
**URBAN RENEWAL PLAN FOR THE
PRAIRIE GATEWAY
URBAN RENEWAL PROJECT**

Prairie Gateway Area
Commerce City, Colorado
February, 2005

URBAN RENEWAL PLAN FOR THE PRAIRIE GATEWAY URBAN RENEWAL PROJECT

I. DEFINITIONS

The terms used in this Urban Renewal Plan shall have the following meanings.

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

Area or Urban Renewal Area means the area of the City included within the boundaries of this Urban Renewal Plan as depicted in Exhibit A and described in Exhibit B.

Authority means the Commerce City Urban Renewal Authority.

City means the City of Commerce City, Colorado.

Comprehensive Plan means the City of Commerce City 1985-2010 Comprehensive Plan as amended to the date of this Plan.

Plan or Urban Renewal Plan means this urban renewal plan as it may be amended in the future.

Project or Urban Renewal Project means all of the activities and undertakings described in this Urban Renewal Plan.

II. INTRODUCTION

Except for peripheral streets, the Urban Renewal Area, formerly known as the Western Tier Parcel, was part of the 27-square mile Rocky Mountain Arsenal. Prior to 1992, the Rocky Mountain Arsenal served as a federal arsenal to supply armaments for World War II. After the war, chemical companies used the plants constructed on the Arsenal to produce pesticides. In the 1950s, the U.S. Army constructed new facilities for the production of nerve gas. As a result of these activities, which primarily occurred in the interior of the Arsenal, the site was declared a Super Fund Site. Since the 1980s, an enormous monetary, time, and human capital investment has been expended to remediate the entire Arsenal. Since the remediation efforts have begun, a vast majority of the site has been restored, and portions of the Arsenal have been “de-listed” from the Super Fund list, including the entire Urban Renewal Area, which was not used for munitions or pesticide production.

In 1992, the Rocky Mountain Arsenal was designated a National Wildlife Refuge with the enactment of Public Law 102-402. This legislation authorized the conveyance of a tract of land from the U.S. Fish and Wildlife Service to the City. Local and federal leaders share a goal to

provide unique environmental education and recreation opportunities for a growing Front Range population. As a result, the rationale of the conveyance is to provide for the development of a visitor center and compatible private development to benefit private enterprise, the City, and the U.S. Fish and Wildlife Service. The City purchased the Area, except for peripheral streets, from the federal government in 2004, and annexed the Area in November of 2004.

In 2004, the City entered into negotiations with Kroenke Sports Enterprises (KSE) to form a public/private partnership for redevelopment of the Area to serve as the future home of the Colorado Rapids by construction of a 20,000-seat stadium, associated parking, development of up to 24 youth soccer fields, and construction of related commercial and retail improvements. Also, the City intends to construct a new City Hall in the Area. The City and KSE signed a Master Development Agreement dated as of October 25, 2004 (the Master Development Agreement) that outlined the details of this partnership.

This Urban Renewal Plan has been prepared for the City Council pursuant to the provisions of the Law. The purpose of this Plan is to facilitate the redevelopment of the Area in accordance with the Comprehensive Plan, the Prairie Gateway Framework Master Plan, and the Master Development Agreement by cooperating with the City, KSE, and other public and private entities.

The administration of the Project and the implementation of the Plan shall be the responsibility of the Authority in cooperation with the City and private enterprise.

III. URBAN RENEWAL AREA BOUNDARIES

The location and boundaries of the Urban Renewal Area within the City are shown in Exhibit A. The Urban Renewal Area contains approximately 917 acres plus peripheral streets and is described in Exhibit B.

IV. SUMMARY OF STATUTORY CRITERIA

The staff of the City of Commerce City, with the assistance of legal counsel, has conducted a survey of the Area to document whether conditions that constitute a blighted area, as defined in the Law exist in the Area. The existing conditions are described in a document entitled Conditions Survey, Prairie Gateway Area, Commerce City, Colorado, dated February 2005 consisting of 13 pages and a map exhibit (the Conditions Survey). The Conditions Survey is incorporated herein by reference.

The Conditions Survey shows that the following factors listed in the Law are present in the Area and that these conditions qualify the Area as a blighted area as defined in the Law:

- A. Predominance of defective or inadequate street layout.

- B. Faulty lot layout in relation to size, adequacy, accessibility, or usefulness.
- C. Unsanitary or unsafe conditions.
- D. Deterioration of site or other improvements.
- E. Unusual topography or inadequate public improvements or utilities.
- F. The existence of conditions that endanger life or property by fire or other causes.
- G. Environmental contamination of buildings or property.
- H. The existence of health, safety, or welfare factors requiring high levels of municipal services or substantial physical underutilization or vacancy of sites, buildings, or other improvements.

V. DESCRIPTION OF URBAN RENEWAL PROJECT

This Plan will be implemented as part of a comprehensive program to eliminate and prevent blight in the Urban Renewal Area. The Authority and the City, with the cooperation of private enterprise and other public and private bodies, will undertake a program to eliminate the conditions of blight identified in the Conditions Survey while implementing the Comprehensive Plan.

A. Urban Renewal Plan Goals and the Plan's Relationship to Local and Regional Objectives

1. Goals of the Plan

This Plan has been adopted to achieve the following goals in the Area:

- a. The Plan will implement the provisions of the Comprehensive Plan, the Prairie Gateway Project Feasibility Study and Proposed Development Strategy, the Prairie Gateway Framework Master Plan, and the Master Development Agreement in the Urban Renewal Area to help finance and assure orderly development of the Urban Renewal Area.
- 2. The Plan will promote a balance of complementary land uses in the Area.
- c. Implementation of the Plan will eliminate and prevent conditions of blight in the Urban Renewal Area.

- d. Through the maximum possible participation of private enterprise and the cooperative efforts of the public sector, implementation of the Plan will promote redevelopment of the Urban Renewal Area and the community at large in accordance with the Law. The Plan will promote creation of value in the Area.
- e. The Plan will assist in the mitigation and control of the danger from flooding in the Urban Renewal Area as well as adjoining property.
- f. The Plan will help provide public facilities and infrastructure, access, traffic, pedestrian and bicycle circulation, public utilities, public amenities, recreation, educational facilities, and open space in the Urban Renewal Area.
- g. The Plan will help attract capital investment and new retail businesses, retention and development of a competitive regional retail market, thereby providing employment and strengthening the economic base of the City.
- h. The Plan will expand retail, recreational, and educational opportunities for the citizens of Commerce City and help create a buffer and appropriate gateway for the visitor center.
- i. The Plan implements and helps create public open space and a combination of uses featuring a new soccer stadium, youth fields, and privately-owned commercial and retail developments.

2. Relationship to Local and Regional Objectives

The Plan conforms to and is designed to implement the Comprehensive Plan and regional objectives in the Area.

- a. The Plan will promote and encourage commercial, mixed use, open space, and employment-related retail developments in the Urban Renewal Area, an objective of the Comprehensive Plan and the Prairie Gateway Framework Master Plan.
- b. The Plan will implement the provisions of the master drainage and flood improvement program of the City, which is part of regional efforts to control flooding and promote a comprehensive drainage program to serve the entire region.
- c. Transportation improvements promoted by the Plan are consistent with intergovernmental efforts to fund, plan, design, and improve streets and

other public improvements and amenities in the Area and in adjoining communities.

- d. Implementation of the Plan is consistent with regional efforts to create public/private partnerships to provide employment and generate revenues for both sectors.
- e. The development of internal street patterns in the Urban Renewal Area will improve and ease traffic and circulation problems in the City and the region.
- f. The Plan will provide the means for the orderly development and redevelopment of the Urban Renewal Area by resolving land use conflicts within the area.
- g. The Plan promotes the development and expansion of safe and adequate pedestrian access and public transportation.
- h. The Plan implements and enhances educational, recreational and community facilities by providing access to open space, preservation of a section of original remnant short-grass prairie, additions to the City trails system that benefit the community outside of the Area and the region as a whole.

B. Land Use Regulations and Building Requirements

The Plan will provide a means to implement comprehensive and unified plans to promote and encourage high quality development of the Urban Renewal Area by private enterprise and public investment. In addition to the land use and building requirements contained in City Codes and ordinances, the Plan will permit development of the area in accordance with the Prairie Gateway Framework Master Plan and the Master Development Agreement.

The Plan implements the provisions of Section 31-25-107(8) of the Law, which provides that, upon approval of the Plan by the City Council, the provisions of the Plan shall be controlling with respect to land area, land use, design, building requirements, timing, or procedure applicable to the Area.

In the event of a conflict involving the provisions of City codes and the Plan, the most restrictive provision shall govern.

1. Uses

Permitted uses for properties in the Urban Renewal Area shall be those uses allowed in

the Comprehensive Plan and the Prairie Gateway Framework Master Plan.

2. Plan Review Process

The purposes of the Plan are to eliminate and prevent blight in the Urban Renewal Area and to achieve development of the highest quality in the Urban Renewal Area. To assure that those purposes are accomplished, the following provisions shall govern all plans or proposals for development in the Area to determine compliance with the Plan. No building permit shall be issued prior to and unless the Authority makes a finding that such plans or proposals comply with this Plan.

VI. PROJECT ACTIVITIES

The following provisions shall apply to the Area.

A. Land Acquisition

It is not expected that the Authority will be required to acquire any property to carry out the Plan. However, should it become necessary to acquire such property, the Authority may exercise any and all of its rights and powers under the Law and any other applicable law, ordinance, or regulation. The Authority may acquire any interest in property by any manner available, including, without limitation, by exercise of the power of eminent domain; provided, however, any such acquisition by eminent domain shall be subject to prior approval by the City Council and compliance with the Law.

B. Relocation

It is not expected that any relocation of individuals, families, or businesses will be required to carry out this Plan. However, if acquisition of property displaces any individual, family or business concern, the Authority may assist such party in finding another location, and may make relocation payments to eligible residents and businesses in such amounts and under such terms and conditions as it may determine or as required by the Law.

C. Demolition, Clearance and Site Preparation

It is not expected that any demolition or clearance activities will be required to carry out the Urban Renewal Plan. However, if necessary to carry out the Plan, the Authority may demolish and clear buildings, structures and other improvements from property it acquires if such buildings, structures and other improvements are not to be rehabilitated in accordance with this Plan. The Authority may provide rough and finished site grading and other site preparation services as part of a comprehensive redevelopment program.

D. Property Management

During such time as any property is owned by the Authority, such property shall be under the management and control of the Authority and may be rented or leased by it pending disposition for redevelopment or rehabilitation.

E. Public Improvements

The Authority will cooperate with the City, utility providers, and private enterprise to finance and provide such public improvements, utilities, and other infrastructure required to implement the Plan. All design and construction plans shall address street, streetscape, utility, drainage, and flood problems in the Area as well as other elements deemed necessary by the Authority and the City to eliminate and prevent conditions of blight and to carry out the provisions of the Law and the Plan.

F. Land Disposition, Redevelopment and Rehabilitation

Purchasers or owners of property within the Area will be obligated to develop, redevelop or rehabilitate such property in accordance with the provisions of this Plan, the Comprehensive Plan, the Prairie Gateway Framework Master Plan, and the Law.

It is not expected that the Authority will acquire any property in the Area. However, if it acquires such property, the Authority may dispose of property it acquires by means of a reasonable competitive bidding procedure it establishes in accordance with the Law and pursuant to redevelopment agreements between the Authority and such purchasers.

The Authority will assist the City in carrying out the Master Development Agreement and may also enter into owner participation agreements with property owners in the Area for the development, redevelopment or rehabilitation of their property. Such agreements will provide for such participation and assistance as the Authority may elect to provide to such owners.

All such redevelopment, owner participation and other agreements shall contain, at a minimum, provisions requiring:

1. Compliance with the Plan, the Comprehensive Plan, the Prairie Gateway Framework Master Plan, and City codes and ordinances;
2. Covenants to begin and complete development, construction or rehabilitation of both public and private improvements within a period of time deemed to be reasonable by the Authority;
3. The financial commitments of each party (but nothing herein shall obligate the Authority to make any such financial commitment to any party or transaction).

G. Cooperation Agreements

For the purposes of planning and carrying out this Plan in the Area, the Authority may enter into one or more cooperation agreements with the City or other public bodies. Without limitation, such agreements may include Project financing, Plan implementation, design, location and construction of public improvements and any other matters required to carry out this Project. It is recognized that cooperation with the City, other municipalities and other public and private bodies may be required to coordinate such issues as the design, construction and timing of public and private improvements within and outside of the Area to properly and efficiently carry out the goals and objectives of this Plan. Cooperation agreements addressing such issues are deemed necessary and incidental to the planning and execution of the Project.

H. Other Project Undertakings and Activities

Other Project undertakings and activities deemed necessary by the Authority to carry out the Plan in the Area may be undertaken and performed by the Authority or pursuant to agreements with other parties or public bodies in accordance with the authorization of the Law and any and all applicable laws.

VII. PROJECT FINANCING

The Authority is authorized to finance activities and undertakings under this Plan by any method authorized by the Law or any other applicable law, including without limitation, appropriations, loans or advances from the City; federal loans and grants; state loans and grants; interest income; pay as you go arrangements; annual appropriation agreements; agreements with public and private parties or entities; sale of securities; loans, advances and grants from any other available source.

Any and all financing methods legally available to the City, the Authority, any private developer, redeveloper or owner may be used to finance in whole or in part any and all costs, including without limitation, the cost of public improvements, described or anticipated in the Plan or in any manner related or incidental to the development of the Urban Renewal Area. Such methods may be combined to finance all or any part of activities and undertakings throughout the Urban Renewal Area. Any financing method authorized by the Plan or by any applicable law, including without limitation, the Law, may be used to pay the principal of and interest on and to establish reserves for indebtedness (whether funded, refunded, assumed or otherwise) incurred by the Authority or the City to finance activities and undertakings authorized by the Law and this Plan in whole or in part.

The Authority is authorized to issue notes, bonds or any other financing instruments or documents in amounts sufficient to finance all or part of the Urban Renewal Plan. The Authority is authorized to borrow funds and to create indebtedness in carrying out this Plan. The principal, interest and any premiums due on or in connection with such indebtedness may be paid from any

funds available to the Authority.

The Project may be financed by the Authority under the tax allocation financing provisions of the Law. Under the tax allocation method of financing the Project, property taxes levied after the effective date of the approval of this Plan upon taxable property in the Urban Renewal Area each year by or for the benefit of any public body and all the municipal sales taxes collected within the Urban Renewal Area, or both such taxes, shall be divided for a period not to exceed twenty-five (25) years after the effective date of the adoption of this tax allocation provision, as follows:

1. Base Amount

That portion of the taxes which are produced by the levy at the rate fixed each year by or for such public body upon the valuation for assessment of taxable property in the Urban Renewal Area last certified prior to the effective date of approval of the Plan or, as to an area later added to the Urban Renewal Area, the effective date of the modification of the Plan and that portion of municipal sales taxes collected within the boundaries of the Urban Renewal Area in the twelve-month period ending on the last day of the month prior to the effective date of the approval of the Plan shall be paid into the funds of each such public body as are all other taxes collected by or for said public body.

2. Increment Amount

That portion of said property taxes or all or any portion of said sales taxes, or both, in excess of such base amount shall be allocated to and, when collected, paid into a special fund of the Authority to pay the principal of, the interest on, and any premiums due in connection with the bonds of, loans or advances to, or indebtedness incurred by (whether funded, refunded, assumed or otherwise) the Authority for financing or refinancing, in whole or in part, the Project.

Unless and until the total valuation for assessment of the taxable property in the Urban Renewal Area exceeds the base valuation for assessment of the taxable property in the Urban Renewal Area, all of the taxes levied upon taxable property in the Urban Renewal Area shall be paid into the funds of the respective public bodies. Unless and until the total municipal sales tax collections in the Urban Renewal Area exceed the base year municipal sales tax collections, all such sales tax collections shall be paid into the funds of the City.

When such bonds, loans, advances and indebtedness, including interest thereon and any premiums due in connection therewith, have been paid, all taxes upon the taxable property in the Urban Renewal Area shall be paid into the funds of the respective public bodies and all such municipal sales tax collections in the Urban Renewal Area shall be paid into the funds of the City.

The increment portion of the taxes, as described in this subparagraph 2, may be irrevocably pledged by the Authority for the payment of the principal of, the interest on, and any premiums due in connection with such bonds, loans, advances and indebtedness incurred by the Authority to finance the Project.

VII. CHANGES IN APPROVED PLAN

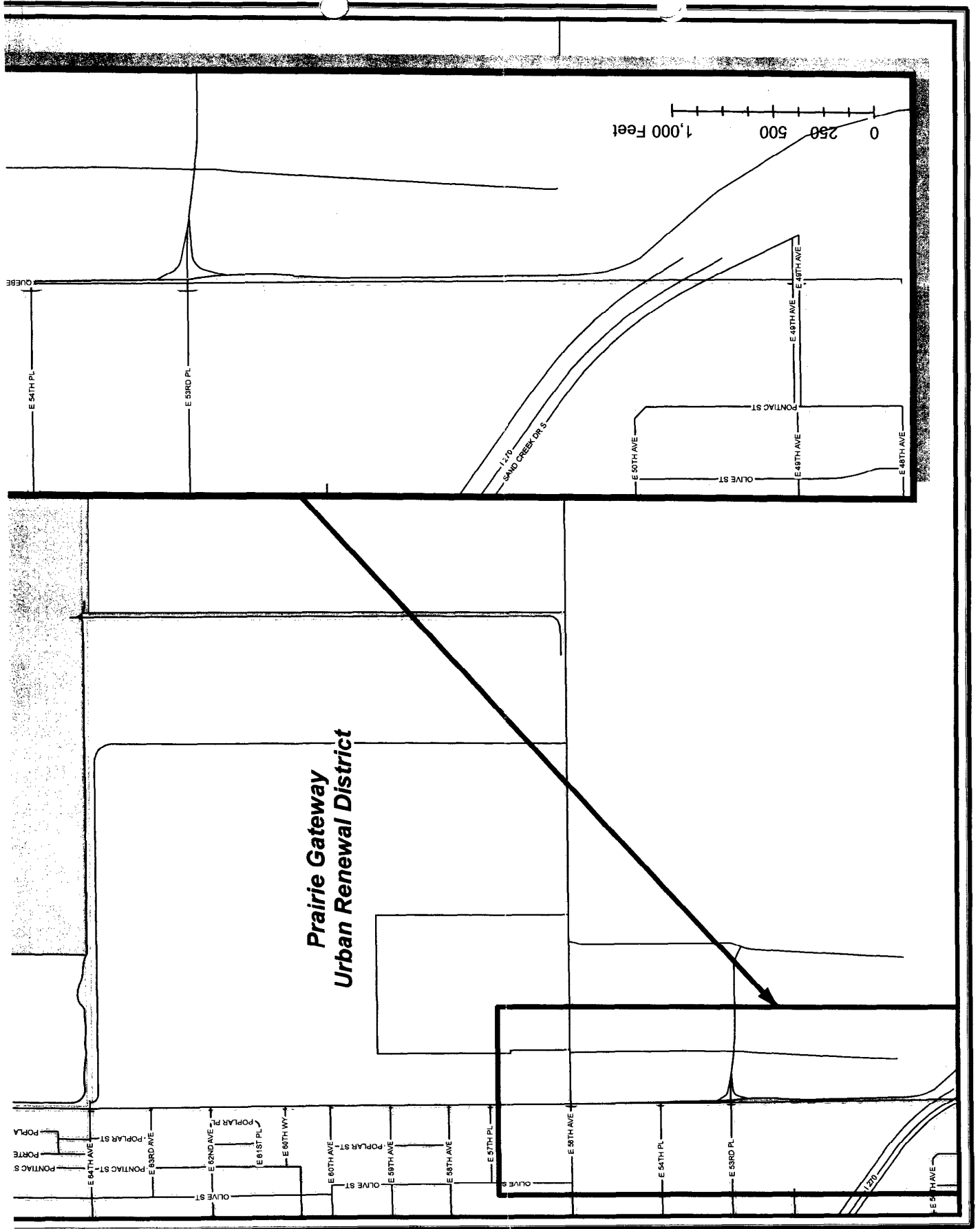
This Plan may be modified pursuant to the provisions of the Law governing such modifications, including Section 31-25-107, C.R.S.

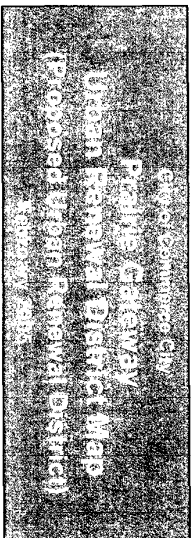
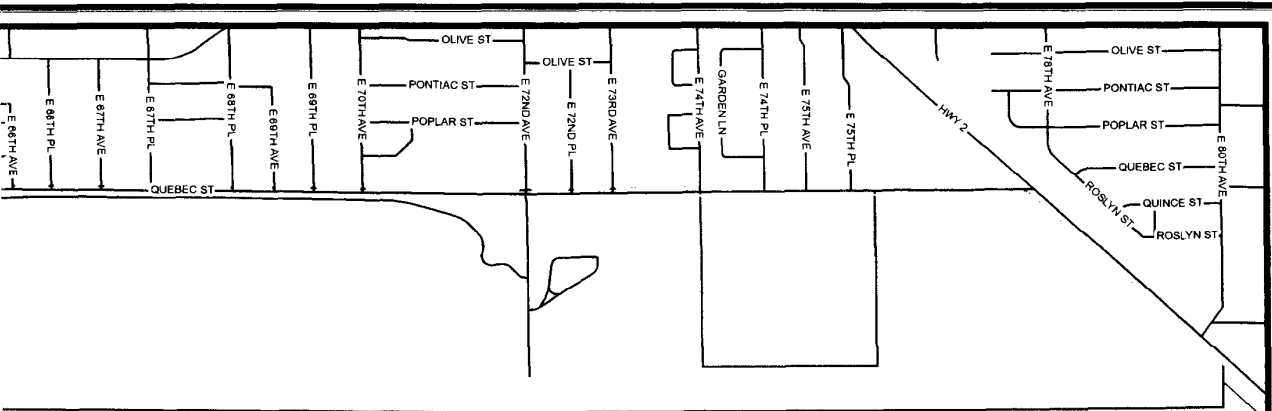
VIII. MINOR VARIATIONS

The Authority may in specific cases allow minor variations from the provisions of the Plan if it determines that a literal enforcement of the provisions of the Plan would constitute an unreasonable limitation beyond the intent and purpose of the Plan.

EXHIBIT A

(Map of the Area)

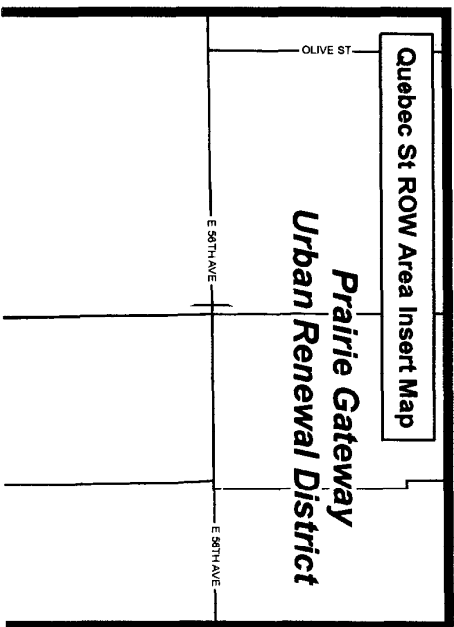





Legend

- Street Centerline
- Edge of ROW
- Prairie Gateway Urban Renewal District
- Rocky Mnt Arsenal - NWA

Rocky Mountain Arsenal National Wildlife Refuge






City of Commerce
 5291 E 80th Avenue
 Commerce City, Colorado 80022
 (303) 289-3600

Source Data:

Prairie Gateway Urban Renewal District created from Prairie Gateway Annexation and combined with Commerce City Right-of-Way along Quebec Street and 56th Avenue. Street Centerlines captured from Public Works AutoCAD Streets layer, January 2005. Right-of-Way captured from Public Works AutoCAD ROW layer, January 2005.

Disclaimer:

The City of Commerce City has made every effort to make its data as accurate as possible. Use of this information is the sole responsibility of the user and the City of Commerce City assumes no liability associated with the use or misuse of this information. Sale or reproduction of this information is prohibited without the express written consent from the City of Commerce City.



N

0 0.1 0.2 0.4 Miles

Colorado Stateplane, Central - NAD83

EXHIBIT B

Legal Description of the Prairie Gateway Urban Renewal Area

A PARCEL OF LAND SITUATED IN SECTION 9 AND THE WEST HALF OF SECTION 4, TOWNSHIP 3 SOUTH, RANGE 67 WEST OF THE 6TH PRINCIPAL MERIDIAN AND THE WEST HALF OF SECTION 33, TOWNSHIP 2 SOUTH, RANGE 67 WEST OF THE 6TH PRINCIPAL MERIDIAN, COUNTY OF ADAMS, STATE OF COLORADO; BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS: BEGINNING AT THE SOUTHEAST CORNER OF SAID SECTION 9; THENCE S89° 39' 19"W ALONG THE SOUTH LINE OF THE SOUTHEAST QUARTER OF SAID SECTION 9 A DISTANCE OF 2680.68 FEET TO THE SOUTH QUARTER CORNER OF SAID SECTION 9; THENCE S89° 40' 00"W ALONG THE SOUTH LINE OF THE SOUTHWEST QUARTER OF SAID SECTION 9 A DISTANCE OF 563.75 FEET TO THE SOUTHEAST CORNER OF THE U.S. POST OFFICE PROPERTY DESCRIBED IN DACA45-4-71-6185; THENCE ALONG THE BOUNDARY OF SAID U.S. POST OFFICE PROPERTY FOR THE FOLLOWING FOUR (4) COURSES:

N00° 20' 02"W A DISTANCE OF 2127.00 FEET; 2) S89° 40' 00"W A DISTANCE OF 1505.00 FEET; 3) S00° 20' 02"E A DISTANCE OF 1467.00 FEET; 4) N89° 40' 00"E A DISTANCE OF 30.00 FEET TO THE NORTHWEST CORNER OF THE CITY AND COUNTY OF DENVER PROPERTY DESCRIBED IN DA 25-066-ENG-14461;

THENCE S00° 20' 02"E ALONG SAID CITY AND COUNTY OF DENVER PROPERTY A DISTANCE OF 660.00 FEET TO THE SOUTH LINE OF THE SOUTHWEST QUARTER OF SAID SECTION 9; THENCE S89° 40' 00"W ALONG SAID SOUTH LINE A DISTANCE OF 600.00 FEET TO THE SOUTHWEST CORNER OF SAID SECTION 9; THENCE N00° 20' 02"W ALONG THE WEST LINE OF THE SOUTHWEST QUARTER OF SAID SECTION 9 A DISTANCE OF 2655.27 FEET TO THE WEST QUARTER CORNER OF SAID SECTION 9; THENCE N00° 30' 29"W ALONG THE WEST LINE OF THE NORTHWEST QUARTER OF SAID SECTION 9 A DISTANCE OF 2651.30 FEET TO THE NORTHWEST CORNER OF SAID SECTION 9; THENCE N00° 32' 10"E ALONG THE WEST LINE OF THE SOUTHWEST QUARTER OF SAID SECTION 4 A DISTANCE OF 2652.97 FEET TO THE WEST QUARTER CORNER OF SAID SECTION 4; THENCE N00° 28' 34"E ALONG THE WEST LINE OF THE NORTHWEST QUARTER OF SAID SECTION 4 A DISTANCE OF 2552.42 FEET TO THE NORTHWEST CORNER OF SAID. SECTION 4; THENCE N00° 36' 14"W ALONG THE WEST LINE OF THE SOUTHWEST QUARTER OF SAID SECTION 33 A DISTANCE OF 1321.33 FEET TO THE SOUTHWEST CORNER OF THE NORTHWEST QUARTER OF THE SOUTHWEST QUARTER OF SAID SECTION 33; THENCE N89° 38' 06"E ALONG THE SOUTH LINE OF THE SAID NORTHWEST QUARTER OF THE SOUTHWEST QUARTER OF SECTION 33 A DISTANCE OF 1323.45 FEET TO THE SOUTHEAST CORNER OF THE SAID NORTHWEST QUARTER OF THE SOUTHWEST QUARTER OF SECTION 33; THENCE N00° 29' 08"W ALONG THE EAST LINE OF THE SAID NORTHWEST QUARTER OF THE SOUTHWEST QUARTER OF SECTION 33 A DISTANCE OF 1321.45 FEET TO THE NORTHEAST CORNER OF THE SAID NORTHWEST QUARTER OF THE SOUTHWEST QUARTER OF SECTION 33; THENCE S89° 37' 46"W ALONG THE NORTH LINE OF THE SAID NORTHWEST QUARTER OF THE SOUTHWEST QUARTER OF SECTION 33 A DISTANCE OF 1326.17 FEET TO THE NORTHWEST CORNER OF THE SAID NORTHWEST QUARTER OF THE SOUTHWEST QUARTER OF SECTION 33, SAID POINT ALSO BEING THE WEST QUARTER CORNER OF SAID SECTION 33; THENCE N00° 30' 00"W ALONG THE WEST LINE OF THE NORTHWEST QUARTER OF SAID SECTION 33 A DISTANCE OF 1128.37 FEET; THENCE N41° 24' 05"E ALONG THE SOUTHEASTERLY RIGHT-OF-WAY LINE OF COLORADO STATE HIGHWAY NO. 2 A DISTANCE OF 2002.89 FEET TO A POINT ON THE NORTH LINE OF THE NORTHWEST QUARTER OF SAID SECTION 33; THENCE N89° 52' 41"E ALONG THE NORTH LINE OF THE NORTHWEST QUARTER OF SAID SECTION 33 A DISTANCE OF 323.88 FEET TO THE NORTHEAST CORNER OF THE WEST HALF OF THE WEST HALF OF THE EAST HALF OF THE NORTHWEST QUARTER OF SAID SECTION 33; THENCE S00° 25' 02"E ALONG THE EAST LINE OF THE WEST HALF OF THE WEST HALF OF THE EAST HALF OF THE NORTHWEST QUARTER OF SAID SECTION 33 A DISTANCE OF 2620.73 FEET TO THE SOUTHEAST CORNER OF THE WEST HALF OF THE WEST HALF OF THE EAST HALF OF THE NORTHWEST QUARTER OF SAID SECTION 33; THENCE S00° 27' 22"E ALONG THE EAST LINE OF THE WEST HALF OF THE WEST HALF OF THE EAST HALF OF THE SOUTHWEST QUARTER OF SAID

SECTION 33 A DISTANCE OF 2641.40 FEET TO THE SOUTHEAST CORNER OF THE WEST HALF OF THE WEST HALF OF THE EAST HALF OF THE SOUTHWEST QUARTER OF SAID SECTION 33; THENCE S00° 19' 20"W ALONG THE EAST LINE OF THE WEST HALF OF THE WEST HALF OF THE EAST HALF OF THE NORTHWEST QUARTER OF SAID SECTION 4 A DISTANCE OF 2553.85 FEET TO THE SOUTHEAST CORNER OF THE WEST HALF OF THE WEST HALF OF THE EAST HALF OF THE NORTHWEST QUARTER OF SAID SECTION 4; THENCE S00° 20' 41"W ALONG THE EAST LINE OF THE WEST HALF OF THE WEST HALF OF THE EAST HALF OF THE SOUTHWEST QUARTER OF SAID SECTION 4 A DISTANCE OF 2652.76 FEET TO THE SOUTHEAST CORNER OF THE WEST HALF OF THE WEST HALF OF THE EAST HALF OF THE SOUTHWEST QUARTER OF SAID SECTION 4; THENCE N89° 38' 08"E ALONG THE NORTH LINE OF THE NORTHWEST QUARTER OF SAID SECTION 9 A DISTANCE OF 999.96 FEET TO THE NORTH QUARTER CORNER OF SAID SECTION 9; THENCE N89° 38' 20"E ALONG THE NORTH LINE OF THE NORTHEAST QUARTER OF SAID SECTION 9 A DISTANCE OF 2668.27 FEET TO THE NORTHEAST QUARTER-CORNER OF SAID SECTION 9; THENCE S00° 15' 20"E ALONG THE EAST LINE OF THE NORTHEAST QUARTER OF SECTION 9 A DISTANCE OF 2654.29 FEET TO A POINT THAT IS THE EAST QUARTER CORNER OF SECTION 9; THENCE S00° 15' 13"E ALONG THE EAST LINE OF THE SOUTHEAST QUARTER OF SAID SECTION 9 A DISTANCE OF 2654.49 FEET TO THE SOUTHEAST CORNER WHICH IS THE POINT OF BEGINNING:

SAID PARCEL CONTAINING 911.122 ACRES OR 39,688,456 SQUARE FEET MORE OR LESS:

AND

A PARCEL OF LAND SITUATED IN THE WEST ½ OF SECTION 10, TOWNSHIP 3 SOUTH, RANGE 67 WEST OF THE 6TH PRINCIPAL MERIDIAN, COUNTY OF ADAMS, STATE OF COLORADO, MORE PARTICULARLY DESCRIBED AS FOLLOWS:

THE WESTERLY 50 FEET OF SAID SECTION 10, EXCLUDING THE NORTHERLY 50 FEET OF SAID WESTERLY 50 FEET OF SAID SECTION 10.

SAID PARCEL CONTAINS 6.036 ACRES, OR 262,939 SQUARE FEET, MORE OR LESS;

AND

ALL OF THAT PORTION OF THE RIGHT OF WAY OF QUEBEC STREET LOCATED WITHIN THE CITY LIMITS OF THE CITY OF COMMERCE CITY BEGINNING AT THE SOUTH CITY LIMITS OF THE CITY OF COMMERCE CITY AND EXTENDING NORTH AND NORTHERLY TO THE INTERSECTION OF QUEBEC STREET WITH COLORADO HIGHWAY 2;

AND

ALL OF THAT PORTION OF THE RIGHT OF WAY OF EAST 56TH AVENUE LOCATED WITHIN THE CITY LIMITS OF THE CITY OF COMMERCE CITY BEGINNING AT THE EAST CITY LIMITS OF THE CITY OF COMMERCE CITY AND EXTENDING WEST TO THE INTERSECTION OF EAST 56TH AVENUE WITH THE RIGHT OF WAY FOR QUEBEC STREET.

CONDITIONS SURVEY

Prairie Gateway Area

Commerce City, Colorado

February, 2005

CONDITIONS SURVEY

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CONDITIONS SURVEY

1.0 Introduction, Definition and Scope of Survey

In the Colorado Urban Renewal Law, Section 31-25-101, C.R.S., et seq., the legislature has declared that blighted areas “constitute a serious and growing menace, injurious to the public health, safety, morals, and welfare of the residents of the state in general and municipalities thereof; that the existence of such areas contributes substantially to the spread of disease and crime, constitutes an economic and social liability, substantially impairs or arrests the sound growth of municipalities, retards the provision of housing accommodations, aggravates traffic problems and impairs or arrests the elimination of traffic hazards and the improvement of traffic facilities; and that the prevention of and elimination of slums and blight is a matter of public policy and statewide concern. . .” Section 31-25-102(1).

Under the Urban Renewal Law the city council of the municipality is given the exclusive right and responsibility to determine if an area is a “blighted area” as defined in Section 31-25-103(2). The determination must be based on evidence presented at a public hearing. Section 31-25-107(1). The Urban Renewal Law defines a “blighted area” as follows:

“Blighted area” means an area that, in its present condition and use and, by reason of the presence of at least four of the following factors, substantially impairs or arrests the sound growth of the municipality, retards the provision of housing accommodations, or constitutes an economic or social liability, and is a menace to the public health, safety, morals, or welfare:

- (a) Slum, deteriorated, or deteriorating structures;
- (b) Predominance of defective or inadequate street layout;
- (c) Faulty lot layout in relation to size, adequacy, accessibility, or usefulness;
- (d) Unsanitary or unsafe conditions;
- (e) Deterioration of site or other improvements;
- (f) Unusual topography or inadequate public improvements or utilities;
- (g) Defective or unusual conditions of title rendering the title nonmarketable;
- (h) The existence of conditions that endanger life or property by fire or other causes;

- (i) Buildings that are unsafe or unhealthy for persons to live or work in because of building code violations, dilapidation, deterioration, defective design, physical construction, or faulty or inadequate facilities;
- (j) Environmental contamination of buildings or property; or
- (k.5) The existence of health, safety, or welfare factors requiring high levels of municipal services or substantial physical underutilization or vacancy of sites, buildings, or other improvements;
- (l) If there is no objection by the property owner or owners and the tenant or tenants of such owner or owners, if any, to the inclusion of such property in an urban renewal area, "blighted area" also means an area that, in its present condition and use and, by reason of the presence of any one of the factors specified in paragraphs (a) to (k.5) of this subsection (2), substantially impairs or arrests the sound growth of the municipality, retards the provision of housing accommodations, or constitutes an economic or social liability, and is a menace to the public health, safety, morals, or welfare. For purposes of this paragraph (l), the fact that an owner of an interest in such property does not object to the inclusion of such property in the urban renewal area does not mean that the owner has waived any rights or such owner in connection with laws governing condemnation.

In making its determination of a "blighted area," any particular condition found to be present may satisfy as many of the factors listed in the definition as are applicable to such condition. Section 31-25-107(1).

Several principles have been developed by Colorado courts to guide the determination of whether an area constitutes a blighted area under the Urban Renewal Law. First, the absence of widespread violation of building and health codes does not, by itself, preclude a finding of blight. Rabinoff v. District Court, 360 P.2d 114, 121 (Colo. 1961). The definition of "blighted area" contained in [the Urban Renewal Law] is broad and encompasses not only those areas containing properties so dilapidated as to justify condemnation as nuisances, but also envisions the prevention of deterioration." Tracy v. City of Boulder, 635 P.2d 907, 909 (Colo. Ct. App. 1981).

Second, the presence of a well maintained building does not defeat a determination that an area constitutes a blighted area. Interstate Trust Building Co. v. Denver Urban Renewal Authority, 473 P.2d 978, 981 (Colo. 1970). A determination of blight is based upon an area “taken as a whole,” and not on a building-by-building basis. Id.

Third, the city council’s “determination as to whether an area is blighted . . . is a legislative question and the scope of review by the judiciary is restricted.” Tracy, 635 P.2d at 909. A court’s role in reviewing such a blight determination is simply to independently verify if the conclusion is based upon factual evidence consistent with the statutory definition.

The staff of the City of Commerce City, with the assistance of legal counsel, has compiled this conditions survey to identify whether factors included in the statutory definition of “blighted area” exist in the study area as shown in Exhibit A.

2.0 Survey Methodology

The objective of this survey is to obtain factual data and document to what extent, if any, conditions that are listed under the definition of “blighted area” in the Colorado Urban Renewal Law are present in the area under study. Data was collected from visual examination of the study area by City staff, relevant records on file with the City, the *Framework Master Plan Prairie Gateway - Commerce City, Colorado*, an Offer to Purchase Property and Acceptance dated May 3, 2004 and other surveys, maps, and studies on file with the City.

In addition various staff and department heads of the City were consulted to confirm conditions in the area and their relevance to the statutory definitions.

3.0 Survey Area

The survey area is depicted in Map Exhibit A.

4.0 Survey Findings

4.1 Predominance of Defective or Inadequate Street Layout

The following conditions are evidence of defective or inadequate street layout:

- (a) The existing configuration of the intersection of State Highway 2 and Quebec Street is hazardous.
- (b) Quebec Street should be realigned to improve access to the north portion of the study area.
- (c) Quebec Street is inadequate to carry traffic irrespective of any development in the study area.

- (d) Asphalt along the current extension of East 64th Avenue is inadequate and deteriorated and should be removed.
- (e) East 56th Avenue is inadequate to carry traffic irrespective of any development in the study area.
- (f) There are no interior streets in the study area.
- (g) No interior street patterns exist in the study area.
- (h) Numerous easements along and across the study area constrain the development of streets.

4.2 Faulty Lot Layout in Relation to Size, Adequacy, Accessibility, or Usefulness

- (a) The study area is part of the Rocky Mountain Arsenal and has been subjected to uses incompatible with development. It has not been platted or subjected to a plan for redevelopment.
- (b) Numerous easements along and across the study area constrain the orderly layout of development lots.
- (c) The study area contains 108 groundwater monitoring, extraction, and recharge wells that may restrict the accessibility and usefulness of development lots.
- (d) The western boundary of the study area is subject to a 40-foot water line easement, a 30-foot water conduit easement, a 30-foot roadway easement, a 10-foot telephone easement, and a 20-foot utility easement.
- (e) An easement for December 7th Avenue impacts the northerly portion of the study area.
- (f) A 75-foot electric easement and numerous utility and access easements are located in Section 4 of the study area.
- (g) A 50-foot drainage easement is located in Section 9 of the study area.
- (h) The southern boundary of the study area is subject to a 40-foot road easement, a 60-foot utility easement, a 65-foot utility easement, a 10-foot electrical easement, a 30-foot oil pipeline easement, and a 45-foot utility easement.
- (i) The study area is subject to a reservation in favor of the United States of title to Backflow Preventer Building No. 680 and utilities and access

easements to serve the same.

- (j) The study area is subject to a reservation in favor of the United States of title to three water supply wells, water rights in connection therewith, and utilities and access easements to serve the same.
- (k) The study area is subject to a reservation of access easements in favor of the United States along December 7 Avenue to serve the West Gate.
- (l) The study area is subject to a reservation of a 100-foot easement in favor of the United States adjacent to the southeasterly right-of-way line of State Highway No. 2.
- (m) The study area is subject to restrictions that run with the land to protect human health and the environment and to preclude any interference with ongoing remediation activities.
- (n) The study area is subject to a CERCLA notice that migration of hazardous substances from adjacent property has occurred.
- (o) The study area is subject to a reservation of rights of entry in favor of the U.S. Army, U.S. Environmental Protection Agency, and the Colorado Department of Public Health and Environment to conduct surveys, investigations, inspections, tests, and remedial actions.
- (p) The study area is subject to a notice of undiscovered unexploded ordnance.
- (q) The following uses of the study area are prohibited by the Rocky Mountain National Wildlife Refuge Act of 1992: residential, industrial, farming, and agricultural uses and hunting and fishing (except for non-consumption).
- (r) The study area is subject to a notice for past use of lead-based paint.
- (s) The study area contains asbestos materials.

4.3 Unsanitary or Unsafe Conditions

- (a) A prairie dog town is located in the northeast corner of the study area south of East 64th Avenue.
- (b) Storm drainage facilities are lacking in the area and must be designed and detention facilities must be constructed in the area to both contain up to a 100-year storm event. Water quality ponds will be required to provide for

the settling of sediment and pollutants in compliance with the Clean Water Act.

- (c) Existing utility infrastructure is inadequate to serve the area.
- (d) The existing configuration of the intersection of State Highway 2 and Quebec Street is hazardous.
- (e) Quebec Street is inadequate to carry traffic irrespective of any development in the study area.
- (f) Asphalt along the current extension of East 64th Avenue is inadequate and deteriorated and should be removed.
- (g) East 56th Avenue is inadequate to carry traffic irrespective of any development in the study area.
- (h) The Colorado Department of Public Health and Environment has concluded that the chlorinated solvent plume on the Chemical Sales Company Superfund Site impacts groundwater in the study area.
- (i) The study area has no potable water supply and the development of potable water wells are prohibited by the Rocky Mountain National Wildlife Refuge Act of 1992.
- (j) The study area is subject to a reservation in favor of the United States of title to Backflow Preventer Building No. 680 and utilities and access easements to serve the same.
- (k) The study area is subject to a reservation in favor of the United States of title to three water supply wells, water rights in connection therewith, and utilities and access easements to serve the same.
- (l) The study area is subject to a reservation of access easements in favor of the United States along December 7 Avenue to serve the West Gate.
- (m) The study area is subject to a reservation of a 100-foot easement in favor of the United States adjacent to the southeasterly right-of-way line of State Highway No. 2.
- (n) The study area is subject to restrictions that run with the land to protect human health and the environment and to preclude any interference with ongoing remediation activities.
- (o) The study area is subject to a CERCLA notice that migration of hazardous

substances from adjacent property has occurred.

- (p) The study area is subject to a reservation of rights of entry in favor of the U.S. Army, U.S. Environmental Protection Agency, and the Colorado Department of Public Health and Environment to conduct surveys, investigations, inspections, tests, and remedial actions.
- (q) The study area is subject to a notice of undiscovered unexploded ordinance.
- (r) The following uses of the study area are prohibited by the Rocky Mountain National Wildlife Refuge Act of 1992: residential, industrial, farming, and agricultural uses and hunting and fishing (except for non-consumption).
- (s) The study area is subject to a notice for past use of lead-based paint.
- (t) The study area contains asbestos materials.

4.4 Deterioration of Site or Other Improvements

- (a) Asphalt along the current extension of East 64th Avenue is inadequate and deteriorated and should be removed.
- (b) Existing utility infrastructure is inadequate to serve the area.
- (c) The existing configuration of the intersection of State Highway 2 and Quebec Street is hazardous.

4.5 Unusual Topography or Inadequate Public Improvements or Utilities

- (a) The topography of the study area is very flat and presents grading challenges for carrying water and sewage utilities across the area.
- (b) Two prominent knolls that exist in the area can be constraints on redevelopment unless incorporated into a design that features them as attractive natural features.
- (c) Storm drainage facilities are lacking in the area and must be designed and detention facilities must be constructed in the area to both contain up to a 100-year storm event. Water quality ponds will be required to provide for the settling of sediment and pollutants in compliance with the Clean Water Act.
- (d) Existing utility infrastructure is inadequate to serve the area.

- (e) The study area has no potable water supply and the development of potable water wells are prohibited by the Rocky Mountain National Wildlife Refuge Act of 1992.
- (f) The existing configuration of the intersection of State Highway 2 and Quebec Street is hazardous.
- (g) Quebec Street is inadequate to carry traffic irrespective of any development in the study area.
- (h) Asphalt along the current extension of East 64th Avenue is inadequate and deteriorated and should be removed.
- (i) East 56th Avenue is inadequate to carry traffic irrespective of any development in the study area.
- (j) Quebec Street should be realigned to improve access to the north portion of the study area.
- (k) There are no interior streets in the study area.
- (l) No interior street patterns exist in the study area.

4.6 The Existence of Conditions that Endanger Life or Property

- (a) A prairie dog town is located in the northeast corner of the study area south of East 64th Avenue.
- (b) Storm drainage facilities are lacking in the area and must be designed and detention facilities must be constructed in the area to both contain up to a 100-year storm event. Water quality ponds will be required to provide for the settling of sediment and pollutants in compliance with the Clean Water Act.
- (c) Existing utility infrastructure is inadequate to serve the area.
- (d) The existing configuration of the intersection of State Highway 2 and Quebec Street is hazardous.
- (e) Quebec Street is inadequate to carry traffic irrespective of any development in the study area.
- (f) Asphalt along the current extension of East 64th Avenue is inadequate and deteriorated and should be removed.

- (g) East 56th Avenue is inadequate to carry traffic irrespective of any development in the study area.
- (h) The Colorado Department of Public Health and Environment has concluded that the chlorinated solvent plume on the Chemical Sales Company Superfund Site impacts groundwater in the study area.
- (i) The study area has no potable water supply and the development of potable water wells are prohibited by the Rocky Mountain National Wildlife Refuge Act of 1992.
- (j) The study area is subject to a reservation in favor of the United States of title to Backflow Preventer Building No. 680 and utilities and access easements to serve the same.
- (k) The study area is subject to a reservation in favor of the United States of title to three water supply wells, water rights in connection therewith, and utilities and access easements to serve the same.
- (l) The study area is subject to a reservation of access easements in favor of the United States along December 7 Avenue to serve the West Gate.
- (m) The study area is subject to a reservation of a 100-foot easement in favor of the United States adjacent to the southeasterly right-of-way line of State Highway No. 2.
- (n) The study area is subject to restrictions that run with the land to protect human health and the environment and to preclude any interference with ongoing remediation activities.
- (o) The study area is subject to a CERCLA notice that migration of hazardous substances from adjacent property has occurred.
- (p) The study area is subject to a reservation of rights of entry in favor of the U.S. Army, U.S. Environmental Protection Agency, and the Colorado Department of Public Health and Environment to conduct surveys, investigations, inspections, tests, and remedial actions.
- (q) The study area is subject to a notice of undiscovered unexploded ordinance.
- (r) The following uses of the study area are prohibited by the Rocky Mountain National Wildlife Refuge Act of 1992: residential, industrial, farming, and agricultural uses and hunting and fishing (except for non-

consumption).

- (s) The study area is subject to a notice for past use of lead-based paint.
- (t) The study area contains asbestos materials.

4.7 Environmental Contamination of Buildings or Property

- (a) Storm drainage facilities are lacking in the area and must be designed and detention facilities must be constructed in the area to both contain up to a 100-year storm event. Water quality ponds will be required to provide for the settling of sediment and pollutants in compliance with the Clean Water Act.
- (b) The Colorado Department of Public Health and Environment has concluded that the chlorinated solvent plume on the Chemical Sales Company Superfund Site impacts groundwater in the study area.
- (c) The study area has no potable water supply and the development of potable water wells are prohibited by the Rocky Mountain National Wildlife Refuge Act of 1992.
- (d) The study area is subject to a reservation in favor of the United States of title to Backflow Preventer Building No. 680 and utilities and access easements to serve the same.
- (e) The study area is subject to a reservation in favor of the United States of title to three water supply wells, water rights in connection therewith, and utilities and access easements to serve the same.
- (f) The study area is subject to a reservation of access easements in favor of the United States along December 7 Avenue to serve the West Gate.
- (g) The study area is subject to a reservation of a 100-foot easement in favor of the United States adjacent to the southeasterly right-of-way line of State Highway No. 2.
- (h) The study area is subject to restrictions that run with the land to protect human health and the environment and to preclude any interference with ongoing remediation activities.
- (i) The study area is subject to a CERCLA notice that migration of hazardous substances from adjacent property has occurred.
- (j) The study area is subject to a reservation of rights of entry in favor of the

U.S. Army, U.S. Environmental Protection Agency, and the Colorado Department of Public Health and Environment to conduct surveys, investigations, inspections, tests, and remedial actions.

- (k) The study area is subject to a notice of undiscovered unexploded ordinance.
- (l) The following uses of the study area are prohibited by the Rocky Mountain National Wildlife Refuge Act of 1992: residential, industrial, farming, and agricultural uses and hunting and fishing (except for non-consumption).
- (m) The study area is subject to a notice for past use of lead-based paint.
- (n) The study area contains asbestos materials.

4.8 The existence of health, safety, or welfare factors requiring high levels of municipal services or substantial physical underutilization or vacancy of sites, buildings, or other improvements.

- (a) Storm drainage facilities are lacking in the area and must be designed and detention facilities must be constructed in the area to both contain up to a 100-year storm event. Water quality ponds will be required to provide for the settling of sediment and pollutants in compliance with the Clean Water Act.
- (b) The Colorado Department of Public Health and Environment has concluded that the chlorinated solvent plume on the Chemical Sales Company Superfund Site impacts groundwater in the study area.
- (c) The study area has no potable water supply and the development of potable water wells are prohibited by the Rocky Mountain National Wildlife Refuge Act of 1992.
- (d) The study area is subject to a reservation in favor of the United States of title to Backflow Preventer Building No. 680 and utilities and access easements to serve the same.
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- (g) The study area is subject to a reservation of a 100-foot easement in favor of the United States adjacent to the southeasterly right-of-way line of State Highway No. 2.
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- (l) The following uses of the study area are prohibited by the Rocky Mountain National Wildlife Refuge Act of 1992: residential, industrial, farming, and agricultural uses and hunting and fishing (except for non-consumption).
- (m) The study area is subject to a notice for past use of lead-based paint.
- (n) The study area contains asbestos materials.

5.0 Summary of Findings

As a result of the observations, documents, surveys, studies, maps, and appraisals described in this Conditions Survey, the following conditions that fit the definition of a "Blighted Area" under the Colorado Urban Renewal Area exist in the survey area.

- (a) Predominance of defective or inadequate street layout.
- (b) Faulty lot layout in relation to size, adequacy, accessibility, or usefulness.
- (c) Unsanitary or unsafe conditions.
- (d) Deterioration of site or other improvements.
- (e) Unusual topography or inadequate public improvements or utilities.

- (f) The existence of conditions that endanger life or property by fire or other causes.
- (g) Environmental contamination of buildings or property.
- (h) The existence of health, safety, or welfare factors requiring high levels of municipal services or substantial physical underutilization or vacancy of sites, buildings, or other improvements.

6.0 Sources

Framework Master Plan Prairie Gateway - Commerce City, Colorado.

Offer to Purchase Property and Acceptance dated May 3, 2004.

Miscellaneous appraisals, surveys, maps, and studies on file with the City.