



Four Corners Area Conditions Survey

Town of Erie, Colorado

Surveyed Summer 2015 -- Submitted August 2015

Prepared for:

Town of Erie Urban Renewal Authority (TOEURA)
Town of Erie Board of Trustees

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Four Corners Area Conditions Survey

Town of Erie, Colorado

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Town of Erie, Colorado

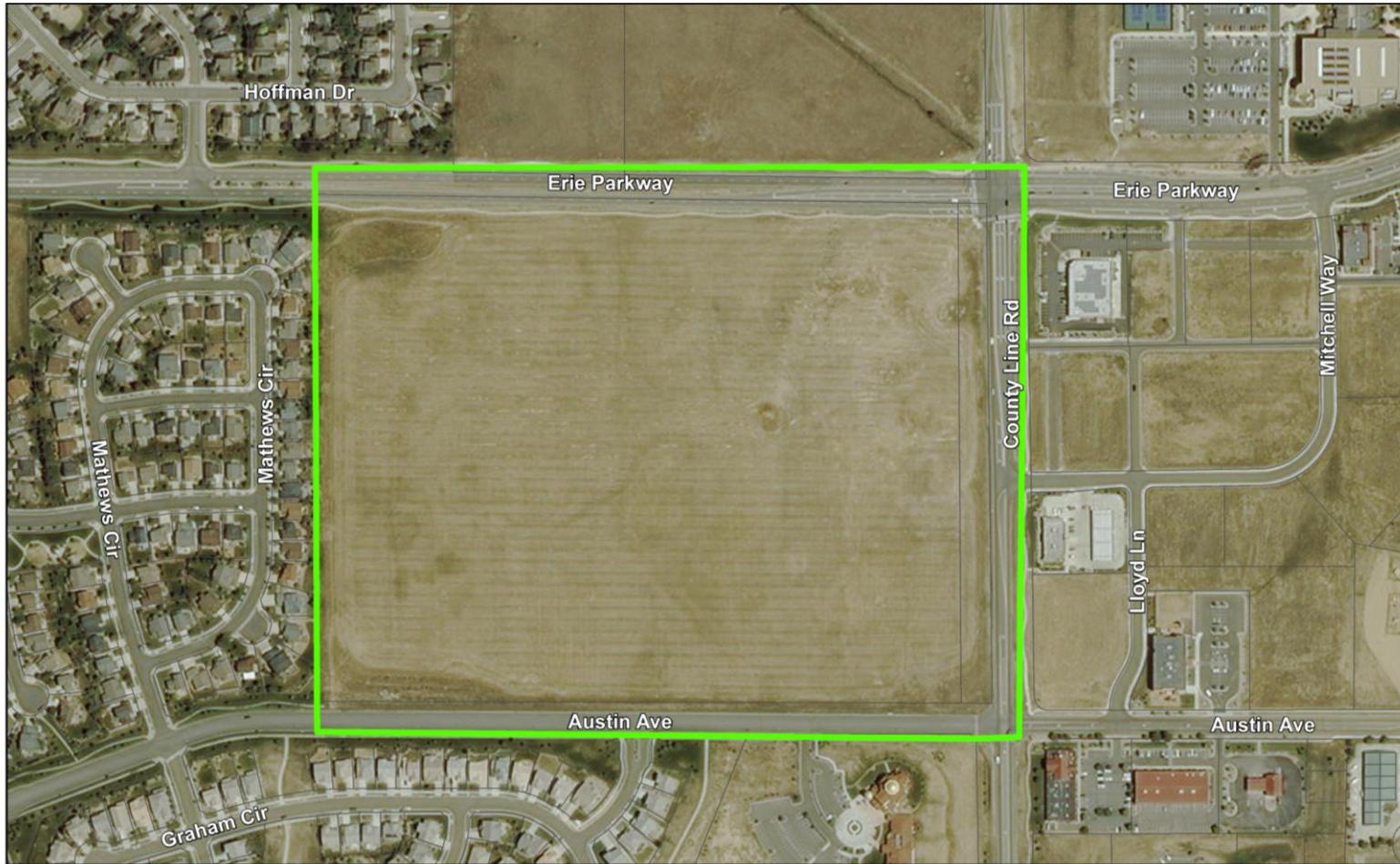
1.0 Introduction

The following report, the *Four Corners Area Conditions Survey* (the "Survey") was prepared for the Town of Erie Urban Renewal Authority (TOEURA and the "Authority") and the Town of Erie Board of Trustees (the "Board") in July 2015 and submitted in August 2015. The purpose of this work was to analyze conditions within a defined Survey Area (also referred to here as "the Survey Area" "Subject Area" or "Area") located within the Town of Erie and Boulder County, Colorado, in order to determine whether factors contributing to blight are present and whether the Area may, therefore, be considered eligible as an urban renewal area under the provisions of the Colorado Urban Renewal Law (the "Law" or "Statute").

The Survey Area, part of the Canyon Creek PD Amendment No. 8 and proposed Amendment No. 9 (also known as the Four Corners development) includes one (1) parcel located in the north one-half of the Southeast one-quarter of Section 24, Township 1 North Range 69 West of the Sixth Principal Meridian, within the town of Erie, county of Boulder, and state of Colorado, or in other words, the southwest quadrant of Erie Parkway (also known as Weld County Road 8 and Isabella Road) and East County Line Road (Weld County Road 1). Originally part of the Homestake Planned Unit Development (PUD), then amended to the Canyon Creek Planned Development (PD) and approved by the Town in 2000, the subject property is approximately 46 acres and lacking any improvements.

Figure 1 on the following page illustrates the extent of the Survey Area and relationship to surrounding development and roadways. The single property is owned by one entity, the Colorado corporation of Erie Commercial Venture, LLLP. Representatives of the owner approached the Town of Erie (the "Town") in June of 2015 requesting inclusion of the parcel in an urban renewal area. At the Town's direction, the owner and their representatives commenced preparation of all documents required under the Law, including this Survey. In addition to showing the presence of the requisite number of qualifying conditions of blight, the Statute also requires that all property owners within a proposed urban renewal area be notified prior to commencing the Survey. Whereas the sole owner requested an urban renewal designation, it is considered a "voluntary

Figure 1: Survey Area Boundaries – Four Corners Area



N
Date: Thursday, August 13, 2015



 Study Area Boundary

district" and without objection. As such, the owner has the right to waive this notification which they have done so here. A signed letter stating the same has been provided to the Authority's representatives.

As explained above, this *Four Corners Area Conditions Survey*, represents a necessary step in the determination of blight and establishment of an urban renewal area for the purpose of mitigating and eliminating adverse conditions that are delaying or preventing investment within its boundaries. It is also an important step in advancing community goals set out in the Town's comprehensive planning documents, specifically related to infill development, redevelopment and commercial corridor revitalization.

2.0 Definition of Blight

A determination of blight is a cumulative conclusion based on the presence of several factors (physical, market, and other) defined by state law. In reality, it is not just their presence that contributes to the deterioration of an area, but rather the multiplicative impact tends to bleed beyond the parcel boundaries and throughout the community. For purposes of this Survey, the definition of a blighted area is the same as that provided in the Colorado Urban Renewal Law which reads 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 non-marketable;*
- (h) 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) 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 of such 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 (1), 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 of such owner in connection with laws governing condemnation.*

Source: Colorado Revised Statute 31-25-103(2).

While the conclusion of whether an area constitutes a legally “blighted area” is a determination left to municipal legislative bodies, this Survey provides detailed documentation of the aforementioned physical, environmental and social factors as they exist within the boundaries defined herein. Note: It is not legally necessary for every factor to be present in an area in order for it to be considered “blighted”. In addition, a given factor need not be present on each and every parcel or structure to be counted, but rather, only needs to be present somewhere in the area as a whole. In other words, the presence of one or more well-maintained, non-blighted buildings or parcels does not necessarily preclude a finding of blight for the area in which blighting factors are present¹. Rather, an area qualifies as blighted when *four* or more factors are present (or *five* factors, in cases where the use of eminent domain is anticipated). As explained in item (l) above, this threshold may be reduced to the presence of *one* blighting factor in cases where no owners of property or other business interest within its boundaries objects to inclusion in an urban renewal area as is the case here. This Factor (l) applies in this instance whereas the Area's sole owner and business interest requested inclusion in an urban renewal area. Despite the statutorily allowable lower

¹ While not clearly addressed in Colorado Urban Renewal law, this interpretation has been favored by the courts.

threshold (presence of one factor), every effort was made to identify all factors that are present and impacting the Area.

With this understanding, the *Four Corners Area Conditions Survey* presents an overview of factors within the Survey Area sufficient to make a determination of blight. Section 5.0 (Summary of Findings) provides conclusions regarding the presence of qualifying conditions in the Survey Area; however, the Erie Board of Trustees will make a final determination as to whether the Area constitutes a “blighted area” under the Colorado Urban Renewal Law.

3.0 Study Methodology

Ricker|Cunningham personnel conducted field investigations during July 2015 for the purpose of documenting conditions within the categories of blight listed above and described in greater detail below. Pertinent Geographic Information Systems (GIS) data from the Town of Erie was obtained and subsequently analyzed; and, discussions with Town of Erie Staff conducted, along with various other technical sources, and the collective results of these efforts are discussed herein.

Whereas the 11 factors listed in the Urban Renewal Law (see Section 2.0 of this report and below) contain few specific details or quantitative benchmarks to guide the conditions survey process, Ricker|Cunningham has developed a checklist of more specific categories of blighting conditions within each statutory factor to aid in their identification and characterization. This checklist has been used in nearly 75 urban renewal conditions surveys for more than 40 communities in Colorado and the Southern and Western United States.

(a) Slum, deteriorated, or deteriorating structures

This factor is said to be present when the physical condition of structures in the area present specific life-safety concerns. Sub-categories include deterioration or absence of the following:

- Roof
- Walls fascia board and soffit
- Foundation
- Gutters and downspouts
- Exterior finish

- Windows and doors
- Stairways and fire escapes
- Mechanical equipment
- Loading areas
- Fences, walls and gates
- Other non-primary structures

(b) Predominance of defective or inadequate street layout

This factor is said to be present when the layout (or non-existence) of streets or roads creates problems for health, safety, welfare or sound development. Sub-categories include inadequate or elevated:

- Vehicular access
- Internal circulation
- Driveway definitions and curb cuts
- Parking layout
- Traffic accident history

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

This factor is said to be present when lot size or configuration inhibits or is likely to inhibit sound development. Sub-categories include inadequate or unsafe:

- Lot shape or layout
- Vehicular access - parcels with poor access are usually found to have both category (b) and (c) present
- Lot size

(d) Unsanitary or unsafe conditions

This factor is said to be present when safety hazards and conditions are likely to have adverse effects on the health or welfare of persons in the area due to problems with a lack of infrastructure. Sub-categories include the presence of:

- Poorly lit or unlit areas
- Cracked or uneven sidewalks
- Hazardous contaminants

- Poor drainage
- Flood hazards
- Steep slopes
- Unscreened trash or mechanical equipment
- Pedestrian safety issues
- High crime incidence
- Lack of fire protection
- Vagrants, vandalism and graffiti

(e) Deterioration of site or other improvements

This factor is related to factor (a), and said to be present when land and/or structures have been either damaged or neglected. Sub-categories include the presence of, deteriorating or lack of:

- Billboards
- Signage
- Poorly maintained properties, streets, and other public improvements
- Trash, debris and weeds
- Parking surfaces, curbs and gutters
- Landscaping

(f) Unusual topography or inadequate public improvements or utilities

This factor represents the combination of two formerly separate factors. To that end, it is said to be present when the topography is incompatible with development (hilly, sloped, etc.) or properties are lacking complete public infrastructure. Sub-categories include the presence of, deteriorating or lack of:

- Slopes or unusual terrain
- Street pavement
- Curb and gutter
- Street lighting
- Overhead utilities
- Sidewalks
- Roads
- Water and sewer service
- Storm water quality and drainage improvements

(g) Defective or unusual conditions of title rendering the title non-marketable

This factor is said to be present when there are problems with the marketability of property titles, including unusual restrictions, unclear ownership, etc. Due to the expense of title searches, this blight factor is typically not examined unless developers or land owners provide documentation of known problematic title issues. (No sub-categories).

(h) Existence of conditions that endanger life or property by fire or other causes

This factor is said to be present when site and / or building maintenance or use issues exist that may threaten site users. This factor also includes potential threats from fire or other causes. Sub-categories include the presence of:

- Fire safety problems
- Hazardous contaminants
- High frequency of crime
- Floodplain and flood hazards

(i) Buildings that are unsafe or unhealthy for persons to live or work in because of building code violations, dilapidations, deterioration, defective design, physical construction, or faulty or inadequate facilities

This factor is said to be present when primary improvements, specifically those described in the context of factors (a) and (d) above, as well as property, poses a danger to the extent that habitation and/or daily use is considered unsafe. Sub-categories include the presence or lack of:

- Hazardous contaminants
- Fire safety infrastructure
- Unsafe building facilities
- All of the factors listed under (h) above

(j) Environmental contamination of buildings or property

This factor is said to be present when there exist threats from chemical or biological contamination. Unlike category (i) above, this factor can be said to exist even when such contamination does not pose a direct health hazard, so long as it causes other problems (i.e. inhibits development). Sub-categories include the presence of:

- Hazardous contaminants

(k.5) 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

This factor is said to be present when properties or their improvements are underutilized; or, there is a disproportionate amount of public service being provided. For instance, properties generating frequent calls for police or fire service or code enforcement often require more than their share of services. Sub-categories include the presence of:

- High frequency of fire calls
- High crime incidence
- Site and building underutilization
- All of the factors listed under (d) and (h) above

4.0 Survey Area Description and Project Concept

As explained earlier, the Area is located in the southwest quadrant of Erie Parkway and East County Line Road, and surrounded by these rights-of-way, as well as Austin Avenue along its southern border. Adjacent uses include single family homes, commercial and light industrial properties, St. Luke's Orthodox Church, and vacant land. The Town of Erie's Community Center, associated ball fields, and other recreational amenities are located across the intersection to the northeast.

According to the Boulder County Assessor, the subject property, Parcel No. 146524000019, was sold twice in the last 15 years, once in February 2001 and again in April 2008, when it was purchased by its current owner, Erie Commercial Venture, LLLP.

Seven entities will benefit from improvements in the Area including: Boulder County; St. Vrain School District; Town of Erie; Northern Colorado Water Conservancy District; Urban Drainage and Flood Control District; Mountain View Fire District; and High Plains Library District.

As reflected in the Town of Erie 2005 Comprehensive Plan Land Use Map, the Area is zoned Planned Development (PD), yet envisioned with improvements allowed under the Mixed-Use land use category (see definitions for both below). Permitted uses, as identified in the Canyon Creek PD Amendment No. 8, include Business Commercial (BC) and Commercial / Business / Retail (CBR), neither of which is allowable under its current zoning.

Planned Development (PD)

1. Purpose

- a. This Section makes available, pursuant to the Planned Unit Development Act of 1972, Article 67 of Title 24, C.R.S., a procedure to modify specific regulations of the UDC within a Planned Development (PD) zone district at the time of initial zoning for annexation or as a rezoning of a property from another zone district.

The PD zone district may be used when:

- i. There is a special public benefit that does not coincide with standard zoning district requirements; or,
- ii. A development proposal is unable to meet the standard zoning district requirements due to physical constraints of the property; or,
- iii. A development proposal is unable to meet the standard zoning district requirements due to unique development design; or,
- iv. A development proposal is unable to meet the standard zoning district requirements due to a unique mix of land uses

Mixed-Use (MU)

Mixed-use areas are intended to contain a variety of activities, such as offices, retail, and multiple housing types. They differ, however, in that the scale and configuration of development will vary by its location and development context (i.e., Old Town infill/redevelopment vs. new development). To this end, the Canyon Creek PD Amendment No. 9 (also known as the Four Corners development), submitted to the Town of Erie during the first half of 2015, is envisioned as "a vibrant mixed-use community with a strong emphasis on public and private amenities, diverse housing options, and most importantly, uniquely designed commercial space supported by restaurants and a shopping district." Further, "uses will reflect the range of activities where people live, shop, reside and build their families -- and provide its residents with

a sense of community, while also giving the Four Corners intersection a sense of identity."

5.0 Summary of Findings

The property that is the subject of this Survey was part of a larger "subarea" that was also surveyed in 2012. That subarea, referred to as Subarea No. 5 in the Town of Erie Conditions Survey, was comprised of 848 parcels and 663 acres and generally bound by County Road 3 on the west, Evans Street on the north, generally County Line Road on the east, and Bonnell Avenue on the south. At that time and in that larger geography, 10 of 11 factors were identified, specifically all except Factor g (defective or unusual conditions of title rendering the title non-marketable). It is the conclusion of this Four Corners Area Conditions Survey that, within the Area that is the subject of this report, seven (7) of the possible 11 blight factors are present including: 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; f) unusual topography or inadequate public improvements or utilities; g) defective or unusual conditions of title; h) conditions that endanger life or property by fire or other causes; and, k.5) substantial physical underutilization or vacancy of sites, buildings, or other improvements. Each of these is described in greater detail below.

(b) Predominance of defective or inadequate street layout

Predominance of defective or inadequate street layout can be considered present when: existing roads, either serving or within an area, are insufficient to meet the current or future needs (based on zoning) of land uses (capacity) within an area when developed or redeveloped; there are no roads serving the area; or, roads that are in place are deteriorating or substandard. Note: "Substandard" is a definition based on established municipal standards. Whereas there are no roadway improvements within the Area making internal circulation impossible, Factor b is considered present for this reason alone. However, there are additional conditions associated with Factor b that also impact the Area. For instance, according to the Town of Erie Public Works Department, curbs and gutters along existing roadways are inconsistent, as are improvements for non-vehicular movement including sidewalks, lighting, trail connections and bicycle lanes. In addition, the intersection of East County Line Road and Austin Avenue is stop-controlled and will require a traffic signal, intersection improvements, and access points once the subject property is improved. In a letter from the Town to the Four Corners development team, they will be required to make "significant improvements to Erie Parkway and potentially East County Line Road to allow for the full movement access required."

Based on a review of municipal documents, established criteria dictate whether streets are considered substandard and requiring improvement upon development or redevelopment of adjacent parcels. While Erie Parkway is a local road, East County Line Road is a state highway. Both, however, are under the jurisdiction of the Town.

An additional condition considered in the context of this factor is the frequency of traffic incidents in and around the area. Information provided by the Town of Erie Police Department for the period 2008 to 2011, within the subdivision where the Subject Area is located, Canyon Creek, shows an average number of traffic incidents with property damage ranging from two to four per year. Since 2011, these types of incidents increased to four in 2013, five in 2014 and four during the first six months of 2015. Traffic incidents with injuries have consistently been less frequent. As reflected in **Table 1**, there were three incidents of this type between 2008 and 2011 and, not shown, only two since 2011.

Table 1
Criminal and Traffic Incidents, 2008 to 2011
 Canyon Creek Subdivision Area

Type of Incident	Number of Incidents	Type of Incident	Number of Incidents
9-1-1 Hangup	30	Kidnapping	1
Abandoned Vehicle	9	Litter, Public Health	3
Agency Assistance	16	Lockout	5
Alarm	109	Lost Property	3
Alcohol Offense	1	Medical Assist	56
Animal Noise	63	Missing Person	9
Animal Problem	207	Parking Problem	10
Arson	2	Traffic Accident with Damage	11
Assault	1	Traffic Accident with Injuries	3
Attempt to Locate	6	Property Damage, Non Vandalism	1
Burglary	9	Prowler	1
Child Abuse or Neglect	1	Recovered Stolen Vehicle	1
Child Pornography	1	Repossession	11
Citizen Assist	7	Restraining Order Violation	5
Citizen Dispute	22	Runaway Juvenile	5
Civil	42	Sex Offense	2
Code Violation	23	Solicitor or License Problem	17
Criminal Mischief	9	Stray Animal	6
Curfew Violation	4	Attempted Suicide	2
Custodial Interference	2	Suspicious Person, Circumstance	132
Death Investigation	3	Theft	14
Disorderly Conduct	24	Threatening	2
Disturbance	28	Traffic Complaint	12
Domestic Disturbance	11	Traffic Enforcement	1
Controlled Substance Problem	2	Traffic Hazard	4
DUI Alcohol or Drugs	5	Traffic Violation	3
Explosives Problem	1	Traffic Stop	4
Fire Department Assist	18	Trespassing	12
Fireworks	16	Unsecure Premises	14
Found Property	3	Vehicle Theft	1
Fraud	15	Vicious Animal	2
Harassment	12	VIN Serial Number Inspection	3
Identity Theft	5	Wanted Person	5
Intoxicated Person	1	Weather Event	1
Juvenile Problem	15	Welfare Check	25
		Total Incidents	1,110

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

Because faulty streets often produce faulty lots, particularly when they impact vehicular access, properties within the Survey Area that suffer from conditions associated with Factor b also suffer from Factor c for the reasons explained above. Further, the severity of their impact is different for commercial versus residential properties. For instance, commercial properties that lack access and visibility are at a significant competitive disadvantage to those with these characteristics. In fact, in some cases, a lack of either or both can render a property with limited or no value. Similarly, commercial properties that are too small to accommodate necessary levels of parking also suffer from a competitive disadvantage. While the Area's shape and size are not a detriment to development, since it is envisioned to develop with a mix of residential and non-residential uses, its current lack of access is a significant detriment for future commercial uses. While less impactful for future residential uses, its lack of non-vehicular accommodations and connections to adjacent community amenities, or commercial and employment concentrations, presents a challenge for this product type.

(d) Unsanitary or unsafe conditions

Factors that were identified contributing to unsafe conditions within and surrounding the Survey Area included insufficient improvements for non-vehicular and vehicular movement due to ill-defined access points, as explained under Factors b and c above. Experience has shown that a lack of certain types of infrastructure, particularly those that support safe vehicular and non-vehicular movement, can render properties vulnerable to unlawful activity.

As illustrated in **Table 2**, within the Canyon Creek subdivision area, as defined by the Erie Police Department, criminal and traffic incidents between 2008 and 2011 totaled 1,110, or approximately seven (7) percent of all incidents within the Town and the third highest of all areas during the same timeframe. Among the 1,110 incidents, approximately four (4) percent were traffic-related, five (5) percent requiring medical care, three (3) percent classified as fire-related; and an additional nine (9) percent classified as serious crimes.

This factor also considers the presence of a flood zone or floodway, and slopes which create drainage challenges. As reflected in **Figure 2**, an illustration presented in the 2012 Town of Erie Conditions Survey, no portion of the Area is located within a 100-year FEMA flood zone. However, slopes within the Area,

Table 2
Total Incidents, 2008 to 2011
 All Subdivisions

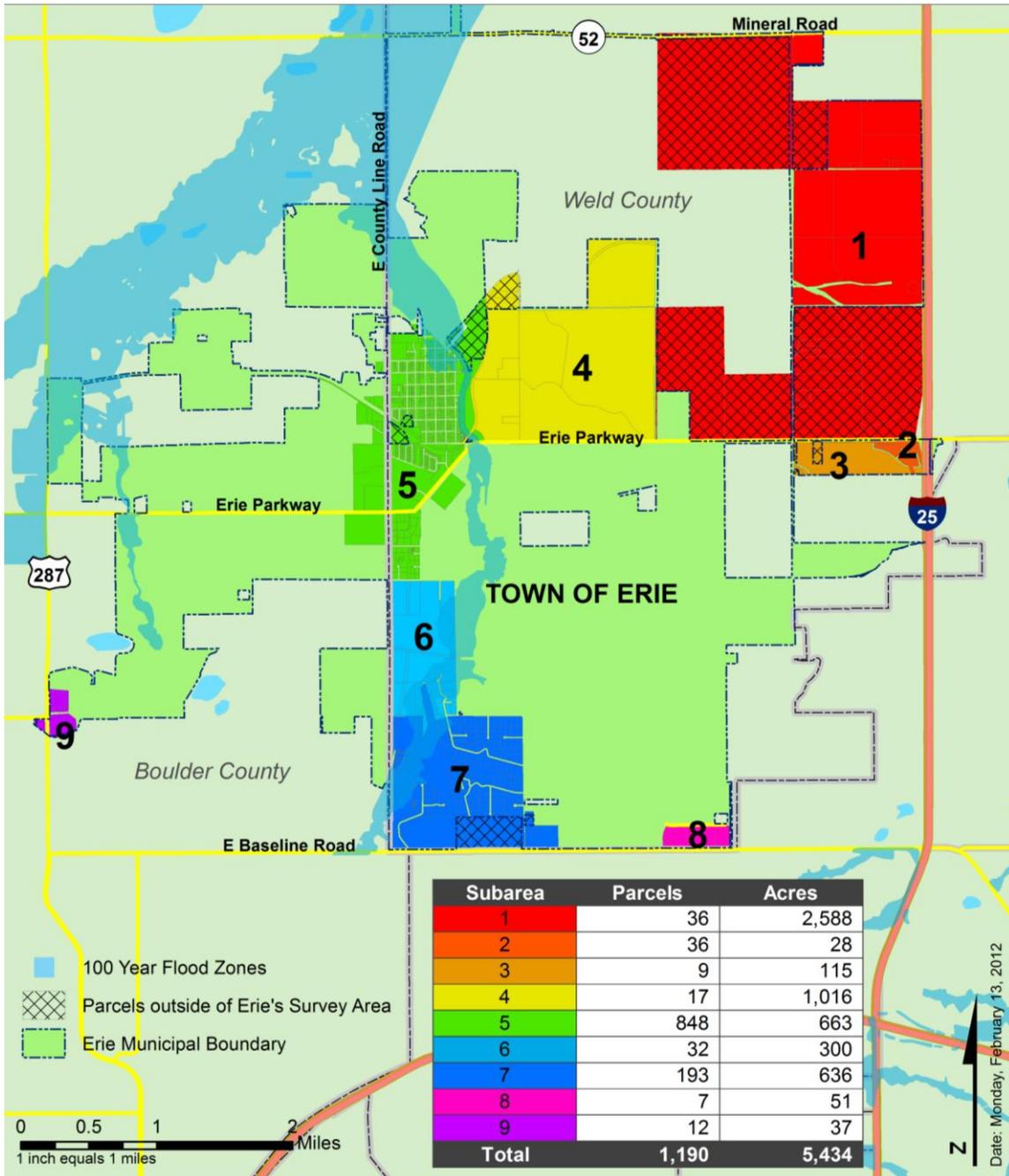
Subdivision (Location)	Total Incidents
Not Defined	267
Austin Industrial	164
Airpark	314
Arapahoe Ridge	1,011
Bacter Farms	14
Canyon Creek	1,110
Country Fields	285
Candlelight Ridge	77
Country Meadows	309
Creekside	241
Erie Comons	1,065
Erie Village	441
General Boulder	647
General Weld	881
Grandview	845
Kenosha Farms	395
Meadow Sweet Farms	255
Northridge	241
Orchard Glen	352
Old Town	3,135
Outside	480
Sunwest	254
Vista Pointe	565
Vista Ridge	3,172
Total Incidents	16,520

with their high point in the southwest corner and low point in the northeast corner, create drainage concerns sufficient to require costly improvements.

(f) Unusual topography or inadequate public improvements or utilities

In addition to roadway and drainage improvements described above, the site requires accommodations for all other utilities as well. Based on available information, Town services include water, sewer and storm drainage. Non-town services include: fire protection provided by the Mountain View Fire Protection District; electric and gas provided by Excel; phone provided by Century Link; and cable provided by Comcast. Whereas the property which comprises the Area was originally part of the Homestake PUD, and later amended to the current Canyon Creek PD in 2001, services available by the Canyon Creek PD include educational facilities owned and managed by the St. Vrain Valley School District, as well as the Town and non-town services listed above.

Figure 2: 100-Year Flood Zone



(g) Defective or unusual conditions of title rendering the title non-marketable

This factor is said to be present when there are problems with the marketability of property titles, including unusual restrictions such as the presence of utility and / or infrastructure easements, or unclear ownership. Title documents were provided by the property owner, prepared by Commonwealth Land Title Insurance Company, dated December 18, 2014. Information in that document and select other technical sources, largely associated with the location of utility and gas line easements, as well as two existing and inactive mine shafts, that support the presence of this factor, is summarized below.

Conditions associated with title concerns can be among the most costly and complicated to resolve in order to make a property ready for development. Not only is the title work expensive, but so too is the engineering required to either eliminate the impediment or mitigate its impact within the site. Acquisition of the mineral rights, an alternative to engineering mitigation, can be costly. In addition, the presence of easements often requires that site plans be modified, which oftentimes diminishes the total developable acreage. For these reasons, they are often an encumbrance to development.

An existing right-of-way (ROW) trail corridor and utility lines are located along the western edge of East County Line Road and southern edge of Erie Parkway. The trail, while an amenity for the community, as well as onsite users and residents, effectively serves to limit the Area's total developable acres and has impacted the site plan. So, too, does a pipeline easement located along Erie Parkway, and utility and gas line easements located along East County Line Road.

The pipeline easement located along Erie Parkway, and utility and gas line easements located along East County Line Road have been granted to multiple entities including Panhandle Eastern Pipeline Company, Western Gas Supply Company, Vessels Oil and Gas Company and HS Gathering, LLC according to a title report prepared by American Land Title dated December 2014, the terms, conditions, provisions, agreements and obligations specified under the Grant of Permanent Access and Utilities Easement by and between Erie Commercial Ventures, LLLP, a Colorado limited liability partnership, and Town of Erie, a Colorado municipal corporation, in October 2007.

According to the title report prepared by American Land Title dated December 2014, the assignments and conveyances of mineral interests, oil, gas and other minerals within the Area were conveyed by Mineral Deed on August 24, 1981 and

September 23, 1981, and to Johnson Development in instruments recorded July 13, 2001; and, to ECV Minerals in terms, conditions, provisions, agreements and obligations contained in the Restrictive Covenant and Non-Disturbance Agreement recorded May 29, 2008. The Oil and Gas Lease from ECV Minerals to KKC and interests including Wellborne Specific through a Declaration of Pooling was recorded September 22, 2009, Operating Agreement and Financing Statement recorded June 16, 2010; and, Bill of Sale and Conveyance from Encana Oil & Gas to Kerr McGee Gathering LLC recorded April 14, 2001.

In addition to utility and gas line easements, a portion of the Four Corners Survey Area was part of the Marfel and Pinnacle Mines ownership, which also encompassed many properties to the north. When operational, mining activity was primarily limited to undermining for minerals, primarily coal. Minerals were extracted through vertical shafts constructed to a depth of 50 to 100 feet, according to the Colorado Geological Survey, which are still in place today. The presence and location of these shafts have been confirmed by the property owner and although located below ground and inactive for several decades, present a significant and costly challenge to development. **Figure 3**, an illustration presented in the 2012 Town of Erie Conditions Survey, reveals various mining attributes including the depth of different mining facilities. **Figure 4**, another illustration from the original survey, shows that although surrounded by properties with both active and planned oil and gas wells, none are located within the Area.

(h) Existence of conditions that endanger life or property by fire or other causes

As explained in the previous section, this factor is said to be present when threats from fire, flooding, environmental contamination and crime exist that may threaten site users. Although no portion of the Area lies within a floodway, and there is no known environmental contamination despite inactive subsurface mine shafts, there is a disproportionately high level of criminal activity within the police service district where the Survey Area is located. As illustrated in **Table 2** above and discussed above, within the Canyon Creek subdivision area, as defined by the Erie Police Department, criminal and traffic incidents between 2008 and 2011 totaled 1,110, or approximately seven (7) percent of all incidents within the Town and the third highest of all areas during the same timeframe. Among the 1,110 incidents, approximately four (4) percent were traffic-related, five (5) percent requiring medical care, three (3) percent classified as fire-related; and an additional nine (9) percent classified as serious crimes.

Figure 3: Mines and Related Attributes

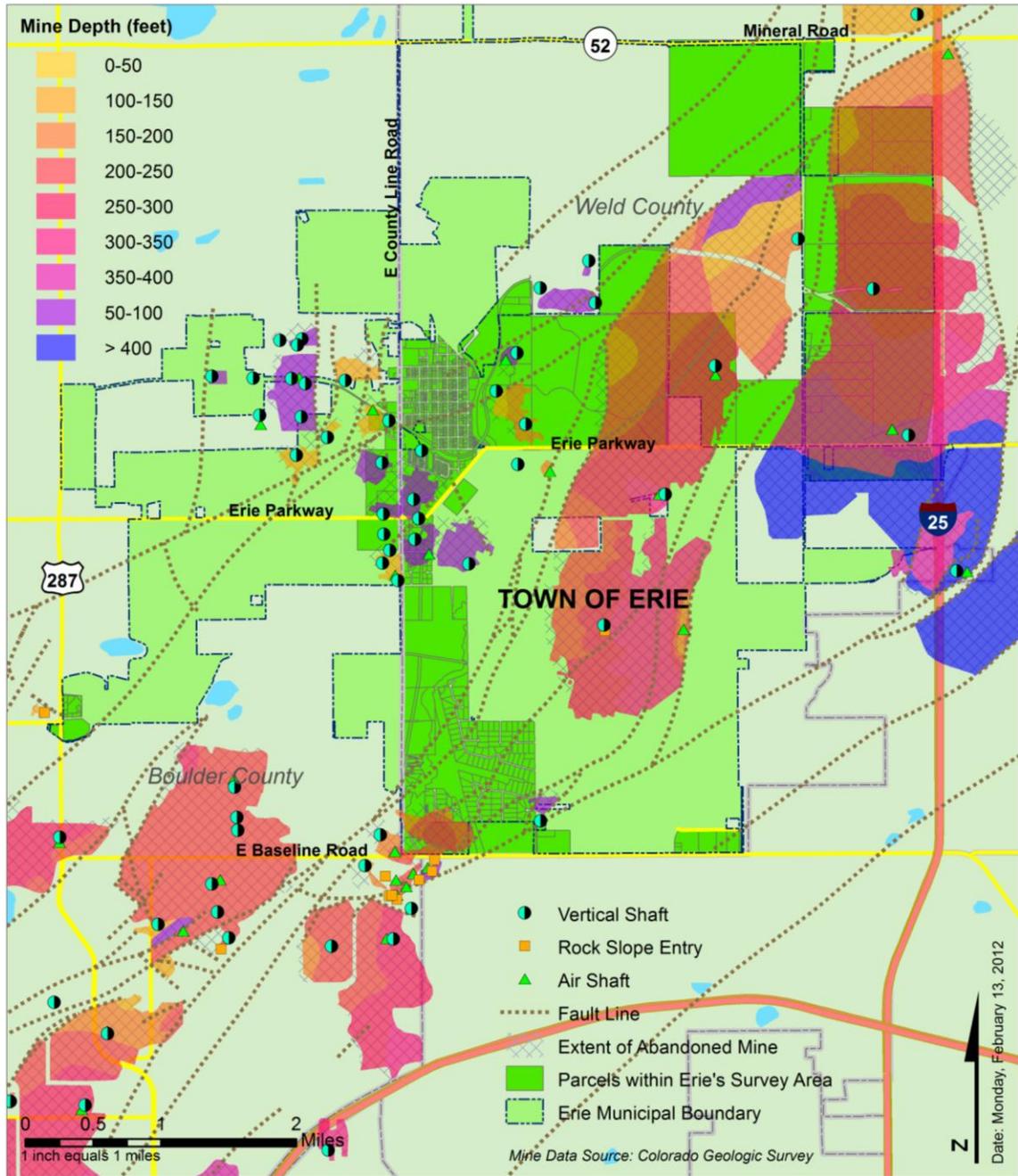
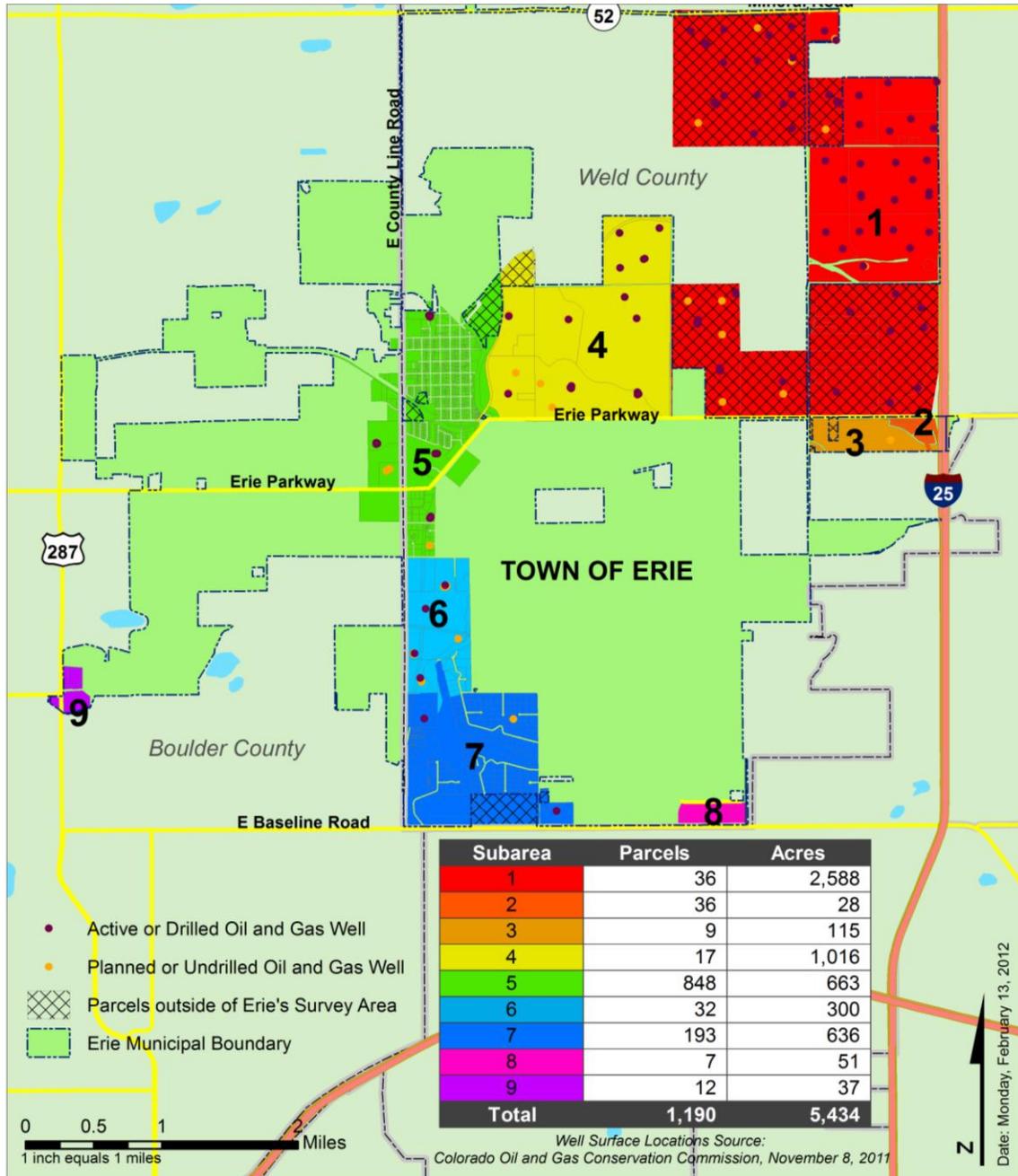


Figure 4: Well Locations



(k.5) 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

Although the urban renewal law defines this factor as including either high levels of municipal services or underutilization or vacancy, this Factor k.5 is considered present due to the fact that a disproportionately high level of criminal and traffic incidents have been identified in the Area, and the single property located within its boundaries is vacant. While vacancies among properties within a municipality are not unusual, in this instance whereas the Area is located centrally within the Town and zoned for a mix of uses, residential and commercial, and largely surrounded by improved parcels; there can be a reasonable expectation of development.

6.0 Summary of Factors

Table 3 summarizes the findings within the Area. As explained earlier in this report, it is not legally necessary for *every* factor to be present in an area in order for it to be considered “blighted”. In addition, a given factor need not be present on each and every parcel or structure within an area to be counted, but rather, only needs to be present somewhere in the area as a whole. As shown, seven (7) of the 11 total possible factors were found, to some extent, within the Survey Area. Additionally, all seven factors were present to a degree that appeared likely to have a significantly negative impact on the public’s safety and welfare and impede the ability for sound growth and development.

Table 3
Four Corners Survey Area -- Summary of Findings

Blight Qualifying Factor	Present in Survey Area
(a)	
(b)	x
(c)	x
(d)	x
(e)	
(f)	x
(g)	x
(h)	x
(i)	
(j)	
(k5)	x
Total Factors	7

Source: Ricker|Cunningham