



# Idaho Springs Blight Study

The First Step towards creating Urban Renewal Areas in Idaho Springs



# What is an Urban Renewal Authority (URA)?

A quasi-governmental agency created by a municipality to help foster redevelopment in blighted areas within their jurisdiction.

URAs are governed by the Colorado Revised Statutes and Legislation.

# Why does Idaho Springs want an Urban Renewal Authority (URA)?

- Previous studies recommended an Urban Renewal Authority as a financing tool for property redevelopment:
  - East End Action Plan (2017)
  - Downtown Colorado Inc. (DCI) Downtown Assessment (2012)
- In October 2018, Council commissioned a Blight Study following:
  - Participation in a DCI “Design Challenge” project that assessed urban renewal strategies and action steps.
  - Butler Snow Law Firm presentation to Council regarding URAs.
- Access use of Tax Increment Financing (TIF):
  - **TIF is a tool** allowing URAs to capture net new tax revenues from new projects to help finance other revitalization projects within that same area.
  - **Tax rate does not change.** No new taxes are authorized with TIF.
  - “Tax Increment” is additional value created by new development at the existing tax rates.
  - Two members from taxing entities must be on the URA Board to negotiate terms of TIF and ensure representation in URA decisions.
    - (ex: Emergency Services, School District, County, etc.)

# What services could an Urban Renewal Authority (URA) offer?



- Allow taxes generated in your neighborhood to be spent on improvements directly in your neighborhood
- Fund capital improvement projects in your neighborhood
- Provide financial assistance for property redevelopment / expansion
- Help offset development costs to help achieve lower housing costs
- If an area generates enough tax increment revenue, URAs can even offer grants to residents and local small businesses for:
  - Historic Preservation improvements
  - Small Business signage and website improvements
  - Energy Efficiency upgrades (residential and business)
  - And more!

# Where could the URA operate in Idaho Springs?

- URAs operate within **Urban Renewal Areas**.
- **Urban Renewal Areas** are properties or groups of properties designated by the URA and City Council as areas for greater City investment and improvement.
- Urban Renewal Areas are generally contiguous areas within a City. Forming “Swiss Cheese” areas is discouraged, but allowed.
  - Idaho Springs is considering at least 2 separate Urban Renewal Areas.
- Final boundaries of Urban Renewal Areas are determined by the URA and City Council during a later Urban Renewal Plan creation process based on the findings of a **Blight Study**.



# What is a Blight Study?

An assessment of existing conditions in an area to determine the presence of any “Blight Factors” listed in CRS § 31-25-103(2).

# Blight Study vs. Urban Renewal Area: What is the difference?

- **Blight Studies:**

- Assess existing conditions of certain areas within a city.
- Do not make final decisions.
- Give recommendations to the URA and City Council about which properties or areas could be included in an Urban Renewal Area.

- **Urban Renewal Areas:**

- Are created based on the findings of the Blight Study.
- Are created by the URA and City Council through a separate process after acceptance of the findings of a Blight Study.
- Allow properties within their Area boundaries to apply for services and funding options offered by the URA.



# What qualifies as Blight?

“Blight” is the legal term used to describe an area where four of the eleven criteria outlined in the Colorado Statute are met.

# Blight is the presence of one or more of the following 11 “Blight Factors” (CRS § 31-25-103(2)):

- 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 non-marketable;
- h) The existence of conditions that endanger life or property by fire or other causes;
- i) Buildings that are unsafe or unhealthy for persons to live or work in because of building code violations, dilapidation, deterioration, defective design, physical construction, or faulty or inadequate facilities;
- j) Environmental contamination of buildings or property;
- k.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.

# But... How is each factor evaluated?

- The terms “blight” and “slum” are archaic relics of the Colorado Statute’s 1950’s origins.
- “You know it when you see it.”
- Best practice to take a conservative approach.
- But many of the “Blight Factors” sound very similar to each other... So do we differentiate and be consistent?
  - PLP is following methodology from the Golden Urban Renewal Authority’s West Colfax Blight Study.
  - Creates a list of specific items to analyze for consistency throughout the study.

# Methodology Examples (from the GURA West Colfax Blight Study):

## (a) Slum, deteriorated, or deteriorating structures;

“Exterior structure conditions assessment”

**Examples:** Evidence of deterioration of roof, gutters, exterior finishes, fences, ancillary structures, etc.

## (e) Deterioration of site or other improvements;

“Exterior site conditions assessment”

**Examples:** Deteriorated or absent pavement, curbs, signage, landscaping, etc. on a property. Presence of trash & debris.

## (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;

“Interior structure conditions assessment”

**Examples:** Deteriorated building interiors, including mold, asbestos, and fire damage. Unprotected utilities.

# Methodology Examples (from the GURA West Colfax Blight Study):

**(b) Predominance of defective or inadequate street layout;**

“Street and access assessment”

**Examples:** Poor vehicular access or internal circulation. Poor parking layout.

**(c) Faulty lot layout in relation to size, adequacy, accessibility, or usefulness;**

“Lot configuration assessment”

**Examples:** Irregular or difficult lot shape or layout. Lots are too small.

**(f) Unusual topography or inadequate public improvements or utilities;**

“Infrastructure assessment”

**Examples:** Inadequate site grading. Deterioration or absence of elements in the Right-Of-Way (ROW), such as: street pavement, sidewalks, or water or sewer utilities. Overhead utilities in ROW. Insufficient lighting in ROW.

# Methodology Examples (from the GURA West Colfax Blight Study):

## (d) Unsanitary or unsafe conditions;

“Unsafe site conditions and environmental conditions assessment”

**Examples:** Poorly lit or unlit areas. Uneven or absent sidewalks. Abandoned vehicles, vagrant activities, vandalism, etc.

## (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.

“Crime, code violation, and vacancy assessment”

**Examples:** High levels of vacancy, code violations, traffic accidents, fire or police department call volumes, or crime incidence.

## (h) The existence of conditions that endanger life or property by fire or other causes;

“Emergency access and hazards assessment”

**Examples:** Existence of structures in a floodplain, or near hazardous materials. Inadequate emergency vehicle access.

# Methodology Final Notes



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- For a Blight Factor to be considered “present” in an area, it must be found at several locations in the area.
- It is better to be conservative in the determination of presence.
- A study by an outside consultant is not explicitly required by the CRS, but is strongly encouraged.

# What happens at the end of the Blight Study?

- A report with the consultant recommendations will be presented to City Council.
- This group will decide whether or not to adopt the report recommendations.
- If adopted, properties or areas recommended for a finding of Blight would officially be found “Blighted” by the City.
- An Urban Renewal Area is NOT created yet.
  - Official Urban Renewal Area boundaries will be finalized during the creation of an Urban Renewal Plan.
  - The Urban Renewal Plan process is a public process.



# **Blight & Blight Study FAQs**



# Will a finding of “Blight” in my area or on my property decrease my property values?

- A finding of Blight is based on the existing conditions of your area.
- Inclusion in an Urban Renewal Area often improves property values.
  - Potential buyers have the additional incentive of TIF and other URA services.
  - Improvement of the area overall improves property values collectively.



# Will a finding of “Blight” in my area or on my property mean my property is being condemned by the City?

- A finding of Blight is not condemnation.
- The City has not expressed any intent to use condemnation.

# Is there already an Urban Renewal project planned?

- No projects are currently planned.
- Formation of the URA and designation of Urban Renewal Areas sends a message to potential investors, developers, and property owners that the City wants to help revitalize an area, and may be able to financially assist a project.

# If I disagree with the findings of the report, what can I do?

- The report makes no final decisions.
- The findings of the report will be presented to the URA Board and City Council for adoption.
- The review and potential adoption of the report findings will occur during public meetings.
  - You may attend these meetings to comment on the report findings.



# When will this Blight Study be completed?

- The Blight Study Report will be complete by mid-April.
- Council meeting dates will be announced in advance.

# Idaho Springs Blight Study

Questions?

**For more information, please contact:**

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