

CONDITIONS SURVEY

South Academy Highlands 2 Urban Renewal Area

Fountain, Colorado

MAY 2024

**CONDITIONS SURVEY SOUTH ACADEMY HIGHLANDS 2 URBAN RENEWAL
AREA
May 2024**

1.0 EXHIBITS AND DEFINITIONS

The Exhibits attached to this Conditions Survey are incorporated herein by the reference. The terms used in this Conditions Survey are defined as follows.

“Act” means the Colorado Urban Renewal Law, Part 1 of Article 25 of Title 31, of the Colorado Revised Statutes.

“Authority” means the Fountain Urban Renewal Authority.

“City” means the City of Fountain, Colorado.

“City Council” means the governing body of the City.

“Comprehensive Plan” means the City of Fountain Comprehensive Development Plan 2005, as amended to date.

“Current Plan” means the South Academy Highlands Urban Renewal Plan approved by the City Council of the City on June 14, 2014.

“Current Plan Area” means the approximately 99.284 acres of area of the City included within the boundaries of the South Academy Highlands Urban Renewal Plan, which is legally described as South Academy Highlands Filing No. 1, according to the recorded plat thereof, City of Fountain, County of El Paso, State of Colorado. The Current Plan Area is depicted in Exhibit A.

“Survey” means this survey of current conditions in the Survey Area.

“Survey Area” means approximately 38.567 acres of that portion of the of the Current Plan Area described as Lot 1 and Tracts A & B of South Academy Highlands Filing No. 2, according to the recorded plat thereof, City of Fountain, El Paso County, Colorado. The Survey Area is depicted in Exhibit A. The Survey Area is also the area to be included in the proposed South Academy Highlands 2 Urban Renewal Plan.

2.0 INTRODUCTION AND BACKGROUND

The Current Plan Area was the subject of a conditions survey conducted in May of 2014 by an independent consultant (the “May 2014 Survey”) to determine whether conditions that constitute a “blighted area” (as defined in Section 31-25-103(2) of the Act) existed in the Current Plan Area. The May 2014 Survey found the following conditions were present in the Current Plan Area.

- (a) Predominance of defective or inadequate street layout.
- (b) Unsanitary or unsafe conditions because of lack of infrastructure and safe methods for travel by vehicles and pedestrians.
- (c) Unusual topography and inadequate public improvements and utilities.

- (d) Defective or unusual conditions of title.
- (e) Substantial physical underutilization or vacancy of sites.

Based on the May 2014 Survey and other evidence, the City Council found and determined that the Current Plan Area was a “blighted area” as defined in Section 31-25-103(2) of the Act and approved the Current Plan on June 24, 2014.

3.0 PURPOSE OF THIS SURVEY

This purpose Survey is to provide a report to the Authority and City Council to assist in determining if the Survey Area qualifies as a “blighted area” as defined in Section 31-25-103(2) of the Act and is eligible to qualify as a separate urban renewal project area under the Act. If the Authority approves the Survey, it will adopt a resolution recommending that the City Council modify the Current Plan to remove the Survey Area from the Current Plan Area and approve a new urban renewal plan encompassing the Survey Area. The first step in this process is to determine if the Survey Area qualifies as a separate blighted area under the Act.

4.0 CONDITIONS FOUND IN THE SURVEY AREA

To qualify as a blighted area under the Act, the Survey Area, in its present condition and use, and by reason of the presence of at least four (five if eminent domain is approved by City Council or one under the circumstance of factor (i) listed below) of the following factors that are present so that the Survey Area substantially impairs or arrests the sound growth of the City, constitutes an economic and social liability, and is a menace to the public health, safety, morals or welfare in its present condition and use.

- (a) Slum, deteriorated, or deteriorating structures;
- (b) Predominance of defective or inadequate street layout;
- (c) Faulty lot layout in relation to size, adequacy, accessibility, or usefulness;
- (d) Unsanitary or unsafe conditions;
- (e) Deterioration of site or other improvements;
- (f) Unusual topography or inadequate public improvements or utilities;
- (g) Defective or unusual conditions of title rendering the title nonmarketable;
- (h) The existence of conditions that endanger life or property by fire or other causes;
- (i) Buildings that are unsafe or unhealthy for persons to live or work in because of building code violations, dilapidation, deterioration, defective design, physical construction, or faulty or inadequate facilities;
- (j) Environmental contamination of buildings or property;

(k) The existence of health, safety, or welfare factors requiring high levels of municipal services or substantial physical underutilization or vacancy of sites, buildings, or other improvements;

(l) If there is no objection by the property owner or owners and the tenant or tenants of such owner or owners to the inclusion of such property in an urban renewal area, “blighted area” also means an area that, in its present condition and use, and by reason of the presence of any one of the factors listed in (a) through (k), above, substantially impairs or arrests the sound growth of the municipality, retards the provision of housing accommodations, or constitutes an economic or social liability, and is a menace to the public health, safety, morals or welfare.

In addition, Section 31-25-107(c)(I) of the Act states that any particular condition found to be present in the Survey Area may satisfy as many of the above factors as are applicable to such condition.

The owners of the property in the Survey Area have agreed to its inclusion in a new and separate urban renewal area. There are no tenants of the owners so that any one of the factors listed in (a) through (k) is sufficient to qualify the Survey Area as an urban renewal area pursuant to the Act. In addition, the owners have agreed to waive certain notices required by the Act, including Sections 31-25-107(b) and 31-25-107(4)(c).

The Authority and the City have cooperated with owners and developers to redevelop a large part of the southern portion of the Current Plan Area. However, with the exception of the construction of Venetucci Boulevard in Tract B, most of the Survey Area remains undeveloped and substantially in the same condition as it was in 2014. There are concerns regarding ability to provide required public utilities, deal with unusual topography, assure connectivity of Venetucci Boulevard with the regional roadway network, funding for repair and maintenance of roadways, including Venetucci Boulevard, and other activities for the prevention and elimination of conditions of blight. Designating the Survey Area as eligible for its own urban renewal plan and project will address these issues.

This Survey was prepared by Authority and City staff and legal counsel with knowledge and experience with the Act and the requirements for amending the Current Plan by removing the Survey Area and including it in a separate and new urban renewal plan. Its conclusions are based on physical observations, background documents, engineering studies, consultation with owners and developers, review of revenue sources and projections, and various cost studies and estimates.

The following conditions exist in the Survey Area.

(a) Predominance of Defective or Inadequate Street Layout.

This condition was included in the May 2014 Survey. While Venetucci Boulevard has been constructed in Tract B of the Survey Area, it is inadequate due to questions and complications involving connection to the regional road network north of the Survey Area. Because of the unusual terrain in the Survey Area, the repair and maintenance of Venetucci Boulevard and other interior streets in the Survey Area

will require a secure source of funding to assure long term repair and maintenance of these public improvements.

(b) Unsanitary or Unsafe Conditions.

This condition was identified in the May 2014 Survey and is included here because of the steep terrain that remains in the Survey Area and the cost of earthwork required for redevelopment. The northern portion of the Survey Area is located in the 100-year flood plain, and steep terrain makes the Survey Area subject to destructive drainage events. In addition the Clover Ditch traverses the Survey Area near the northern border. These conditions require expensive storm drainage infrastructure and facilities to preserve safety of lives, property, and water quality.

(c) Unusual Topography or Inadequate Public Improvements or Utilities.

The conditions listed under unsanitary or unsafe conditions also apply under this factor and are incorporated here under the authorization of Section 31-25-107(c)(I) of the Act, which states that any particular condition found to be present in the Survey Area may satisfy as many of the statutory blight factors as are applicable to such condition. In addition to inclusion in the 100-year flood plain, the Survey Area requires extensive earthwork and grading to provide a usable development site. New storm sewer, sanitary sewer, gas, and electric utilities are required to serve any new uses.

(d) Existence of Conditions that Endanger Life or Property by Fire or Other Causes.

This condition was present in the 2014 Survey. As stated above and as authorized by Section 31-25-107(c)(I) of the Act, the northern portion of the Survey Area is located in the 100-year flood plain. Steep terrain makes the Survey Area subject to extensive drainage events. These conditions may require expensive storm drainage infrastructure and facilities to preserve safety.

(e) The Existence of Safety Factors Requiring High Levels of Municipal Services and Substantial Vacancy of Sites.

As stated above, maintenance of Venetucci Boulevard and other interior streets in the Survey Area will require a secure source of funding for long term repair and maintenance of these public improvements. In addition, provision must be made to ensure the circulation of traffic and access to the Survey Area from the north. The Survey Area also qualifies as it is substantially vacant. The only permanent improvement is Venetucci Boulevard in Tract B.

(f) No Objection by the Property Owner or Tenants.

If the property owner or owners and the tenant or tenants of such owner or owners, if any, do not object to inclusion of the Survey Area in an urban renewal area, the presence of any one of the above factors will suffice to qualify the area as blighted. Section 31-25-102(3), C.R.S.

The May 2014 Survey included defective or unusual conditions of title as a factor. This Survey does not account for that condition, and it is omitted for that reason.

5.0 CONCLUSION

The Survey Area is characterized by five of the statutory factors that constitute a “blighted area” under the criteria listed in the Act. Because all owners and tenants (if any) will not object to a finding that the Survey Area qualifies as blighted, any one of the above is sufficient to support inclusion of the Survey Area in a new and separate urban area. These factors support a conclusion and finding that the Survey Area substantially impairs or arrests the sound growth of the City, constitutes an economic and social liability, and is a menace to the public health, safety, morals or welfare in its present condition and use.

The Survey Area contains approximately 38.567 acres of contiguous parcels of land the boundaries of which are sufficiently narrow to accomplish the planning and development objectives of an urban renewal plan that eliminates blight and prevents its return.

EXHIBIT A

Map of Current Plan Area and Survey Area