

City of Colorado Springs Infill and Redevelopment White Paper

City of Colorado Springs Comprehensive Planning Team

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DRAFT

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EXECUTIVE SUMMARY

Preface

For the City of Colorado Springs the term “Infill” is talked about a lot and means different things to different people. Altogether, it can and should encompass a whole range of land use activities and issues which could occur at any location where there has been significant prior development.

One of the key purposes of this Paper is to first “cast a wide net” in looking at the many components of Infill. But that is the relatively easy part. The City should also determine what aspects of infill and what locations ought to be priorities for attention, resources and possible incentives. This second step is more challenging, but will be vital to the success of any infill strategy.

In this Paper the terms “infill”, “redevelopment” and “revitalization” are interchanged and swapped around a lot. The reasons for this should become evident, as they are all interrelated.

The issue is not so much whether significant infill has occurred and is occurring (those answers are yes). Neither should it be about the socioeconomic and other factors that provide every indication that there can be a market for more infill. These trends are becoming evident.

Instead, the key forward-going considerations should be?

- Is there agreement that continuing infill and revitalization and the proactive support of it are essential to the economic vitality of the City?
- Are we getting the amount and kinds of infill we want and need and will this be enough to keep us sustainable and vibrant as a City?
- Where are the most important places to target for infill and revitalization?
- What are the most important barriers to infill and what are the most effective ways to address them?
- How important is increasing density and/or willingness to adapt and change land uses, including in neighborhoods?
- What are the acceptable and best investments and incentives to support the market for infill encourage more of it in the agreed-upon places?

Major Recommendations

Some of the Major Recommendations of this Paper are:

- Commit as a City to the importance of infill and revitalization as an investment in fiscal solvency and quality of life

- Promote a culture and regulatory environment that reasonably welcomes land use reinvestment and change
- Adopt an infill policy and align it with a City-wide economic development, capital investment and urban renewal area policies
- Specifically recognize the importance tax increment financing (TIF) as a strategic incentive, along with its associated trade-offs.
- Choose priority areas as part of a larger process to identify economic priority zones, and focus City attention, investment, incentives and other resources toward them
- Make the renaissance of Downtown a centerpiece of the City's infill/ economic priority zone strategy
- Also include mature corridors/areas such as Academy Boulevard, Circle Drive, Nevada Avenue and the Westside as priorities
- For priority areas that do not have the benefit of an active large area privately-initiated master plan, the City should act as the "master developer" in coordination with property owners and residents
- Build on the prior work of Colorado Springs Utilities through strategic alignment of system improvement plans with infill priority areas and potentially refining fee structures to further incent infill
- Tailor infill strategies for existing residential neighborhoods to their circumstances; but generally encourage coordinated and innovative approaches that will adapt to emerging market conditions
- Maintain the supporting conditions necessary for infill to be successful, including public safety, parks, schools, transit and a strong local economy (jobs).

Purpose and Process

The purpose of this document is to comprehensively evaluate the topic of infill and redevelopment from a City-wide perspective, and to suggest options to promote more of it.

The process included a combination of mapping and data analysis, reviews of documents, consideration of experience and trends and (most importantly) a wide range of stakeholder interviews.

This Paper looks at infill from both the issue and the strategy perspectives.

Although this Paper contains an array of recommendations and potential strategies, it is not an adopted plan or blueprint, and is not intended to be one.

What and Where is City Infill?

For the purpose of this analysis, infill is broadly defined to include a wide range of land use activities including development of vacant properties, redevelopment and adaptive re-use, all in generally developed areas of the City.

Infill is any combination of development of vacant properties, redevelopment, major expansion or adaptive reuse occurring in predominantly developed areas of the City

It is not just about filling up vacant properties

For this broadest definition, the City's 2002 infill boundary area has been extended to include some additional properties east of Powers Boulevard and north of Briargate Parkway that are now characterized as predominantly developed. Altogether, this infill area accounts for approximately 2/3rds of all property within City limits and the vast majority of all residents and businesses.

Because most of the developed parts of the City area already meet a minimum definition as infill areas (and more areas will soon), the issue of addressing priorities within this large area, will be most important.

Most relatively newer areas that have larger privately-initiated master plans in place do not have the same infill issues as older areas and therefore do not need the same type and level of strategic attention.¹

Property owners, developers and the City have done a fairly good job of "filling up vacant land". Ultimately, a successful infill strategy will also need to focus on adaptation, redevelopment and revitalization of the existing built environment.

¹ However, it should be noted that neighborhood involvement and sometimes strenuous opposition also occurs with some frequency in newer developing areas.

If many different land use activities all qualify as infill and they can take place within a large proportion of the City, a successful infill strategy will need to prioritize among issues and areas

It is also important to remain mindful that nationally and locally, true infill accounts for only a minority of all new development. The majority of all new development has traditionally occurred in either greenfield or newer areas, and this overall trend is likely to continue.

Why is Infill Important?

Infill is important to the City for several reasons:

- A majority of City residents live and work in maturing areas and are therefore directly impacted by infill activity, or the lack of it.
- As the City's developed base gets larger and older and our growth rate moderates (as projected), "taking care of what we already have" naturally becomes a more important factor.
- Socioeconomic trends and increasing energy prices are likely to create additional demand for infill and redevelopment.
- The City, its tax and rate payers, the business community, and its residential property owners have invested in mature areas, and have a stake in the efficient use of this land and infrastructure.
- There are negative impacts associated with disinvestment in core areas including a higher demand for many community services such as public safety and human services, especially in comparison with the underlying tax and rate bases.

Infill is Occurring

- Over the past decade, substantial infill development has occurred within the boundaries of Colorado Springs. In the fifteen (15) years from 1999 to 2013 about 13,800 acres of vacant land have been absorbed within the City limits and approximately 6,900 previously vacant acres have been absorbed inside the City's 2002 infill boundary. There have also been a number of redevelopment projects in this area. Additionally, there have been a limited number of significant projects where deteriorated structures or uses have been replaced by redevelopment. One example is the Mall of the Bluffs at Academy Boulevard and Austin Bluffs.

Within the City's infill boundary, approximately 43% of previously vacant land has been converted to a developed use since 1999

- A minority proportion of this infill activity can be considered innovative and consistent with many Smart Growth principles. Examples include the Casa Verde Co-housing development, Gold Hill Mesa, the Lowell Redevelopment project, and the Spring Creek development.

- The City and region’s public investment and expenditure focus is also shifting inward with more of an emphasis on “taking care of what we already have”.

“In mature areas, the definition of infill needs to encompass redevelopment and revitalization along with the absorption of vacant parcels. Without continued reinvestment in the already built environment, much of the community benefit of simply filling in remaining vacant parcels will be lost”

- Many Colorado Springs Utilities (CSU) policies, regulations and programs have been supportive of infill over time, and there have been some recent changes that should further encourage infill.

Competing Factors

- The infill development and redevelopment activity that has occurred should be considered in the context of continued high rates of “greenfield” development² taking

place within the City and in the region. And, a substantial percentage of the “infill” that has taken place as occurred within areas that have the benefit of a privately-initiated master plan. Finally, the City’s share of overall regional development activity has also been declining and infill development activity accounts for only a minority of our reduced share of regional growth.

- National surveys continue to show a clear preference for single-family housing choices as well as high values placed on privacy and good schools.
- At least until recently, the City has supported outward expansion through its annexation practice and policy.
- Given the large investments made by Colorado Springs Utilities in Southern Delivery System (SDS), coupled with a general decrease in per capita water use, CSU may continue to see a strategic need to provide service to additional existing and new customers outside of current City limits.
- Vacant land infill activity within the City should also be compared with the disinvestment, building vacancies, and population/employment reductions that have been experienced in other parts of our core area. Examples include closed public school buildings, retail vacancies Downtown

agricultural uses. For the purposes of this paper the term “greenfield” is further limited to only refer to those never developed properties located outside generally developed areas.

² The traditional definitions of “greenfield” developments, projects or areas tend to include any land that has never been developed beyond possibly

and along portions of arterial roadways (e.g. Academy Boulevard) and the blight that is being experienced at locations such as the intersection of Circle Drive and Fountain Boulevard.

Photo I-1



Complex infill challenge near Fountain Boulevard and Circle Drive; vacant properties, vacant structures; fragmented ownerships; market conditions; lack of catalyst to expand from- photo 2012

- Nationally, many of the focal points for infill and redevelopment activity in larger communities are centered around existing or planned robust transit lines and stations. At this time, the Pikes Peak region does not have such a system in place or firmly committed to.

Advantages of Infill Development

- From a developer’s perspective, infill sites can have location and other development advantages compared with greenfield areas.
- Infill sites are not ordinarily subject to the extra requirements of annexation agreements³ and may have most of their zoning and subdivision entitlements in place. Ordinarily, most dedications for public rights-of-way, parks and school sites, and other facilities have previously been satisfied.
- Surrounding roadway and utility capacity may already be largely adequate to serve the development. Moreover, the additional development may contribute to more efficient use of existing facilities and thereby have a positive impact on the City tax base and the Utilities rate base.
- For many infill projects the basic zoning approvals are already in place. Neighbors are not as inclined to object to the project if it is consistent with prior approved plans.

Barriers to More Rapid Fill

- The region has several decades of zoned and entitled development

capacity in “greenfield” areas both inside and outside of the City. In some cases considerable investments have been made in these greenfield areas, and public financing decisions have been made. Therefore, the greenfield option can be expected to continue to exist as an alternative to infill.

- Often, there is a consumer preference for development in greenfield areas based on a variety of factors including housing affordability, a desire for “newness” and/or segregation of land uses or residents, as well as concerns with school performance, public safety and real or perceived property values.
- Remaining vacant or underdeveloped infill sites in mature areas may have one or more site-specific characteristics that discourage development, including poor location, access limitations, high land costs, topographic/environmental constraints and complicated ownership or financial encumbrances.
- Opposition from neighboring property owners can increase the risk of project denial or need for costly mitigation. And, the required public process can take longer in these areas, resulting in higher processing and/or financing costs. This issue is most prevalent in higher end single-family areas.
- Infill developers may be required to make costly transportation or utility upgrades to facilities that do not meet current standards, and/or provide

³ More recent annexation agreements may require the developer to construct and sometime maintain public facilities that were traditionally provided by the City or CSU.

additional capacity. Compared with many greenfield scenarios, there may be limited potential for cost recovery from other developers.

- With the possible exception of Downtown, City development requirements have a suburban and/or greenfield orientation and do not always adapt well to more mature areas. In particular “suburban” standards for properties adjacent to major roadways can make it difficult to provide necessary and desirable access and connectivity.
- The City has traditionally had a “level playing field” approach with most incentives, and has for the most part not established priority development areas. All areas have equal access to use of most special financing districts. Retail and employment development tends to be equally encouraged throughout the City. Urban renewal designations and/or tax sharing agreements that do result in a priority have the potential to be applied to large areas of the City. Other incentives that do prioritize areas are almost exclusively limited to State and federal programs with their explicit income and related socioeconomic thresholds.

The part of infill that will be most challenging and will have the most barriers-- is the part about change. Filling in the gaps with more of what is already there, or what is already planned is relatively less difficult. What is often more challenging is locally accommodating changes in land use and density in response to the market and the overall needs of the community.

Infill Prerequisites

Substantial infill should not be expected to occur in the absence ongoing regional growth and economic development

- Without an economic incentive and market for significant development/ redevelopment investment somewhere in the region, the question of allocation within the region becomes largely academic.
- Infill initiatives in mature areas have a very low probability of success if the public safety needs of residents, customers, employees and property owners are not addressed.
- Family- oriented residential infill is not likely to be successful if local public schools are considered undesirable.
- For a City infill strategy to be successful there will need to be regional communication, coordination and some level of agreement on a shared regional vision.

Supporting Conditions

- For any comprehensive and sustainable infill strategy to be effective, the

following supporting conditions need to be maintained:

- A City governance and service philosophy that is open to adaptation, business opportunities and land use change.
- Provision of a safe and secure environment for all areas of the City.
- Ongoing neighborhood and business community engagement.
- Adequate enforcement of codes and regulations

Downtown as the Centerpiece of an Infill Strategy

- Downtown Colorado Springs has to be considered as a “special place” from the perspective of infill policy. It needs to function as the economic, cultural and political center of the region. Cities that infill have more vibrant downtowns, generally attract more economic development and have a higher overall quality of civic life. And, cities with more vibrant downtowns attract more infill.

Recommendations

Note: These suggestions should be considered preliminary and are offered for the purposes of advancing this policy conversation.

The City should consider and then adopt a brief and straightforward infill policy that could be used to evaluate all applicable actions or decisions within its purview

- 1) Prioritization should be given to subareas that meet one or more of the following criteria:
 - Downtown
 - Mature/Redevelopment and Frequent Transit Corridors
 - Areas with infrastructure capacity including utilities, transportation and existing or funded fire stations
 - Other areas that are susceptible or vulnerable to land use change
 - Additional redevelopment or strategy areas

Priorities should be identified systematically and subject to a robust public process.

- 2) The City should do a better job of identifying and promoting infill sites, opportunities and ongoing projects especially in mature areas. This should include collaborating on solutions for

beneficial use of difficult development or redevelopment parcels.

- 3) Downtown Colorado Springs should be specifically promoted as the economic and cultural center of the region (by the region) and the focal point of any overall infill strategy.
- 4) Any infill strategy should be aligned with an agreed-upon written City economic development policy⁴ and a companion policy for use of urban renewal authority.
- 5) In order to promote infill and revitalization, the City should strategically depart from a strict “level playing field” approach to public investments and incentives.
- 6) Both permanent modification and site specific relief from development standards should be considered for targeted infill areas if this can be accomplished without compromising safety, adversely impacting lifecycle costs, or unreasonably shifting costs to future owners of the property, neighboring property owners or City tax and rate payers.
- 7) Neighborhood organizations should continue to be involved in the process of identifying priority areas and developing plans for them that allow

⁴ This policy would in turn be aligned as appropriate with that of the Chamber/EDC.

adaptability while also allowing for certainty and establishing reasonable limits for those impacts that are important to them.

- 8) The City and Colorado Springs Utilities should prepare a GIS-based analysis highlighting areas with infrastructure and utilities potential to support substantial mature area infill. The analysis should additionally identify areas within the core of the City where proactive capacity-enhancing projects would be particularly beneficial. This information should be used to inform a determination of infill priority areas, and strategies for those areas.

For the highest priority infill areas, CSU should align its system-wide facilities plans with the objective of reducing the “off-site” utilities costs associated with anticipated or desired development.

The City and CSU should also engage in a systematic executive-level discussion of infill issues, approaches and strategies.

Maximization of existing Utilities capacity should be one key determinant in identifying infill priority areas. However, CSU facilities improvement plans should also be aligned with the objective of reducing off-site utilities obligations in those highest priority areas that are identified based on all pertinent factors.

- 9) For infill priority areas that do not have the benefit of a relatively current privately initiated larger area master plan, the City should take on the role of “limited master developer” for the purposes of coordinating the various land use and public improvements planning needed to facilitate ongoing redevelopment of these areas.

- 10) The existing overall infill analysis boundary should be retained for data consistency purposes but also expanded to include additional areas of the City that have significantly developed in the past decade. Additionally, the City should further categorize strategies particular to “mature areas” which are those predominantly developed prior to 1980.

- 11) The City and Utilities should both adopt and reasonably adapt development standards specific to targeted infill and redevelopment areas.

- 12) Targeted incentives should be provided for priority development areas including enhanced levels of rapid response, reduced application fees and lower utility fees (including for smaller housing units), tax sharing agreements and/or tax increment financing (TIF) agreements.

- 13) Form based or special zoning options should be considered for infill priority areas where existing zoning is determined to be less than desirable. The City of Aurora Sustainable Infill and

Redevelopment (SIR) Zoning District should be specifically considered as an option.⁵

A Revised Way of Thinking

Wholesale departures from traditional community values and past ways of doing business should not be needed in order to move forward with these recommendations. However, a willingness to shift from current views and practices will be essential.

Neighborhoods and City leadership would need to support and embrace the concept that the land use change and intensification inherent in infill is a necessary and good thing in many cases.

The development and business community would need to recognize and support the crucial role of local government in managing public realm and public services so they are vital and sustainable. Both businesses and the community at-large would need to accept the concept that infill priority areas are acceptable if supported by thoughtful community-based decision-making.

Colorado Springs Utilities would need to acknowledge its critical stake and role in infill and core area preservation.

The community would need to be willing to affirmatively address the supporting conditions (such as public safety) that are the underpinning of any successful infill strategy.

As processors, rule-makers and regulators, City and CSU staff would also need to adapt especially from the tendency to want too much control over the uses and standards especially inside private property. In the public realm, we would need to accept some departure from suburban standards including the congestion and safety trade-offs that occur with more transportation access and interconnections.

It is also important to recognize that zoning and its accompanying land use regulations represent neither the primary current barrier to more rapid and effective infill and redevelopment, nor the fundamental answer. Future changes to these regulations should be viewed not as a singular 'magic bullet' but instead as one of several tools with which to better support a wider and much more encompassing strategic approach.

And finally, the region and not just the City would need to embrace the importance of infill and the key part of its vision, if it is to be fully successful.

⁵ However, it should be noted that to-date Aurora has had limited success in implementing this option (refer to Chapter XIV)

Essential Infill Questions

Assuming promotion of infill is established as a clear City priority, the following questions could be asked about all applicable public or private projects, policies, processes, regulations and investment decisions:

1. Will the action promote infill in general, and particularly in priority areas? If not, is there still an imperative for the action?
2. Will the action result in any substantial impediments to infill?
3. If the action will result in or encourage infill, will outcomes include increased land use connectivity, mixed use, more efficient use of infrastructure or utilities, and encouragement of alternate transportation modes?
4. If the action will have a positive association with infill, will it be reasonably integrated with and supportive of surrounding land uses and neighborhoods?
5. Will the infill-related action have a net long term positive fiscal impact on the City and its service providers?

A cornerstone of a successful infill strategy is first to have one and then to ask the proper questions about all relevant projects, policies, processes, regulations and investment decisions.

Priorities and Next Steps

The recommended next step priorities are:

1. Share a summary this Paper to City and community leadership.
2. Adopt an infill policy and align with the City's strategic plans.
3. Formalize the identification of infill and economic priority zone areas, and update or adopt plans for them- all with community input.
4. Develop and align related plans (e.g. urban renewal and economic development polices.
5. Continue to measure and evaluate progress.

Chapter I- Introduction

Purpose, Intent and Introduction

This paper comprehensively addresses facts, issues, and stakeholder input related to infill, redevelopment and core area protection for the City of Colorado Springs. Among other things, the paper looks at:

Projects- What is physically happening now and might happen in the future? and

Processes- What steps would need to occur for infill to be more successful?

This Paper is intended to provide a resource to assist in potential future policy direction, strategy development and implementation. Preliminary recommendations are provided.

Issue and Strategy Perspectives

Infill is a subject that can be difficult to get one's arms around. For some the perspective may be limited to a few acute issues generally labeled as barriers to infill. It may be the added cost of (or neighborhood frustration with) the public process in infill areas. Or, it may be a concern with particular infrastructure/utility requirements and fees. These project-specific experiences necessarily help frame the perspective of **infill as an assembly of issues to be addressed** and resolved to the extent possible and desirable.

The other complimentary but different perspective is to view **infill from the strategy perspective**. Is it sufficient for the City to simply address certain barriers to infill

especially if the response might not be to substantially promote or accommodate infill compared with greenfield development? Will infill, or the lack of it, have a substantial impact on the quality of life for the City and/or its long term fiscal sustainability? Should the City target public investments, incentives and policy direction toward infill priority areas? This strategy perspective encompasses many of the more acute issues, but also looks beyond them.

Externalities

There is a lot about the infill topic that the City cannot address directly. The foremost of these factors is the private market for land use development and change. The regional land use context is another, because City infill trends and strategies will be greatly influenced by what happens outside City limits. The role of other independent governments such as the State and school districts is also important. Finally, while Colorado Springs Utilities clearly falls under the purview of the City, they operate quasi-independently as an enterprise. In addition to its wider responsibilities to its citizen-owners, CSU has an understandable focus on the needs of its rate paying customers.

What is Infill and Where Can it Occur?

Introduction

The "topics" of infill, revitalization, redevelopment, reinvestment and (to a lesser degree) core area protection have been a high profile and regular topic of community conversation over the past few years. Among other places, they are addressed in the City's

Colorado Springs Infill Definition:

Development, redevelopment, expansion, major renovation and adaptive re-use activities within areas of the City that are already largely developed

Strategic and Comprehensive Plans. However, at this time the City does not have a clear, unified or comprehensive approach to the issue. This approach should begin with some agreement about what infill is and is not.

Related to this, there also should be agreement on what the overall boundaries of the City's infill areas and priority locations should be.

Definition and Comparison of Infill, Redevelopment and Reinvestment

The 2001 Colorado Springs Comprehensive Plan defines Infill as.....

“Development of vacant parcels within a built up area. Parks and open space are also considered as infill since they are permanent uses for open spaces”

For the purposes of this Paper, the term “infill” is broadened to include a variety of development, redevelopment, expansion, major renovation and re-use activities that affect areas of the City that are already largely developed. This includes the establishment of uses on previously vacant parcels, major reconstruction of the existing built

environment, or simply the adaptive re-use or expansion of existing structures or areas. Infill is also intended to encompass major reinvestment in existing development. Put another way, this Paper focuses on activities that result in any significant change in the built environment or its uses within generally established areas of the City.⁶ What is not included, or at least not emphasized in this definition, is outward expansion of the developed areas of the City, even where the land use approvals may have been in place for a long time. **Figure I-1** describes some of the land use activities that would or would not qualify as “infill” for the purposes of this analysis. Most annexations of either developed or vacant land would not qualify either. Exceptions would include annexations vacant properties generally surrounded by existing development and annexations of developed areas proposed for substantial land use change.

Major “reinvestment” activities are included even when these do not result in more building mass or a substantial change in uses. The rationale is that without these activities, market changes will not be accommodated and the

⁶ The terms “greenfield” and “greyfield” development are often used to differentiate new versus redevelopment areas, with “brownfield” areas intended to more specifically define properties that have particular environmental constraints associated with prior use. However, for the purposes of this paper, none of these terms are entirely satisfactory. Some infill areas may be considered greenfield areas because they have not been developed. “Greyfield” areas are those previously developed areas with some level of obsolescence, long term vacancy or decline. However this can be a difficult distinction to make. Also, most infill areas in the City do not have brownfield characteristics.

core areas of the community will lose vitality. Obviously, with a definition intended to be this encompassing, there is no clear demarcation as to where the outer boundaries or what constitutes infill should be placed.

Furthermore, within this broad definition, there will need to be more focused areas of priority for City policy, programs and incentives.

Definition of Greenfield Development

For the purposes of this Paper greenfield development is defined as new development that takes place on previously undeveloped lands located outside of areas that have been predominantly developed for several years.

DRAFT

Figure I.1 General Comparison of Infill versus Non-Infill Activities

Infill	Not Infill
Development on vacant properties within established urbanized areas	Ongoing absorption of lots in recent developments on the periphery of the urbanizing area
Substantial demolition of existing structures and replacement with larger or significantly different structures	Limited interior remodels for the same use or similar use
Adaptive re-use of existing buildings (e.g. . changing Downtown office space to residential lofts)	Regular changes in tenant type and mix (e.g. one commercial business replacing another in a shopping mall)
Major expansion of existing structures to accommodate the same or a different use (e.g. adding to substantial square footage to a commercial use or “popping up” a one-story residential home)	Minor or incremental structural additions
Major renovations of existing structures even if the use is not changing	Minor renovations or maintenance that will not affect the outward appearance of a structure
Annexation of parcels in largely developed areas where significant land use changes are contemplated	Other annexations
Development of permanent park and open space facilities within largely developed areas	Park and open space facilities in newly developing areas or on the periphery of generally urbanized areas
Significant new investment or reinvestment in public infrastructure to support infill areas (e.g. new or upgraded roadways, non-motorized facilities, transit facilities, or streetscape improvements)	Routine maintenance or replacement of existing infrastructure in developed areas

National Infill “Definition” and Trends

In its December 2012 publication, “*Residential Construction Trends in America’s Metropolitan Regions*” the U.S. EPA attempts to systematize a definition of residential infill by using Census Tract data. They have analyzed all U.S. metropolitan areas and categorized each Census Block Group as being either largely developed or not. A Block Group is a unit of Census geography that is larger than a Census block but smaller than a tract. New residential units in largely developed Block Groups are counted as infill. The EPA further disqualifies new units in Block Groups that predominantly include dwelling units constructed since 1980. Conversely, they count Block Groups that may have considerable vacant acreage if they have high employment numbers.

This full report can be found at:

http://www.epa.gov/smartgrowth/construction_trends.htm

Using this national Census-based methodology, the EPA calculates about 21% of all residential growth in metropolitan areas occurred in infill areas during the period from 2000 to 2009. Overall, there was no discernible increase in infill share from the earlier to the latter part of this period. For Colorado Springs, this proportion was only 8.5%. Most likely, this lower ratio resulted from a combination of factors including higher availability of greenfield options in our metropolitan area coupled with the “newness” of development throughout much of this region. Also, for example, the EPA might well have not counted areas such as Gold Hill Mesa as infill on the basis that its Block

Group(s) were not already substantially developed.

Scale

Whether land use-related activities qualify as infill is largely independent of the scale of the area or project so long as the property is located within an infill area and the activity is applicable. On one end of the spectrum, a major addition to single residence in an established neighborhood should be considered infill because it results in a significant local change to the built environment. On the other end of the spectrum the development of a large 100+ acre previously vacant parcel would also qualify as infill as long as the property has been largely surrounded by development for a decade or more.

Relationship Between infill and the Density and Diversity of Land Uses

Infill does not have to increase density beyond that of surrounding uses, but it could be expected to in some cases. Infill may or may not result in a greater mix or diversity of land uses. However, these are recognized probable and desirable outcomes. Moreover, it should be recognized that land use density, diversity and change from already established patterns and plans is the crux of the infill issue.

It should be recognized that land use density, diversity and change from already established patterns and plans is the crux of the infill issue.

Relationship of Master Planned Communities to Infill

Larger areas that have the benefit of privately initiated community master plan may still be defined as infill projects and have infill issues. However, they are different from areas without benefit of these plans. Although the process of getting to full implementation may still be difficult once a larger scale master plan is in place, the availability of these plans ordinarily simplifies the process and reduces uncertainty from that point forward.

Among other things, the process of community-scale master planning addresses capacity and alignment issues for major infrastructure including utilities, roads, drainage, and sometimes parks and schools. Once these key decisions are in place, the process of subsequent land use change occurs in and has the benefit of this planned community context.

This does not mean that many projects with community-scale master plans eventually will not experience infill issues. Moreover, some of them are classic infill projects from the start. However, they are different from smaller projects without benefit of these plans.

For example, the Briargate Master Plan which had its start in the late 70's and early 80's and was developed mostly as a greenfield project, has had several dozen amendments over the past three decades. Although some of these changes may have been challenging for a variety of reasons and a few elicited concerns from the neighbors, most often the developer and the City could rely on the context of the original plan to ease the process of change.

With a classic infill projects such as Gold Hill Mesa the process of getting to a community-scale master plan can be challenging and fraught with a variety of barriers (Refer to case study in Chapter VI). However, once the plan is in place, a lot of the groundwork is laid to expedite future more detailed changes including plan adaptation.

By comparison, a particular parcel Downtown, a vacant mid-sized shopping center on Academy Boulevard or the soon-to-be vacated Goodwill buildings on West Colorado do not and will have the benefit of in-place and fully active community-scale master plans. One of the primary recommendations of this Paper is that the City should consider assuming the role of "master developer" for these areas.

Relationship Between Vacancy Rates and Infill

Simple absorption of existing developed space (e.g. increased occupancy of vacant houses, apartment units, office space or retail space) is not technically considered infill development because this activity does not directly affect the built environment. However, vacancy rates are inextricably related to the infill issue and need to be addressed simultaneously as part of any viable infill strategy. Persistently high vacancy rates are fundamentally inconsistent with most of the objectives of infill. High vacancies result in inefficient use of the built environment and the public infrastructure and services that support it. Oftentimes, higher vacancies also reduce the quality of life and livability of the affected areas. All this said, persistently high vacancies can create an infill opportunity in the form of an impetus to redevelop.

Newly Annexed Undeveloped or Redeveloping Areas

Newly annexed undeveloped areas would ordinarily not qualify as infill, because the emphasis of any infill strategy is on areas already within City limits. However, there are exceptions primarily related to enclaves or other unincorporated parcels that are outside the City but which within generally urbanized areas.

Undeveloped Areas on the Fringe of Existing Developed Areas

An encompassing definition of infill could include any properties that are already annexed based on the premise that the absorption and potential densification of areas already in City limits should be measured and is an important priority. For the purposes of this Paper this definition is considered too broad.

Development of Vacant Properties in Existing Areas

Development of vacant properties in existing areas clearly qualifies as infill, but this can be manifested in different ways. The development may be similar to surrounding uses (e.g. finishing the last houses in residential subdivision or building out the last pad site in a shopping center). Or, the activity might involve a use that is not similar to those surrounding it but which has been approved in prior plans. For example, a multifamily or retail site might have been set aside as part of a generally single-family development with the demand for it occurring many years after the single-family properties were absorbed. The last category

occurs when “something different” from approved plans or existing uses is proposed for a vacant property. Oftentimes this option is most controversial, but it may also best accomplish the objectives higher densities and/or mixed use infill. **Photos I.2 and I.3** depict the ongoing Gold Hill Mesa project that is both large in scale and “something different” from the surrounding community.

Photo I.2



Gold Hill Mesa Community Center, Courtesy Gold Hill Mesa

Photo I.3



Gold Hill Mesa Air Photo, 2011, courtesy NES

Major Redevelopment of Existing Developed Properties or Structures

Major redevelopment of existing developed properties or structures may involve demolition and reconstruction activities or major expansions or intensification activities that do not involve demolition.

One of the more comprehensive examples of this scenario would be the ongoing overall Lowell redevelopment south of Colorado Springs where most of the site had been previously developed, but the original land uses on the site have largely been demolished and are in the process of being replaced by both new buildings and different uses. **Photos I.4 and I.5** provide examples of this redevelopment.

Photo I.4



Another example of the first case would be the Marketplace at Austin Bluffs shopping center near the intersection of Academy Boulevard and Austin Bluffs Parkway where the original 1970's center (Mall of the Bluffs) was demolished and replaced in the 2007-

Photo I.5



Lowell redevelopment on former District 11 school site, Courtesy Lowell Redevelopment

2008 timeframe (Refer to **Photos I.6 and I.7**). In this case, the overall type and density of the use did not change markedly, and the project has limited mixed use components. However, the center was modernized and the result has been a demonstrated increase in commercial viability.

Photo I.6



Marketplace at Austin Bluffs circa 2006, photo courtesy of Marketplace at Austin Bluffs

Photo I.7



Same site with current uses, photo rendering courtesy of Marketplace at Austin Bluffs

An example of major expansion or intensification without large scale demolition occurred when the Atmel site on Garden of the Gods Road was substantially expanded with construction of an additional building.

Expansions, intensification and adaptive reuse can also take place routinely at a smaller scale especially in older neighborhoods when buildings are remodeled, most often to add square footage. In this case it might be arguable that a “scrape off” or major addition

to a single residential home, should not be considered infill. However, cumulatively these actions can have a substantial impact on the physical character and value of a neighborhood, and they clearly reflect revitalization. **Photos I.8 and I.9** depict the transformation of a single older home in an established neighborhood.

Photo I.8



Photo I.9



Before and after photos of the same home in the Patty Jewitt Neighborhood, Courtesy Conforti Architects

Adaptive Re- use

Significant changes in land use within overall infill areas are an activity that is difficult to categorize with respect to qualification as infill.

An example would be El Paso County's recent acquisition and adaptive reuse of the unused Intel industrial facility on Garden of the Gods

Road for use in providing various local government services.

Photo I-10



Adaptive Re-use of former Intel plant on Garden of the Gods Road as County Services Center, Courtesy of El Paso County Facilities Management

Adaptive reuse of a close grocery store as a religious institution- South Academy Boulevard

While this activity clearly results in a higher level of activity compared with the previous vacant building condition, the overall intensity of the new use may or may not be greater than the originally intended activity.

This same trend often occurs on a more limited scale with conversion of commercial buildings to a substantially different use such as use of a former grocery store as a religious institution, or a former big box store for light manufacturing (see **Photos I.11 and I.12**). The conversion of the upper floors of a Downtown commercial building to residential lofts represents another example of these significant changes in land uses.

Photo I.11



Photo I.12

Re-use of a closed big box store for light manufacturing- South Academy Boulevard circa 2010;
 (property more recently being converted to a Goodwill processing center- 2013-2014)

Even though it is quite common for the new land use to be less intensive than the one it is replacing, it is nonetheless recommended that any substantial investment in “repurposing” of existing buildings should be considered as a qualifying infill activity. This is in part because this activity is becoming more increasingly common and therefore it should be acknowledged. Oftentimes, a market no longer exists for the original intended uses, or for large scale reconstruction of the property. However, there is obviously a limit to this logic for when applied to clearly marginal or low-intensity temporary uses.

Relationship of Infill and Mixed Use

One of the main underpinnings of the City’s 2001 Comprehensive Plan is the importance of mixed use development. For some the concept of mixed use is largely synonymous with infill or at least the highest aspirational manifestation of it. Within this context there is obviously a continuum of mixed use definitions ranging from uses which everyone would agree on, but then extending to subtler forms that may or may not reach the definitional requirements of everyone. On one end there is a classic fully integrated mixed use development that combines several uses on a single property. An example of this is the recently opened **Ivywild School** project with not only combines several uses on one site, but also integrates with and largely has the support of the surrounding neighborhood. A depiction of this is included in **Figure I.2.**

In more subtle cases the mixed use orientation can be horizontal in nature with single uses occurring in each building or even on each separately owned property, provided these are in close proximity and have a high level of local interconnectivity. An example from the far end of the infill spectrum would be construction of a retail grocery store on an arterial street corner largely surrounded by single and multifamily housing on individual cul-de-sacs. In this case the uses may not be well integrated at a pedestrian scale. However, compared with the alternative of no store serving the immediate neighborhood, the establishment of this use still has a net positive mixed use impact.

For this analysis, mixed use is not considered a requirement for infill, because simply filling in with more of the same uses still qualifies. However, the degree and extent of mixed use can and often should be a measure of the quality of infill in many cases.

Does Infill Have to Increase Density?

Infill is often associated with an intensification of overall land use in a given area. Many times this is a result, especially compared with a pre-existing condition of property or building vacancy. However, an infill project could result in lowering of density or intensity at least compared with the original actual or planned use. Often, the most initial development plans for a larger property contemplate a relative maximum density, both to maintain the highest potential use for the owner and plan for a “worst case” for potential utility and other infrastructure demand.

As with mixed use, densification or intensification is not recommended as a definitional requirement. However in many circumstances this is and should be a desired result.

Change versus “Filling in a Gap in the Smile”

Often, the process of infill is simply one where vacant properties are “filled in” with land uses that either match closely with those already developed, or if not, are at least fully consistent with approved plans that have been in place for a substantial period of time.

While these, “business as usual” activities may still have complexities, additional challenges often present themselves when a change from the norm is being proposed. These changes could involve different uses and/or density and/or a deviation from conventional design standards. In proposing an alternative to the existing pattern, the property owner/developer may be responding to change in the market, and the proposed new use may or may not promote such qualities as community location efficiency, mixed use, enhanced connectivity or densification.

Oftentimes, these proposed changes to “business as usual” patterns generate more public process impacts, and challenges related to requirements and standards.

One of the assumptions of this Paper is that a comprehensive infill strategy should have a special focus on addressing circumstances that go beyond problems of simply “filling in a gap in the smile”.

Figure I-2



Temporary/ Transitional Uses

There may be a demand in infill areas for uses of a shorter term and/or transitional uses. These can include uses of more or less undeveloped property or for vacant buildings. Examples of the former include storage of vehicles on vacant property or excess parking lots. Examples of the latter might include use of vacant office building for storage or operating a short term event out of an otherwise unused building. Because of the ordinarily short term nature of these activities they are not considered to be qualifying as infill. Nevertheless, these activities should be considered as part of an overall infill strategy.

Relationship Between Infill and Vulnerability to Land Use Change

Given an acknowledgement that infill is much more than the simple filling in of previously vacant and developable parcels, the concept of land use dynamism or vulnerability to change is important. Put simply, some developed areas and types of uses can reasonably be expected to be largely unchanged a few decades from now, whereas others are more vulnerable to change.

Properties are more or less likely to develop or redevelop based on a number of interrelated factors including the following:

- Value of the existing property and use (if any) compared with development/redevelopment market potential
- Life-cycle of the existing use
- Capacity of the area to accommodate new and different uses
- Adaptability or support of neighboring property owners

Properties are less likely to develop or redevelop if they have a current high value use that is not vulnerable to change, or the change would be difficult due to lack of capacity or the objections of neighbors.

Figures I.3 to I.6 provide some examples of these factors that affect an area’s dynamism or vulnerability to change.

Figure I.3

Examples of Vulnerability to Change by Land Use Type

Very High	High	Moderate	Low	Very Low
Vacant Developable Land	Non-Structural Uses (e.g. surface parking and vehicle storage)	Many Commercial Uses (e.g. “big box”)	Most Residential Uses	“Signature” Parks or Historic Structures (e.g. Garden of the Gods or Pioneer’s Museum)

Source: City of Colorado Springs Comprehensive Planning

Figure I.4

Examples of Vulnerability to Change by Property Value

Very High	High	Moderate	Low	Very Low
Most Vacant Land	Obsolete Low-rise Commercial Buildings	Deteriorated Single-family Properties	Most Single-family Neighborhoods	Newer Class A Office High Rise; High End Single-family Neighborhoods

Source: City of Colorado Springs Comprehensive Planning

Figure I.5

Examples of Vulnerability to Change by Property Location

Very High	High	Moderate	Low	Very Low
Downtown Core and immediate transitions areas (even more so)	High Value Intersections and Major Arterial Corridors; or proximity to robust transit (if available)	Smaller Arterial Corridors; Transitional Areas Between Uses	Most Larger Residential Neighborhoods	Core Areas of Established Residential Neighborhoods

Source: City of Colorado Springs Comprehensive Planning

Figure I.6

Other Factors Affecting Vulnerability to Land Use Change

Very High	High	Moderate	Low	Very Low
	Unified Ownership;	Fragmented Ownership	Properties with Historic Protections in Place	

Source: City of Colorado Springs Comprehensive Planning

..... A City infill strategy should logically focus on areas that are most vulnerable and conducive to land use change

.....However, a core area support and preservation strategy should extend beyond just these areas

With some exceptions, existing single-family residential neighborhoods are not very vulnerable to change because they are located in areas where there typically is a limited demand for other higher value uses. Compared with many other types of uses, the “life-cycle” of a single-family home is ordinarily measured in multiple decades, meaning that the overall demand for these uses continues over long periods. Additionally, the infrastructure that serves these areas (e.g. local streets) is often

not conducive to supporting redevelopment of a substantially higher density. Finally, where there is a market demand for land use change the complex patterns of ownership and the expectations of neighbors often combine to make change difficult. There are of course, situations where a combination of positive and/or negative factors may “overwhelm” the inertia of existing residential areas and create the conditions for change. This most often occurs with more peripheral or smaller residential areas.⁷

It is important to not paint residential areas with too broad a stroke. Even though residential uses generally have a long lifecycle, there are exceptions based largely on some combination of location, value and density. Major activity center such as Downtown naturally expand into and consume adjoining residential areas. In these and other locations there can also be a market to substantially increase both the use and intensity of low density residential development. One example is the very low density development in Falcon Estates along Academy and Union Boulevards. Some of these properties have redeveloped and others may follow. These residential areas in the path of land use intensification create significant public policy issues and trade-offs.

There are of course exceptions to this long single-family lifecycle assumption. Extreme

blight, depopulation and dis-investment could eventually undermine the normal stability of these uses and areas. (refer to the discussion of Detroit Chapter XIV as an example).

However, by comparison, non-residential areas tend to be more vulnerable to land use change. This is because the lifecycle of these uses is often shorter, the capacity exists to accommodate more change and the existing property owners are less likely to object to the change. A classic manifestation of this land use dynamism is the lifecycle of “big box” retail stores. These buildings are constructed to suit the needs of a particular tenant, and nationally have had lifecycle of only a few decades, on average. Once vacated by the original user it is not particularly likely that a similar retail use will re-locate in the building. If re-used at all, it is more likely that the structure will be adaptively reused. There are numerous examples of big box adaptation in Colorado Springs. A few examples are:

- Former Home Base store on S. Academy Boulevard now occupied by light industrial and indoor storage uses
- Former Sax grocery store on South Academy Boulevard now occupied by a religious institution
- Former Albertson’s grocery store on North Academy Boulevard occupied by an events center
- Former multiplex cinema in Citadel Mall occupied by a proprietary college

⁷ This Paper assumes that most existing single-family neighborhoods will continue to have a long life cycle and resistance to fundamental land use change. However, it is important to be mindful that the major socioeconomic trends discussed in Chapter , could have profound impacts on established residential areas.

In addition to use-specific non-residential structures that have a short life cycle, many non-residential uses themselves have much shorter and more dynamic lifespans. For example, Colorado Springs probably over 99% of the dwelling units constructed during the last 40 years still exist today. By comparison, 40 years ago there were essentially no mass market video/movie rental businesses. Over the past four decades these businesses grew and rapidly adapted, peaking with at least several dozen such businesses located just in this region. Today, things have come close to full cycle, and this type of business has virtually disappeared.

In this case the buildings were most often not constructed with this single use in mind, and have been easier to convert of new uses even if they were. Nevertheless, this more rapidly changing business and retail environment contributes to a much more profound sense of land use dynamism.

Academy Boulevard Example

This concept of land use dynamism (or vulnerability to change) can be modeled and used as a basis for an affirmative infill strategy. For instance, in the *Academy Boulevard Corridor Great Streets Plan* all of the properties within ½ mile of the Academy Boulevard Corridor were rated as to potential levels of dynamism. Vacant developable properties were assumed to be the most dynamic while established single-family areas and uses such as parks were considered fixed for the purpose of that planning process and not vulnerable to change.

This kind of analysis can be helpful in both anticipating areas of likely redevelopment and potentially for focusing priorities and strategies.

For a six-square mile area within ½ mile of the Academy Boulevard study area, staff identified numerous mostly non-residential parcels with relatively high potential for redevelopment. Altogether, these sites could at least theoretically absorb enough new dwelling units and non-residential space to almost double the population and employment of this overall planning area.⁸

Downtown Colorado Springs Example

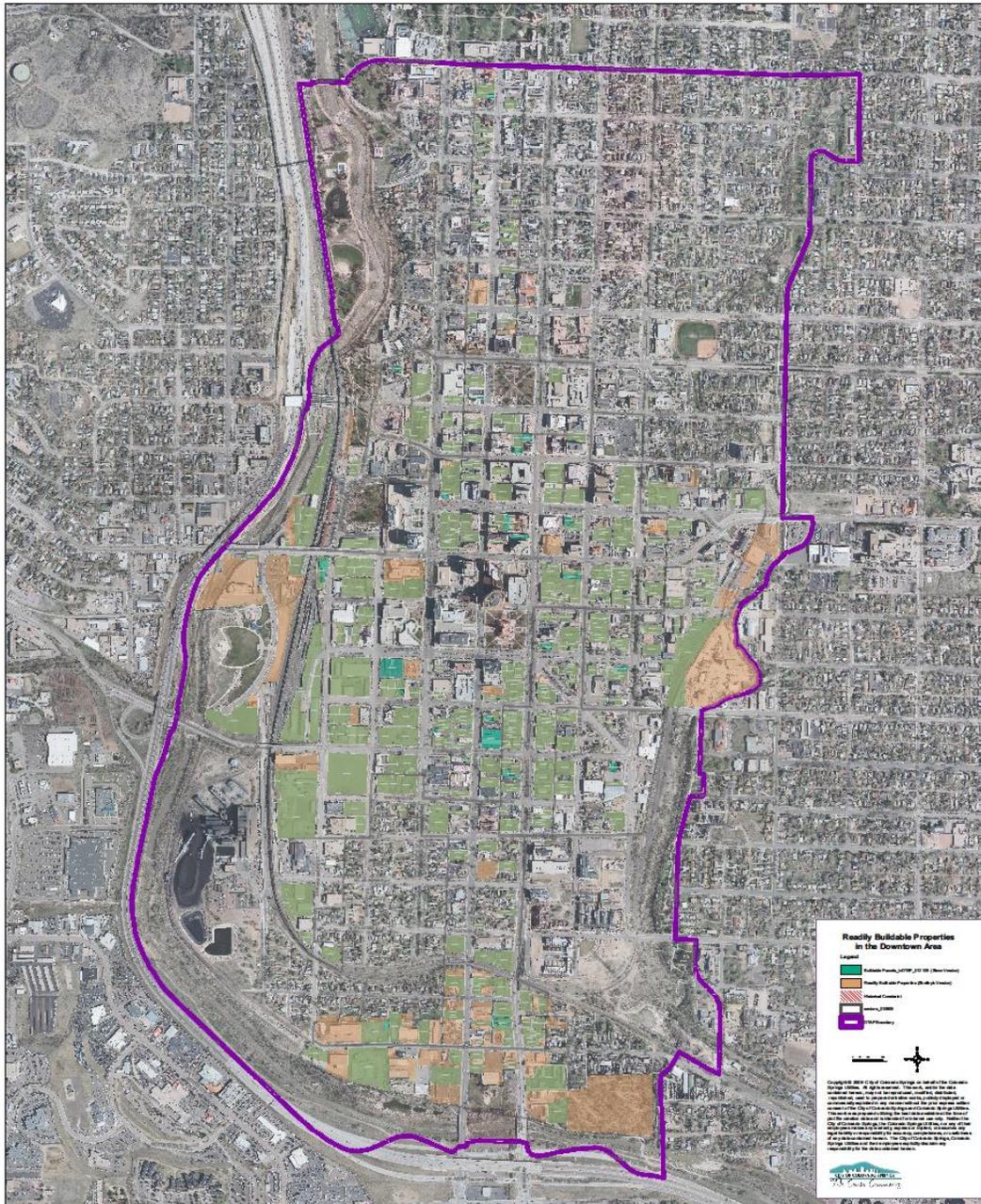
A similar approach was applied in conjunction with the *Imagine Downtown* planning process and the accompanying form based zoning approach. Areas of Downtown were evaluated primarily on a valuation basis to suggest which sites would be most likely to redevelop. The methodology is that case was primarily to identify vacant parcels along with those with a certain lower ratios of building to land valuations. These properties are were presumed to have more potential for redevelopment because the forgone value of existing development would not be that great in comparison with the future redevelopment potential. Using this logic, the Wells Fargo Tower at the NW corner of Cascade and Colorado Avenues would not be assumed to have much likelihood for redevelopment or densification due to the amount of current investment in the property. By comparison, the

⁸ For more detail, see the *Academy Boulevard Corridor Great Streets Plan* at www.AcademyBlvdGreatStreets.com

former Colorado Springs Sun building at the SW corner of the same intersection could have a greater potential for redevelopment due to the age and low profile of that building. Using the same logic, the parking lot located on NE corner of this intersection might have an even greater potential for new development because there is almost no structural investment that would be lost due to demolition. On the other end of the continuum, some Downtown structures such as the Pioneers Museum would be considered off limits for historic reasons. **Map I.1** provides one representation of this relative redevelopment potential for Downtown. Of

course the actual choice to redevelop a given parcel is would be a specific and complex business decision. However, the overall conclusion is that well over the half the privately owned property in the core area of Downtown has the potential for major redevelopment and/or densification assuming a market for this change. Under the current zoning there is the theoretical potential for tens of millions of square feet new residential or non-residential space in this fairly small area. This makes Downtown one of those areas of the City with the highest potential for land use change.

Map I.1
Readily Buildable Parcels Map
Downtown Colorado Springs



Where Can Infill Occur and Still be Infill?

Introduction

Although the answer to the “What is infill?” question is based on certain assumptions related to where infill can occur, the topic of overall infill area boundaries deserves separate attention. One first has to determine which areas are considered “predominantly developed” and then there is the question of the “maturity” of an area. **Figure I-7** provides a range and continuum of infill area definitions.

The current City limits could be considered the most encompassing boundaries for an infill area because this area represents a sum total of all

of the land use commitments of the City to date. Progress toward absorbing previously annexed areas could be considered a form of infill. Indeed, the City has reduced its overall figure of vacant property within City limits by over 20% (more than 11,000 acres) during the 14 year period ending in 2013. However, this approach does not focus on efficient use of predominantly developed areas.

The drawing of a line that encompasses all predominantly developed areas partially captures the concept of focusing on non-outward expansion. However, the inclusive nature of this approach would essentially mean that the eligible infill area would continue to extend outward in response to contiguous expansion of the City.

Figure I.7

Description of Infill Boundary Types

Description	Approximate Square Miles in 2011	Rationale	Limitations
City Limits	195	Based on the premise that commitments have been made to develop this area, and it should generally have preference over new annexations.	Includes large greenfield areas, especially in Banning Lewis Ranch area where peripheral or discontinuous development could occur. Does not establish any priorities.
2002 Infill Area Extended (includes minor enclaves)	127 (65% of the City)	Extends the methodology of the 2002 boundary, basically drawing a line encompassing most of the currently developed contiguous areas or the City, with the logic that any development inside this line represents a filling in of the existing urbanized area limits.	Encompasses all potential development of the City other than outward extension of greenfield areas. Moreover, this boundary will naturally expand as outward development continues. Would only establish a limited priority for all non-outward development.
2002 Infill Area (includes minor enclaves)	113 (58% of the City)	This was logical boundary for measurement in 2002, as it encompassed the generalized outward limits of the urbanized area at that time. Maintaining this boundary would have some value for long term measurement consistency.	As the City's generally urbanized area has extended particularly to the north and east, some of the logic of this boundary is lost. There are now some fairly large generally developed areas that fall outside it. Conversely, the area is still too large to be much of a focus for priorities.

Figure I.7 Continued			
Mature Areas (Generally Platted Prior to 1980)	40 (about 21% of the City, but this is net privately developable areas only)	This would allow an overall infill focus on only those areas that are internal to the general boundaries of the urban area as it existed 30 years ago. This allows a further focus on areas that are more likely to have experienced disinvestment. These areas are also more likely to require infrastructure upgrades or replacement. Finally, these greater than 30-year old areas are least likely to have the kinds of covenants in place that tend to restrict adaptive new uses.	This distinction has the effect of excluding some classic infill sites in newer predominantly developed areas. It also includes some older established areas that may be very stable and not at all vulnerable to land use change.
Priority Infill Areas	To be determined	This approach would allow for clear choices to be made for allocation of public investment and incentives based on a combination of factors.	An infill strategy the focuses only on priority areas will not account for or address infill activities at other locations.

Source: Comprehensive Planning Team

Year 2002 Infill Area Boundary

Although the 2001 City Comprehensive Plan emphasizes infill and generally defined the term, it did not establish an infill area boundary. This step occurred at the staff level

in approximately 2002 as a means of measuring progress towards achieving the goals of the Plan. **Map I.2** depicts this boundary. (re-do map). It encompasses much of the City but excludes those areas east of Powers Boulevard and north of Briargate Parkway. Additionally, an area generally north and east of Rangewood Drive was also excluded. Since that time

statistics have been prepared comparing the acreage of development inside and outside of this boundary (see **Figure I.7**)

This area represented a reasonable depiction of the largely developed contiguous areas of the City as of 2002. However many of these infill areas were certainly not “mature” as they had only recently been developed. Using this same logic, an argument could be made for now extending the infill boundary from Powers out to Marksheffel Road. Residential development in projects such as Colorado Springs Ranch and Stetson Hills is largely absorbed and substantial commercial absorption has now occurred along Powers in response to these rooftops. Similarly, more areas in the vicinity of Briargate, Norwood and Wolf Ranch have now developed to point where they now fall inside of a logic current urban growth boundary. **Map I.2** also depicts a logical extension of the 2002 Infill Area boundaries based on the original criteria. This hypothetical 2014 Infill Area encompasses about 14.1 additional square miles as compared with the 2002 boundary.

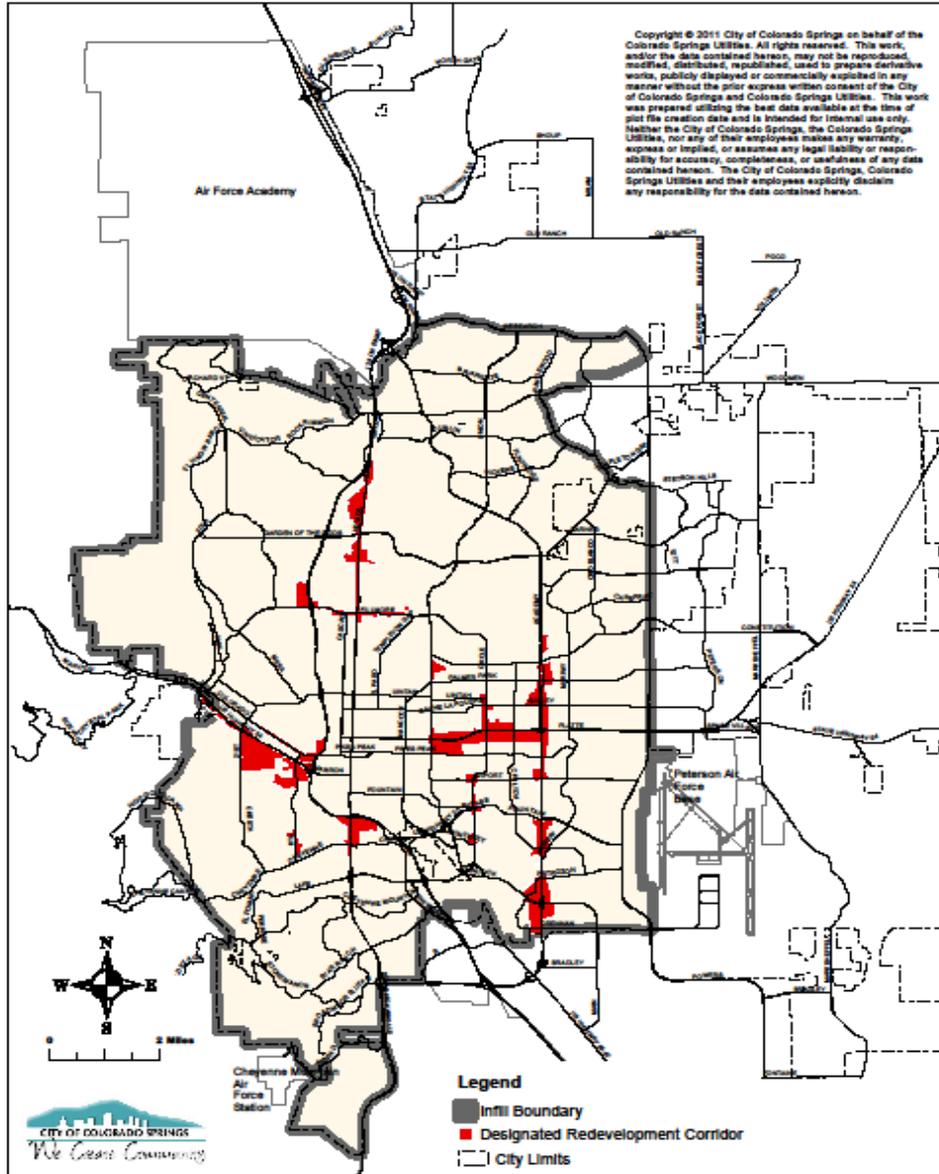
Altogether, this extended 2014 Infill Area includes almost 2/3rds of the entire City, and obviously almost all of the developed areas.

If an infill strategy were focused on only those parts of the City that were developed prior to a certain date, the boundary would be smaller. These “Mature” areas of the City (areas generally constructed prior to 1980) account for only about 21% of the City’s entire land area. However, this figure only includes properties with vertical improvements and is net of areas such as rights of way and parks. A more inclusive boundary encompassing those areas of the City developed 30 or more years ago would

likely account of well over half of the overall infill boundary areas.

Map I.2 - Infill Boundaries (replace)

Designated Redevelopment Corridors & Infill Boundary



An advantage of extending the 2002 boundary approach is that it acknowledges the reality of the most current largely contiguous extent of the urbanized area. Bringing all of these areas “under the tent” further recognizes that, in many cases, investments have been made and infrastructure has already constructed to serve the remaining undeveloped properties now largely surrounded by development, however recent it may be.

The Powers Boulevard corridor provides a case in point. With the almost complete absorption of the planned single-family housing development east of Powers and west of Marksheffel, it is difficult to argue that the relatively few remaining vacant properties along Powers itself do not now constitute infill sites. Moreover, their continued absorption would obviously be efficient for a number of private and public fiscal and other reasons.

The above-stated logic notwithstanding, a trade-off of continuing the 2002 approach of keeping most of the City “under the infill tent” is that this area is too encompassing to allow for a truly effective infill strategy.

The Difference Between Infill as an Issue and Infill as a Strategy

From the standpoints of both the developing property owner and the impacted neighbors, an infill project may have a lot of the same issues regardless of location throughout the City. For instance, there can just as easily be a clash of land use expectations when changes are proposed for a remainder parcel in a recently developed area as there might be for a long-vacant property in a mature area.

However, in the newer areas, it is relatively more likely that the property will be developed within a reasonably short time frame even in the absence of such actions as relief from standards, targeted public investments or incentives. In these cases the issues that are more likely to be paramount are reconciliation of the interests of the property owner with those of the neighbors, or possibly a site-specific encumbrance or impediment such as undesirable access, or unrealistic valuation.

Put another way, there are certain issues of concern with all potential infill properties in the City. However, certain areas are likely to have a combination of greater infill challenges and opportunities. Together these create more of an imperative for proactive City attention.

Chapter II Why Is Infill Important?

Introduction

An honest question about infill is, “Why should the City care”?, especially given our tradition of limited government, low taxation and a preference for free market choices made by property owners and other residents. In this section some of these potential reasons are provided.

Generally infill is important for the following reasons:

- People are talking about and effected by it. Perceptions, definitions and issues vary among individuals and constituencies.
- Infill is prominently mentioned in the City Comprehensive Plan, the City Strategic Plan and the Quality of Life Indicators (QLI).
- A large majority of City properties, residents and employees are located in the most broadly defined infill boundaries and therefore may be affected by the issue.
- Substantial infill activities are occurring and can be expected to continue based on past and anticipated future trends. In this sense

part to the strategy can legitimately be reactive rather than pro-active.

- Property owners may have a large economic stake in infill projects.
- Infill is important in efficient use of City, Utilities, other public, and private investments in infrastructure (e.g. roads, drainage and utility capacity). This is particularly important and relevant given the recognition that Colorado Springs has a long term structural fiscal sustainability challenge.
- Infill will ordinarily result in more efficient provision of City and related services (e.g. emergency service response time, higher transit route productivity etc.).
- In some areas, the absence of continuing land use activity is likely to result in disinvestment along with lower tax and utility revenues.
- Disinvestment and decline of core areas is often attended by higher public safety and other social costs.

Infill is Occurring

As further discussed in Chapter V, the City should logically care about infill because as an issue it is occurring all around the City. Therefore, the issues associated with infill will directly relate to almost all City residents and property owners at one time or another. City Council's legislative regulatory changes and site-specific land use decisions can have a disproportionate focus on infill projects and areas because these are where the challenges and controversy are.

The City also spends the vast majority to its operating revenues within broader infill boundary areas.

Substantial infill has been occurring in the City, up until the recent economic downturn. **Table II.1** highlights the trend toward absorption of vacant properties within City limits and within just the City's infill boundaries during the past 15 years. During this period the total amount of vacant land inside the City has decreased by over 20%. Over the same period, the total supply of vacant acreage within the City's 2002 infill boundary (**Map I.2**) has been reduced by over 43%⁹.

In addition to absorption of vacant property, there have been a lesser but still important number of instances where existing structures

have been redeveloped on property that was not considered vacant.

Anecdotally, this trend can be observed by driving around the City, and observing the number of properties that have been absorbed during the past decade. Even in the current (2014) post-recessionary times, some properties continue to be absorbed.

⁹ The data in this table are generated through a consistent GIS-derived methodology using the County Assessor's parcel layer as a base, applying programming criteria and then doing some ground truth checking. However, there are circumstances when the "vacant" status may be changed from one year to the next even though little physical land use change has occurred on the ground. It should be further noted that a planned 2014 "scrub" of the City's current land use data layer will likely result in some fairly significant changes to the calculated amount of vacant land remaining in the City.

Table II.1

Vacant and Infill Land Absorption in Colorado Springs

Vacant Land Colorado Springs 1999-2012					
Year	Vacant (Citywide)	Vacant (Citywide) excluding Banning Lewis	Net Change (Citywide)	Vacant (Infill)	Net Change (Infill)
1999	51,001	28,152	-2,646	13,775	-2,097
2000	50,043	27,187	-958	13,210	-565
2001	48,548	25,707	-1,495	12,475	-735
2002	47,347	24,517	-1,201	11,833	-642
2003	45,822	23,114	-1,525	11,309	-524
2004	46,029	23,362	207	10,781	-528
2005	46,067	23,399	38	10,437	-344
2006	44,751	21,669	-1,316	9,938	-498
2007	43,802	20,756	-949	9,648	-290
2008	41,478	18,448	-2,324	9,371	-277
2009	40,701	18,020	-776	9,233	-138
2010	40,541	17,775	-160	9,215	-18
2011	40,447	17,741	-94	9,198	-17
2012	40,155	17,529	-293	9,098	-99
2013	39,899	17,295	-256	8,999	-99
Total			-13,748		-6,873

Source: City of Colorado Springs IT Department

In addition to infill occurring in the form of development of vacant property, there is also evidence that the relative proportion of redevelopment is growing compared with new construction. As one example, **Table II.2** compares the total number new commercial construction permits with commercial alterations over the past few years, using regional data. Although the downturn of the past several years had resulted in greatly reduced new permits (and the total value of all commercial construction), the number of alterations increased despite the economy. While this trend may have some short term and reversible aspects tied to the economy, there is also reason to believe this could be a longer term trend. There continues to be an excess of many types of non-residential structures in many areas of the region. Additionally, the value of many of these buildings is low enough to create an incentive to redevelop existing buildings rather than build new ones.

Table II.2

Comparison of New Commercial Construction Permits vs. Alterations- El Paso County

Year	New Construction	Alterations
2006	1,638	3,931
2007	1,690	4,519
2008	1,434	4,972
2009	677	4,025
2010	414	4,426
2011	665	6,448
2012	1,137	6,875

Source: Colorado Springs Business Journal; Pikes Peak Regional Building Department

Note: There is some potential that 2011 and 2012 figures are not fully consistent with those for prior years

Thirty-two Years Ago

Back in 1981 the City prepared a comprehensive *Community Profile* which was intended to support the version of Comprehensive Plan to be completed in that time frame. One of the statistics collected at time was total vacant acreage. Back then, this amounted to 27,852 acres. Although less than the approximately 39,000 vacant acres the City

has now, it is noteworthy that the 1981 acreage (pre- Banning Lewis Ranch) represented a higher percentage of the overall City because the City was smaller then.

1981 City - 110 square miles and 39.6% vacant lands

2013 City- 195 square miles and 32.0% vacant lands

The City has had a considerable inventory of vacant acreage for several decades.

Banning Lewis Ranch and Infill

The largely undeveloped Banning Lewis Ranch (BLR) property obviously does not qualify as and infill area. However, its future plans and development trajectory could have profound impact on City infill and redevelopment policy and implementation.

According to **Table II.1** BLR accounted for about 57% of the remaining fully vacant land within City limits as of 2013. Obviously what happens or does not happen in terms of land use in BLR will impact what occurs in other areas of the City including infill areas. As of the date of this Paper (mid 2014) the northerly part of the Ranch is actively under development by Oakwood Homes, while the majority (about 18,000 acres) is currently owned by Ultra Petroleum but is under contract with Nor'wood Development which is a local land development firm.

All of BLR is currently hard zoned and subject to a unique annexation agreement which is over 25 years old.

Although some of the future of BLR is uncertain and remains to be determined, the assumptions of this Paper are that the majority of this property will remain developable for private purposes, although substantial areas within the Ranch could end up being used for open space and/or military purposes, in some manner. The net result would be that the City would continue to have several decades of available "greenfield" development capacity within BLR and elsewhere. The capacity can serve as a both an alternative to infill or a combined opportunity.

Core/ Mature Area Support and Protection

Colorado Springs is still a comparatively young community with over half of our housing stock and developed areas being less than 35 years old. However, each year on average our "inventory" of more mature areas and neighborhoods expands by more than one square mile. Regardless of the exact development age threshold chosen (e.g. 35 or 50 years), each year the equivalent of several average-size neighborhoods effectively transition from "newer" to "mature".¹⁰

¹⁰ The City currently lists about 185 home owners associations or neighborhoods, but these only cover about 3/4ths of the residential area of the City. If about 250 total neighborhoods are assumed, then possibly 4 or 5 transition to "mature" status with each average passing year.

The corollary to “we should care about infill because it is happening and will happen,” is “there can be profound implications if it does not continue to happen”. This is the strategic imperative perspective.

An advantage of infill is that it protects core areas of the City by renewing investment and activity in them. Without this continued investment the tax, rate and fee base for these areas diminishes, and this has an adverse impact on General City and enterprise revenues.

When there are less and/or less affluent residents and employees in mature areas of the City there oftentimes is not a corresponding reduction in requirements for facilities and services. For example fire stations still need to be maintained and operated at approximately the same costs, but with less revenues coming from their service areas. Street and utility infrastructure still needs to be maintained even if there is less demand. Drainage facilities need to be maintained even if core areas become less populated and generate less public revenue.

Some public costs increase in response to disinvestment. This is particularly true with policing costs which comprise the single largest component of the City budget. Disinvested areas have higher rates of crime. Other social costs are also higher, although not all of these are directly borne by the City.

Efficient Use of Existing Public and Private Investment

A benefit of infill is that it can take advantage of prior major public and private investments in

infrastructure including but not limited to roads, drainage facilities, parks, trails, community centers, fire and police stations, and schools, and water, sewer, gas and electric lines. To the extent the infill activity can be accommodated without triggering the need for costly upgrades in capacity, this can be a model of efficiency for both the public and private sectors. Moreover, oftentimes the existing infrastructure in mature areas deteriorates and needs to be reinvested in regardless of whether there is growth or decline in the underlying population and employment.

It is not uncommon for a private developer to have been responsible for a significant share of the cost of the public infrastructure serving a developed property. Therefore, the developer often has a direct financial stake in full absorption of a planned development. Moreover, much of the profit for a development project is often associated with absorption of the last phases.¹¹

Fire Station Example

Fire protection is the City service that is arguably most inextricably tied to the infill issue. It is the second most expensive ongoing component of the City budget, behind police protection. What makes it expensive is the need to first construct and then operate fire stations that are spatially distributed such that first response can occur most of the time within eight minutes and a fully effective firefighting force can be on site and mobilized within 12

¹¹ Ordinarily the original developer will have less of an ongoing financial interest in the longer term sustainability of a project after it is fully built out.

minutes. New fire stations cost on the order of \$3M to construct and \$1.5M a year to operate. With new stations, there is the additional need for acquisition and amortized replacement of equipment. A typical fire truck apparatus costs about \$600,000, and the cost of a ladder truck approaches \$1 Million.

Although it may be possible to shift some of the capital cost to new greenfield development (via annexation agreements), the operational costs of any required new stations account for by far the largest cost component over time. If the demand for any one new station can be deferred for a substantial period by emphasizing infill versus outward expansion, the cost savings will typically be readily apparent.¹²

Moreover, areas that experience disinvestment and lose population and employment typically still require a base level of fire protection and facilities. Under this scenario the aggregate amount of tax revenues for the service declines while the costs of providing services remain the same. Moreover, with some disinvestment scenario the demand for services may actually increase due to more calls for

¹² It does need to be recognized that infill activity of certain types and beyond certain thresholds will trigger the need for augmentation of capacity and staffing at existing facilities. However, this is still less expensive than constructing and staffing entirely new stations. For example, an existing fire station that becomes busier due to infill can be upgraded with a 2-person dedicated medical squad, at well less than half the annual cost of operating a whole new station. Similarly, the cost of a new ladder truck to serve the needs of a more dense and vertical development is not insignificant, but nonetheless pales by comparison with the operational cost of new station.

service coming from abandoned or poorly maintained properties.

Preservation of Utilities Rate Base

As an enterprise, Colorado Springs Utilities is dependent on a combination of fees, rates, charges and corresponding debt service to finance its operations. In addition to potential for inefficient use of existing Utilities infrastructure, disinvestment in previously developed areas would naturally lead to reduced demand for water, wastewater, gas and electricity as a commodity. Areas within current City limits represent the overwhelming majority of CSU's rate base. There is some potential to add customers via municipal annexations, development in out-of-City Utilities service territories and regional partnerships.¹³ However, as the Utilities service area has grown and matured, it is logical to conclude that protection of the core area customer base will become increasingly important going forward.

Access to Federal and State Funding and Programs

There are and to some extent will continue to be a number of federal and State funding and programs that provide a public and/or private advantage to infill versus greenfield areas. CDBG (Community Development Block Grant)

¹³ Utilities electric and especially natural gas territories do extend well beyond City limits in some areas, and there is a potential for Utilities to enter into extraterritorial partnerships related to shared use of water infrastructure or actual sale of water.

and related housing funding is ordinarily limited to use in qualifying areas. Colorado programs such as those of CHFA (Colorado Housing and Finance Authority) and the State's Enterprise Zone program are similarly tied to qualifying areas that most often have infill components. In addition to income and related socioeconomic qualification standards, there has been an increasing emphasis on the part of the federal government in supporting discretionary grant applications that have an infill or redevelopment focus. As an example, in the recent TIGER (Transportation Investment Generating Economic Recovery) transportation grant criteria placed a premium on multi-modalism and redevelopment.

Potential Advantages of Infill to the Developer

For a developer, infill may have a number of advantages over greenfield development. Because most infill areas are already annexed, there is typically no need for that often expensive and time-consuming process. And, the sometimes considerable financial obligations associated with that process will not be a factor. Unless major land use change is being contemplated zoning and/or overall development approvals are often already in place, thereby eliminating the cost and risk associated with the discretionary planning process.

In many infill scenarios much of the required infrastructure such as roads, utilities and parks may already be addressed. This can eliminate much of the need for public facilities land dedication and improvements costs.

In some infill areas, the cost basis for land and/or existing buildings may be relatively low when compared with newer areas. And, although the neighborhood process is often cited as an impediment to infill, in many cases, it is not. Infill sites in areas with previously approved plans and zoning often have limited or no opposition. In non-residential and less affluent residential areas, projects proposing major changes to previous plans are often approved with limited controversy.

In summary some of the developer advantages of infill included the following:

- No annexation is needed
- Planning approvals and zoning may be largely in place
- Major infrastructure is often available and public dedications may have been previously provided
- There may be a low cost basis in some cases
- Infill projects in fully planned or less affluent areas often have less property owner opposition

Conclusion

Infill is important first because a lot of it is happening and there are strong indications more will be coming. But it is also possibly more important as a strategic imperative. Substantial private and public reinvestment in developed areas will be crucial to the fiscal health and quality of life of Colorado Springs.

Chapter III- Trends that May Encourage Continuing Infill

Introduction

There are a number of trends that suggest a continuation and possibly even an acceleration of infill activity in the City, especially for the larger infill area. Some of these trends include the following:

- Socioeconomic trends
- Related market trends
- Energy prices
- Government fiscal trends
- Limited prognosis for future annexations

Socioeconomic Trends- Planning for Economic and Demographic Diversity

A successful City infill strategy needs to be cognizant of and respond to the socioeconomic and demographic make-up of the community and how this is changing. Colorado Springs is experiencing a number of very significant socioeconomic that should profoundly impact the amount and nature of infill activity in the City. **Tables III.1 and III.2** summarize several of these trends through 2010 and projects their future direction. These changes should have a bearing on the infill issue because of their effect on land use demand related to type and location. They include:

- Large increase in senior and elderly population
- But also the Baby Boom Echo
- Increased racial/ethnic diversity
- Change in traditional household formation
- Poverty and income disparity

Elderly Population

Statewide, it is projected that the age 65 and over population will increase by 143% between 2010 and 2030.

Locally, it is estimated that there will be 82,000 seniors (those age 65 and over) living in El Paso County by 2015, and that impacts on real estate and housing choices will be profound.¹⁴

Higher proportions of the elderly either no longer drive at all or substantially curtail their driving. Although many senior citizens can remain in conventional single-family and multifamily housing late into life, there will be demand for more housing and facilities tailored specifically for seniors. Oftentimes, the preferable locations and sites for these uses will be in infill areas. And, the unique nature of these uses can generate neighborhood issues. Our aging population will also be expected to change the character and issues for some traditional neighborhoods, requiring adaptation of those areas.

¹⁴ Tucker Hart Adams, Summit Economics, as reported in Colorado Springs Business Journal, April 2012.

Baby Boom Echo- Generation Y

With the major focus on the impacts of our generally aging population, we sometimes forget about a companion trend. This is sometimes referred to as the “baby boom echo”. Simply described, the unprecedented number children born during of the Baby Boom years (typically about 1946 to 1964) did not have nearly as many children per couple. However, because there is so large a population base of baby boomers, this has resulted in a “boomlet” that in some ways rivals the original baby boom. The demographic result is “Generation Y” which is variously defined but includes as its core population all children born in the 1980’s. This group has been recently entering the workforce (and the housing market) large numbers. In addition to the sheer impact of the numbers, studies and experience indicate Generation Y is behaving quite differently from preceding ones, in terms of how and where they chose to live. These studies suggest Gen Y individuals will be more likely to choose more urban and thus infill-oriented living and working situations.¹⁵

Local attention has been focused on the challenges associated with “young professionals” from Generation Y not choosing to remain in Colorado Springs. Although this

“leakage” of young professionals is an important issue with large implications for infill, it is also important to be aware of the comparative magnitude of the overall demographic trend. According to most forecaster and experts, what this will mean is the overall impact of Generation Y will be substantial even if this community loses a share of young professionals from this cohort.

“The growth of generation Y and its impact on all sectors of commercial real estate could be the singular most dominant trend for many years. This group lives, works, and plays in different ways than previous generations. The impact will be felt by all real estate sectors. This generation will be more urban and less suburban; they won’t want to drive as much but will want to be mobile. From in town rental housing to collaborative office space to close-in warehousing to ensure same-day delivery from online retailers, gen Y will be a noticeable force in shaping commercial real estate.”

-Emerging Trends in Real Estate- 2014, Urban Land Institute

¹⁵ Some of these trends and projections are discussed in studies completed by the Brookings Institution as well as the Case-Schiller Home Price Index- 2012. Gen Y’s preferences are also profiled in *America in 2013: A ULI Survey of Views on Housing, Transportation, and Community and Generation Y: Shopping and Entertainment in the Digital Age*

Table III.1
Summary of Socioeconomic Trends

	1970	1980	1990	2000	2010	Future
City population	135,060	214,914	281,140	360,890	416,427	growth slowing
MSA population	235,972	309,424	397,014	516,929	645,613	1 million in 2038
City's percent of MSA	57.2	69.5	70.8	69.8	64.5	declining
El Paso County median age	23.5	26.8	30.2	33	34.1	increasing
City racial/ethnic minority percent	6.4	16.2	19	24.7	29.3	increasing

Source: Comprehensive Planning Team using U.S Census Data

Note: The MSA (Metropolitan Statistical Area is comprised of El Paso and Teller Counties

Table III.2**Selected Socioeconomic Characteristics for
Colorado Springs MSA**

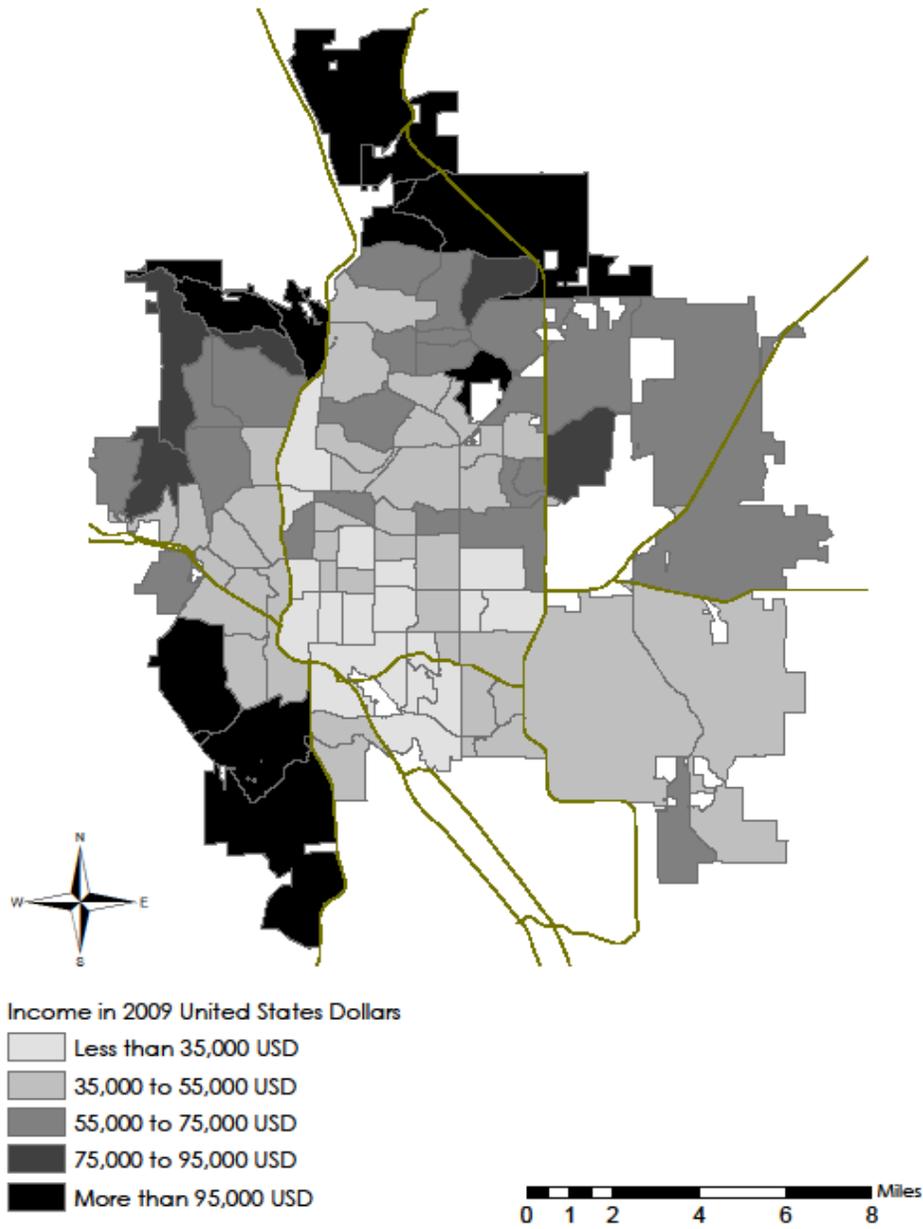
Children under 18 who are racial or ethnic minority	40.6%
Adults 18 and over who are racial or ethnic minority	25.4%
All households with children under 18	30%
All households with husband and wife and children under 18	21%
Poverty Rate (persons)	10.9%
Poverty Rate ages 0-18	15.0%
All Public School Children Qualifying for Federal Free and Reduced Lunch- Fall 2011	35.7%

note: need to fix map titles

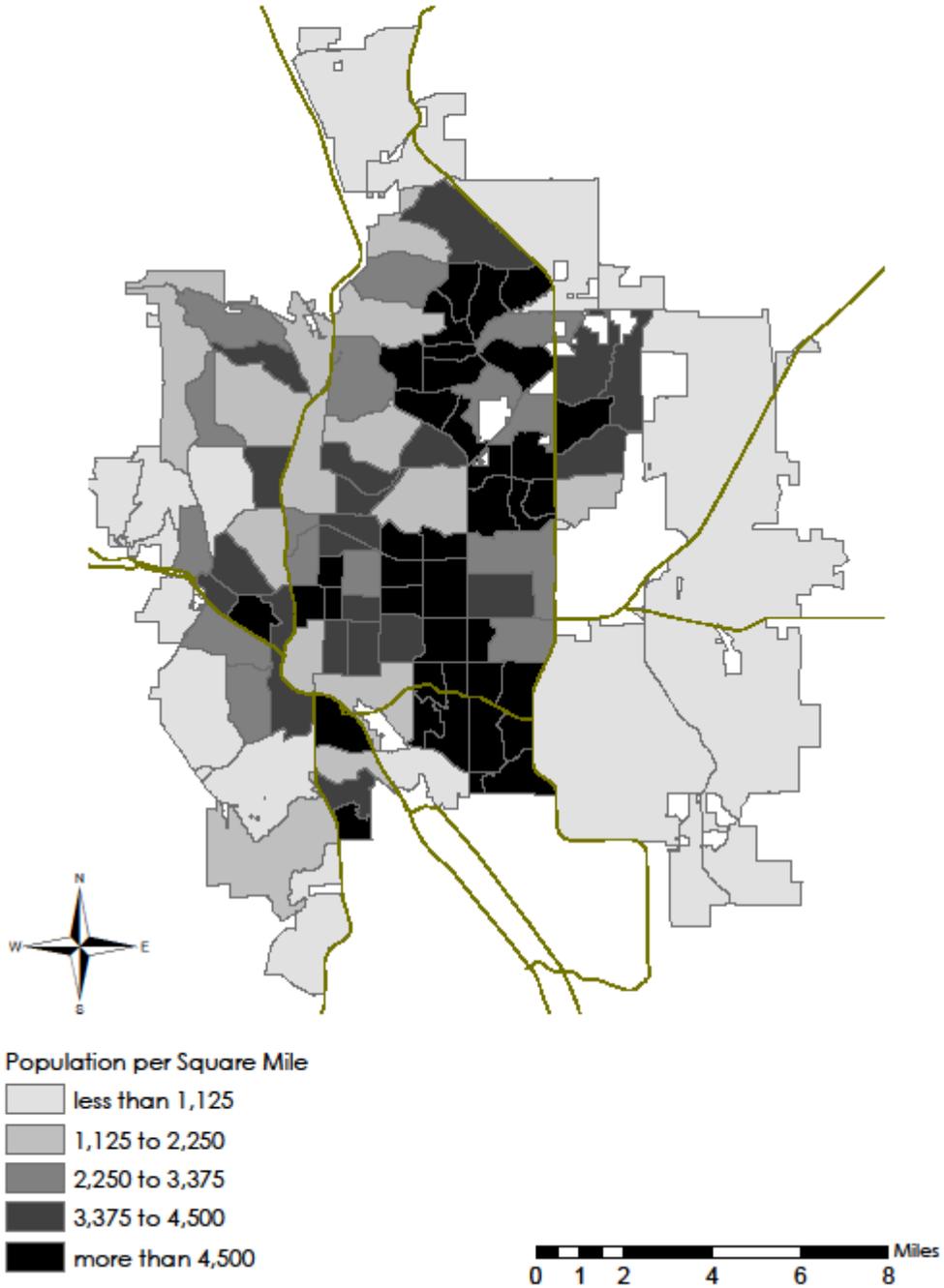
Source: Comprehensive Planning Division using U.S Census Data (2010 unless otherwise indicated)

Note: The MSA (Metropolitan Statistical Area) is comprised of El Paso and Teller Counties

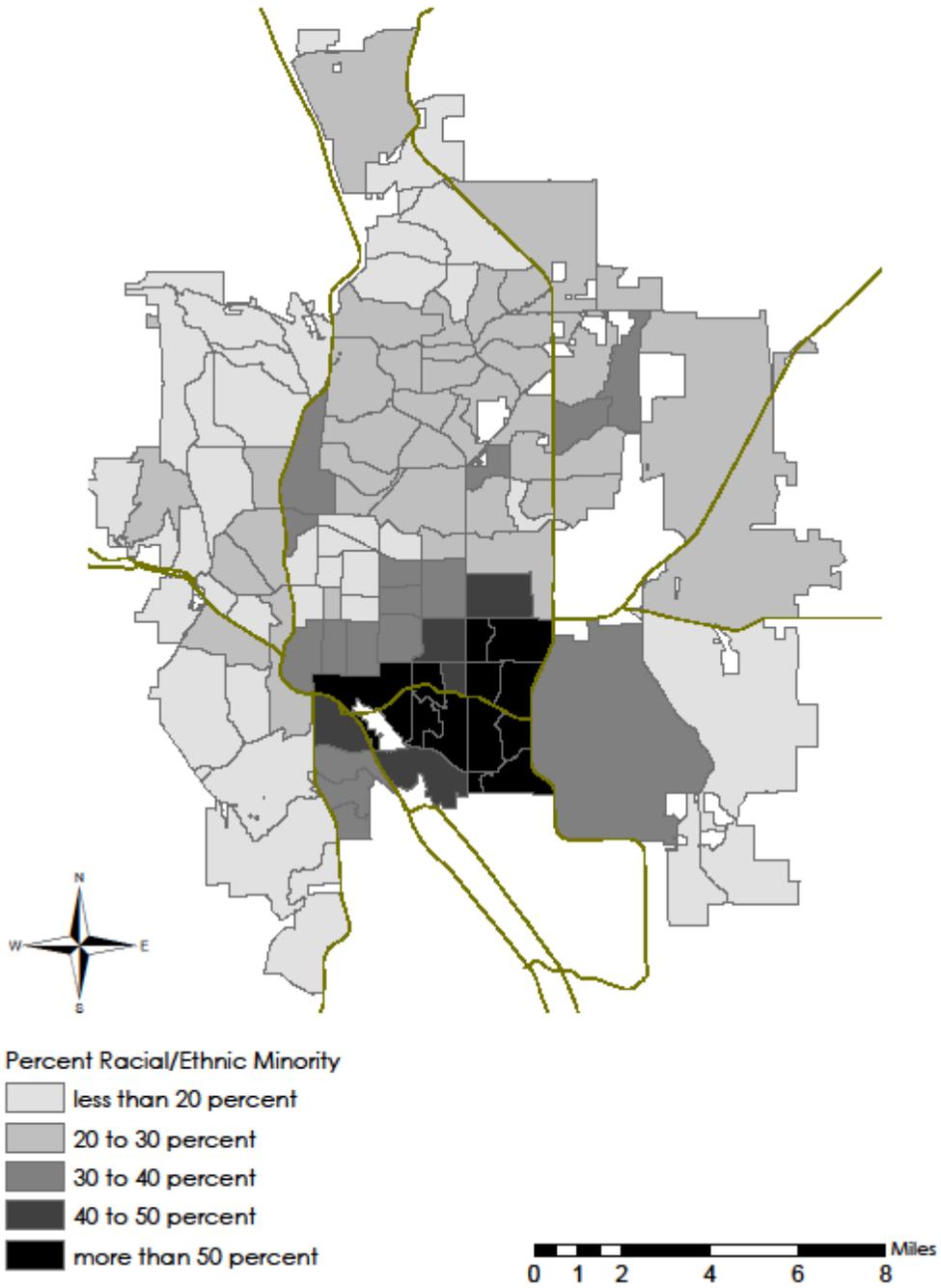
Map 2: Colorado Springs Median Household Income
by Census Tract
American Community Survey 2009, Five-year estimates



Map 3: Colorado Springs Population Density
by Census Tract
Census 2010



Map 5: Colorado Springs Racial/Ethnic Minority
by Census Tract
Census 2010



Racial and Ethnic Make-up

The City's racial and ethnic make-up is rapidly diversifying. As of 2010 over 29% of us list some form of racial and ethnic minority on our Census forms. Those of Hispanic origin (who may be of any race) comprise the largest share of this group. For those of us under the age of 18 the minority proportion is now over 40%. Although it is difficult to predict the overall impact of this trend on the infill issue, there is a generalized assumption that minority community members are more likely to live in an urbanized or more mature suburban environment. Also the nature of the uses in this environment will be influenced by this changing demographic make-up. **Map III.3** depicts the spatial distribution of the City's minority population as of 2010.

Changes in Household Characteristics

Due to a combination of trends, the traditional "nuclear" family (two married spouses with minor children living at home) is now the minority. And, these households will account for an even smaller share in the future. As of 2010 only 21% of all City households were comprised of a married couple with minor children. Moreover, only 30% of all City households contained any minor children at all. (Refer to **Table III.2**). Also, household formation is generally more fluid now than it was in the past. The impact of this on housing choices can be difficult to predict, but it is clear that only a minority of households will be acutely concerned with living in an environment most

conducive to raising children. In particular, the overall impact of school system quality and perception may not be as directly important to many households. In their 2012 paper entitled *The Shifting Nature of U.S. Housing Demand*, the Demand Institute predicted that the average size of new housing will fall from an all-time high of about 2,500 square feet per unit in 2007 to about 2,150 square feet by 2015. Reasons include demographic changes combined the lower potential for new young households form in the first place or to afford larger new housing. This report can be found at: <http://www.demandinstitute.org/sites/default/files/blog-uploads/tdihousingdemand.pdf>

It turns out that this report was not correct in its short term projections, because the average size of new dwellings has in fact been moving in an upward direction over the past few years. However, some of longer term trends identified in this report may eventually bear out. Included in these is the recognition that the proportion of traditional middle income households has clearly decreased over the past few decades.

Poverty and Income Disparity

In addition to the short term increases in poverty brought on the by the national recession and housing crisis, there has been a trend toward income disparity both nationally a locally. The decline of the manufacturing sector, retrenchment of government, growth of the service sector (with a preponderance of lower paying jobs) and the increasing correlation of higher education and income, are all contributing to this trend. City-wide, the poverty rate in 2010 was 13.7 percent. At, and even above these incomes most, traditional

housing is unaffordable without substantial subsidies. As described in **Table III.3** in 2010, the bottom 20% of all City households accounted for only 3.5% of all reported income while the top 20% accounted for over 48.2%. Although not reported locally, differences in wealth tend to be even more pronounced. This has the impact of squeezing housing demand out of the middle of the market and toward both higher and lower cost products. **Map III.1** depicts the distribution of households by income level across the City. On balance, poverty and income disparity can be expected to create more demand for affordable housing most areas of the community along with the neighborhood issues that often accompany this trend.

Table III.3

**Colorado Springs Percentages of Total Income
by Household Quintile**

	2009	2010
lowest	3.8	3.5
2nd	9.4	9.2
3rd	15.6	15.3
4th	23.8	23.8
highest	47.4	48.2

Source: U.S. Census, American Community Survey; based on per capita incomes; Each quintile equates to 1/5th or 20% of the total.

Effect of These Trends on Traditional Single-Family Housing Demand

Many of these socioeconomic trends portend a diminished demand for single family housing over the next few decades; especially for traditional products. Some national forecasters have predicted a reduced demand on the order of tens of millions of single family units, tied mostly to the increase in elderly population. What is difficult to predict is the extent to which the new demographic will continue to reside in and adapt to traditional single-family housing. Because this type of housing is very “resilient” and resistant to change, chances are there will be substantial adapting to existing conditions but in more or less traditional ways. Common examples of this adaptation involve elderly persons remaining in their traditional larger single-family home well after this living arrangement might meet their most efficient needs. During this transition, other related or unrelated adult or children might join the household. Multi-generational households will likely become even more common. For these reasons the impact of a household-based calculated reduction in demand for traditional single-family may not be as pronounced.

Nevertheless, it is clear that throughout Colorado Springs there should be an increasing demand for housing choices beyond traditional large lot residences. And, within traditional single-family neighborhoods there will be a more subtle demand of changes and accommodations that reflect the needs of the new demographic.

Role of Diversity and Market Changes

The impact increasing diversity will play in the infill issue is complex and not easy to predict. However, chances are that the character of many core and suburban areas the City will begin to change dramatically to reflect these ongoing socioeconomic changes. Generally, more diverse populations will be attracted to infill areas.

Pew Research Center Findings

A recent survey commissioned by the Pew Research Center confirms the findings of other research which strongly suggests that the share of market for alternatives to the traditional housing model varies significantly for subsets of the population based on a variety of socioeconomic and political factors.

This study can be found at:

<http://www.people-press.org/2014/06/12/preferred-community/>

Respondents were asked to make a tradeoff between larger houses separated further from other uses, and accessible only by car, or a smaller house with more walkable access.

- Overall the preference was split fairly evenly.
- Younger and older respondents both preferred the more walkable trade-off (compared with those in the middle age categories)
- Hispanics clearly preferred the more walkable trade-off, whereas non-

Hispanics were more inclined to prefer the more separated auto-dependent scenario

- There is a clear distinction in preference among those classifying themselves as liberals compared with conservatives, with conservatives much more likely to choose the larger home/ longer commute trade-off¹⁶
- Educationally, those with both the lowest and the highest educational attainment levels tend to prefer the smaller home/ more connected land use scenario
- Not surprisingly, the young professional “creative class” cohort is definitely inclined to prefer the smaller home/ greater access trade-off.

Retaining Young Professionals

The point has been made in other publications and venues that Colorado Springs has a relative shortage of young non-military professionals. To the extent that the City is successful in attracting and retaining this group, it is almost axiomatic that they will be disproportionately interested in living and working in more urban environment that will include infill areas. And, as noted above the “Baby Boom Echo” is substantial enough that it is going to have an impact on the local housing/development

¹⁶ This variation based on political philosophy was remarkably pronounced, suggesting implications for City of Colorado Springs given its traditionally conservative political base.

market regardless of whether the area is a net gainer or loser from that overall cohort.

Unique Challenges of Affordable Housing

With the possible exception of Downtown, infill areas provide a substantial share of the affordable housing for the region. This is especially true for the many of the more mature core infill areas. This is due to a number of factors including the fact that older housing units are ordinarily smaller and in some cases have depreciated in value related to some combination of wear, obsolescence or reduced market preference.

Conversely it is challenging to provide truly affordable new residential construction either in greenfield or infill areas. This is because of the combined cost of processing, construction, fees, and off-site requirements. Generally speaking, most truly affordable housing does not come directly from new free market construction. Instead, it is provided predominantly from existing housing stock or new product that has been substantially subsidized or incentivized.

As outlined earlier in this Chapter, socioeconomic trends and projections indicate a continuing need for more affordable housing throughout the City and region. Much of this demand will be focused on infill and mature areas.

This projected affordable housing demand is corroborated in the City's 2014 *Affordable Housing Needs Assessment* which identifies a

been for ----- units between ----- and -----

Complete this paragraph and add web link once the report is finalized

One of the factors that planners and policy makers tend to forget is that housing units with a market rate price point of over \$300,000 will be out of reach for a large majority of all City residents. Although some higher end residential products are essential to an infill and core area revitalization strategy, units with relatively lower effective costs will necessarily be the predominant product. For infill areas this has the potential to create neighborhood issues. It also creates challenges with cost containment. New single family or attached housing with an effective per unit cost of \$150,000 or less is much more sensitive to land costs, permitting fees and infrastructure obligations.

By its nature multifamily housing is ordinarily more affordable than the single-family or attached alternative. However, it is noteworthy that the majority of all market-rate apartment units constructed in the region in the past decade rent for well over the average of the overall stock. Therefore, these new units often end up being priced above the income range of the lower income groups in the community. New market rate multifamily construction has predominantly occurred in more affluent growing areas of the community including the northern and northeastern areas of the City where there is a market for somewhat higher end new product. By comparison, in many core areas of the City such as SE Colorado Springs, even with the recent increase in rents across most sub-markets, a developer cannot

construct a new market rate apartment unit at a cost that can compete against the rents associated with comparable quality existing units in those areas. Looked at another way, most of the existing apartment complexes in these areas can be acquired at a price well below their replacement cost. National Urban Land Institute (ULI) data on development and investment prospects support this market relationship. While near prospects for higher and moderately priced apartment projects are quite high, they are not as high for unsubsidized affordable projects.

Related Market and Other Trends

Big Changes in National Development Trends

A recent national report by the Brookings Institution¹⁷ portends a major reorientation of growth from an outward to more of an inward focus.

Growth patterns over the past half-century or so around the United States have followed the trend of population growth pushing outward beyond the limits of city and metropolitan area boundaries into what are popularly known as “exurbs.” Between 2000 and 2010, overall exurban development peaked at a 2.1 percent annual growth rate in 2006, mirroring that of new suburbs. At the same time growth in

metropolitan area cores and centers stagnated, never reaching one percent annually during that decade. The recent housing crisis triggered a new trend at the tail end of the decade, but exurban growth still outpaced growth in the core of cities.

Nationally, one year into the 2010s decade, core urban growth surpassed exurban growth for the first time in many years. Core areas grew 0.8 percent while exurban areas grew by only 0.4 percent in 2011. Overall, 99 out of 100 regions experienced this countertrend in 2011. This appears to be signaling a new pattern distribution of development in regions.

Colorado Springs is presumably experiencing this larger national trend. The City specifically has decades of new housing stock generally entitled in Banning Lewis Ranch alone. However, if this trend stays developers and the City will need to at least partially reconfigure their vision for Colorado Springs to accommodate the demands associated with this countertrend.

Infill is one solution for accommodating these new demands. Infill synergizes new and old development by bringing more services and housing to already established areas of the City. The infrastructure is already in place, enabling greater productivity within existing services. This overall trend of moving inward, rather than outward, is further indication that an Infill Plan is pertinent.

Real Estate Market as an Infill Incentive

The real estate market is obviously cyclical and tied to both the overall economy and the

¹⁷ Brookings Institute “The Demographic Lull Continues, Especially in Exurbia” 2012, using Census 2010 and 2011 ACS data.

availability of financing in particular. However, the emerging trends highlighted in the previous section are likely to support a market for more infill- oriented land uses. The Urban Land Institute (ULI) 2014 Emerging Trends Survey (completed in 2013) projects a strong demand for a variety of land uses that mirror these changes in demographics.¹⁸ Among these is a shift in preferences to a variety of choices other than traditional larger lot single-family housing. ULI also predicts relatively strong demand for particular uses such as:

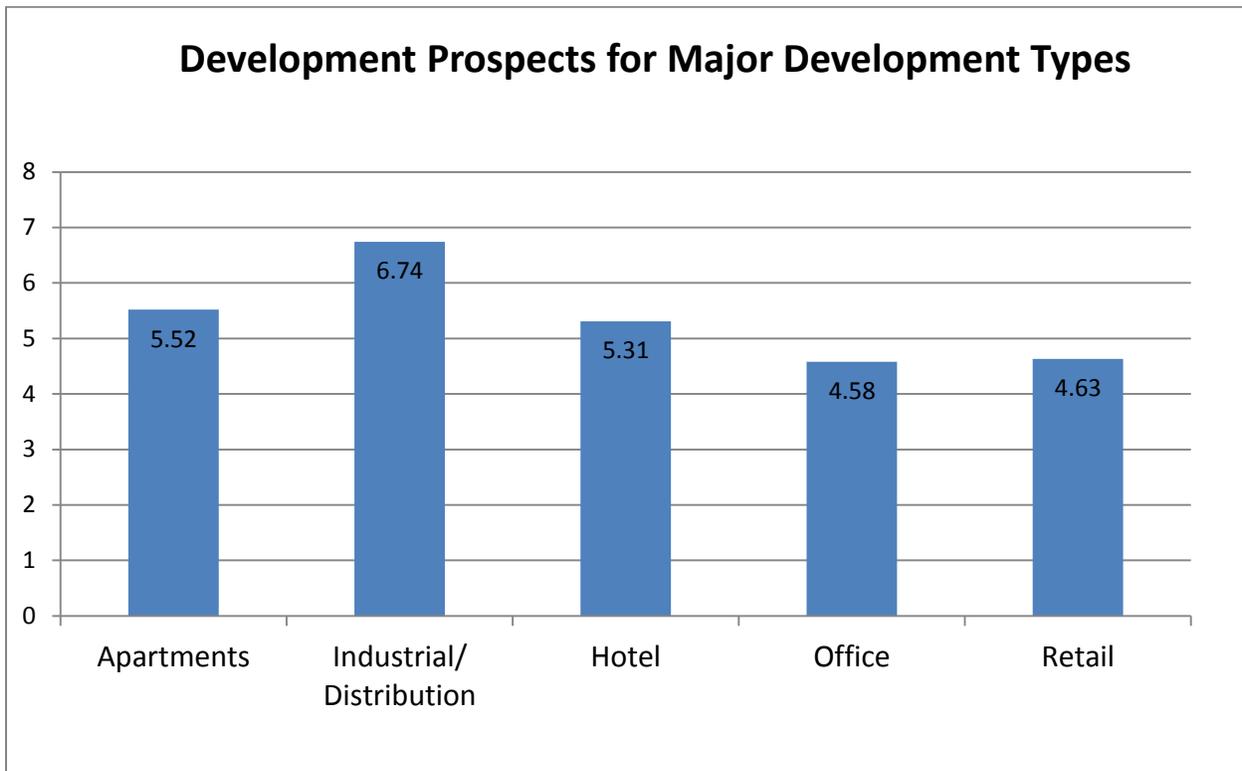
- Infill and in-town housing
- High and moderate income apartments
- Senior's/ elderly housing
- Medical offices
- Urban mixed use properties, and
- Affordable housing

Figures III. 1 and III.2 summarize these survey results. Results depicted are for “development prospects” with possible low of one (1) equaling “abysmal “, and a high of nine (9) corresponding to “excellent”. There is similar survey data for “investment prospects”. With a few exceptions, uses have similar relationships for both categories.

Most of these uses with higher development potential have a logical association or even direct synergy with infill and redevelopment areas.

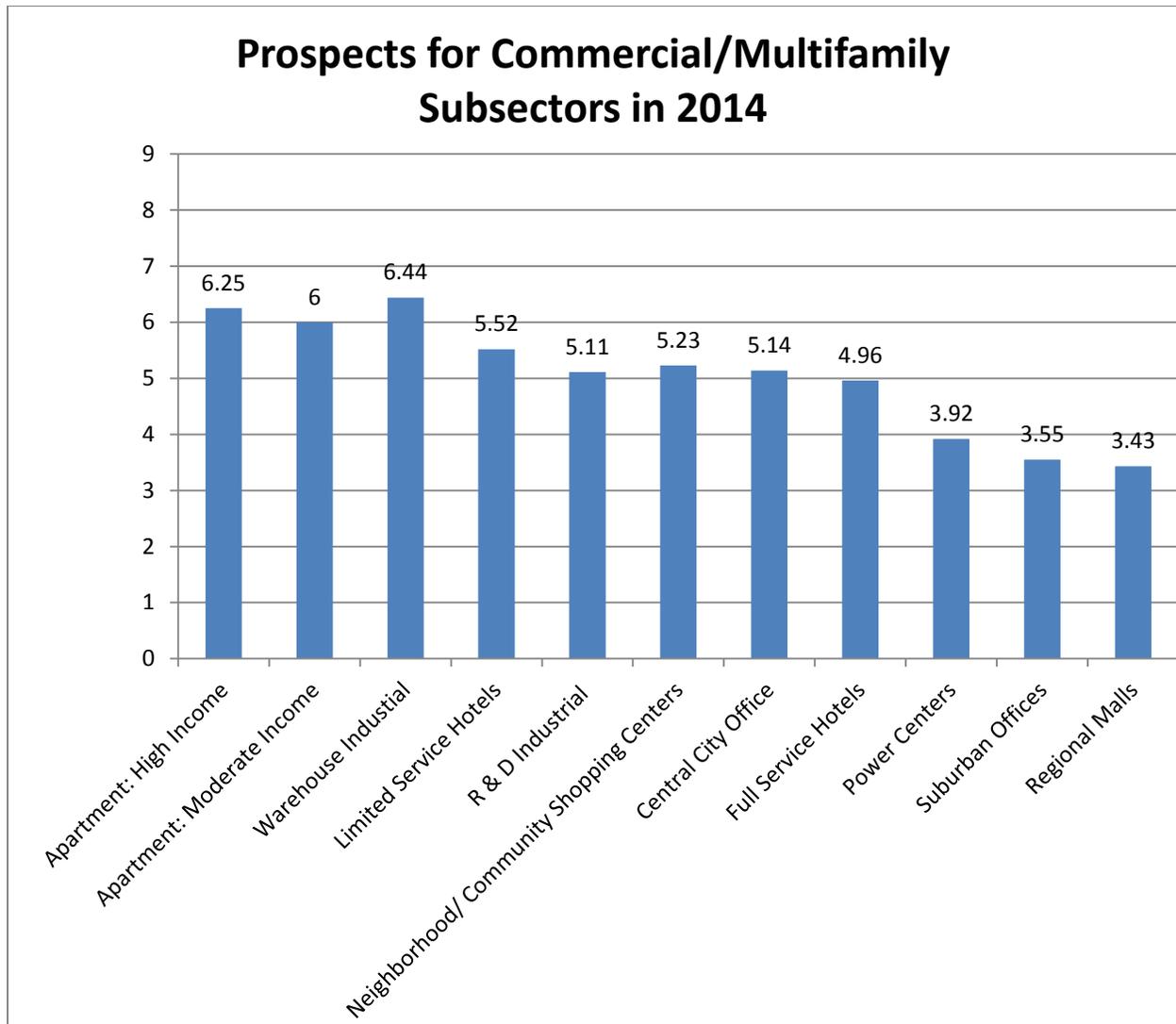
¹⁸ It should be noted that prospects for even these more highly rated land use categories generally fall into the “fair” to at best “good” ranges rather than the “excellent” range due to an overall muted growth projection for the overall development economy.

Figure III.1



Source: *Urban Land Institute 2014 Emerging Trends Survey, 2013*; Note: Range of Choices is from 1= "Abysmal" to 9= "Excellent"

Figure III.2



Source: Urban Land Institute 2014 Emerging Trends Survey, 2013

Note: Range of Choices is from 1= "Abysmal" to 9= "Excellent"

Energy and Utility Prices

Long term 20-year predictions of the real (inflation adjusted) price of gasoline vary considerably. However, the generally expected

trend has been upward, at least until recently. The recent unexpected emergence of domestic petroleum sources such as deep shale formations may significantly dampen the longer term increase in some energy prices. In any case, how much of an impact energy prices will

have on demand for infill development is difficult to predict. Impacts that do occur will certainly be more pronounced for lower-income families. For most others there is considerable long term “elasticity” in the choice of motor vehicles and their fuel efficiency. For example, if the real price of gasoline doubles, but an individual desires and is able to substitute a 15-mile per gallon (mpg) vehicle for one that gets 30 mpg, there will be limited economic incentive to reduce automotive trip lengths and frequencies. Alternative fuel vehicles may also become a widely used economically viable option. Therefore, substantially increasing fuel prices may not have overwhelming impacts on development patterns for all but those of limited economic means.

The other major commodity price trend that could affect infill is the rising price of water. A combination of factors including the cost of the Southern Delivery System have contributed to annual double digit Colorado Springs Utilities (CSU) water rate increases throughout this much of the past decade. Other than to create an obvious incentive for more xeriscaping and efficient indoor water use, it is difficult to predict the impact these increases might have on infill versus greenfield development demand. For one thing, water costs will continue to account a small percentage of total consumer costs in many cases.

What is more likely is that these higher costs will indeed trigger lower water demand on a per capita and per building basis. The ultimate impact may be that total water demand within current City limits decreases. To the extent that CSU requires water revenues to finance the costs of long term facilities and infrastructure

(including SDS), there might naturally be an incentive to “grow additional demand” via infill and redevelopment. Viewed from the opposite perspective, if there is major disinvestment in core areas or the City and/or median incomes decline significantly in comparison with the region, the overall demand for utilities within this component of the this rate base will diminish (see below).

One of the aspects of higher water rates that should merit attention is their impact on and contribution to a larger cycle of decline in mature moderate and lower income neighborhoods including established single-family suburban areas. Watering of landscaping tends to be one of the “first things to go” in a cycle of disinvestment. Moreover, the short term impacts can be acute. For example, a few months of forgone watering in the summer may entirely eliminate an investment in turf around a home or business, whereas deferral in other forms of maintenance (e.g. paint, windows, and roofs) ordinarily takes years to accumulate.

Retrenchment and Inward Focus of Local Government

Regardless of any acute or overt actions by the City or region related to infill, there are overall fiscal trends that on balance, may encourage more infill. One is the projected reduction in growth of locally generated City tax and fee revenues going forward. Although, from an operational standpoint this can be particularly detrimental to core areas (that often have more needs and are less able to pay for them) tighter budgets also mean less dollars for the

expansion of infrastructure or services needed to serve greenfield areas.

Choices are being made to allocate scarce public revenues more to core areas. For example, the City Parks and Recreation function is currently being operated in maintenance and preservation mode with limited emphasis on new or expanded services and facilities.¹⁹ There is a similar trend with transit, with its focus on core routes and traditionally served areas. A majority of the approved capital transportation projects in the pending update of the PPACG 2035 Long Range Transportation Plan are much more inwardly and system preservation focused than with past versions of this plan.²⁰ As of December 2011, the recommended projects for a potential reauthorization of the Pikes Peak Rural Transportation Authority (PPRTA) have a similar emphasis on core area investment and reinvestment, versus either capacity improvement or outward expansion.

Greenfield development can somewhat mitigate these trends through the use of special financing districts and property owners associations. However, at some point the ability of a property to finance all of its facility and service needs can become unsustainable, e This is particularly true for predominantly moderately priced residential development because, in the current tax environment, it can

¹⁹ The pending 2014 update of the City's Parks and Recreation Master Plan is expected to place a particularly high value and priority taking care of existing assets.

²⁰ More particularly, this priority relates to planned investments for transportation facilities under local government jurisdiction. It should be noted that CDOT- sponsored projects in the 2035 continue to have more of an outward "greenfield" focus.

seldom if ever generate enough tax revenue to directly support itself.

Limited Prognosis for Significant Future Annexation

Viewed under the scrutiny of a fiscal impact lense, the prognosis for future annexation of predominantly residential projects is not particularly positive, even after factoring in the one-time uptick in these projects bring to the City in the form of dedicated public infrastructure and utility tap fees. The expectation is that future annexations will be increasingly scrutinized with respect to their long term future impacts particularly related to police and fire protection costs.

With the exception of selected individual parcels, the prognosis for annexation of already developed areas is even less likely given the fiscal impact and public process challenges associated with those options.

Although the City has several decades of development capacity within current City limits, the lower likelihood of major additions to the City's territory at least begins to shift the emphasis more inwardly.

Concern with a Disinvestment Countertrend

Optimistic news related to vacant land use absorption needs to be somewhat tempered by and understanding of what is happening on some already developed properties. This is because it is somewhat rare for a property to entirely "revert" from developed to vacant land status. A "Detroit Scenario" wherein large

swaths of buildings are completely abandoned and then bulldozed rare nationally and not assumed to be a prospect for this area anytime soon.

However, what happens more often is that a less extreme combination of structural vacancies, underutilization of space and deterioration of the built environment begins to occur in previously developed areas. Therefore, a positive trend in the simple mathematical absorption of vacant properties may mask a much larger countervailing trend of disinvestment in what is already there.

A case in point would be the 12-square mile *Academy Boulevard Corridor Great Streets Plan* area that continues to experience a slow rate of vacant land absorption, but at the same time is experiencing office and shopping center vacancy rates of 21% and 23% respectively.²¹ While the surrounding apartment complexes and single-family neighborhoods have not been abandoned to any significant extent, there are plenty of signs of foregone maintenance and lower appreciation of property values when compared with regional averages.

The fiscal and community health of housing stock is somewhat more difficult to gauge and assess because patterns are much more sensitive to short term cycles. Using the Academy Boulevard Corridor study area as an example, rental vacancies were quite high in the 2009 time frame but are now much lower in 2014, due in large part to a combination of demand associated with Fort Carson and a shift

in demand from home ownership to the rental market. The corresponding fiscal health of the single family home market is more difficult to assess²². Over the longer term there is a concern that dwelling units of varying types hold their values in core areas of the City to the point where owners are willing and able to maintain and improve their properties.

Put simply, success in continuing to fill in vacant property will need to be compared with the fiscal and community health of the larger already existing built environment. Continued attention to reinvestment in previously built areas will need to be an important element of an overall infill strategy.

Insert photo

²¹ Second Quarter 2011 data courtesy of Turner Commercial Research

²² At any given time single family home vacancy rates are difficult to accurately determine for core areas especially as compared with other areas of the City and region

Chapter IV- Barriers to More Rapid Infill

Introduction

Notwithstanding the ongoing trends and potential advantages outlined above, there are a number of barriers to more rapid infill. Several of these are discussed below, and in some cases are elaborated on further in other chapters of this report. Some but not all of these barriers are within the span of control of regional or City government and their enterprises.

Continued Market Desirability of Greenfield Development

It is important to consider and acknowledge the continued desirability of greenfield development, as one of the foremost barriers to infill and redevelopment.

Many residents and businesses prefer both a suburban lifestyle and surroundings that are new. They will naturally continue to gravitate toward greenfield areas where new and certain suburban amenities are available. Greenfield areas also allow a level of economic and social segregation that is less likely to occur in most infill areas. Customers may choose greenfield options based on considerations of personal safety or school choice. As Colorado Springs becomes more diverse and quite possibly more economically stratified, there should continue to be a market for greenfield development.

In the *2013 Community Preference Survey* which was completed for the National Association of Realtors (NAR), over 75% of all respondents indicated a preference for single family housing arrangements as compared with options such as apartments, condominiums or townhomes. Furthermore, over 50% of respondents indicated a preference for a single-family home with a “large yard”. Of the respondents not currently living in single-family units, about half aspired to that housing arrangement in the future. Compared with the current mix of housing arrangements, there is a strong aspirational preference for lower density and/or rural or small town living. Such factors as privacy and access to good schools were also important.

Although neighborhoods with only single-family houses were not preferred, and factors such as walkability, shorter commutes and mixed uses were preferred, it is also clear that elements of the lower density suburban lifestyle continue to be sought after and valued by the majority of all residents. This in turn provides somewhat of an object lesson for a successful infill strategy. At least some of it needs to address single-family, lower density and privacy desires. More details from the NAR survey can be found at:

<http://www.realtor.org/reports/nar-2013-community-preference-survey>

It is also important to recognize that some greenfield areas can be efficient locations even if they are auto-dependent. A greenfield housing project might be closer than most infill sites to the householder’s primary employment in a suburban office park or military base. For two income households a residence on the

periphery of the City could be an optimal location between places of employment.

Developer's Experience and Access to Capital

Developers and the financial institutions that back them have a long successful history with greenfield projects, and less with infill and mixed use. Oftentimes, greenfield areas literally are where the market for higher income households is going. Profit margins can be greater for this market, and this is aligned with higher levels of market certainty, at least for the period when the developer still has a financial stake in the project.

Financial institutions are also more used to lending for either greenfield development, completion of previously planned developments and single-use projects. They are less used to funding the kinds of mixed use, complex and/or unique projects that are more likely to be proposed for infill and redevelopment sites. Without access to sufficient financing, infill projects literally cannot get off the ground.

Unique and Difficult Site issues

Introduction

There are reasons why certain sites were never developed when others around them were, and why some developed properties flourish economically while others languish in the same general vicinity. Many of these reasons relate

to unique site limitations and constraints, not all of which can be effectively addressed by the public sector. In combination these factors tend to make the development or redevelopment of "remnant" parcels more difficult. Several of these factors discussed below.

Availability/ Ownership

Throughout the City there are a number of potential infill and redevelopment sites that are effectively not on the market for new development. The current owner is either not able or not inclined to sell the property for a competitive market price. There may be legal encumbrances such as liens or disputes over ownership. The owner could also be "upside down" with the property mortgage or simply have unreasonable value expectations. Sometimes, these outsized value expectations relate to assumption about how much the property could be worth if and when substantial redevelopment were to take place in the vicinity. This can scenario can effectively evolve into a protracted waiting game. Short of acute and controversial actions such as condemnation, the City may have limited options for encouraging development of these properties.

Acquisition Expense

Somewhat related to the availability/ ownership topic described above, properties and buildings may remain vacant for protracted periods because the acquisition cost is too high to make an otherwise feasible development proposal pencil out. As with availability and ownership,

unless the City is in a position to offer compensating incentives or actions, the expense issue could result in long-term impediments to development or redevelopment.

Property Location or Size

Some sites or buildings remain undeveloped for protracted periods based on unique location or size constraints. For a commercial property, this could be as simple as being located on the wrong side of the road to take full advantage of the peak traffic volumes coincident with the peak demands of a particular business.²³ Other properties may be located on away or out of view from the passing high traffic volumes that are essential to support some commercial uses.

Some remnant parcels or vacant buildings are either too small or too irregularly configured to accommodate the kinds of uses that might otherwise best fit the area, especially for those uses that require a sizeable building and parking footprint. These factors can be particularly difficult to address from the public sector perspective.

Access limitations

Convenient access to automobile traffic is essential to the success of many land uses, but particular for retail commercial land properties. Oftentimes, difficult vacant sites or structures

are constrained by poor site access. These properties may be located in proximity to volume and high value corridors and intersections. However, they may lack favorable access because of the inherent limits that come with limited access roadways and interchanges.

Access is an area where the City may have considerable discretion to adapt requirement and standards to accommodate unique infill and redevelopment goals. However, access management is a two-edged sword. If access is not carefully administered, the safety and functional capacity of the roadway system will be compromised, often incrementally. Also, the City may be more or less limited in granting access to roadways outside of their jurisdiction (e.g. CDOT or County facilities).

Natural Constraints including Topography and Environmental Conditions

Sites that are steep and/or constrained by floodplains or other sensitive areas are inherently more difficult to develop and therefore are more apt to remain undeveloped or underdeveloped. Topography and other natural conditions may preclude or add major expense to development of large proportions of a site. The City's Streamside and Hillside Overlay Zones understandably place additional constraints on the uses and/or processes within many of these areas. There are also some

²³ For example, a convenience coffee shop (e.g. drive through) would rather be located convenient to peak morning than peak evening traffic.

properties that are impacted by special environmental constraints such as landfills.²⁴

The City has some discretion to provide developers with direct or indirect relief associated with topographic or environmental site constraints. However, this discretion is not always available and when it is, it should be used advisedly in order to protect environmental values and manage risk.

Other Encumbrances and Restrictions

There are a variety of other encumbrances and restrictions that can affect potential infill properties. These include proximity to Airport or roadway noise.

Ownership agreements or covenants can also create impediments to infill and redevelopment. A number of the City's non-residential developments platted during the past several decades have some combination of restrictive covenants or other cross lot/ common area agreements that can complicate new development. Most residential areas have restrictive covenants if they have been platted within about the last 40 years. Oftentimes these residential covenants strictly preclude land use options other than single-family and directly accessory uses. These covenants can be amended (typically by a vote of at least 40% of the entire membership). However, this process can be difficult and time consuming.

²⁴ An example is the vacant property located west of Academy Boulevard north of its intersection with Hancock Expressway. Part of this property is underlain by closed landfill, which will create an additional constraint for development.

As an anecdotal example, a fairly recent proposal to site new commercial use near the NE corner of Platte Avenue and Chelton Road in the Citadel Mall area was frustrated at least in part due to view limitations invoked by another property owner in the vicinity.

Deed restrictions are not uncommon with non-residential properties. Sometimes these limit potentially competing uses.

Economy of Scale Limitations – Including Districts

Because infill and redevelopment sites are often of a limited size, they may not be conducive to the scale economies that can make larger greenfield projects more feasible. Certain development costs may only have to be incurred once and can be spread over a larger investment. For instance the same access point needed to serve a 5,000 square foot building on a small site might be adequate to serve a 25,000 square foot building if a larger site were available. Similarly, the per-unit construction costs for a 5 unit townhome project are likely to be higher than those for a 100- unit complex with similar buildings.

It is also common for new developers to utilize special districts as a means of financing a substantial share of their public improvements costs. These districts, which are typically metropolitan districts or business improvement districts (BIDs), provide access to tax-exempt financing and allow the developer to shift a large increment of costs to future property owners. This option is certainly available for infill developments and is in fact being used with a number of infill projects. However,

because districts are somewhat expensive to create and administer, they may not make economic sense for smaller development projects of with overall values of less than a few million dollars. Additionally, districts ordinarily can only be used to pay for public costs or services. If the costs of an infill project are predominantly limited to inside of private property lines, there may not be that many eligible costs. The effect of not utilizing districts can put smaller non-district projects at a competitive disadvantage.

There are limited opportunities for the City to directly mitigate for this scale disadvantage. However, the option may exist for consideration of incentives within this context. One recent example is the ongoing Ivywild School redevelopment. This project was potentially too small to feasibly accommodate creation of a special district. However, the City did agree to an urban renewal area designation for this property with the related tax increment financing (TIF).

Neighborhood Process and issues

Many developers consistently point to the entitlement process being more difficult for infill development when compared with the greenfield alternative. Because of the importance of this topic, it is addressed in additional detail in Chapter X.

Chapter V- What City and Regional Plans Say about Infill

Introduction

Infill is not a new topic of conversation and consideration for the City. Several existing plans and publications address it. These include the City's Mayoral and City Council Strategic Plans, the City Comprehensive Plan, the region's Quality of Life Indicators report (QLI), the region's Sustainability Plan and the 2012 American Institute of Architects Sustainable Design Assessment Team (SDAT) report. What each of these documents says about infill is summarized in this section.

First, from a historical perspective, it is noteworthy to repeat something said in the City's *Community Profile* published 32 years ago:

"There are few economic incentives for infilling at present. It is often quite expensive to upgrade utilities and streets. In addition, neighborhood opposition can often be a problem with and infilling project but is usually nonexistent with projects in outlying areas. Therefore it may be necessary to develop incentives or disincentives if infilling is truly an important objective in the development of the community"

In some ways, plans at least have not changed all that much. Infill continues to occur, and it remains for many of the same reasons.

2014 and 2015 Strategic Plans

Since 2008 City strategic plans have devoted considerable attention of infill and related topics of revitalizations. With the Charter change to a strong mayor form of government in 2010/2011 the Mayor and City Council each have separate strategic plans. The most recent Mayor and City Council plans are both relatively brief and high level documents. However, each stresses the important of infill and redevelopment as priorities.

Mayor's 2014-2018 Strategic Plan

The Mayor's 2014-2018 Strategic Plan focuses on three major goals which are:

- Jobs
- Transforming Government, and
- Building Community

The Plan has five Assumptions and Guiding Principles. Of these, the one most applicable to infill and revitalization is:

"2. Economic growth and the resulting increase in revenue growth will be the driving force to the City's long-term fiscal sustainability. Targeted performance –based incentives and catalyst projects will spur economic growth. Commercial and residential infill will positively affect revenues and provide density needed for more efficient service delivery."

Under Jobs, the most pertinent objective is:

“Focus on Economic Opportunity Zones”

Under Building Community, this Plan recommends a

“Strategically Planned & Well Built City with a Vibrant Downtown”

This Plan also includes a limited number of Breakthrough Strategies for each of the 3 topic areas. For Jobs, the most pertinent strategy is:

“Champion Economic Opportunity Zones task force to develop strategies for mitigating development and quality of life impediments in Downtown, North Nevada/UCCS and South Academy Boulevard corridors and pursue anchor projects that stimulate infill.”²⁵

City Council 2014 Strategic Plan

The most recent City Council Strategic Plans are provided in a one-page formats. Some of their most pertinent language is as follows:

“Objective: Enhance Colorado Springs’ Business-Friendly Reputation

Initiative: Review business related City Codes and Ordinances to improve customer focus and expedited processes.

²⁵ As of early 2014 a task force has been convened and has completed its work on recommendations for the North Nevada Avenue and Academy Boulevard EOZ areas. As of mid-2014 these reports have been presented to the Mayor and City Council. Implementation options are being reviewed.

Objective: Encourage Innovative Land Use

Initiative: Encourage infill and development job creation policies with a priority on Economic Opportunity Zones and Downtown through City Code and Ordinances.”

City Council 2015 Strategic Plan

“Objective: Improve Colorado Springs’ Business-Friendly Climate

Initiative: Review business related City Codes and Ordinances to improve customer focus, expedited processes and eliminate barriers

Objective: Encourage Responsible and Innovative Land Use

Initiative: Encourage infill and develop job creation policies with priority on West Colorado Avenue, Economic Opportunity Zones and Downtown”

City Comprehensive Plan

The 2001 Comprehensive Plan generally addresses and places high importance on encouraging infill. Some key language is highlighted below. As previously noted in Chapter the City’s 2001 Colorado Springs Comprehensive Plan has a considerable emphasis on infill and defines the term as:

“Development of vacant parcels within a built up area. Parks and open space

are also considered as infill since they are permanent uses for open spaces”

As noted in Chapter I, this is considered to be too limiting a definition going forward.

A separate “audit” of the 2001 *Comprehensive Plan* is included as an Appendix. One of the identified limitations of the current Comprehensive Plan is that it does not explicitly recommend priority uses or areas.

Infill and Redevelopment is featured as the fourth major objective in the Land Use Chapter 1 of the Plan. Specifically the objective is as follows:

“Objective LU 4: Encourage Infill and Redevelopment

Encourage infill and redevelopment projects that are in character and context with existing, surrounding development. Infill and redevelopment projects in existing neighborhoods make good use of the City's infrastructure. If properly designed, these projects can serve an important role in achieving quality, mixed-use and redevelopment projects. In some instances, sensitively designed, high quality infill can help stabilize and revitalize existing older neighborhoods”.

Specific Policies and strategies under this objective include the following:

“Policy LU 401: Encourage Appropriate Uses and Designs for Redevelopment and Infill Projects

Strategy LU 401a: Identify Infill and Redevelopment Opportunities and Target Public Investments

Strategy LU 401b: Provide Incentives to Foster Private Reinvestment”

“Strategy LU 401c: Establish Design Guidelines and a Review Process that Support Infill and Redevelopment

Strategy LU 401d: Adopt Zoning Standards and Apply Building Codes that Support Infill and Redevelopment”

In a nutshell, this Objective and its accompanying policy and strategies form the basis for what could be a comprehensive and effective strategy towards infill and redevelopment. However, when considered in the context of other components of the Comprehensive Plan and an implementation perspective, it is not surprising that the level of emphasis and the implementation results have been mixed. Mitigating factors include the following:

- The Comprehensive Plan endeavored to represent a combination of existing and already-approved land uses using a unified map and land use *classification system*. For the most part it stops short of strong advocacy for changing the norm, by truly incentivizing one location or land use type over another.
- The Comprehensive Plan similarly stops short of comprehensively identifying and prioritizing infill and redevelopment areas. To a significant degree, all areas of the City enjoy a similar “footing “.

Related to this, the anticipated infrastructure and Utilities capacity analyses have not been fully implemented.

Infill and redevelopment was expected to be implemented via a proposed mixed use zoning option. Although this district is now codified in the City's Zoning Ordinance, it has never been used.

However, as further described in Comprehensive Plan Audit there has been progress in implementing certain recommendations of the Comprehensive Plan pertaining to infill and redevelopment. This includes additional progress in Downtown planning including adoption of the *Image Downtown Plan* and the form based zoning plan for Downtown. Traditional Neighborhood Development (TND) guidelines have been adopted along with Streamside standards and a Complete Streets Policy. Moreover, as described in Section--- below, a substantial amount of infill has occurred in Colorado Springs over the past decade.

2013 Quality of Life Indicators

The seventh annual Pikes Peak Area Quality of Life Indicators Report (QLI) was released in October 2013. It provides a myriad of data related to trends for eleven different broad topic areas pertaining to the quality of life for

the region.²⁶ The 2013 report provides a couple of findings that are particularly relevant:

- “The shift from urban residential permitting to more rural residential permitting indicates where growth is heading in the region. In the Colorado Springs MSA, residential growth is headed outward into El Paso County, sprawling away from the urban core.
- A lack of density results in services like utilities, emergency responders and transportation stretched thin and more cost for citizens. In the case of transportation, low density makes a comprehensive public transit system virtually unworkable”

Although much of the data and findings in the QLI have great pertinence for the topics of infill and redevelopment, the report includes limited data on directly on this topic. This is in part because agreed-up definitions and data are not available at this time.

The full report can be found at:

<http://www.ppunitedway.org/QLI.html>

2012 Pikes Peak Regional Sustainability Plan

The *Pikes Peak Regional Sustainability Plan Looking into our Future- Pikes Peak Region 2030* was created through a rigorous and inclusive committee and consensus process and has been adopted by the Consensus Committee responsible for creating it. This plan identifies a series of goals and measure for ten (10) related topic areas, one of which is the Natural and

²⁶ For the purposes of the QLI, the region consists of El Paso and Teller Counties

Built Environment. Under that topic there are several goals and measures which focus on infill or closely-related themes such as “location efficiency”.

The Built Environment “stretch goals” in this document include the following:

“Built Environment

1. New construction, development, and redevelopment of all types and scales are built to incorporate:

a) Location efficiency between the areas where we live, work, play, learn, shop, and obtain basic services;

b) Multiple forms of accessible and integrated transportation including walking, bicycling, transit, and automobile;

c) Diversity of housing types and affordability;

d) Energy- and resource-efficient high-performance building;

e) Neighborhood access to a sustainable and comprehensive system of parks, open space, and trails; and

f) The strong link between the built and natural environment.

The entire document can be found at:

<http://www.peakalliance.co/index.php?page=history-of-ppr2003>

In 2013 responsibility for this Plan was handed off to a not-for-profit entity called the Peak Alliance for a Sustainable Future which is created under the auspices of the Pikes Peak Community Foundation. At this juncture it is not clear to what extent the recommendations of this document can or will be carried forward via this structure

Pikes Peak Region SDAT Report

Introduction

Following a site visit earlier in 2011, a Sustainable Design Assessment Team (SDAT) process was undertaken for the region from September 26-28, 2011. The process was sponsored by the national and local chapters of American Institute of Architects. The SDAT team included national experts in the areas of:

- economic development
- urban design and land use
- transportation, and
- regional planning

The process included small group breakout stakeholder sessions, a larger public meeting and working sessions. The resulting report can be found in its entirety at:

<http://www.aia.org/aiaucmp/groups/aia/documents/pdf/aiab092909.pdf>

Although the SDAT includes a variety of themes and recommendations, the importance of infill is one of the overarching central themes of the SDAT .

Key SDAT Findings and Recommendations Related to Infill

The following key findings are excerpted from the Report:

- Strengthen Downtown and Satellite Mixed Use Districts
- The Report emphasizes the importance of Downtown to the region and as the focus of any infill strategy. It goes into some detail on specific strategies.
- Market Infill and Redevelopment Sites
- The SDAT recommends creating a data base of available sites and marketing them as a community. This would be somewhat of a departure from the local approach which relies on the private sector and occasionally the Chamber/EDC.
- Create a Utilities Comprehensive Plan Related to Infill and Redevelopment
 - The SDAT recommends creating such a plan to include a pricing structure specific to infill areas.
 - *“Capitalize Now on the Academy Boulevard Corridor*
 - *The SDAT recognizes the work done on the Academy Boulevard Corridor Great Streets Plan and stresses the importance of beginning implementation*
 - *Make Transit a Viable and Attractive Option*
 - *The Report makes the case for investing in a robust transit system as an economic*

development tool and key part of the transportation system.

- *Think and Act Regionally*
- *The SDAT highlights the importance of regionalism as an ingredient for successful community redevelopment strategies.”*

The Report recommends eleven suburban retrofitting tactics from the book *Retrofitting Suburbia* (2011):

- *“Reuse the box*
- *Provide environmental repair*
- *Revise zoning codes and public works standards*
- *Improve connectivity for drivers, bicyclists and pedestrians*
- *Consider future connectivity and adaptability*
- *Use appropriate street types and real sidewalks*
- *Keep block size walkable*
- *Use shallow liner buildings*
- *Diversity housing choice and price*
- *Add new units to existing subdivisions*
- *Invest in durable quality architecture”*

ULI Downtown Panel Report

In late June 2012 a large panel of experts from the Urban Land Institute (ULI) visited Colorado Springs to conduct an intensive week-long panel exercise focused on the best path forward for

revitalizing Downtown. Their recommendations focus on areas including the importance of residential development Downtown, the need for an arts and entertainment focus and the importance of developing the capacity and structure for ongoing championing and implementation. Inherent in this report is the axiomatic assumption that a vibrant Downtown is critical to the success of the region and an essential component of an overall infill strategy.

The full ULI Report can be found at:

<http://downtowncs.com/images/pdfs/COSpringfinal.pdf>

Mayor's Economic Opportunity Zones (EOZs)

Beginning in 2012, Colorado Springs Mayor Bach began the process of identifying Economic Opportunity Zones (EOZs) for special development/redevelopment attention. These were initially determined to include:

- Downtown
- North Nevada Avenue/ UCCS
- Southeast Colorado Springs. Academy Boulevard Corridor
- Airport Business Park

In 2013 the Mayor appointed a Solutions Team to evaluate opportunities and suggest recommendations for the first three areas. The chair of this group (Mr. Fred Veitch of Nor'wood) determined that the Downtown area had sufficient structures and initiatives in place and so concentrated this group's efforts on the Academy and Nevada areas.

In early 2014, Reports were issued for the Nevada and Academy Boulevard areas and were shared with the Mayor and City Council.

These reports and action plans may be found at:

<http://www.springsgov.com/page.aspx?navid=5154>

Although neither of these reports constitutes a formally adopted plan, they do suggest some areas of focus that may be emphasized for these areas. And, as noted above, the concept of EOZs is identified as a priority in City Strategic Plans.

It is noteworthy that all four EOZ areas are located within the City's identified 2002 Infill boundary.

Chapter VI-City Statistics and Progress

Introduction

During the last 10-15 years a large amount of infill development has occurred within the City. The amount depends on what one considers infill and how one measures it. **Table VI-1** (which was also presented in Chapter III), shows that about 6,900 previously vacant acres have been absorbed within the City's 2002 infill boundary during the 15 years from 1999 to 2013. By this accounting, only about 9,000 vacant acres remain to be developed within the original boundary. Although some of this absorption may be attributed to continuing refinement of the City's existing land use GIS (Geographic Information System) data base, it is nevertheless clear that the inventory of truly vacant developable property in the core area of the City has been declining²⁷. This trend is borne out by the numerous but still only representative infill case study examples included as **Enclosure 1**. It should be noted that, based on this tabulation, the pace of net infill absorption essentially ground to a halt in the 2009-2011 time frame. This was likely due to the economic downturn combined with a few properties being converted to vacant status via demolitions or other removals of uses. However, there are reasons to believe the pace

of infill will continue to pick up somewhat from 2014 forward.

From an overall perspective, it is also noteworthy that the City's inventory of vacant undeveloped property has decreased by over 13,700 acres during the past 16 years even though approximately 6,000 additional acres have been annexed into the City during that same period. Although the Colorado Springs still has about 40,000 vacant developable acres with its city limits, this is a significantly smaller number when compared with the approximately 55,000 acres available in 1996. (also Refer to **Table VI.1**)

²⁷ In late 2014 City staff will be performing a further refinement of the City's vacant land use layer, with the probable result being that substantial additional land will be shifted into the 'developed' land use category.

Table VI.1

Vacant and Infill Land Absorption in Colorado Springs

Vacant Land Colorado Springs 1999-2013					
Year	Vacant (Citywide)	Vacant (Citywide) excluding Banning Lewis	Net Change (Citywide)	Vacant (Infill)	Net Change (Infill)
1999	51,001	28,152	-2,646	13,775	-2,097
2000	50,043	27,187	-958	13,210	-565
2001	48,548	25,707	-1,495	12,475	-735
2002	47,347	24,517	-1,201	11,833	-642
2003	45,822	23,114	-1,525	11,309	-524
2004	46,029	23,362	207	10,781	-528
2005	46,067	23,399	38	10,437	-344
2006	44,751	21,669	-1,316	9,938	-498
2007	43,802	20,756	-949	9,648	-290
2008	41,478	18,448	-2,324	9,371	-277
2009	40,701	18,020	-776	9,233	-138
2010	40,541	17,775	-160	9,215	-18
2011	40,447	17,741	-94	9,198	-17
2012	40,155	17,529	-293	9,098	-99
2013	39,899	17,295	-256	8,999	-99
Total			-13,748		-6,873

Source: City of Colorado Springs IT Department/ GIS Services, data as of mid-year

Disinvestment Countertrend

Introduction

In addition to being sensitive to some of the reported absorption of vacant City properties may be due to better refinement of the City's existing land use data base, the unmistakable trend of vacant land absorption should to be considered in context of trends affecting already developed areas.

Long Term Persistent Increases in Vacancy Rates

Certain fluctuations in vacancy rates are a product of short term economic cycles and correct themselves with overall improvement of the economy. Increases in vacancy rates or underutilization of existing structures are more problematic if they occur in response to long term impacts and factors. Put simply, if ten parcels in a given development already have a building on them and one remaining vacant lot is absorbed with a new building, development absorption has increased by about 10%, and infilling could be considered complete.

However, if, during the same period two of the buildings on previously developed lots become vacant, the overall area stills shows as 100% developed. But, in actuality there is less productive economic activity occurring in the area compared to when it was only about 90% developed.

Underutilization and Long Term Disinvestment

Related factors such as underutilization of property and long term degradation further complicate these relationships.

Underutilization can come in many forms. For example, if a "big box" retail use is vacated by its original user and is then occupied with indoor storage, the structure will not be identified as vacant, but chances are the majority of all the previously designated parking will no longer be needed and used. And, this underutilization will contribute to a lowering of tax base and property values along with a likely reduction in the vitality of the property and those in its vicinity.

Large scale and long term lack of re-investment in properties can also contribute to a net overall decline of a larger area even if some previously vacant property is absorbed. For example, if most of the multifamily units in a larger area were not being maintained over an extended period, chances are their overall market and tax revenue value would decrease at least relative of other parts of the community, regardless of the rental occupancy rate of the area in any one period.

Academy Boulevard Corridor Example

The *Academy Boulevard Corridor Great Streets Plan* planning area is illustrative of these concerns with a potential for long term disinvestment. Over the past decade there has been some limited continuing absorption of previously vacant sites. Examples include the new Nissan dealer at the SE corner of Academy Boulevard and Fountain Boulevard, new single-family home construction including at Sierra Springs near Sierra High School and construction of one phase of the Bentley

Commons apartment project near Hancock Expressway and Sand Creek. In addition there is the ongoing redevelopment of the Lowe's store at Citadel Crossing, and the recent new Taco Bell at Hancock Expressway and Academy. However, balancing this infill construction is a

Infill and Redevelopment Stories- Successes and Challenges

Introduction

Over the past 10 to 15 years there have been dozens if not hundreds of infill projects in the City. They vary tremendously in terms of scale, uses and circumstances. Quite a few have been successful. The jury is still out on others, and some have not been successful. In several cases these experiences have been shared via the stakeholder's process, and often from several perspectives.

For context, it is important to understand that these "signature" projects often end up on the list because of some combination of circumstances that raises their profile. A large proportion of all infill occurs more innocuously, regularly and more or less under the radar.

Case Study Summary Table

The table provided as **Enclosure 2** summarizes key characteristics of approximately 67 projects throughout the City that could be characterized as infill. Most of these sample projects have occurred within approximately the last 10-15 years. Some are completed. Others are well

continuing (albeit improving) pattern of high shopping center and office vacancy rates. As of mid-2011 the vacancy rates for existing shopping centers and building stood at over 20%, and would be somewhat higher if underutilization were taken into consideration.

underway. Still others are at some point in the planning processes, and several were either turned down or have not progressed forward based on a variety of factors often including financing, market and economic conditions.

Certain categories within this list have been color-coded to provide a sense of whether a factor was important in that particular case. The following coding was used:

Red=	Major Issue or Consideration
Blue=	Factor Had Some Significance
Green=	Not a Major Factor or a Positive Outcome
Blank=	Not Determined or Not Applicable

Using "Neighborhood Issues" as an example, red highlighting would indicate a project with substantial organized neighborhood opposition that ultimately had a major impact on the project (e.g. denial, requirement for mitigation, protracted appeal or legal process etc.). Yellow highlighting is used for a project with some neighborhood input that might have been related to a specific factor or added some time to the process. Green highlighting identifies those projects where the neighborhood process was either not much of an issue or where the most or all neighbors ended up supporting the

project without significant accommodations that would not otherwise have been included.

It is critical to understand that this case study list is an imperfect and dynamic. It does not reflect an exhaustive and comprehensive analysis of many of these projects. In most cases the record was not exhaustively researched and not all perspectives may have been obtained. In some cases, the presented information simply reflects a brief conversation with a City planner who might not have been the principal staff person involved. In other cases, much of the information comes from the interviews with a neighborhood representative or the developer, but necessarily both. Perspective is also important in these evaluations. For example from a developer's perspective, the mere requirement of having to conduct a neighborhood process might be considered an extra cost and impediment for an infill project even if the process runs fairly smoothly. Conversely, a neighbor might object to a particular project but not in a way that ultimately impacts it. In both cases, the effective importance of neighbor's input in the process is identified as low, even though certain individuals might disagree.

For all these reasons, it is important to view this list as holistic and to recognize that the information for any particular project is less reliable.

From an issue-related perspective, the standard for comparison includes whether the factor rises to a level of significance greater than typical City-wide projects, especially in comparison with a greenfield project.

Themes that Emerge From the Infill Case Study Project List

There Are Lots of Infill Projects and They Are Extremely Variable

An obvious take away from this list is that there has been a lot going on in the area of infill, although certainly, the 2008-2011 downturn in the economy has slowed physical progress on development projects City-wide.

Neighborhood Issues are Not a Major Factor with Many Projects

Only a minority of all infill projects end up with extremely active neighbor involvement to the point where it materially affects the outcome of project or contributes to extraordinary delays or other expense. Of course, there are some notable exceptions, where the neighborhood process has had a very significant impact on the project, up to and including outright denial. The majority of all projects either do not involve an extensive neighborhood process or there is relatively early agreement on and support of the project. That said there is ordinarily some additional process required for infill versus greenfield projects simply because there are neighbors. For example the likelihood of a neighborhood meeting being needed for an infill project there is often a need to add a little time to the process for a one neighborhood meeting. And, some attention is ordinarily needed in order to design the project to fit within the physical constraints of any existing developed area (e.g. access and pre-existing land use conditions). These routine elements are not considered to be major factors.

Where there are major neighborhood issues, these are most often related to concerns with unique and /or different land uses, traffic or the real or perceived characteristics of the residents, employees or clientele of the new development. Often there are concerns related

to property values. Lack of certainty can be a major factor especially if there are perceived to be any changes of previous commitment or understandings.

Overall, only about 18% of the case study projects appear/appeared to have one or more major neighborhood issues that rose to the level of being time-consuming, contentious, requiring extraordinary mitigation or even resulting in denial. Another approximately 25% of the sample projects appear to have some significant neighborhood process but not to the extent of being considered to have materially impacted the project or process. Altogether, it would appear that over half of the identified projects had very limited neighborhood issues. See Chapter XI for more discussion on the neighborhood issue.

Most Infill Projects Do Not Experience Major Transportation-related Complications

The process of designing, allocating the costs of and then paying for transportation-related improvements is often a major cost and factor in any development project. However, there are relatively few infill projects where transportation, traffic and access issue rise to the point where they are substantially more complex and difficult when compared with greenfield projects.

Especially with smaller infill projects, existing transportation network capacity is adequate and/or most of the roadway, access and financing decisions have previously been made. Larger and more complex projects are more likely to have unique issues related to such topics as capacity, off-site improvements, access or financial responsibility.

Of all the listed projects about 15% percent are characterized as having substantial transportation/drainage-related issues with some relationship to the property being an infill site. Another 31% appear to have had some kind of infill-related transportation or traffic issue, but one that was favorably resolved without extraordinary complication. For example the developer may have had to seek and justify a waiver, provide additional analysis or compromise on agreed-upon access or financial responsibilities.

As with the neighborhood process, it appears that the majority of all infill projects do not have substantial transportation or drainage issues.

Extraordinary Utilities- Related Issues are Relatively Rare with Infill Projects

Utility-related costs account for a large share of the total costs for most projects and therefore are a major factor regardless of the location and type of development. However, it appears that unique or extraordinary utilities-related concerns arise with only a minority of infill projects. Only about 3% of the projects appeared to have a Utilities issue that created a major source of complication. Another 25% are categorized as having some Utilities-related challenges but not rising to the degree of being major concerns. For the clear majority of infill projects Utilities did not appear to represent a major source of friction.

Utilities costs fall into the following generalized categories:

- Permitting fees

- Costs to install or upgrade on-site (internal) infrastructure
- Costs to install or upgrade adjacent, offsite or external infrastructure
- System development and/or tap fees²⁸.

If a developer is required to upgrade CSU infrastructure in a manner that creates usable capacity for future connecting developers, the first developer is often entitled to collect recovery fees from those later connecting. For greenfield areas, the developer installing the excess capacity should expect eventual reimbursement providing there is market demand and logical and consistent order for subsequent development.

Although very significant, many of these CSU costs are similarly applicable to development of all types and locations, and therefore do not constitute a factor of barrier particularly related to infill.

However, external costs and upgrades can be a significant issue with some infill projects. With larger or more intense infill projects, the existing off-site and adjacent systems may not be adequate, triggering the need for major upgrades. Absent a plan and program for ratepayer-funded system upgrades, these become the responsibility of the developer who pushed the system or capacity beyond its tipping point. For some infill projects these

costs can be very substantial, especially if the surrounding infrastructure is sub-standard. Moreover, depending on the circumstances, it may be fairly unlikely that infill developer will have any other projects to rely on recovery from.

Redevelopment projects can also have unique CSU-related challenges internal the site or building. These can include the lack of a “clean slate” in form of complicated lines, systems and easements to work around. Where there is a the need to integrate new and old construction, regulatory and compliance issues can be complicated.

²⁸ These are the fees that are charged to essentially “buy into” the previous investments made for the CSU system and/or to pay for a proportionate share of future Utility-wide investments and capacity. These fees are ordinarily paid at the building permit stage. The majority of these costs ordinarily pertain to water supply.

Finally, the reason some infill sites and buildings have remained undeveloped for so long is

Case Study Highlights

Introduction

This section highlights a few selected infill project case studies for more complete discussion.

Gold Hill Mesa

Because of its scale, location and recent activity, the Gold Hill Mesa project should be relatively familiar to many City residents and most community leaders. The site is generally located south of Highway 24 and east of 21st Street on the site of the former Golden Cycle gold ore processing mill. Much of the site is overlain with tailings that remain from decades of processing ore from the Cripple Creek mines.

Development of this 210-acre project was first approved in its current form in 2005 and is ongoing. The plan for the project includes a major traditional neighborhood development (TND) element along with a large retail and mixed use area planned for closer to Highway 24. To date, approximately 120 dwelling units have been constructed along with two parks, greenways and a community center.

Altogether, approximately 1,000 dwelling units are planned along with approximately 300-400,000 square feet of non-residential space. A series of metropolitan districts have been created to assist financing of the development and its ongoing maintenance and operations. The property has also been designated as an

because they do in fact have particular challenges related to utilities.

urban renewal area (URA), and has tax increment financing (TIF) available.

Photo VI.1



Gold Hill Mesa Community Center; courtesy of Gold Hill Mesa

The status of this site as a “brownfield” has made it unique from a processing standpoint. Geotechnical issues and uncertainties have contributed greatly to the costs of the project related to the need for assessment, mitigation and extended processing and decision times. Geotechnical issues have contributed to challenges associated with site planning and grading, utility and roadway design, and jurisdiction and liability.

Originally, there was substantial neighborhood opposition from the larger surrounding area. This was related primarily to traffic and environmental concerns. More recently, much of this large-area concern has been mitigated. However, the “internal” neighbors from the Villa de Mesa project have continued to be active and most recently objected to and

appealed the Planning Commission's recent decision on amendments to the master plan and other development approval. Of particular concern has been the timing of construction a previously agreed-upon buffering wall.

Because of the unique and mixed use nature of this project, there have been complications associated with design. These had included concerns of the Colorado Springs Fire Department related to alley design.

Both roadways and transportation have both presented major issues. A large scale, expensive and innovative plan for restoring Fountain Creek had to be designed, financed and implemented along the northerly boundary of the project. Additionally, steep and unstable slopes had to be addressed.

The analysis, design, and decision process related to roadway access points and improvements has been complicated. There were initial concerns over a requirement for this developer to pay for improvements benefiting both the east and west sides of 21st street. Access and transportation issues have been further complicated because Highway 24 falls under the jurisdiction of Colorado Department of Transportation (CDOT). A special process has been required in order to obtain future access directly to that facility.

In summary, the Gold Hill Mesa project has been a highly unique infill project in part because of its brownfield condition. Altogether, it has experienced a particularly large share of the potential issues that can arise with infill projects. If not for the location and upside potential for this project, the availability of district and URA financing, and the tenacity of

the developer, this project would not likely be moving forward in the way it currently is.

Lessons that could be learned from Gold Hill Mesa include:

- Difficult sites can ultimately be worth developing if they have the proper location advantages. There needs to be an expectation that the process of developing these sites will be complicated and sometimes frustrating.
- These types of sites will need special attention and consideration from both the private and public sectors.
- Front-loading the planning process or "prepositioning" of this area might have been helpful in mitigating some of the neighborhood, transportation and utilizes concerns associated with this property.
- Also, if the City had a more definitive infill policy in place, general City and staff might have been in a better position to efficiently resolve challenges associated with it.

Lowell Redevelopment

The Lowell Redevelopment project originally began in 1988 with the designation of the 58-acre area around the former Lowell Elementary School as an urban renewal area. This URA had condemnation authority but this was not actively used. A number of mostly vacant and low value single-family homes were also acquired and demolished. The original Kansas-based developer made little progress on the project before losing the property in a

foreclosure action in approximately 1999. The new developer made considerable progress on the project in the early and mid-2000. A further adjustment of the ownership structure took place approximately 2010. Most recently, in 2014, the ownership structure has changed yet again, with the original developer now re-involved with the project. The current project has seen limited recent development due in large part to the development downturn.

In addition to the private financial challenges associated with this project, there have also been complications with the public financing. Several years ago, the City lent dollars to this urban renewal area, and to date these have not been repaid. The Lowell Metropolitan District, issued bonds for this project in 2004. In the near future, there could be repayment issues with these bonds.

Overall plans include approximately 600 dwelling units including apartments, condominiums, townhomes, live-work units and senior housing. To date about 250 units have been completed. Most of these are owner-occupied, and there has been a low rate of turnover in these units. There is coffee shop operating within the project along with several small professional businesses in the live-work units. The remaining plans primarily include about 200 apartment units and 120 condominium units, most or all of which would be market rate housing, with more of these units available for rental. One of the biggest concerns of the residents is lack of grocery store in the immediate vicinity.

Given the 20-year life of this project, it is difficult to accurately reconstruct what factors were and were not issues associated with the

original project plans. It appears that neighborhood issues were generally not a major consideration in part because most of the original properties and structures were acquired and razed. There have been some have been largely mitigated though construction of a parking garage for that facility. Although utilities needed to be completely reconstructed on site, there were limited off-site issues. Likewise, once the determination was made that Fountain Boulevard would not extend through from the east, roadway and traffic and drainage issues have generally been manageable. There have been some complications associated with the access to the southeast portion of the property due to presence of a railroad spur. Parking impacts from the Police Operations Center (POC) have also been an issue, but these were largely mitigated following completion of a garage for the POC.

Photo VI.2



Former Lowell School in the Lowell Redevelopment Project

Lessons that could be learned from Lowell include:

- Downtown-related redevelopment projects can be expected to take a long time, especially until a critical mass is achieved

for this market. Until this occurs, a project like Lowell will have difficulty achieving a complete “live, work, play” balance.

- Lack of robust transit (desired and used by choice riders) creates somewhat of a damper on these kinds of projects.

- The current owner-occupant and extended tenure character of this project can create a solid footing for this development, and the potential for more dynamism with the addition of rental units.

University Park

The University Park development consists primarily of a traditional higher end large lot single family homes located on topographically distinct property north and east. This project was approved in the mid-1990s and has been largely completed for several years. It is included as a case study because of its unique size and controversy.

The project involved development of about 675 acres of a property known as the Houck Estate. The covenant controlled but non-gated project includes about 450 homes, a few townhomes, a park, a school site and about 5 commercial properties.

This was part of a larger property that had been annexed in the 1960’s. The original Houck Estate holdings included many other properties including what is now St. Andrews west of Palmer Park and what are now the medical campus properties (former sod farms) located in the vicinity of Union and Fillmore. Properties

immediately surrounding University Park had largely been developed by the 1980’s. This included the Erindale neighborhood to the north. Apparently, a lower density residential plan had been approved for this property prior to Classic Homes acquiring it in the 1990’s.

Photo VI.3



University Park, Courtesy of Classic Communities

The Classic plan met with substantial opposition, especially from the Erindale neighbors. Concerns were focused on density, view and ridge top preservation, traffic, road extensions and maintenance of pre-existing but not legal access used by some existing homeowners. There were appeals, numerous public meetings and the eventual Court-stipulated need to take the zoning to a vote.

Accesses to and from the development were major issues, particularly the extension of Montebello Road to the east. This extension had been shown on adopted plans, but neighbors objected to it and there was a complicating deed restriction. A number of off-site intersection improvements were required.

The developer agreed to remove several lots from the original plan and also agreed to construct roads in a manner that mitigated some objections of the neighbors. Based on the scale of the project, CSU issues and requirements were not extraordinary.

Ultimately, the project was approved largely as envisioned by the developer, overcame the legal and process challenges and has largely been completed. No special districts or special City financing incentives were provided for this project.

Lessons that could be learned from University Park include:

- Front end “macro-neighborhood” planning might have mitigated some of the more extreme neighborhood opposition.
- Earlier planning attention to preserving sensitive environmental features might have helped the process.
- Context and site characteristics are important. The topography of the property and the market made this site unsuitable for some aspects traditional neighborhood development (TND) design, including a grid street pattern. However, there could have been more incorporation of mixed housing types and non-residential uses.

University Village

University Village is a lifestyle center and big box retail project that has been largely completed between Nevada and I-25/ Monument Creek north of Garden of the Gods

Road. Altogether its plan encompasses about 650,000 square feet of commercial space. Larger retail uses include a Costco, Lowe’s and Kohl’s. The project is substantially built out, with only a few remaining pad sites not developed or programmed. In early 2014 it was announced that the second Trader Joe’s retail use in the State will be located within this development.

Figure VI.1- University Village



University Village rendering, 2011- Blue buildings in place as of late 2011

During the land use approval process, one point of controversy was over the cross section of Nevada Avenue and accesses to it. UCCE desired a four-lane cross section, and the

developer (and City) supported the need for a more robust section. There were a number of utilities-related complications which included the need to upgrade capacity and a desire to move and/or underground major utility lines. There was also some planning-related discourse

about whether development in an urban renewal context should incorporate more mixed use. Buildout of this project was affected by the 2008-2009 recession, which occurred just as vertical development was fully underway.

Photo VI.4



University Village; photo courtesy of University Village

With the exception of input from UCCS, there was little neighborhood opposition associated with the project.

This project has no special districts, but the larger 390-acre area encompassing the commercial site and UCCS (University of Colorado- Colorado Springs property on the west side of Nevada, was designated as an urban renewal area in 2004. Many of the on-site and adjacent public improvements have been financed via urban renewal bonds. The urban renewal process contributed to the complexity of this project, but has presumably

allowed for its financial success as a private venture.²⁹

Lessons that could be learned from University Village include:

- Although relatively successful as a lifestyle mall, there will always be the issue of whether there could have been “more” to

²⁹ As of 2014, the urban renewal bonds for this project are experiencing some complications due in part to project delays combined with initially optimistic TIF revenue assumptions.

this project in terms of integrating residential, non-residential and civic uses within the same development plan.

- In retrospect, the urban renewal area financing for this project was overleveraged. One potential solution would have been to augment the public financing via a business improvement district (BID) or similar structure that would have shifted some of the financing cost to the benefitting property owners.

Hospitals

Both Memorial Hospital Downtown and Penrose Main Hospital represent significant infill projects. Over the past decade both facilities have engaged in major renovations and facility additions. Both facilities are located in established residential neighborhoods. Impacts to these neighborhoods were the primary land use consideration.

Ultimately both facilities largely “internalized” the impacts of their expansion through a combination of structured parking, increased floor area ratios and changes to local street networks and access.

Memorial Central Hospital is located on the near east side of the City. Over the past few decades it has been substantially expanded. Most recently a large “East Tower” was added along with a large parking garage. The facility now provides over 600 beds. This is quite large for a hospital. At one point Memorial was seriously considering expanding to the south across Boulder Street into the surrounding residential neighborhood. This option met with

a high level of opposition from the neighborhood. Parking and local traffic impacts were also issues with the overall expansion plans. The “internalization” of the expansion plans at least substantially mitigated these concerns. There were some larger traffic issues including a concern with capacity at key intersections in the vicinity. Likewise, there were some utilities issues primarily related to sewer lines and capacity. There have also been some noise related concerns with the medical helicopter that serves this facility.

Penrose Main Hospital, located in the North End, has similarly undergone major expansions with some of the same neighborhood concerns. Most, but not all of the expansion has occurred within the original hospital property. The facility now includes 522 beds and a large parking structure. Most recently an 80,000 square foot additional building is under construction. There is an ongoing neighborhood process which gets them involved early in planning and design aspects of future phases. As with Memorial, spillover parking and traffic have been major concerns with the neighbors. Internalization with structured parking largely mitigates this.

Figure VI.2 Memorial Hospital Plan



Memorial Hospital Complex graphic; Courtesy of Memorial Hospital web site

Lessons that could be learned from the hospitals include:

- These projects represent major infill activities that have been substantially completed within mature largely single-family neighborhoods
- A key to success for these kinds of projects is to largely internalize the impacts via densification and structured parking rather than expanding outward into adjoining neighborhoods.
- The ongoing processes of proactive coordination and design collaboration with the neighborhoods have been largely successful.

Ivywild School

The Ivywild School project unique mixed use development in the Ivywild neighborhood in SW Colorado Springs and involves adaptive reuse of the closed Ivywild Elementary School along with eventual construction of one or more new buildings on the site. The project, which opened primarily in 2013, includes a brewery, restaurant, offices, and community center among others. Directly appurtenant activity includes the conversion of a small church to a community arts theater

Initial development approvals took some additional processing time due to the unique nature of the use and the fact that PUD zoning was required. In 2011 City Council designated the site an urban renewal area. Although the urban renewal planning, sales tax sharing and financing processes have been protracted and

frustrating, the neighborhood, transportation and utilities processes did not contribute substantially to delay. After an initial neighborhood meeting, the local residents were generally in support of the project.

Lessons that could be learned from the Ivywild project include:

- Repurposing of schools and other public building is an ongoing trend that should be expected to continue.
- Small innovative infill projects take a great deal of effort even when there is a broad base of support.
- With innovative infill projects, the largest hurdle is often the special financing agreements and structures. Having a City-wide urban renewal policy in place might have been helpful.

Figure VI.3 Ivywild School Rendering

May 11, 2010
Ivywild School Renovations
NEIGHBORHOOD MIXED-USED DISTRICT



Enhancing Neighborhood Identity
by Celebrating a Local Landmark

inspired by the Dream City 2020 vision, a vibrant
"public" square links housing and commerce
with community gardens, cuisine, and art

FENNELL
GROUP

Courtesy of Fennell Group

Chapter VII City and Regional Context

Regional Context

Introduction

Infill in Colorado Springs is and will be highly impacted by its political, historical, jurisdictional and physical context. Some of these factors operate more like fixed conditions or externalities while others may be more controllable either through independent City choices or agreements among regional governments. A successful infill strategy needs to be cognizant of and respond within this context.

Natural/ Physical Boundaries

As an urbanizing area the Colorado Springs metropolitan area is largely constrained to the west by the mountains. The presences of steep slopes, public ownership and a preference of existing residents for limited additional development, all combine to limit future development along much of the westerly border of the City.

Even where substantial additional vacant property appears to be available, this combination of factors suggests that actual future development. This results in somewhat of a natural infill boundary only on the west side. Going forward, the complexion of infill

particularly as an issue is bound to be impacted by natural barriers and limits. In this area, a much higher proportion of land is either physically constrained or has expectations for preservation. These factors combine to limit options for additional expansion and infill. Additionally, environmental factors and expectations can be expected to play an outside role infill project reviews for this whole side of the City.

With the exception of the west side, natural factors and constraints should not be expected to “force” a market for infill to as great and extent. To the north, east and south, jurisdictional limits will likely play a much more important role.

Jurisdictional Limits

Unlike many larger municipalities, the City of Colorado Springs is not particularly “hemmed in” by other cities and towns. We still have about 40,000 vacant acres within City limits along with some potential to expand via annexation. However, notwithstanding these factors, there is a combination of jurisdictional limits that should combine to begin to direct City growth somewhat inward.

To the west, a combination federal and CSU ownerships generally preclude any expansion and in that direction. Fort Carson and the Air Force Academy represent fixed conditions to the southwest and northwest. The City of Fountain has developed rapidly and has undertaken aggressive annexations. These effectively limit southerly expansion of City limits below Fontaine Boulevard. The Town of

Monument effectively sets a northerly limit around Baptist Road.

All of these jurisdictional factors combine to limit potential for future extension of City boundaries primarily to the east. In this area unincorporated urban and rural-residential development is also beginning to set effective outward limits, particularly where special districts have been put in place to finance and/or maintain public facilities.

Chances are, in terms of overall geographic area, the City is quite likely at least 90% as large as it will ever be. Although there is substantial capacity for greenfield development in already annexed areas, the potential for additional annexed greenfield sites is rapidly becoming constrained.

Infrastructure Service Area Factors and Limits

As general rule, Colorado Springs Utilities has the capacity to provide all four of its component services (water, wastewater, gas and electric) to a growing City whether this activity occurs as infill or greenfield development. Therefore, larger “territorial” utility factors are not that likely to play a major role in infill.

The City’s natural gas service area extends well beyond current City limits in some direction and, in any case this utility is not expected to have a substantial impact on infill strategies or issues. The City’s electric service area also extends beyond City boundaries in some cases. The other major electricity provider in the region is MVEA (Mountain View Electric Association). When the City takes over MVEA territory via annexation, MVEA needs to be

compensated for prior investments. However this factor in and of itself ordinarily does not preclude annexation, at least for greenfield areas.

City water and wastewater service territories arguably may play a larger role in the infill in part because these are currently more limited in area, and because both water and wastewater have a relationship to watershed boundaries. In the case of wastewater the physical systems are most efficiently designed to follow natural drainage contours. Water delivery infrastructure also tends to follow drainage basin topography but additionally, these basins can form legal boundaries that effect service areas. In particular, the Fountain Creek watershed boundaries, to some extent create the effective outer limits of the CSU water service area. The boundaries of other water providers (e.g. Cherokee Metropolitan District, Security Water District, Widefield Water and Sanitation District, and others) also combine to establish at least shorter term growth boundaries for the City.³⁰

Although water availability and pricing may have some long term impact on where development occurs, the likelihood of “higher

³⁰ There is always the possibility that an existing water-providing district may choose to fully dissolve in order to expedite alternative water service (potentially via City annexation). However dissolution of existing districts is often problematic, such that intergovernmental agreements may be the more likely in the event one of these water providers might run into challenges with existing supply. In any case, the inclusion of areas that are already primarily developed into the City proper or its water/ sewer territories may not have that much impact on City infill.

prices for everyone” may be more important in the shorter term. These higher costs will drive a demand for more water efficient structures and landscaping. Maintenance of landscaping in core area will be a challenge.

The particular role of CSU is discussed in more detail in Chapter XII.

Lack of Formal Urban Growth Boundaries

City or regional growth boundaries can be an important component of a community’s infill strategy. The establishment of limits for outward expansion will ordinarily create some level of incentive or priority for infill or at least more compact development.

Unlike many other metropolitan areas throughout the country and in Colorado, the Pikes Peak Region does not have formally adopted urban growth boundaries. Although the various natural, jurisdictional and practical factor outlined above combine to create some important growth area delimiters, the overall available area for development is largely unconstrained. In the Pikes Peak Region there are four jurisdictions that have plans and potential for significant outward growth expansion. These are:

- Colorado Springs
- Fountain
- Monument, and
- Unincorporated El Paso County

Each of these entities has a legacy of public and private investments and land use approvals which expect and allow for considerable outward growth. Altogether, on the order of 150,000 additional dwelling units have been

master planned in these four jurisdictions with the majority of these in greenfield areas. In excess of 50,000 of these dwelling units have been approved at some level outside of the City of Colorado Springs. Moreover, in the case of unincorporated El Paso County and City of Fountain in particular, there is at least the potential for substantial additional development capacity to be approved. Although the County and Fountain are beginning to experience their own significant infill trends and issues, their development models remain decidedly more focused on greenfield options. What this means is there is and will be a large increment of greenfield development capacity available in surrounding jurisdictions as an option to infill.

The likelihood of establishing regional growth limits in this region is extremely limited given our area’s political and political values oriented toward free market land use choices. Moreover, to be regionally effective implementation of formal growth boundaries would require more than just a determination by the City. Colorado Springs, the City of Fountain and El Paso County, at a minimum, would all need to agree on the boundaries and approach. Even if political values were to shift, there are pragmatic factors that would make it difficult to implement viable growth limits. First, because the region has already “entitled” several decades of development capacity, and it would be difficult to vacate these approvals. Additionally, many of the planned new developments are served by a variety of special districts. In some cases, the removal of development entitlements would have an adverse effect on these districts.

A limited prospect for formal City or regional growth boundaries removes an important infill strategy. Essentially, the City will not be in the position to dictate the occurrence of infill and redevelopment by constraining the supply of land that can potentially be developed. Instead, the City will need to encourage and incent development in infill areas via a combination of public investments, financial incentives, regulatory changes and lessening of procedural barriers particular to infill.

Regional Urban Growth Limits

In acknowledgement of both the land use values of this region and our legacy of already-approved development, pursuit of formal regional growth boundaries is not recommended as a major infill strategy at this time.

However, careful attention to urban design and urban form is recommended.

Relationship of Regional and City Economic Development Strategies to Infill

Economic development needs to be a critical element of any infill strategy for at least three reasons:

- Without continued growth and investment in the community there will be not be a market for development and redevelopment of any kind, including infill.

- To give infill development a competitive playing field in the market economic development plans need to be aligned with infill plans.
- As communities mature, “core area protection” needs to become an element of economic development planning much as it is with infill planning.

City Context

Introduction

This section discusses the overall context of historic and potential future development of the City as this pertains to the topic of infill. Topics include remaining capacity in approved development plans, the overall capability of Utilities to provide services for new development, Banning Lewis Ranch in particular and, the potential for new additional annexations to the City and development patterns over time.

Overall City Density and Auto Orientation

At the outset it is important to acknowledge that Colorado Springs and its metropolitan area were primarily developed during an automobile-dominated era, and our population and land use centers are often widely dispersed. As of the 2010 Census our overall population density was about 2,130 persons per square mile. Even after accounting for the fact that about 1/3rd of the City is vacant and undeveloped, this is fairly low compared with many U.S cities of comparable or larger population. By comparison, the City of Los Angeles has about 8,100 persons per square mile as of 2010. For further comparison purposes, the 12 –square mile Academy

Boulevard Corridor planning area has about 5,400 persons per square mile. The potential impact this fairly low City-wide density has on the infill issue is probably a mixed consideration. Clearly there is the potential for further densification in many areas. However, a tradition of dispersed auto-oriented land uses does also create an expectation for this pattern as the status quo. And, in some cases, this lower density pattern may not have the infrastructure capacity in place to easily accommodate and evolution toward substantial additional density and mixed uses. Finally, as discussed elsewhere in this document lower densities and dispersed land uses frustrate the provision of enhanced transit service. This creates somewhat of a “chicken and egg” conundrum because transit can be a key component of in stimulating mixed uses and higher densities

Remaining Approved Master Planned Development Capacity

Introduction

Of the approximately 40,000 acres of vacant undeveloped land within current City limits, the majority is included in a City-approved privately-initiated Master Plan. And, as described previously in **Table VI.1**, over 75% of this vacant land is located outside of the 2002 Infill Boundary. Of the approximately 30,000 acres outside of the 2002 Infill Boundary, approximately 75% is located in Banning Lewis Ranch.

The City does not have statistics on the remaining undeveloped “inventory” available in all master planned areas. However, if the land use assumptions and densities in the plans are used the available residential capacity is on the

order of 125,000 dwelling units, again with the majority of these in Banning Lewis Ranch. There is a correspondingly large inventory of master planned non-residential property.

The importance of all of this approved development capacity to the infill question is that development outside of infill boundaries will continue to be a substantial option well into the future.

Banning Lewis Ranch

As noted above, Banning Lewis Ranch (BLR) accounts for the majority of all the vacant developable property inside the City limits at this time. The roughly 24,000 acres in BLR has an overall approved capacity for about 78,000 dwelling units and about 75,000,000 square feet of Commercial, Office and Industrial (COI) space. The corresponding capacity for the COI space is now calculated as about 141,000 new employees.³¹ As of mid-2014, only a few hundred acres have been developed with uses including about 300 homes, a school, a recreation center, and related uses.

The entire BLR property is subject to a unique circa 1988 Annexation Agreement, as well as a court-mandated Shared Obligation Study which was finalized in 2007. This Agreement stipulates that owners contribute at the time of

³¹ With respect to master planned development capacity it should be noted that these plans often over-project development capacity based on a combination of optimistic development assumptions and/or a “maximum case” approach to planning for utilities and roadway capacity. In the case of Banning Lewis Ranch it is specifically noted that the overall development plan is currently overbalanced toward non-residential uses.

platting approximately \$12,000 per acre in cash or improvements towards identified share infrastructure.

In 2011, the majority of the property (about 18,000 acres) was purchased by Ultra Petroleum, a Texas-based oil and gas company with plans for exploring for oil and gas resources. These plans apparently have not borne out, and most recently Ultra has put the property under contract with Nor'wood Development Company, a prominent local developer.

Approximately 2,500 acres in the northern part of the property are retained in a separate ownership (Oakwood Homes). This property has the entitled capacity for approximately 7,500 dwelling units, along with some commercial and other uses. This northerly parcel will provide ample development capacity for quite a few years regardless of the status of the Ultra parcel.³²

The assumption in this Paper is that the majority of BLR will continue to be available for land development but with the potential for substantial changes to the land use plans, Annexation Agreement and Shared Obligation Study. One way or another these changes are likely to result in more of a "rebalancing" of a the land use mix within the entire property, a possible scaling back of required public improvements, and some potential for

³² Additionally, it should be noted that about 7% of the Ranch is comprised of 20+ other ownerships not associated with the two primary ownerships. These properties continue to be available for development.

additional set-asides of additional property for open space, recreation or other special purposes.

Potential Annexations

For much of the period from the end of World War II to the present, Colorado Springs has operated in a fairly active annexation mode, having expanded about 20 times in area during that period. At about 195 square miles Colorado Springs is now ranked approximately 37th largest in area of all cities in the Continental United States.

Going forward, the potential for large scale future annexations is not as likely. This is in part due to the jurisdictional and boundary factors discussed in the preceding sections. The City Annexation Plan (2006) "strongly recommends" only a few square miles of undeveloped area for future annexation. There will be limited opportunities for annexation of developed or largely undeveloped areas. Furthermore, large scale annexation of previously developed areas is difficult to accomplish.

This trend toward less annexation of undeveloped property is very a much long term proposition. However, over the period of decades it should be expected that the supply of vacant developable land within City limits will diminish.

City Development Pattern Over Time

Introduction

As depicted on **Maps VII.1 and VII.2**, Colorado Springs has expanded generally from the inside out. This map specifically depicts a color-coding of all tax parcels in the City categorized by the decade of most recent construction, if any. Not surprisingly, this map shows a clear pattern of the growth and expansion from the inside out. Additionally, there is also clear evidence that the predominant growth pattern has been to the north and east. However, closer inspection also reveals a finer pattern of almost continuous infill over the decades. Large and small concentrations of newer development are interspersed throughout the City, This pattern of ongoing development and renewal is especially evident in non-residential areas. In the future, this “picture puzzle” development pattern can be expected to continue.

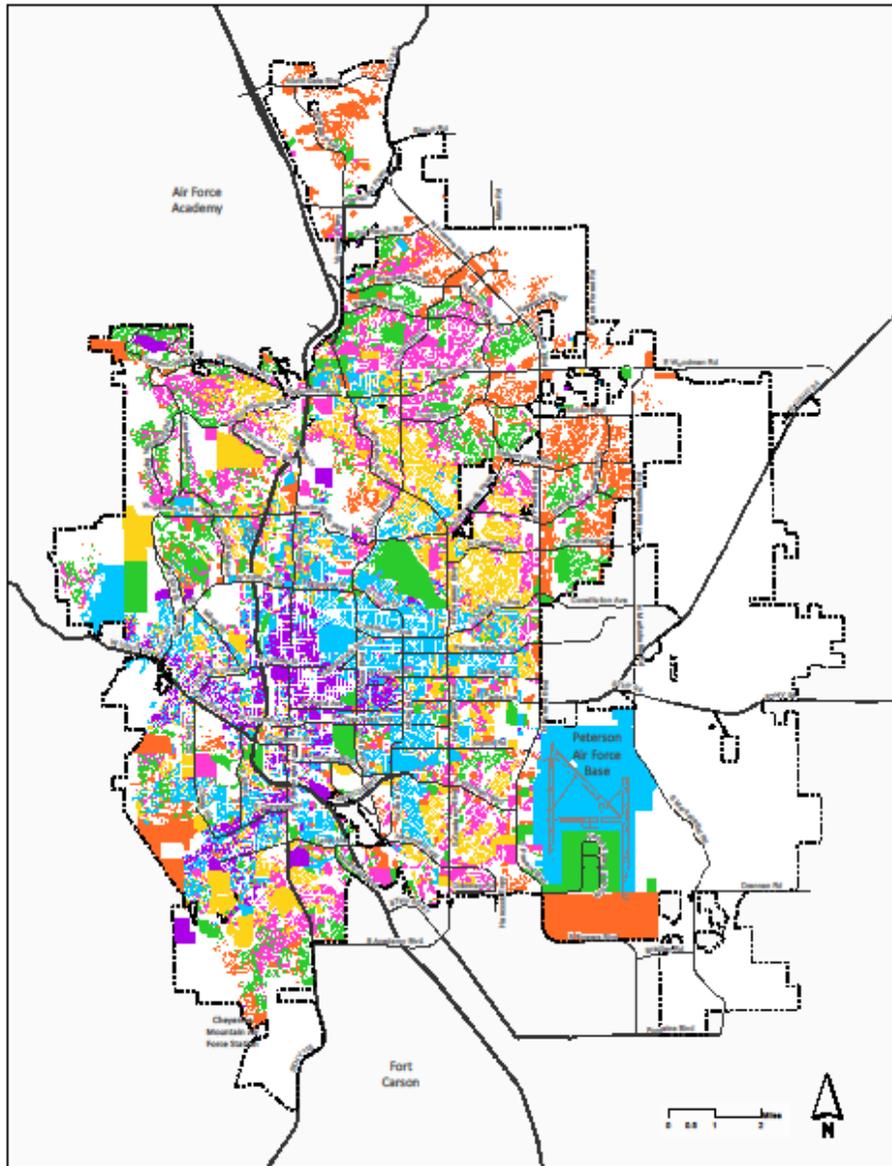
This “new spaces in old areas” pattern of development has two different components. The first consists of those properties that were

essentially “skipped over” prior to development activity shifting to newer greenfield areas. The other component involves changes to previously developed areas.

Older predominantly developed areas of the City often have more potential for infill for several reasons:

- Their uses and structures may be obsolete or disinvested
- They were developed on a grid block pattern which is inherently easier to redevelop
- Older areas often had a higher diversity of mixed uses in the first place
- Established areas oftentimes do not have restrictive land use covenants in place

Some of the infill-related aspects of previous development areas are further discussed in the following sections.



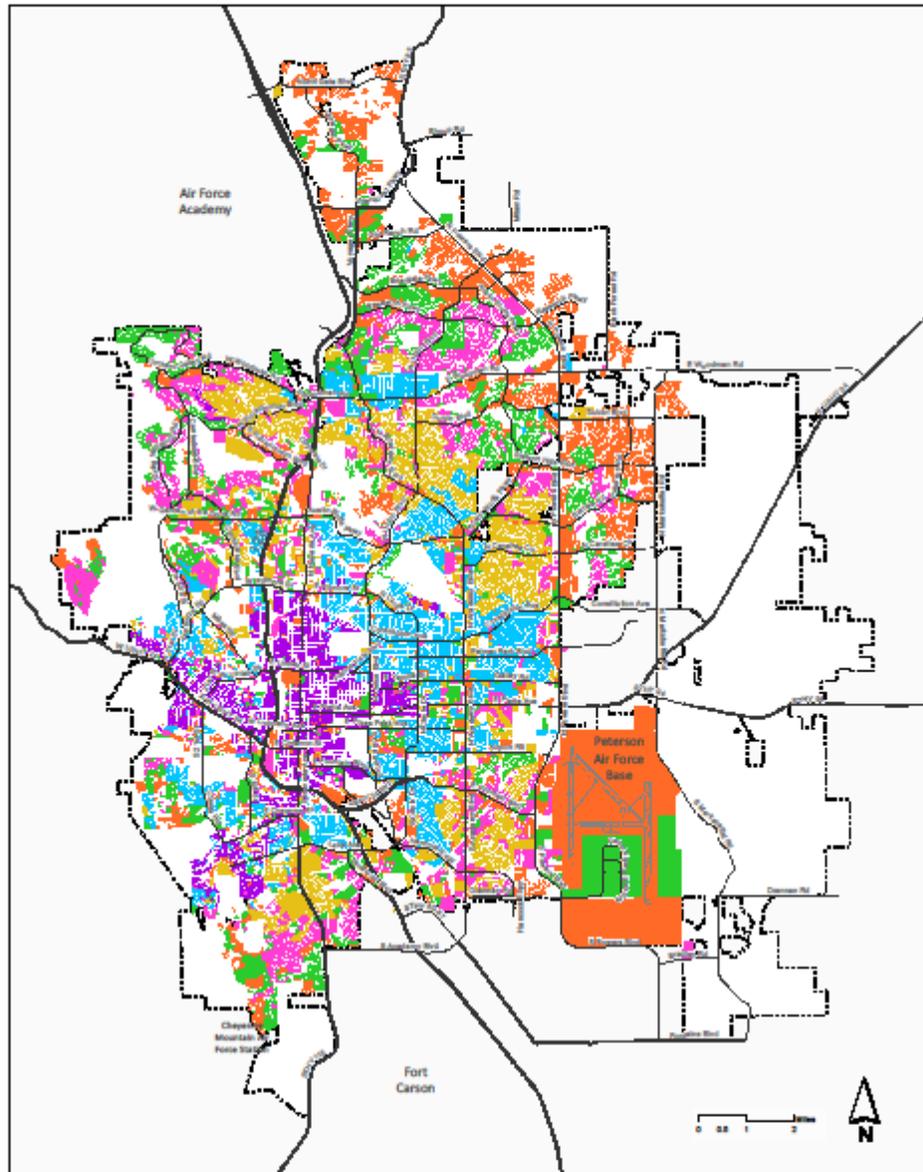
Parcels by Year Built Range

- < 1950
- 1950-1969
- 1970-1979
- 1980-1989
- 1990-1999
- 2000-present
- Colorado Springs

Source: El Paso County Assessor Improvement records, Date: September 2011.

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Map VII.1- Parcels by Year Built Range



Subdivision Plat by Date Range

- < 1950
- 1950-1969
- 1970-1979
- 1980-1989
- 1990-1999
- >= 2000
- Colorado Springs

Source: Colorado Springs Utilities, Date: September 2011.

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Map VII.1- Subdivision Plat by Date Ran

Early Development Areas (e.g. West Side)

The early development of Colorado Springs was generally characterized by wide streets and a grid block pattern. With the exception of certain neighborhoods such as the Old North End, these areas were often developed from the outset with a diverse mix of uses all located in fairly close proximity. Because much of Ivywild, the Broadmoor and the West side were originally platted and developed outside of the City limits, these areas have a different character, but often have a similar grid patterns and diversity of land uses within fairly close proximity.

Within these older areas, there are distinctions based type of land use, historic designation and value. Generally, properties that are residential, historic, and homogeneous and with higher market values are less amenable to change and adaptation compared with less residential, mixed and lower market value properties.

Inner and First Suburbs

Up until World War II, Colorado Springs was a city of less than 50,000 people. The first post-War suburban expansion occurred largely in areas directly east of the City between Union and Academy Boulevards, with Circle Drive being the ring road focal point. This automobile-based was still largely based on the grid roadway system. Beginning in the 1960's the pattern shifted to even larger lots, with more land use segregation and the

predominant use of cul-de-sacs. Often, these post-War developments were of a larger scale.

One of the quintessential 1970's era subdivisions was Village Seven located north and east of Academy Boulevard. It consists of over 1,500 master-planned acres primarily developed with single family uses on a cul-de-sac and loop road system. The original development plan contains the statement:

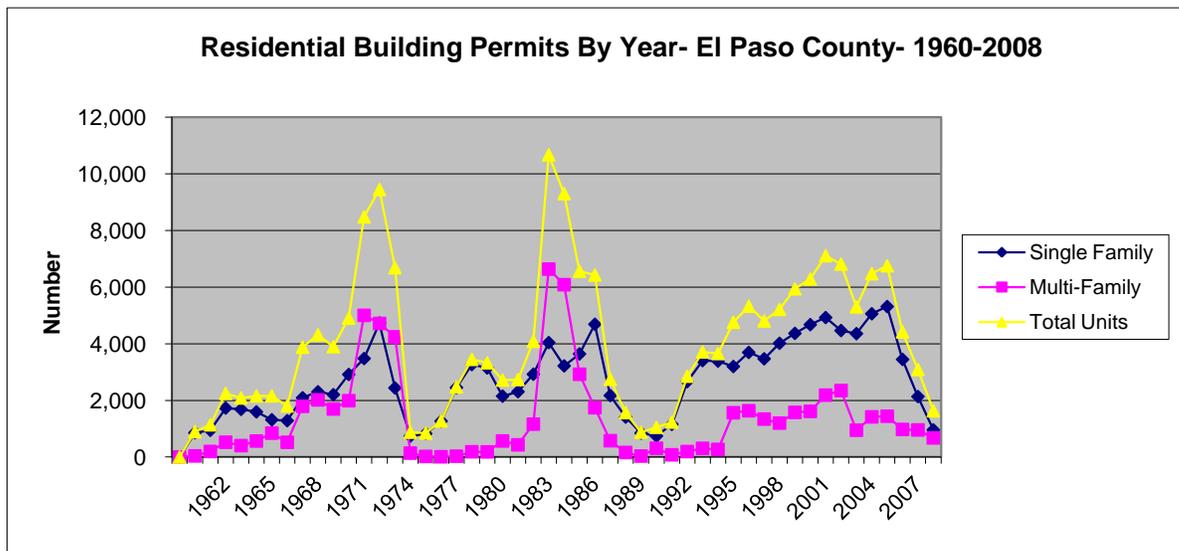
“Dedicated to the proposition that people are more important than cars”

Although this neighborhood was developed with an integrated system of park and school sites, overall land uses were not fully integrated.

As depicted in Figure VII.1, the region experienced its first surge in multifamily development beginning in the late 1960's and extending into the 1970's.

Although much of the 1960's and 70's era residential development in the City will be difficult to “retrofit”, quite a bit of the corresponding non-residential development is now out-of-date with the potential for substantial redevelopment in some cases.

Figure VII.1



1980's and 90's Development

In the 1980's and 90's, development in the City continued to extend outward (much of it to the north and east) with several large master-planned developments coming on line. These included Norwood, Briargate, and later, Springs Ranch and Stetson Hills. These projects generally continued suburban automobile-based development pattern. Single-family residential uses characteristically were constructed earlier and were followed by multifamily, office and commercial development after the "rooftops" were established in a given area. Due to the scale of these projects and preferences for segregation of land uses, there is often a considerable separation between some types of uses.

To the extent that originally planned development has been completed, the majority of these post-1980 developments are not particularly amenable to infill and redevelopment in large part due to the following factors:

- Existing development is mostly of high value and not functionally obsolete
- Residential road system does not support major redevelopment in many cases
- Covenants often preclude alternative or mixed uses
- Property owners may oppose changes in use.

Recent Development- 2000 to Present

As previously discussed recent development has occurred throughout the City, and has not simply been confined to the periphery of the City (see Chapters II and VII). This City-wide development activity has occurred in response to many of the trends outlined in Chapter III.

However, the predominant location for development from the Year 2000 to the present has been to the north east in relatively newer areas. Within these areas the context is largely one of filling in and adapting within master-planned communities. In newer greenfield areas what oftentimes happens is a natural economic progression of land uses. This typically starts with single-family construction on the larger high value lots. After these and other single-family residential areas become filled in and populated, demand arises for non-residential uses and other residential options including multifamily, and then retail. This cycle of development is sometimes described as “retail following rooftops”.

With these newer developing areas “infill issues” ordinarily pertain to this cycle of development. Existing property owners may have concerns with these latter phases of a master-planned development even if the proposed uses are largely consistent with previously approved plans. There may be concerns with factors such as traffic and views. In cases where the developer/owner may choose to adapt from the previously approved uses, there can be an added level of controversy.

Chapter VIII- The Case for Infill Priority Areas

Introduction

A key recommendation of this Paper is that to have a successful infill and revitalization strategy, the City should identify infill and economic priority areas and tailor strategies toward them. Without these priorities, the strategy becomes ad hoc and the results will be diluted at best. Formally acknowledging priority areas would somewhat of a departure from past philosophy, but not altogether from actual practice. The City already addresses some areas and some land uses differently. Examples include areas the City establishes for urban renewal, Neighborhood Strategy Areas, where we provide transit service, how we are beginning to more geographically consider our public investments, and our understandable preference for primary employment as an economic development cornerstone. What has been missing to date is a proactive and comprehensive acknowledgement of priority areas in the context of an overall infill and revitalization strategy. Such a big step, if taken, should be approached thoughtfully and with a robust public process. However, it would be a natural progression from current policy and practice.

This Chapter suggests some of the components and considerations that could logically go into a prioritization of infill areas. It also introduces the idea of an Infill Heat Map as one tool for helping arrive at an agreement for priority areas.

Areas Best Suited for Infill Priority

Based on a combination of stakeholder input, analysis and experiences from other communities, the following criteria could be used identify more focused or priority infill areas:

- Begin with Downtown
- Mature Corridors
- Areas Exhibiting Disinvestment or Economic Stress
- Dynamic Areas/ Areas Vulnerable to Change
- Economic Development Focus Areas/ Urban Renewal Areas
- Frequent Transit Corridors and Activity/Employment Center Nodes
- Areas with Existing Infrastructure/ Utilities Capacity
- “Catalyst Areas within These Areas

Identifying and then promoting Downtown as a centerpiece and primary priority of an overall infill strategy is recommended a variety of reasons articulated in detail later in this Chapter and throughout this Paper.

Mature/Redevelopment Corridors and Activity Centers are logical choices because they are

vulnerable to change, often need to change and have lot of capacity for new development.

Other mature areas are also good choices for infill priority because they often experience both the demand and need for land use change. Some mature areas have an inherent flexibility and adaptability for change compared with newer areas. For example, they are less likely to be highly constrained by covenants.

Transit corridors (present and potential future) are important because transit creates capacity for development and, if the systems are robust enough, an important stimulus for this activity.

Areas with infrastructure capacity are eminently logical because to not use this capacity is to waste it.

As part of this strategy there are certain logical catalyst areas within these larger areas of potential priority. These are more specific locations where it might make the most sense to begin development or redevelopment in infill areas. Determinants for catalyst area status could include the following elements:

- Locations of “signature projects” (e.g. existing Ivywild School or proposed Downtown Olympic Museum)
- Major public improvements potentially needed in any case (e.g. new or replaced transit transfer stations, major new intersection or interchange)
- Areas poised to take advantage of ongoing trends and announcements (e.g. areas in

proximity to UCCS expansion etc.)

Areas Less Suited For Infill

There are also areas and properties that are less likely and/or suitable for infill priority. These areas generally do not make sense as an area of focus:

- Large areas of environmental constraints, importance or hazard
- Established park and open space areas
- High value historic assets and properties (except for adaptive re-use)
- Most large and stable single family neighborhoods

Large areas of environmental constraints, importance or hazard are the most obvious choice to shy away from as infill priorities. These include designated parks and open spaces. In these areas development options are or should be limited for some combination of positive or negative reasons. However, the words “large areas” are important because smaller environmental areas can be successfully woven into larger plans for infill and revitalization.

Although high value historic assets can be listed as areas not as suitable for landfill, this can be a matter of type and degree. Although important historic buildings can or should not be removed or unreasonably compromised to allow for infill development, there are a myriad of examples of adaptive reuse of these buildings. Moreover, historic districts can sometimes be the central focus of infill and revitalization (refer to discussion of Lower Downtown Denver (LODO)

in Chapter XIV). Additionally, one of the trade-offs inherent in infill is to not get too tied up with preserving every property of a certain age. Economic vitality requires that in some cases, the older built environment needs to be replaced with something new.

As further discussed in Chapter VIII, large stable single-family areas are generally listed as low priorities for infill. This is because they have a long life cycle, these areas often may not have the infrastructure capacity to accommodate large scale changes, property ownership is highly fragmented and often there are legal and political impediments to change. Altogether, these areas comprise the majority of all privately owned developed property in the City. However there are some exceptions based on factors such as location, value and relative density. Additionally, just because single-family areas might be considered low priority for intensive infill does not mean they would be entirely off-limits (see discussion of Accessory

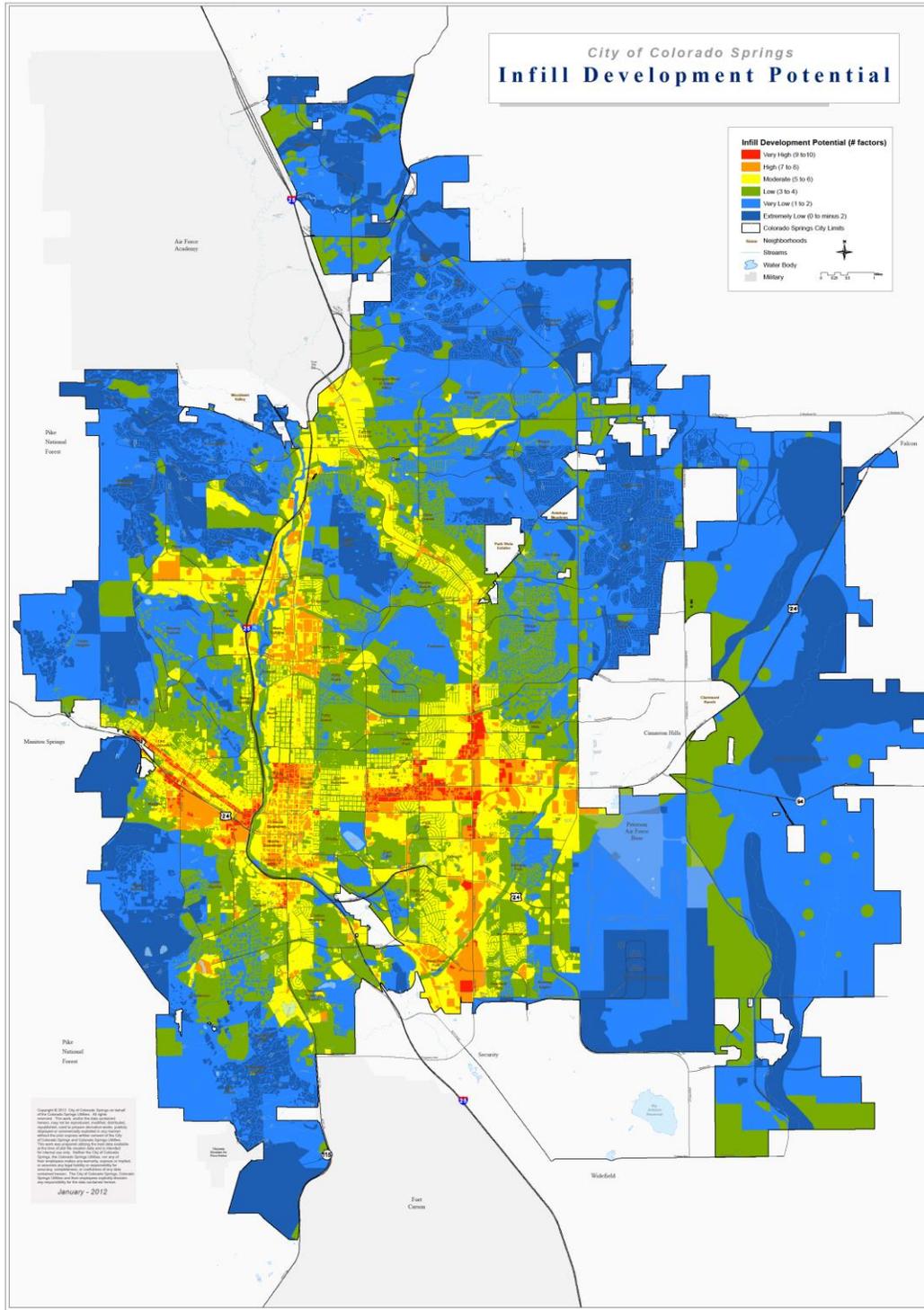
Dwelling Units (ADUs in Chapter X).

Additionally, some of the same mature area single-family residential neighborhoods that might not be logical candidates for large scale land use changes, might have a high priority and need for the core area support strategies, which are a key component of the overall recommendations of this Paper.

Infill Heat Map

One tool or model for identifying infill priority areas is the concept of an Infill Heat Map. Essentially this overlays various geographic areas of the City with supporting conditions for infill. Areas with low potential or suitability are also overlaid with negative values. The resulting map highlights the potentially most suitable areas which have the most “heat”.

Map VIII.1 Infill "Heat" Map



Map VIII.1 depicts one example of this potential for use of mapping as one tool in identifying priority areas.

This version of the map reflects the following components and weightings:

“Positive” Factors

- Imagine Downtown Plan Area (+1)
- Academy Boulevard Corridor Great Streets Plan (+1)
- Frequent Transit Corridors- PPACG Plan w/in ½ mile (+1)
- All Bus Routes- w/in ¼ mile (+1)
- Vacant Developable Parcels (+1)
- Mature/Redevelopment Corridors (+2)
- All Activity, Regional, New Developing Corridor and Employment Centers per Comprehensive Plan (+1)
- 2002 Infill Boundary (+1)
- 2011 Extended Infill Boundary (+1)
- Pre- 1980 Construction (+1)
- Urban Renewal Areas (+1)
- Enterprise Zone (+1)
- Neighborhood Strategy Areas (+1)

Note: Need to add North Nevada Avenue area

“Negative Factors”

- Historic North End (-1)
- Single Family Areas and Parks (-1)
- Hillside Overlay (-1)
- Candidate Open Space Areas (-1)

To create the relative “heat” these geographies are layered one on top of the other with their relative weightings. For many categories the

way it works is if a property is in a “higher” category it encompasses the lower one and therefore gets twice the weight. Using transit at an example, any property close to a bus line gets one point. Those properties that are also close to a designated frequent transit corridor effectively get a weighting of 2 for transit.

Scale and granularity is important. Using the South Nevada Corridor as an example, it is and obvious candidate for infill priority for many of the reasons highlighted in this Paper. However, within this corridor there are more discrete areas that have might contain impediments to infill. A specific property could be constrained by being located in the flood plain and/or Streamside zoning overlay, or it could be less likely to redevelop because it already has high value as currently constructed and used. Similarly Downtown in general is considered a very high infill priority area, but there are certain properties within it that are almost entirely off limits for major redevelopment (e.g. Pioneer’s Museum). While these levels of granularity may be essential in creating a site-specific infill revitalization plan they are not particularly relevant in identifying larger priority areas. Moreover, these finer grained details can often be positively incorporated into larger infill and revitalization plans.

Viewed from the other perspective, designations of low infill priority should not necessarily imply that specific infill projects should not be supported in them, and it certainly does not make them immune from infill-related issues.

Factors Not Yet Included

Data are available for response time from fire stations, but this has not yet been incorporated in the heat mapping. Comparable data for utilities capacity could be created and incorporated. Similarly, it may be possible to

incorporate some geography that reasonably captures the concept and impact of roadway capacity.

Also, at this point, the Mayor's Economic Opportunity Zones (EOZs) have not been directly incorporated into this heat map overlay as separate priority values. However, the Downtown and Academy Boulevard Corridor area have unique higher weightings already. The North Nevada Avenue EOZ area could be further weighted in the future based on its emerging special priority. (Refer to Chapter V for more discussion of EOZs).

One additional factor identified late in the stakeholder process was the importance of relatively recent privately-initiated land use master plans. Areas with benefit of these plans often have robust and comprehensive facilities plans in place and can accommodate ongoing development and adaptation with less need for City attention (see Chapter XVI).

Heat Map Options

As noted, heat mapping is simply one tool available to assist in arriving at Infill Priority Areas if desired. Weights could be changed and additional features could be added.

Special Role of Downtown

Introduction

A key assumption of this Paper is that continued development, revitalization and support of Downtown Colorado Springs needs to be an essential component of a successful City and Region-wide infill strategy.

Downtown is and should remain the economic and cultural center of the region. Downtown already and those areas in its immediate vicinity already support about 23,000 employees and about 6,000,000 square feet of commercial building space.

There have been several plans, studies and choices made to further this assumption. These include:

- Inclusion of two (2) Downtown-related projects in the Colorado Regional Tourism Act *City for Champions* project (2013 and 2014)
- ULI Panel Process and Report (2012)
- Mayor's Downtown Solutions Team and Mayoral Designation of Downtown as an Economic Opportunity Zone (EOZ) (late 2011 and 2012)
- Adoption of the Imagine Downtown Plan (2009)
- Adoption of Downtown Form-based Code in (2009)
- Creation of the Colorado Springs Downtown Development Authority (DDA) (2006)
- Creation of the Greater Downtown Business Improvement District (1996)

In early 2012 an AIA-sponsored Sustainable Design Assessment Team (SDAT process reaffirmed the key role and importance of Downtown from a regional design and economic development perspective.³³

Later in 2012 the City and the Downtown Solutions Team sponsored an Urban Lands Institute (ULI) process directed toward further refining the development focus of Downtown. Although this ULI Report establishes somewhat of de facto priority for Downtown, it is not an adopted plan or priority.

The inclusion of two of the four *City for Champions (C4C)* projects within the Downtown area certainly indicates an assumption of some priority for this area. These projects are the proposed Downtown Sports and Events Center and the Olympic Museum. These and the other two C4C projects have been approved by the Colorado Economic Development Commission for tax increment funding associated with the State's Regional Tourism Act.

However, to-date there has not been an overt, holistic City-wide policy statement made as to the contemplated priority role of Downtown in the region, its importance as part of an infill strategy and the potential for providing systematic and prioritized public investments in this area.

³³ A copy of the complete SDAT report can be found at:
<http://www.aia.org/aiaucmp/groups/aia/documents/pdf/aiab092909.pdf>

Why Thriving Downtowns Are Particularly Important

A central premise of this Paper is that thriving downtown is important for a number of reasons including as a centerpiece of a successful infill and revitalization strategy.

There are some who would argue with this premise on the basis that a more suburban, arterial focused, multi-nodal and auto-centric pattern can suffice to meet the needs of the market and the community without the need for a particularly prominent and high functioning downtown. Moreover, a somewhat valid argument can be made that a considerable proportion of this City's current residents and employees seldom if ever see the need to venture Downtown, at this time.

Furthermore, tourist and other visitor have other sights to see and places to go besides Downtown.

Although these arguments can be compelling, national experience strongly suggests that strong, vibrant and invested downtowns are important and are the centerpiece of the most thriving communities in the country. Whether it is a "chicken or an egg thing" nationally, the most successful and growing communities have successful downtowns and have made considerable investments in them.

Nationally after about 5 decades of outward dispersion (including suburbanization), the pattern is beginning to decidedly shift back to a more centralized and urban concentration. So far this trend is more pronounced with larger cities and their downtowns, but it is occurring somewhat universally. Downtowns, or the unique urban areas close to them, most often

serve as locations for the *Innovation Districts* that are considered crucial for cutting edge and economically competitive communities and regions.³⁴

Boundaries of Our Downtown

There are a variety of options for defining the boundaries of Downtown. For the purposes of this document, the boundaries of *the Imagine Downtown Plan* are assumed. This boundary is generally defined by I-25 to the west and south, Shooks Run to the east and Cache la Poudre street on the north. However, there are some logical connections/extensions to the south along Nevada Avenue and possibly east across I-25 between Bijou and Cimarron Streets.³⁵

Unique Downtown Infill Issues

Introduction

There are a number of infill issues that are at least somewhat unique to Downtown. These include the following:

- Higher property values

³⁴ To read more about Innovation Districts and their relationship with downtowns, see "The Rise of Innovation Districts- A New Geography of Innovation in America", Bruce Katz and Julie Wagner, Brookings Institution, 2014; <http://www.brookings.edu/about/programs/metro/innovation-districts>

³⁵ The Nevada Avenue corridor immediately south of I-25 has substantial potential for infill as does some of the area west of I-25 especially across from America the Beautiful Park.

- Parking
- Major Decisions Still Needing to be Made
- Flexibility of the Form Based Code
- Uncertainty of Initial Focus Area
- Residential Uses Downtown
- Critical Importance of Off-site Utilities Costs
- Role of Transit

Higher Property Values

Property values in Downtown tend to be significantly higher than regional averages, thereby creating a substantial added development expense.

Parking

Parking, and specifically the typical need for structured and/or off-site spaces is a unique and expensive consideration for Downtown development. Much of the Downtown is parking- exempt meaning that no on-site spaces are required. However, most development projects have a substantial demand for close-in and in some cases secure and/or assigned parking. If structured parking is constructed for a Downtown building it can account for about of 25% of the total project cost.

Major Decisions Still Needing to be Made

There are some important “cart before the horse” decisions that still need be for Downtown in order for a coherent infill strategy to be devised. These decisions primarily have to do with large potential public/private anchor uses and major facilities.

Although they are many options for locating uses and structures that will occupy a footprint

of one square block or less, very large uses such as the potential C4C Sports and Events Center have very few location options. If and when these types of major facilities are finalized and implemented, these decisions will greatly impact the market for, nature and character of other development. Moreover, as more incremental development occurs in the Downtown area, options for large facility location will become further constrained. Additionally, if located Downtown, these larger venues will drive the need for large amounts of parking. It is therefore helpful to make decisions on major public/private projects earlier in the process.

As of mid- 2014 the Sport and Events Center is arguably the most uncertain of the four C4C proposed C4C projects. Until and unless plans for and timing for them become more defined, it could be challenging to move forward with other accessory development decisions and activities.

Certain other key facilities may not require lots space, but they will have an outsized impact on the pattern and demand for new development. Examples of this category include a relocated and expanded Downtown multi-modal transit center and any major and more robust transit lines. For example, if streetcar lines were implemented in the Downtown area, these would serve as catalyst for density and redevelopment in their immediate vicinity.

Viable decision options for these major and key uses can take different forms. These could include near term choices to either actively move forward with or abandon an option or to designate and preferably preserve one or more sites pending a future decision.

Flexibility of the Form Based Code

The recently-approved Downtown Form Based Code (FBZ) allow for greater flexibility in land uses, building heights and densities, as well as reduced project approval times. What the FBZ does is further reduce the impediments to the land use mixing and adaptation that are especially typical of a Downtown environment.

Uncertainty of Initial Downtown Focus Area

Although the FBZ District represents a positive incentive for Downtown infill, its extent and permissiveness of the FBZ District may make it difficult to establish phased areas of focus for initial public and private investment. Even without potential extensions south and west of the Interstate, the current FBZ area already has the high rise capacity for multiple decades of reasonably predicted growth. Therefore, within the larger Downtown FBZ area, private development interests and the City will need to converge on areas of primary redevelopment focus for the next few decades. It is generally assumed and expected that the initial areas of focus for larger projects will be predominantly southwest due to the convergence of plans and available land ripe for redevelopment. Smaller projects, such as residential infill, could be more widely scattered, but presumably would occur mostly in the south ½ of Downtown.

Residential Uses Downtown

There are unique challenges associated with provided integrated higher density residential uses within and near Downtown. Downtown real estate is relatively expensive and costs of producing multi-level residential units in this

environment are higher.³⁶ As described in **Table VIII.1**, the demographics of Downtown residents are likely to be skewed toward younger professionals and older/ senior adults, in both cases without children. Downtown residential development of a given quality and square footage will inherently be more expensive to produce. For the demand to be created, certain amenities that do not exist now, will be needed. The 2012 ULI Downtown Report projects a demand for at least a few thousand additional residential units in the greater Downtown area. It also identified some of the most critical supporting uses and conditions. As of mid-2014 only a very small number of added Downtown residential units have progressed as far as the development approval process. However, it is likely that one or more significant residential project announcements will be forthcoming within the next year.

³⁶ Some of the more significant contributors to these higher building costs include the need for structured or off-site parking and elevators

Table VIII.1 - Selected Socioeconomic Characteristic for Downtown Colorado Springs

2010 Census and ACS	Immediate	Catchment	Metro Area
Total Land Area (square miles)	2.8	10.5	2,688.5
Total Population	9,559	40,050	645,613
Population Density (per sq. mile)	3,411.8	3,799.4	240.1
Ethnic/Racial Minority (percent)	26.9	25.9	27.3
Median Age	31.0 *	38.0*	36.2
Owner-Occupied Housing (percent)	30.5	46.9	65.2
Households with Children (percent)	13.7	19.3	32.9
Husband-Wife with Children (percent)	6.5	10.5	23.4
Different Residence One Year Ago (percent)	47.2	30.7	22.3
Median Household Income (2010 USD)	\$31,265*	\$39,141*	\$56,358
Per Capita Income (2010 USD)	20,280	24,866	27,974
Poverty Status (percent of individuals)	24.2	19.7	10.9
Less than High School (percent)	12.3	11.7	7.5
Bachelor's or Higher (percent)	30.7	31.3	34.8
Non-English Native Language (percent)	10.9	11.1	11.3
Drove Alone (percent of all workers)	57.4	69.4	77.1
Public Transit (percent of all workers)	2.8	3.2	1.2
Walked (percent of all workers)	18.9	7.3	4.5

Source: U.S. Census and ACS, 2010; Immediate Area is comprised of the four Census tracts encompassing Downtown; The Catchment Area includes all the directly adjacent tracts to these; * = weighted averages

The conventional suburban land use progression model is not very applicable to

Downtown. With suburban development, the progression flows naturally based on market demand. Residential (most often single-family development) occurs first, then creating a demand for supporting multifamily, retail, services and office uses once a sufficient number of single-family rooftops are in place. With Downtown, some non-residential development is already there, but a number of the key supporting uses for housing (e.g. desirable food stores, convenient residential services and hardware stores) are missing. This results in a degree of market failure or stalemate that needs to be overcome in order for the residential market to naturally occur. To break this stalemate, it is strongly arguable that some strategic public incentives need be provided. These could take the form of subsidizing additional “pioneering” residential projects, to in turn create a threshold of demand for the missing services or amenities. Alternatively, the most critical services or amenities could be incentivized, thereby eliminating these key market barriers.

Critical Role of Off-site Utilities Costs Downtown

The importance of proactively addressing off-site utilities costs as part of an infill and redevelopment strategy is addressed in Chapter XII. This could be particularly important for Downtown because the combination of densities, uses and locations for major new development is uncertain.

Special Role of Transit Downtown

The following section addresses the overall importance of transit in an overall infill strategy. However, the type, location and level of transit

services and facilities will be a particularly important component of a Downtown development strategy. This is in part driven by the concentration of density and uses in Downtown and its central location. The highest density uses will need to be served by a transit system that evolves to serve “choice” riders in addition to the transit-dependent. From an economic development perspective, viable transit connections to the balance of the region and other Front Range communities will be important.

Downtown Supporting Conditions

As discussed in Chapter IX there are core-level supporting conditions that need to be in place in order to incent persons and businesses with a choice to invest, reside and work in infill and redevelopment areas. Especially important among these is the public safety. In addition the meeting core public safety needs, Downtown also some relatively unique issues with a larger homeless and/or transit population. Also, Downtown is a complex place and a myriad of organizations have a role in providing basic maintenance and services. Cooperative and effective management of maintenance and services will be essential going forward. Regardless of demographic assumptions for Downtown residents and employees, having access to desirable schools, reasonably maintained parks/community facilities, adequate social services, and a functional transit system are all prerequisites to infill success.

Importance of Activity Centers and Corridors

Introduction

After recognizing Downtown as a special place, the next geographic level of infill prioritization would arguably be major activity centers and arterial transportation corridors. These existing and planned areas of the City tend to be where higher densities and uses more vulnerable to intensification and change are clustered. These locations are also where high levels of transportation capacity are now available or are planned for the future, albeit not necessarily for transit.

Mature/ Redevelopment Corridors

Mature/Redevelopment Corridors are identified in the City Comprehensive Plan. Presently there are ten (10) of these including areas such as much of central and South Academy Boulevard, as well as North Nevada and South Nevada Avenues. These properties are predominantly non-residential in nature and often the existing uses are outmoded any may be experiencing higher rates of vacancy.

Mature/Redevelopment Corridors are particularly important in an infill strategy because they are especially vulnerable to land use change, there is a City incentive to promote revitalization and a there is a stronger likelihood that proposed new uses may differ significantly from existing uses and plans.

Newer Corridors

Newer arterial corridors will also be important in an infill strategy for somewhat different reasons than mature ones. Because of the sequencing of development, there is often delay in the buildout of parcels directly adjacent to major corridors compared with the more typically residential properties that are ordinarily set back some distance away from these routes. Ordinarily, the residential tracts are developed first and the non-residential uses follow. Development directly adjoining these newer corridors often lags considerably behind the balance of the area, thereby resulting in infill type scenarios. These impacts may not be that challenging or pronounce if the eventual development follows closely with previously approved master plans and zoning. However, the inherent land use dynamism along these corridors often manifests itself in substantial changes to original expectations. One of many examples is the former ntel facility located west on Garden of the Gods Road. It was never occupied for its original intended high tech manufacturing purpose and has recently been repurposed as an El Paso County Citizen's Service Center.

Regional, Activity and Employment Centers

Again comparing with most residential areas much of the future "action" for infill will occur in regional, activity and employment centers, because these areas are inherently more dynamic. On this basis, areas designated in the City Comprehensive Plan as a Regional Center, an Activity Center, an Employment Center of a New Development Corridor are assumed to have some infill favorability. This is based on

the permissiveness for land uses and potential for mixed use and density allowed for in these designated areas.

Older Areas and Targeted Areas

More mature areas are highlighted and weighted for potential infill priority because the structures and uses in these areas are more likely to have reached their life cycles. These areas are also more likely to not have the benefit of large area privately-initiated master plans/

Somewhat similarly, areas that have formally been designated or given preference for revitalization are given a positive weighting. These include Neighborhood Strategy Areas, Enterprise Zones, Urban Renewal Areas, and the entire Academy Boulevard Corridor Great Streets Plan area. It should be noted that at this time low income by itself is not used as a weighting criterion.

Other Economic Priority Areas

There will be areas of the City where development and reinvestment may be a priority for reasons divergent from infill. The classic example might be a major facility for a primary employer that either logically has to be located in a greenfield area or chooses to do so for more discretionary reasons. Other priorities might need to occur for large sales tax generators regardless of location. Additionally, for some neighborhoods there will be a need and desire to publically reinvest more to maintain the current uses and densities rather than to foster much land use change. However,

these instances of mutual exclusivity in strategy are expected to be fairly rare. In the majority of cases any other economic development priority areas for the City should mesh well with infill priority areas.

Conclusion

Due to a combination of factors including the size of the City, its maturity, reduction in the supply of fully vacant infill sites, fiscal factors and socioeconomic trends, it is quite likely that the model of infill will continue to evolve from one of vacant land absorption to more of a redevelopment focus. Because infill as an activity and issue can occur in a wide variety of places and take many forms, a coherent and successful strategy should be based on priority activities and areas.

Chapter IX- Supporting Needs and Conditions

Introduction

There is a high probability that infill will not be successful in areas where the basic supporting needs and conditions of residents and businesses are not being met or even if there is a perception that there is not. Some of these key supporting conditions include:

- Public Safety and Crime
- Schools
- Parks, Recreation and Community Facilities
- Maintenance of Streets and Other Public Infrastructure
- Transit Services

Public Safety

Introduction

For infill to succeed, first and foremost is there is a need to feel reasonably safe and secure. If this need is not being met in certain areas of the City, businesses, investors and residents with the means to, will select other areas to live or invest in. This eliminates the economic driver for most infill activities. High quality fire protection and emergency medical response are key components of the bundle of municipal services necessary to support the community. However police protection and crime rates tend to be more acutely important from an infill support perspective.

Positive Factors

In spite of the recent economic downturn, the total numbers of crimes in Colorado Springs is generally decreasing, consistent with a similar reduction in national rates. This reduction would be somewhat more pronounced if it were converted to a per capita rate.³⁷

Moreover, the City's overall crime rate compares favorably with national figures.

Tables IX.1 and IX.2 present some of this recent data from Colorado Springs Police Department (CSPD).

³⁷ Annual estimates provided by the Colorado State Demographer indicate that the population of the City has grown by about 6% over the past 5 years.

Table IX.1 Selected Colorado Springs Crime Statistics by Year

	2007	2008	2009	2010	2011	% Change 2000 to 2011
Murder	27	24	15	20	29	+ 45%
Rape	285	334	342	314	323	+ 2.9%
Robbery	528	517	525	526	454	- 13.7%
Agg Assault	1144	1124	1084	1091	1069	- 2.0%
Burglary	3180	3399	3305	3452	3322	- 3.8%
Larceny	11883	11535	10340	12053	11423	- 8.5%
Motor Vehicle Theft	1462	1117	1048	1269	1161	+ 3.0%
Arson	109	108	102	100	103	+ 3.0%
Total	18,509	18,050	16,659	18,725	17,781	- 5.0%

Source: CSPD, reported by federal "Index Crime" categories

Table IX.2**CSPD Clearance Rates with Comparison to National Averages**

	2007	2008	2009	2010	Prelim 2011
CS Violent Crime	51.9%	52.4%	52.3%	53.8%	49.0%
Natl Violent Crime	38.2%	38.9%	40.8%	41.0%	Not Available
CS Property Crime	21.4%	22.4%	22.7%	18.6%	18.8%
Natl Property Crime	14.3%	15.1%	16.3%	15.7%	Not Available
CS Index Crimes	24.6%	25.7%	26.2%	22.3%	22.0%
Natl Index Crimes	18.0%	18.9%	20.2%	19.6%	Not Available

Source: CSPD

Additionally, Colorado Springs ordinarily has higher rates of “clearance” for those crimes that are committed.

There is also a positive correlation between most infill development activity and corresponding reductions in crime. Increased economic development activity often displaces criminals, creates conditions where crime is less likely to be successful, and also provides an environment less conducive to fostering criminal behavior.

Continuing Concerns

Crime rates in Colorado Springs remain a City-wide concern and there are neighborhoods and areas where the proportional crime rates are significantly higher. For example, although the discrepancy appears to be narrowing, places like the Academy Boulevard Corridor planning area have crime rates on the order of 1.4 times the Citywide average.³⁸ Neighborhood surveys administered by the Colorado Springs Police Department (CSPD) also bear out the general coincidence of lower neighborhood engagement and confidence in police protection in many core areas of the City. Residents and businesses with the luxury of choices often “vote with their feet” by choosing not to invest or live in neighborhoods with real or perceived higher rates of crime.

Since approximately 2009, CSPD has experienced reductions in sworn officer and

especially civilian staffing along with a similar reduction in budgeting for a number of supporting activities such as community policing. Although there has been some ability to replace lost positions in 2013 and 2014, the per capita impact of this force reduction continues to be felt. Among the impacts of have been longer average response times and a reduction of services related to property crime.

Traditional policing using fully professional and sworn officers is a very expensive service. Even with its current staffing levels, which are substantially lower than national standards, CSPD alone still accounts for a large proportion of the entire General Fund, non-designated budgets of the City. Therefore, a holistic approach continuing a high level of public safety support will need to involve a combination of resources in addition to sworn staff. These “force multiplication” strategies may include expanded use of technology, community liaisons, private security and use of volunteers.

Summary and Future Options

Public safety considerations need to be one of the absolute lynchpins of a City infill strategy. Without a reasonable level of real and perceived safety and security, most other public and private investments in infill are not likely to be successful. Public safety success will require commitment to reasonable funding of CSPD staffing and operations, along with a variety of other strategies. These could include increased community involvement, technology, private security, augmentation of sworn officer capacity, and infill design that discourages crime. There is also a “chicken and egg” logic

³⁸ Data reported in *Academy Boulevard Corridor Great Streets Plan* (2011) and *Progress and Measures Report* (2012); Original data provided by Colorado Springs Police Department

involved. This is because successful infill almost always discourages crime. Furthermore, it decreases the high costs of addressing crime, and it enhances fiscal ability of the area better provide its share of public safety funding

Schools

Introduction

Quality and high performing schools are an important part of the support structure for infill. Schools and school districts are unlike most other supporting conditions discussed in this Chapter, because, with their separate governance structures they operate largely outside of the span of control of the City and its enterprises. Nonetheless schools and school districts are addressed in this Paper both because of their high level of importance to the infill issue and because there are opportunities for partnerships and coordination between the City and school districts.

There are approximately eight different school districts that include significant territory within the current City limits. The predominant districts include:

- Colorado Springs District 11
- Academy District 20
- Falcon District 49
- Harrison District 2, and
- Cheyenne Mountain District 12

Table IX.3 depicts the County-wide enrollment trends for these five primary districts over the past 18 years. Although District 20 and 49 are catching up, D-11 remains the largest district in the regions. Unlike D-20 and D-49 in particular, the boundaries of D-11 lie almost entirely within Colorado Springs' city limits D-11 functions as the 'core or mature area district for both the City and the region. Currently, the average age of its active school facilities is in excess of 45 years. D-11 has had declining growth, which in combination with the opening of several charter schools, has resulted in the need to close or repurpose close to 2 dozen schools within the past decade.

Harrison D-2 serves the SE sector of the City. After experiencing rapid enrollment growth into the 1990's its enrollment has leveled off. Its facilities are much more modern than D-11's, and to-date there have been limited closures or repurposings.

With the development of Briargate and other areas generally north of Woodmen Road, Academy D-20 was a focus of rapid enrollment and capital facilities activity in the 1980s through the 90's. Although enrollment growth continues, its rate of change is declining at least compared with its base. The majority of facilities in D-20 are less than 3 decades old, and they generally have a high utilization rate. As D-20 matures, it may experience localized demographic changes which could have a significant impact on its facilities and services.

Falcon District 49 is emerging as the high growth district in the region (and State) by

virtue of its extensive geography and location in the path of growth west of the Powers Corridor. Obviously, Falcon continues to be in major capital facilities expansion mode.

While considerably smaller than the other four in geography and enrollment, Cheyenne Mountain D-12 has experienced significant enrollment growth over the past two decades likely in part due to its ability to attract “choice” students. Because D-12 has limited remaining greenfield development capacity within its boundaries, it can be expected to evolve more so into a mature area district.

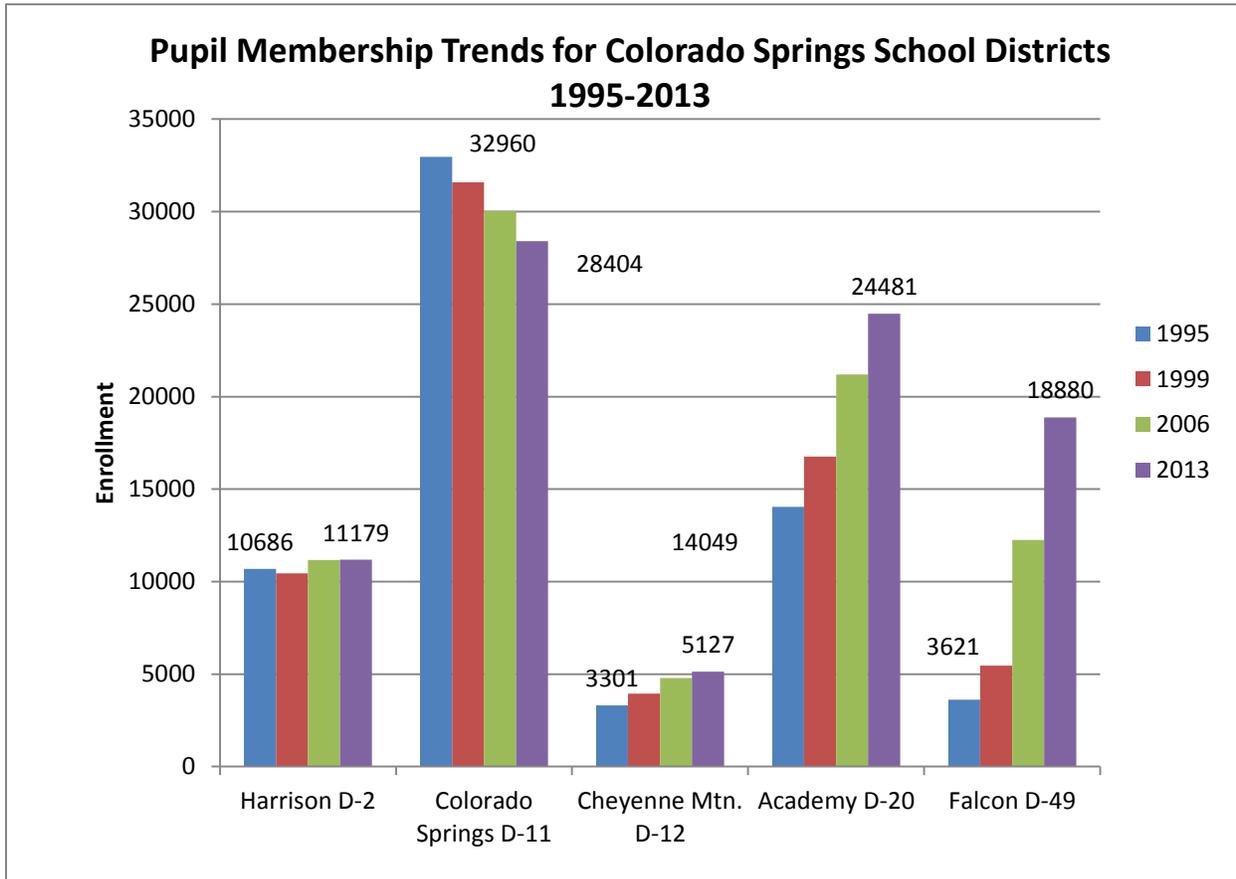
These five districts have substantial differences in characteristics including but not limited to:

- Academic Performance

Facility Condition

- Socioeconomic Characteristics of Student Population
- Property Tax Rates
- Growth Rates and Facility Capacity
- Related rates of ‘school choice’ within and among districts

Table IX.3



Source: Colorado Department of Education; Numbers include District Chartered but not State Chartered Charter Schools, and all enrollment regardless of municipal or County jurisdiction

Public School District Challenges Related to Infill

Demographics and Household Sizes

With some notable exceptions, public school system academic performance in older established areas of the City typically lags behind newer areas. As with crime and public safety, residents will often “vote with their feet

if they know or perceive that their particular school district has attributes that they find more or less desirable. Sometimes the choice is indirect and based on a perception that overall property values or business opportunities will be adversely impacted by the performance of public schools. Traditionally, the trend has been for motivated families with the economic means to gravitate toward newer areas with newer schools and higher concentration of similarly-situated younger, higher income or more upwardly mobile families. A related typical pattern is for neighborhoods to go through a cycle wherein student populations are initially high and then trail off as the housing stock becomes older and a certain percentage of residents age in place. This impact has been exacerbated by the overall long term decline in family sizes. However, it is also not uncommon for neighborhoods to eventually “turn over” and be repopulated with younger families.

As further described in Chapter III, in 2010 only about 21% of all households in this region consist of two parents with children of 18 or younger at home. Only about 30% of households of any type included children age 18 or younger. For younger professional households and many seniors, the influence of the local school system on location choices may be relatively unimportant.

Overall, the school-age population of the City that does remain, is much more demographically diverse than the overall population (refer to **Attachment 2**). Moreover, because the growing private, charter and home schooled cohorts are generally less diverse and more affluent, traditional public school student

populations end up being that much more diverse.

Charter Schools and “School Choice”

Two additional trends and factors that influence the role of school districts and public education in infill areas are the increase of charter schools and the overall predominance of school choice. In El Paso County there are now at least 30 charter schools³⁹. These are predominantly located within City limits with the majority in D-11. By their nature charter schools tend to draw students from wider areas and not just their immediately surrounding neighborhoods. Although a successful charter school may contribute to the vitality and attractiveness of a mature or redevelopment area, the trend toward charters can also put pressure on the continued viability of remaining traditional schools.

School choice is a dominant trend in national, State and local public education. Under Colorado law, a parent generally has the right to enroll their student in any public school of their choosing as long as it has the capacity and resources to meet that student’s academic needs. “Choicing” occurs internally within larger districts, between districts and between traditional schools and charter schools and/or alternative schools.

With the trend toward school choice, an increasing percentage of students do not attend their home schools. Quite a few students

³⁹ School can be chartered either at the district level or by a State process.

choice entirely outside of their district boundaries, while an even higher percentage of students attend a different in-district school than their home school. In D-11 for example,

(refer to **Table IX.4**). Moreover, this table does not account for the large share of students in this district who choice out to other districts or who attend private schools at any location. Harrison D-2 by comparison does not really administer home school boundaries at all.

Recently, D-11 calculated that about 25% of all the students residing within their boundaries

over 33% of all enrolled students attend school located outside their home school enrollment boundaries.

were not attending their schools. This was due to a combination of choices to attend private schools, attend schools in other districts or pursue and home schooling. Infill-related impacts include reduced overall community connections with the districts and the fact that neighborhood schools are either no longer available at all, or may become less associated with a particular neighborhood.

Table IX.

Colorado Springs School District 11 Summary of Student CHOICE Permit Activity April 2012					
Level	Students attending school of residence	In-district students attending District charter school	In-district students attending other non-charter D11 school	Out-of-district students attending D11 schools	Total enrollment
Elementary	68.3%	3.3%	20.0%	8.4%	14,026
Middle	72.3%	1.3%	21.0%	5.4%	6,047
High	58.3%	4.4%	25.3%	12.0%	8,050
Total	66.3%	3.2%	21.7%	8.8%	28,123
<i>Excludes preschool, detention center, adult education and community-based programs.</i>					

Source: School District 11 staff, 2012

Facility Age and Condition

School facilities also age over time, and can become less physically desirable, especially without high levels of both ongoing maintenance and longer term capitalized maintenance. Under Colorado’s method of public school financing, base level operational funding is provided in accordance with State-

level formulas that guarantee a minimum per pupil funding allocation. However, the voters of each individual district are largely responsible for funding any capital needs by voting for increases or retention of property taxes. They also have the option to approve mill levy “overrides” for enhanced operational purposes. In high growth school districts in greenfield

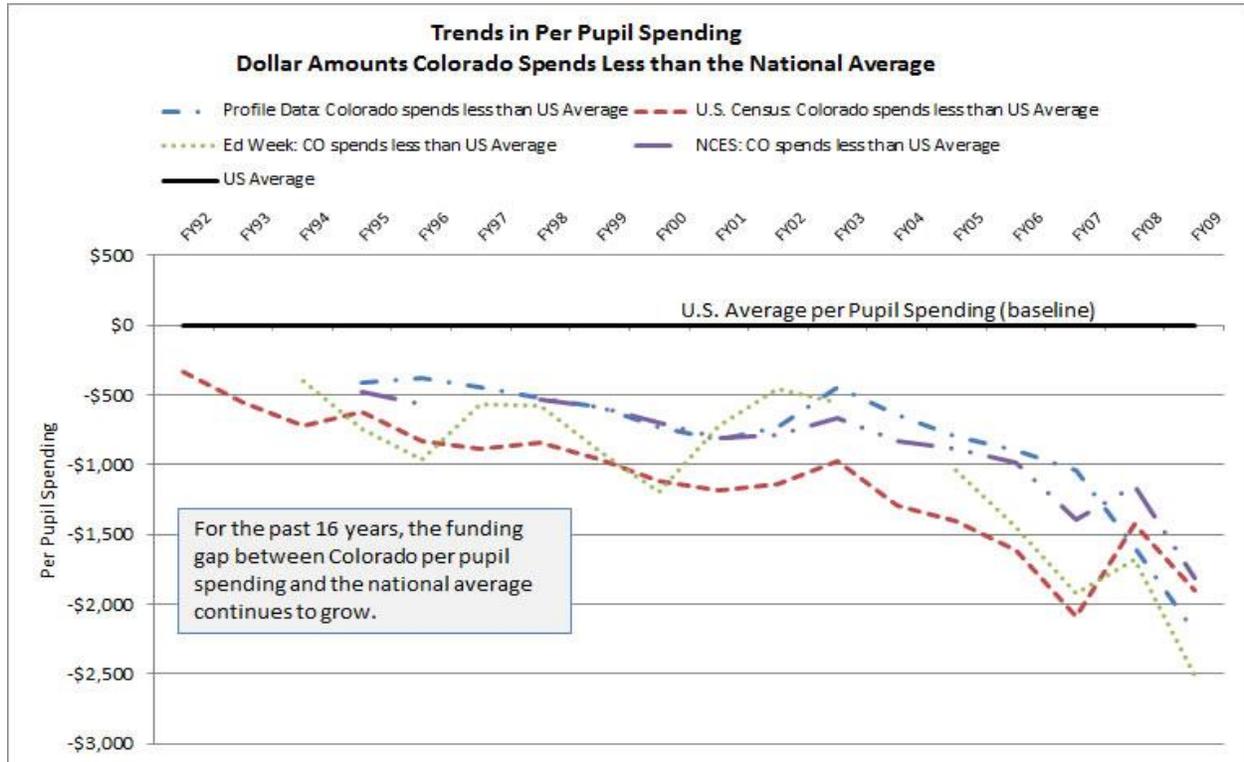
areas typically go through a phase where their voters are asked to incur high levels of bonded indebtedness to construct needed additional facilities.

More established lower growth school districts (more typical of infill areas) do not have as much pressure to incur major indebtedness for new capacity. However, with lower proportions of directly benefiting or more affluent voters within their boundaries, core area school districts typically have more difficulty garnering voter support for either capital refurbishment or operational override ballots issues.

The overall trend for public school financing in Colorado is not particularly upbeat as evidenced by **Table IX.5**.

As Colorado Springs grows and matures, the school financing challenge for most districts will further shift. It will change from providing additions to total capacity to a combination of maintaining operational services to students, maintaining older facilities and adapting to sometimes rapid changes in demand within their generally developed areas. Some districts, such as Falcon District 49 will be experiencing both trends at the same time, with some of their areas and facilities beginning to age significantly, while experiencing very high rates of growth in others.

**Table IX.5
Colorado Trends in Per Pupil School Financing**



Source: Prepared by Colorado Department of Education from various sources and provided by School District 11.

Opportunities and Mitigating Factors

Introduction

With aging facilities and growing fiscal constraints, District 11 in particular devotes a diminishing share of its budget to “aesthetic” purposes such exterior building maintenance and landscaping. This can have an adverse impact on surrounding areas because the school facilities and their grounds no longer have the same physical amenity value and “curb appeal” as part of the public realm.

For all of the challenges that associate public schools with the infill issue, there are also opportunities and mitigating conditions. These include:

- Capacity, Adaptation and Redevelopment Opportunities
- Mitigating Factors

Capacity, Adaptation and Redevelopment Opportunities

Infill areas often have ample capacity in existing school facilities and therefore do not have the challenge of having to finance and then construct expensive additional facilities via property tax-based bond financing. Because of this and the lower likelihood of other special districts in more mature areas, the overall property tax environment in infill areas can be favorable to reinvestment.

School facilities no longer needed for traditional purposes can be reused and become a different kind of centerpiece for neighborhoods. There are numerous examples in D-11 alone. These include several instances where that district has reconfigured facilities for non-traditional uses for its purposes. Examples include the closed Ivywild School being repurposed as a unique mixed use project, the Swigert Academy which continues to be a middle school but now draws from a City-wide population and has a special program. In other cases the facilities have been converted for use by other public agencies, with an example being the Westside Community Center. In still others the buildings have been conveyed to owners for private or not-for-profit development. The previous or ongoing integration of the former Lowell and Ivywild Schools into neighborhood redevelopment plans are examples of these.

Mitigating Factors

Although the overall financial, physical and academic performance condition of public

school systems is very important to the success of infill, it may not be entirely imperative. The first reason is the afore-mentioned fact that only a minority of all households have school-age children. For younger professional households and many seniors, the influence of the local school system on location choices may be relatively unimportant. The example of LoDo (Lower Downtown Denver) described in Chapter XIV would appear to bear this out. An extremely low percentage of households in LoDo have school age children. Closer to home, development of significant residential housing has recently been identified as a priority in redeveloping Downtown Colorado Springs. Although not unimportant, the locations, capacity and real or perceived quality of the nearest schools, will likely not be considered among the most important prerequisites to achieving success in this area.

Additionally, for those households that do have school age children, the importance of neighborhood schools has become somewhat diminished with the increasing manifestation of school specialization and choice including charter schools which has been previously noted. The same student mobility trends that may serve to disconnect schools from their immediate neighborhoods, can also serve to mitigate other infill challenges associated with lower performing or otherwise less desirable local schools

Summary of Schools as a Supporting Condition

In summary, public school facilities and services play an important and sometimes pivotal role in

the infill issue. However, from the City's standpoint, schools are more an externality than many other supporting conditions due to the separate governance structures. Schools are an important part of community infrastructure. In addition to having the potential to be focal points for neighborhoods, good schools directly draw motivated young families to live and invest in their areas. Other developers and property owners are more apt to invest in areas with desirable schools. However, certain amounts and types of infill can occur in the absence of higher performing and desirable schools. This is because the preponderance of all households have no school-age children living at home and because of the impact of and

options for school choice for those household that do have children.

Going forward, there will be need and opportunity to both generally reinvest in mature area schools and their districts, and also to continue to adapt and innovate in response to changing conditions. There can be a fairly direct synergy between the success of infill and the success of schools. Infill creates higher tax bases for both the district and the City. Existing and excess school capacity can also be leveraged both as a cost savings compared with having to construct new buildings, and as opportunities for adaptive re-use.

Parks, Recreation and Community Center Facilities

Introduction

“Green infrastructure” is a significant part of the supporting fabric of the entire community, but has a distinct and particularly important role in infill and revitalization areas. Generally, infill and mature area reinvestment is more likely to be successful if it is supported by a system of parks, trails and related outdoor spaces that compliment the activities and create an incentive to for residents and businesses to want to reside and invest in these areas.

Much of the City is well served with a fairly dense physical network of neighborhood, community and regional parks as well City as trails, open spaces, community centers, sports complexes and special facilities. Altogether the City maintains approximately 212 parks of various types, along with several community and recreation center, and about 264 miles of paths and trails.⁴⁰ These facilities represent a legacy of prior donations, City acquisitions and investments and developer dedications and contributions. In some recent cases, special districts have also played a role.

Physically, many mature residential areas of the City are similarly well served with various parks and recreation facilities, including street medians in some cases.

There are some inner ring early suburban development areas such as the central Academy corridor that have a relative shortage of neighborhood-level parks and trails. This is due in part to the lower development standards and expectations that were in place at the time. In particular, from the 1950’s through the 70’s the importance of trails was not as strongly emphasized as part of the green infrastructure network.

The two major challenges associated with green infrastructure in mature and potential infill areas have to do with adapting and maintaining facilities that already exist and integrating new ones as redevelopment occurs.

Two Tier System

Over the past several decades there has been a trend toward increasing developer and local property owner responsibility for developing and caring for parks and related community facilities such as medians, common areas and recreation centers (also refer to Chapter XV concerning the use impact of special districts). In some cases, developers in new areas simply front end the costs of developing “standard” parks and related facilities to avoid what would be protracted delays if they relied on the City. But in others, they also provide augmented features or services (such as recreation centers or landscaped medians) that extend beyond the current standards of the City. Ordinarily, the City will not take on operational responsibility for small pocket parks, landscape features and community meeting places. These need to

⁴⁰ Data derived from Parks, Recreation and Cultural Facilities Department inventory spreadsheet, which may be consulted for greater detail.

be owned and operated by entities such as districts or property owners associations.

Over much of this period this shift from General City to developer or special area funding most likely provided a net advantage to more mature areas of the City because the City continued to invest in and maintain all of its existing park and recreation facilities to a high standard. However, during the past several years this dynamic has changed significantly with the impact of severe structural budget cuts to this City function. The result has been a lowered standard of maintenance, operations and reinvestment in all related City facilities. This has included a lower level of attention to urban forestry and streetscapes.

Because newer areas tend to have (and separately pay for) a higher level of facilities and services, a two-tier standard has begun to emerge between these and most older areas. For many infill areas, a big challenge will be implementing alternative approaches and finding the resources necessary to reinvest in, maintain and operate what are generally adequate existing parks, recreation and streetscape features (also see next section addressing street maintenance). If these green-infrastructure resources become disinvested beyond a certain threshold, it will create a disincentive for infill.

This same combination of developer pay philosophy and limited General Fund resources will make it difficult for the City to directly fund or take operational responsibility for any new parks and related facilities.

Residential Parks Focus

For several decades the City's parks land dedication requirements and their planning standards have understandably had a strong residential area bias. Developers are required to dedicate park land based on the number of dwelling units they are proposing and not on their total square footage of development. Correspondingly, the City's standards for park location and spacing are oriented almost exclusively to residences and not to other land uses. With the exception of a few legacy public spaces in the Downtown area, the City has generally not planned or taken on responsibility for parks in non-residential areas. This includes public plazas and places. Where these exist, they are most often the responsibility of a private property owner or association.

Given the assumption that many infill activity and priority areas will focus non-single family residential areas, there will be needs to retrofit areas with small community parks, community gathering places and related facilities, and then continue to operate and maintain them. A share of this demand will need to be provided and financed by the locally benefiting property owners. However, there will also need to be a role for the City in providing for and/or maintaining this critical local-scale green infrastructure in traditionally non-residential areas.

Summary of Parks, Recreation and Cultural Services as a Supporting Condition

Well designed, integrated and maintained parks, trails, recreation and related community facilities will be an important part of the structure necessary to support successful infill. Sustainable adequate funding of existing parks and recreation infrastructure will be necessary in order to incent continued investment in mature and infill areas. And, a variety of innovative approaches will be necessary to provide and maintain new facilities and services, particularly those needed to support major redevelopment projects in areas with limited existing facilities. There will be a need to capture some of the value of infill development for the purpose of funding the construction and then the operation of these community facilities.

Maintenance of Streets and Other Public Infrastructure

Reasonable City maintenance of streets, roads, storm water and similar facilities is important to support an overall infill strategy. This is because liabilities tend to accrue and compound in older developed areas and because secondary maintenance mechanisms such as districts or property associations are less likely to be available.

As of 2012 Colorado Springs had over 7,400 miles of streets and about 450 bridges to maintain, as well as about 531 miles of completely missing sidewalks. The City also maintains 476 miles of closed storm drains, 250 miles of open channels and 72 detention ponds. Altogether the calculated CIP cost for the bridges is about \$200 Million and the cost for the storm drainage facilities is about \$498 Million. As a general rule these existing replacement and major maintenance liabilities tend to be focused in more mature areas, some of which will be amenable to infill. This is logical because the facilities in more mature areas are more likely to have reached the end of their design life and/or be inconsistent with modern standards. Therefore, the City's financial ability to effectively address these existing deficiencies will be particularly important to infill. These improvements may be necessary to allow infill development to occur at all or may serve to encourage the development by adding some combination of capacity or additional amenity value.

If resources such as general City, State and federal or Pikes Peak Rural Transportation Authority (PPRTA) revenues are not sufficiently available to maintain this infrastructure in core areas, residents and businesses will be less inclined to remain or reinvest. Developers, will be less likely to invest in these areas, certainly because there will be less market demand, and possibly because their infrastructure-related costs will be higher.

Therefore, funding programs such as the existing PPRTA, and potential future storm water and streetlight maintenance funding solutions are particularly important for these areas.

As mentioned in the preceding section on parks and recreation, maintenance of streetscapes will be an important consideration in some infill areas because the overall general City standard is very minimal. This will require innovative approaches including streetscape partnering agreements and the use of special structures and arrangements such as special districts and property associations in order to finance and take care of these features.

Transit Services

In larger cities there is a distinct interrelationship between transit service and higher density land uses. Robust transit facilities and services additionally serve as the focal point for development reinvestment. Robust transit systems are defined as those designed and operated with sustainably high levels of service, with fixed, well defined stations and stops and other facilities of a quality, permanence, visibility and multi-modal

access sufficient to provide an incentive for significant transit-oriented development and other related investment. Infrequent fixed route bus service with only minimally identified stop locations would not be considered robust, because this service would be considered too insubstantial and potentially transitory to risk basing a substantial economic investment on.⁴¹ On the other end of the spectrum, fixed guideway transit such as light rail or streetcar with a sustainable funding source, represents a combination of investment and permanence that can potentially incent long term private investments. There are options between these extremes such as Bus Rapid Transit (BRT) that could be robust enough to enhance redevelopment. However, these options are all reliant on sustainable funding.

To some extent, this is a “chicken and egg” relationship because density and transit oriented development are required to provide a wider demand for transit. However, without robust transit facilities and service planned or in place, it is difficult to achieve the required densities and orientation.

Integration of robust transit and land use in Colorado Springs is particularly challenging. Reasons for this include our dispersed auto-dependent land patterns, current ridership that is largely limited to the transit dependent, and only limited dedicated transit funding sources. The current fixed route bus and para-transit

service meets much of the basic service demand of the transit-dependent, but it does not materially influence the location and demand for land uses and density.

Nationally, there are very few geographic areas where the majority of all vehicle trips or vehicle miles are taken by transit, even when robust transit systems and services are available.⁴² Nevertheless, the availability of more robust transit service can play an outsized role in both dictating where higher density infill/redevelopment activity can occur and in stimulating its success. Even in Transit Oriented Development (TOD) areas where single occupancy vehicles (SOVs) continue to be the predominant mode, the availability of transit is what supports the plans for higher density and one of the primary causes for it to happen.

There are numerous case studies from around the country that document this impact of transit on densification and infill projects. One recent example is from the “Red Line” light rail corridor connecting the University of Houston with Downtown Houston. In this traditionally auto dependent city, private real estate values in the five activity centers along this 7.5 mile corridor rose by over \$4 Billion during the 7 years from 2003-2010, representing over a 60% increase during the period. Well over 50% of this increase took place in within ¼ mile of just four transit stations.⁴³

⁴¹ A recent example would be a the free DASH bus service that served the Downtown/ Tejon Street corridor in the 2008-2010 time period, but was then suspended. Although the trips were frequent , the system was not of a permanent design and there was no sustainable funding source.

⁴² Report 95- Transit Cooperative Research Program and other sources and observations.

⁴³ Red Line Economic Impact Study, Metropolitan Transit Authority of Harris County, Texas (METRO); this red line was put in service in 2004

It is also important to note that there are certain infill density thresholds that cannot be effectively achieved without higher levels of transit facilities and services. Back in approximately the Year 2000 City and regional transportation models were run with various scenarios including a high infill alternative. What this modeling understandably demonstrated was high levels of transportation congestion in the absence of an increased transit share. More recent (2011) modeling done by the Pikes Peak Area Council of Governments reflects the same general impacts associated with an aggressive infill scenario. Moreover, these more intensive infill scenarios only work from a transportation standpoint if

The Region's 2035 Long Range Transit Master Plan pragmatically reflects a fiscally constrained system limited primarily to the current facilities and services. However, the accompanying vision plan in the document identifies the option for a robust system, including frequent/rapid transit corridors.

From an infill policy and planning perspective, it makes sense to somewhat focus areas of priority around even the currently limited fixed route bus service lines. Going forward, it will be important to orient a strategy around the identified frequent/rapid transit corridors and stop locations. More robust transit service will eventually need to result from a response to increased demand and recognition that proactive investment needs to be made on the supply side in order to spur continued reinvestment in core areas.

Chapter X- Staff and Stakeholder Input

Introduction

An informal but extensive stakeholder process has been undertaken to support creation of this Paper. **This primarily occurred in the 2012 time frame.** Stakeholders have included numerous groups and individuals representing a broad spectrum of interests. In large part this has been an iterative approach, with each group or individual being presented the materials, status information and conclusions up to that point, and with additions and refinements made to reflect new input. In some cases there has been a “cycle back” to share the more comprehensive results with stakeholders that participated in earlier in the process. However, in others some of earlier interviewees and participants have not had the benefit of this complete feedback loop.

Notes were taken in conjunction with most stakeholder interviews and presentations. Because of the extensiveness of the stakeholder process it is impractical to even fully summarize all of the input. However, this Paper is largely reflective of it.

Up to this point the emphasis has been on obtaining input from individuals and groups with a particular interest and expertise in infill or topics that pertain to it. Essentially this has been a glorified data collection, scoping, analysis and reporting effort. By design there has been no broader public process and there has been limited communication of this effort

to the general public or the media. Moreover, because there has been no organized committee or group process for agreeing on content or recommendations, this is not represented as reflecting an overall consensus of the participating groups and individuals

A robust public process is highly encouraged prior to refinement of the recommendations in the Paper and certainly before any potential implementation

There have been a few “key stakeholders” who have been asked for feedback on the larger report. In particular these included representatives of CONO and the Housing and Building Association (HBA)

Listed below are many of stakeholders who have been involved in this effort along with an extremely high level summary or their most significant input.

Summary of Stakeholders and Their Input

City Planning Staff

- Provided extensive continuing input into infill case study experiences and descriptions.
- Provided additional observations on potential Code changes to better support infill, along with their feasibility and implications

- Clearly indicates support for the majority of all infill and redevelopment projects sometimes in opposition to the positions of immediate neighbors.

City Management and Mayor

- Briefings with Steve Cox, then Chief of Economic Vitality and Innovation Officer and now Chief of Staff
- Recognizes the trends toward infill and its economic development importance
- Supports concept of comprehensive and extensive evaluation but focusing in on higher priority manageable next steps and implementation
 - -Recommends particular coordination with HBA and CONO
 - -General support for engaging CSU in collaborative process
- As of mid-2014, Mayor Bach has not been briefed on the contents of this Paper or its recommendations. However, he has clearly articulated infill as an issue of strategic importance to the City

City Council

- Represented by Councilors Val Snider and Brandy Williams⁴⁴.
- Have supported some meeting facilitation.

⁴⁴ Both were on Council during this process; As of 2014 Ms. Williams no longer serves on Council

- They support the premise of comprehensive evaluation of this topic
- They initially support of the concept of infill priority area and utility capacity approach.

Other Groups

Planning Commission⁴⁵

- Has been periodically updated; supportive of process
- Expressed some concern with broader definitions of infill
- Initial support of priority areas

LURAB (Land Use Review Advisory Board)⁴⁶

- Presentation early in process; interested and supportive of effort
- Recommend focusing in on high priority areas such as Downtown and corridors
- One area of focus should be areas of available Utilities capacity
- Some frustration with: "We already know much of this, so it is time to move forward"
- -Recommendation to look at other communities and take

⁴⁵ Primary presentations and updates occurred in the 2012 time period. The 2014 composition of the Planning Commission has changed somewhat

⁴⁶ The LURAB was a longstanding development review advisory board that has subsequently been disbanded.

- advantage of expertise of the Urban Land Institute (ULI)
- Focus on key barriers such as big box tap fees and reconnection fees (note: some of this has already occurred)
- Recommendation for advance planning with communities to pave the way for acceptable infill.

Urban Renewal Authority Board

- Amenable at that time to a more comprehensive City urban renewal policy with economic development and infill components; but this should emanate from the City.
- Agreed that redevelopment of existing built areas is a critical component of an overall infill strategy.

HBA Land Use Committee

- Very general overviews presented; details delegated to individuals primarily including Tim Seibert of NES (Mr. Seibert's comments are summarized below).

CONO Executive Board

- General presentation ; Board generally very supportive of this process

- Facilitated a survey of member associations
- Support advance planning with neighborhoods to better set stage for decisions on infill projects
- Encourage early collaborative communication with developers
- Recognize the need to support neighborhood businesses (complimentary and compatible)
- Agreed all neighborhoods are not created equal and so approaches and strategies need to be customized
- When infill incentives are being considered, the needs of neighborhoods and individual homeowners should not be ignored.
- More detailed meetings with Dave Munger as representative

HBA Policy Council

- No presentations or comments as of 2014

American Institute of Architects (AIA) Colorado South Chapter

- Periodic updates and presentations
- Very interested in and supportive of the process

City of Aurora

- Discussions and meetings on their infill issues, programs and approaches including their new Sustainable Infill and Redevelopment Zone District (see Chapter XIV)

Individuals

Jim Johnson, GE Johnson

- Discussion early in process
- Supportive of infill as essential for economic development of the region, especially Downtown
- Infill is inherently the right thing to do, and he likes doing it
- Views City staff and Colorado Springs Utilities as comparatively easy to work with compared with many other jurisdictions in the State
- Land cost and assembly are factors.
- Public tax sentiment is a factor. Low standards of investment in some public buildings reflect poorly on the Downtown
- Urban renewal area designations should be restricted to mature areas
- Incentives should have an “expiration date” so the developer has to follow up or lose them.

Bob Willard, Gold Hill Mesa

- Discussed Gold Hill Mesa ongoing infill experience in detail, including project challenges
- Neighborhood process (originally external and currently internal) has been a challenge throughout the project
- Concerns about “risk aversion” of staff regarding making decisions
- Passionate about infill and this project
- Contributed to Case Study

Jerry Novak, Classic Communities, HBA

- Toured University Park as an older infill case study
- Neighbor opposition was substantial and organized
- Significant mitigation was required

John Himmelreich, Mill Street Neighborhood

- Described his neighborhood’s experience with proposed Montgomery Center and how it coalesced their neighborhood and indirectly resulted in Mill Street Plan
- Take away is the importance of communicating with the neighborhood first and preferably in the context of having a plan already in place

- Basis of Plan is preservation of R-2 residential zoning area, with much more flexibility for the non-residential areas on the periphery
- -Stressed importance of limited external funding to support neighborhood process in less affluent areas without covenants and assessments

Chris Jenkins, Norwood Development and Downtown Development Authority

- Wide ranging discussion
- Infill areas are inherently tougher to develop for all the typical reasons
- Particular emphasis on importance of Downtown infill; okay for City to prioritize Downtown compared with other areas.
- “Downtown infill is not just going to happen”
- Off-street parking in particular increases the base cost of Downtown infill substantially
- Success of urban areas and projects will be tied to a successful Downtown.
- Downtown FBZ (Form-based Code) was a good start but there will need to be additional steps taken to incentivize Downtown development
- Steps need to be taken to minimize off-site utility costs especially Downtown and in other mature areas where the existing system should be considered amortized
- Utilities capacity issues should be comprehensively evaluated and

communicated, especially for Downtown.

- Provided detailed observations on electrical system improvements Downtown
- There has to be the basis for a market first in order to be successful with infill. Areas such as South Academy will be challenging because even with public investments and incentives, there may be limited market fundamentals. But we do need to invest and support these large core areas
- Being “pro-infill” does not necessarily mean being “anti-greenfield”. Both can work

Tim Seibert and John Maynard of NES

- Extensive conversations on many aspects of the topic including numerous case study examples
- Infill is inherently more challenging.
- Comprehensive Plan is largely irrelevant as a source of guidance for most projects (what is more typically referenced is the zoning standards along with site-specific topics)
- Discussed issue of available infrastructure capacity
- Concern that the recommended definitions are too broad to properly hone in on the important issues
- Need to recognize that the issues will vary greatly according to the context and stage of the project. For the Wyndham Downtown Hotel

- it has been all about how codes pertain to the inside of a building. For other projects the issues extend outside to adjacent properties and facilities
- Infill needs to be more than simply “filling in the gap in the smile” with more of the already surrounding land uses
 - “Neighborhoods need to be more than HOAs”
 - It is more difficult to do infill projects for a whole variety of reasons including process time, site complications, utilities policy and capacity issues, and the neighborhood input and integration process
 - Utilities cost recovery is less likely for infill projects
 - From a utilities standpoint, the goal of increasing residential densities and especially adding them to traditionally non-residential areas (e.g. Downtown) ends up being perversely challenging because these uses require more water capacity, which can be expensive.
 - Existing residential neighborhoods should not be left out of the infill equation as there is a potential major demand and opportunity for well-planned accessory dwelling units
 - Noted a need for an “urban framework” or urban design plan

Mike DeGrant, Lowell Redevelopment and HBA Land Use Committee

- Provided background on the Lowell Redevelopment as a case study
- Participated in conversations at NES

Les Gruen, Urban Strategies and Transportation Commission

- Discussion early in process
- “The most desirable communities have infill”; we should look to these examples
- Infill vision and strategies could be incorporated with vision for:
 - opportunity for young people
 - natural environment/climate
 - focus on jobs
- Beginning in the early 1990’s this community has become too passively dependent on the military and large non-profits (e.g. Focus on the Family) and major national corporations (e.g. MCI, Apple); we need to be strategically wiser, rather than simply depending on the market and outward expansion
- Definitions of infill and priorities should ultimately be pared back and focused in order to have a successful strategy
- Recommended a proactive approach; simply “getting out of the way” will not be adequate
- A more comprehensive urban renewal strategy would be advisable, along with the judicious

- ability to use condemnation authority.
- Comprehensive Plan provides very limited value for this issue on an ongoing basis; there are limits to the “consensus approach” that gives everyone something

Scott Smith, formerly with of La Plata (Briargate)

- Asked the key question- “Why should we care”?
- Emphasized need for economic pragmatism; need to meet the demands of the market
- Financial institutions are not traditionally geared to lend for infill projects
- Extensive contextual discussion of exactions, fees and services related to the infill issue (school finance, annexation agreements, drainage fees, impact of special districts and arterial reimbursement etc.)
- Noted challenges with the arterial reimbursement policy which stopped working in the 1990’s (because the City is no longer funding its share), and with drainage fee program being particularly problematic for mature areas

John Olson, Olson and Associates, Streetscapes Solutions Team

- Discussions early in process

- Talked in detail about Spring Creek development, where he lives
- Discussed potential infill emphasis areas including Downtown and west side, noting the recent retail success of Manitou Springs could be emulated (it is/was 100% leased)
- Recommended more use of FBZ (form based zoning) to more efficiently accommodate infill

Bill Schuck, Schuck Communities

- Very early in process (phone conversation)
- Offered early insights from Spring Creek project
- Described some challenges with various infill projects related to neighborhood opposition, City exactions viewed as disproportionate in some cases.
- Described situations where staff could have been a stronger advocate for infill.

Chuck Murphy, Murphy Construction and Downtown Solutions Team

- He sees planning approval, building permit and fire inspections processes as having been impediments to infill in the past (note: a number of these issues pertain to past experience with processes now improved)

- Because time is money, it is beneficial to have systems that allow plans to be walked through in one day
- Supports the idea of “ombudsman” and hearing officer roles
- There are still site-specific concerns especially if major changes in use, occupancy and old materials type are proposed.
- Provided insight into the importance of fire station location and response time to the infill issue.

Eddie Bishop, Smaller developer

- Historic or current interest in several projects
- Very supportive of infill
- Cost and impact of Utilities is project-specific and a matter of timing
- Although neighborhood issues and utilities can be impediments the bigger factor is the market and available financing.

Darsey Nicklasson, Prospective Downtown residential development advocate

- Is looking for “subscribers” for a Downtown residential project⁴⁷
- From her surveys she finds a latent demand

Brett Lacey, Fire Marshall

- Shared information on 1990’s and later CSU-funded fire flow enhancements that have largely addressed the large scale deficiencies that had affected many core area of the City.

Steve Engel, Griffis Blessing

- Discussion early in process
- His company has been involved in several projects including City Gate, South Cascade, South Nevada, Mill Street etc.
- Discussed potential of redevelopment of Goodwill site which is closing on West Colorado
- “Overall growth has saved us over the past decades, but with a more mature community, we need to grow up”
- We have some challenges with Utilities Policy; recovery is much less likely in mature areas
- A problem with larger urban renewal areas is the 25-year clock and the difficulty of resetting it if there have been substantial expenditures
- Downtown needs to be a special place with unique and tailored incentives different from those available for suburban areas
- People pay a premium to live in or near Downtown, but it needs to be even higher (like it is in LODO – Lower Downtown Denver) before

⁴⁷ Note: as of mid-2014 a first Downtown project has advanced to the detailed planning and approval stages.

- the market itself will induce construction
- There needs to be a balance between risk aversion (“no developer cost is too great if it might save a life”) and allowing for a potential return on investment. For example if a remodeled building is sprinklered, this greatly enhances safety and therefore could allow the potential for relaxation of other standards
 - TABOR and the Gallagher Amendment came at an inopportune time and combine to create a very low tax basis combined with a scenario where residential development essentially can never be shown to “pay for itself”
 - We are too sales tax-based, which was okay in high growth periods but less sustainable now.
 - In Portland when 8,000 new residential units were added to the core area, this greatly enhanced the property tax base. If this were to happen in Colorado Springs the direct fiscal impact to the City would not be nearly as positive.

Randy Case II and Bryan Long, Case International

- Their company has few current infill projects, with the notable exception of Spring Creek, but they are generally interested,

and have had experience in the past.

- Talked about genesis and status of Spring Creek project.
- Talked about the challenges of changing previously approved land uses even when the change will ostensibly be less impactful to the neighbors

Dave Munger, CONO President, Streetscapes Solutions Team, Citizen's Transportation Advisory Board (CTAB)

- Coordinated with Executive Board and constituent associations
- Need to differentiate/ adapt approach to different types of neighborhoods by age and type; older neighborhoods tend to be more diverse and experience more infill activity and issues
- Test for neighborhood is “how will it fit in, how does it fit my perception and how will it affect my property values”
- Traffic concerns are legitimate in some cases, but in others are a “red herring” for others such as those above
- Supports macro-neighborhood plans to assist in pre-determining types, extent and locations for infill that could be acceptable, thereby making process more predictable and certain

- Supports urban design framework planning, possibly in conjunction with the above

Toby Gannett, Chamber-EDC Board⁴⁸

- Briefing provided
- Very mindful of the implications of the broader socioeconomic trends
- Talked in general terms about the potential for recommending infill, urban renewal area and economic development policies which coordinate and integrate with the mission of EDC/Chamber
- Agreed on the key role of Utilities, including pro-active approaches and maximizing value of current investments

Brent Schubloom, Colorado Springs Utilities Systems Extension Manager

- Several extensive discussions and sharing of information regarding relationship of CSU polices, tariffs, regulations and programs- to infill
- Detailed discussion of overall CSU system improvement plans, and cost allocation with development.

- Case study examples including project-specific infill problem solving

Bill Cherrier, CFO Colorado Springs Utilities, with Elena Nunez (representing the economic development and business support functions Utilities)

- CSU recognizes the importance of infill, redevelopment and economic development to its future, and desires a proactive role
- For projects with substantial front-end costs, they are open to financing options that account for the marginal increase in revenue over time
- They are supportive of additional capacity analysis, mapping and further proactive system improvement planning and programming to support priority infill areas, such as Downtown
- They generally support the Utilities-related recommendations in this Paper and would like to pro-actively assist

Lou Galletta, AIA (American Institute of Architects) South Chapter

- Brought him up to speed on project
- AIA desires to be a partner in any infill strategy, particularly for Downtown

⁴⁸ The Chamber of Commerce and the Colorado Springs Economic Development Corporation have subsequently merged into the Regional Business Alliance.

- There is a close tie-in and potential value-added with the AIA Sustainable Design Assessment Team (SDAT) process
- Residential (both single-family and multifamily)standards should be increased to make these products more desirable and sustainable over the long term (energy codes is an example)
- We need to decide where the most intensive development should go

Ira Joseph, former Colorado Springs
Comprehensive Planning Manager

- Discussion very early in process
- Mostly focused on historical context of infill and mixed use topics related to the 2001 Comprehensive Plan and subsequent implementation process

Chapter XI- The Role of Neighborhoods

Introduction

Challenges associated with the neighborhood input process are often cited as a barrier to effective infill and redevelopment, and numerous experiences have been related through the stakeholder process. By definition, infill projects are much more likely to have close by or adjoining development, and these “neighbors” have varying opportunities to influence land use choices and processes. These neighbors may be residents, landlords or business property owners. Depending on the issue and the area, the interaction may be limited to only a few properties. Conversely, larger or more acute infill projects may involve the participation of numerous neighbors, either directly or through the involvement of associations.

Although neighborhood involvement ordinarily plays some role in many infill projects, City-wide experience suggests that it only becomes a major factor in a minority of all cases (refer to infill case study summary Chapter VI).

Neighbor involvement can occur with any land use action requires a discretionary approval either by City planning staff, the Planning Commission or City Council.⁴⁹ In cases where the formal decisions are made by staff, there is

an appeal opportunity to the Planning Commission and then potentially to City Council. Decisions that are the responsibility of the Planning Commission are always appealable to City Council. In practice, appeals of any type are quite rare. However, the availability of this option impacts the public process, and when appeals do occur they can add considerable time and cost to the process.

Mail notice is ordinarily provided to property owners in the immediate vicinity of a proposed discretionary land use change. If there is an active neighborhood or homeowners association, they are also notified. The planner and the applicant have discretion to hold one or more neighborhood meetings if there is an interest. These meetings add some time and cost to the process, but often create benefits including communication, a project better aligned to the needs of the neighborhood and the developer, and less potential of controversy later in the process.

From a developer or property owner’s perspective the risks associated with the neighborhood process fall into the following general categories:

- Risk of Project Denial
- Mitigation Risk
- Processing Time

Risk of Project Denial

Compared with greenfield areas, a discretionary project with close-in neighbors will have a greater risk of being completely denied. Although a developer can appeal staff or

⁴⁹ For projects in the Downtown Form Based Zone District, the Downtown Review Committee may also have a formal role.

Planning Commission-level denial decisions through to City Council, the risk is still there.

In practice, outright formal denial of a land use request is relatively rare. For example during the three-year period from 2009 to 2011 only eight out of almost 2,000 administratively reviewed and hearing-based applications were formally denied by Land Use Review Division staff the Planning Commission or City Council. This is due to a variety of factors. These include the generally permissive land use philosophy of the City, but also to the way the process works. More often than not, a developer or property owner's original idea or intentions for a property might end up being discouraged or frustrated prior to formal submittal. In some of these cases, actual or anticipated input of the neighbors might have been a factor in the decision not to proceed. It is difficult to measure and quantify this scenario of "informal denial". However, more often than not, the process is more incremental and may involve a first options being deemed infeasible, but replaced by another option that is more or less supported and approved.

Altogether, about 50% of the approximately 500-800⁵⁰ pre-application meetings annually conducted by the City's Land Use Review Division are not followed up by a submittal within a year or two of the meeting. However, there are a variety of factors that contribute to these decisions not to pursue projects, only some of which have much to do with the potential for neighborhood opposition. Based

⁵⁰ This total encompasses all requests that trigger a physical meeting including a significant proportion of site feasibility checks for smaller cellular communications towers.

on staff discussions, the predominant reasons for not moving forward are related to business and financing decisions.

Mitigation Risk

Although the probability of outright denial for an initially vetted infill project is quite low, these projects are more apt to have to make accommodations in response to concerns of neighbors and existing surrounding uses. These might be in the form of lower densities or more limited uses than otherwise preferred and supported by the site if it were in a greenfield condition. Additionally the developer may be required to provide facility and design accommodations (such as walls or landscape buffers) that might not be required if there were no pre-existing neighbors. Taken together these impacts often have a substantial impact on the relative profitability of the project.

These accommodations of neighborhood concerns may occur at any point in the process, although there are obvious cost, communication and planning advantages to working things out as early as possible.

Processing Time

Introduction

In infill situations the mere process of interacting with neighbors can result in protracted time lines and extended costs. Even if the developer eventually gets to the same approved physical project and requirements, a more protracted public process incurs higher consultant costs and (often more importantly)

an extension of the carrying costs for the borrowing necessary to finance the project.

The Rarity and Uniqueness of Appeals

Land decisions that are appealed to Planning Commission and/or City Council garner a lot of attention and occupy substantial staff and applicant resources.

Although processing time is often extended due to the neighborhood or adjoining property owner concerns, full appeal processes are extremely rare. During the 3-year period from 2009 to 2011 of 350 applications that were heard by the Planning Commission, only 9 were appeals of staff decisions.⁵¹ There were 36 Planning Commission decisions appealed to City Council during this 3-year period, although this number reflects multiple related applications in most cases, and there are some instances where adjoining owner input had little or no bearing on these appeals⁵².

More recently, all City Council agenda items pertaining to property-specific land use requests were analyzed for the 18-month period including 2013 and the first half of 2014. There were approximately 173 items on these agendas, although this gross total reflects multiple applications for the same property in some cases, as well as multiple required hearings in many cases, and also postponements in some. Of these 173 agenda items, about 30 pertained to appeals. However, these appeals related to only 9 different distinct

cases and properties (because of multiple applications and postponements).

- One pertained primarily to a convenience store use in a non-infill area (Flying Horse Parcel 21)
 - Concerns of neighboring landowners were at the root of this appeal
- Another concerned an emergency medical facility not in the City infill boundary (First Choice Emergency Room north of Northgate Road)
 - Concerns of neighboring landowners were also at the root of this appeal
- Another involved townhomes built taller than allowed in approved plans, but not within the Infill boundary (Dublin Terrace Townhomes)
 - Although concerns of the neighbors have been important to this case, there are other legal issues and implications
- Two appeals have pertained to proposals for indoor shooting facilities both of which are for properties within the Infill Boundary
 - One (Whistling Pines) pertained to concerns by residential neighbors
 - The other (Majestic Mountain) was initiated because of concerns from neighboring business owners
- One appeal was associated with recreational marijuana club (Studio A-54 in Downtown Colorado Springs)
 - Although within the Infill boundary, this appeal was

⁵¹ All but one of these appeals occurred in 2009.

⁵² It is also possible that this number reflects some "double counting" of items continued to a subsequent City Council hearing.

generated by staff and had limited association with concerns of the immediate neighbors

- One appeal concerned an Electronic Messaging Center (sign) located on the Academy Boulevard Corridor
 - Although within the Infill boundary, this was an appeal of a staff decision, with no concerns from neighboring property owners
- One appeal concerned an indoor events center (Broadmoor Events Center)
 - This property is located within in the Infill boundary and was precipitated by concerns of neighboring owners
- An ongoing appeal concerns the Creekside at Rockrimmon multifamily project
 - This property is located within the Infill boundary, and is driven by concerns of the neighbors

As general take-aways from these most recent appeal cases (a few of which are ongoing), a majority of these have a significant association with the concerns of neighboring property owners. However, only a minority would be described as “classic infill development scenarios”. It is also noteworthy that, in the majority of these recent cases City Council has ultimately chosen to allow the desired development activity.

Neighbor Involvement and Process

Residential vs. Commercial

Neighbors have an interest and role in most infill projects regardless of whether they represent residential or commercial properties. However, from a review of infill case studies and stakeholder input, the role of residential neighborhoods in the discretionary land use entitlement and development approval process is much more acute for residential versus commercial owners. With commercial owners there is ordinarily less objection to neighboring use proposals and the differences that do occur are more likely to be addressed outside of the public process.

Although there have been notable exceptions, as a general rule, more affluent and single-family residential neighborhoods are more likely to object to proposed land use changes in their vicinity and to take a more acute interest in the details of the proposed land use.

Role of Neighborhood Associations and HOAs

Neighborhood and homeowners associations play an important role in the infill process if there is any kind of discretionary land use decision involved.

These associations can have a major impact on the development review process, with the more active groups being more likely to be involved.

As a general rule, areas and associations on the west side of the City tend to be more involved in the development review process. These areas often have more active associations coupled with a less transient population. Additionally, these areas may be more prone to experience unique and controversial infill proposals.

Impact of Covenants

Most areas of the City that have been platted within the last four decades are governed by some form of restrictive covenants. Altogether, this area constitutes a majority of the City's developed private land. These covenants can have a significant impact on infill and redevelopment options because of their inherently restrictive nature and the difficulty of amending them. For instance, under Colorado law, it ordinarily takes a vote of 50% of the entire ownership of the subdivision to change the covenants.

Council of Neighbors and Organizations (CONO) Survey

In late 2011, City staff cooperated with CONO in conducting an informal e-mail survey of their member organizations. Individual member associations were asked first if they had experience with infill projects and then on the positive or nature of that experience.

The paraphrased questions were as follows:

1) Have you or your association been involved in or experienced an infill or

redevelopment project in the last 10 years?

2) If so briefly describe the project type and location.

3) What did you consider positive or negative about the process or project?

4) If you have or your association has had experience with multiple projects of this type, please share this information with a particular emphasis on what factors made one project or process more or less positive than the other(s).

Of the approximately 15 responses what was noteworthy was the following:

Several of the associations that did respond, noted that they had little or no direct experience with infill projects. Of those neighborhoods that did have experience with infill there was a large continuum of circumstances, outcomes and perceptions. In a number of cases the association believed the City planner did not advocate strongly enough for the interests of the neighborhood. In most cases the positive infill examples involved the developer or their representative communicating with the association effectively and early in the development review process.

The most common impacts of concern related to traffic and/or achieving a level of reasonable certainty as to what the land uses or their impacts will be. Very important to neighborhood associations is that commitments made by developers are honored. Related to the above, the negative experiences of

homeowners associations with infill projects tend to be most acute when a substantial change to either the existing pattern or prior plans is being proposed.

Macro- neighborhood Plan Recommendation

One recommendation made by CONO's President and their board is for larger area plans to be completed in part to attempt to "pre-determine" what general types and intensities of infill development are potentially acceptable in that area for particular locations. The idea would be to try to "front-load" some of the process. The intent would be to assist developers, City staff and elected officials in making the ultimate decisions more predictable, and less controversial.

This larger-area planning approach is advocated in part to address the pragmatic reality that City resources are limited. The scale of the areas is envisioned to be comparable with the current Westside Plan which includes several thousand homes. As an outcome of the Mayor's 2011-2012 Streetscapes Solutions Team process, there may be a recommendation to create an urban design plan based in part on identifying large sub-areas of the City with similar design characteristics. If it occurs, this effort might result in some beneficial front end guidance to with downstream public process benefits.

Creation and maintenance of smaller area plans is not considered economically feasible on a City-wide basis. It will be challenging enough to prepare and maintain these larger-area plans because these still take a lot of effort. And, if

there is insufficient granularity and detail, these plans might not be informative enough to help significantly in providing for guidance on site-specific infill decisions. Successful neighborhood planning processes such as the 2003 Mill Street example (refer to Chapter VI) relied on a fairly resource intensive planning process for a very small area.

Conclusion

The neighboring property owner process is often cited by developers as one of the greatest challenges with infill projects. There have been a number of cases where this process has resulted in some combination of project withdrawal, denial, need for extensive mitigation and/or a protracted and costly public process. In the most extreme cases, these cases end up as formal appeals or even in court. Residential (versus business) neighbors are most likely to object to new or modified land uses as part of the public process. More affluent and/or organized areas typically raise the most concerns. However, some more modest income neighborhoods can become highly engaged, especially if they perceive that they are getting more than their fair share of locally unwanted land uses.

From their perspective, neighbors and neighborhood associations have understandable concerns with infill projects because the new activity will have direct or indirect impacts often related to traffic and/or property values. Infill inherently creates a change from the status quo. What oftentimes frustrates neighbors is when the developer is seeking a change from prior approvals, and particularly if there is uncertainty about what

the future land uses will be or. Also, neighbors may become especially concerned if prior statements or commitments are not honored. Another common objection of neighbors is that they are not engaged early or effectively enough in the process.

While recognizing that the neighboring owners process does in fact create a special challenge for some infill projects, it is important to be mindful that these cases tend to be exceptions when compared with all the infill activity that occurs City-wide (refer to Chapter VI).

Because infill projects have neighbors, some level of engagement with neighbors and integration with adjoining uses and conditions should be viewed as an essential part of the process and not as a barrier. One key is to effectively and honestly engage and communicate with neighbors early in the process. Commitments and representations should be clearly articulated and well codified, with the triggering of requirements ordinarily tied to measurable thresholds and not to arbitrary dates.

Planning ahead- with neighbors- can be an important component of an infill policy and strategy. These processes can assist greatly in predetermining what types of uses and impacts are considered to be acceptable (or not) in certain areas and under certain conditions.

- As a general matter of culture and philosophy towards neighborhoods, the City can take a balanced position to the effect that:
 - On one hand, a certain amount of land use change in or adjacent to most neighborhoods should be

expected and moreover is essential to continuing economic vitality. Infill activities, including adaptations of prior plans should not be unreasonably inhibited by the concerns of neighbors, especially when the subject property has been previously entitled for development.

- On the other hand, the integrity of neighborhoods is vitally important. Infill activities should be reasonably integrated within the context of the uses that are already there, and should not unreasonably burden a particular area. Early communication and cooperative planning are essential to an effective neighborhood infill process.
- Although logical and well intentioned, from a fiscal and pragmatic, the recommendation to engage in more front-loaded small areas plans will be challenging to implement. Most likely this approach will need to be limited to a few priority areas.

Chapter XII- The Role of Utilities

Introduction

The role of Colorado Springs Utilities (CSU) is and will continue to be very important to the infill development (“infill”) issue. CSU facilities and services are important to this discussion because of the generally high costs associated with obtaining utility services for most development, regardless of location, and because of particular real and perceived costs and other challenges associated with some infill projects. At the macro level, ongoing cost effective and dependable utility service is an important contributor to the competitiveness of the City as a market for both primary employers and discretionary residents (e.g. retirees).

A macro-level assumption inherent in this Paper is that support for infill is generally beneficial economically for CSU and its citizen owners. This benefit is assumed because vacant or disinvested properties generate low revenues for CSU which creates an inefficient market if prior investments in utility capacity or utility facilities are underutilized. If the larger core areas of the City are not supported and invested in, including investments in utility facilities, the citizen-owners of CSU will experience adverse ratepayer impacts.

Infill projects can often result in a “win-win” scenario whereby the developer can take advantage of in-place utilities and CSU can make effective use of their existing investments.

Utilities Costs Related to Infill

Most infill project costs related to the development of utilities fall into five broad categories:

- 1) Physical connection costs
- 2) Relocation costs
- 3) Costs to extend or upgrade lines or facilities
- 4) System development charges, and
- 5) Ongoing rates and charges

The first four categories above are front-end costs, and together they may represent on the order of 5-10% of the market value of any completed new construction project whether in an infill or greenfield area.⁵³

Physical Connection Costs

Physical connection costs are those of extending utilities from the CSU existing utility system generally located in rights-of-way or easements, to new, undeveloped, or redeveloped properties. In some cases these are limited to immediate connections from the property line, and in others, the lines and facilities may need to be extended a limited further distance to get to the developing

⁵³ This is a typical range generally calculated for median value new single-family residences where water and wastewater Development Charges are applied. These costs are allocated and collected at different points in the development process.

property. These utility extension costs are variable but are the direct responsibility of the property owner or project developer. Many of the factors, concerns and policies concerning physical connection costs are similar City-wide. However there could be some distinctions associated with infill redevelopment. The nature of many infill project sites is such that in-place lines often already exist in close proximity to the development project. However, with some older buildings, the utility connection and extension costs could include the requirement for making additional improvements throughout the structure in order to meet modern building codes.

Relocation Costs

For infill projects, the need to relocate major CSU and other utilities in order to accommodate structures or new roadway alignments can represent a significant design challenge and/or cost. Generally, it is the responsibility of the property owner or developer to pay all of the costs of moving or relocating CSU facilities that are located within easements. Utility relocations may also be necessary with greenfield development, but are more likely with larger, complex infill projects.

When utility relocation is an issue, CSU encourages engineering solutions that may allow for designing around the existing easement or facility. Also, if the utility to be relocated will be substantially replaced or upgraded as a result of the relocation, then CSU may be able to justify and budget for participating in a proportion relocation cost for a proportion of the relocation that constitutes

“betterment” of the existing condition of the utility infrastructure.

Extension and Capacity- Upgrade Costs

This category of utilities system upgrading and extension costs can also have significance for the infill issue. With greenfield development the expected norm is for the new development to extend the lines necessary to serve their property, and to size these utilities facilities so they can adequately meet the level of demand assumed at full buildout. If adjacent undeveloped properties derive a future benefit from these upgrade utility facilities, these properties are assessed their fair share when they are developed and the original property owner is entitled to recovery for costs over and above his or her proportional share.

Many infill projects have the advantage of being able to take advantage of existing utility facilities and capacity. Either they only have to pay their proportional share to a prior developer or they will have no obligation at all (if the facilities are adequate and the property is not subject to recovery).

The capacity issue may arise for certain utility services where the CSU facilities are determined not to have sufficient capacity to meet the demand added by the new development or redevelopment. As an example, a development project may be in close proximity to an existing wastewater main. However, if proposed land uses for the new project require higher system capacity and exceed the flow capacity of the existing line, it is the responsibility of the developer to upgrade the line down gradient to the point where the capacity is adequate.

As with system extension, capacity costs that are borne by the developer may be eligible for reimbursement from other benefitting properties. A challenge in infill areas is it is more likely there may be fewer or no parties to recover from.

As a rule of thumb, newer and especially master-planned areas of the City tend to have adequate utilities capacity “front loaded” via the original water and wastewater infrastructure plans, with the responsibility for installation being borne by the developer or property owner. Therefore, the filling in of vacant parcels in accordance with prior plans and assumed development patterns can typically occur without the need for extensive unanticipated utility facility extensions or costs.

Infill may enjoy a substantial competitive advantage if the lines are already in place to serve the property, and they have sufficient capacity for the proposed uses.

However, similar to older areas, complications may arise in the event that different and more utility-intensive land uses are proposed, and these trigger added requirements. This can create a disincentive for some of the most preferable forms of infill.

System Development Charges

Citywide, CSU assesses water and wastewater system Development Charges (which are the equivalent of “tap fees”) at the building permit stage related to essentially “buying into” a proportional share of the existing capacity of the multibillion dollar investment of the CSU system. The CSU water and wastewater rate

structure has an important distinction between how the development of gas and electric capacity are treated versus water and wastewater systems. With the gas and electric systems, the costs of system development are largely absorbed in the rate base, whereas with water and wastewater, they are accounted for outside of monthly rates. In the case of water these fees may be significant.⁵⁴ Most of this calculation is tied to the value of water rights and the larger components of water storage and delivery system.

Because these system development charges are universally applied to all new connections to the system regardless of location, they do not normally encourage or discourage infill versus the greenfield alternative. However, there are a number of instances where these charges could either encourage or discourage infill.

Existing structures that already have water and wastewater connections to the system essentially have them available as an investment. Existing taps are available for use by the developer regardless of any alterations that might be made to the construction or use of the building via redevelopment. This availability extends to scenarios where the original building is completely demolished and replaced. Moreover, if the redeveloped building or use requires a smaller tap, the

⁵⁴ By way of example, in 2014 the Water Development Charge for a single-family home on a 7,500 square foot lot is \$9,292 and the associated Wastewater Development Charge is \$1,868. The proportional line extension costs and connection costs are generally estimated to add about \$11,000. When all utilities-related fee and improvement costs are factored in, the front end utilities cost to develop one new home can be in excess of \$25,000.

owner may be able to use this “credit” internally within the property.

To the extent that smaller and/more affordable dwelling units may be part of an infill project, these units may be disproportionately impacted by the current water development charge structure. Other than distinctions between multifamily and single-family units and for lot sizes⁵⁵, there is no differentiation in fees for smaller typically more affordable versus larger or higher cost dwelling units. Therefore, the development charges will ordinarily account for a higher proportional share of the value of the smaller and/or more affordable units. The Utilities Board could further differentiate system development charges based on a rationale that smaller dwelling units typically use less water. However, under the current system, these charges are only paid once and are based only on the size of the tap. This effectively entitles the owner of the property to later increase the size or water demand for their unit up to the capacity of that tap. To be equitable over time, a more differentiated schedule of Water Development charges would likely need to anticipate and allow for additional charges to if the size of the dwelling unit were to later increase substantially.

CSU does have some other options and programs that can address the issue of affordable housing. One option is their Affordable Housing Deferral Agreement program which allows payment of the system

⁵⁵ CSU has an increasing scale of water development charges for larger lots based on the logic that they will have higher demands for outside irrigation, on average, and therefore should be responsible for a larger share of system costs.

development charges for qualifying affordable units over time with interest.

CSU will also work with any developer to determine which category of tap may be most cost-advantageous. For instance if a single one inch tap is adequate for a new four-plex, the associated water development charge will be lower than the cost of individual ¾ inch meters. This same “master meter” approach can be used for larger multi-tenant buildings. Because they have fewer fixtures, smaller affordable units have a potential to realize a savings on a per-dwelling unit basis.

Ongoing Rates- Monthly Access and Commodity Charges

Monthly rates and charges paid by customers are calculated to offset CSU’s ongoing costs associated with providing utilities as a commodity as well as ongoing operations, regular system maintenance and future investments made for the benefit of existing customers. Generally these costs are neutral for infill compared with greenfield development.

Aligning an Infill Strategy with Utility Capacity Areas

From stakeholder interviews and other discussions, the area where Utilities policy attention might be most helpful could be the existing capacity and upgrading issue. Having a comprehensive map of utility capacity areas would help inform both a policy and implementation approaches.

CSU systematically upgrades existing facilities to better address ongoing demand and to reasonably meet future projected needs.

Because CSU is a rate-based enterprise, it must be responsible to its ratepayers by being judicious about expending revenues on added capacity to serve demand from any new development whether this is greenfield or infill.

Also, when CSU undertakes periodic capitalized maintenance, there often will be cases where it is much less expensive to simply extend the life of the existing facilities in place rather than replacing them with ones that might have a higher capacity. An example is a wastewater line that is approaching its useful life. If it has capacity to serve existing demand, the option of re-lining it in place with an internal membrane may be much less costly than excavating it and replacing it with a larger diameter line.

Using the forgoing logic, it makes the most sense to encourage substantial infill to occur in areas where Utilities capacity is either already sufficient or where upgrades can be accomplished a lower cost. However, there will likely be some areas where other infill factors could override this logic. One example would be Downtown, where its regional economic development importance could transcend any short term considerations regarding lack of capacity.

What would be very helpful would be the development of a systematic “capacity map” or tool that generally identifies the areas of the City where there is capacity to accommodate substantial additional development with limited investment needed in new capacity or upgrades. This information could be used as one (but not the only) input into a

determination of infill priority areas, and a potential refinement of CSU policy regarding economic development.

Another potential infill-friendly strategy could be to revise the Water Development Charges (WDCs) such that smaller residential units paid a lower charge. This would provide an incentive for small and often more affordable dwelling units that are more likely to be constructed in infill or core areas.⁵⁶

Positive Outcomes and Lessons Learned

Introduction

A discussion of the going forward role of CSU related to Infill should logically begin with initiative already implemented and lessons learned that should benefit infill development in the aggregate. A number of these are highlighted in the following paragraphs:

Fire Flow Capital Improvement Program

Historically there have been significant areas of the City that had inadequate water flow for fire suppression. This is mainly due to increasing code requirements over time and vintage or legacy-type infrastructure. The current

⁵⁶ For example, the 2014 WDC for a single-family home with a 5,000 square foot lot inside the City limits is \$7,956 regardless of the size or value of the residence. For multi-family residential units with a separate meter, the charge is \$5,295 regardless of the size or value of the residence. Wastewater Development Charges are lower, but are treated similarly.

standard is 1,500 gallons per minute (GPM) at hydrants for a period of two hours or more depending on the area and building type. Certain areas of the City such as the Broadmoor and Skyway had flows more in the range of 500 GPM. Because this was first and foremost a life/safety issue, the City commissioned a study in the 1990's to identify areas of deficiency and a program for upgrades. Over the past 10-15 years the highest priority improvements have been completed with CSU revenues. Altogether, over \$20M has been invested in these upgrades. More limited improvements are being made on a continuing basis.

The effective impact of these improvements is much less likelihood that a given infill project will be faced with any extraordinary costs associated with deficient fire flow. That said, there will still be some instances where utility costs may be higher because of major changes to prior approved or assumed land uses or if a chosen building design and type triggers particularly high infrastructure requirements.

Continuing Overall System Upgrades- Reduction of Off-site Costs in Priority Areas

CSU has a continuing program of upgrading deteriorating or deficient utilities infrastructure. As systems are upgraded, they are updated to modern standards and capacity is enhanced in some instances. For example, as an alternative to simply relining outdated or deteriorated water or wastewater lines, CSU can sometimes "burst" older lines in place via a process that replaces them with a larger capacity line. These improvements can effectively "take the

pressure off" infill developers to have to incur higher cost of more substantial upgrades.

However, as described elsewhere in this Paper, these scheduled improvements may not result in the capacity needed to meet the demands of desired infill. This capacity deficiency creates a challenge in balancing a desire to direct infill development to areas that already have largely sufficient utility capacity with a program of strategic capacity improvements to incent development in high priority infill areas.

Applied Experience with Flexible Approaches

CSU has been able to draw from extensive applied experience with infill projects. Oftentimes, the most difficult and cumbersome process manifests itself the first time an issue or challenge comes up. To the extent that the tools and experience from a prior project can be brought to bear for the next one, there are obvious efficiencies. For example when the Broadmoor convention center plans were being processed, there was an opportunity to vacate some excess right-of-way and re-align other roadways. However, this process was complicated by the presence of existing easements and landscaping. After considerable effort, a unique maintenance agreement alternative was worked, avoiding the need for expensive relocations. While this option may not be prudent or effective in many situations, the benefit of experience will make this option easier to implement if opportunities present themselves in the future.

Enhanced GIS Capability

Over the past decade, CSU has made great strides in perfecting their Geographic Information Systems (GIS) making it easier and more efficient to locate and characterize existing utilities and related easements. This is particularly important for infill project sites since they are often “burdened” by complicated existing conditions. Ready and efficient access to these databases can enhance the process of initial project feasibility planning and also facilitate later implementation if it occurs.

Experience with Mixed Use and TND Projects and Standards

CSU has had the benefit of both working through the unique utilities-related standards for mixed use and/or traditional neighborhood development (TND). Therefore, at least some of the process challenges and technical concerns have similarly had the benefit of experience.

For example when the Spring Creek TND residential area was being proposed, this City did not have TND standards, and those under development were used as a proto-type. This process involved some costs, delays and uncertainty, a number of which pertained to utilities

When the Gold Hill Mesa project first came through the process, TND zoning was available, but there was still only a limited amount of on-the-ground experience to draw from⁵⁷. At this

⁵⁷ It should be noted that the geotechnical characteristics of this site presented unique utility related challenges separate and distinct from the TND issue.

point the next TND project would presumably be easier to process from a utilities perspective because the codes are in place, prior projects have been permitted and there is some physical experience to draw from.

True mixed use developments are still rare in Colorado Springs and by their nature each project tends to be unique and have its own issues. Nevertheless, the City and CSU are becoming more familiar with these projects and how to address them from a utilities stand point

Engineered Solutions

Wastewater diversion or attenuation is an example of a strategy CSU can sometimes use to mitigate the need for more expensive upgrades to utility capacity. When an infill/redevelopment project triggers a demand for more wastewater capacity than is available in the lines serving the use, it may be possible to free up capacity by diverting flow further up the line or through other engineered solutions. This avoids what can be a considerable expense to upsize the capacity of existing wastewater lines to accommodate the new project.

This approach is being used with the recent Memorial Hospital and U.S. Olympic Training Center expansion projects to avoid the need for a major off-site line replacement.

Property Flagging Program

CSU has implemented a program that systematically “flags” properties with the potential for known and unique environmental hazards. These can include the potential for risks to health of maintenance personnel and/or

conditions that may be particularly detrimental to the utility facilities if not properly mitigated. This is particularly helpful with difficult brownfield and geo-hazard sites.

Recent Revision to Reconnection Policies and Fees

In late 2011, the Utilities Board approved revisions to reconnection fees and policies for building and related properties with long breaks in service. Effectively, the period constituting abandonment has been extended such that reconnection can occur in more circumstances without triggering the requirement to pay new system development charges or even service charges during the period of meter inactivity⁵⁸. This change has benefits for infill and revitalization because expensive reconnection charges increase the likelihood that long-vacant buildings will be passed over in favor of either new construction or especially existing buildings with shorter-term vacancies. In addition, the payment of adjusted service charges results in maintenance of substantial equity in the system, especially in the case of large meters. Moreover, a building with an existing water connection can be entirely demolished and replaced with new construction without incurring any inactive fees or charges so long as

⁵⁸ Specifically the “grace period” has been extended from 2 to 5 years of inactivity. During this period the customer does not have to pay any accumulated service charges prior to reconnection. After 5 years of inactivity the customer must pay the accumulated service charges (less the 5-year grace period) up to and a total of no more than ½ the Development Charge. There are some instances where after 20 years, service is no longer connected without paying a new Development Charge.

the same size tap is utilized and the period of inactivity is less than 5 years.

Recent Amendments of System Development Charges

In early 2012, City Council approved a significant amendment of CSU’s overall Water Development Charges (essentially its “tap fees”). This substantially reduces the new connection costs for the taps that are ordinarily needed to supply larger commercial uses or multifamily buildings. Although this development charge is applicable City-wide, it does address a cost for developers which is particularly important for the mixed use and larger multi-tenant structures that can be associated with infill development.

Economic Development Assistance

CSU staff are a vital part of the regional and City economic development teams. They are active participants in the Rapid Response Team which targets projects of economic importance to the City, especially those resulting in primary employment and/or high utilities use.

For key development projects that require significant upgrades to systems and capacity, CSU may be in a position to internally “finance” some or all of the necessary improvements. This is ordinarily accomplished via an agreement with the property owner that accounts for the future increases in utility demand over a specified period. CSU and its owners/ratepayers are protected by a provision that reverts responsibility for the costs back to the property in the event the demand of additional utilities is not continued. Although

this program has the most value for uses with high utilities demand, it has potential for a number of infill development scenarios.

Potential for Additional Economic Development Participation

CSU is already an important participant in City and regional economic development programs and initiatives. This includes active participation in the Greater Colorado Springs Chamber /EDC and proactive communication with builders, developers and the military.

In 2010 the City Utilities Board approved policy changes allowing for additional partnering with out-of-City water providers, including use of CSU infrastructure and some options for sale of water outside City limits. CSU can charge a “premium” over and above the actual costs of these services or water. By policy, 50% of any premium associated with these special water contracts is to be transferred to the City General Fund.⁵⁹ Although the use of this revenue is not currently constrained by the policy, these funds could be allocated toward the highest priority infill and redevelopment areas.

⁵⁹ The specific policy is the Executive Limitations (ELs) that govern the operations of CSU. As of 2014 the anticipated General Fund (GF) revenues from existing special water contracts is several hundred thousand dollars per year. Future projections are difficult, and in the near term it is likely that Cherokee Metropolitan District (currently the City’s largest contract customer, will not be continuing its special water contract much longer.

CSU Capacity to Serve Infill and Redevelopment

Introduction

Colorado Springs Utilities (CSU) provides all four primary utilities (water, wastewater, electric and gas) for properties in City limits along with some areas outside of the City. Additionally, CSU provides water for fire protection and has an evolving role in street lighting. CSU also has an important stakeholder role in storm water services which includes an interest in protecting the integrity of their lines within drainage channels as well as the components of their agreement permits for the Southern Delivery System (SDS) project.

With respect to infill development, CSU’s capacity to serve infill development needs to be viewed from both overall system and localized site-specific perspectives.

Overall Capacity

Generally, CSU has the overall capacity to serve substantial City-wide infill development without extraordinary effort and costs. From the broadest perspective, CSU has planned for increases in future utilities demand, and this capacity should be available to support future growth with considerable flexibility as to where this occurs within City limits. The CSU system, facilities and overall capacity have been designed and constructed in a robust enough fashion to accommodate most infill and redevelopment options at most locations.

Overall, the City has water, wastewater, gas and electric capacity in place or planned to serve anticipated demand several decades into the future. In particular, the Southern Delivery System (SDS) is positioning the City with adequate water delivery capacity to support substantial increased demand. Although SDS does not produce any additional water rights, it's facilities will add options for securing and storing additional water supplies especially during long term drought conditions. For example, the SDS infrastructure "opens the Arkansas River basin" as future source of temporary or long term water supplies. Additionally, once the Williams Creek reservoirs are completed, these add the equivalent of about six months of additional storage capacity to system.

In place and ongoing wastewater plans put the City in a similar position. Similarly, the City is set up to provide for most of its electric needs via CSU-operated generating capacity with the exception of limited peak or otherwise exceptional periods. As a general rule, fluctuations natural gas demand can be easily accommodated from a system wide perspective.

Additionally, the potential for conservation and increased system efficiency can provide an important capacity cushion for some infill areas if needed. For example it is quite possible to design, construct and operate a new building or substantially reconstructed building with substantially more square footage than the one it is replacing, but no net increase in utility use. Also, with some exceptions, the overall trend in the CSU service area is toward conservation within both existing and new development.

This trend is being driven by increases in utilities costs combined with available technology and incentives. To the extent conservation reduces overall per capita demand, even to a limited degree, this creates capacity for infill areas.

As a general trend, "per unit" demand for water, wastewater and gas quantities has been decreasing or has remained flat due to a combination of factors. These include but are not limited to more efficient equipment, fixtures and technologies, lower household sizes and use of less water-intensive landscaping. Additionally, in some areas of the City property owners have decreased their level of watering for existing landscaping in response to a combination of restrictions and higher water rates. In developed and developing parts of the City, these factors can compensate for increased utilities demands that may occur via infill, redevelopment, reinvestment and higher standards for upkeep and maintenance. The per-unit trends for electricity demand in developed areas are a somewhat different. In this case it appears that efficiencies associated with such factors as energy efficient lighting are being more than off-set by the higher electric demands of computers, other appliances and added air conditioning loads.

Viewing things another way, in many cases and in many locations, infill, revitalization and densification can be very efficient from a CSU perspective. This is because existing facilities investments are in place, and to the extent this capacity can be maximized, this provides for continued maximization of ratepayer revenues derived from previously developed areas.

Localized Capacity Challenges

Introduction

Notwithstanding the generalized comments provided in the foregoing section, there are potential infill areas and locations where utility capacity can be an issue. As previously noted, the concern is not ordinarily with overall long term supply but instead with more site or area-specific system deficiencies. As a generalization, these locations of deficiency fall into the following categories:

- Areas with older, deteriorated infrastructure that may not allow for increases in demand
- Areas annexed into CSU territory after development
- Areas of the City that have not been master planned
- Areas proposed for a significant change in use from what was originally planned or contemplated (either intensity or layout)

Older Areas in General

With many older areas, lines and other facilities either were not originally constructed with sufficient capacity, may have had their capacity deteriorated, or simply do not meet a modern standard. In these areas it is possible that relatively little new demand can push these local systems beyond their “tipping point” thereby triggering the need for expensive on or off-site upgrades. Although CSU continuously

maintains and upgrades its systems throughout its territory, there are limits to this approach, especially for areas where new increments of local capacity will be expensive.

Older Areas Subsequently Annexed

There can be particular challenges associated with developed areas that were originally served by other utilities and have been subsequently annexed as developed property into the CSU system. These “inherited” systems may have exceptional deficiencies that can complicate the process and cost of infill and redevelopment. Examples of these areas include parts of the Broadmoor annexation⁶⁰, Knob Hill and some areas north of Fillmore that were originally developed in the unincorporated County.

Using the water systems in Ivywild as an example, they were originally constructed and maintained by a private utility and did approach City standards, particularly for fire flow. Although CSU has subsequently upgraded fire flow capability for parts of the larger network in this area (refer to discussion later in this Chapter), local street level deficiencies remain. If a property owner desires to construct a larger new or remodeled home in some of these neighborhoods they may be faced with the prospect of substantial off-site water improvements. However, alternately they are provided the option of installing sprinklers as a

⁶⁰ The Broadmoor annexation which occurred in 1980 and 1981 was by far the largest annexation of developed properties. This area included the Ivywild neighborhood

form of mitigation for these inherited deficiencies.

Advantages of Newer Master Planned Areas

As a general rule, larger areas that have been master planned via the land use approval process will have better, more robust and more adaptable utilities capacity in place following initial development. These master-planned properties have had the benefit of comprehensive utilities planning and ordinarily, the facilities and easements that are implemented and put into place are robust and adaptable. Conversely, areas that have been developed on a more piecemeal basis may not have had the benefit of the design and implementation of these more comprehensively planned infrastructure systems. These areas are less likely to have plans and facilities in place to accommodate new uses without extensive upgrades. Moreover these iteratively developed areas are more likely to be burdened by the need to relocate facilities and/or easements.

Challenge of Land Use Change and Adaptation

Even with relatively modern facilities and the benefit of master planning, some of the biggest challenges for utilities systems planning occur in areas where a major change in land use is proposed compared with what was originally planned or contemplated. The greatest challenges typically occur when the new plan calls for a substantial intensification or the prior planned or implemented use. Utilities that met

the needs for a low density residential area may not be sufficient for higher intensity mixed use development. Also, if utility systems are initially designed and implemented to support a particular street and lot pattern, it can be very expensive and complicated to reconstruct the system. For example, if an obsolete commercial center is reconfigured as a mixed use center with a grid street system, the overall utilities system may be adequate but largely located in the wrong place. This can necessitate expensive relocations of otherwise adequate facilities.

Fee and Policy Issues

Utilities are an expensive and important consideration regardless of “greenfield” versus infill location. Therefore what is important in contemplation of in infill strategy is circumstances where utilities issues may be prohibitively expensive or complex compared with the greenfield alternative, or within infill areas with sufficient capacity. Therefore, aligning complimentary infill land uses with existing utility system capacity while minimizing upgrades can be an important element of a strategic approach to infill.

Fire Protection and Fire Flow

Introduction

As also discussed in Chapter VIII, availability of fire stations within an acceptable emergency response time range is an important contributor to the infill discussion because of the costs involved. Geography plays a particularly important role because of the fixed location of

stations combined with the ongoing need to respond quickly with personnel and resources in order to save lives and/or prevent major loss of property. Additionally, adequate water supply to fight fires could be an important and expensive cost consideration related to mature areas.

Fire and Emergency Medical Response Times

For CSFD response time is a critical factor in determining whether lives are saved and/or serious medical complications occur as the result of a fire or medical incident.⁶¹ The City has a number of response standards but the most notable one is an expectation that a first unit will arrive at a scene within eight (8) minutes of the 9-11 call being received. As a secondary standard, there is an expectation that a second unit will be available if needed within twelve (12) minutes of the original call.

Most of the areas within the 2001 and 2011 infill boundary areas are adequately served by existing fire stations. There is a response issue with some properties at the periphery of response boundaries for several stations, along with a larger pattern on the far West side of the City. This Westside impact is due to a combination of distance from stations, steep grades and wild land fire hazard. Because no additional fire stations are planned on the west side, these conditions may create somewhat of a disincentive for infill and redevelopment.

⁶¹ Although CSFD exists primarily for the purpose of preventing and responding to fires and related types of incidents, the large majority of their active calls involve being the first responder for non-fire medical emergencies.

Among other factors, there will be a need for installation of residential sprinkler systems at some of these locations. The larger fire station issue relates to properties to the north and east of the City that are currently beyond response time range.

insert fire response map if I can get it electronically

Providing fire and emergency medical coverage for these greenfield areas will be expensive.

Significant development of high rise buildings requires the acquisition and use of more expensive ladder trucks, if not already deployed at a given fire station.

In the 1990s, adequate water supply for fire suppression was a major issue for a number of mature areas within the City. However, beginning in the mid-1990s, City Utilities proactively funded a major City-wide upgrade of fire flow capacity in previously deficient areas. Approximately \$26M in ratepayer funded improvements were made. The result is that currently, the absence of adequate water for fire suppression is typically not a factor that should constrain most infill and redevelopment. Where fire flow can become a factor is if a use has extraordinary demand and/or the type of construction triggers an increased requirement.

Utilities Summary and Recommendations

In summary, Colorado Springs Utilities (CSU) has had and will continue to have a very large role and stake in the ongoing process of City infill and in development of future strategies.

Continued reinvestment in the core and partially developed areas of the City will be essential to the long term efficient and cost-effective use of CSU assets.

Utilities are often a significant component of development and redevelopment costs regardless of location. Generally, CSU and the City have implemented policies, programs and fee structures that are supportive of infill and redevelopment. These include an ongoing program of ratepayer-funded system upgrades which generally concentrates these activities in older core areas of the City.

Recent changes to adjust reconnection fees and charges should be particularly beneficial to the redevelopment projects that are an essential part of an infill strategy. Recently reduced system development charges for larger taps should also provide a benefit of larger water uses in some infill areas

CSU also regularly employs a variety of strategies and programs directed toward solving the challenges associated with developing in infill areas.

Recommendations for future attention on the part of CSU and the City regarding energy and water utilities include the following:

- 1) Systematically map the areas of City with current excess utilities capacity and/or potential deficiencies in order to provide essential input into the process of infill area prioritization.
- 2) Consider refinement of Water Development Charges (WDCs) and other related fees to create additional categories for smaller dwelling units, but continues to preserve the proportional integrity of this system.
- 3) Align ongoing system improvement programs with infill priority areas.
- 4) Continue to refine process and standards to accommodate the unique needs of infill and core area redevelopment.
- 5) Consider the potential for expanding CSU's economic development-related improvement capacity financing agreements to include more infill projects,

Chapter XIII- Processes, Standards, Requirements and Fees

Introduction

One of the more predominant themes from the stakeholder process has been a concern that processes, standards, requirements and fees constitute an impediment to successful infill. One premise is that many of these requirements are structured to primarily address greenfield, suburban and new development and therefore contribute to a bias against infill and redevelopment. One of the key decisions has to do with whether there should be different standards and treatment for infill versus greenfield areas.

With City infill projects, there are a variety of different entities and agencies that might have a bearing on the process of approving and completing them. These may include:

- Land Use Review Division
- City Traffic Engineering
- Engineering Development Review Enterprise (EDRE)
- Development Review Enterprise (DRE) – including associated fire inspections
- City Utilities
- Pikes Peak Regional Building Department
- Property owners associations

Note: The role of Colorado Springs Utilities is significant and unique enough that it is also

addressed in its own separate Chapter (Chapter XII).

Depending the nature and circumstances of a given infill and redevelopment activity, the role and importance of each of these entities can vary tremendously. This section touches on some of these processes, their issues, roles pertaining to infill and provides some ideas for potential changes. However, it should be clearly noted that more thorough analysis and input is necessary prior to making any changes to existing requirements or processes.

Some of the topics include:

- Broader issues and context
- Development review
- Transportation
- Storm water
- Utilities standards and fees
- Building permits
- Design requirements including parking and landscaping
- Development review process
- Impact fee considerations

The developer or property owner may be little concerned with the exact source of and jurisdiction for the requirements, and more interested in their overall and cumulative impacts. In this Chapter a many of these topics are discussed with the objectives of improving the understanding of how they relate to infill, identifying barriers to infill, and offering options for changes to future approaches.

Broader Issues and Context

Introduction

Much of the broader context of this topic is outside of the purview of this report. Colorado Springs has consistently paid attention to continuous refinement and improvement in these areas. Colorado Springs Mayor Bach and City Council have identified the addressing of barriers to businesses and residents as one of their highest level priorities. Given this ongoing priority, one of logical approaches for a City infill and redevelopment focus would be make sure infill objectives “have a seat at the table” whenever regulations, requirements, fees and processes are being evaluated.

Broader Overlapping Policy Issues

There are some components of these issues that transcend the infill topic but are nonetheless important enough to infill to merit highlighting. Among these are:

- Type and level of facilities and services and services that should be provided under the auspices of local government regardless of the specific funding approach or mechanism

This pertains to the topic of what services and levels are considered to be “essential” versus “non-essential “ and/or deemed to be more appropriately provided fully outside of the public sector. One example is trash or recycling service which is provided as a publically funded function in some jurisdictions but never has been in Colorado Springs. Arguably, the choice to change or not change this standard would not have that great a bearing on either promoting or retarding infill development. Similarly, if the service delivery standard for fire

protection was increased or diminished City-wide, this might not have major implications for infill. Conversely a change in the overall standard for provisions of parks, recreation and community centers might well have a disproportionate impact on infill and redevelopment areas because many of the residents in these areas would be relatively less likely to afford to obtain these services via the private market. Likewise, a change either way in overall levels of police protection may have a more pronounced impact on infill areas because of the generally higher crime rates and heightened importance of security as a core concern in these areas.

- Affordability of standards and levels of service, irrespective of the source of funding

With respect to requirements and standards, there will always be a need to reconcile expectations for public facilities and services with the cost of providing and maintaining them. More and better maintained parks, more robust transit facilities, enhanced streetscapes or more police officers all require greater expense regardless of the source of the funding. Reconciling expectations with an ability to pay will be a community-wide decision. However, some infill areas will often have more limited options for funding higher standards of facilities and services due to lower tax base, more existing deficiencies, less likelihood for site-specific voter-approved taxation, and our community’s traditional reliance of new development to “pay its own way” (see below).

- Extent to which new development should be relied on to fund public

improvements, capitalized maintenance and ongoing costs

Colorado Springs and this region have a tradition of supporting low taxes and limited City-wide fees. To a large extent, the gap between revenues and demand for public facilities and services has been “shifted” to a combination of enterprises, shifting of costs to development and, in some cases to the creation of special districts (Refer to Chapter IX for more discussion of the role of special districts).

The net impact of this allocation of public costs away from general taxpayers and toward developers, enterprises and special districts, is that there are relatively low amounts of general purpose revenues available for the City for discretionary use and investment. The vast majority of all City General Fund revenues are devoted to public safety functions (mostly police and fire) and these activities have a continuing need for additional funding from general City revenues. On one hand, this “developer pay” philosophy and approach does not preclude infill and redevelopment because the developer would ostensibly have to bear or pass on a large proportion of public improvement capital and maintenance costs, regardless of location.

Moreover, to the extent infill and redevelopment areas have existing infrastructure capacity, they may be economically advantageous to the developer since he or she would be “on the hook” for new public improvements, regardless of location. Additionally, for some infill areas where there is a deficiency, it may be less likely to become a responsibility of the developer. However, there are also negative implications

of the City’s limited tax and general fee philosophy for infill. Foremost among these is the shortage of discretionary revenues to invest in infill areas. With limited opportunity to allocate general tax and fee revenues toward capital infrastructure and maintenance in potential infill areas, it may be difficult to support these areas in to the extent necessary to incent and maintain infill development.

Development Review

The City’s development review process is often identified as one of the barriers to infill and redevelopment. Some form of zoning or subdivision-related review and approval is required for most development requests regardless of greenfield or infill location. These processes run along a continuum from necessity of City Council action for major discretionary decisions, through the need for actions by entities such as the Planning Commission to administrative determinations customarily handled by staff. The majority of all actions are processed at the staff level with more or less opportunity for discretion depending on the type of request/action and the corresponding processes and regulations.

Development Review Fees

Although fees are charged to cover all or a part of the development review process, they typically represent a small proportion of the total public and private costs of the irrespective of whether it is located in a greenfield or infill area. Smaller and more difficult projects can represent exceptions to this generalization, and there is a tendency for

infill requests to be both smaller and more complicated on average. Therefore, application review fees can be a significant factor in some small projects.

Process Time

For most developers the more common concern with the development review process is with the time it takes rather than the fees that are charged. As discussed in detail in Chapter XI with infill projects there may be a particular concern with the extent of the process that may occur if there is neighborhood interest and concern. As noted in that section, some of this processing time simply has to come with the territory, but there are options available to mitigate this impact in so cases.

With particular respect to infill one of the obvious options is to adjust the regulations via elimination of requirements altogether or transferring from a more complex hearing-based system to a shorter less involved administrative determination base on standards.

An excellent infill-related case in point is the recently adopted Downtown form based zoning. This combines a reduction in use-based zoning requirements with and abbreviated administrative review process, and a specially designated review board which is only needed when variances (warrants) are requested. The result in most cases is shorter processing times. One of the trade-offs to make a system like this work is to do more work at the front end which in the case of Downtown included the Imagine Downtown Plan and creation of the customized form based zoning plan (also see Chapter VIII).

Going forward, the development of specialized and likely form-based zoning for key infill priority areas could accomplish a lot to expedite processing time. The City of Aurora's Sustainable Infill and Redevelopment Zone District (see Chapter XIV) could provide a model for zoning approach that would provide more use flexibility some infill areas, thereby reducing the need for time-consuming hearing processes with the potential for delay and denial. As noted in several places in this Paper a key to these approaches is obtaining front-end support from the majority of effected stakeholders, including neighborhoods and businesses.

Transportation Requirements and Fees

Introduction

Transportation philosophies, standards, requirements processes and fees play a major role in the success and economics of infill. This section covers some of the overall philosophy of transportation standards and some of the particular issues and factors particular to infill.

Suburban Patterns and Standards

As with many cities, beginning in the 1960's Colorado Springs began a significant shift in its roadway network from a fairly tight rectilinear grid to a system of major beltline roadways (e.g. Circle, Academy and Powers), along with more curvilinear major streets with more controlled access. For the highest classification roadways, the standard for full movement accesses was

and is as few as one access point per mile or 1/2 mile. The resultant pattern has placed a premium on maintaining speed and signal progression on major roadways but with the consequence of reduced local roadway interconnectivity. This pattern of limited through movement and turning options, in turn often creates the need for the major arterial roadways to be wider, especially at intersections where multiple turn lanes may be necessary. .

Inside this larger, less rectangular and less connected grid, the more local street network has increasingly become more curvilinear with a preference for cul-de-sacs and loop streets connected to only one other roadway. Some of this poorly connected pattern comes in response to limited options for connecting to major roadway system. However, there has also been a developer and consumer preference for non-grid local street patterns. This pattern can afford a higher proportion of properties the option of living on a quiet non-through street. And, it can sometimes reduce the overall length and area of roadway a developer needs to construct to serve a given number of lots.

From the perspective of infill, these large or non-grid and less connected roadway patterns in turn set things up for more segregated land use patterns. Large proportions of all the developed area has fairly limited roadway access and this tends to focus commercial and other higher traffic generating uses at only a few locations. Of course some of this land use segregation is the result of preferences not that related to the roadway system.

Existing, generally older areas with a more complete and tighter roadway grid tend to be more amenable to infill. For newer areas the process of infilling and revitalization may involve choices to depart somewhat from strict suburban access standards and break up the “super grid” into more finely articulated and connected system.

Congestion Standards and Infill

Levels of Service

The City’s *Engineering Criteria Manual* requires development projects with traffic impacts above certain thresholds to evaluate their predicted traffic against the existing (and sometimes planned future) roadway networks. If capacity is not determined to be sufficient, the developer might be required to either alter the project or construct improvements to increase the capacity.

Roadway congestion is generally designated by “level of service” (LOS). For individual projects this level is usually calculated for the “peak hour”. Levels of service range from A (extremely free flow) through F (which is effectively gridlock). Planners and engineers ordinarily require that projects demonstrate LOS C or D on the basis that these best balance the desire to get the most economic benefit from roadway investments with the desire to reasonably reduce the high costs and frustration of traffic delays.

Colorado Springs generally requires developments to meet a LOS D standard. Level D is considered a somewhat unstable traffic flow condition. At this level, the maximum peak

hour capacity of the roadway is approached but not yet met. However, speeds may be considerably reduced and some turning movements may be difficult during the peak hour.

The challenge with some infill areas is that the current traffic conditions may already be at or below LOS D. If the proposed new development is projected to create any additional traffic, it is not uncommon for there to be no peak hour capacity to take advantage of. Moreover, the available options for increasing capacity in these areas may be very limited, difficult and/or expensive.

Recommending a lower LOS applicable to all infill priority areas may be ill advised. However, adopting a context-sensitive standard and approach could be beneficial. Among other things, this approach could allow for an acknowledgement that higher levels of congestion are acceptable for certain areas based on factors including the higher importance of economic development, available options for alternate routes in the vicinity, and potential for access to alternate transportation modes.

Acceptance of Increase Congestion in Some Corridors

As one example, the 2011 Academy Boulevard Corridor Great Streets Plan identifies a certain level “busyness” or congestions as one measure of success for that corridor. If the roadway is fairly crowded with cars much of the time, this means it is a place where people and businesses want to be. And, eventually this activity can lead to more of a demand and market for alternative modes.

Neighborhood Trade-offs

Within most neighborhoods the challenge with any increased traffic is greater. Most residents desire quick and easy automotive access throughout the region, but not in their neighborhoods. Oftentimes, any additional traffic or parking impacts in the immediate vicinity or one’s residence are considered a negative impact. Part of a successful City infill strategy will need to involve acknowledging and addressing this dilemma and the required trade-offs.

Key concepts pertaining to the neighborhood traffic trade-off are the importance of traffic calming, complete streets and the “first and last mile. If infill occurs and roadway networks become more interconnected, the number of cars driven or parked on some local roadway should be expected to increase somewhat. As a trade-off it will be imperative to manage this impact so that speeds remain slow in these areas and the street can be shared safely by all modes. Inherent in this concept is that for “the first and last miles” of an individual’s automotive trip that mode should not be expected to have primacy.

Access Issues and Standards

Introduction

Access issues and requirements are often cited by stakeholders (including developers and neighbors) as an impediment to infill and redevelopment. Some roadway access is essential to support almost any form of development. Retail developers often consider

convenience of automobile access from higher volume roadways to be essential for their economic success. Although there are opportunities for creative access management, as a general rule, the addition of access point certainly reduces a roadway's capability to carry traffic at higher speeds, and may reduce its ability to carry as much traffic. This sets up the classic trade-off scenario in non-residential areas wherein each property desires to maximize its access, with the potential of aggregate impacts that degrade the functional integrity and possibly the safety of the larger roadway system, or at a particular location.

By comparison, many residential properties desire low traffic volumes in their immediate vicinity, while at the same time being connected to the larger region via an easy to get to high speed roadway system.

There are a number of factors that can make infill and redevelopment areas particularly unique and challenging with respect to access:

Major Roadway Standards are Written for Greenfield Areas

Although the City's *Engineering Criteria Manual* was substantially amended in 2010 to accommodate more discretion and flexibility, it is still fundamentally organized to address conditions and expectations in new or greenfield areas rather than conditions in the more mature areas of the City. In these areas there may be a high level of "miss match" between their desired and practically required functional classification and their existing access points.

It is not uncommon for a major arterial roadway in a mature area to also behave like a local street. A case in point is the South Nevada corridor immediately south of I-25. This segment is classified in the City's Intermodal Transportation Plan as a principal arterial. It carries on the order of 40,000 trips per day⁶².

The City's *Engineering Criteria Manual* defines the function of a principal arterial in part as follows:

"Major arterial streets permit rapid and relatively unimpeded traffic movement throughout the City and carry high volumes of inter and intra traffic which connects major land use elements as well as communities with one another. Major function is to serve through traffic. The secondary function is to serve abutting property..."

For these major arterial streets the *Manual* goes on to recommend that intersections and curb cuts should be limited and specify that signalized intersections shall be limited to ½ mile spacing unless adequate justification is provided to approve signalized intersections at other locations. The Manual also states that median cuts will be permitted at major or significant street intersections, generally at intervals of approximately ¼ to ½ miles as approved by City Engineering.

Given the current codes and standards the access approaches for major roadways in infill areas will need to be both flexible and incremental. There will need to be compromises by the developer, neighborhoods, and the City

⁶² CDOT 2011 average weekday traffic counts

to balance all of the competing access needs for these corridors.

Substandard Conditions

Roadways in some infill areas have substandard access situations as measured by any design standard regardless of the functional classification. Often this is a combination of too many, unsafe and poorly designed accesses combined with missing, deteriorated or out of date facilities. One example of this circumstance is part of the Colorado Avenue corridor generally between Old Colorado City on the east and I-25 to the west.

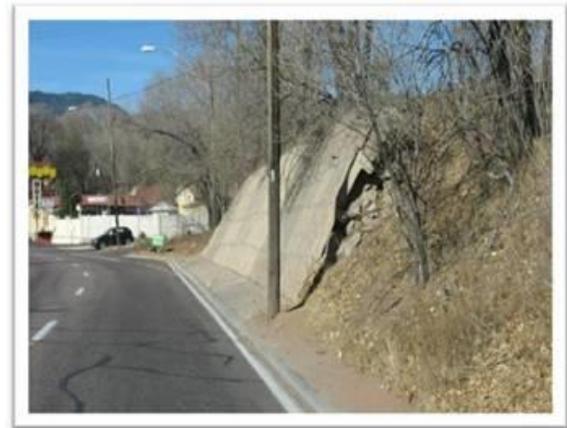
With respect to substandard conditions, a balanced approach is again recommended. Rather than compel an infill project to bring adjacent conditions fully up to standard, the general tests should be whether the infill development will contribute to a net improvement of conditions, pay its fair and economically reasonable share and be responsible for those improvements that have the greatest benefit.

Photo XIII.1



South Nevada Avenue, 2011

Photo XIII.2



Substandard roadway conditions along West Colorado, circa 2010

Constraints with Small Scale and Precluded Options

Projects in infill areas are often smaller in scale and will not have the benefits that are afforded by larger scale coordinated access and circulation plans. Oftentimes, the developer does not control the property needed to allow fully integrated access management. In some infill situations the “best” options for logical and access may not be available due to some

combination of neighbor’s concerns with cut through traffic, lack of legal access to property needed to accommodate the preferred solution, or pre-existing constraints within the site. Incremental and sometimes non-standard access solutions will be necessary.

Access Summary Recommendations

Proactive and flexible approaches to access issues will be imperative to the success of an infill strategy. As an overall philosophy, a balanced approach is recommended. For all but the highest classifications of roadways, this should assume that the needs for local property access and circulation should be reasonably accommodated even when technically inconsistent with standard functional classifications. Recent changes to the *Engineering Criteria Manual* now allow options for this flexibility, especially in mature areas. For infill to be effective, adequate access and circulation can be important not just to serve the needs of an individual property but also to serve the needs of the larger neighborhood. This creates an imperative to encourage individual business property owners to allow for connections with neighboring properties and for residents to accommodate reasonable, well planned connections with their neighborhoods.

Because of the uniqueness and diversity of the circumstances and needs of various infill areas, the creation of new Citywide infill access standards is not recommended as an alternative to the current greenfield-oriented standards.

Although site and project specific access flexibility needs to be reasonably encouraged, the adverse consequences of incrementalism

need to be acknowledged. Therefore, for those areas with a high propensity and priority for infill and redevelopment, the development of comprehensive access and circulation plans is strongly encouraged. These plans should include a robust public process.

Storm Water

Existing Deficiencies

Storm water conveyance, detention and quality is a major responsibility for the City. Generally developed areas have a substantial liability accrued both in the form of deferred maintenance of existing facilities and planned drainage improvements that have not been constructed yet. City-wide, the estimated current liability for storm water improvements is approximately \$500 Million.⁶³

Limitations of Regional Basin Plans and Reimbursement System

For about 30 years much of the region has had a planning and reimbursement program in place for regional stormwater improvements. This is based on creating and adopting drainage basin planning studies for designated basins, modeling the projected storm water flows at buildout, designing the necessary large-scale facilities, and then allocating a proportional share of the costs to unplatted properties. Fees are then assessed on a per acre basis, and these are used to compensate developers who have constructed more than their property’s share to

⁶³ 2014 City Budget and City Council presentations

the improvements. More specific local systems (such as street level curbs, gutters, storm sewers) are the direct responsibility of the individual developer.

It is important to recognize that the fees assessed only pertain to initial capital improvements and do not provide any funding for ongoing maintenance or capital replacement. A City-wide storm water fee was in place for several years, but this was terminated a few years ago.

There are a number of region-wide concerns with this fee system, a number of which fall outside the purview of this Report. However, one of the specific concerns raised via the infill stakeholder's process is that these basin plans and fees are a particularly poor fit for mature areas of the City. The City (and/or region) and its existing residents and businesses are the only parties available for funding the majority of existing deficiencies.

Because the basin-specific drainage fees imposed at the platting stage, many infill developers will not be subject to these fees or for having to construct regional facilities. This could put some infill sites at a competitive development advantage.

However, for those infill sites that do require the construction of regional facilities, or must pay a fee, the system can be particularly frustrating. This is largely because there is often a lower likelihood of timely reimbursement. This is especially significant if the developer is required to construct more than their proportional share of qualifying regional improvements.

Conversely some potential infill sites are also acutely impacted by current storm water-related challenges that constrain the ability to redevelop the property. Sometimes, the solutions to these problems effectively extend beyond the practical and financial capacity of any one property owner to solve individually. One example of this is the flood plain boundary amendment and capital facilities process for Cheyenne Creek as it affects the South Nevada redevelopment corridor immediately south of I-25. Substantial redevelopment of this corridor will in part be contingent on development and implementation of a larger plan and funding solutions for this segment of the Cheyenne Creek.

Shift to On-site Approaches

From the perspective of infill, it is important to note that the region's approach to storm water facilities is evolving to one of more on-site versus regional approach. This constitutes a significant evolution from the approach over the past several decades which emphasized channeling water immediately away from developed areas and directly into large regional channels and detention facilities. Part of this change has to do with requirements for maintaining water quality.

For infill and redevelopment sites this means there may be an added requirement to manage stormwater before it is diverted into the larger system. A challenge with many infill areas is that options for onsite systems and treatment may be more constrained and therefore more expensive. Also, because the overall systems tend to be more deficient, the need to solve an

up or downstream problem may create a true bottleneck for a project. Additionally, some of the particularly deficient channels and facilities in mature areas can be viewed as negative amenities. For all of these reasons, mature areas of the City arguably have the greatest interest in achieving a sustainable funding solution addressing existing drainage facilities.

Other Existing Deficiencies in Infill Areas

As of 2012 the City had approximately 560 miles of missing sidewalk, 14,975 missing pedestrian ramps and 690 missing transit waiting pads. Based on current data and roadway classifications, over 30% of the 560 miles of missing sidewalk in the City of Colorado Springs is located on collector, arterial, industrial/commercial, parkway and expressway roadways. About 10% of the missing sidewalk locations exhibit clearly worn paths or “desire lines” where pedestrians are walking regularly. Likewise, over 35 miles of the missing sidewalk is located along existing Mountain Metro Transit routes and another 10 miles is located along City parks and open spaces. The overwhelming majority of these deficiencies are associated with the more mature areas of the City that would logically be associated with an infill priority and strategy. Although funding programs are in place to incrementally whittle away at these deficiencies (e.g. PPRTA and grants), it is projected that it will take many decades to eliminate these accumulated liabilities.

It is recommended that a successful infill strategy can come at this issue from both directions. It is first important to maintain programs than continue to chip away at addressing the most pressing sidewalk and related non-motorized needs. However the companion strategy can be to otherwise encourage infill projects that help address these gaps via their development and construction.

Role of Pikes Peak Regional Building Department

Introduction

The building permit process has an impact on the infill issue primarily at the end of the development process and most particularly when the activity relates to reconstruction and/or reuse of existing buildings. Given that infill areas and projects are more apt to involve uses of existing structures, building code factors can be construed as an infill issue. Mixed use buildings may also involve building permit challenges regardless of whether the construction is new.

With some infill activities, involvement of the Pikes Peak Regional Building Department (RBD)⁶⁴ may be the most significant of all the governmental entities involved in the process. For example, the recent process of adapting the

⁶⁴ RBD is a distinct governmental entity authorized via an intergovernmental agreement of participating local governments for the purpose of administering the building code for this region. RBD operates as an enterprise and is governed by a board comprised of elected officials from among the parties to the IGA.

historic Downtown Mining Exchange Building into a hotel (Mining Exchange- Wyndham Grand Hotel) involved a very limited development review/ zoning process but there were a number of issues and challenges with the building permits.

Impact of Building Age and Change of Use

The factors that tend to most complicate the building permit process are the age of the building and any contemplated change of use. The oldest structures (for example some of those Downtown) were originally constructed without complying with any building code. Compared with newer structures built under prior codes, these oldest buildings are the most likely to require the most expensive upgrades. By comparison, newer buildings are often less expensive to bring up to modern codes, even if their use is proposed to be changed and the building code has been modified since original construction. As a general rule, RBD and its codes are most concerned with reasonably meeting access and safety needs of building occupant with less emphasis on protecting the value of property. Oftentimes the high cost factors that impact older buildings include fire prevention/protection and escape as well as Americans with Disability Act (ADA) and/or elevator requirements.

Under the International Building Code (IBC) as adopted and administered by RBD certain substandard building conditions can be left unaddressed even with a remodeling, provided that the use and occupancy of the building is not intensified. Moreover, if only part of a structure is being renovated, it may be that the remaining unaltered portion does not have to

be brought up to code if there is no change in occupancy level. Therefore, what often triggers the need for complex and expensive improvements is a substantial change in use.

Via the IBC, RBD must designate an occupancy code for the expected use of a building. The expected presence of high number of people triggers higher levels of requirements as does behavior of the occupants. Based on this rationale, a nightclub use may have more stringent standards than an office building. This is both because there are expected to be more occupants per square foot during peak periods, and the customers of the nightclub will be less familiar with the building features (including potential escape routes). Going back to the Mining Exchange Hotel example, both factors contributed to complications and costs: a very old building combined with a more stringent occupancy code.⁶⁵

In summary, some context is important. The larger proportion of all infill activity will occur in new or expanded buildings or in older structures where expensive or complicated upgrades will not likely be required because of building codes.

Challenge with Mixed Use Buildings or Bigger and Taller Ones

As with zoning and development financing, the building permit process can be a challenge with mixed use development. This is largely due to the complications caused by occupancy ratings.

⁶⁵ Understandably, there are also higher standards when guests will be sleeping in what may be unfamiliar surroundings.

To the extent a new or renovated building needs to comply with the most stringent occupancy ratings, this may result in higher costs compared to a scenario wherein the lower-rated portion of the building were to be constructed as a separate structure.

Infill development often means increased density, and two of the ways of achieving this are to construct bigger and/or taller buildings. Both of these often trigger higher construction specifications pertaining to such factors as load ratings, fire rating and elevators. Most structures with any substantial public occupancy will require an elevator if they have more than one floor. For multifamily structures the threshold for a required elevator is ordinarily four floors or greater. It would be difficult to support an argument for relief of requirements for a new building simply because it is to be located in an infill priority area. Instead it might be more logical to include these higher construction costs as part of a rationale for the provision of other incentives.

There are also situations where an infill activity will result in the occupancy rating of a building to go down (for instance converting a public assembly building to office use). In these cases RBD may have considerable leeway to not require upgrading of construction which is not to current standards.

Options for Relief or Mitigation

RBD currently has some flexibility to accommodate the unique circumstances in older buildings. This can include approaching the solution from a collective versus compartmentalized perspective. If for instance

an older building is being remodeled, and it will be very difficult to meet all current fire provisions, the highest impact improvements may be considered sufficient. For example if the building was not originally sprinkered for fire protection, the aggregate benefits of that step might be considered adequate to compensate for other requirements that are not being fully met. There may also be some flexibility in identifying those specific areas within a building that need to be rated for the occupancy classifications that trigger higher or additional standards.

RBD also has some authority to modify (or not include) provisions of the IBC based on local circumstances and conditions. However, there is a limit to this based both on the need to comply with the intent of the Code and to adequately protect life and safety. The State of Colorado also places statutory limits on the extent to which local jurisdictions can vary from standard codes.⁶⁶ And, these limits are becoming more restrictive over time.

Option for an Alternative Code for Use of International Existing Building Code

The International Code Council (ICC) is the entity responsible for the IBC and the various other building codes adopted by the Pikes Peak Region and most local governments nationwide. They have created an International Existing Building Code (EBC) which was first adopted in 2003 and then substantially amended in 2009.

⁶⁶ Specifically, RBD currently has very little authority to deviate from electrical codes. Comparable restrictions may be forthcoming for plumbing, energy and elevator codes.

The EBC contains standards, processes and requirements that are specifically tailored to adaptation of older buildings. Having the EBC as an adopted alternative to the IBC would presumably make it easier and more cost-effective to reconstruct or renovate older buildings. However, it should be recognized that the EBC does not wholly eliminate the need to make improvements triggered by reconstruction and/or change in use. It should also be noted that the large majority of all existing buildings in this region are new enough to have been constructed in a manner largely consistent with current codes. Therefore, any substantial benefit from the EBC might be limited to a relatively small minority of all existing buildings.

Floodplain Regulations

RBD has responsibility for administering the region's floodplain regulations that are mandated in conjunction with participation in federal flood insurance programs.

Floodplains may impact both vacant and already-developed property in infill areas. With vacant properties, the floodplain conditions might be a predominant factor in why the property has not yet been developed. For existing development, floodplain constraints will place limits on redevelopment options, or result in increased cost for mitigation. There is a potential for increased federal regulation, including the extension of some requirements from the 100-year floodplain to larger 500-year boundary.

Enforcement Costs and Implications

At the "back end" of the process, RBD has some responsibility for enforcing dangerous building requirements. Although building deterioration, disinvestment and Code enforcement problems are significant concerns in some areas of the City, Colorado Springs has relatively few incidences of dangerous, unsafe and truly dilapidated buildings, and particularly those properties that have declined to the point of effective abandonment.⁶⁷

If the level of disinvestment in buildings becomes pronounced, RBD needs to declare the building unsafe and the City incurs the obligation to mitigate the problem. In some older declining cities, the extent of this problem is very significant. This is a both costly and frustrating prospect for RBD, especially in cases of abandonment. Therefore, avoidance of the prospect of decline to should be a consideration in the larger context of core area protection as an infill strategy.

Building Permit Summary and Recommendations

The building permit process can be a major factor and result in challenges for certain infill projects, particularly if they involve the use and

⁶⁷ For the purposes of the Paper, the classic manifestation "effective abandonment" is one whereby there is no longer a private market for the property because it has gone to tax lien sale and there no buyers- therefore the property is "struck to the County". Thus far this scenario has been very rare in El Paso County. This is in part because property taxes in this county can be quite low especially for properties with a low market value. Therefore, in El Paso County properties can become extremely dilapidated and remain vacant for long periods of time with the taxes still being paid.

especially the conversion of existing older buildings. Also, to the extent mixed use, larger or taller structures may be more prevalent in infill areas; these often have more stringent requirements.

For older buildings RBD applies a flexible problem solving approach within the limits of its authority. This focuses on a philosophy of collectively considering the impacts predominantly to life and safety and emphasizing those required changes that will result in the most benefit compared with the cost.

As the community matures and infill becomes a more significant component of all growth and development in the region, RBD might want to consider adoption of the International Existing Building Code.

Fees and Financial Requirements

Introduction

Through the stakeholder and case study process, the impact of Utilities and general City infrastructure standards and fees has been raised as both a real and perceived barrier to infill. This section addresses several aspects of this issue primarily from an infill versus greenfield development perspective. Due to its importance, this topic is also highlighted in other sections of this Paper.

Relative Importance of Processing Versus Improvements Costs

Development processing fees and associated costs can be significant for many projects including infill. However, in most cases and for almost all larger projects, the much larger public sector financial impact comes from requirements to either provide public infrastructure or pay fees and charges related to this infrastructure. In other words, **the improvements and capacity costs outweigh the processing costs**. In between the improvement and capacity costs and the processing costs are the **professional costs** the developer must incur to plan, design, engineer and permit the project.

Prior to or at the building permit stage, an acre of land occupied with six new residential housing units might require the expenditure of on the order of \$100,000 for its share of combined public improvements attributable to those units. These would include roads, sidewalks, drainage, utility lines and connections⁶⁸. Additionally, the amount of system development charges for these six residences, would amount to another \$50,000 or so. By comparison, the proportional share of the processing and professional costs is typically much lower, especially for larger plats and projects.

However, for smaller and more unique projects (e.g. some infill projects) the processing and professional costs are higher and more of a relative burden. This has to do with a loss of

⁶⁸ These costs may be borne directly for public improvements, paid directly to others as recovery for their public improvements costs, or paid into an account in the form of fees such as drainage fees for the purpose of compensating other property owners for their costs eligible for reimbursement.

scale economies and the inherent complexities of doing infill projects. Processing costs (particularly applications fees) can also be considered particularly burdensome because, unlike improvements costs, they do not result in a tangible asset.

Link Between Improvements Costs and Utilities Rates or City Taxes

Speaking broadly, a key objective of Colorado Springs Utilities is to have new development and/or its property owners bear a proportionate share of the costs of the facilities and capacity needed to serve them, thereby reducing any adverse financial impacts to ratepayers.

For the general City the intent is largely the same, but in this case the objective is to keep City tax rates low. Fundamentally, if there is a need or desire for a given amount and level of public improvements, these costs need to be borne by the developer, the property, the Utilities ratepayer or the general taxpayer. Subject to the potential for making processes more efficient, engineering solutions for more efficient public improvements or reducing requirements, the issue regarding fees and financial requirements is about allocating costs.

However, there is one more important factor. If mitigation of fees and costs attributable to a developer can be demonstrated to create a legitimate and real increase in tax or utilities revenues (or a decrease in cost of providing services), a near term shifting of costs to the City or to CSU could be beneficial to their bottom line over time.

Colorado Springs Utilities Fees and Requirements

The role of CSU, the impacts of its fees, processes and requirements on infill and related recommendations are all addressed separately in Chapter XII. With the possible exception of roadway improvements Utilities-related costs comprise the largest share of public improvements costs.

Less Likelihood of Cost Recovery in Infill Areas

Cost recovery is a major component in the process of installing and financing public improvements for development. Essentially, developers who install more than their fair share of improvements are often entitled to compensation from future benefiting properties. For instance, if a developer needs to extend an existing roadway past vacant parcels to their property, they can file cost recovery against the intervening owner. In the event the intervening property develops or redevelops within a prescribed period, that property must pay its proportionate share. The same general opportunity is available for adjacent undeveloped properties and for utilities. Sometimes, the dollars recoverable via these agreements represent the difference in whether an overall project is profitable.

What can complicate matters in an infill situation is less likelihood of recovery if a major offsite or adjacent improvement is needed. For example, under City Code, the developer must ordinarily construct the full cross section of new or expanded roadway adjacent to their property. In a greenfield scenario there will be

a pretty good chance that an undeveloped adjoining property will ultimately develop and reimburse the initial developer. However, under circumstances where the adjacent property is already developed, the infill developer could be required to construct or reconstruct the entire section with little hope of recovery.

With Utilities, the situation is similar, although CSU may have more potential to budget for and pay for an increments of offsite improvements that could benefit their overall ratepayers.

Effect of Arterial Reimbursement Program on Infill Areas

Issues with the City’s arterial reimbursement program were cited as part of the stakeholder interview process. Several decades ago, the City adopted a Code provision that essentially placed the responsibility for all adjacent arterial improvements on those properties at their time of development, but with the understanding that a share of these costs is logically a regional benefit. Therefore, these developers could be eligible for reimbursement of the regional share of these improvements based on availability of general City funding. Over the past several years this funding has not been available in the City budget, and a small but significant list of pending reimbursements now exists. Several years ago the City began including provisions in all recent annexation agreements, precluding the annexors from eligibility for this reimbursement.

In recent practice, PPRTA (and potentially “PPRTA II”) and other regional funding sources have been used to indirectly offset some of the more disproportionate costs of major roadway development.

In summary, although the issue of arterial reimbursement remains one that needs to be addressed, this would ordinarily not be considered a particular impediment to infill development.

Drainage Basin Fee Issue Particular to Infill

Under the City and County’s drainage basin fee program, newly platted properties in studied basins with fees in place need to pay per-acre drainage fees⁶⁹ unless they are constructing qualifying regional improvements as identified in the plan for those basins. In the event they do need to construct qualifying improvements and their value exceeds the amount of their fees, the property is eligible for reimbursement from any available funds in the basin account.

Depending on the basin, drainage fees can be quite significant, currently ranging as high as \$13,400 per acre not counting bridge or pond fees. However, as a general rule, these fees tend to be highest in newer developing areas.

El Paso County calculates their fees using a formula to account of the proportion of future

⁶⁹ Within the City these fees are charged on a per acre basis, and in some cases there are additional specific per acre bridge fees, pond fees and/or surcharges

impervious surfaces. This means more intensive land uses pay a higher per-acre fee. Colorado Springs does not discriminate based on imperviousness. Although the City's developer fee system is arguably less reflective of the true nexus between development and stormwater impacts, this is a probably an advantage to infill developers because their projects tend to be more dense. Furthermore, if a subdivider in an infill area ends up with a more dense project, a lower amount of acreage will be subject to the drainage fees in the first place.

In summary, it is probably safe to say that the current storm water fee system and requirements do not present a particular barrier to infill and redevelopment in general. Moreover, the current system might result in a competitive advantage for some sites. Going forward, any changes to fee systems, philosophies and approaches, should take the City's infill strategies into consideration.

Parks Standards and Fees and Infill

The importance of maintaining existing park lands, facilities, medians, community centers trails as supporting conditions for infill is addressed in Chapter IX. In Chapter IV this Paper also discusses the challenge associated with reliance on special districts and other forms of property-specific financing to provide facilities and services that traditionally were provided by the general City.

However, the mechanics of policies, processes, standards, fees and other requirements should also be considered. Many of these current

programs and fee systems tend to be best suited for newly developing or greenfield areas.

To begin with the needs for some infill areas can be quite different than for others. For example, some of the more mature areas of the City may have generally adequate sites and facilities in place, including a full suite of neighborhood and community parks sites as well as sports complexes. An example of this is the southern part of the Academy Boulevard Corridor planning area with its large number of dedicated neighborhood parks, a regional trail, community center and sports complexes. The challenge in that area is mostly taking care of what is already there. By comparison, parts of the central Academy corridor (which were developed earlier), have fewer parks facilities. In these areas there can be double challenge because many infill projects do not have the scale to logically trigger the need for new parks to be dedicated to the City. Therefore, if platting is involved and fees in lieu of land dedication are required, it may be that there are also few sites available for parks or related development. In these areas the infill-related issue is with creating new sites/facilities and taking care of the existing ones. Furthermore, fees in lieu of land dedication are limited to the value of the land that would have been dedicated, and they currently have to be used to either purchase land for parks and open space or to develop new parks. This provides little opportunity to reinvest in mature infill areas where either no new park lands are needed, or where new acquisition options are constrained.

For large master planned developments in greenfield areas the calculations for park site dedication are typically undertaken at the initial planning stages. If the ultimate residential densities for the overall project end up lower than originally anticipated, this can result in credits available to that developer. There has been some push to allow developers to shift these credits to projects in other areas of the City including infill areas. The concern with this approach is that the infill areas could end up losing especially if there were a need for more park land, but also because these dollars would not be available for reinvestment in these mature areas, if this were to be allowed as a future option.

Another challenge somewhat unique to infill development is that both the City's parks dedication and fee in lieu programs are tied to residential development. Therefore if a previously planned and developed area had been non-residential no lands of facilities would have been required. If the property is subsequently converted to residential or mixed use, the requirement for public parks land will be triggered somewhat after-the-fact. It is also arguable that parks and public places are essential to the quality and sustainability of even non-residential areas, and should be incorporated into these plans.

Somewhat related to the above discussion, with infill and mixed use, small public places are often particularly important. Currently, these "pocket parks" do not really fit with the City Parks and Recreation program. If a developer desires to have pocket parks and related facilities, all aspects of these (land dedication, development and operations) are the

responsibility of the developer. Moreover, the City currently does not allow Parks fee credit or these facilities. For the purposes of this Paper, it is assumed that the City will continue to have limited financial capacity to take responsibility for any new site and facilities that are created as a result of infill development. Therefore, it will be contingent upon the developer and property owner to arrange for ongoing maintenance and operations. Property owners associations or various types are an option. These are currently used throughout the City for a myriad of common area applications. However, they may be issue and trade-offs with the general public use and access functions of these spaces if a particular group of property owners are wholly responsible for the costs.

As of mid- 2014, the City is evaluating the potential for adoption of a limited exemption from fees in lieu of land dedication for residential project in the Downtown area. Based on recommendations expected in the City's pending 2014 update of its Parks, Recreation and Open Space Plan, a more comprehensive evaluation of the City's park and school land dedication ordinances may be forthcoming in the relatively near future. Among other things, there could be a recommendation to begin assigning a portion of the fee in lieu of land toward park development and not just land. This could allow for a better fit for infill areas where new parks land acquisition is not likelihood. Probably the most important change would allow fees in lieu to be expended to perform major capital projects in existing parks. Additional options could be to either require some land dedication for non-residential projects and/or allow for small pocket parks

and related public places to be given credit related to dedication requirements.

School Dedications and infill

As with parks, continued investments in existing schools are vitally important to infill, and there is some similarity with schools pertaining to facilities planning and requirements. However, with rare exceptions, there has been only a limited shift in the direction of developer responsibility for constructing or operating schools. As discussed in Chapter III the paramount importance of neighborhood schools may be diminishing for many infill projects. Additionally, in many mature areas of the City, there is an overabundance of physical capacity in existing school facilities.⁷⁰

Therefore, in most cases and in many areas, infill is a net positive of school districts. It more efficiently uses their existing buildings and it often results in additional tax base to support overall capital financing for the districts.

Also, as discussed in Chapter XIV some infill projects (especially more urban or downtown types) are not expected to generate a high demand for school children. Finally, in cases where fees in lieu of school land dedication are triggered, these can be used by the school districts for other than the acquisition of land.

However, for all but the largest of infill projects, the issue of siting and facility options can be a

vexing one, if there is any demand for new capacity. Under current Code and student generation assumptions, it takes a few thousand residences in a particular development to generate the actual physical need for a school site. And, the standards for these sites are suburban in nature such that approximately 10 acres is the absolute minimum standard for any site. It is pragmatically difficult to incorporate even an elementary school site into all but the largest infill development sites.

However, there are infill options if new facilities are needed. As an example, the typical “suburban” land and facility model can be modified to fit the needs of more urban infill developments. A much smaller footprint might work to meet special needs and circumstances. For instance _____ (cite some detail on the school adjacent to the Denver Housing Authority project)

In conclusion, as also discussed in Chapter IX, infill is most often a net benefit for school districts, and capacity is often adequate in infill areas. Where it is not, there should be physical options for developing needed buildings, especially if both the school districts and the City are flexible and innovative with respect to deviating from normative suburban standards.

⁷⁰ For example in 2009- 2010 Colorado Springs School District No. 11 implemented a plan to close or repurpose approximately ten of its school buildings, based almost entirely on over capacity.

Chapter XIV- What Other Communities are Doing

Introduction

In considering the issue of infill and revitalization in Colorado Springs it is advisable to look to other communities for their experience and alternatives. It has been specifically recommended by stakeholders that we identify other places that can serve as a model for an infill strategy.

Many cities have experienced some form of disinvestment of mature areas and/or have a substantial inventory of sites that have remained undeveloped as activity has shifted to newer areas. Conversely, almost every community has had experiences with infill activities that can be instructive. These municipalities have varying similarities to Colorado Springs and more or less comprehensive and proactive approaches.

This Chapter highlights a few communities with something to offer for Colorado Springs. However, it is noted that more work needs to be done in this area. From the limited review thus far, it does appear that few if any communities have performed a truly comprehensive analysis of the overall topic of infill as it affect them. Few have also adopted a truly comprehensive City-wide strategy. Also, from what has been identified thus far, no nationwide study or report has systematically evaluated cities from an infill performance and policy perspective.

We start with Detroit, Michigan, more to set the “extreme” boundaries of the issue than to provide directly transferable experiences and options. LODO (Lower Downtown Denver) is also particularly highlighted because of its success, its location in Colorado and its particular applicability to potential revitalization of Downtown Colorado Springs. A few other cities are more generally discussed. This section concludes with some infill-related “works in progress” in Aurora, Colorado based on the logic that Aurora probably has the most practical transferability of any peer city.

Detroit Infill Experience

Introduction

The City of Detroit is extreme case, and quite different from our circumstances and experience. However, there can be lessons learned from considering places with truly acute and systemic infill challenges. For one thing this compels us to frankly consider the worst case consequences passivity. For another it allows us to at least be mindful of some of the options that may be or need to be available, including some lessons that may have some practical application at this time.

The prospect of even a little of the Detroit experience is a sobering consideration from fiscal and overall community perspectives. As described in Chapter XIII on the role of the Regional Building Department, in addition to generally lower public revenues and higher cost, an acute outcome can be an inherited inventory of distressed properties.

In the literature, Detroit is sometimes classified as a ‘Legacy City’ because of its roots as manufacturing and its decades-long experience with depopulation and disinvestment. Between 2000 and 2010 their population dropped by a staggering 25%. At about 774,000 it now stands at less than 40% of its 1950’s peak of over two million. Detroit now has a legacy of tens of thousands of abandoned buildings.

For the past decade, the City of Detroit has been involved in a several infill-related initiatives focusing mostly on the commercial sector.

Demographic Comparisons

The demographics and land uses of Detroit contrast those of the City of Colorado Springs (refer to **Table XIV.1**). Detroit has many square miles of fully abandoned buildings and city blocks, some of which are being demolished and returned to vacant land as part of a triage program to manage costs and focus reinvestment efforts on the remaining more stable areas. Detroit has an African American majority, and a labor force where one-third of the population is out of work; Colorado Springs – even during the financial crisis – experienced significant population growth, has a Caucasian majority, and boasts a relatively robust economy. However, there are pockets of Colorado Springs that exhibit the demographic and land use characteristics of Detroit, particularly on the southern half of Colorado Springs. The disinvestment in Detroit is a perfect storm of urban-to-suburban migration, low educational attainment, and economic capabilities of the City.

Table XIV.1- Demographic Comparison with Detroit (Census and ACS 2010)

Geography	Population	2000-2010 Growth	Median Age	Percent Minority	Unemployment Rate	Median Household Income (2010 USD)	Poverty Status
Detroit	713,777	-25.0	34.8	92.2	32.5	25,787	37.6
Colorado Springs	416,427	+15.4	34.9	29.3	10.9	49,929	13.7
Detroit-Warren-Flint CSA	5,218,852	-2.6	38.8	30.7	16.7	47,857	16.6
Colorado Springs MSA	645,613	+20.5	34.6	27.3	10.3	51,683	13.3

Source: U.S Census, compiled by Colorado Springs Comprehensive Planning Team

School District Comparisons

School districts in the Detroit metropolitan area are also much more segregated and differentiated than those in El Paso County. This is in part due to the Detroit School District being largely coterminous with the City limits. There is a corresponding “bright line” difference between it and surrounding districts for race and ethnicity, socio-economic measures and student achievement. In Colorado Springs, where school district boundaries do not follow municipal limits, districts have substantial differences in these categories, but there is no such association or stigma associated with attending “Colorado Springs public schools”

Enrollment in Detroit’s public schools has dropped precipitously from a high of 297,000 in 1967-68 to 94,000 in 2009⁷¹. In the 2009 time frame the Detroit School District embarked on an ambitious plan to close 100 schools and build several new ones with the help of a \$500M bond issue. It is noteworthy that Chicago began a similar school closure initiative in 2013.

Differing Fiscal Situations

⁷¹ This statistical picture is further complicated by the presence of a large number of charter schools which together account for at least half of the remaining students with the Detroit district’s boundaries

After up to ten years of these programs. Detroit continues to be challenged in a way difficult to imagine for Colorado Springs. Their finances became so perilous that a State takeover occurred in 2013 by appointing an emergency manager, and the City filed for bankruptcy. Detroit has substantially different municipal workforce circumstances including over 40 municipal unions with the associated contracts and rules.

Nonetheless, the areas of Colorado Springs that have experienced similar types of disinvestment might still learn from the economic revitalization programs of Detroit.

Detroit's Revitalization/Redevelopment

Background

Revitalization efforts in Detroit began in earnest in early 1970's with, most notably, corporations investing in downtown. The Riverwalk, Renaissance Center, football and baseball stadiums, and casinos were among the efforts to redevelop downtown. Efforts had mixed success, due to many factors, to include the decline of the auto industry. With scandal falling on the City mayor and much of his staff in the mid-2000's, optimism about Detroit's future was dashed. However, with a new mayor, optimism has grown exponentially due to his successful approach to revitalizing the city.

In the past few years much of the traditional downtown of Detroit has emerged as a hotbed of redevelopment and investment. In this "Mid-town" area numerous older buildings are being

remodeled for various purposes including housing, offices and hotels. Recently there has been a nascent resurgence of manufacturing with a few auto-related factories either re-opening or adding shifts. Thus far the recovery revitalization of Detroit has been largely confined to the City center, with many neighborhoods and industrial areas continuing to struggle with decline. The overall sense is that the Downtown revitalization is being driven by business and to significant degree despite much progress on public sector initiatives.

The following revitalization/redevelopment efforts only include those in which the City participates in some way. Many others are private efforts by churches, homeowner associations, non-profits, foundations, etc. and number in the hundreds. Accompanying the revitalization efforts is an ever-present drive to involve the citizens of the city, from focus groups, neighborhood meetings, and a formal solicitation for volunteers. The web site recruiting volunteers is something that Colorado Springs should consider.

<http://believeindetroit.org/#s>

Organization

Detroit's revitalization efforts are centralized with the Planning and Development Department. There are two major thrusts for revitalization: residential and business.

Residential Efforts

A recent Federal grant for \$21 million for reduction or elimination of vacant land and abandoned residential properties in five targeted neighborhoods. The five targeted neighborhoods do not include the immediate

downtown area, an area to the north called mid-town, or an area to the west called Cork Town. These areas are improving as a result of past efforts, with real estate developments and increasing occupancy and property values. The city determined that targeting these 5 specific areas would bolster a neighborhood, rather than attempting a city-wide program that would only dilute the program.

Business Efforts

Business revitalization in Detroit has multiple approaches including neighborhood commercial revitalization, development land sales, a brownfield redevelopment authority and a variety of other tax incentive programs.

Neighborhood Commercial Revitalization

Detroit's Office of Neighborhood Commercial Revitalization (ONCR) provides grants and other resources for communities that want to improve existing commercial districts. ONCR has three programs – *Re\$tores Detroit*, *ReFresh Detroit*, and *Small Business Detroit! Microloan* – that work towards a basic goal of increasing density around, increasing investment within, and improving the appearance of commercial strips.

The demographics and land uses of Detroit contrast those of the City of Colorado Springs. Detroit has many square miles of abandoned buildings and city blocks, an African American majority, and a labor force where one-third of the population is out of work; Colorado Springs – even during the financial crisis – experienced significant population growth, has a Caucasian majority, and boasts a relatively robust

economy. However, there are pockets of Colorado Springs that exhibit the demographic and land use characteristics of Detroit, particularly on the southern half of Colorado Springs. The disinvestment in Detroit is a perfect storm of urban-to-suburban migration, educational attainment, and economic capabilities of the city. The areas of Colorado Springs that have experienced similar types of disinvestment can learn from the economic revitalization programs of Detroit's ONCR.

Re\$tores Detroit

The *Re\$tores Detroit* program began in 2001 as a public-private partnership modeled after the *Main Street Four-Point Approach*. The "Four Points" are: 1) Organization, 2) Promotion, 3) Design, and 4) Economic Restructuring. *Organization* attempts to build consensus through stakeholder meetings after establishing the boundaries of the revitalization district; *Promotion* is reimagining and marketing the district at both the local and regional level; *Design* reconfigures the built aesthetic by improving streetscapes, parking, and facades; and *Economic Restructuring* works to diversify the economic base of the community to accommodate a broader range of consumers, while enhancing the skills of neighborhood businesses to meet those needs.

The program initially targeted five neighborhoods that submitted reasonable requests for proposals (RFP) that demonstrated a willingness to improve their decaying commercial areas. These neighborhoods were then given grants which enabled them to hire two full-time commercial revitalization specialists that helped their respective communities establish a vision with strategies,

maintain the cleanliness and appearance of commercial areas, advertise the district for business relocation as well as consumers, and provide businesses information regarding capital assistance resources.

ReFresh Detroit

A sister program to *Re\$tores Detroit* also started in 2001, *ReFresh Detroit* provides backing for façade improvements. The approach is a public-private partnership that fits within the existing *Re\$tores Detroit* districts. Their approach combines architectural design assistance and one-to-one matching grants up to \$15,000 for façade improvements to business owners. The matching grants cover exterior painting, signage, exterior lighting, awnings, exterior materials, windows, and replacement of roll-down gates and grates with security systems and/or bulletproof glass. As of 2009, *ReFresh Detroit* had completed 245 façade improvements.

Small Business Detroit! Microloan

The *Small Business Detroit! Microloan* program began in 2006 as a public-private partnership. The program incentivizes small businesses to locate in the city of Detroit. The microloan system works to boost existing and potential businesses with low credit ratings to stimulate the local economy and decrease vacancy rates. The program also hosts the Entrepreneurs' Roundtable, a series of informative discussions on how to start your own business with a focus on service and retail industries.

Development Land Sales

Surplus property owned by the city is put out for bid. The purchase offer includes a

development agreement, and a development plan. After Planning Commission approval, public comment, and City Council approval, the sale is granted contingent on execution of the submitted development plan.

Detroit Brownfield Redevelopment Authority

Properties that are located in Detroit that qualify as contaminated, blighted, or functionally obsolete may be eligible for certain brownfield redevelopment incentives upon approval of a brownfield plan. These incentives include a 12.5% to 15% Michigan Business Tax (MBT) credit of eligible investments and Tax Increment Financing (TIF) reimbursement for eligible activities such as remediation, site preparation, and public infrastructure improvements.

Substantial redevelopment throughout Detroit has been supported by brownfield incentives. Since the program's inception, the DBRA has facilitated the approval of over 160 plans for brownfield redevelopment including residential, mixed-use, retail, office and commercial uses. Once completed, these plans are expected to create approximately \$6 billion in new investment, 13,000 jobs, and over 9,000 housing units in the City of Detroit.

Detroit has a variety of special tax incentives, several of which are listed below.

[Empowerment Zone Tax Incentives](#)

[Industrial Facilities Tax Incentives](#)

[Neighborhood Enterprise Zone \(NEZ\) Tax Incentives](#)

[New Personal Property Tax Incentives](#)

[Obsolete Property Rehabilitation \(OPRA\) Tax Incentives](#)

[Renewal Community Tax Incentives](#)

[Detroit Renaissance Zone Tax Incentives](#)

Detroit Lessons Transferable to Colorado Springs

Given the economic and political nature of the City of Colorado Springs, outside funding sources would be essential in implementing similar programs. There is more optimism in the disinvested areas of Colorado Springs than in Detroit; the disinvested commercial areas of Colorado Springs tend to be surrounded by the highest density populations in the city, which gives Colorado Springs an upper-hand over Detroit. With significant funding for infrastructure available at the Federal level, targeting disinvested commercial strips in Colorado Springs for street improvements could be a catalyst for aesthetic commercial improvements.

Some of the broader “lessons learned” from the Detroit experience could be summarize as follows:

- Define the problem that requires a redevelopment plan (falling property tax revenue, falling sales tax revenue, blight, crime, etc.)
- Determine the goals of a redevelopment plan that addresses the problem
- Define the specific areas for redevelopment efforts needed to

meet the goals, and tailor a redevelopment plan

- Implement the plan
- Measure the results against the goals
- Tweak as necessary
- Do not ignore the problem even if it appears challenging and even irreconcilable
- Finally recognize that governmental actions are not the entire answer. Much of the current resurgence of Downtown Detroit and the areas around it, has much more to do with private-sector decisions than public ones

The LODO (Lower Downtown) Denver Experience

The founder of Denver, William Larimer, situated Union Station next to the South Platte River. Before the 1950s, LoDo thrived as a primarily non-residential area because of the connection with Union Station.

After Union Station was no longer the focal point for the City (because cars became more important), LoDo experienced a decline to the point where businesses and residents left to places with better opportunity. At one point, there was an effort to clear the district and build a raised highway. In 1988, Denver City Council voted to designate LoDo as a historic district because of the architectural importance and economic potential. The designation of the historic district preserved the existing structures, introducing mixed-use zoning and

rigorous design guidelines. In 1989, a group of Denver residents that recognized the potential for the area formed the non-profit LoDo District, Inc. The LoDo District, Inc. marketed the district, which, combined with restaurants establishing themselves there, helped the LoDo district become a regional attraction. The construction of Coors Field in 1995, combined with appropriate parking uses for such a large venue, further placed LoDo on the map. Pepsi Center – immediately south of LoDo – was built in 2000, but massive parking lots combined with Speer Boulevard create a barrier between the infill neighborhood and that regional amenity. It is important to note that Denver (or some related public entity) issued about \$240 Million in bonds as part of the overall effort for revitalization of this area.

LoDo rose to prominence within a decade of the City's policies to preserve the district because of the prime location, rigorous land use and design guidelines that encouraged mixed use and pedestrian environments, and the intense marketing/branding of LoDo. Coors Field was a cherry on top but probably didn't make or break the success of LoDo.

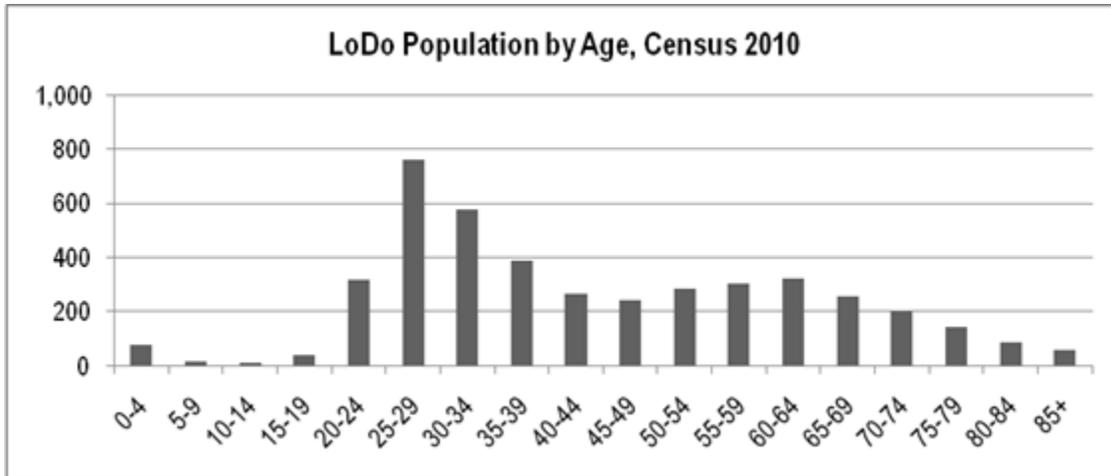
Table XIV.2 describes some of the comparative demographics of the LODO area. What is particularly noteworthy is the absence of families with young children and the presences of a substantial proportion of older adults along with the expected young professionals.

Table XIV.2

Demographic Summary and Comparison with LODO (Lower Downtown Denver)

Geography	LODO	Denver City/County	Denver/Aurora/ Boulder CSA
Population Density (persons per square mile)	9,892	3,874	234
Median Age	39.8	33.7	35.5
Age < 18	2.6%	21.5%	24.8%
Age 65+	17.1%	10.4%	10.1%
Ages 25-34	30.8%	20.5%	15.0%
Minority	18.6%	47.8%	22.1%
Households w/ Husband-Wife and Children < 18 at Home	2.1%	14.4%	22.2%
All Households with any Children < 18 at Home	3.0%	22.3%	30.5%
Average Household Size	1.4%	2.2%	2.5%
Renter Occupied Units	60.0%	50.0%	35.4%

Figure XIV.1- LODO Population by Age



Converted loft residences in LODO command rents well above the average for the Denver metropolitan area

Aurora, Colorado Experience

Introduction

Aurora, Colorado has an active infill initiative that should have some transferability to Colorado Springs. This approach includes an evolution in planning philosophy, infill priority areas and development and promotion of an infill and redevelopment-supportive zone district.

Aurora Initiative

Aurora has recently embraced a planning policy approach that is considerably more focused on core area development and redevelopment with much less emphasis on outward expansion. One underpinning for this philosophy is the expectation that anticipated light rail stations will become the focus of much of the City economic and land use activities in the coming decades.

Comparison of Aurora to Colorado Springs

Aurora, has a number of similarities that make it more comparable to Colorado Springs than most other municipalities in. It is similar in population and area to Colorado Springs. Like Colorado Springs, Aurora has large undeveloped properties mostly to the east. These were planned and entitled mostly in anticipation of development along E- 470 and related to Denver International Airport (DIA). As summarized in **Table XIV.3** Aurora's population is more diverse than Colorado Springs, but in some ways these population characteristics foreshadow what Colorado Springs may look like within a few decades. Unlike Colorado Springs, Aurora never was as dependent on the military and has become less so with the closure of Fitzsimons Army Hospital. One of the other things that makes Aurora different is that its public and private development plans are focusing around planned and at least partially funded robust transit routes including the I-225 light rail line and the Southeast commuter line ultimately planned to connect to DIA. The Denver Metropolitan Area's RTD (Regional Transit District) provides a much more robust transit system and funding source.

Table XIV.3
Demographic Comparison of Aurora and Colorado Springs- 2010

	Aurora	Colorado Springs
Population (2010)	325,078	416,427
Population Density (persons per square mile)	2,110	2,242
Median Age	33.2	34.9
Median HH Income	\$50,538	\$49,929
Per Capita Income	\$23,178	\$26,459
Poverty Status	16.7%	13.7%
Minority	52.7%	29.3%
Less than High School	13.8%	7.9%
Bachelor's or Higher	24.5%	13.2%
Do not Speak English Very Well	17.3%	5.0%
Drive Alone to Work	76.5%	79.5%
Take Transit to Work	0.8%	5.4%

Source: U.S. Census and American Community Survey, 2010

Aurora has a City Council –manager form of government, but with full time relatively well-paid mayor and a City Council that is paid a limited stipend only. City Council has 4 rotating Council Committees appointed by the mayor or mayor pro-tem (who are not on committees) and these do a lot to direct staff. One Council Committee is responsible for planning, economic development, and redevelopment

and is directing their current infill zoning initiative. A stakeholders' group has been appointed to oversee this initiative. The current Mayor and Council are very pro-business. The stakeholder's group does not include the primary neighborhood advocate.

Aurora is only about 50% built out, with the new annexations to the north and east related to the Airport and E-470. These greenfield

areas were a major focus of land use activity through 2007, but now largely dormant and much of the emphasis is on more developed areas. Newer areas that did develop tended to be in Cherry Creek School District to the south versus the Aurora to the north. Traditionally, the Cherry Creek District had high student achievement with Aurora 's being very low, but to some degree the paths are crossing. Public safety is not viewed by Aurora's planners as a major disincentive to redevelopment. Unlike Colorado Springs, they the FASTRACS light rail system as a structure to plan an infill program around. Some stations along the I- 225 routes are already built. Additional stations are underway for this route, with funding less certain for others. Light rail to DIA (Denver International Airport) is now programmed privately by 2016, and this forms their east-west axis on north side. The key factor is that Aurora has robust transit facilities in place or planned, and might have the full connections implemented by 2020 .

One of Aurora's key activity centers is the former Fitzsimmons army medical complex. This center has about 17,000 employees within one square mile and will be the future site for a large Veteran's Administration facility. Traffic in and around this site is currently gridlocked pending the availability of light rail

Socioeconomically, Aurora trails the region and is now over 50% "minority-majority" many of whom are Latino. The current City Council is not reflective of this diversity. Over 22% of Aurora's residents are foreign born versus only about 8.3% for Colorado Springs.

As with Colorado Springs, retail is overbuilt in some area with the resulting empty or high vacancy shopping centers. For residential uses Aurora is dominated by single-family and "3-storey walk-up" apartments. For Aurora, residential zoning density bonuses generally do not make sense. As with Colorado Springs, their land use entitlement context is fairly permissive and they ordinarily support but cannot get the residential density they desire. Their current zoning is predominantly PD (Planned Development), a form of PUD), with a combination of traditional districts mostly varieties of R (residential and B (businesses). These do not allow much of any intermingling of uses. Generally, they are questioning their regulations based on whether they are still needed. They want to know "why" before solidifying their regulations. In particular they are looking at "C to P" which is shifting conditional to permitted zoning uses if the conditions are most often the same (by converting conditions to standards).

Aurora has about 10 urban renewal areas with some of the same issues as Colorado Springs. However, their URA board is City Council and there appears to be more of a top-down vision.

They have some similar metropolitan district issues in newer areas of Aurora, along with some of the same utility issues, (tap fees etc.). However, in their case Aurora provides only water, wastewater and storm water, and not gas or electric. Similar issues with bond covenants for utilities have been raised.

Sustainable Infill and Redevelopment Zone District

A key element of Aurora’s infill approach to involves their recently established new zoning district called the Sustainable Infill Redevelopment District (SIR). This zoning option was adopted in June of 2012. The intent of the district is to be more permissive in allowing for mixed uses in targeted “areas of change”. The allowable areas for rezoning to the proposed SIR District are the result of a process of elimination and generally include older non-residential areas of the City and arterial corridors in particular. Some of the areas not included in the potential SIR area are:

- Single-family residential neighborhoods
- Parks
- Heavy industrial areas
- Recent TOD-zoned areas adjacent to major transit stops
- Areas with zoning based on a recent master plan
- Other relatively newly zoned areas
- Greenfield areas of the City along E-470

Rezoning to SIR in the eligible areas is not currently required but is encouraged to the extent that the application fees are waived⁷². Additionally, a development plan would not be

⁷² Aurora staff notes that this no-fee rezoning option could have some fiscal impacts on their zoning and development review operation which is operated as an enterprise. Colorado Springs, by comparison does not operate Land Use Review as a strict enterprise, but does have a fee for service basis intended to recover a substantial portion of all cost.

required at the time of zoning, so this avoids the need for detailed planning work on the part of the property owner to obtain this zoning. Inclusion would be contingent on meeting certain requirements related to form and connectivity. Aurora recognizes “horizontal mixed use” is oftentimes the best they can get. They want a “flexible and creative approach” to mixed use, by changing the perception.

In the Aurora SIR District the following permitted uses are allowed:

a. Non Residential Uses

1. Retail uses
2. Personal Services
3. Offices
4. Hotels
5. Medical care
6. Veterinary clinics
7. Places of worship and public assembly
8. Clubs, lodges, and service organizations
9. Indoor recreational uses
10. Restaurants
11. Creative industries
12. Arts and crafts display, production and sales
13. Theatres and performing arts venues, not including adult entertainment
14. Schools
15. Mixed use buildings
16. Brewpubs and microbreweries
17. Wineries
18. Urban Agriculture
19. Accessory residential units are permitted in existing commercial buildings

b. Permitted Residential Uses

1. Dwellings, townhome
2. Dwellings, live/work

3. Elevator apartments
4. Assisted living, continuing care and nursing homes
5. Garden court single family dwellings
6. Co-housing
7. Accessory residential units are permitted in existing residential buildings
8. Reuse of existing commercial and industrial buildings for residential uses

c. Uses Specifically Prohibited⁷³

1. Motor vehicle repair, painting or body shop
2. Pawn shops
3. Thrift stores
4. Outdoor storage
5. Any retail, restaurant, personal service, or indoor recreational uses that abut a residential zone or use and operate between 12:00 p.m. and 6:00 am.

The SIR contains limited development standards related to:

a. Form/Bulk and Height

The mass and height of the proposed development shall be compatible with adjacent development. The maximum permitted height shall be four stories. Higher buildings will be allowed if they completely conform to the

⁷³ Part of the concept behind allowing for this broad an array of prohibited uses is based on the assumption that not all properties will elect the SIR option and therefore, ample sites and locations will continue to be available for these uses. Nevertheless, Colorado Springs staff would be concerned that the ubiquitous nature of various resale shops would not make them a good candidate for exclusion from a potential infill and revitalization zone. Another option for at least a few of these prohibited uses would be to all them subject to conditional zoning approval

guidelines for compatibility contained in the SIR Design Guidelines.

a. Parking

Development within this zoning district is not required to conform with typical on-site parking requirements but instead refers to SIR Design Guidelines that are more lenient and allow for more site-specific consideration. The development still must provide sufficient parking to serve the development so that there are no negative impacts to surrounding properties and neighborhoods.

c. Connectivity

The development must provide pedestrian and bicycle connections defined as a complete system of sidewalks and bicycle/pedestrian routes within the site connecting to all uses on the site and to perimeter sidewalks or to adjacent properties and neighborhoods.

d. Vehicular Connections

A completely connected system of vehicular connections to all uses within the site and to adjacent streets is required where permitted.

e. Encouraging Reuse of Buildings

The SIR regulations specifically reference an intent to encourage reuse of existing buildings

f. Placemaking, architecture, energy conservation.

The SIR zone district and its guidelines place an importance on placemaking, architectural for and energy conservation.

Zoning does not immediately require a site plan (which is administrative) so owners can rezone

and then market. There are notice requirements but no hearing. There are design guidelines, required to be looked at in conjunction with site plan. There is a focus on public space even in the smallest cases (it could be the street). Administrative decisions are appealable.

Lessons Learned from Aurora and Possible Applicability for Colorado Springs

Colorado Springs staff suggests the Aurora SIR zoning option could have substantial applicability to Colorado Springs noting a few caveats. The first is that this option has been recently adopted and therefore has a limited track record established. Additionally, Colorado Springs does not have as robust transit system in place or programmed. Finally, and most importantly, thus far in the approximately two years this SIR District has been available in Aurora, it has not really been utilized. Aurora is now considering a program whereby zoning to SIR would be City-initiated for some areas.

Colorado Springs could use the same general process of elimination methodology applied by Aurora to designate a potential SIR-type rezoning area. It could among other things exclude most single-family areas, recent master plans, parks, heavier industrial areas and the Downtown FBZ (form based zoning) area. In the case of Colorado Springs an SIR option would be an alternative to the Mixed Use Zone District (MU) that the City has had available since 2004, but which has never been used. Lessons from both the Colorado Springs MU experience and the Aurora SIR experience strongly suggest that voluntary zoning options often have limited value.

Other Highlighted Communities

Introduction

A few additional communities are highlighted because they have been visited by representatives of our area or have otherwise been touted as positive examples infill and revitalization. These are:

- Portland
- Oklahoma City, and
- Greenville, South Carolina

Selected information for each of these cities is summarized in **Table XIV.4**

Portland

In early May 2012 a large Chamber/EDC⁷⁴-led delegation visited Portland, Oregon and returned with some important insights. Portland is often cited as a success story for residential infill, downtown revitalization, Transit Oriented Development (TOD) and related activities.

Although Portland itself is not that much more populous than Colorado Springs, its metropolitan area is almost four times as large as El Paso County's, putting it much more on par with Denver. This difference in scale limits the potential for some directly transferable comparisons. The Portland region also has a

⁷⁴ Subsequently, the Greater Colorado Springs Chamber of Commerce and the Colorado Springs Economic Development Corporation have merged into the Colorado Springs Regional Business Alliance.

long tradition of adopted urban growth boundaries, which distinguishes it from our region (refer to Chapter VII). Portland also has a robust public transportation system including streetcar and light rail.

The governance and taxation models in Portland are also quite different from this region. In the Portland metropolitan area, there is another layer of elected regional governance with significant authorities in the area of land use and transportation. This entity is known as “Metro” and was established by statewide vote in the late 1970s. This is somewhat akin to having PPACG with independently elected representatives and significant additional powers. Metro coordinates with the City, County and other local jurisdictions. The tax structure in Portland is very different from the Pikes Peak Region with no sales tax and heavy reliance on both local income and property taxes.

Downtown Portland has experienced a “renaissance” including the addition of about 8,000 new dwelling units within the past decade. Most of the very high residential density projects in Portland are located within 3 blocks of their streetcar line. Some deliberate decisions have been made to reduce reliance on high capacity freeways. This famously includes the removal of Portland’s riverfront freeway (Harbor Drive) in the 1970s.

However, aside from its fairly dense and residentially integrated downtown, much of Portland is not that densely populated in part due to a legacy of older traditional single-family suburban neighborhoods. Despite the existence of a more robust transit system and a thriving downtown, many of these older residential

neighborhoods have poor roadway connectivity and deficient pedestrian facilities. If all of the area within the city limits of Colorado Springs (e.g. Banning Lewis Ranch etc.) were built out as planned, Colorado Springs would not be much less dense than Portland. Also, over the past decade the City of Portland itself has trialed its metropolitan area in population growth. As of 2010, Portland’s unemployment rate was nothing to aspire to. Portland also has a major challenge with homelessness, and its cost of living (especially for housing) is high.

Much of Portland’s success in revitalizing its downtown is a result of public investment in the late 1970s and early 1980s with the development of the downtown transit mall, waterfront park, Pioneer Square, and the light rail. Beginning in 1972, Portland made an overt decision to convert a large warehouse/industrial area for revitalization via proactive use of urban renewal authority.

Early efforts for downtown redevelopment were led by the city government sponsoring redevelopment of downtown properties (<http://www.preservenet.com/freeways/FreewaysHarbor.html>)

Portland also has the upper-hand over most other cities in the USA – for whatever reason – as the city’s population values “good” urban planning (this is probably a chicken-and-egg thing where people who desired livable urban development flocked to Portland because they had “it”)

From Portland some of the lessons learned include the fact that the process takes time. Portland started their process several decades

ago and they have generally stuck with their vision. Robust transit also plays a key role in Portland. Also, many of the traditional more suburban residential neighborhoods in Portland really have not changed much over the past several decades. This underscores both the resiliency of single-family neighborhoods but also their resistance to physical change.

Oklahoma City

Oklahoma City was visited by a large Colorado Springs delegation in 2011. After hitting a low point in the 1980's and 90's Oklahoma City and its region have been touted as a success story in particular for civic engagement and economic development.

Downtown Oklahoma City has many attractions such as sports stadiums, museums and gardens, Bricktown district and riverwalk, and the Oklahoma City Bombing Memorial.

The downtown's public revitalization investment totaled \$1.5 billion, funded largely by a 1-percent sale tax which is used for "pay as you go" improvements. This tax has been in effect for well over a decade and has been renewed twice. Over this period it has been estimated that \$400 Billion in private investment has occurred.

<http://www.kansas.com/2010/06/05/1346295/how-oklahoma-city-officials-turned.html>)

Another key aspect of the Oklahoma City renaissance was a choice to reinvest in their schools.⁷⁵ A number of school bond issues have been passed.

⁷⁵ The Oklahoma City School District encompasses a large area equivalent to about 2/3rds of the size of Colorado Springs and has about 43,000 total students which is close to double the enrollment of D-11 in Colorado Springs. However, this district serves only a minority of all the students in the Oklahoma City limits, and its enrollment has a high proportion of minority students.

Oklahoma City itself is about 1 ½ times as populous as Colorado Springs. Its boundaries encompass a very large area, much of which consists of lower density development along with as-yet-undeveloped property. At over 620 square miles, Oklahoma City has over 3 times the area of Colorado Springs, and even more vacant land capacity than Colorado Springs. The City's metropolitan area has about twice the population of the Pikes Peak Region, but its overall density is comparable. From 2000 to 2010, both Oklahoma City and its region grew at very comparable rates to our City and region.

Oklahoma City is distinct from City of Colorado Springs because of state-wide primacy. A large number of local government jurisdictions comprise the Oklahoma City metropolitan area, and urban growth boundaries are not really a factor. However this region does have an agreed-upon green infrastructure network.

METRO Transit is the main service provider in Oklahoma City with 28 routes in the metropolitan area; the city has a large footprint and is fairly low density, discouraging "choice riders" from using the system. This makes their transit situation similar to Colorado Springs'.

However, a \$5 million free-to-ride replica trolley bus system with nine buses in their fleet is solely operated by the Central Oklahoma Parking and Transportation Authority and allows relaxed, yet efficient travel within downtown

(<http://www.okc.gov/maps/trolleys/index.html>)

Possible lessons learned from Oklahoma City are the importance of city-wide shared vision for downtown revitalization and a willingness to invest in it and promote it. Oklahoma City has also agreed as a community to invest in its

schools. There has been a high level of leadership from both the Mayor's office and the business community.

What is not clear is whether the vision and strategies for Downtown Oklahoma City have extended to the larger topic of infill and efficient land use within its larger sprawling city limits.

Greenville, South Carolina

Greenville South Carolina has been touted by experts including the AIA Sustainable Design Assessment Team (SDAT) (refer to Chapter V) as a model for infill and downtown revitalization. Greenville as a city is only a fraction of the size and population of Colorado Springs. However their regional population is very comparable to ours.

Downtown Greenville possesses a synergistic mix of office, retail, and residential units; the city's Department of Economic Development markets the city's downtown as a viable place to live and as an entertainment destination, accommodating and incentivizing special events and festivals

(<http://www.greenvillesc.gov/EconDev/Downtown/default.aspx>)



Banner photos from Greenville web site, 2012

The revitalization of Greenville's downtown was founded in public-private partnerships and contained a robust vision that the city would be nationally-recognized because of their vibrant downtown

(<http://www.greenvillesc.gov/EconDev/Downtown/DowntownRevitalization.aspx>)

The *Greenlink* bus system operates in the vicinity with all routes spurring into the downtown core; this transit system benefits from Greenville being a "concentric ring" type of city where the city center is the foremost economic engine for the region.

A free-to-ride replica trolley bus system managed via public-private partnership establishes the downtown as a destination for shopping and leisure

(<http://www.greenvillesc.gov/publicworks/trolley.aspx>)

Lessons learned from Greenville could include having a shared regional vision for region with the downtown clearly established as the focus and center. Public/private partnerships are also important as is the use of transit as an economic development and not just a public service tool. However what is clearly unique and different about Greenville from an infill perspective is that the City itself is very small in area (26 square miles) so it is much easier for them to focus in on their "downtown" niche role in the region.

Overall Lessons Learned from Other Cities

When looking across at all of the examples, there appear to be some overarching themes:

- Infill and revitalization efforts take time and are most successful if they are the product of long term shared vision, effective regional coordination, and proactive partnerships between local governments and the business community
- With the possible exception of Portland, few communities appear to have fully coherent and comprehensive infill strategy. Most focus on certain aspects, areas or programs, particularly their downtowns
- The “Downtown as destination and regional center” concept appears to be essential. A trolley, streetcar or other unique and attractive transit option will get locals and visitors more excited about the “experience” of downtown
- More housing Downtown means more activity at all times of the day; people seem to flock to places that seem “busy” and this only adds to that (particularly on weekday evenings)
- Marketing Downtown as a viable place to live – particularly with the demographic changes currently happening – will be a way to get both potential residents and developers informed and interested
- Project and area –specific public financing is important, as well as a decision to adequately invest in core supporting conditions such as schools
- Designating specific areas and lots for infill projects and marketing these for redevelopment, combined with policy that streamlines development in this area, could increase the amount of infill
- Creating more neighborhood master plans for other core areas of the city could steer development in a way that planners and residents appreciate
- Infill-supportive zoning districts or overlays that are entirely voluntary and available for use at the discretion of property owners, are likely to be little-used.

Table XIV.4- Selected Data for Other Infill Comparison Cities

Geography	Population	2000-2010 Growth %	Population Density (per sq. mile)	Median Age	Percent Minority	Unemployment Rate	Median Household Income (2010 USD)	Poverty Status
Portland, OR	583,776	10.3	4,015	35.8	27.8	12.2	47,185	18.5
Portland, OR MSA	2,226,009	15.5	333	36.7	23.7	12.5	53,078	13.4

Geography	Population	2000-2010 Growth %	Population Density (per sq. mile)	Median Age	Percent Minority	Unemployment Rate	Median Household Income (2010 USD)	Poverty Status
Oklahoma City	579,999	14.6	934	34.0	43.3	7.9	44,043	16.8
Oklahoma City MSA	1,322,429	20.7	208	34.7	32.2	7.7	45,749	16.1

Geography	Population	2000-2010 Growth %	Population Density (per sq. mile)	Median Age	Percent Minority	Unemployment Rate	Median Household Income (2010 USD)	Poverty Status
Greenville, SC	58,409	4.3	2,229	34.6	38.7	9.9	40,536	17.5
Greenville, SC MSA	636,986	13.8	314	37.1	26.7	11.4	42,640	15.8

Geography	Population	2000-2010 Growth %	Population Density (per sq. mile)	Median Age	Percent Minority	Unemployment Rate	Median Household Income (2010 USD)	Poverty Status
Colorado Springs	416,427	15.4	2,238	34.9	29.3	10.9	49,929	13.7
Colorado Springs MSA	645,613	20.5	240	34.6	27.3	10.3	51,683	13.3

Source: 2010 U.S. Census and American Community Survey

Chapter XV- Infill Incentives

Introduction

Whether incentives should be used to encourage more infill and what these might be is an essential part of the infill and revitalization discussion. This Chapter addresses a few of the broader issues pertaining to incentives and along with several of the major potential components of an incentive system.

Fundamentally, the premise of an infill-related incentive is to put some areas, uses or activities at a comparative advantage over others, preferably based on a reasoned and fair process tied to desired outcomes that will benefit the larger community. Fundamental to this concept is the notion of preference by area. Although important and laudable, City-wide initiatives such as general improvement of the overall business climate do not fall within this definition because there is not necessarily preference for any activity. Similarly, if a package of preferences are equally available to support new or retained primary jobs throughout the City or even the region, these would clearly be recognized as incentives. However, these would be outside the purview of this report if they provide not preference for infill and redevelopment versus greenfield development areas.

Purposes of Incentives

Notwithstanding the pursuit of enhanced quality of life for its own sake, the primary municipal purpose of providing incentives for any type of infill development or redevelopment is ordinarily to foster activities that will grow the economic value of the area. This in turn increases the revenues available with which to provide public facilities and services (or in some cases reduces the potential for higher public costs).

Importance of an Adopted Infill Policy Aligned with Economic Development and Urban Renewal Policies

The use of most incentives requires some combination of allocation of scarce resources or forgoing/deferral of municipal or Utilities revenues. These can be difficult choices with long term financial consequences. Therefore, a recommended first step and prerequisite for the use of incentives is to have policies and plans in place. Without these, the basis for using incentives becomes ad hoc, and long-term benefits may not be achieved. Having coordinated City policies for infill, economic development and urban renewal will provide a very helpful framework for decisions on incentives.

Urban Renewal

Introduction

The use of urban renewal authority is arguably the most powerful tool available to support more site-specific infill and revitalization. This designation allows the use of the property tax-

increment to finance project-related improvements or to provide ongoing services⁷⁶. What is unique to urban renewal is that the property tax increment from most non-City property taxes may also be used. Subject to the City's concurrence, urban renewal area designation can allow the use of condemnation for eligible public purposes.

A full description of statutes, authorities and requirements for urban renewal is beyond the scope of this Paper. However, it should be noted in this context that, in order to qualify for this status, an area must be determined to be experiencing "blight" according to at least one of several measures identified in the Colorado Revised Statutes. Even with recent changes to the Colorado Revised Statutes, this blight finding ordinarily is not a particularly difficult finding to make. What is arguably much more challenging is the choice of which locations and projects should be accorded this benefit and advantage, from among the much larger universe of potentially eligible areas, and if so, subject to what unique additional conditions and requirements.

Existing Urban Renewal Areas and Process

The City currently has a separately appointed Urban Renewal Board, with authority to appoint new members vested with the Mayor. With the possible exception of the Southwest Downtown

⁷⁶ Tax increment financing (TIF) essentially allows the property within the URA to establish a base level of applicable property taxes and then capture any increases in future taxes for use in bonding or otherwise paying for eligible improvements within the boundaries.

urban renewal area⁷⁷, all of the nine (9) existing urban renewal areas essentially consist of developer-initiated projects. Six (6) of these areas would certainly qualify as infill by any logical definition. These are:

- City Auditorium Block
- SW Downtown
- S. Central Downtown (Lowell)
- Ivywild School
- Gold Hill Mesa, and
- Citygate

Two others fall inside or effectively inside the City's 2002 Infill boundary, and are located in the vicinity of some older existing development and/or are closely associated with areas that have socioeconomic measures below the regional average. These are:

- The Vineyards (south Colorado Springs near I-25, and
- North Nevada (University Village)

Only one of the City's nine URAs would clearly not qualify as infill by most definitions including those used in this Paper. This is:

- Copper Ridge

Copper Ridge is located on the growing northern fringe of the City.

Although the large majority of current urban renewal areas clearly are located in infill areas and therefore support infill, there are potential

⁷⁷ The Southwest Downtown designation process was undertaken by the Urban Renewal Board which then selected a developer team via an RFP process.

concerns. Among these is the fact that these plans are predominantly developer-initiated and largely independent of each other. For instance, there is essentially no coordination among the plans of the four URAs in the immediate Downtown area. There is little potential for leveraging and coordination of improvements. In Colorado Springs, urban renewal is largely limited to being a source of financing for certain project-related improvements. Although urban renewal authority has likely created the financial conditions necessary to support some innovative approaches to infill projects (e.g. Lowell Redevelopment, Ivywild, Gold Hill Mesa and potentially Citygate), there currently is no policy that sets and standards to attempt to achieve.

Urban renewal in Colorado Springs is also notable for where it is not. There are no areas designated in Southeast Colorado Springs or on South Nevada or in the central Westside. These areas would all potentially qualify. At this time, the operational funding for the Urban Renewal Board is entirely dependent on administrative fees taken from urban renewal projects with active TIF funding in place. Resources are not currently available to proactively complete any new URA plans. No developer has yet moved forward with an application for these areas.

There are a couple of relevant new options for the City. One is to maintain the approach of developer initiation of urban renewal applications, but set in place a City-derived policy and set of standards for evaluating these proposals and assuring they best fit the strategic needs of the City and its residents. The other option would be to affirmatively

identify and pursue the most appropriate sites for urban renewal designation and take more proactive role in using and coordinating this authority.

In any case, and at a minimum, the City should realize that its most powerful area-specific tool for promoting infill and revitalization is the strategic use of urban renewal.

Public Investments

Public investments are arguably the second most important site specific incentive that can be used to encourage infill and redevelopment in particular areas, and possibly the most important one overall. Although available (and especially locally available) revenues for public improvements will generally be scarce when compared with , how and where they are allocated will be critical to an infill strategy.

As one example, it is anticipated by most experts that the implementation of the Cimarron/I-25 interchange by the Colorado Department of Transportation (CDOT), should provide a positive benefit to Downtown revitalization, especially its southwest area. To the extent this \$100 Million+ State project is prioritized above others in the region, it could be viewed as a major proactive incentive in support of infill. Conversely, the ongoing approximately \$40 Million expansion of I-25 from four to six lanes north of Colorado Springs, has less of a nexus with infill.

Similarly, while the original 2004 Pikes Peak Rural Transportation Authority (PPRTA) capital projects list contained quite a number of

projects that supported some measure of infill, its 2012 voter approved extension (“PPRTA II”) includes a projects list that is much more focused on preservation and enhancement of the current transportation system. This creates a public improvements-based incentive in support of infill. Altogether, the City’s share of the PPRTA capital projects pool is anticipated to be almost \$270 Million over ten years (2015-2024). To the extent that this large pool of investment has an orientation to infill areas, it effectively becomes an important incentive.

As discussed in Chapter XII, the extent to which Colorado Springs Utilities does or does not focus its system improvements investments in infill areas can represent a powerful incentive.

Going forward, if the City adopts a strategic infill policy and further identifies infill priority areas, public investment decisions can and should at least be evaluated measured as to whether they are at least proportionately benefitting these areas. Moreover, these public improvement funding options can be used to actively encourage and leverage the success of infill and revitalization in particular areas.

Excess City and Utilities Properties as an Infill Opportunity

City-owned Parcels

Through the stakeholder’s process, it has been recommended that no longer needed City-owned properties and easements may represent a significant source of infill redevelopment opportunities. City Real Estate

Services initiated a comprehensive inventory of all City-owned properties in early 2011. In 2013 Real Estate Services took another systematic look at the approximately 2,000 distinct parcels currently owned by the City. From this analysis, it has been determined that very few City owned parcels have potential for disposition to third parties and/or use for public/private infill partnership projects. A large majority of all these properties are “spoken for” with a current and/or projected necessary public use.

Additionally, of those properties that might be considered for disposition, many are impacted by some form of restriction that would prohibit or greatly complicate their conveyance. These can include a combination of deed restrictions, plat restrictions and reverter clauses, all of which effectively constrain the disposition of the properties either entirely or to other than the previous or adjoining owners. Moreover, for those relatively few properties that would be available for competitive sale, a sealed bid process is required.

City Controlled ROW

In addition to discrete parcels of land, the City is also the “custodian” of many thousands of acres of public rights-of-way (ROW)⁷⁸. In some cases, these rights-of-way may be no longer needed or might be considered excessively are wide. There are localized opportunities to leverage this excess ROW to support infill – supporting projects and activities. There are expected to be specific cases where excess City properties and right-of-way could become

⁷⁸ As of 2014 the City and/or the State operates as custodian of about 17,000 total acres of ROW.

available for infill development. As an example, if the Hancock Expressway/ Academy Boulevard intersection were reconfigured in an updated design, this will likely free up some current right-of-way for private redevelopment. There may also be isolated but locally important circumstances where vacation of smaller rights-of-way and easements could substantially benefit an infill project already planned for a particular location, however those would be researched on a case-by-case basis. In 2014 the City is finalizing a disposition process for a small parcel near Uintah Street and I-25 that is helping allow expansion of a small business in that area. However, these cases and opportunities will be very limited and rare.

Importance of Coordination

From the perspective of an overall City infill and redevelopment strategy, the arguably more important role of a robust City property data base will be to allow rapid and efficient research related to City parcels that may affect these projects. Meanwhile, individual City-owned, in-fill properties can be researched individually to determine whether any restrictions would prohibit or complicate their conveyance; and whether the Controlling Department is interested in disposing of the property.

Special Financing Districts

Special financing districts such as metropolitan districts, general improvement districts (GIDs), business improvement districts (BIDs) and local improvement districts (LIDs), can all be used to foster infill and redevelopment. What is

common to all these options is the ability to levy higher site-specific property taxes or assessments and use these revenues to pay for or finance (and sometimes operate) public improvements within these areas. These districts are ordinarily allowed to levy up to 40 mills of property tax in residential areas and 60 mills in commercial areas.⁷⁹ By comparison, the general City property tax levy is currently below 5 mills. For developers, the ability to use districts with potentially high mill levies to access tax exempt financing and to shift costs to future property owners, can represent a very large advantage compared to properties without districts.

From a different perspective, the relative absence of special districts in the more mature parts of the City can put them at a competitive advantage at least at the outset. The “tax cost” of these areas can be substantially less than in newer areas. As an example, it is not at all uncommon for a median value single family residence to have at least a \$1,000 higher annual property tax bill in new versus older developed areas. Because of the impact of the Gallagher Amendment⁸⁰, the corresponding impact on non-residential areas tends to be higher.

⁷⁹ In both cases this includes up to 10 mills for operations and the either 30 or 50 mills for debt service.

⁸⁰ The Gallagher Amendment is a 1983 voter approved amendment to the Colorado Constitutions which effectively sets the market value-based property tax rate for most non-residential taxable properties at about 3.5 times the comparative rate for residential properties.

Unfortunately (for infill), the current City Special District Policy essentially allows applicable districts to be created anywhere in the City and used for a broad range of legally allowable purposes. This makes them largely neutral with respect to an infill strategy. If individual developers and occasionally larger areas can use districts the same way all across the City, this provides no strategic advantage for infill. Furthermore, because infill projects tend to be smaller, less of them are likely to meet the size thresholds necessary to achieve a balance between the costs creating and operating the districts compared with their financial advantages. Because the creation of new districts most often occurs when a property is undeveloped and/or controlled by one owner, it also tends to be an uphill battle to implement any type of larger district in previously developed areas with multiple owners.

State and Federal Programs

There are a variety of State and federal programs that either inherently benefit infill or allow the discretion be used to support it.

Oftentimes, these federal and State funding programs have qualifying standards that tie them to lower income areas, residents, or businesses. To the extent that these qualification areas are associated with infill, there will be a positive relationship. This is often the case. For example with federal CDBG (Community Development Block Grant) funding there are income and related requirements for area eligibility. Typically, these align fairly well with infill areas. With housing-related funding

from HUD (Housing and Urban Development) programs there is a similar relationship.

However, these federal and State funds and programs come in relatively small dollar amounts, so it may be difficult make enough difference with these resources in a large enough area to help implement a successful infill strategy.⁸¹

Economic Development Assistance

Introduction

In conjunction with the Colorado Springs Regional Business Alliance and Colorado Springs Utilities the City currently provides a program of economic development assistance. The primary focus of these programs is on attraction and retention of employment- particularly primary jobs.⁸² For the City there is an important secondary emphasis on retail enhancement because of our high degree of reliance on sales tax revenue. This assistance can also be offered to business and development activity in general as part of creating a customer and

⁸¹ For example the City's overall allocation of CDBG funding "only" amounts to several hundred thousand dollars per year, although these dollars can be 'banked' for more than one year in some instances, to support somewhat larger projects.

⁸² A primary job is generally one that brings significant new dollars into the community. Examples would be most federal jobs or a data center job that could easily be located elsewhere in the State or country. By comparison a secondary job essentially supports and re-circulates dollars in the local economy. These include jobs such as those local retail establishments.

business friendly environment. However, it is more difficult to argue for special treatment or incentives for infill areas in this case. Similarly, the attraction or retention of higher paying primary jobs is valued by the community regardless of location. The nexus between economic development and infill/redevelopment strategies is therefore more indirect and based on considerations capacity, and creating additional areas and environments the support primary job growth and retention somewhat regardless of where these jobs are located. At this time, there really is no adopted, stated or assumed economic development priority for infill and revitalization areas.⁸³

There are a variety of economic development tools with some pertinence to infill. These include:

- Tax Sharing Agreements
- Rapid Response
- Development Assistance
- Fee and Cost Waiver and Deferral Options

Tax Sharing Agreements

Tax sharing agreements can be critical, especially for projects with a commercial component and particularly if significant sales tax will be generated. Because the City is

essentially forgoing future revenues in these cases it is important to perform some form of fiscal analysis to determine if the agreement should result in a net fiscal benefit.

Such as it is, the current policy for using these agreements is situation specific and often relates to desire to grow or preserve primary employment or retail tax base anywhere in the City, whether this is an infill or greenfield area. One future option would be to affirmatively include certain aspects and areas of infill as stated priorities for the use of this tool.

Rapid Response

Rapid response is a process whereby City, Regional Building Department and CSU staff actively engage with an applicant for development to expedite the process or problem solve. Typically, these projects tend to fall into the categories of employment or retail enhancement, but can include others. As with tax sharing agreements, there is no overtly stated priority for infill projects, but there could be as a result of and infill policy. Arguably, the greatest benefit in this area would be a heightened and renewed commitment to problem solving because of the often unique challenges that characterize infill projects.

Development Assistance

Although there is a certain degree of development assistance inherent in the Rapid Response process, the concept of development assistance would take the approach further to the point where the City and related agencies

⁸³ There is an emerging consensus that Downtown should be afforded some economic development priority, and plans such as the Academy Boulevard Corridor Great Streets Plan do establish a low-level preference for these areas, The City is also making special efforts to encourage the revitalization of areas such as South Nevada.

could perform some of the steps and processes that would ordinarily be required of the developer. Because this level of assistance can present particularly sensitive competition and equity issues, care would need to be taken to focus this assistance either on entire areas of priority or to projects previously identified as desirable public-private partnerships. There are a wide variety of development assistance options. These could run the gamut from City coordination of the urban renewal area designation process to funding or completion of plans and studies that might customarily be the responsibility of the developer in greenfield areas.

Fee Waiver and Cost Deferral Options

The City or City Council sitting as the Utilities Board has some potential for waive or defer fees, charges and costs associated with the development or redevelopment processes. This can occur via the establishment of ongoing programs that allow such relief to occur in identified circumstances, or in the form of customized agreements that would need to be uniquely approved by City Council or a similar governing body. Some of these options are discussed in Chapters XII and XIII. Because these actions can affect both the equity and integrity of cost and fee-based systems, it is important that these decisions are tied to a cohesive, well considered and logical policy and approach.

Innovation Districts

A number of mostly major cities have introduced the concept of “Innovation Districts” as an economic development focus and tool. These districts ordinarily consist of smaller areas identified for redevelopment often in conjunction with a partnership involving the private sector, a city and an institution of some sort, typically higher education. Entrepreneurial, cultural and high tech activity is ordinarily targeted and supported. The public sector role includes investment in infrastructure. Examples of innovation districts include Boston, New York and Barcelona. However, smaller communities such as Syracuse have also used this approach. A 2012 study by the State of New Jersey (link below) describes this concept as well as some cases studies.

<http://www.njfuture.org/wp-content/uploads/2012/09/Innovation-Districts-as-Economic-Growth-Strategy.pdf>

Some components of this innovation district model may be applicable for the Downtown and/or North Nevada area with a tie to UCCS and the University of Colorado Health (UCH) Memorial Hospital educational and research initiatives.

Potential Marketing and Problem Solving for Infill and Redevelopment Sites

One proactive opportunity for all infill sites, and especially the more difficult ones, is to more actively inventory and market them. This strategy could be customized to place a priority on agreed-upon infill priority areas.

Larger vacant and difficult sites and structures could be systematically inventoried (including communication with owners) to determine what factors appear to be contributing most to their lack of development or redevelopment up to this point. If the key factors are predominantly “externalities” that are beyond the effective control and influence of the City and CSU, emphasis could be shifted to those sites where the City might have a more productive role. Proactive problem solving could then be undertaken for this select list of sites.

The idea of actively promoting the development of infill sites could be a bit of a “slippery slope” from a policy and equity standpoint but may be work considering if accomplished in a transparent and systematic fashion.

Chapter XVI- Recommendations

Introduction

This Section summarizes the recommendations from this Paper. They are reflective of findings which are embedded throughout the Paper and brought forward in the Executive Summary.

It is essential to understand that these recommendations are preliminary in nature. Although they are based on a comprehensive analysis and considerable stakeholder input, as of mid-2014 there has been no formal public process or City leadership direction.

These recommendations fall into two very general categories:

- **Direct Recommendations**
 - e.g. Downtown should be the centerpiece of an infill strategy
- **Ongoing Process Recommendations**
 - e.g. Utilities capacity areas should be mapped to assist in further refining infill priority areas

However, in many cases these recommendations entail some combination of both of these categories. The foremost example is the recommendation to identify infill priority areas. This Paper recommends this step take place following additional analysis, public process and leadership. But it also suggests

what many of these priority area areas could and even should be.

Adopt a Simple and Concise Infill Policy and Align it with Adopted City Economic Development and Urban Renewal Area Policies

The City should have clear and concise infill policy to be used to guide all relevant strategic planning, policy, regulatory, land use, budgeting and implementation decisions within the span of control of its functions and enterprises. At a minimum, this policy would include the following components:

- Why infill is important to the City?
- What is the City's vision for infill including the culture for promoting and supporting it? , and
- What are the most important infill priorities and areas?

Such a policy could and should be used to evaluate consistency any relevant City decision and include essential questions along the lines of the following:

Ask Essential Questions

- a. Will the action promote infill in general, and particularly in priority areas? If not, is there still an imperative for the action?
- b. Will the action result in any substantial barriers to infill?

- c. If the action will result in or encourage infill, will outcomes include increased land use connectivity, mixed use, more efficient use of infrastructure or utilities, and encouragement of alternate transportation modes?
- d. If the action will have a positive association with infill, will it be reasonably integrated with and supportive of surrounding land uses and neighborhoods?
- e. Will the infill-related action have a net long term positive fiscal impact on the City and its service providers?

Adopt an Economic Development Policy

Because infill is integrally tied to economic development, the City should also have an agreed-upon Economic Development Policy that is aligned with its Infill Policy.

At this time, the City directs its economic development activities in accordance with generally accepted principals and also coordinates with the Colorado Springs Regional Business Alliance. However, there is no formal written policy. In particular there are no written and agreed-upon statements as to the relative value and importance of infill,

revitalization and core area reinvestment, as part of an overall economic development strategy.

Having a formal City economic development policy would certainly not mean that it and an infill policy would be entirely consistent. For example, a cornerstone tenet of an economic development policy would presumably be to encourage the attraction and retention of targeted primary jobs anywhere in the region, regardless of local jurisdiction or greenfield versus infill areas. The next level of preference would be for a location inside City limits. However, with a potential alignment of these policies, there might be a further refined preference and encouragement for certain of these employers to locate or remain in infill priority areas including Downtown.

Similarly, from a broad fiscal perspective, the overarching economic development preference would presumably be to encourage the location of major retailers inside of City limits in order to capture the sales tax benefits. Moreover, the policy might also recognize the unique importance of encouraging City locations for retail uses on or near the borders of the City. This is especially important if there is a near-City option in the unincorporated County whereby the municipal sales tax revenues might be forgone to the entire region. These priority areas might actually be greenfield properties. However, as with primary jobs there could still be a secondary preference for encouraging retail development in infill priority areas.

It also should be understood that an economic development policy needs to be sufficiently

adaptable and flexible. Each opportunity and situation tends to be unique.

What would essentially happen with aligned infill and economic development policies is that the importance and value of infill and revitalization would be overlaid with the other values that would comprise the entire policy.

Adopt an Urban Renewal Policy and Strategy Tied to Infill

As discussed in Chapter XV, the City does not have an overall adopted policy for strategic and proactive use of its Urban Renewal Authority. Instead proposals for designation are brought forward by one or more developers and reviewed on a case-by-case basis pursuant to the general requirements of the Colorado Statutes and the input of staff, the community and the Urban Renewal Board at the time. There is little or no coordination among the separate urban renewal areas. This Paper recommends the creation and adoption of an urban renewal area policy that would emanate from the City and set forth a strategy for use of urban renewal authority more proactively by the City. One key element of this policy would be the support and advancement of the City's infill objectives.

At a minimum, this new policy could be used to more systematically evaluate future developer-initiated urban renewal proposals both for initial designation and to provide additional context for the extent and nature of use of tax increment financing (TIF) and related incentives.

Establish Infill Priority Areas

In coordination with the Mayor, City Council should establish priority areas for in which to encourage infill and revitalization via a variety of investments and incentives. This is not a recommendation to be taken lightly because it would represent a significant departure from the more passive and "level playing field" philosophy which is the current default position. However, if there is no priority, there will not be much of a strategy and therefore less of a chance of success.

Using Downtown as a potential example, it is one thing to adopt an area-specific plan and unique zoning and to allow the formation of special financing districts specific to Downtown. And, it is another thing to take advantage of federal and State grants and programs with eligibility criteria that benefit certain areas over others. All of this has been done in the past by the City. However, a further step would be to formally acknowledge that scarce City-controlled, attention, investment and incentives ought to be disproportionately directed to particular infill priority areas.

This process of establishing priorities should involve a robust public process, and also continue on with the analytical approach described in Chapter VIII.

Based on the analysis and stakeholder process embodied in this report, the following sometimes overlapping priorities are tentatively recommended:

- Downtown

- Identified Economic Opportunity Zones (EOZs) based on current or future adopted plans
- Mature/Redevelopment and Frequent Transit Corridors
- Areas with infrastructure capacity including utilities, transportation and existing or funded fire stations
- Other areas that are susceptible or vulnerable to land use change
- Additional redevelopment or strategy areas

This continuum of priority recommendations flows largely from the following concepts and assumptions about areas where infill should be promoted:

- Areas that generally welcome and will benefit from additional density and land use change
- Mature and core areas that do not have the benefit of recent large area privately-initiated master plans
- Areas that now have or will have the land use and infrastructure capacity to support additional development
- Areas that are vulnerable to land use change
- Areas in need of reinvestment and renewal
- Areas with a market for development/redevelopment

Identify, Promote and Invest in Downtown as the Centerpiece

Downtown Colorado Springs should be identified as the centerpiece for the City's infill strategy. This recommendation results from nationwide experience that clearly

demonstrates economically successful cities and regions have vibrant downtowns that they have envisioned, prioritized and invested in. This topic and recommendation are further discussed in Chapter XIII.

Downtown also has some pragmatic utility as focal point for infill because of a current interest and initiatives including the City for Champions projects. These and other initiatives also offer an opportunity to use Downtown as a pilot for processes, incentives and strategies.

Complete Additional Priority and Capacity Mapping

It is recommended that the City continue to refine its mapping of available capacity to support infill activities and the other factors that would logically influence the prioritization of infill areas. See Chapters VIII and XII, for more discussion of capacity and priority mapping. This is important on the front end as one means of systematically establishing these areas. Looking further forward, it will be important to maintain and refine this mapping in order to effectively implement an infill strategy.

In the immediate future it is recommended that fire station response time mapping be incorporated in the infill heat mapping model and that utilities mapping also be initiated. A logical place to start the utilities mapping process would be for Downtown.

Perform the Role of Master Developer

Most anticipated infill priority areas do not have the benefit of a relatively recent large area privately-initiated master plan in the same way that places like Norwood, Flying Horse Ranch, Banning Lewis Ranch, Stetson Hills, Mountain Shadows or Cheyenne Mountain Ranch do. Even when there are “infill issues” in these areas there is the context of the original master plan to rely on. These master plans ordinarily have substantial roadway, drainage and utilities capacity identified and built into them to accommodate many proposed land use changes. And, the master plans provide at least some context for evaluation of the proposed changes and amendments that do subsequently occur.

Conversely, in non-master planned areas, context is often lacking, current facilities are more likely to be deficient and there is less likelihood of that robust roadway and facilities plans have been completed. In areas where publically-initiated master plans have been completed, these may be dated and/or not go “far enough” in identifying and proposing solutions to the crucial questions of capacity for and level of acceptance for infill and redevelopment. As a general rule, the City’s small area plans that do exist tend to focus on public improvements, support existing uses and maintenance of the status quo with respect to zoning and land use entitlements. In most cases there is limited emphasis on exploring and pursuing all valid options for land use change.

As one example, the City’s Westside Plan does in fact address many of the above issues and concerns and it covers a significant part of the mature area of the City. However, this plan is

also 32 years old and so it could benefit from refreshing. As part of that refreshment there could be a renewed focus particularly on matching up the utilities capacity and needs as these relate to opportunities for revitalization. A refreshment of plans such as the Westside Plan would presumably not discount most of its original premises, directions and recommendations. Instead, it would simply update these plans, with a focus on infill issues and opportunities, land use adaptation, capacity and implementation priorities.

The role of the City as “master developer” would not ordinarily extend to actually being the controlling developer for traditionally private development. An example of this more comprehensive role would be when the City of Lakewood actually became involved in acquiring an obsolete shopping mall and coordinated its redevelopment as the Belmar project with a private developer. Although this model could work in some areas, the typical role of the City is anticipated to be limited. However, these plans and processes would lay the groundwork for public facilities and the public realm in more proactive support of redevelopment. Rather than simply helping with a plan that accommodates private development plans that are consistent with a public vision, the public role would extend to the question of “What are the key things the City needs to do make the vision happen”?

Again, using Downtown as an example, the City’s role is already evolving beyond the more passive traditional planning role into that of being a more active partner. Part of being more proactive involves aspects such as

- Keeping oversight and implementation structures in place with assigned responsibilities
- Proactive attention to key public decisions, investments and barriers
- Regular measurement and reporting

This master plan and “master developer” approach can also serve to better serve the needs of neighborhoods and help manage the adverse risks of potential neighborhood opposition. By engaging and communicating more on the front end of the process, there can be additional certainty for the neighbors, developers and City staff.

Although it is unique among all areas of the City, Downtown Colorado Springs is recommended as the first pilot area for this master developer approach

Prepare Macro Neighborhood Plans, Affirm the Role of Neighborhoods and Engage Them Early in the Process

Although the neighborhood process is understandably identified by developers as a particular challenge for infill area, neighborhood participation also needs to be viewed as an integral part of the solution and strategy. Overall, infill strategies are not likely be successful if the neighbors are not behind them. There are two key recommendation and both of them have to do with getting out in front of the process.

Part of the process of the City acting as the master developer for infill priority areas is to

proactively engage larger neighborhoods in planning for infill. These “macro neighborhood plans” can go a long way toward achieving consensus on topics such as what the market conditions really are in particular neighborhoods, what future land uses are desirable or acceptable, and what are the highest priority needs of the area from the developer, the City or the neighbors themselves.

The second part of getting out in front is to encourage and sometimes require advance communication between the prospective neighbors and the developer for a particular project. Oftentimes, a little early communication can pave the way for an infill project that is largely collaborative rather than adversarial.

As part of an infill supportive neighborhood process, careful attention should also be given to commitments that are made and the way conditions are worded.

Adopt New Land Use Processes and Regulations

One of the findings if this Paper is the current City Zoning Code at already reasonably allows for infill projects to be approved and implemented in logical and practical areas. This statement is particularly true for the Downtown which now has the benefit of form based zoning (FBZ). There is an available zoning district and at least the potential for a relatively expedient process to accommodate most proposals for infill. It also should be acknowledged that even the “best” zoning and regulatory systems for infill and redevelopment need to accommodate

some additional time for public process in some cases.

The periodic City Code Scrub process remains available as a mechanism to refine regulations to better encourage infill and adapt to its realities and issues.

However, this Paper does suggest three broader forward-going recommendations for major changes to the Zoning Code:

Consider and Possibly Implement an Infill Revitalization Zone District

This option is currently being considered for adoption in the City of Aurora (see Chapter XIV). As described in that section, the zone district would be available as an option for identified infill priority areas, and would provide a great deal more use flexibility for property owners without the need for a subsequent (and sometimes protracted) rezoning process. This option would be most logical for areas that are considered to be both susceptible and amenable to substantial land use change. As is being proposed in Aurora, the City could offer to rezone eligible properties for to this designation at no cost to the owner. Additionally, areas with specialized zoning (such as the Downtown FBZ) could have their regulations additionally tailored to encourage infill.

However, there are a few steps that should occur before something like the Aurora Sustainable Infill and Redevelopment District (SIR) zoning option is might be actively pursued. First, the City should adopt an infill policy and decide whether it wants to designate infill priority areas. Secondly, it is becoming

abundantly clear from the Aurora experience that creating a new zoning district and waiting for developers to voluntarily chose to rezone is largely and exercise in futility. For most new zoning requirements to have significant use and value they will need to be proactively put in place by the City

Accommodate Additional Form Based Zoning

A number of the infill priority areas suggested in this Paper could potentially benefit from form based zoning as has been recently adopted for Downtown. Examples include several of the Mature/Redevelopment Corridors proposed for this designation. Generally, FBZ regulations are more likely to be useful and acceptable in areas that are amenable to fairly wide range of land uses.

Potential ADU Zoning Changes

For most of the relatively stable and uniform single-family neighborhoods in the City, broadly permissible infill zoning or form based zoning may not be particularly feasible or acceptable. However for some of these neighborhoods the option of more permissive zoning to support Accessory Dwelling Units (ADUs) could be a good choice. Such zoning changes could be crafted to reasonably project the character and value of these neighborhoods, by establishing clear standards for these units among other things. However, as noted elsewhere in this Paper, in many of the newer developed single-family areas of the City, these options may be effectively be precluded by the existence of restrictive covenants and for other reasons.

Invest Publically in Infill Areas

One of the biggest ways the City can make a difference in infill and redevelopment priority areas is to affirmatively direct discretionary public investments toward them. This becomes even more important as public resources become scarcer and the allocation decisions more difficult.

Some infill priority areas will naturally garner a higher share of public resources due to some combination of federal and state eligibility or level of facility deterioration in those areas. However, what is recommended here is to go beyond that more passive acknowledgement, to a more active and strategic approach. A first question in making public investment decisions should be:

“Will this investment benefit infill and reinvestment priority areas proportionately at a minimum, and if not, what are the reasons the investment should still be justified?”

The City’s “PPRTA II” capital projects list provides a case in point. It is generally consistent with the question posed above because of its orientation toward preservation of existing transportation facilities in more mature areas. At about \$27 million per year, the decisions as to physically where these revenues go can make a tremendous difference. If the City had a system of adopted infill priority areas, this would allow for a more formalized and refined approach to evaluating future funded of public improvements. Assessments could be easily made as to what proportion of all revenues will be going to older generally developed areas, and of that subset, what

proportion will clearly benefit the highest priority area.

Of course, paying attention to what shares of public investments go to infill areas is only part of the potential strategy. Effective and efficient use is the other. If the investment is not honestly expected to cost effectively improve economic and/or quality of like conditions in the priority areas, merely doing the geographic accounting falls short.

Invest as a Utility and Further Align Utilities Policies, Fees and Charges

Colorado Springs Utilities already implements a robust facilities improvements plan with the objective of systematically maintaining and upgrading facilities. What is further recommended here (and discussed in some detail in Chapters VII and XII) is that these plans should be more formally aligned with infill priority areas.

As part of this investment, complimentary infill land uses should be aligned with existing utility capacity in order to both maximize the use of existing infrastructure and minimized costs to either developers or CSU ratepayers.

Also as recommended in Chapter XII, policies, fees and charges could also continue to be refined in order to further promote infill and redevelopment.

Align and Keep Track of Incentives

City and CSU incentives are inherently limited and ordinarily require a trade-off involving some combination of shifting, deferral or forgoing of taxes or revenues.

If the City had an adopted infill policy, this was aligned with economic development and urban renewal polices, and priority areas were identified, these would all comprise an enhanced basis for determining the use of incentives.

In addition to the affirmative allocation of scarce public investments to priority areas the other most important incentives are tax abatement or sharing. Urban renewal designation is ordinarily the most powerful tax-related option because it has the potential to capture more than just the City portion of property taxes (See Chapter XV). However, for projects with a significant retail component, the value of sales tax can be much more substantial than property tax. The City has the option of entering into sales tax abatement or deferral agreements either inside or outside of an urban renewal structure.

Another broad category of “incentive” is City attention to areas and projects. This can take the form of expedited review process and problem solving. Again, with an alignment of policies and a clear determination of priorities, decision concerning rapid response and deployment of City resources could be more actively directed to support infill.

Special financing districts (such as metropolitan districts) should be recognized as an important tool to support infill because of their ability to access tax-exempt financing and to shift public improvements costs directly to the benefitting

downstream property owner. However, unfortunately (for infill) this option is not really an incentive because is available more or less universally, throughout the City. (See ChapterXV for further discussion).

Modify, Adapt and Informatively Waive Development Standards to Support Infill

As discussed in Chapter XIII there can be a disconnect between standards and requirements created primarily for greenfield areas, and the circumstances and needs in infill areas. One example is access standards for arterial roadways. Another is the strict application of level of service standards for roadways. Infill projects often to not have the luxury of larger coordinated access and circulation plans and therefore may be unreasonably burdened by strict interpretation of new area standards. Similarly, those projects that generate more traffic may have more limited economically feasible options to address projected congestion. In these instances the infill-supportive alternative may be to accept a reasonably higher level of congestion.

Depending on the circumstance, there are a variety of options to either comprehensively create alternative standards for infill areas, or to modify or waive them based on side specific circumstances. The current City Code is fairly well adapted to allow this flexibility. However, it is important to use this capability with proper discretion in order to avoid unintended consequences.

Innovatively Approach Financial Participation

The same financial participation requirements that may work well in greenfield areas, can benefit from adaptation for infill sites. One example is the typical requirement to construct the full new section of required roadway adjacent to a project. For infill sites this may not even be possible, depending on what they abut up against. And if it is, the potential for recovering costs from the owner on the other side of the road is more limited. Therefore, alternate financial obligation standards and processes should be explored. For additional examples, please see Chapter XIII.

Promote and Advocate

More active promotion and advocacy should be part of an infill strategy. As long as personal favoritism is avoided, there should be no problem with the City comprehensively providing an inventory of potential infill sites and helping with the external marketing of them. If priority redevelopment areas are established (e.g. Downtown) this status and available incentives can also be marketed with the concurrence of the property owners.

Similarly, the City could proactively identify and engage with the owners of “difficult” properties in priority areas with the intent of determining whether there are any barriers or impediments to development that can be reasonably addressed by the City or its enterprises.

Provide the Supporting Conditions

As described in Chapter IX, the best intended infill intentions and strategies are likely to fail if the basic supporting structures are not in place.

To begin with if the overall local economy is not sufficiently robust; there will not be much of a market for new development anywhere, much less for infill areas. Next, if people do not feel reasonably safe and secure in priority areas, many of the investments, incentives and approaches outlined in this Paper will have a low potential for success. Strong public schools, a quality parks system and responsive public transit are also very important prerequisites for the success of infill of certain types and at certain locations. Finally, there is a somewhat of a feedback loop with many of these conditions. Infill and revitalization creates an environment that encourages economic development and thereby can generate at least the capacity to provide the resources and revenues needed to provide for the supporting conditions. It all works together

Keep Track of Data and Progress

Infill trends and infill strategies are both long term propositions. Therefore, ongoing measurement and progress reporting is essential. This process should be aligned with the strategic direction ultimately decided upon by City leadership. Annual reporting is recommended. This should be kept simple, with an emphasis on being informative, honesty tracking trends and progress, and promoting the strategy