Layout: faulty or inadequate lot shape or layout

The Study Area includes 19 parcels, of which eight parcels are internal and do not have exterior or roadway access. Additionally, parcels range in shape and size with the smallest parcel approximately 0.14 acres. The parcel locations, shape and size are illustrated previously in **Figure 1** and **Table 1**. The lack of access, shape, and small size create impediments for development unless aggregated with adjacent parcels.

3. Unsafe/Unsanitary: unsaitary or unsafe conditions

Throughout the Study Area unsafe and unsanitary conditions were documented, including contaminant/hazardous materials, litter and dumping, vandalism/graffiti, and inadequate stormdrainage system. Vandalism/graffiti was observed on the historic smokestack and new drainage infrastructure, shown in **Figure 5**.

Large amounts of containinants have been found throughout the Study Area and require substantial work to remove. In additon to the tailings from the gold processing, the concrete foundations and substructures remained burried underground following the removal of the mill buildings in the 1960s, shown in **Figure 6**. In the 1990s, the Study Area was used as a dump site for dirt and an estimated 600,000 cubic yards of additional material was brought onto the Study Area. While at the time dirt was permitted to be dumped in the Study Area, illegal dumping also took place and brought concrete and other undesriable materials. Large amounts of concrete, rebar, and organics (yard waste, trash, wood, trees, etc.), shown in **Figure 7**, must be removed and mitigated before development can occur.

The Study Area lacks strom drainage infrastructure and a regional storm dention system is required to serve the capacity of the Study Area, existing Gold Hill Mesa residential development, and Villa de Mesa neighborhood. This infrastructure is more expensive and difficult to construct due to the steep slopes in the Study Area. The Gold Hill Mesa Development Group has found a sustainable solution of repurposing concrete from on-site mitigation to make a buttress slope condition, which aids in having the correct size detention pond, shown below in **Figure 8**. New storm drainage infrastructure has also been built along the northwest and northeast corners of the Study Area.

Figure 5. Vandalism/Graffiti



Figure 6. Evidence of Contaminants or Hazardous Materials





Figure 7. Excessive Litter/Illegal Dumping



Figure 8. Inadequate Storm Drainage System**4. Site Improvements: deterioration of site or other improvements**

Deterioration of the site was observed throughout the Study Area under the conditions of neglected properties and poorly maintained landscaping, as shown in Error! Reference source not found.. Tailings from the gold production were left on the Study Area under a thin layer of dirt after the mill was closed in the 1940s to prevent wind erosion. This impeded the growth for most vegetation and only a limited amount of grass and some brush could survive. Over the decades, the Study Area was sparse and did not support plant growth. Furthermore, dirt, concrete, and trash were dumped in the Study Area in the 1990s. The bottom two images below show the existing conditions during remediation in 2009.

Figure 9. Neglected Properties



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

Unusual topography was observed throughout the Study Area and creates the need for significant grading, as shown in **Figure 10**. The Study Area has steep slopes with the highest elevation at the southern portion of the site and declines towards the northeast. Elevations vary from 6,250 to 6,000 feet above sea level. Along Highway 24 and the northeast side of the Study Area there is a billboard and overhead utility lines, as shown in **Figure 11**. Additionally, the lack of site infrastructure including pavement, curb, sidewalks, lighting, drainage, and inadequate sanitation or water systems are previously documented and described in **Figure 3**, **Figure 4**, and **Figure 8**.

Figure 10. Unusual Topography





Figure 11. Presence of Overhead Utilities or Billboards



6. Environmental Contamination of property

As perviously noted, environmental contamination was indentified throughout the Study Area with gold tailings, concrete and rebar from old foundations and structures, dumping of concrete, trash, and other materials, shown in **Figure 12.**

Figure 12. Environmental Contamination of Property





7. 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 the Golden Cycle Mill. The surrounding area is largely developed and urbanized with residential development to the south, mobile home and RV parks to the east, commercial development along 21st Street to the west, and development along the north side of Highway 24 to the north, shown in **Figure 13**.

Figure 13. Undeveloped/Underdeveloped Parcels in a Generally Urbanized Area



Other Considerations

The team collected and analyzed additional non-visual information on the Study Area that contributed to the documentation of blight factors.

Hazardous Contaminants

The Study Area has proven to be a hardship to clean up due to environmental and hazardous contamination from the gold mill when it was active and dumping on the site while the property was vacant. Gold Hill Mesa conducted a voluntary environmental cleanup plan in 2002 that was approved by the Colorado Department of Public Health and Environment (CDPHE). Based on a historical and environmental assessment sources of soil contamination were identified in the Study Area. Fine tailings, residuals from the milling process, were contained behind a tailings dam that was constructed to hold the tailings as part of the mill operation. These tailings include concentrations of arsenic and lead that exceed CDPHE's proposed values. Soil and groundwater investigations revealed that groundwater within the tailings dam area are in direct contact with the tailings and exhibit concentrations of arsenic, antimony, and thallium that are above the groundwater standards. These tailings are not a source for offsite groundwater contamination.

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 February 2022 documented 8 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.*
- (h) The existence of conditions that endanger life or property by fire or other causes.*
- (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.*

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.*
- (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.*

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 8 of the 11 blight factors in the Study Area as a whole.