

US HIGHWAY 85 CORRIDOR GATEWAY REDEVELOPMENT PLAN AND IMPLEMENTATION STRATEGY



CITY OF FOUNTAIN, COLORADO
FOUNTAIN URBAN RENEWAL AUTHORITY



October 2009

Contents

Executive Summary	ES:1
Introduction	ES:1
Public Engagement Process	ES:1
Existing Conditions	ES:2
Development Opportunities	ES:3
Gateway Redevelopment Plan	ES:4
Implementation	ES:8
Introduction	1
Purpose	2
The Gateway Redevelopment Plan Study Area	2
Public Engagement Process	5
Public Meetings	5
Stakeholder Interviews	9
Other Public Engagement Efforts	12
Existing Conditions	13
Sanitary Sewer	13
Water	14
Gas	15
Electric	15
Drainage and Storm Sewer	16
Roadways	16
Fountain Creek Bridge	17
Development Opportunities	22
Trade Area	22
Economic and Demographic Indicators	23
Population and Household Growth	23

Household Characteristics	24
Age Distribution	25
Household Incomes	25
Ethnicity	25
Employment	26
Psychographics	26
Development Opportunities	27
Gateway Redevelopment Plan	28
Guiding Principles	28
Conceptual Redevelopment Plan Alternatives	30
Preferred Gateway Redevelopment Plan	53
Implementation	71
Priority Investment	71
Framework	72
Strategies (Actions)	73
Public-Private Partnerships	73
Programs, Policies and Projects	74
Acquisition and Disposition	74
Standards, Incentives and Regulations	75
Phasing	77
Marketing and Promotion	78
Public Spaces	79
Conclusion	79
Appendix A: Market Feasibility	
Appendix B: Constructions Costs	
Appendix C: Glossary	

Executive Summary

Introduction

Matrix Design Group, planners and engineers, together with Leland Consulting Group (LCG), redevelopment strategists, assisted the Fountain community by providing a technical framework for discussions about the market, existing conditions within the planning area, and changes which would need to occur in order to stabilize an ongoing pattern of deterioration and advance a program for public and private reinvestment.

US Highway 85 Corridor Gateway area is located between Pueblo and Colorado Springs, at the US 85 / Interstate 25 interchange in the City of Fountain. Bisected by the Interstate 25 corridor, the planning area's 344 acres includes properties east and west of Exit 128 and serves as the southernmost entry into the City. As a highly visible major entrance to the City of Fountain, the redevelopment will set the image of the city and its citizens to all I-25 commuters, travelers, and residents.

Public Engagement Process

During the planning process, which lasted several months, the consultant team facilitated discussions with a range of stakeholders in a variety of venues. Among these forums were: two public meetings, more than twenty one-on-one stakeholder interviews, guiding principles workshops with the Urban Renewal Authority Board and Fountain Planning Commission, an all-day open house at City Hall (public walk-in interviews), and expansion of the "Action Center" section of the City's website to receive written comments on the Gateway Plan.

Public Meeting 1

The first public meeting was held on February 3, 2009 at the Fountain Middle School. The purpose of the meeting was to: introduce the Gateway planning effort and consultant team to the community at-large; answer questions; understand concerns; and, engage the participants in a "visioning exercise" that solicited their thoughts on the essential elements of a redeveloped Gateway area.

Public Meeting 2

The second public meeting was held on May 28, 2009, at City Hall. The primary purpose of this meeting was to present three Gateway Plan Alternatives to the participants and receive their feedback (see the Gateway Redevelopment Plan chapter for a description of the plan alternatives).

Stakeholder Interviews

Early in the planning process, primarily in February and March, 2009, the consultant team conducted one-on-one interviews with a wide variety of stakeholders interested in the Gateway area and its future redevelopment potential.

Existing Conditions

With a thorough understanding of existing conditions, the consultant team was able to quantify an “order-of-magnitude” of costs associated with the demolition, upgrade, and installation of infrastructure improvements necessary to accommodate investment and reinvestment.

Sanitary Sewer

The capacity of the public systems is adequate to service existing development. The capacity of the private lines within the trailer park areas of the Crest Redevelopment (Riverside Trailer Park), the Sunnyland Trailer Park, and the Chancellor Subdivision have been deemed inadequate (by the Fountain Sanitation District) due to issues related to failures, fractures, and leaks. With respect to any future development, the public sanitary sewer system does not have any issues in regard to capacity as a separate treatment system is currently in the planning and construction phases for the area east of the railroad.

Water

With the exception of the existing 6-inch main located within South Santa Fe Ave, the second longest dead-end main in the City of Fountain; the capacity of the public systems are adequate to service existing developments. The condition of the private lines within the Crest Redevelopment (Riverside Trailer Park),

Sunnyland Trailer Park, and Chancellor Subdivision have been deemed unknown (by the City of Fountain). With respect to any future development, the public water system as a whole will not have capacity issues once a DIP is constructed.

Gas

The capacity of the system is adequate to service existing developments. With respect to existing development, the gas system as a whole does not have capacity issues. However, as redevelopment occurs, Black Hills Energy Corporation will need upgraded facilities.

Electric

The electric system infrastructure is adequate to provide service to existing development within the Study Area. With respect to any future development, east of I-25 is sufficiently supplied service to any proposed development. West of I-25 is sufficiently supplied with service as long as any proposed use demands less than $\frac{3}{4}$ of the existing facility demands.

Drainage and Storm Sewer

Presently, the drainage system / storm sewer infrastructure, despite being in poor condition, is adequate to service existing developments. With respect to future development, the City of Fountain now requires full-spectrum detention prior to releasing into Fountain Creek. This requirement could impact the location and character of development and utilities within the planning area.

Roadways

Despite their poor condition, existing roadways are adequate to service existing development. The majority of private roadways within the Study Area have been under-designed and are basically the equivalent of driveways.

Development Opportunities

The US Highway 85 Corridor can best be described as a mature transportation corridor, with fragmented ownership and distinct concentrations of industrial, commercial, service and residential areas. The community's historic downtown is located just outside of the planning area to the north one block off of US

85. The location of the Gateway area at its juncture with Interstate 25 will have a significant impact on the development program of projects within the area however, long-term development should balance its relationship to downtown and commercial areas to the north along Mesa Ridge Parkway. As private investment leverages public investment in the area, it is likely that uses will begin to respond to and serve the local community, redefining itself as an employment and commercial epicenter. With supportive policies and stronger regulations, the Gateway could eventually be the community's front door for the community connecting it to the balance of the City and other points beyond.

Given its location within the region, and along the high-growth Interstate 25 Corridor, the area is strategically located to capture a share of the region's traffic and business growth. Forecasts indicate that more than 1.4 million square feet of employment space, more than 580,000 square feet of retail space and nearly 8,800 residential units could be absorbed in the market over the next ten years, from which properties within the planning area could benefit. The level of investment that actually occurs within the Gateway will be directly proportionate to the City's and property owners' commitment to:

- Wait for the "right" investment (consistent with the plan)
- Introduce stronger physical connections
- Implement supportive infill policies
- Identify creative financial solutions
- Remove "barriers"

Gateway Redevelopment Plan

Conceptual Redevelopment Plan Alternatives

The recommended Gateway Redevelopment Plan is based on the preparation, review, and comparative evaluation of a series of conceptual alternatives and redevelopment scenarios. Each concept was based on findings from the existing conditions assessment, market analysis, and public engagement process, all of which have been described herein. In order to arrive at a final preferred development concept for the US Highway 85 Corridor Gateway area, the

consultant team prepared concept land use and transportation alternatives for consideration and comment by the stakeholders and community. Initially, three alternatives were created that displayed strategies to “improve circulation and the traffic framework, organize uses to stabilize values and promote reinvestment, and provide a compilation of experiences designed to better define it as a memorable place within the City of Fountain and along the Interstate 25 corridor”. Concept alternatives were presented in a manner believed to offer real options to better direct growth in the planning area.

Preferred Gateway Redevelopment Plan

The proposed Gateway redevelopment concept is based on an approach which encourages strategic investment in a compact environment containing an appropriate mix of land uses, with a greater emphasis to multiple forms of access, and resulting in a unique sense of place. The US Highway 85 Corridor Gateway Plan is intended to assist the Fountain Urban Renewal Authority, City of Fountain, Fountain Chamber of Commerce and other advocacy entities, along with area property owners and other project partners, with a technical framework for discussions regarding market opportunities, development programming alternatives, and partnership strategies. The vision and directives referenced herein were developed with input from the community and its elected and appointed officials, along with guidance from the consultant team.

Exhibit ES-1: Recommended Gateway Redevelopment Plan

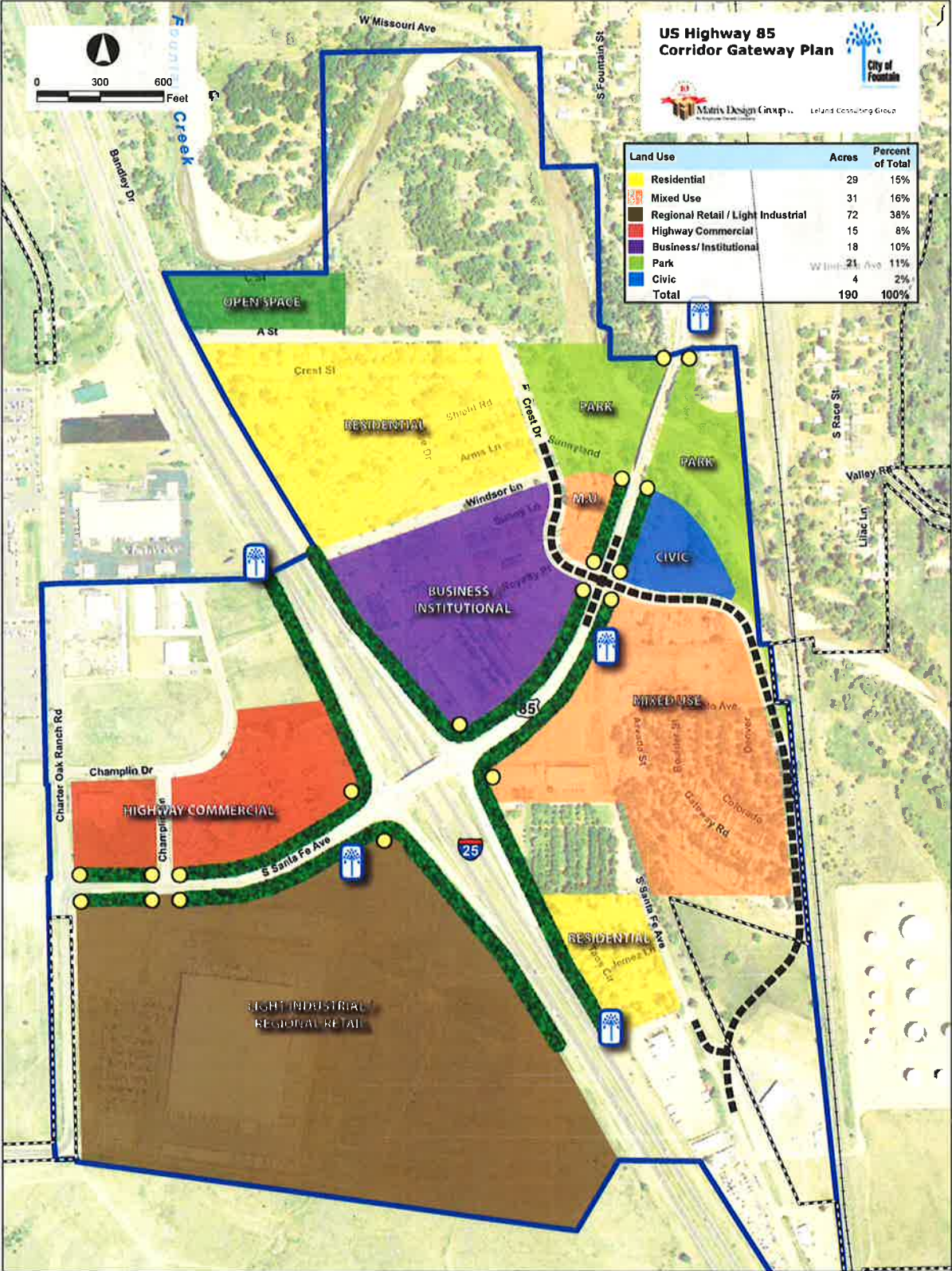
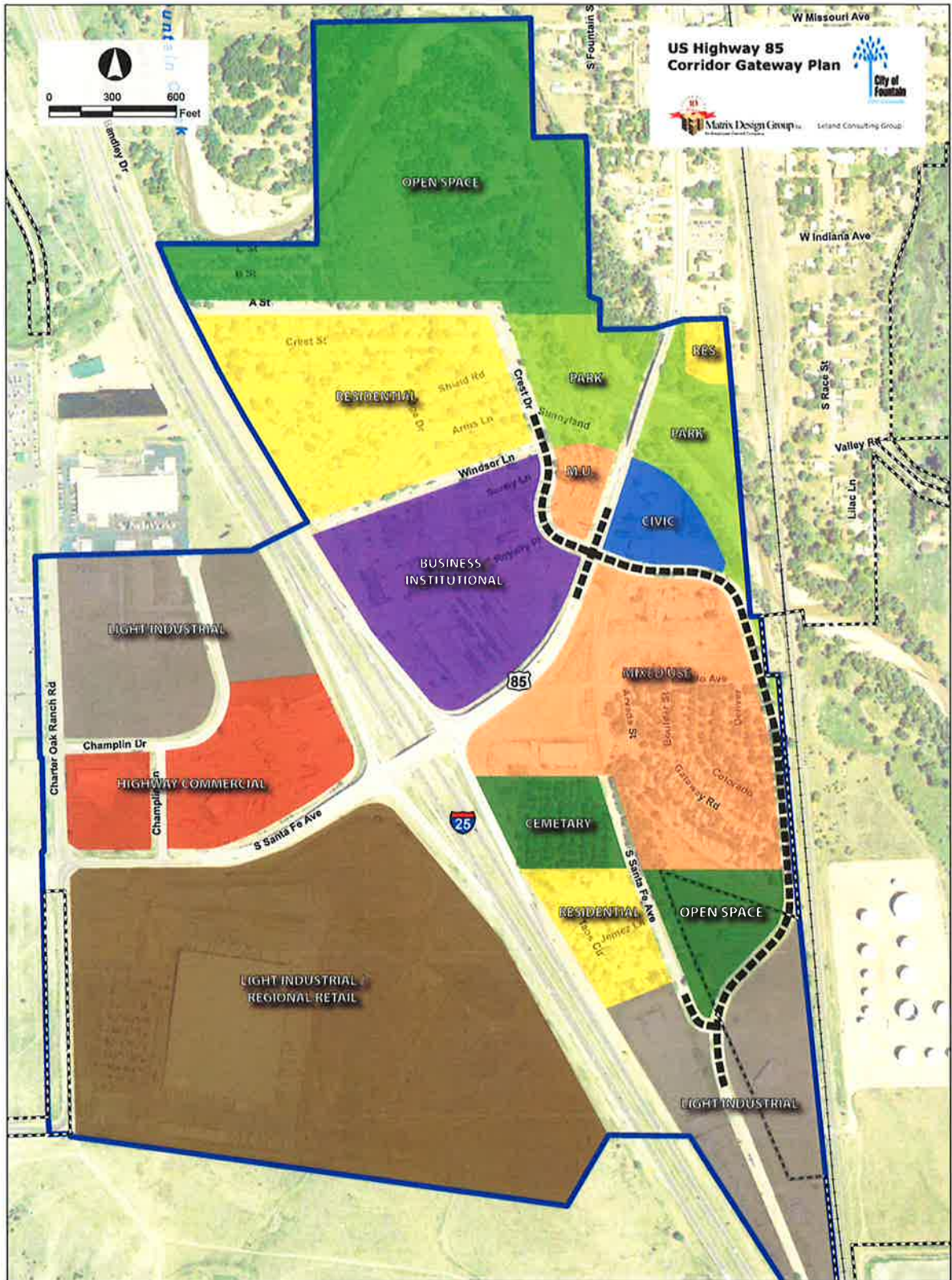


Exhibit ES-2: Future Land Use Map



Implementation

Following definition of a vision, and identification of conditions and opportunities, comes the challenge of outlining an implementable strategy for promoting investment and reinvestment within the planning area.

Implementation of the Gateway Redevelopment Plan can be achieved by the adherence to key steps and procedures outlined in **Section 6: Implementation**.

Each of the following areas has its own set of implementation procedures:

- Public / Private Partnerships
- Programs, policies, and projects
- Acquisition and disposition
- Standards, Incentives, and Regulations
- Phasing
- Marketing and promotion
- Public spaces

Based on an economic analysis of the final development concept, total taxable value could exceed \$180 million, with annual property tax revenue approaching \$350,000. Total permanent job creation could range from 1,500 to 1,600. The public sector's potential return on investment could be 14:1 (\$14 in private investment for every \$1 of public investment). Success, however, will depend on the following:

- Continual balancing of near-term opportunities with the long-term vision
- Commitment to the removal of barriers to investment (financial, physical, regulatory, market, and political)
- Constant education of the "delivery system" (those individuals, who affect delivery of a project to the market, include: property and business owners, developers, lenders, city staff, policy makers, regulators, advocacy groups, etc.)
- Public equalization of economic risk and reward
- Project support and encouragement
- Strategic public investment

Introduction

For the first time in history (as of the 2000 Census) rural areas make up less than half the land area of the lower 48 states. Over the past several decades, land development has primarily occurred on the urban or suburban fringe of large and mid-size metropolitan areas. According to the Urban Land Institute (ULI), much of this growth can be characterized as “low-density, separated, and dispersed uses dependent on automobiles; and, economically segregated.” The result of this pattern of development has been poorly planned communities, environmental degradation, increased traffic impacts, diluted community character and an overall lack of identity and sustainability. Proponents of “smart growth”¹ planning believe that existing development and new development in these fringe areas, can be made “more attractive, more accessible, more efficient, more environmentally sensitive, more livable and more profitable” but that to do so requires a heightened consciousness on the part of City leaders. Forming and advancing a community development agenda that embodies these tenets requires a keen understanding of the goals and aspirations of its stakeholders, the realities of the marketplace, peculiarities of the political landscape and constraints of local public / private resources. With this understanding, project advocates are able to solicit and obtain community support for the difficult decisions that will need to be made particularly related to priority public investments and policy reform.

In the context of defining a strategy for redevelopment of the US Highway 85 Corridor Gateway area, Matrix Design Group, planners and engineers, together with Leland Consulting Group (LCG), redevelopment strategists, assisted the community by providing a technical framework for discussions about the market, existing conditions within the planning area, and changes which would need to occur in order to stabilize an ongoing pattern of deterioration and advance a program for public and private reinvestment. The results are summarized in the discussion which follows and reflected in this, the *US Highway 85 Corridor Gateway Plan*, hereafter referred to as the Gateway Redevelopment Plan.

¹ *Smart growth imperatives: can be less expensive and lower the cost of infrastructure; delivers a better product with less travel, better quality of life, and safer and healthier environment; best chance for rallying the support of diverse interest groups; provides more choices of product types and price points; helps keep jobs and housing in balance; protects and enhances sensitive environments; and, protects and enhances home values.*

Purpose

The purpose of the planning effort was to: identify and analyze those land uses and product types that are supportable, sustainable, and suitable based on the area's physical attributes and a realistic understanding of market and economic conditions; develop and illustrate several alternative land use concept plans that reflect the goals and objectives of Fountain residents and government decision-makers; and, identify key actions that will move the Plan beyond a vision to reality.

The Gateway Redevelopment Plan Study Area

The following exhibits illustrate the physical context of the study area (planning area). Bisected by the Interstate 25 corridor, the Gateway area's 344 acres includes properties east and west of Exit 128 and serves as the southernmost entry into the City. The other entrance is located 3 miles to the north at Mesa Ridge Parkway. The City of Colorado Springs is located 14 miles to the northwest of Exit 128; and, the City of Pueblo is located 30 miles to the south. Fort Carson, a 60,000-acre US Army facility, is located just west of the project area. **Exhibit 1** shows the location of the Study Area within a regional context, and **Exhibit 2** provides a detailed map of the Study Area.

Exhibit 1: Context Map

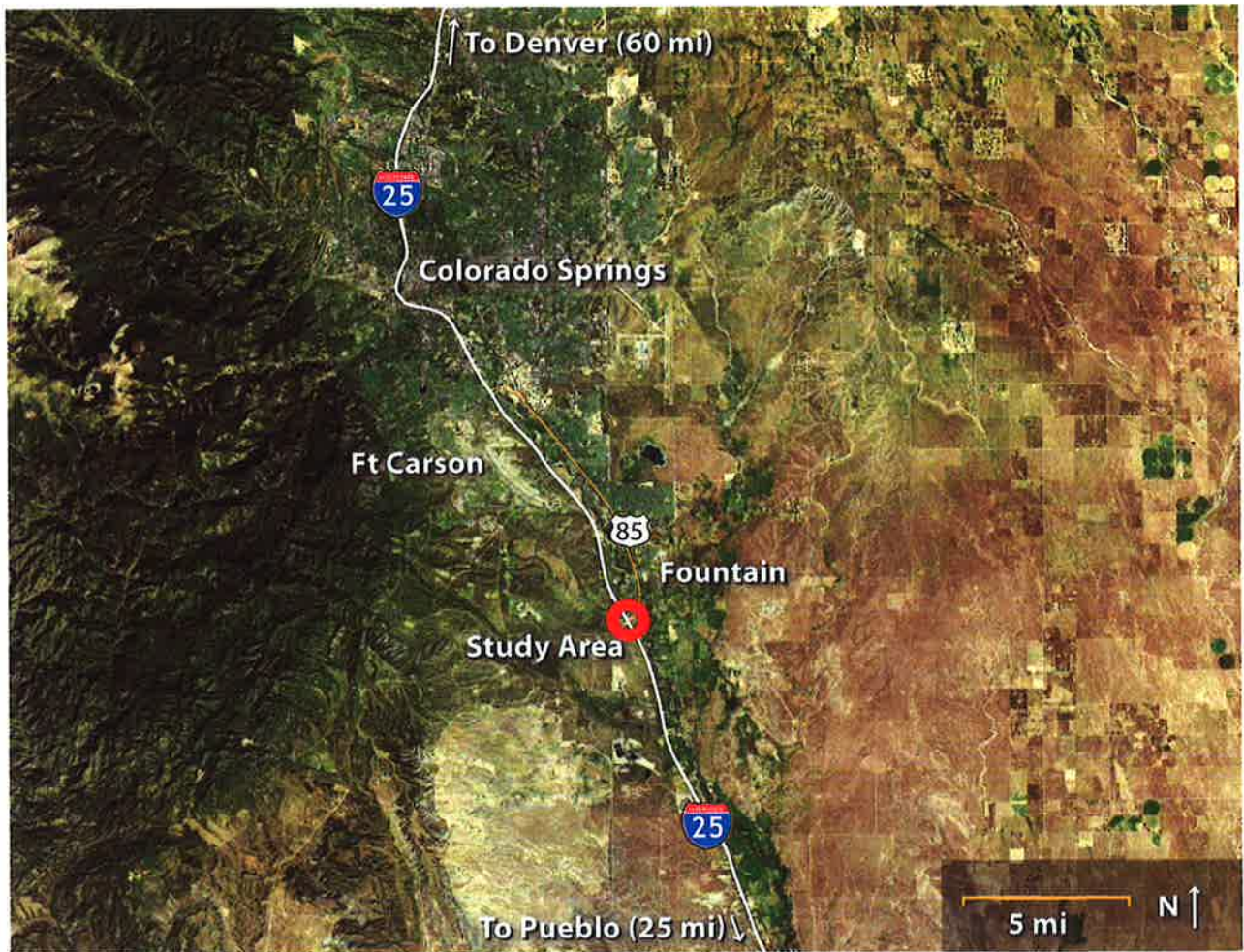
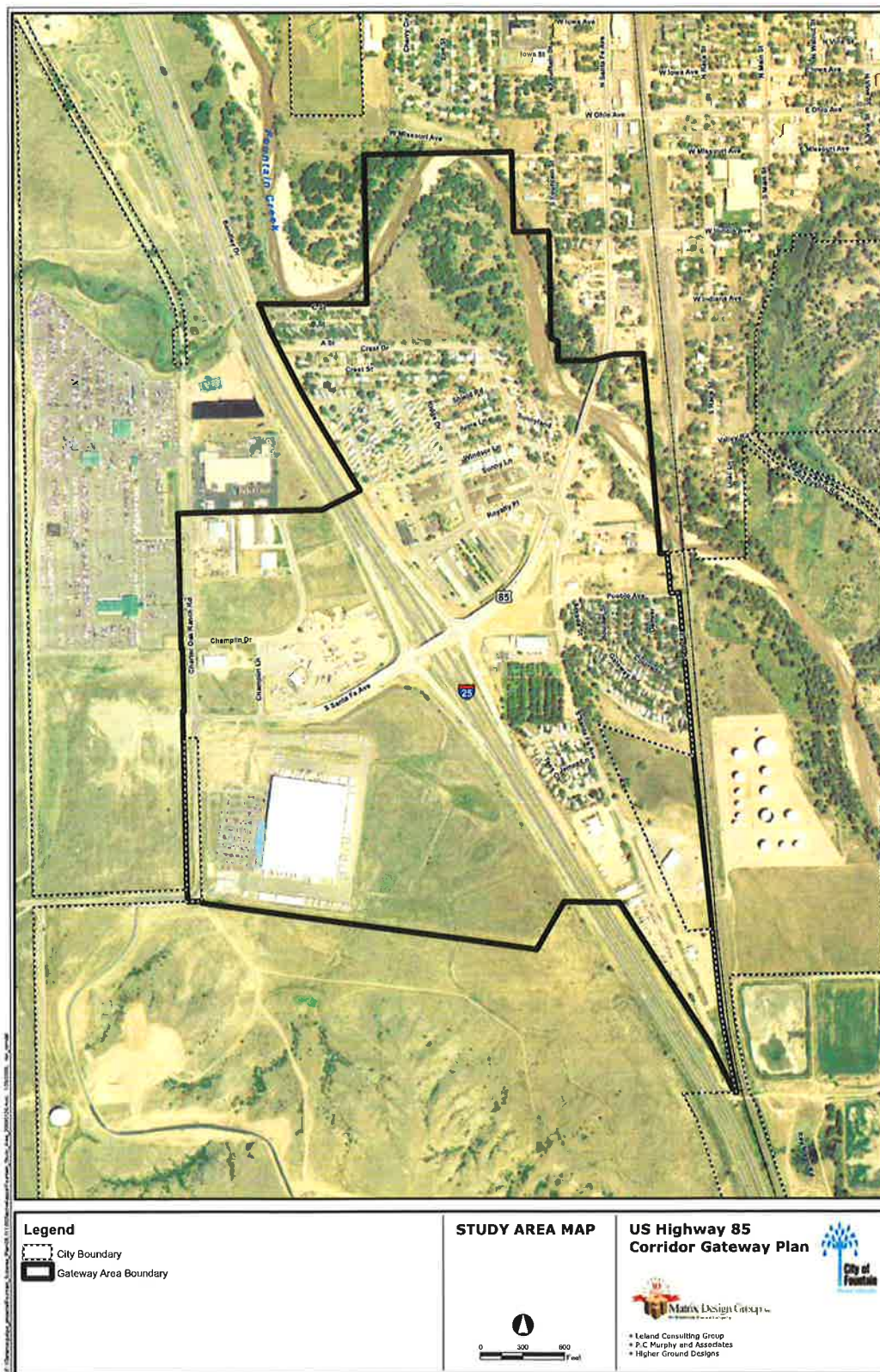


Exhibit 2: Study Area Map



Public Engagement Process

During the planning process, which lasted several months, the consultant team facilitated discussions with a range of stakeholders in a variety of venues. Among these forums were: two public meetings, more than twenty one-on-one stakeholder interviews, a guiding principles workshop with the Urban Renewal Authority Board and Fountain Planning Commission, a city hall open house (public walk-in interviews), and expansion of the “Action Center” section of the City’s website to receive written comments on the Gateway Plan. A description of each of these forums is summarized below.

Public Meetings

Two general public meetings were conducted during the planning effort.

Public Meeting 1

The first public meeting was held on February 3, 2009 at the Fountain Middle School. The purpose of the meeting was to: introduce the Gateway planning effort and consultant team to the community at-large; answer questions; understand concerns; and, engage the participants in a “visioning exercise” that solicited their thoughts on the essential elements of a redeveloped Gateway area.

The meeting opened with an introduction by Lisa Cochrun, Fountain Economic Development Director, about previous planning initiatives in the vicinity of the Gateway area. Ms. Cochrun then explained the need for a Gateway Redevelopment Plan, today and the desired outcomes of this effort. These comments were followed by an introduction of the Matrix – Leland Consulting Team (consultant team), and a presentation that covered the following topics:

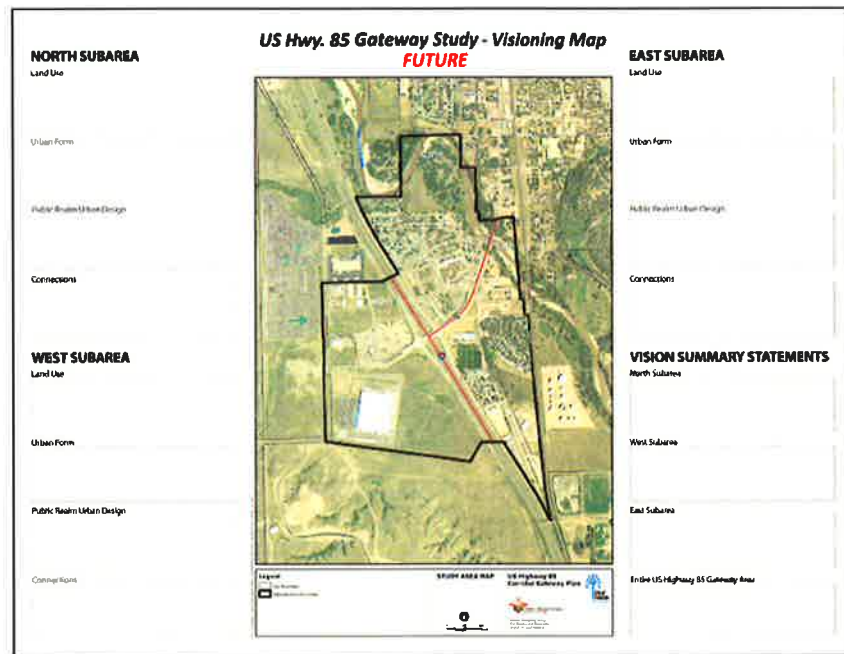
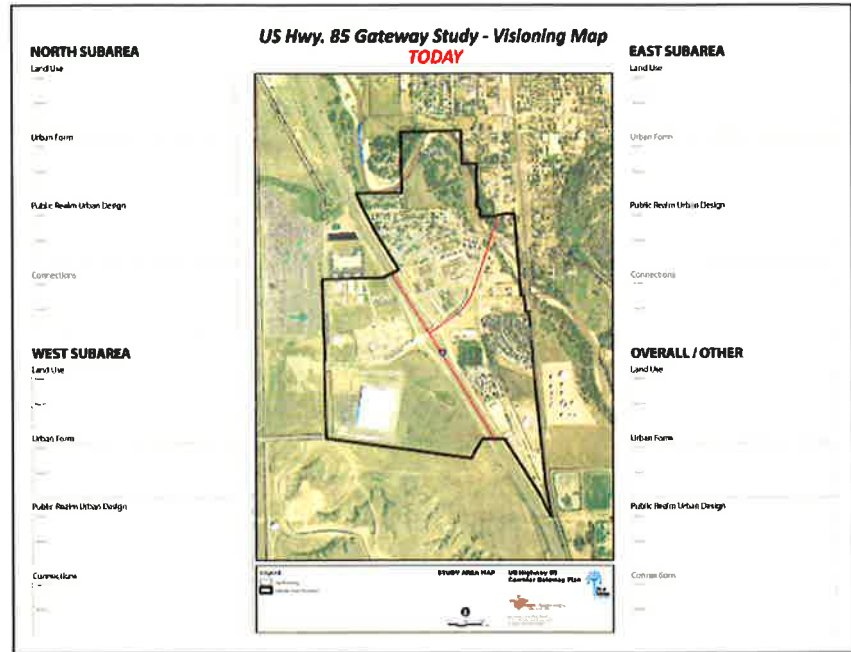


- Study Goals, Process and Schedule
- Study Area Overview (land uses acreages, maps, and photographs)
- Study Area Zoning and Future Land Use Plans
- Study Area Infrastructure and Utilities
- Study Area Ownership and Parcelization Patterns
- Study Area Market and Economic Issues (including trade area and market supply / demand)

The meeting wrapped up with a small group exercise wherein participants were given two large “visioning maps” included an aerial photo of the study area divided into three subareas: North, East, and West. The first map provided space for the group to record response to specific questions relating to the Gateway area as it exists today. The second map provided a similar space for responses to questions relating to the Gateway area as the group envisioned it in the future. For each subarea, the public was asked to provide their input on the following four topics:

- Land Use (mix and densities within each land use type, etc.)
- Urban Form (building and street organization, setbacks, etc.)
- Public Realm Urban Design (public spaces, streetscapes, etc.)

- Connections (access and links to Downtown, Fountain Creek, adjacent neighborhoods, across I-25, etc.)



Public Meeting 2

The second public meeting was held on May 28, 2009, at City Hall. The primary purpose of this meeting was to present three Gateway Plan Alternatives to the participants and receive their feedback (see the Gateway Redevelopment Plan chapter for a description of the plan alternatives).



The presentation started with a description of Guiding Principles and Plan Framework Fundamentals developed for the project (discussed in depth in the Gateway Redevelopment Plan chapter) by the Fountain Urban Renewal Authority Board and Planning Commission. Presentation topics included:

- Implementation Tools Common to All Plan Alternatives
- Land Uses and Urban Elements Common to All Plan Alternatives
- Gateway Monumentation
- Gateway Signage and Community Art
- Community Commercial
- Institutional
- Highway Commercial
- Business/Industrial
- Affordable Housing Types and Densities
- Civic, Cultural, Arts, and Recreational Facilities

- Pedestrian-Friendly Transportation Systems
- Fountain Creek Improvements

The presentation concluded with the distribution of various handouts and a discussion about the plan alternatives. Feedback received at Public Meeting 2 assisted the consultant team with consolidation of the plan alternatives into a single recommended Gateway Redevelopment Plan.

Stakeholder Interviews

Early in the planning process, primarily in February and March, 2009, the consultant team conducted one-on-one interviews with a wide variety of stakeholders interested in the Gateway area and its future redevelopment potential. These individuals came from a variety of backgrounds and interests, including:

- Residents and property owners within the Study Area
- Residents and property owners elsewhere in Fountain
- Business owners within the Study Area
- Business owners elsewhere in Fountain
- Local elected officials
- Local government staff
- Members of local boards and commissions
- Developers working within the region
- Chamber of Commerce representatives
- Local health, safety, and welfare organizations representatives
- Local parks and recreation organizations representatives
- Local school district representatives
- Other invited individuals

The consultant team prepared a variety of questions in advance of the interviews in an effort to frame the discussions and allow for a comparative analysis across the responses. Questions included the following:

- Discuss / describe the appropriate land use types for each of the three subareas?
- Should new residential uses be proposed within the district, and if so, in which subareas?
- What types of residential should be considered?
- What types of residential should NOT be considered?
- Are there other land use types that should NOT be allowed within the overall district?
- Is land use density an issue as long as parking requirements can be met; potential traffic impacts can be addressed safely; and, vehicular movement can be accommodated?
- What are your thoughts on “shared” parking and on-street parking?
- Should the North subarea be an extension of commercial development on the north side of Fountain Creek (on street parking, storefronts, etc.); if not, what development character should be considered?
- Should development controls be put on all land uses in terms of style, character, setbacks, building mass, signage, etc.?
- How do you envision future growth and development in the West subarea?
- Is the West subarea considered part of “downtown” Fountain?
- Should there be a visual link between the west and east development areas to more directly link it to downtown?
- Is safe and convenient access to Fountain Creek important for this particular development district?
- Where are the best locations to access the Fountain Creek corridor?
- What types of parks and open spaces should be included in the three subareas within the study boundary?
- Is it important to be able to walk from the east side of I-25 to the west side via Santa Fe Avenue?
- Are sidewalks needed for development on the west side of I-25?
- Is Exit 28 (I-25 at Santa Fe Avenue) considered the primary entrance into the City of Fountain?

- What improvements can be made to feature this as a true “gateway” into the community?
- What improvements can be made to enhance the approach to this Study Area from “downtown” (Santa Fe, north of Fountain Creek)?

The stakeholder interviews proved to be a critical element of the study as they provided the consultant team with a broad understanding of existing conditions and an opportunity to “ground truth” issues and concerns heard during other venues.



Other Public Engagement Efforts

Guiding Principles Workshop

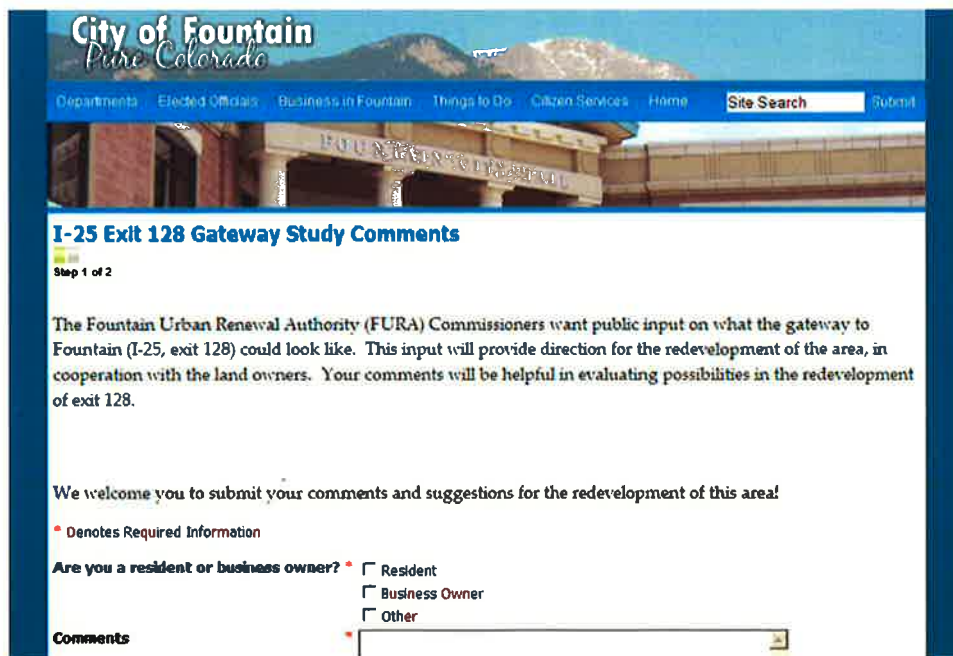
In February, 2009, the consultant team met with the Urban Renewal Authority Board and Fountain Planning Commission to develop a set of Guiding Principles to serve as the foundation for creation of plan alternatives and final recommended Gateway Redevelopment Plan. These guiding principles are presented in the Gateway Redevelopment Plan chapter.

Public Walk-in Interviews

On March 17, 2009, the consultant team spent the entire day at the Fountain City Hall, affording stakeholders with an opportunity to drop in at their convenience to discuss the Gateway Redevelopment Plan with the consultant team members.

Online Comments

For stakeholders unable to participate in the public meetings or open house, the City added to their "Action Center" section of the City website a page for citizens to electronically submit comments and ideas about the Gateway area. Over twenty comments were received from the public through this venue.



Existing Conditions

The following section summarizes information related to existing infrastructure conditions within the Study Area obtained through discussions with representatives of the City and in-the-field observations. The purpose of this analysis was to understand physical constraints associated with redevelopment, as well as attributes that might be capitalized on. With a thorough understanding of existing conditions, the consultant team was able to quantify an “order-of-magnitude” of costs associated with the demolition, upgrade, and installation of infrastructure improvements necessary to accommodate investment and reinvestment. Maps that illustrate each of the systems investigated are included at the end of this section.

Sanitary Sewer

The existing sanitary sewer infrastructure is divided into two subcategories, public and private systems. The sanitary systems in the Study Area are approximately 35 to 40 years in age and are composed primarily of vitrified clay pipe (VCP) and polyvinyl chloride pipe (PVC). The size and capacity of systems in the Study Area vary greatly, ranging from 2-inch private lines to a 24-inch public collector trunk main. The capacity of the public systems is adequate to service existing development. The capacity of the private lines within the trailer park areas of the Crest Redevelopment (Riverside Trailer Park), the Sunnyland Trailer Park, and the Chancellor Subdivision have been deemed inadequate (by the Fountain Sanitation District) due to issues related to failures, fractures, and leaks. Small portions of private lines have been upgraded or replaced as needed. A single 14-inch line runs parallel to Interstate 25 and conveys sludge from the Ray Nixon Power Plant, which is operated by Colorado Springs Utilities (CSU). This line crosses to the east at the south side of the Study Area at the lagoons of the Fountain Sanitation District’s wastewater treatment facility.

With respect to any future development, the public sanitary sewer system does not have any issues in regard to capacity as a separate treatment system is currently in the planning and construction phases for the area east of the railroad.

The Fountain Sanitation District has indicated that the main collectors are in good shape, however, anything leading up to collection mains will need to be completely replaced in the event of redevelopment.

Water

The water system infrastructure is also divided into the two subcategories of public and private. The private systems have master meters associated with them. Water systems in the Study Area are approximately 30 to 35 years in age and are composed of various materials and sizes. Materials include polyvinyl chloride pipe (PVC), cast iron pipe (CIP), and irrigation materials. The size and capacity of systems in the Study Area vary greatly ranging from 2-inch private lines to a proposed 30-inch public distribution main. With the exception of the existing 6-inch main located within South Santa Fe Ave, the second longest dead-end main in the City of Fountain; the capacity of the public systems are adequate to service existing developments. The condition of the private lines within the Crest Redevelopment (Riverside Trailer Park), Sunnyland Trailer Park, and Chancellor Subdivision have been deemed unknown (by the City of Fountain). There exist, however, concerns related to failures, fractures, and leaks due to the fact that when the area was under construction, there were no standards in place to follow. Small portions of the private lines have been upgraded or replaced as needed.

With regard to fire protection issues, there are some in all of these areas. Since water systems are private, hydrants border subdivisions, requiring the fire department to lay additional length of hose to reach internal areas of trailer parks. The tank farm located to the southeast of the Study Area generates a high percentage of truck traffic along South Santa Fe Ave. Since this roadway was not designed for the equivalent single axel loads (ESALs) that are present today, the water system (6" CIP) under the roadway is severely deteriorated. The City is investigating replacing this water main (12" PVC) as part of a new large (30-inch DIP) distribution system that will run through this area and head offsite to the east approximately 3/8 of a mile away (Old Pueblo Road).

With respect to any future development, the public water system as a whole will not have capacity issues once the aforementioned 30-inch DIP is constructed. Individual sections (particularly within private areas) will necessitate complete replacement and upgrade in infrastructure in order to address current standards for design and fire protection.

Gas

The gas system infrastructure, owned and maintained by Black Hills Energy Corporation, is as advanced in age as the water and sanitary systems, yet in acceptable condition due to corrosion protection. The capacity of the system is adequate to service existing developments.

With respect to existing development, the gas system as a whole does not have capacity issues. However, as redevelopment occurs, Black Hills Energy Corporation will need upgraded facilities.

Electric

The electric system infrastructure is adequate to provide service to existing development within the Study Area. The area's electrical grid does not use master meters, so the issue of public vs. private systems is not a concern. Although the majority of the Study Area has electrical lines located above ground, the City of Fountain has an ordinance that requires any new development to place electrical lines below grade. There is a small portion of the Study Area (Chancellor Subdivision located at the eastern edge of the Study Area) where electric lines have already been placed below ground. One exception to this ordinance applies to industrial areas where the City has stated that they will remain flexible with respect to the location of above grade infrastructure.

The City of Fountain is fed by a main transmission line that runs parallel to I-25 (north to south along Bandley Drive), which carries approximately 550 amps. This line splits amperage at A Street to the east and to the west. With respect to any future development, the branch that heads to the east of I-25 is sufficient to supply service to any proposed development. The branch that heads to the west of I-25 is sufficient to supply service as long as any proposed use demands less

than ¾ of the existing facility demands. If anything greater than ¾ of this demand is proposed, the entire electrical system will need to be upgraded up to Bandle Drive and A Street.

Drainage and Storm Sewer

Presently, the drainage system / storm sewer infrastructure, despite being in poor conditions, is adequate to service existing developments. Runoff within the Study Area can be characterized as surface sheet flow with a few inlets located on the creek side of the Study Area that capture flow at low points and discharge directly to Fountain Creek.

With respect to future development, the City of Fountain now requires full-spectrum detention prior to releasing into Fountain Creek. This requirement could impact the location and character of development and utilities within the planning area.

A 100-year floodplain exists on portions of the northern and eastern sides of the Study Area (see Exhibit 6). Notably, almost all of Chancellor's mobile home park, all of the gas tanks, and a good portion of the buildings and backyards in the area are in this floodplain. To mitigate this, the newly formed Fountain Creek Watershed District was created to review development along the creek, and a re-routed Crest Drive would need to be removed from the floodplain. In order for land to be removed from the 100-year floodplain to allow for development, a detailed engineering and geomorphic evaluation of the Fountain Creek channel and floodway in this reach will first be required.

Roadways

The roadway infrastructure is also divided into the subcategories of public and private. Despite their poor condition, existing roadways are adequate to service existing development. According to City representatives, the Public Works Department has no funding to properly repair the City's infrastructure including its roads. Roadways identified as public infrastructure include: Crest Drive, Crest Street, Ridge Drive, Shield Road, Arms Lane, Windsor Lane, Royalty Place, Sunny Land Loop, Santa Fe Ave (Hwy 85 to BNSF), Jemez Lane, Taos Circle, N. Charter Oak Ranch Road, Champlin Lane and Champlin Drive. CDOT controls Santa Fe / Hwy

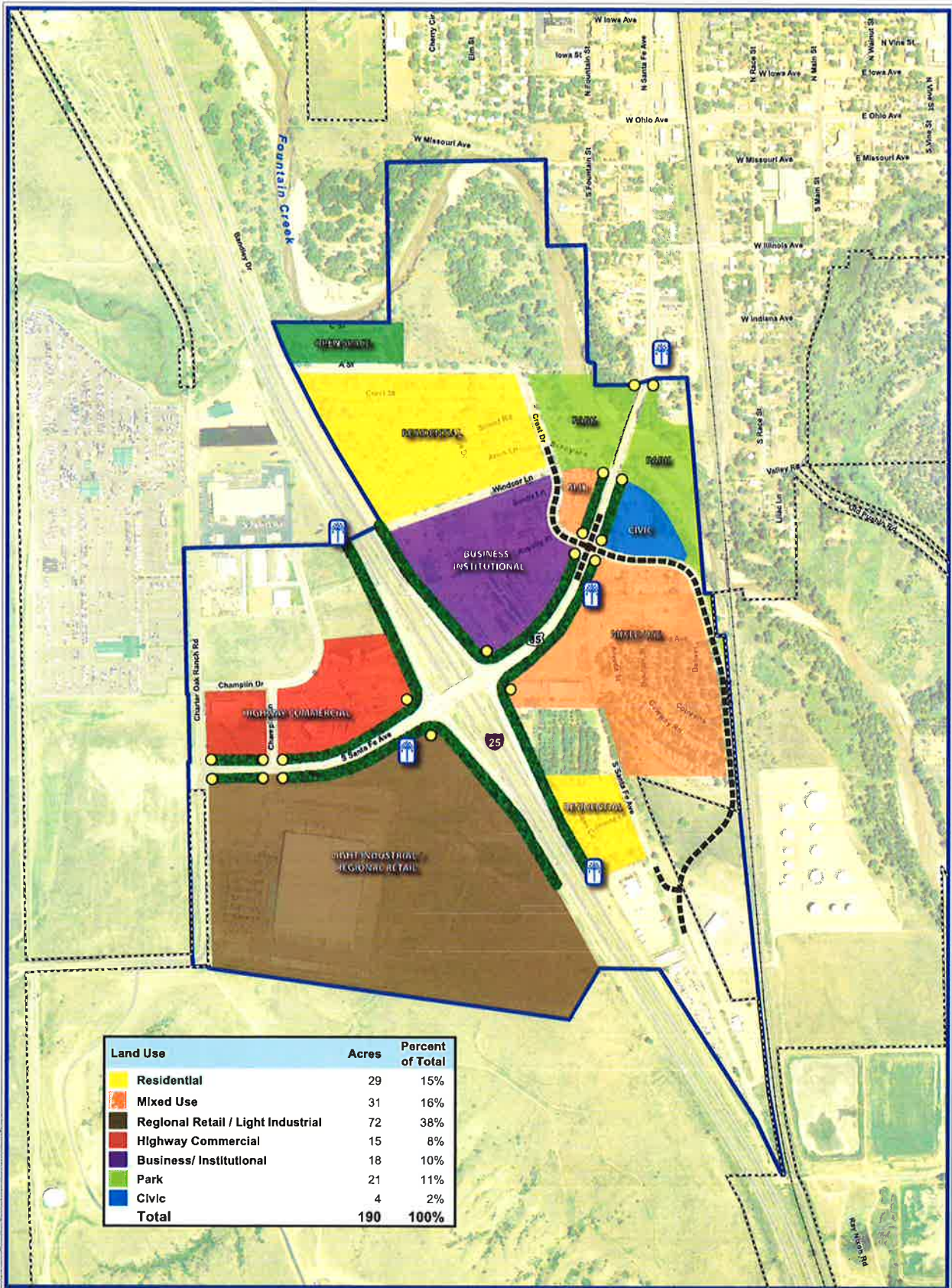
85 from Charter Oak Ranch Road to the northerly City limits. All other roads are private. The majority of private roadways within the Study Area have been under-designed and are basically the equivalent of driveways. There are no current / recent traffic studies available for roads within the Study Area.

Fountain Creek Bridge



The US 85 / 87 (South Santa Fe Avenue) bridge over Fountain Creek presents an opportunity for a major infrastructure improvement project. Built in 1930 and rehabilitated in 1964, the 570 foot long steel deck girder bridge is showing its age, particularly at the pier caps and girders

(see photograph). The 2005 Colorado Department of Transportation Field Log of Structures gives an inventory load rating of 25 tons to the structure, which is less than the 36 ton load rating required for current highway bridge designs. If the Gateway area redevelops in a manner similar to that discussed herein, it is reasonable to assume that the bridge will be insufficient to carry traffic traveling north to south through downtown, and the City will need to consider replacing or widening it in order to avoid a major choke point in the Fountain transportation system. Replacement of the existing bridge structure without increasing the number of lanes above the current two lanes could cost approximately \$3 million. Increasing the number of lanes would obviously cost proportionately more. Depending on the results of a detailed bridge inspection, analysis and rating, it is possible that this project could qualify for Federal Bridge Replacement or Bridge Rehabilitation Funds. If the City of Fountain could provide some portion of the projected cost for bridge replacement and / or widening, it could move up CDOT's priority list for funding and happen even faster.



M.E. Chiswick & Associates, Inc., 1111 S. Colorado Street, Suite 100, Denver, CO 80202, (303) 733-1111, www.mechiswick.com

- Legend**
- City Boundary
 - Gateway Area Boundary
 - Realigned / Rebuilt Roadways
 - Special Streetscape Elements / Treatment
 - Enhanced Landscaping
 - Welcome Signage

GATEWAY REDEVELOPMENT DISTRICTS

US Highway 85 Corridor Gateway Plan

Exhibit 3: Wastewater Collection System Map



Exhibit 4: Water Distribution System Map

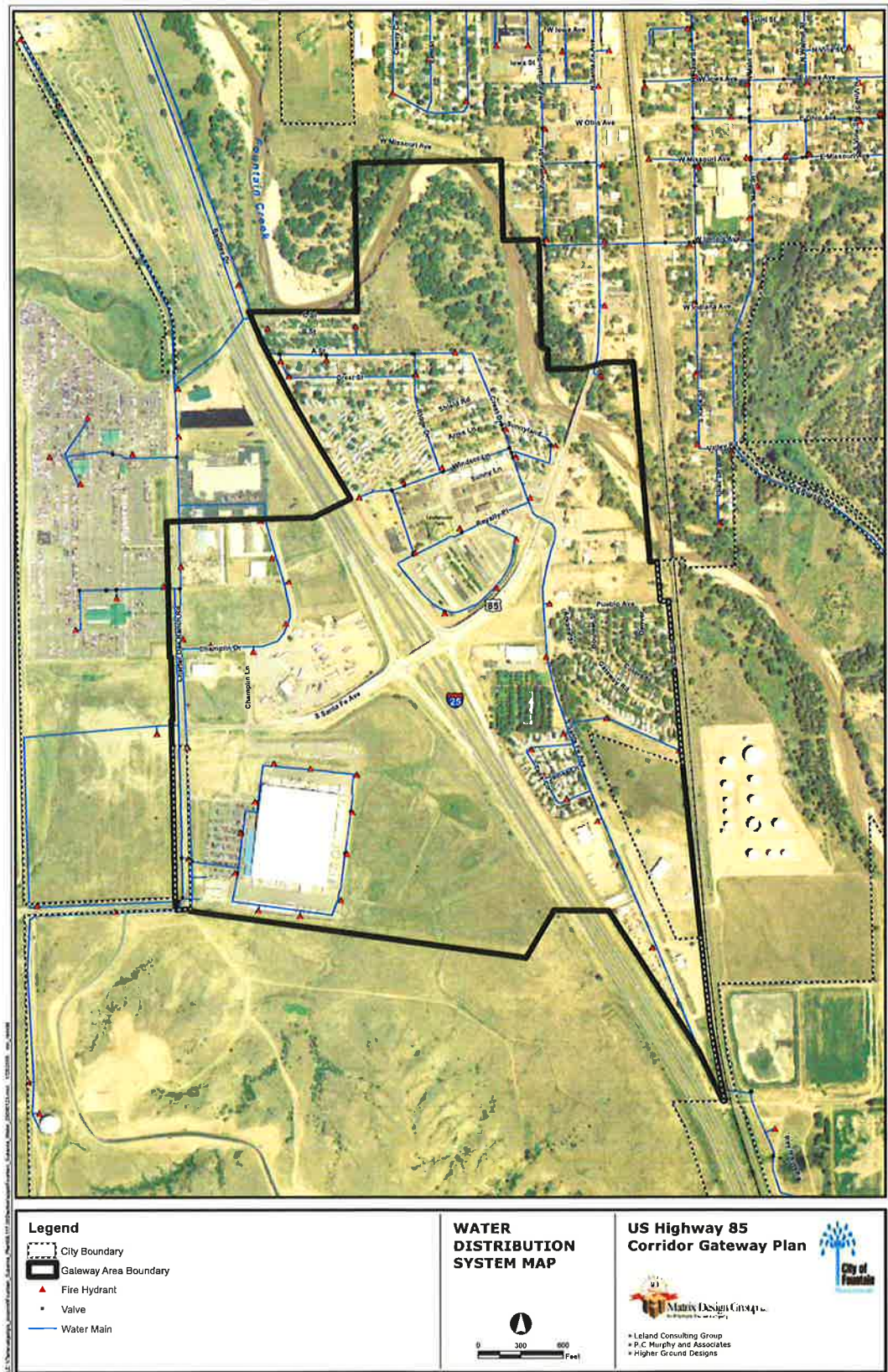
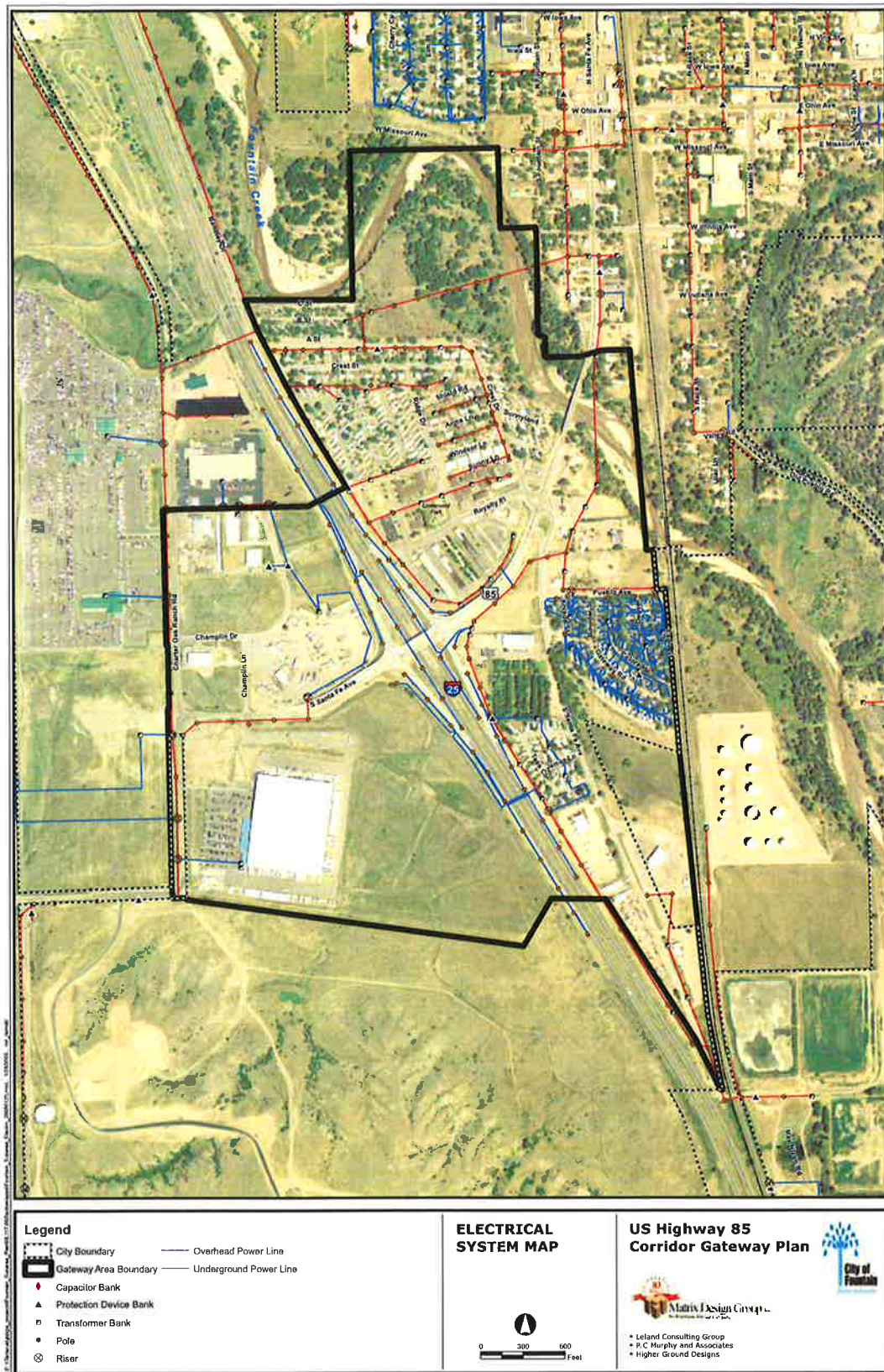


Exhibit 5: Electrical System Map



Development Opportunities

The US Highway 85 Corridor can best be described as a mature transportation corridor, with fragmented ownership and distinct concentrations of industrial, commercial, service and residential areas. The community's historic downtown is located just outside of the planning area to the north along US 85. The location of the Gateway area at its juncture with Interstate 25 will have a significant impact on the development program of projects within the area however, long-term development should balance its relationship to downtown and commercial areas to the north along Mesa Ridge Parkway. As private investment leverages public investment in the area, it is likely that uses will begin to respond to and serve the local community, redefining itself as an employment and commercial epicenter. With supportive policies and stronger regulations, the Gateway could eventually be the community's front door for the community connecting it to the balance of the City and other points beyond.

Trade Area

Planning for quality sustainable development within a community requires an understanding of physical limitations and the market. The market analysis conducted by Leland Consulting Group and summarized herein, focused on identifying market opportunities within a project trade area that extends from southern Colorado Springs to northern Pueblo County. A trade area is that area from which a project(s) or area will draw the majority of its residents (housing), patrons (retail) and employees (office) – that area that will likely be a source of competition and demand. The boundaries of the trade area are often irregular as they are influenced by the following conditions:

- Physical Barriers –presence of certain physical barriers including highways, arterials, and significant structures which influence driving and shopping patterns;
- Location of Possible Competition – inventory of potentially competitive project which could diminish the market share available to the project;

- Proximity to Population and/or Employment Concentrations – concentrations in an area which could translate into more population and households to support the project (density and “rooftops”);
- Zoning – restrictive or favorable regulatory environment which will influence a developer’s interest in delivering projects in one location vs. another;
- Market Factors – conditions which will set sale and lease prices, influence a developer’s interest, or impact the project’s revenue potential (value);
- Drive Times, Spending and Commuting Patterns – habits and patterns that have been established which could impact the project’s ability to capture market share (or require re-education).

As several land uses were analyzed relative to their potential for development and redevelopment, the trade area needed to be broadly-representative. Since the Gateway represents a distinct sub-market within the region, and as such will likely compete with projects from different geographies, conditions were analyzed for areas including a 2-mile radius around the planning area, the regional trade area and El Paso County.

Economic and Demographic Indicators

Economic and demographic characteristics in the market are indicators of overall trends and economic health which may affect private and public sector development. The following are highlights of those conditions expected to affect development demand within the primary impact area over the next 10 years. While the time frame of development and redevelopment in the study area may in fact stretch to 20 years or more, this 10-year focus provides a more tangible time horizon to guide planning efforts and aid in targeting potential private sector participants.

Population and Household Growth

The 2-mile radius surrounding the center of the planning area includes approximately 10 percent of the population of the regional trade area, which in turn, includes almost 18 percent of El Paso County. Trade area population density

is concentrated in southeast Colorado Springs and along the U.S. 85 Corridor from Widefield/Security through Fountain. Unincorporated northern Pueblo County, although part of the trade area, is sparsely populated. While Fort Carson has a significant resident population, it comprises one large census block group and thus, has a low measured density as reflected in the map.

The planning area itself, with its older buildings and instances of deteriorating conditions, is not generally thought of as offering growth potential. However, looking at population increase since 2000, the 2-mile radius area has actually outpaced (by nearly two to one) both the regional trade area and El Paso County, in terms of its annual growth rate. Notwithstanding the national economic and homebuilding slowdown, both the region and closer area have grown at a robust pace.

Future growth in the trade area, in the absence of Fort Carson, could be expected to decline in terms of its annual rate, when compared to 2000 to 2009 levels. However, because of ongoing and planned base realignments and transfer of soldiers from other U.S. Army bases to Fort Carson, overall rates of growth for the regional trade area are assumed to surpass this past rate, albeit only slightly. The analysis presented herein assumes a blended household growth rate of 2.2 percent annually for the regional trade area during the 10-year demand forecasting period.

Household Characteristics

Despite its proximity to Fort Carson, with its predominantly single male workforce, less than one-quarter of trade area residents fall into the “non-family” category. A “non-family” household is defined by the Census as a single household or households in which residents are unrelated. In part, this speaks to the fact that Fort Carson’s single male population tends to be enlisted in rank and housed on-base, whereas its substantial number of higher-ranked enlisted personnel and officers are likely to have spouses, families and live in off-base housing located throughout the wider community. Fountain also attracts a broad array of suburban- and exurban-minded homeowners and renters. Other factors contributing to a low “non-family” count is the fact that both the neighborhood trade area and regional trade area have a similar proportion of renters relative to the more urban El Paso County.

Age Distribution

Both the 2-mile neighborhood trade area and regional trade area have lower percentages of residents aged 65 and over. These seniors are largely concentrated in south Colorado Springs, particularly in the Broadmoor area. The military presence in the area undoubtedly helps to skew the population younger, as does the general suburban/exurban setting of Fountain and surrounding unincorporated areas.

Household Incomes

Household incomes in both the 2-mile and regional trade areas are significantly lower than El Paso county-wide averages. As with educational attainment, the geographic distribution of affluence is skewed somewhat away from the Fountain Exit 128 Gateway area. Again, this pattern is indicative of the military presence and industrial/blue-collar base currently residing in the Fountain area. Note: Income figures may be misleading, since military families often receive substantial benefits (including housing allowances) that go beyond stated salaries.

Ethnicity

The regional trade area, while predominantly White/Caucasian, has a substantial Hispanic population, though still at levels below that of El Paso County overall. While the 2-mile trade area has a Black/African-American population base comparable to the County, the regional trade area maintains nearly twice the representation of this group. Visual inspection of the mix of ethnic-oriented businesses in the area suggests an increase in ethnic diversity (particularly the Hispanic presence).

Concentrations of any particular ethnic or racial group do not necessarily dictate the need for special real estate products, but rather, ethnic diversity can add to the “place-making” flavor of a development if translated into unique locally-owned dining and shopping options.

Employment

Employment growth directly impacts the demand for new industrial and other employment space and indirectly demand for residential units. Long-term employment growth projections in the area are modeled for small geographies by the PPACG. These projections are generally consistent at the county and state levels with forecasting produced by the State of Colorado Workforce Division of Local Affairs. Employment growth for the regional trade area is estimated to increase from 60,396 in 2010 to 74,837 in 2020, or an increase of 14,441 jobs.

Note: Forecasts are based on pre-recession conditions and may not completely reflect the impact of Fort Carson troop growth.

Psychographics

Psychographics is a term used to describe characteristics of people and neighborhoods which, instead of being purely demographic, measures their attitudes, interests, opinions, and lifestyles. These more qualitative descriptions are increasingly used by marketers and planners to help tailor product offerings to suit the tastes of target market segments. Residential homebuilders and commercial retail developers, in particular, are interested in understanding a community's psychographic profile, as this is an indication of its residents' propensity to spend across select retail categories. Residential developers are also interested in understanding an area's psychographic profile, as it tends to suggest preferences for certain housing product types.

The top PRIZM segments present within the regional trade area include: White Picket Fences, Kids & Cul-de-Sacs, Sunset City Blues, Family Thrifts, Boomtown Singles, Big Sky Families, Upward Bound, and Shotguns & Pickups. Together they represent over half of trade area households. Each of the above segments is present at more than twice the national rate. In aggregate, these profiles suggest concentrations of individuals that are relatively blue-collar, ethnically diverse, and family-oriented.

Development Opportunities

What the market analysis showed was that there is market demand and the Gateway area, with strategic public and private reinvestment and supportive policies, could be positioned to capitalize on select niche and destination opportunities which serve the community and region. However, following the recommendations presented in the implementation section of this Plan will be essential.

Given its location within the region, and along the high-growth Interstate 25 Corridor, the area is strategically located to capture a share of the region's traffic and business growth. Forecasts indicate that more than 1.4 million square feet of employment space, more than 580,000 square feet of retail space and nearly 8,800 residential units could be absorbed in the market over the next ten years, from which properties within the planning area could benefit. The level of investment that actually occurs within the Gateway will be directly proportionate to the City's and property owners' commitment to:

- Wait for the "right" investment (consistent with the plan)
- Introduce stronger physical connections
- Implement supportive infill policies
- Identify creative financial solutions
- Remove "barriers"

The degree to which the planning area is able to capture new demand within the trade area (and beyond) will be a function of the implementation process itself. Given the highly competitive nature of new development, and significant challenges of redevelopment, along with the heightened challenges of delivering a quality sustainable environment, success will depend on defining a "place" in the minds of the region's residents and visitors. Developing key catalyst districts as destinations will necessarily increase the area's ability to capture not only a greater share of its trade area demand, but also to reach beyond those boundaries. Its evolution will obviously be expedited if assisted by a favorable regulatory environment which offers a flexible land use model, tighter building controls, balanced parking requirements, stronger connections and a diverse incentive package.

Gateway Redevelopment Plan

Guiding Principles

As a basis for preparation of conceptual plan alternatives, and as a way to evaluate potential redevelopment options within them, guiding principles were established and confirmed by the Urban Renewal Authority and other city officials. The following principals address land use, transportation, visual quality, and economic elements embodied in the alternatives and final preferred concept.

Land Use Guiding Principles

- As the southern “gateway” to Fountain, the area will be developed as a unique “place”
- Interstate access and visibility from the interstate create opportunities to serve a broader, more regional demographic in addition to local neighborhoods
- Western portions are generally most suitable for highway commercial, regional retail, industrial, business and other employment generators
- Eastern portions are generally best suited for community and neighborhood-serving business and family-oriented retail, public spaces and a range of housing
- Future development will include opportunities not currently available – essentially tapping unproven markets
- A mix of high-quality uses is desired including hotels, restaurants, business, industrial, commercial and retail
- Development and redevelopment parcels will be strategically assembled / positioned for their maximum potential and ability to advance the vision of the plan.

Transportation Guiding Principles

- Improvements to existing roadways and influence over future traffic patterns will reflect the need for continued truck use in areas on both sides of Interstate 25
- Safe, pedestrian sidewalks and trails will be developed to provide convenient access in select locations of the area, including along the Fountain Creek corridor; across Interstate 25; and, into the downtown core
- Bridge improvements and/or widening of the Fountain Creek Bridge will be explored because of its importance as a portal to downtown and a visual transition from the sub-area to the downtown core
- The plan to open Gate 19 at Fort Carson will be reflected in the Plan and future uses will consider this demand segment.

Economic Impact Guiding Principles

- Land uses and development programs will be evaluated relative to their fiscal, social and environmental impacts
- The City will continue to explore new revenue sources to supplement existing fiscal resources which might be necessary to advance the vision of the plan
- New projects in the area will be subject to a fiscal impact analysis, particularly residential development and redevelopment projects, addressing both operating and capital impacts, in order to ensure that the City's overall fiscal balance is maintained or improved
- Fiscal impact analyses will be incorporated into the City's Capital Improvement Program process in order that public investments are strategic and targeted
- Project contributions to the urban renewal area, in the form of tax increment financing revenue, will be considered separate from contributions to the City.

These principles, along with consideration of other goals and objectives discussed by the City, public and private stakeholders, and public at-large were synthesized into the following **Plan Framework Fundamentals**. The US 85 Corridor Gateway Planning Area will:

- Create a southern “gateway” to the City of Fountain, with a mix of high-quality uses and a strong sense of identity
- Serve the greater Fountain community, regional interstate traffic, as well as local residents and businesses
- Provide safe and efficient pedestrian connections to adjacent neighborhoods, downtown, and Fountain Creek
- Enhance the area through attractive lighting, signage, public art, landscaping, and other urban design elements
- Respond to market and economic realities
- Be fiscally, socially, and environmentally responsible

Conceptual Redevelopment Plan Alternatives

The recommended Gateway Redevelopment Plan is based on the preparation, review, and comparative evaluation of a series of conceptual alternatives and redevelopment scenarios. Each concept was based on findings from the existing conditions assessment, market analysis, and public engagement process, all of which have been described herein. In order to arrive at a final preferred development concept for the US Highway 85 Corridor Gateway area, the consultant team prepared concept land use and transportation alternatives for consideration and comment by the stakeholders and community. Initially, three alternatives were created that displayed strategies to “improve circulation and the traffic framework, organize uses to stabilize values and promote reinvestment, and provide a compilation of experiences designed to better define it as a memorable place within the City of Fountain and along the Interstate 25 corridor”. Concept alternatives were presented in a manner believed to offer real options to better direct growth in the planning area.

When presented to members of the Fountain Urban Renewal Authority, it was explained that all three alternatives were market supportable. Each alternative represented an approximate “build-out” scenario of 20+ years. Major elements which changed between alternatives included: the road network, which was modified with each alternative, reflecting the size of assembled developable parcels; public space configurations which placed varying levels of emphasis on the creek corridor and which included a range of general spaces serving the larger area; land use components and products along with a physical

environment supportive of select products – community retail vs. village centers, etc.; assemblages for institutional anchors versus smaller-scale mixed- and multi-use developments; and, required levels of public investment and corresponding effort required to fund each scenario.

Experience has shown that successful communities engaged in these types of efforts are those which leverage their land use, open space, and transportation elements in a manner which creates strong and memorable identities for the various districts within their boundaries. This was the goal behind the refined concept alternative in that it leveraged current and proposed development activity to generate identifiable places rather than “a collection of developments.”

Meetings and discovery provided the foundation from which the concept alternatives were developed. The framework fundamentals and concept guiding principles provided the foundation from which the preferred alternative was selected. The principles behind the refined alternative are outlined as follows.

Redevelopment Concept A: North Neighborhood Revitalization Strategy – a neighborhood-focused redevelopment that maximizes the use of existing street and utility infrastructure, and promotes the redevelopment of smaller and/or infill projects;

Redevelopment Concept B: Interchange to downtown “Bridge” Strategy – a highway-focused redevelopment concept that concentrates investments at the major intersections, and orients civic and community to capitalize on highway and Fountain Creek juncture, to serve as a “gateway” into the downtown; and,

Redevelopment Concept C: “Gateway” Redevelopment Strategy – a plan that promotes redevelopment throughout the Study Area, including infrastructure improvements; a major community park; internalized civic and community uses; commercial development at the four major parcels at the intersection of Interstate 25 and Highway 85; and commercial development in the Westside portion of the Study Area that would capitalize on the potential reopening of Fort Carson Gate 19.

The intensity and extent of proposed uses between Concepts A, B and C increase along four continuums as listed and illustrated below:

- Percentage of Study Area Affected
- Magnitude of Change
- Public Investment Required
- Private Investment Required

Implementation Tools Common to All Plan Concept Alternatives

While each of the concepts represented potentially different land use configurations, infrastructure improvements, and other associated physical changes, implementation tools and actions that were considered consistent among all of the alternatives included the following:

- Adoption of plan by City Council
- Establishment of a Mixed Use Planned Unit Development (PUD) that could better control land use types, quality, and treatment within the planning area
- Provision of additional resources for code enforcement and elevation of City standards
- Removal of all non-conforming illegal uses as allowed by law
- Initiation of a phased program of capital improvements (CIP and TIF funds) and prioritization of improvements
- Provision of financial assistance / incentives to viable private entities interested in development and redevelopment
- Preparation and adoption of a relocation plan (residential and non-residential)
- Establishment of a program for property acquisition (by the urban renewal authority)
- Preparation and eventual issuance of developer requests for publicly-acquired properties
- Preparation and distribution of marketing materials highlighting opportunities in the planning area

Land Uses and Urban Elements Common to All Alternatives

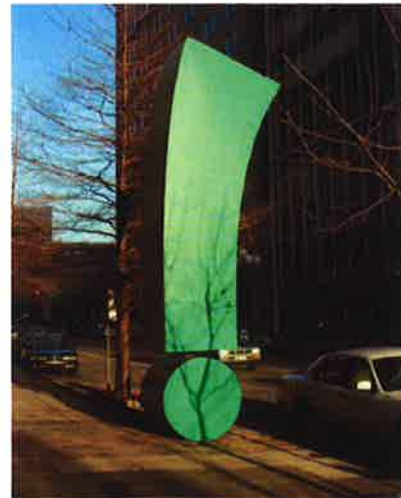
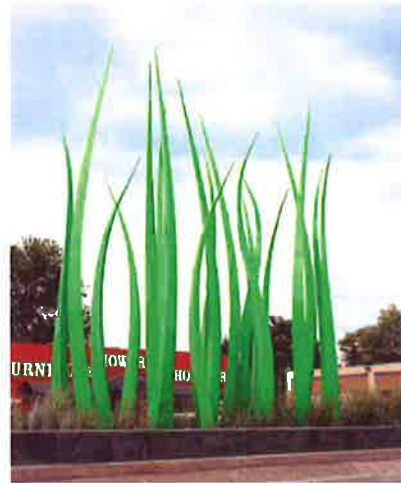
The proposed alternatives illustrated only broad redevelopment concepts in order to provide the most long-term flexibility for area-wide improvements, while at the same time advancing land use recommendations that responded to market opportunities and community interests. Other common elements included: general land use types; sub-types resulting from future planning efforts and market demand; and a mix of land uses.

Images presented below reflect the intended quality, variety, and character of development envisioned in the planning area and are provided for illustrative purposes only.

Gateway Monumentation Examples



Gateway Signage and Community Art Examples



Community Commercial Land Use Examples



Institutional Land Use Examples



Highway Commercial Land Use Examples



Typical Business and Industrial Land Use Examples



Affordable Housing Types and Density Examples



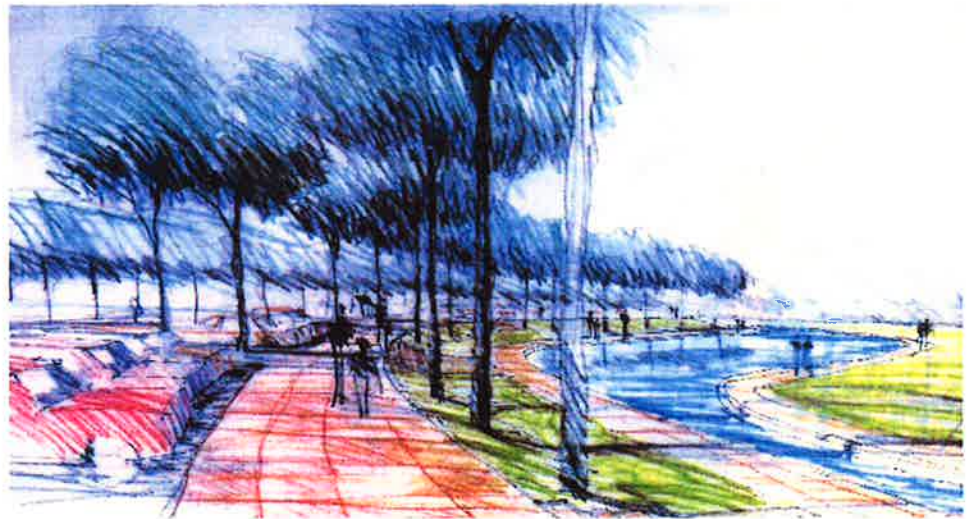
Civic, Cultural, Arts, and Recreational Land Use Examples



Typical Pedestrian-Friendly Transportation Improvements



Typical Fountain Creek Improvements



In addition to common land use and urban elements, each of the three concept alternatives included a variety of public realm infrastructure investments throughout the planning area, including:

- Streetscape improvements
- Sidewalks and pedestrian trails
- Creek and open space improvements
- Gateway urban design elements
- Signage and landscaping

Exhibit 7: Public Realm Plan

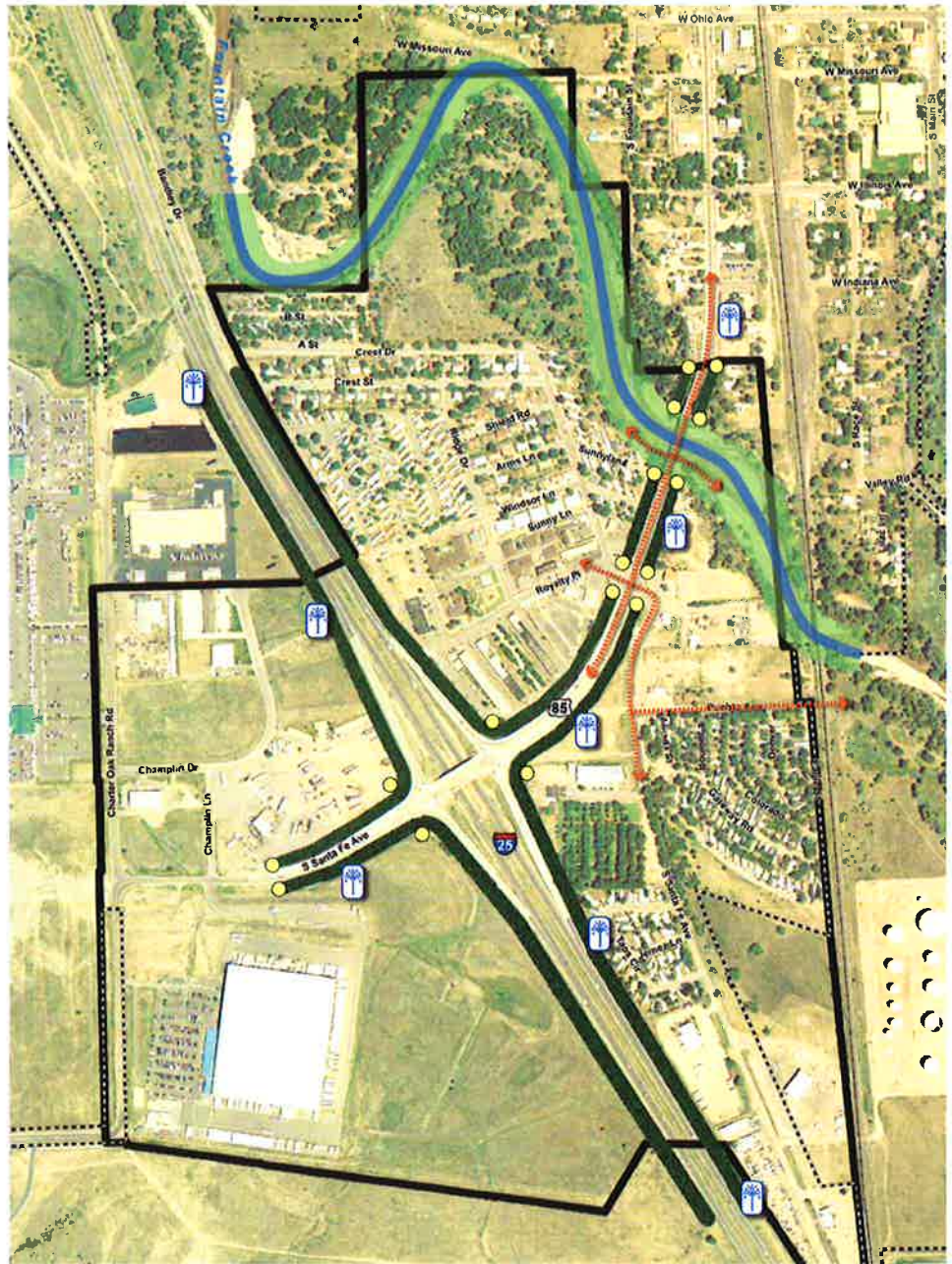
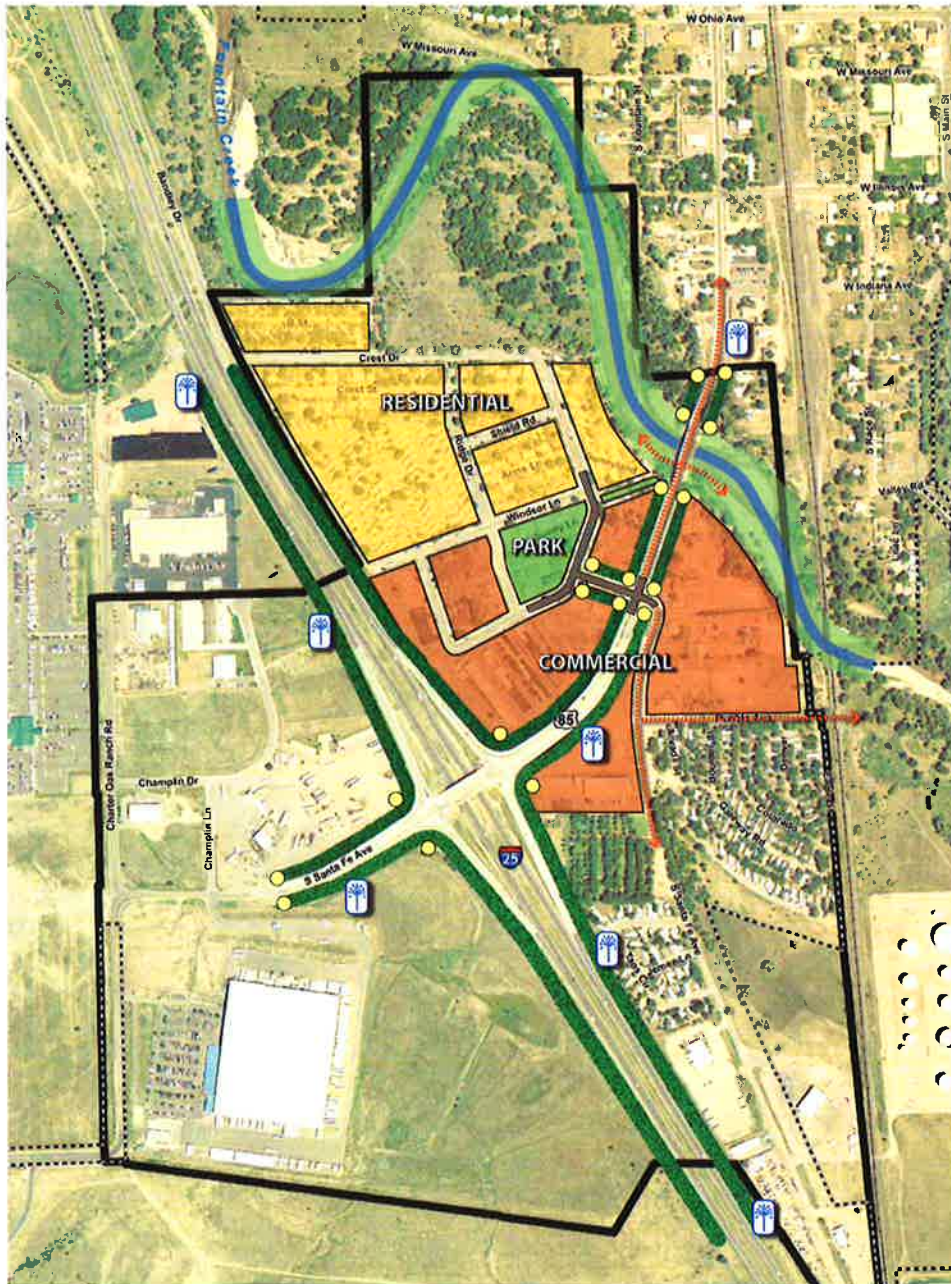


Exhibit 8: Redevelopment Concept A: North Neighborhood Revitalization Strategy

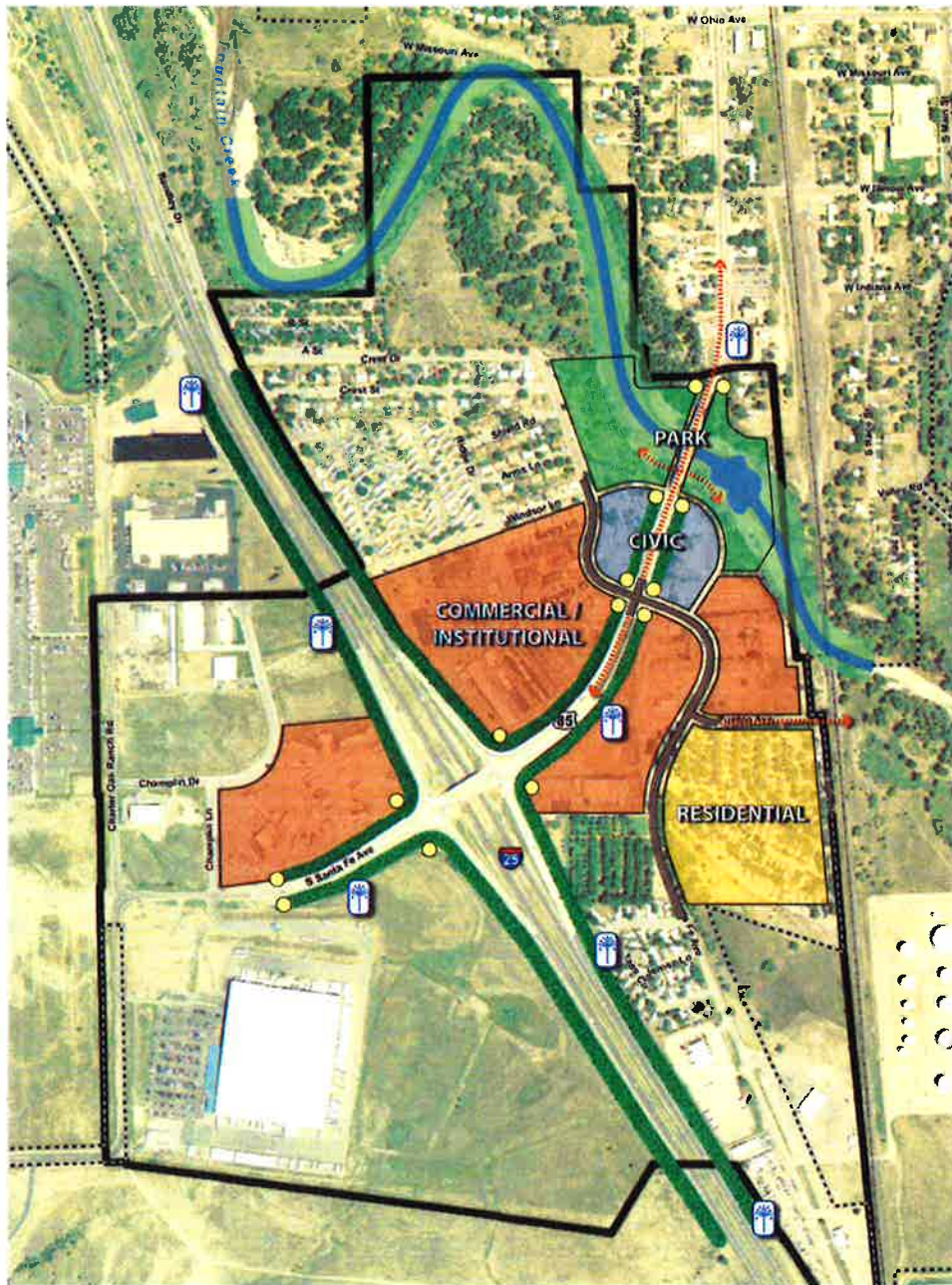


Redevelopment Concept A focused infrastructure improvements and land use changes primarily in the area north of SH 85 and east of Interstate 25; those areas adjacent to SH 85 on the south are also addressed as part of this concept alternative. No other parts of the planning area are planned for major changes under this scenario, except as those public realm urban elements common to all alternatives.

This concept provides for improved vehicular access into the area at the intersection of SH 85 and South Santa Fe Avenue in order to improve vehicular and pedestrian safety and to create a more viable development parcel. All other existing streets were retained in order to minimize redevelopment costs and maintain existing residential land uses and lot configurations within neighborhoods. The area south of Windsor Lane to SH 85, and the area south of SH85 including the land north of Chancellor's Mobile Home Park and Fairview Cemetery, were identified for commercial uses. No roadway modifications were proposed south of SH 85. While the proposed configuration of uses north of SH 85 promoted infill redevelopment geared towards neighborhood-serving retail, the larger commercial areas proposed south of SH 85 would have allowed for more community-serving retail opportunities.

As part of this concept, a neighborhood park was proposed to provide local residents and business owners with a more significant local recreational amenity and a pedestrian link from the neighborhood to Fountain Creek. This redevelopment scenario addressed the area's blighted conditions and non-conforming land uses, with only minor improvements to existing roads and infrastructure.

Exhibit 9: Redevelopment Concept B: Interchange to downtown "Bridge" Strategy



Redevelopment Concept B focused infrastructure improvements and land use changes predominantly in the area east of Interstate 25 and, in the northwest quadrant of I-25 and SH 85, where the existing Tomahawk Truck Stop is located. No other parts of the planning area were designated for major changes under this scenario, except for those public realm urban elements common to all alternatives.

Since this scenario was not based on the need to maintain existing roadway and utility infrastructure, it provided for more significant redevelopment opportunities in the northeast quadrant of the planning area, between SH85 and Windsor Lane. In addition, Santa Fe Drive, south of SH85, was realigned not only to improve vehicular access and safety, but also to create larger development parcels in the area. While this scenario would result in the displacement of several mobile homes in Chancellor's Mobile Home Park, the majority of residents in the eastern portion of the planning area would not be impacted. Therefore, it proposed that Chancellor's Mobile Home Park be repositioned to accommodate other forms of affordable housing as the area redeveloped with higher quality uses.

A major component of Concept B was the proposed redevelopment of properties adjacent to and on the south side of the Fountain Creek Bridge, an area that could provide for a variety of civic and/or cultural activities, and serve as a "gateway" into downtown. As part of this public use, Fountain Creek would be enhanced to include an urban park and related amenities, such as pedestrian trails, lighting, seating, shelter, and/or other park amenities. Land uses within the civic area could include a visitor's center, museum, and/or other public facilities.

Exhibit 10: Redevelopment Concept C: "Gateway" Redevelopment Strategy



Redevelopment Concept C focused infrastructure improvements and land use changes throughout a majority of the Study Area. Like Concept B, this scenario was not based on the need to maintain existing roadway and utility infrastructure. Consequently, it provided for significant redevelopment opportunities in all four quadrants. Santa Fe Drive, south of SH85, was realigned, not only to improve vehicular access and safety, but also to create larger development parcels in the area. A new access road is provided in the southwestern quadrant to provide for

additional development in that area. A new Civic area and a large community Park becomes the focal point for the new neighborhoods in the northeast quadrant. Similar to Concept B, mobile home parks in the area would be repositioned to accommodate other forms of affordable housing as the area redeveloped with higher quality uses.

Exhibit 11: Alternative Plan Comparison and Evaluation Matrix

A review and comparison of each of the conceptual plan alternatives was prepared to address a range of redevelopment and regulatory issues. The following Chart illustrates the results of this analysis.

		Alternative A	Alternative B	Alternative C
Financial	bond issue (possible)	x	x	
	grants	x		
	fee waivers		x	x
	infrastructure cost participation		x	x
	eminent domain		x	x
	tax increment financing	x	x	x
	general fund	x		
	low interest loans		x	x
	relocation assistance		x	x
	property acquisition		x	x
	special district finance			x
	Regulatory	new zoning designation	x	x
overlay		x	x	x
rezoning		x	x	x
annexation				x
code enforcement		x	x	x
removal of non-conforming uses		x	x	x
Physical	bridge widening			x
	roadway improvements (paving, curb, gutter)	x	x	x
	streetscape	x	x	x
	creek improvements			x
Market	promotion		x	x
	marketing materials		x	x
	developer requests for proposals		x	x
	pre-development research*		x	x
Policy / Political	eminent domain		x	x
	adoption of plan	x	x	x
	amendment to comprehensive plan		x	x
	alignment with cip plan and budget	x	x	x
	relocation policy / plan		x	x

Source: Leland Consulting Group and Matrix Design Group.

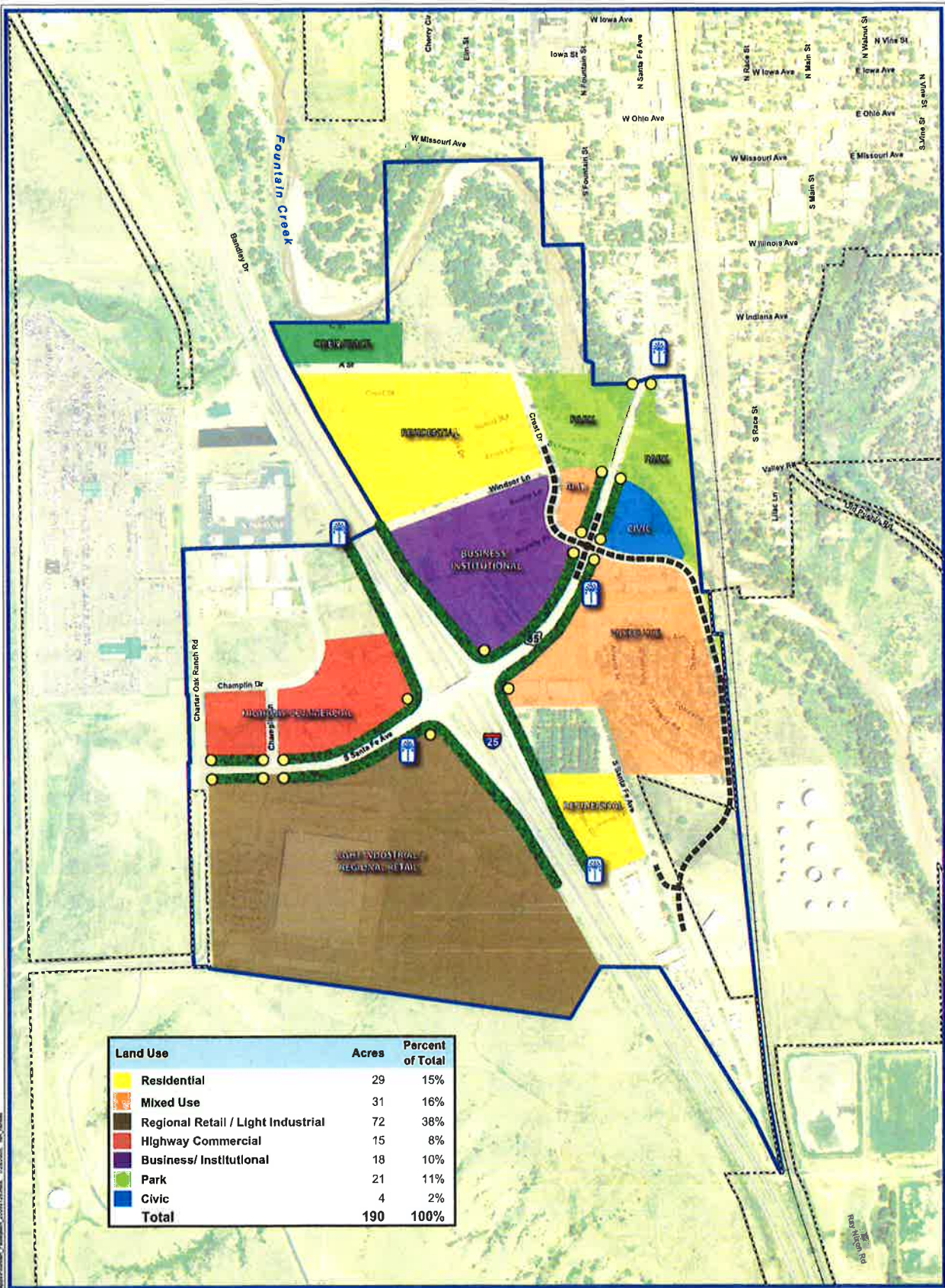
* including market analysis, cost estimating, and public-private financing strategies

Preferred Gateway Redevelopment Plan

The proposed Gateway redevelopment concept is based on an approach which encourages strategic investment in a compact environment containing an appropriate mix of land uses, with a greater emphasis to multiple forms of access, and resulting in a unique sense of place. The US Highway 85 Corridor Gateway Plan is intended to assist the Fountain Urban Renewal Authority, City of Fountain, Fountain Chamber of Commerce and other advocacy entities, along with area property owners and other project partners, with a technical framework for discussions regarding market opportunities, development programming alternatives, and partnership strategies. The vision and directives referenced herein were developed with input from the community and its elected and appointed officials, along with guidance from the consultant team.

The Gateway Redevelopment Plan, as illustrated in **Exhibit 12**, below identifies and highlights only those subareas that will 1) experience a change in land use from that which exist today; or 2) experience redevelopment of properties within the area, even though land use will essentially stay the same; and / or 3) receive significant public investment or intervention. Areas that are left uncolored or un-highlighted are not proposed to undergo any change in land use or significant redevelopment. In addition to use designations, the redevelopment plan map also shows major changes in road alignments along with conceptual landscaping, gateway, and urban design improvements. **Exhibit 13** represents a Future Land Use Map for the entire Gateway planning area, at build-out, regardless of the degree of redevelopment. These two exhibits form the basis for a proposed Gateway Planned Unit Development that would specify permitted land use types, densities, development guidelines, and other regulations, thereby setting the standard for future development.

The following sections describe the intended character and uses within the proposed subareas of the Gateway Redevelopment planning area.



Legend

- City Boundary
- Gateway Area Boundary
- Realigned / Rebuilt Roadways
- Special Streetscape Elements / Treatment
- Enhanced Landscaping
- Welcome Signage

GATEWAY REDEVELOPMENT DISTRICTS

US Highway 85 Corridor Gateway Plan

I:\E:\CherryCreek\GIS\Projects\GatewayArea\Map_Series_Schedule_08/21/2013 11:52:00 AM - 12/20/2013 - 10:00 AM - 10:00 AM

Business / Institutional

Location and Access: The Business / Institutional subarea is located at the northeast corner of the Interstate 25 / Highway 85 interchange. This 19-acre subarea currently consists of a mix of small-scale businesses, multi-family housing, vacant buildings and lots, and a small park. This subarea would be redeveloped with either a Business or Institutional land use design or, potentially, a combination of both, as described below. Primary access to the subarea would be provided by a realigned Crest Drive. Currently, the proximity of the Crest Drive / Royalty Place intersection to the Crest Drive / South Santa Fe Avenue intersection causes confusing turning movements, traffic congestion, a poor pedestrian environment, and inefficient layout and utilization of adjacent parcels. Crest Drive would be realigned to provide a safer approach from the north to its intersection with South Santa Fe Avenue, enable additional room for vehicle queuing, and provide for a more attractive and pedestrian-friendly entry to the northern subareas within the Gateway redevelopment area. Roads and development parcels internal to this subarea would be reorganized as part of a master development site plan for the entire 19-acre subarea.

Land Use (Business): Due to the ease of access and visibility of the site from the interstate, business land uses intended for this area would consist of a mix of commercial uses such as restaurants, hotels, and retail establishments to serve not only passing motorists on Interstate 25, but also local residents and employees within Fountain and Fort Carson, two groups who have been generally underserved in the past. While “big box” retail is not envisioned for this subarea, business uses proposed would be suitable for a market beyond the neighborhood level.

Land Uses (Institutional): The size and convenient location of this subarea could be attractive for an institutional user, serving as an activity and/or employment anchor for the entire Gateway area. An institutional use such as a medical, governmental, or educational facility is envisioned. Depending on the land acreage requirements of the end user, compatible business uses could be co-located within the 19-acre site as well.

Urban Form: Since business and / or institutional uses in this area would draw customers arriving largely by automobile, a development pattern acknowledging the importance of vehicular access, mobility, and parking would be necessary.

However, providing strong pedestrian connections to surrounding districts and a friendly pedestrian environment within the subarea, would also be important. Additionally, given the visibility of the area and its function as the “first impression” to Fountain from the I-25 / Highway 85 interchange, it must be developed with architectural and urban design standards more rigorous than typically associated with automobile-oriented developments. If an institutional use is developed in this subarea, the overall site plan for the 19 acres should emphasize the institutional building and its grounds as the focal point.

Highway Commercial and Light Industrial / Regional Retail

Location and Access: A Regional Retail / Light Industrial subarea is located on the west side of Interstate 25 and totals approximately 110 acres in size. Primary access would continue to be provided by South Santa Fe Avenue and South Charter Oak Ranch Road, and no significant roadway changes made. It should be noted, however, that if Fort Carson’s Gate 19 is reopened (located just to the southwest of this subarea), some roadway capacity improvements might be necessary.

Land Uses: Land uses in this subarea are currently dominated by a distribution center, a truck stop, a restaurant, and a motel. The Gateway Redevelopment Plan envisions land use regulations that allow for a continuation of these and similar light industrial uses, yet flexibility enough to also permit large-format regional retail stores and associated smaller pad site retail establishments, should the market support them. In any case, land uses in the area would exist in a redeveloped format that would provide for more modern and enhanced facilities and more efficient utilization of land, vehicular access, and parking. Any anchoring large-format retail development would likely serve the southern El Paso and northern Pueblo County area and beyond, because of its interstate frontage and visibility.

Urban Form: This subarea primarily focuses on providing services to truck and automobile users, therefore typical building setbacks and parking areas suitable for these kinds of uses would be expected. However, the quality of the architecture, landscaping, and urban design found in this Regional Commercial / Light Industrial subarea would be greatly improved and representative of the area’s new status as a gateway to the community.

Mixed-Use

Location and Access: Two Mixed-Use subareas are proposed within the Gateway Redevelopment area. The larger of the two, approximately 27 acres in size, is located in the southeastern quadrant of the Gateway Redevelopment area and is currently occupied by a mix of commercial and light industrial uses and a mobile home park.

Access to this subarea would be provided by a realignment of the dead-end street currently known as South Santa Fe Avenue, and referred to in this Plan in its realigned position as Crest Drive East in order to distinguish it from the portion of Highway 85 also named South Santa Fe Avenue located to the west.

The realignment of Crest Drive East is an important element of this Plan. The current US 85/South Santa Fe/Crest Drive intersection configuration, with its hairpin curve immediately southeast of the intersection:

- does not conform to standard engineering principles
- does not meet City of Fountain standards (Colorado Springs standards)
- includes two right-turn only access points north-bound and south-bound on US 85, in addition to the signalized intersection which, in effect, creates a 360-foot wide intersection, creating multiple opportunities for vehicle/pedestrian/bicycle conflicts
- reduces safety for pedestrians by increasing the distance between safe zones
- limits sight distances and does not meet driver expectations of a typical 90-degree intersection
- limits development opportunities to only two of the four corners
- would be further negatively impacted by increased development in the area
- severely limits access to the proposed Civic district

Additionally, the current roadway alignment of South Santa Fe Drive southeast of US 85:

- includes multiple opportunities for vehicle/bicycle/pedestrian conflict, and limits development of land adjacent to it
- leaves poorly shaped, underutilized land adjacent to US 85
- reduces opportunity for a large-scale, contiguous Mixed Use project adjacent to US 85
- relegates largest Mixed Use site to a location farther and less visible from both US 85 and I-25, thereby reducing the attractiveness of the site
- does not improve the image of the Gateway area or serve as a catalyst for redevelopment

Most of the land east of South Santa Fe Avenue is in the 100-year floodplain. Only one-third of the Mixed Use area east of the existing roadway alignment is outside of the floodplain and, therefore, developable. Significant redevelopment in this area is impossible without floodplain remediation. Floodplain remediation is unlikely unless linked with a major development proposal and major roadway improvements or realignment.

Any major new Mixed Use development with the current road alignment would require:

- an upgrade to existing roadway cross-section to bring up to local standards and to accommodate increased traffic volumes due to new development
- an upgrade to water systems and, potentially, sanitary sewer system within existing right-of-way
- the remediation of the 100-year floodplain

Many of these improvements are the same as those that would be required if South Santa Fe Avenue is realigned; however, if these improvements are made with the existing alignment, the resulting land configuration would be less desirable for development and the flawed intersection would remain.

Vehicular access to the parcels directly east of the current intersection is already problematic. Any redevelopment occurring on these parcels without roadway realignment only perpetuates this undesirable situation.

Under this Gateway Redevelopment Plan, the proposed Crest Drive East roadway realignment:

- greatly improves access, capacity, visibility, and safety issues at US 85 intersection
- creates a large, contiguous, appropriately shaped redevelopment site
- maximizes visibility, access, and value of the site
- provides opportunity to combine with grading/drainage project to remove properties from 100-year floodplain
- improves vehicular access to Civic area and northern part of this Mixed Use area
- buffers new development from railroad impacts

There are several important issues relating to the implementation of this roadway alignment and redevelopment of this Mixed Use area:

Roadway realignment and intersection improvements would be triggered only as part of a major redevelopment project consistent with this Gateway Redevelopment Plan.

Tax Increment Financing revenues and/or developer contributions would cover most, if not all, of costs for roadway realignment and associated floodplain and utility improvements.

A flexible Planned Unit Development (PUD) zoning code relating to the Mixed Use district will be established that:

- allows development opportunities for smaller projects that may occur in the near-term (interim uses that could be feasibly replaced during a later phase)
- allows for development sites that do not preclude the future realignment of South Santa Fe

- allows for development sites that do not preclude the assemblage of land for a future anchor project
- clearly defines permitted uses and development character within the district
- provides a process for allowing the ultimate alignment of South Santa Fe to be determined in conjunction with a development proposal
- allows for interpretation of infrastructure improvements represented in the plan in order to accommodate development consistent with its objectives

Land Use: Primary activities intended for the Mixed-Use subareas include a mix of single-family attached and multi-family residential uses, along with neighborhood-scale retail and commercial uses. With both Mixed-Use subareas located where mobile home parks exist today, an important aspect to the residential component of these two subareas is affordability. However, the residential component of the Mixed-Use subareas should be diverse and include for-sale and rental units at both subsidized and market-rate prices. The purpose of including both price points – market-rate and subsidized² – is to replace the existing large concentrations of low-income housing in the area with a mix of low, moderate and market-rate housing. This approach could only be advanced in partnership with the Fountain Housing Authority and perhaps other housing groups. Logistics would include: preparation of a relocation strategy for existing residents (prepared and implemented by the URA); acquisition, demolition and replacement of existing units (at lower densities than are there today); assistance with applying for and securing LIHTC (Low Income Housing Tax Credits); and supplementing funding gaps with future TIF (Tax Increment Financing) revenues.

The neighborhood-scale commercial component would include small restaurants, a grocery, and other retail activities, as well as professional office / service uses. The ratio between residential and commercial uses within either Mixed-Use subarea would be dependent upon market demand and, in part, the manner in which the Business / Institutional subarea develops.

² Housing which is financed through public and private resources and frequently integrated, horizontally and vertically, in the same project or neighborhood

Costs associated with floodplain remediation, site preparation and infrastructure extensions in the Mixed-Use subareas will only serve to increase the financial feasibility “gap.” Regardless of what the line item is that is driving up the disparity between value and cost, it will have to be addressed in the context of development agreements between the private sector developer and the City / URA. As explained later in the report, it is not uncommon for urban redevelopment projects to have feasibility gaps that reach upwards of 45%. Fortunately, the factors that most frequently increase costs fall within the public realm and therefore are eligible for funding assistance from public sources that require a public benefit connection.

Urban Form: As opposed to the Business / Institutional and Highway Commercial subareas that would rely heavily on drawing automobile users from Interstate 25 and the greater Fountain region, the Mixed-Use subareas will serve the local community with a more urban, walkable form of development, with buildings oriented close to the street and parking provided behind or under buildings. Residential buildings would likely consist of townhomes, duplexes, and / or walk-up condominiums and apartments, with commercial uses located in one- or two-story structures integrated with residential areas on a tighter street grid with sidewalks that emphasize the pedestrian.

Gateway Park

Location and Access: A new Gateway Park is proposed for the area surrounding the existing South Santa Fe Bridge that crosses Fountain Creek. Envisioned at approximately 17 acres in size (including the creek), Gateway Park would serve as both a destination for Fountain residents and visitors, and attractive green “bridge” linking the Gateway redevelopment area with historic downtown Fountain to the north. Vehicular access to Gateway Park would be available from South Santa Fe and Crest Drive. New or improved pedestrian and trail connections would provide access to the park from all adjacent neighborhoods and subareas on both sides of the creek.

Land Use: Gateway Park would host typical passive park uses such as landscaped lawns, gardens, and plazas; seating; public art; and pedestrian paths and lighting. Development of the park would also resolve existing bank erosion issues. Design of the creekside embankment improvements in Gateway Park would be coordinated and consistent with the *Fountain Creek Watershed Strategic Plan* to

address floodplain issues not only within the Gateway Study Area, but also to potentially facilitate floodplain improvements farther downstream. Additionally, phasing of the park would be coordinated with any reconstruction of the South Santa Fe Bridge over Fountain Creek, should that project occur in the future.

Urban Form: Development of Gateway Park in this area would replace existing unsightly debris and eroding creek banks with nearly 2,000 linear feet of terraced retaining walls and landscaped slopes on both sides of Fountain Creek. The southern side of the park would feature an upper-level pedestrian walkway providing access to the adjacent Civic and Mixed-Use subareas, as well as a lower-level pedestrian walkway providing access to the creek edge and trail connections along and across the creek to adjacent Fountain neighborhoods. Developments within the Civic and Mixed-Use subareas would be organized to integrate with the terraced slopes and walkways to provide “eyes on the creek” for enhanced public safety and views.

Civic

Location and Access: The Civic subarea, at approximately 5 acres in size, would be located immediately south and east of the South Santa Fe Bridge over Fountain Creek and at the northeast corner of the intersection of South Santa Fe and Crest Drive East, with access to the Civic subarea provided by these two streets. Additionally, with its location adjacent to Gateway Park, the Civic subarea would be well integrated with the rest of the community via pedestrian and bicycle trail connections.

Land Use: The Civic subarea is intended to feature a smaller-scale community facility, such as a visitor center, history museum, senior/youth center, arts center, or other similar uses that, along with Gateway Park, becoming the heart and soul of the Gateway redevelopment area and serving as an important “stepping stone” from Interstate 25 to Fountain’s historic downtown area. A central feature within the Civic area (or at the transition between the Civic subarea and Gateway Park) would be an iconic water feature that would celebrate the City’s name and provide a strong visual marker and gathering place for the community. The Gateway Fountain would be designed so that it continues to serve as a visual icon and orienting feature for visitors even in the winter months.

Urban Form: Buildings within the Civic subarea would emphasize the pedestrian, not the automobile, although adequate parking facilities would be created in recognition of visitors from the nearby interstate. A strong architectural presence would be established at the corner of South Santa Fe and Crest Drive South, but then stepping back from South Santa Fe to the north, would provide clear sight lines of Gateway Park and Gateway Fountain to northbound motorists. The Civic subarea would integrate seamlessly with the Gateway Park and parking in the subarea would be well screened and landscaped. Floodplain improvements to facilitate development of a portion of the Civic area would be necessary and could happen concurrently with the realignment of Crest Drive East.

Residential

Location and Access: There are two Residential subareas within the Gateway redevelopment area. The larger of the two, at approximately 24 acres, is located north of Windsor Lane and west of Crest Drive, where currently, a mix of single-family detached, duplex, and mobile home residential is found. The smaller Residential subarea, about 5 acres in size, is located just south of the cemetery at the southern end of the Gateway area. Access to both would continue through existing streets, although the southern Residential subarea near the cemetery would receive access via a local street extending to the realigned Crest Drive East. Roads and development parcels internal to all three Residential subareas would be reorganized as part of a master development site plan for each.

Land Uses: Proposed uses within the largest of the two Residential subareas would consist of a mix of single-family attached and detached residences and / or multi-family residential uses, depending on market demand. However, it is not envisioned that the entire subarea would be redeveloped as only single-family detached residential. The smaller Residential subarea would be developed with multi-family residential units. Both Residential subareas should feature a mix of market-rate and affordable housing, as well as architectural diversity.

Urban Form: All three Residential subareas would be developed with an urban form that provides for a balance between the need for the private automobile as a primary form of transportation and a more walkable, pedestrian-friendly environment that provides strong internal and external connections for pedestrians and bicycles.

Urban Design and Gateway Elements

In addition to the various land use subareas described in the sections above, the Gateway Redevelopment Plan proposes a comprehensive set of improvements to the public realm that collectively elevate the area as an attractive and welcoming gateway to Fountain.

Signs welcoming visitors to Fountain and providing wayfinding assistance would be installed along Interstate 25 and key streets within the Gateway area. Landscaping at the I-25 interchange would enhance a driver's experience and impression of Fountain. Landscaping and streetscape elements (pedestrian lighting, signs, banners, benches, flower pots, etc.) would be located throughout the area. Specially designed "gateway" urban design elements would be placed at the corners of key intersections. Sidewalks and trails throughout the area would greatly enhance connectivity and safety.

Built-Out Impact

Exhibit 14: Build-Out Impact Table

Indicator	Total Impacts
Tax Revenue Impact @ Buildout	
Estimated New Property Tax Revenue:	
Retail	\$2,438,083
Office	\$362,937
Residential (Rental)	\$905,470
Total	\$3,706,490
Estimated New Use Tax Revenue:	
Retail	\$610,986
Office	\$92,997
Residential (Rental)	\$630,868
Total	\$1,334,850
Estimated New Sales Tax Revenue:	
Retail	\$59,659,216
Office	\$0
Residential (Rental)	\$0
Total	\$59,659,216
Total Tax Revenue from New Development:	\$64,700,556
Economic Impact @ Buildout	
Estimated New Development Sq Ft:	
Retail	454,875
Office	68,934
Residential (Rental)	411
Total	524,220
Estimated Permanent Employees:	
Retail	1,308
Office	226
Residential (Rental)	9
Total	1,544
Estimated Construction Employees:	
Retail	785
Office	119
Residential (Rental)	864
Total	1,767
Total New Annual Income from Permanent Employment:	\$69,467,424
Total New Annual Income from Construction Employment:	\$7,068,362
Total Annual New Income from Employment:	\$76,535,786
Public Sector Leverage @ Buildout	
Total Public Sector Investment (Infrastructure):	\$13,226,960
Total Private Sector Investment (Market Value):	\$185,198,759
Public Sector Leverage Ratio:	14.0

Source: Leland Consulting Group.

The proposed concept for the renaissance of the Exit 128 interchange area is based on an approach which encourages strategic investment in an environment containing an appropriate mix of land uses, with a greater emphasis to multiple forms of access, resulting in a unique sense of place. The *US Highway 85 Corridor Gateway Master Plan* is intended to assist the City of Fountain, the Fountain Urban Renewal Authority, property owners and other project partners with a technical framework for discussions regarding market opportunities, development programming alternatives, and partnership strategies. The vision and directives

referenced herein were developed with input from the community, property owners, representatives of the City and URA, and guidance from the Consultant Team.

Catalyst Concepts

The strategy for advancing the Plan vision is based on development and targeted investment in key nodes, or “catalyst areas”, which hold investment potential despite select economic and other development challenges. These nodes of investment are defined as having: concentrations of jobs, housing units, commercial uses, public spaces, and / or pedestrian activity, which in combination create a sense of place. Predominant land uses can be residential and non-residential, institutional and public. Within this relatively compact geographic area, different land uses are found side by side or within the same structure. These “nodes” of development serve as catalysts for public and private investment and economic activity, effectively building off the strengths of the surrounding area and connecting to the community and region at-large.

A regional example of a catalyst project would be the Historical Arkansas Riverwalk of Pueblo. Through a combination of public and private initiatives, this civic amenity was created which then served to catalyze private investment both adjacent to the waterway, as well as in other areas of downtown. A catalyst project can be publicly financed, privately financed, or financed through a joint partnership, but regardless, the impact is to stabilize and raise property values and prove-up the market for additional investment.

Experience has proven that implementable plans must maintain a high degree of flexibility. As markets change, the physical realm must change with them. Therefore, while the preferred concept has been identified today as offering potential for leveraged investment, evaluation criteria will provide the City and its advocacy partners with the tools to evaluate future projects which are consistent with the vision for the Study Area.

Evaluation

In order to evaluate a proposed project’s potential as a catalyst investment; it must first be evaluated based on accepted criteria. The premise behind a catalyst investment area assumes concentrating resources in select locations that will

have a positive economic “ripple effect” in surrounding areas and neighborhoods. In this way, public partners can effectively “leverage” investment efforts to overcome barriers and achieve desired outcomes.

Implementation and management of catalyst areas is generally the responsibility of a combination of entities including business organizations, special districts, neighborhood and other interest groups, and individual property owners. Potential criteria for catalyst projects in the Study Area are outlined below:

Criteria

- 1) Consistent with goals of plans and policy documents
- 2) Reflects findings of recent community survey
- 3) Connects to larger community
- 4) Links sub-areas
- 5) Responds to market opportunities
- 6) Improves jobs-to-housing balance
- 7) Strengthens public realm
- 8) Reinforces key entryways or “gateways”
- 9) Communicates community identity
- 10) Encourages fiscal prudence
- 11) Leverages public investment (existing or planned)
- 12) Addresses demonstrated community needs
- 13) Builds upon prevailing strengths of downtown and community

Economics

Project outcomes, including profitability, are influenced by variations in the above components. Because there are many “moving parts” to development, success is highly dependent on the elimination of as much uncertainty as possible. Challenges on the cost side of the equation include: elimination of blighting structures; potential relocation of existing residents; property owner expectations related to land values; creek side remediation; on-site development costs, depending on existing conditions; off-site development constraints, including upgrades to existing infrastructure; and, higher financing costs due to

perceptions of risk. Challenges on the revenue side include the fact that it may take longer to absorb space or achieve anticipated rents and / or sale prices as negative influences are phased out. All of these dynamics result in a relatively high-risk endeavor for one, or more likely several private developers. Therefore, the level to which public sector requirements assist or impede development projects can decrease or increase some of the inherent variability and uncertainty.

Among the most significant challenges facing potential catalyst projects such as those presented here are:

- Level of market “education” required to achieve project rents at the mid to higher end of the market;
- Higher development costs associated with creating a “place” unique enough to attract tenants willing to pay a premium to live/work / visit there; and
- Ability to overcome investor perceptions of the projects’ location as a transitional area.

Presented below is a cursory economic analysis for the preferred concept. The purpose of this work was to provide the City, URA and other advocacy organizations with tools to “tell the story” of the potential of Fountain and a redeveloped Exit 128 interchange area; as well as, to help City officials understand the value of a redeveloped Study Area.

Fill

The economic analysis summarized in the **Appendix** begins to quantify the order of magnitude of any financial “gap” that might result from development and / or redevelopment of projects within the Study Area. Since assumptions are based on findings from a market analysis which captures a moment in time, final figures associated with actual projects will likely be different as conditions and markets change. Conclusions derived to-date can best be used to understand the range and number of financing mechanisms and strategies which will be needed to deliver projects of these types to the market.

It is not unusual for urban redevelopment projects to generate economic gaps between 25% and 40%. A successful public-private partnership will likely require the public sector (in this case, the URA and City) to be a financial partner to this level. As presented below, a \$13m investment in this area by the public sector could potentially “leverage” more than \$185m in private investment for a 14.0 percent return on investment, a ratio the public sector should expect in a redevelopment partnership.

“Closing the gap” for these catalyst projects will not be accomplished through the use of one strategy or tool. Rather, many tools, used in combination with one another, will be necessary to encourage or leverage private sector investment to the level shown in the analyses presented here. At a minimum, the Plan presented here assumes use of the following:

- Contributions to Land and Site Improvements (Parking)
- Tax Increment Financing
- Special Improvement Districts
- Streamlined Development Approvals
- Low Income Housing Tax Credits (LIHTC)
- Market Rent/Sale Writedowns
- Others, as appropriate

Impact

In order to understand the impact to the community from investment in this area, a development program was defined, revenues calculated and employment quantified. In summary, the development program that is represented by the Preferred Gateway Redevelopment Plan includes approximately 455K square feet of retail space, 67K square feet of office space, and more than 400 residential units. Total tax revenue resulting from this program could exceed \$64m and total annual income from employment could exceed \$76m.

A detailed approach to advancing implementation of the Master Plan is described in greater detail in the Implementation section and a more extensive list of tools is presented in a glossary following the Market Analysis in the **Appendix**.

Implementation

Following definition of a vision, and identification of conditions and opportunities, comes the challenge of outlining an implementable strategy for promoting investment and reinvestment within the planning area. Webster's Dictionary defines implementation as "a means for accomplishing an end" or "an action to put into effect."

Experience has proven that redevelopment initiatives are dependent on a series of actions designed to capitalize on market opportunities and overcome barriers - effectively readying the environment for investment. Key to the successful implementation of this redevelopment planning effort will be the *continued* identification and implementation of actions tailored to the unique issues of the planning area and catalyst projects within them.³ This type of approach will build community goodwill; provide on-going opportunities for public participation; send a message that the area is successful and making positive strides; and, create an increasingly attractive environment for investment and *economic development*. Investors, developers and lenders seek out environments with market opportunity and prospects for success, devoid of obstacles and sound in sustainability.

Priority Investment

Just as the challenges or "barriers" to investment are multifaceted, so too are the solutions. Facing increasing competition from development in other locations including downtowns, new commercial corridors and inner ring suburbs --- locations like the Gateway area continue to experience a decline in commercial and residential property values and market share. It is a certainty that without significant public intervention, the US Highway 85 Gateway area's competitive position will continue to be eroded. The City, in partnership with the Urban Renewal Authority, and other advocacy entities must collectively reposition the area's role in the market; complete necessary infrastructure improvements; recognize the economic challenges inherent in infill development and

³ *The definition of "actions" is broad as it applies here - it includes public, private or public-private physical projects, social programs, and educational programs: public relations and goodwill-building programs; and policy reform - identified to promote opportunities and overcome barriers.*

redevelopment; and, recruit niche opportunities. Together, the public and private sector face the challenge of revitalizing this important hub of the community. Presented on the following pages is a discussion about an implementation framework and actions for change, designed to address these critical program elements.

Framework

Sound economic development tenets provided the framework from which the following implementation fundamentals were identified. Economic development is ... "the process of raising the level of prosperity and material living in a society through increasing the productivity and efficiency of its economy." "Any effort or undertaking which aids in the growth of the economy." Following are some of the building blocks (fundamentals) of the implementation framework for advancement of the US Highway 85 Corridor Gateway Redevelopment Plan.

- The importance of this initiative to the community will be revenue generation, image enhancement, job creation, attraction of region-serving institutional uses, service and resource benefits to business, and support for private investment.
- An attractive environment, particularly at a gateway location, offers a strategic competitive advantage for business attraction and retention and will, therefore, be a priority in the project area.
- The City will support and encourage growth of the area's infrastructure needs and to that end, public investment will be a priority that is maintained throughout the life of the project.
- Economic development is more than creating a physical and financial environment for commerce; it is establishing a community spirit attractive to the corporate site seeker. A positive community spirit will be a priority in the project area (and throughout the City).
- The City will assure investors that as their investment grows, the physical, political and social infrastructure will be in place to support them.
- A long-term City commitment to the development concept will be a priority in the project area.

Strategies (Actions)

The *US Highway 85 Corridor Gateway Plan* is the roadmap to move the City's and stakeholder's vision towards reality and to ensure that development in the planning area is accomplished in a way that balances private investment objectives with community sustainability. While the consultant team has presented several recommended strategies to advance the plan concept, ultimately, the City of Fountain elected and appointed officials, staff and citizenry, will have to select a final course of action for change. The information presented as follows is designed to provide a range of actions for consideration and sound decision-making.

Public-Private Partnerships

As the entity with the largest and longest-term interest and responsibility, the public sector must have strong involvement and a visible presence, as well as offer continuing leadership, incentives and capital for future projects. The private sector will bring experience, access to private funding, and a willingness to balance risk and return. To this end:

1. Adopt the US Highway 85 Corridor Gateway Plan and the recommendations contained herein.
2. Support signature projects by providing financial assistance / incentives to viable private entities interested in development and redevelopment in the Gateway area.
3. Commit to participating in the cost of infrastructure (either through cooperative agreements, reimbursement agreements, or bond issues).
4. Demolish structures that have been neglected and / or where excessive code violations have been documented.

Programs, Policies and Projects

Accept that no one effort will create or sustain a redevelopment initiative, but rather, a series of projects, programs and policies which occur simultaneously and attract the interest of potential economic development partners. Additionally, solutions must be comprehensive, yet fluid. To this end:

1. Host regular meetings on key topics with agents of the delivery system – product trends, regulatory impacts, best practices from other communities.
2. Prepare an economic incentive policy that documents meritorious project criteria and incentive tools and programs that the City is willing to use.
3. Develop a communication program about efforts to advance the Gateway vision – internal and external.
4. Amend the City's existing capital plan to fund necessary infrastructure improvements in strategic locations in the planning area.
5. Solicit Economic Development Administration (EDA) dollars (hard and soft) for diversification and sustainability pilot projects within the Gateway area.⁴
6. Establish a precedent for using economic impact analyses to determine levels of public participation.
7. Until property owners in the Gateway area elect to establish an improvement district (supplemental to the urban renewal district), use existing TIF revenues to assist the City with code enforcement.

Acquisition and Disposition

Acquisition and disposition of property can be implemented by several methods. The City will need to consider several factors when developing an acquisition / disposition program for the Gateway area including: local interests and concerns,

⁴ *The City of Fountain has made numerous solicitations of the regional EDA office regarding potential grants, loans, or matching dollar funds that might be available for projects in Fountain. To date, none of those efforts have been successful, purportedly due to the City's inability to meet requisite income criteria. This recommendation acknowledges these past efforts, but encourages continued contact with this organization as demographics in the area can change.*

long-term goals, limitations and mandates. Ultimately, the approach should reflect the values of the community within a framework consistent with the tools and resources available to them. To this end:

1. Research the range of disposition strategies and applications – land leases, land banking, quick sale, bulk sale – and select those that the City is willing to use.
2. Establish supportive policies and educate the delivery system and community about the City’s intent to apply strategies on a case-by-case basis.
3. Establish (adopt) criteria by which properties within the area will be preemptively acquired and positioned for development vs. retained or set aside for public use.
4. As properties become available, use the Urban Renewal Authority to acquire, demolish improvements (where necessary), position and dispose of them for development.
5. Prepare and adopt a relocation plan (residential and non-residential).
6. Prepare and eventually issue developer requests for publicly-acquired properties.
7. With the potential loss of affordable housing units in the community, prepare a housing strategy that looks at the relocation of individuals to other properties outside the planning area, cooperation agreements with the local Housing Authority and other regional authorities, potential for land swaps. etc.
8. Investigate the potential for passage of a “demolition by neglect” ordinance in order to eliminate blighting structures without having to acquire and demolish them through the urban renewal authority.

Standards, Incentives and Regulations

Higher standards, as a component of place-making, come with a price. Development costs are consistently higher, while project revenues (particularly in early years) are often lower. An obvious method, by which the public sector can assist in minimizing private sector risk, while also ensuring long-term sustainability for the community, is through creation of standards (design and building) and consistent enforcement of regulations. Both are necessary in order

to protect investment. Through the use of incentives (Tax Increment Financing (TIF), fee waivers, etc.) the public sector can offset the financial burden that can be associated with these measures. To this end:

1. Establish a "Gateway Planned Unit Development" zone that covers the entire Gateway study area that describes, subarea by subarea, the land uses, densities, development character and patterns, and other requirements normally found in a PUD.

The Gateway PUD should distinguish among different types of industrial uses and their specific allowable locations within the PUD area. Heavy and other industrial uses that are aesthetically unappealing and/or have negative external impacts should be segregated from high quality industrial and technology-oriented uses that encourage investment in the area. This concept of differentiating and separating among industrial uses is not only important to the success of the Gateway Area's redevelopment, but is also a concept that should be applied to the City as a whole.

2. Develop a Gateway Overlay Zone designation that can be used not only for the area covered by the Gateway PUD but, also, for other appropriate locations within the City of Fountain, that serves to fill any existing regulatory gaps, raise the standard of development, and reinforces the authority to prohibit illegal non-conforming uses.
3. Existing illegal uses within the Gateway area should be halted and/or eliminated through appropriate legal means available to the City immediately after adoption of this plan by the Fountain City Council.
4. Enlist local design, development and business owner professionals to work with a consultant and City representatives to prepare, as a companion to the Gateway PUD, the Gateway Design Standards, Covenants, and Guidelines for the Gateway area – addressing issues including outdoor storage, signage, circulation, open space, etc.
5. Approve a list of tools for the incentive "tool box" that can offset the impact of higher standards (see economic incentive policy) – promote their availability and use.
6. Support the long-term vision for the area recognizing that it is one area with many moving parts.

7. Complete a regulatory diagnosis and amend documents where appropriate and necessary, in consultation with the City Council, the URA, city staff, city boards and commissions, and with input from a consulting team.
8. Provide a timely response to development (site plan) applications, coordinating discussions among review agencies and limiting revisions in an effort to reduce carrying costs for properties and inject greater certainty on the cost side of the development balance sheet.

The vision and objectives identified for the Gateway area were developed from a market-based strategy. In that markets change, new land uses and product types, consistent with the desired outcome, yet not identified today, must be accommodated without a time-intensive regulatory review process. Standards will be the safety net by which projects in the planning area are evaluated.

Phasing

The financial implications of the preferred development concept are such that it will be essential for the area to use multiple funding sources for physical improvements, property acquisition and residential and non-residential relocations. Various financing mechanisms should be considered including: an improvement district (Public Improvement District, Business Improvement District, Metropolitan Improvement District or other); Enterprise Zone; and others. In addition to identifying funding tools and strategies, the City, together with advocacy partner organizations and property and business owners, will need to prioritize the phasing of improvements. As all properties within the planning area contribute to the entire “portfolio,” future decisions will need to be strategic and based on sound business practices. To this end:

1. Work with existing property owners to understand their plans for expansion, retention or disposition.
2. Educate existing property owners and potential investors about the range of financing mechanisms available to fund on-site and off-site improvements.
3. Develop criteria for selection of task force members to prepare a business (phasing and financing) plan for properties within the Gateway area. (optional)

4. In consultation with the Urban Renewal Authority, and input from the consultant team, prepare a phased program of capital improvements in conjunction with strategic property acquisitions. Capital improvements covering the Gateway area should include infrastructure and utility investments in the Charter Oak Ranch Road industrial park in order to attract new primary jobs to the area and allow the park to compete with other regional parks .

Marketing and Promotion

A carefully designed and administered marketing program for the community and planning area will be essential in order to attract investment from outside the region. Using the market information presented herein, the City, Authority and Chamber should prepare materials and partner in promotion of the Gateway. Cooperative consortiums with a shared mission will be paramount as collectively you will be able to leverage limited dollars more effectively. To this end:

1. Define the role of the City, Urban Renewal Authority and other organizations as partners in advancement of the Gateway Plan.
2. Prepare targeted marketing materials and promote the City's incentive offerings.
3. Consider retaining a brokerage firm or other inquiry service for key parcels in an effort to expedite transactions.
4. Create a well-funded information system to process inquiries, gather marketing intelligence, etc.
5. Establish criteria for solicitation targets.
6. Coordinate marketing and promotion of properties within the Gateway area with community-wide marketing initiatives.
7. Coordinate with private property owners the attraction of businesses and uses which advance the vision – tie incentives to consistencies with plan (criteria).
8. Prepare and distribute marketing materials highlighting opportunities in the planning area

Public Spaces

The preferred plan concept for the Gateway area is a multi-use environment including institutional, employment, commercial, and residential land uses anchored by public spaces. As evidenced by other successful public redevelopment initiatives, civic and open spaces serve to communicate an identity. They define the place and enhance property values. With Fountain Creek bordering the northern and eastern boundaries of the planning area, the City has the unique opportunity to leverage this natural amenity and incorporate it into the development concept. To this end:

1. Acquire properties for civic and open spaces and set them aside.
2. Work with property owners and a designated task force to define a program for public spaces (passive vs. programmed, public art, etc.).
3. Prepare an open / public space master plan overlay for the Gateway area.
4. Use the Tax Increment Financing as one source to fund improvements, but investigate other state and federal programs (using TIF money for matching grant dollars).

Conclusion

As stated above, the preferred development concept for the US Highway 85 Gateway area is a multi-use environment including institutional, employment, commercial, and residential land uses anchored by public and community spaces. See final concept plan map. The use mix reflected in this concept includes commercial / institutional (18.1 acres), commercial / highway commercial (14.5 acres), residential / commercial mixed-use (30 acres), residential (29 acres), civic (5.2 acres), light industrial / regional retail (71.8 acres), and public open space (21.4 acres). Note: Additional industrial acres that exist today are not reflected in these totals, as no change to these uses is anticipated. Impacts from the concept will include revenue in the form of property, sales and other municipal taxes, job creation, fiscal savings from planned improvements, a better visitor experience and a higher quality of life for Fountain residents. Based on an economic analysis of the final development concept, total taxable value could exceed \$180 million,

with annual property tax revenue approaching \$350,000. Total permanent job creation could range from 1,500 to 1,600. The public sector's potential return on investment could be 14:1 (\$14 in private investment for every \$1 of public investment). Success, however, will depend on the following:

- Continual balancing of near-term opportunities with the long-term vision
- Commitment to the removal of barriers to investment (financial, physical, regulatory, market, and political)
- Constant education of the "delivery system" (those individuals, who affect delivery of a project to the market, include: property and business owners, developers, lenders, city staff, policy makers, regulators, advocacy groups, etc.)
- Public equalization of economic risk and reward
- Project support and encouragement
- Strategic public investment