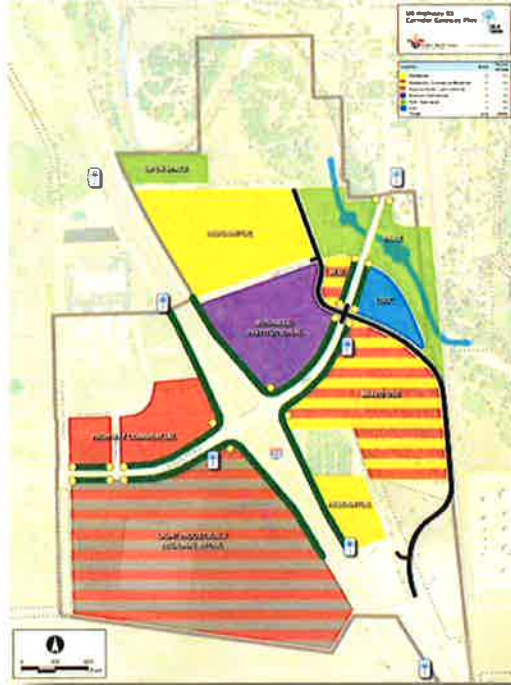


US HIGHWAY 85 CORRIDOR GATEWAY REDEVELOPMENT PLAN AND IMPLEMENTATION STRATEGY



CITY OF FOUNTAIN, COLORADO
FOUNTAIN URBAN RENEWAL AUTHORITY



October 2009

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

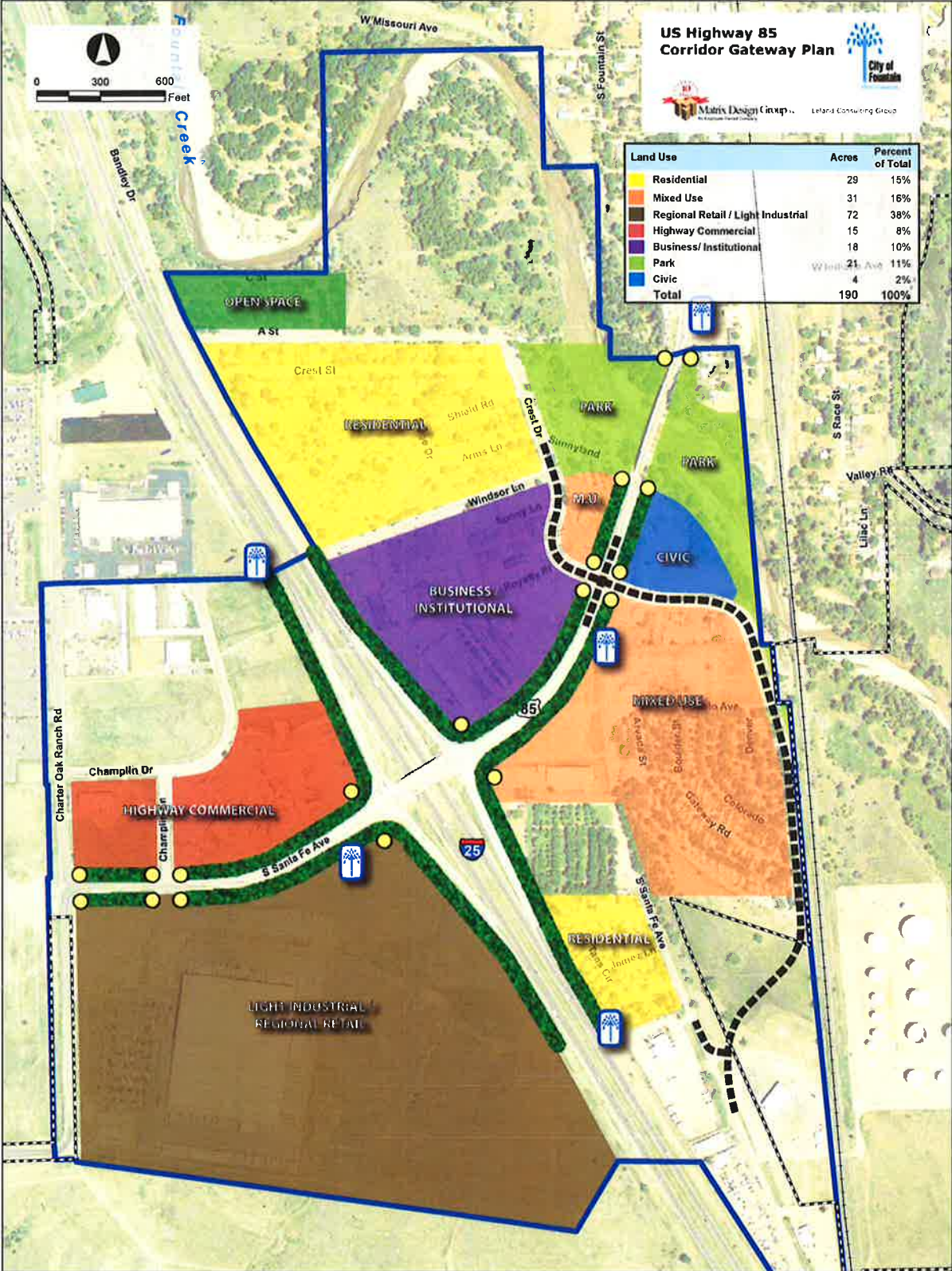
The recommended Gateway Redevelopment Plan is based on the preparation, review, and comparative evaluation of a series of conceptual alternatives and redevelopment scenarios. Each concept was based on findings from the existing conditions assessment, market analysis, and public engagement process, all 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

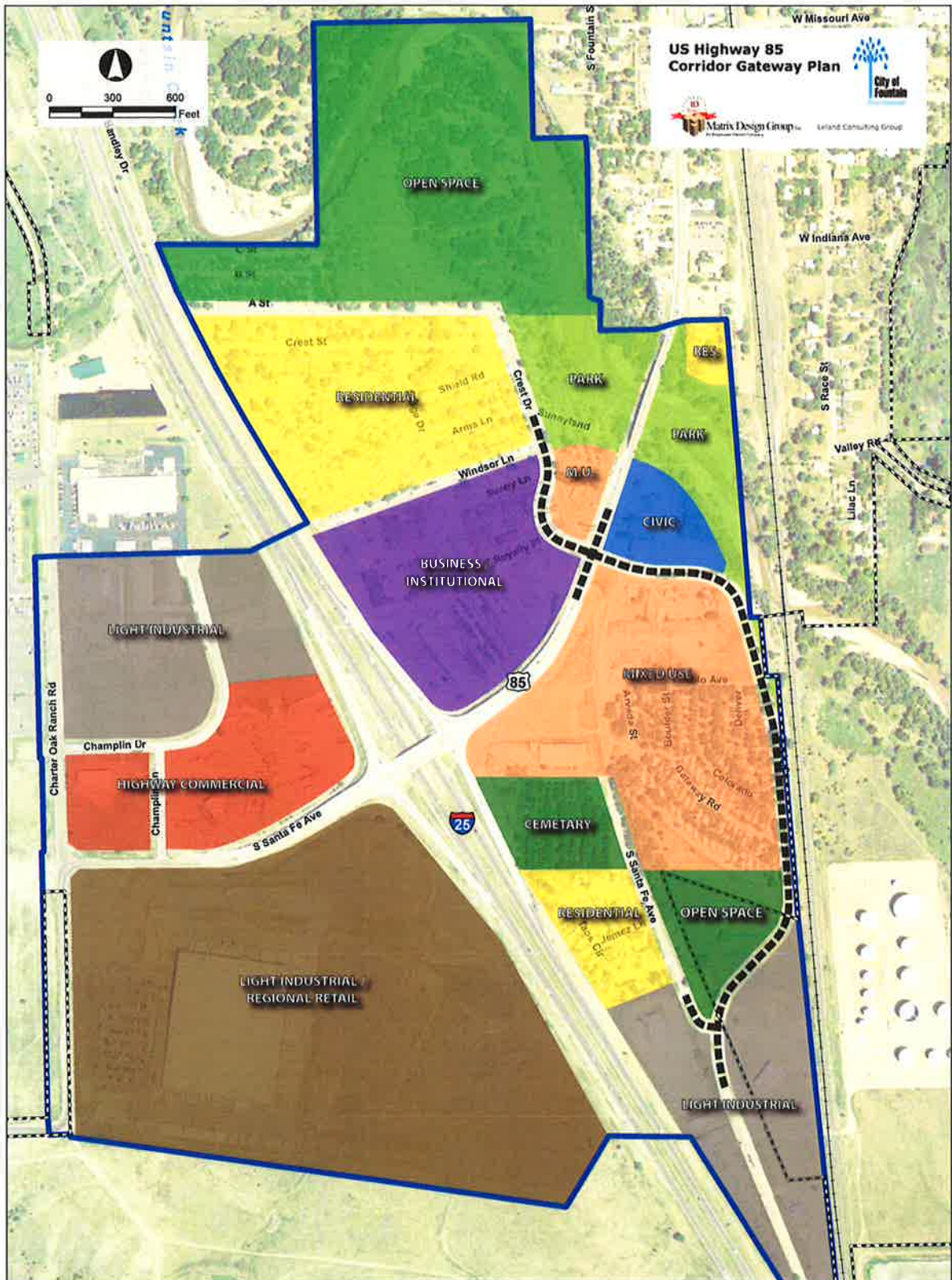
The proposed Gateway redevelopment concept is based on an approach which encourages strategic investment in a compact environment containing an appropriate mix of land uses, with a greater emphasis to multiple forms of access, and resulting in a unique sense of place. The US Highway 85 Corridor Gateway 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



Note: Areas not colored are not proposed to undergo any change in land use or significant redevelopment.

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