



South Nevada Corridor Area

Market Summary

Presented to:

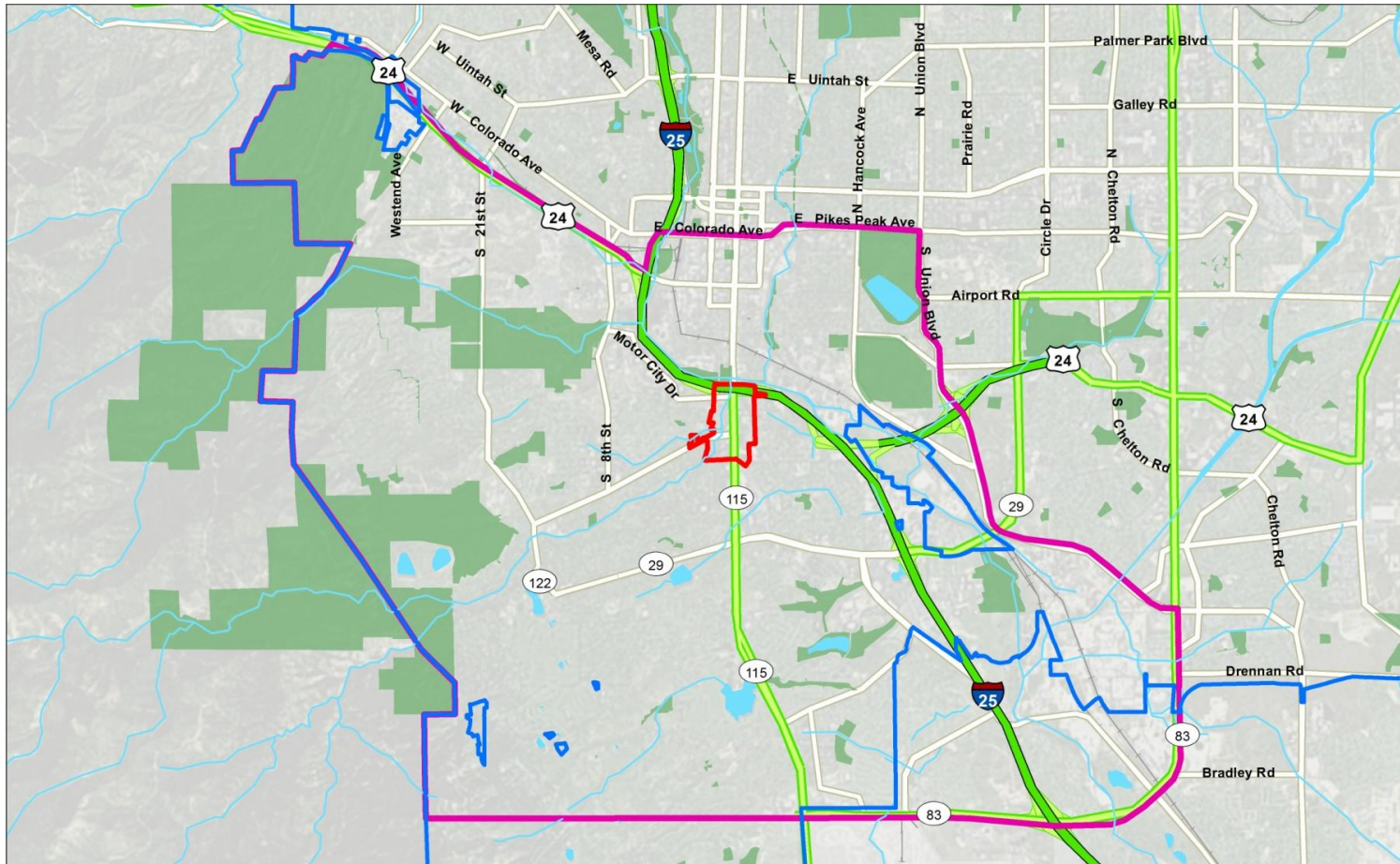
Colorado Springs Urban Renewal Authority

28 October 2015

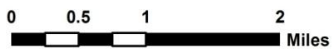


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Trade Area



↑
Date: Wednesday, September 23, 2015



Colorado Springs Boundary Trade Area South Nevada Avenue Plan Area

Demographics

- Over the last 5 years, the South Nevada Trade Area has grown at a rate slightly lower than that for the Colorado Springs MSA overall.
- The Trade Area's average household size is lower than the MSA overall. Not surprisingly, the Trade Area has a higher share of one- and two-person, non-family, and renter-occupied households.
- The Trade Area's age profile skews slightly older than the MSA overall.
- The Trade Area has lower incomes than the MSA, with a higher level of ethnicity.

2015 Indicator (unless otherwise noted)	South Nevada Trade Area	Colorado Springs MSA
2010 Population	103,100	650,351
2015 Population	107,700	686,900
2015 Households	47,000	246,500
Annual Household Growth Rate (Projected through 2020)	1.4%	1.7%
Average Household Size	2.35	2.62
Percent Non-Family Households	34%	32%
Percent One- and Two-Person Households	62%	60%
Percent Renters	38%	35%
Percent Age 65+	14%	10%
Percent Age 0-17	22%	25%
Median Age	35.8	34.6
Percent With Bachelors Degree	24%	36%
Median Household Income	\$42,200	\$59,400
Percent With Income Below \$25,000	30%	19%
Percent With Income Over \$100,000	16%	24%
Percent Hispanic	21%	15%
Percent Black/African-American	8%	5%
Percent Asian American	2%	3%

Source: U.S. Census; Claritas, Inc.; and Ricker | Cunningham.



Psychographics

- Psychographics** is a term used to describe the characteristics of people and neighborhoods which, instead of being purely demographic, speak more to attitudes, interests, opinions and lifestyles. PRIZM (Claritas) is a leading system for characterizing neighborhoods into one of 65 distinct market segments.
- Commercial retail developers are interested in understanding a community's psychographic profile, as this is an indication of its resident's propensity to spend across select retail categories. Residential developers are also interested in understanding this profile as it tends to suggest preferences for certain housing product types
- The South Nevada Trade Area consists of middle class, ethnically and generationally diverse psychographic segments, preferring urban and second cities environments.

Top 20 Lifestyle Segments

Lifestyle Segment	Area Households	% of Total Households	U.S. Index=100*
Multi-Culti Mosaic	3,693	7.9%	443.3
Big City Blues	3,025	6.4%	555.0
Low-Rise Living	2,454	5.2%	353.8
American Dreams	2,425	5.2%	225.9
City Roots	1,838	3.9%	327.2
Urban Subtotal	13,435	28.6%	--
Mobility Blues	1,762	3.7%	281.2
City Startups	1,647	3.5%	272.1
Boomtown Singles	1,228	2.6%	178.6
Hometown Retired	1,098	2.3%	185.3
Park Bench Seniors	1,073	2.3%	190.6
Second Cities Subtotal	6,808	14.5%	--
Old Glories	1,137	2.4%	263.9
Young Influentials	1,116	2.4%	171.3
Suburban Pioneers	1,005	2.1%	219.4
Upper Crust	960	2.0%	141.3
New Beginnings	957	2.0%	143.6
Suburbs Subtotal	5,175	11.0%	--
Big Fish, Small Pond	1,068	2.3%	105.1
Young and Rustic	822	1.7%	93.5
God's Country	653	1.4%	93.2
Country Squires	606	1.3%	70.6
Traditional Times	530	1.1%	41.7
Town and Rural Subtotal	3,679	7.8%	--
Total Above Segments	29,097	61.9%	--
Total Trade Area	47,023	100.0%	--

* Indicates concentration of this segment relative to U.S. average. A segment index of 200 would mean that this group contains 2 times the concentration of households compared to the average U.S. neighborhood.

Source: Claritas, Inc. and Ricker | Cunningham.



Development Activity

Unit Type	2008	2009	2010	2011	2012	2013	2014	Total	Annual Average	% of Trade Area
City of Colorado Springs										
Single Family Detached	889	672	826	813	1,202	1,540	1,337	7,279	1,040	49.3%
Attached (2+ units)	1,152	1,123	899	893	1,394	1,087	935	7,483	1,069	50.7%
Total Units	2,041	1,795	1,725	1,706	2,596	2,627	2,272	14,762	2,109	100.0%

Source: Pikes Peak Regional Building Dept. and Ricker | Cunningham.

- Over the past 7 years, single family detached construction has averaged approximately 1,040 units per year, compared to 1,069 units for attached housing (townhomes, apartments).
- Construction levels continue to increase coming out of housing recession.

Residential Demand

Residential Demand Analysis					Trade Area Demand from New Households (10-yr)				
South Nevada Trade Area 10-yr Demand Estimates					Households	2015	47,000		
						2020	50,383	Annual Growth Rate	1.4%
						2025	54,010		
					Household Growth (2015-25)		7,010	Adjust for 2nd homes, demolition, vacancy	1.0%
					Adjusted Unit Requirement	7,081	% Rental	40%	
					Trade Area Demand from New Households (10-yr)				
Household Income Range (2014 dollars)	Approximate Rent Range	Supportable Home Price Range	Current Households in Income Bracket	New Households by Income Bracket	Total Units	Estimated % Rental	Total Rental Units	Total Ownership Units	
up to \$15K	up to \$375	up to \$75K	16%	15%	1,062	90%	956	106	
\$15-25K	\$375 - \$625	\$75 to \$100K	14%	13%	920	75%	690	230	
\$25-35K	\$625 - \$875	\$100 to \$150K	13%	12%	850	55%	467	382	
\$35-50K	\$875 - \$1,000	\$150 to \$200K	16%	15%	1,062	50%	531	531	
\$50-75K	\$1,000+	\$200 to \$250K	16%	17%	1,204	10%	120	1,083	
\$75-100K	\$1,000+	\$250 to \$350K	9%	10%	708	5%	35	673	
\$100-150K	\$1,000+	\$350 to \$500K	9%	10%	708	3%	21	687	
\$150K and up	\$1,000+	\$500K and up	7%	8%	566	1%	6	561	
Totals			100%	100%	7,081	40%	2,827	4,253	

Source: DRCOG; U.S. Census; Claritas, Inc.; and Ricker | Cunningham.

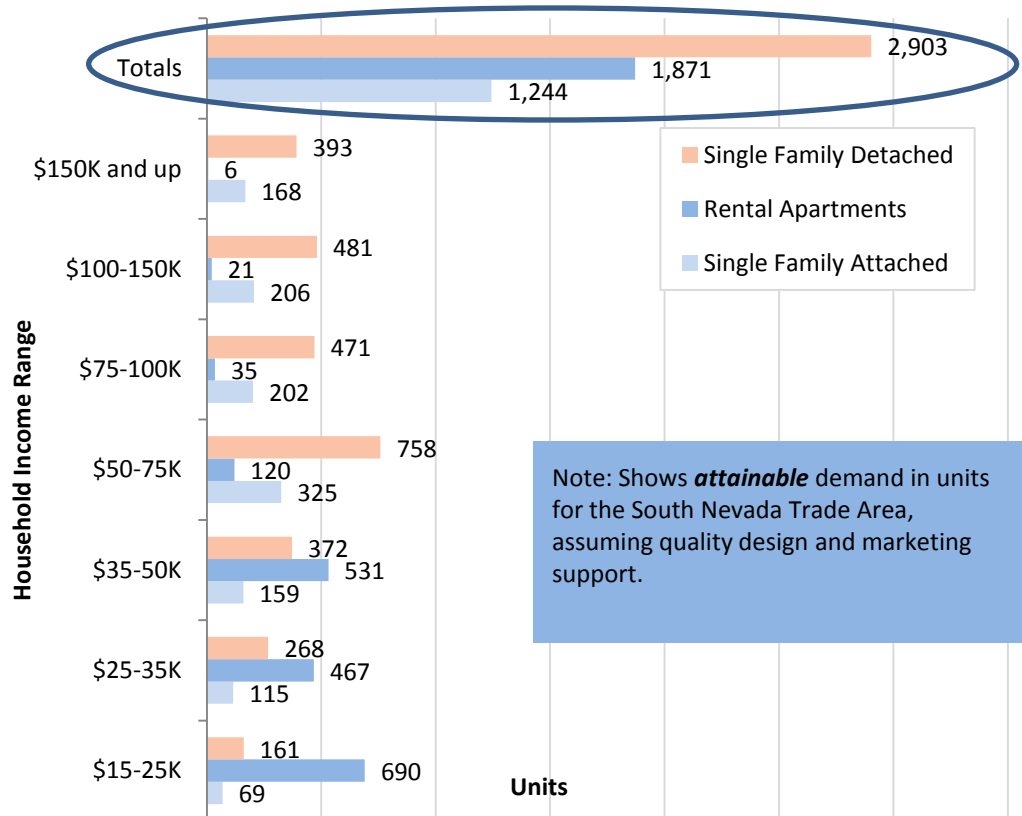
- Based on projected household growth in the Trade Area over the next 10 years, there is support for over 7,000 units, 40% of which could be rental housing products.



Residential Demand cont'd

- Demand for housing includes a variety of product types, from single family detached to multifamily apartments.
- Of particular note is the healthy demand for single family attached products, e.g., townhomes, rowhouses, condos, etc.

10-Yr South Nevada Trade Area Housing Demand



Office Demand (original trade area)

- The South Nevada corridor is located in the Southwest submarket but competes in the Southeast submarket as well.
- As shown, the Southwest submarket is outperforming both the Southeast and Metro Markets in terms of vacancy rates, but exhibits considerably lower rental rates.

Office Indicator	Submarket		Total Colorado Springs Metro Market
	Southwest	Southeast	
All Office			
# of Buildings	148	328	1,714
Rentable Sq Ft	1,278,494	5,086,331	28,382,778
Vacancy Rate	8.6%	12.3%	11.6%
Net Absorption	(1,440)	(21,926)	176,330
Under Construction Sq Ft	0	0	0
Quoted Rates/Sq Ft	\$11.69	\$15.81	\$16.37

Source: Quantum Commercial Group and Ricker | Cunningham.

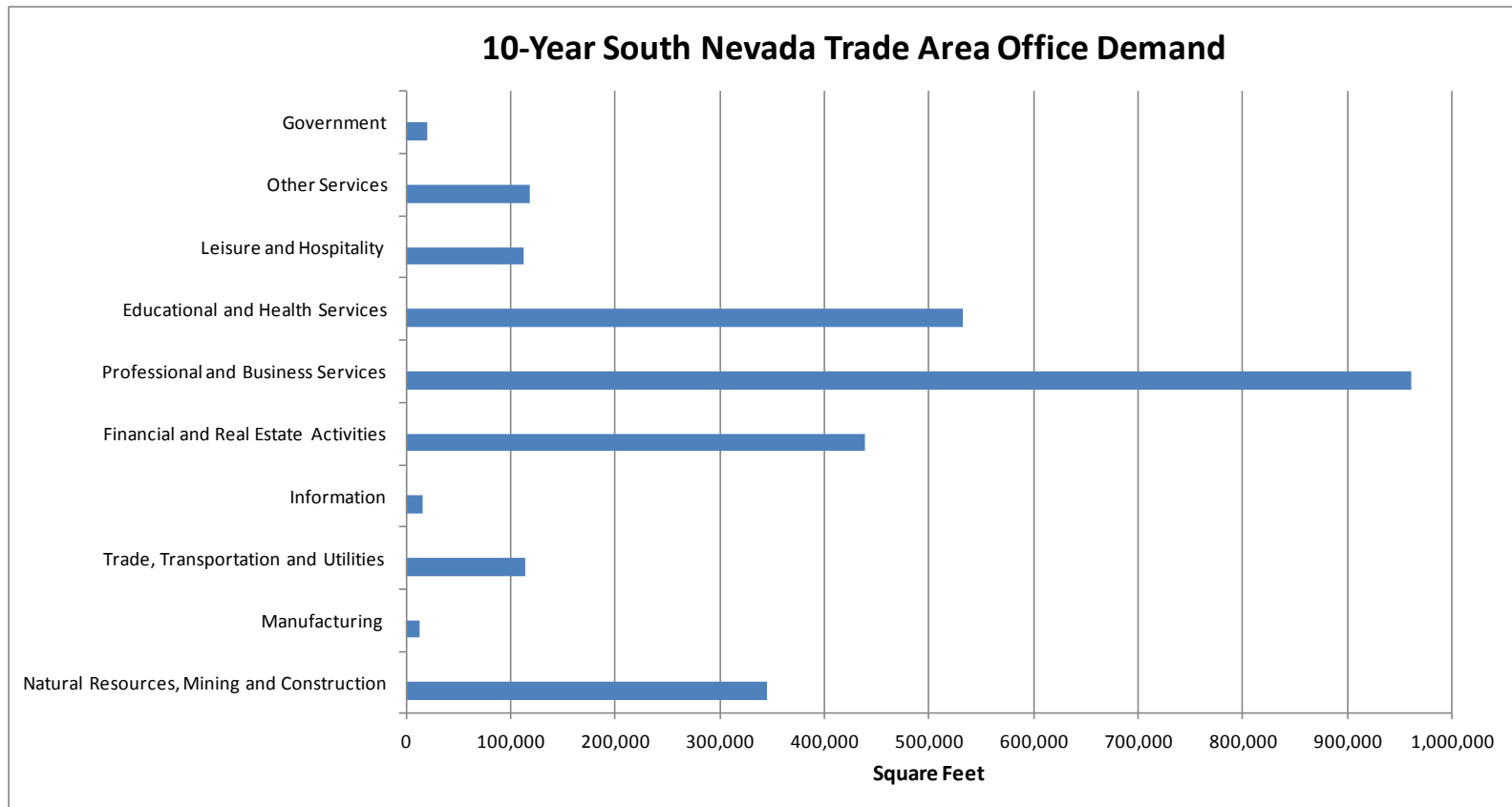
Office Demand (original trade area)

Industry Category	Estimated 2015 Employees	Estimated Growth Rate 2015-2025	Estimated 2025 Employees	Estimated New Employees	Estimated % in Office Space	Estimated Net New Office Employees	Sq Ft per Office Employee	Estimated 10-yr Office Demand
Natural Resources, Mining and Construction	14,000	3.5%	19,748	5,748	40%	2,299	150	344,903
Manufacturing	12,100	1.4%	13,905	1,805	5%	90	150	13,536
Trade, Transportation and Utilities	41,300	1.7%	48,883	7,583	10%	758	150	113,748
Information	6,700	0.2%	6,835	135	80%	108	150	16,225
Financial and Real Estate Activities	17,700	1.7%	20,950	3,250	90%	2,925	150	438,742
Professional and Business Services	41,000	1.8%	49,007	8,007	80%	6,406	150	960,888
Educational and Health Services	60,600	2.6%	78,333	17,733	20%	3,547	150	531,998
Leisure and Hospitality	34,100	2.0%	41,568	7,468	10%	747	150	112,016
Other Services	16,300	1.5%	18,917	2,617	30%	785	150	117,757
Government	23,000	0.2%	23,464	464	30%	139	150	20,887
Totals	266,800	1.9%	321,611	54,811	32%	17,805	150	2,670,700

Source: Colorado Department of Labor and Employment; Colorado Department of Local Affairs; and Ricker | Cunningham.

- Based on projected employment growth in the Colorado Springs Metro Area over the next 10 years, there is support for over 2.6 million square feet of new office space.

Office Demand



- Trade Area office demand over the next 10 years includes significant opportunities within industry groups such as health care, education, professional and business services, and finance and real estate.

Industrial Supply

- The South Nevada corridor is located in the Southwest submarket but competes in the Southeast submarket as well.
- As shown, the Southwest submarket is outperforming both the Southeast and Metro Markets in terms of both vacancy and rental rates.

Industrial Indicator	Submarket		Total Colorado Springs Metro Market
	Southwest	Southeast	
All Industrial			
# of Buildings	191	876	1,870
Rentable Sq Ft	2,736,903	13,836,453	33,258,092
Vacancy Rate	0.8%	8.0%	9.0%
Net Absorption	1,205	97,915	23,788
Under Construction Sq Ft	0	0	0
Quoted Rates/Sq Ft	\$7.33	\$6.35	\$6.17

Source: Quantum Commercial Group and Ricker | Cunningham.

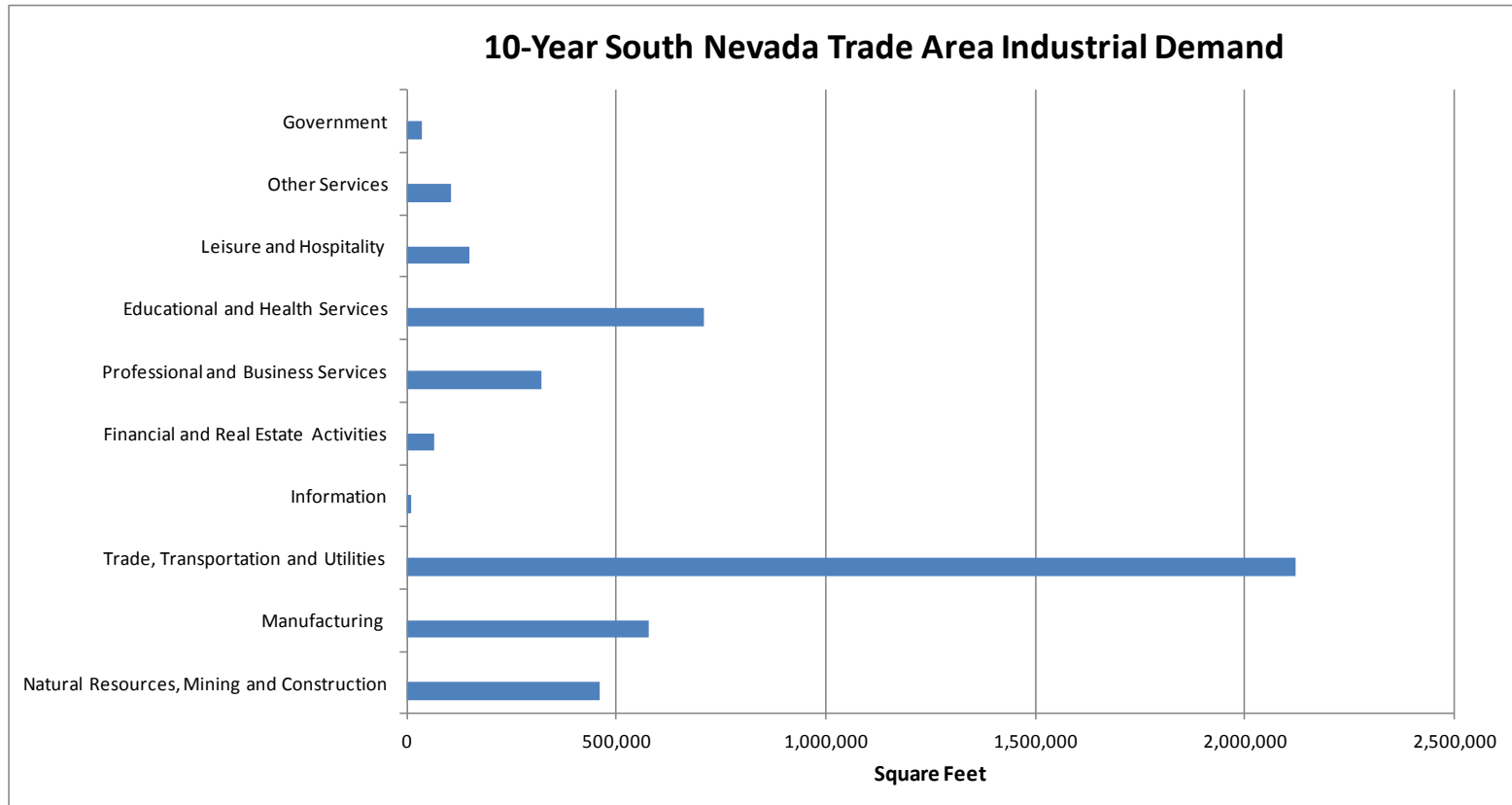
Industrial Demand

Industry Category	Estimated 2015 Employees	Estimated Growth Rate 2015-2025	Estimated 2025 Employees	Estimated New Employees	Estimated % in Industrial Space	Estimated Net New Industrial Employees	Sq Ft per Industrial Employee	Estimated 10-yr Industrial Demand
Natural Resources, Mining and Construction	14,000	3.5%	19,748	5,748	20%	1,150	400	459,871
Manufacturing	12,100	1.4%	13,905	1,805	80%	1,444	400	577,538
Trade, Transportation and Utilities	41,300	1.7%	48,883	7,583	70%	5,308	400	2,123,295
Information	6,700	0.2%	6,835	135	20%	27	400	10,817
Financial and Real Estate Activities	17,700	1.7%	20,950	3,250	5%	162	400	64,999
Professional and Business Services	41,000	1.8%	49,007	8,007	10%	801	400	320,296
Educational and Health Services	60,600	2.6%	78,333	17,733	10%	1,773	400	709,331
Leisure and Hospitality	34,100	2.0%	41,568	7,468	5%	373	400	149,354
Other Services	16,300	1.5%	18,917	2,617	10%	262	400	104,673
Government	23,000	0.2%	23,464	464	20%	93	400	37,133
Totals	266,800	1.9%	321,611	54,811	21%	11,393	400	4,557,305

Source: Colorado Department of Labor and Employment; Colorado Department of Local Affairs; and Ricker | Cunningham.

- Based on projected employment growth in the Colorado Springs Metro Area over the next 10 years, there is support for over 4.5 million square feet of new industrial space.

Industrial Demand



- Trade Area industrial demand over the next 10 years includes significant opportunities within industry groups such as trade and transportation, education and health care, and manufacturing.

Retail Supply

South Nevada Avenue Area Commercial Mix

- The South Nevada corridor is located in the Southwest submarket but competes in the Southeast submarket as well.
- As shown, both of these submarkets are outperforming the Metro Market in terms of vacancy rates. The Southwest submarket exhibits higher rental rates than both the Southeast submarket and the overall Metro Market.

Automobile Related	7
Motel or Other Lodging	8
Financial (Loans)	6
Fast Food	10
Restaurants	15
Liquor Stores	3
Grocery (including 7 / 11)	4
Other (including service providers)	28

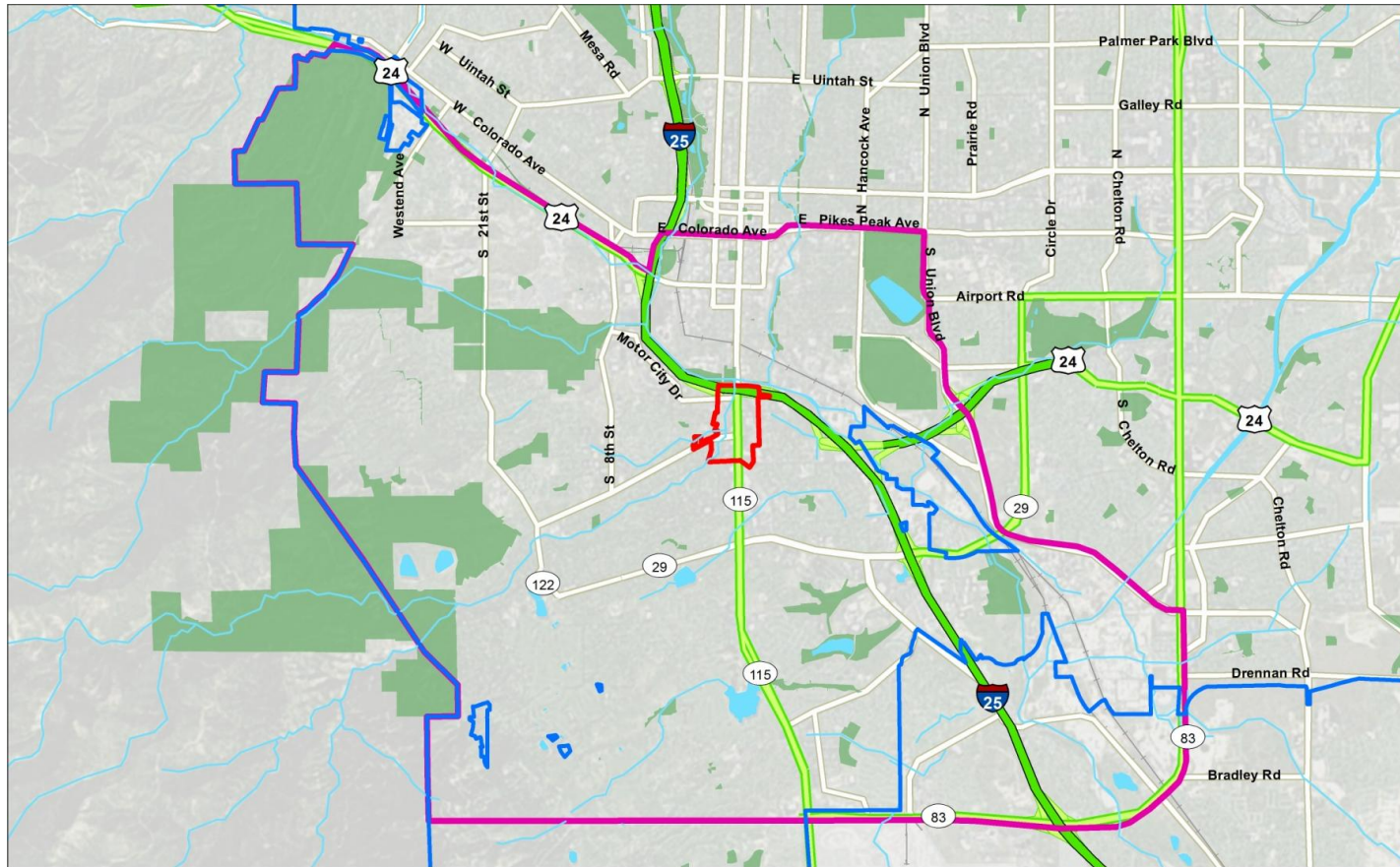
Retail Indicator	Submarket		Total Colorado Springs Metro Market
	Southwest	Southeast	
All Retail			
# of Buildings	475	159	3,490
Rentable Sq Ft	4,614,941	1,614,412	40,194,587
Vacancy Rate	1.7%	4.1%	5.8%
Net Absorption	10,205	2,251	133,007
Under Construction Sq Ft	0	0	40,412
Quoted Rates/Sq Ft	\$14.45	\$9.12	\$11.13

Source: Quantum Commercial Group and Ricker | Cunningham.



Trade Area Comparison

Original Trade Area



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Miles

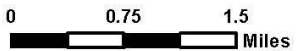
Colorado Springs Boundary Trade Area South Nevada Avenue Plan Area

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Date: Wednesday, September 23, 2015

COLORADO SPRINGS, COLORADO Food Store Location Density



SOURCE: ESRI and Dun & Bradstreet, 2015 | * Establishments known to sell grocery-related goods



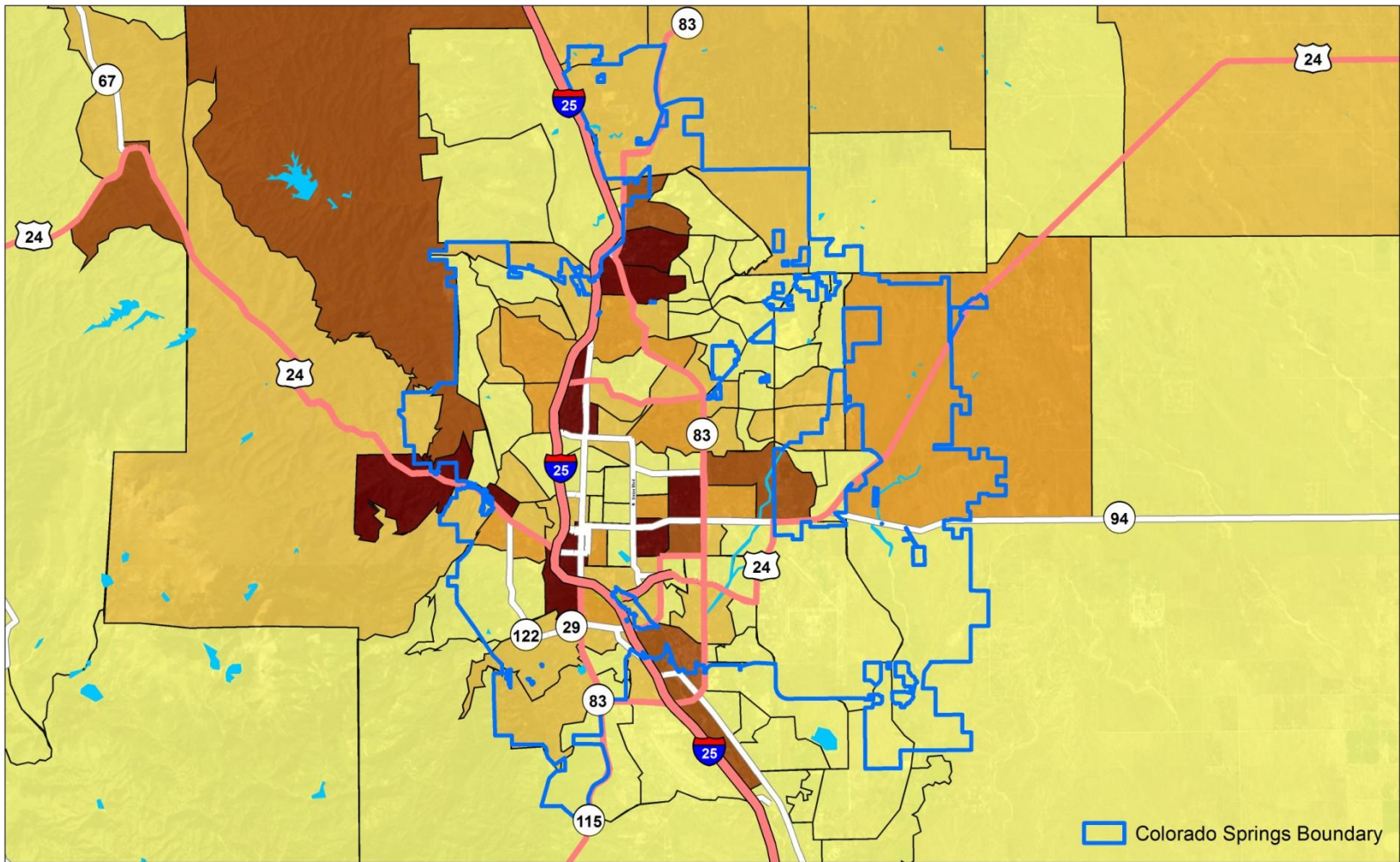
- Food Store Location
- ▭ South Nevada Avenue Plan Area

Food Store Density High Low

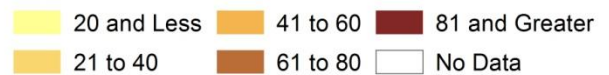
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COLORADO SPRINGS, COLORADO Retail Trade Establishments by Census Tract



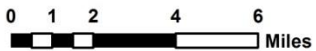
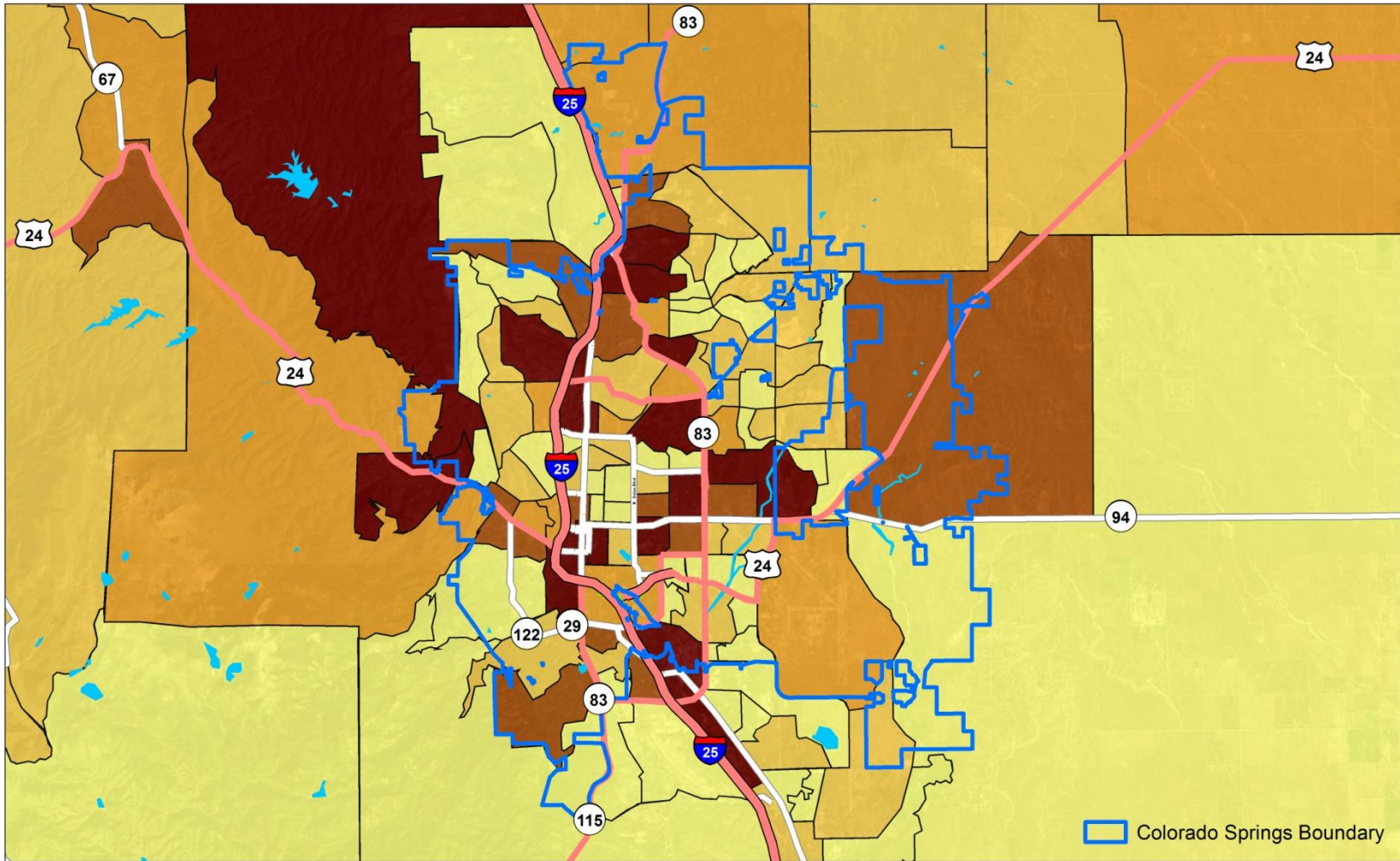
Retail Trade Establishments by Census Tract
 SOURCE: ESRI, 2015



Date: Tuesday, October 27, 2015



COLORADO SPRINGS, COLORADO Total Establishments by Census Tract



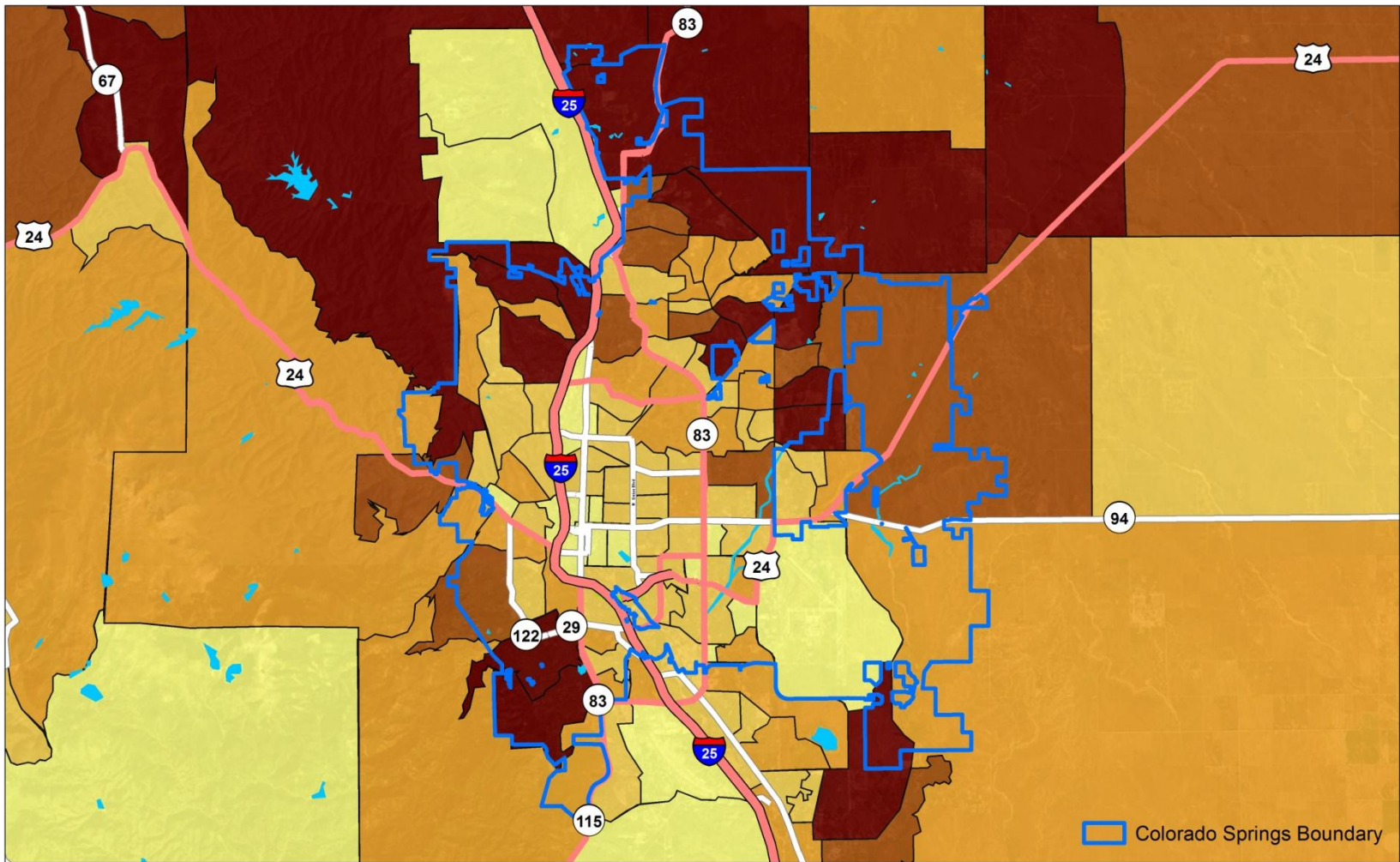
Total Establishments by Census Tract
 SOURCE: ESRI, 2015

100 and Less	201 to 300	401 and Greater
101 to 200	301 to 400	No Data

Date: Tuesday, October 27, 2015
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COLORADO SPRINGS, COLORADO Consumer Expenditures for Retail Goods by Census Tract



0 1 2 Miles

Consumer Expenditures for Retail Goods by Census Tract

SOURCE: ESRI, 2015

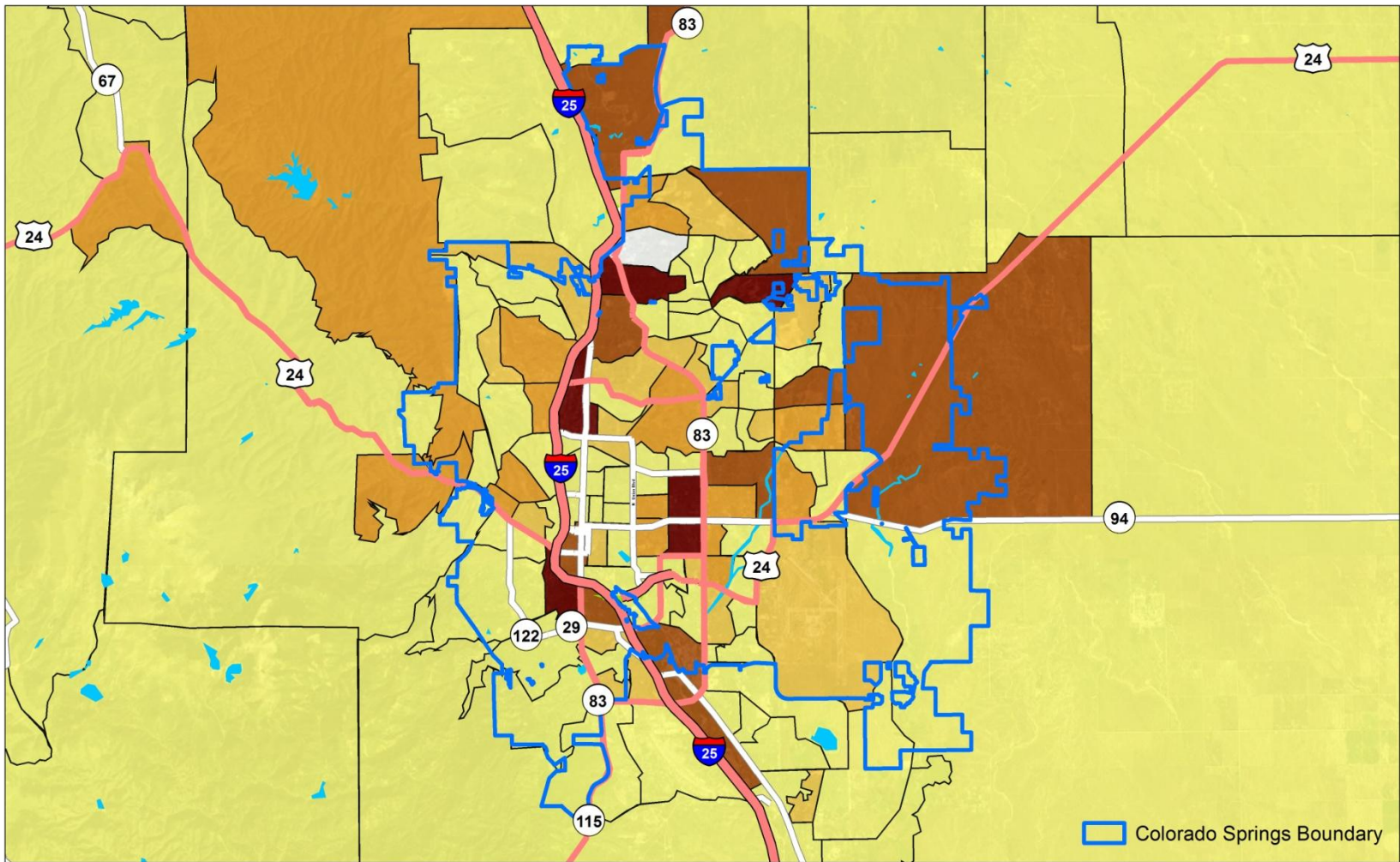
\$20 Million and Less
 \$41M to \$60 Million
 \$81 Million and Greater

\$21M to \$40 Million
 \$61M to \$80 Million
 No Data

Date: Tuesday, October 27, 2015

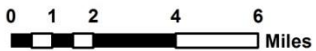
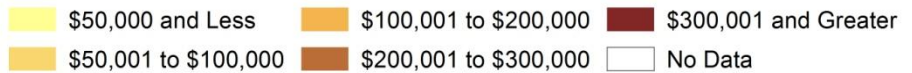


COLORADO SPRINGS, COLORADO Retail Trade Sales by Census Tract



Retail Trade Sales by Census Tract

SOURCE: ESRI, 2015



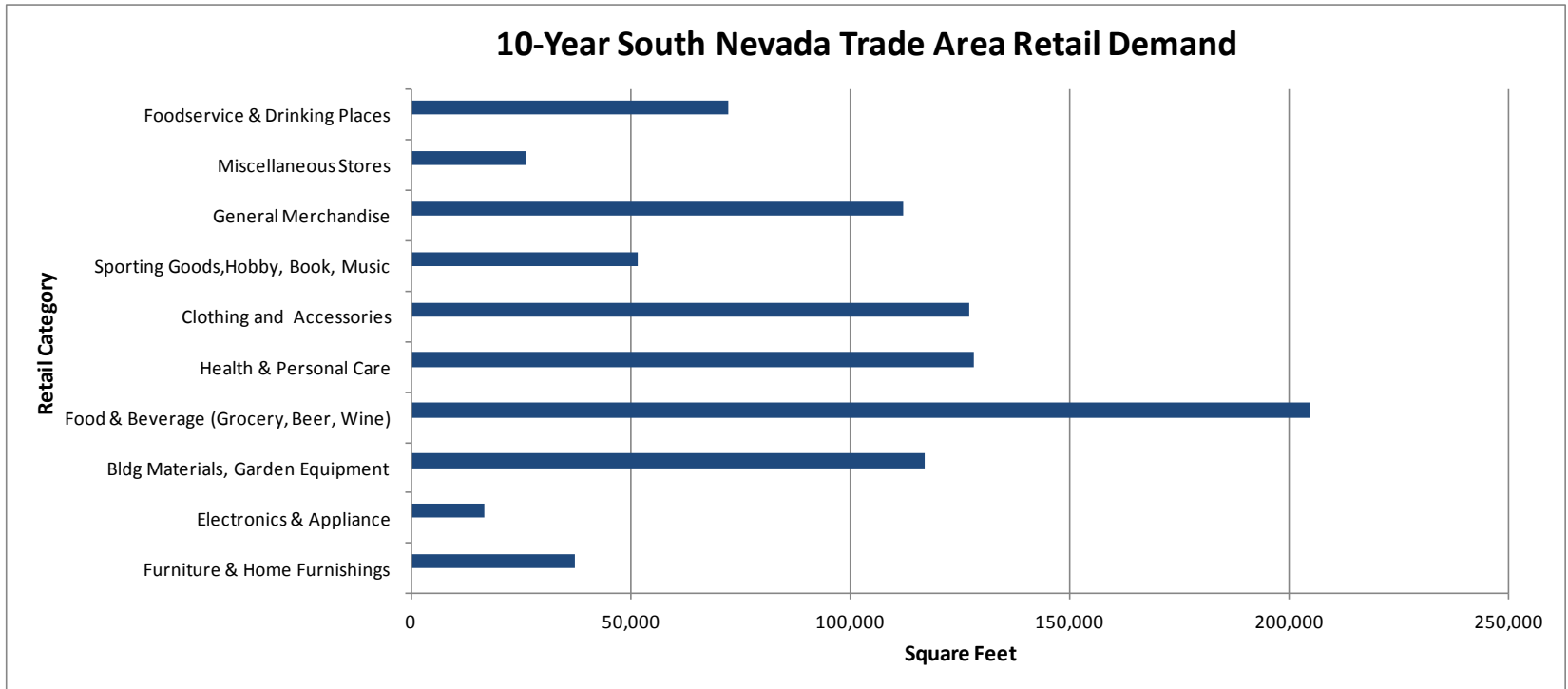
Retail Demand (original trade area)

Retail Category	Estimated 2015 Household Retail Demand	Estimated 2015 Retail Sales (Supply)	Estimated 2015 Retail Void (Leakage)	Estimated Retail Sales/s.f.	New Retail Space Needed to Recapture Void/Leakage	Annual Household Growth Rate (2015-2025)	Net New Household Retail Demand	New Retail Space Needed for Household Growth	Total 10-Year New Trade Area Retail Demand (s.f.)
Furniture & Home Furnishings	\$35,570,324	\$23,352,541	\$12,217,783	\$250	48,871	1.4%	\$5,305,580	21,222	70,093
Electronics & Appliance	\$34,914,360	\$54,486,035	\$0	\$250	0	1.4%	\$5,207,738	20,831	20,831
Bldg Materials, Garden Equipment	\$184,923,645	\$128,991,706	\$55,931,939	\$350	159,806	1.4%	\$27,582,746	78,808	238,613
Food & Beverage (Grocery, Beer, Wine)	\$244,842,530	\$161,061,871	\$83,780,659	\$450	186,179	1.4%	\$36,520,096	81,156	267,335
Health & Personal Care	\$91,124,132	\$49,421,156	\$41,702,976	\$350	119,151	1.4%	\$13,591,846	38,834	157,985
Clothing and Accessories	\$80,750,934	\$51,725,267	\$29,025,667	\$250	116,103	1.4%	\$12,044,606	48,178	164,281
Sporting Goods,Hobby, Book, Music	\$35,351,603	\$23,627,264	\$11,724,339	\$250	46,897	1.4%	\$5,272,956	21,092	67,989
General Merchandise	\$210,085,558	\$172,455,304	\$37,630,254	\$400	94,076	1.4%	\$31,335,833	78,340	172,415
Miscellaneous Stores	\$48,369,361	\$47,399,081	\$970,280	\$250	3,881	1.4%	\$7,214,652	28,859	32,740
Foodservice & Drinking Places	\$193,515,054	\$262,933,380	\$0	\$400	0	1.4%	\$28,864,219	72,161	72,161
Total	\$1,159,447,501	\$975,453,605	\$272,983,897		774,964		\$172,940,273	489,480	1,264,444

Source: U.S. Census; Claritas, Inc.; Urban Land Institute; and Ricker|Cunningham.

- Based on projected household growth in the Trade Area over the next 10 years, there is support for over 1.2 million square feet of retail space, approximately 60% of which could fill existing retail category “voids” or “leakage”.

Retail Demand (cont'd)



- Trade Area retail demand over the next 10 years includes opportunities within all major retail categories.

Retail Demand

Two-Mile Trade Area

Retail Category	Estimated 2015 Household Retail Demand	Estimated 2015 Retail Sales (Supply)	Estimated 2015 Retail Void (Leakage)	Estimated Retail Sales/s.f.	New Retail Space Needed to Recapture Void/Leakage	Annual Household Growth Rate (2015-2025)	Net New Household Retail Demand	New Retail Space Needed for Household Growth	Total 10-Year New Trade Area Retail Demand (s.f.)
Furniture & Home Furnishings	\$10,601,466	\$10,402,553	\$198,913	\$250	796	1.4%	\$1,581,288	6,325	7,121
Electronics & Appliance	\$10,252,684	\$33,662,212	\$0	\$250	0	1.4%	\$1,529,265	6,117	6,117
Bldg Materials, Garden Equipment	\$54,959,416	\$80,344,915	\$0	\$350	0	1.4%	\$8,197,608	23,422	23,422
Food & Beverage (Grocery, Beer, Wine)	\$74,509,532	\$37,550,847	\$36,958,685	\$450	82,130	1.4%	\$11,113,654	24,697	106,827
Health & Personal Care	\$28,316,330	\$29,262,861	\$0	\$350	0	1.4%	\$4,223,333	12,067	12,067
Clothing and Accessories	\$22,978,776	\$26,522,771	\$0	\$250	0	1.4%	\$3,427,456	13,710	13,710
Sporting Goods,Hobby, Book, Music	\$10,071,482	\$12,954,051	\$0	\$250	0	1.4%	\$1,502,237	6,009	6,009
General Merchandise	\$62,164,708	\$38,528,843	\$23,635,865	\$400	59,090	1.4%	\$9,272,331	23,181	82,270
Miscellaneous Stores	\$14,420,938	\$24,585,583	\$0	\$250	0	1.4%	\$2,150,991	8,604	8,604
Foodservice & Drinking Places	\$57,311,543	\$125,971,060	\$0	\$400	0	1.4%	\$8,548,446	21,371	21,371
Total	\$345,586,875	\$419,785,696	\$60,793,463		142,016		\$51,546,869	145,503	287,519

Source: U.S. Census; Claritas, Inc.; Urban Land Institute; and Ricker|Cunningham.

- Based on projected household growth in a **two-mile radius** around the South Nevada Corridor over the next 10 years, there is support for over 106,000 square feet of food and beverage space, approximately 3/4 of which could fill existing retail category “voids” or “leakage”.



Retail Demand

One-Mile Trade Area

Retail Category	Estimated 2015 Household Retail Demand	Estimated 2015 Retail Sales (Supply)	Estimated 2015 Retail Void (Leakage)	Estimated Retail Sales/s.f.	New Retail Space Needed to Recapture Void/Leakage	Annual Household Growth Rate (2015-2025)	Net New Household Retail Demand	New Retail Space Needed for Household Growth	Total 10-Year New Trade Area Retail Demand (s.f.)
Furniture & Home Furnishings	\$3,569,004	\$4,328,192	\$0	\$250	0	1.4%	\$532,344	2,129	2,129
Electronics & Appliance	\$3,566,523	\$15,832,790	\$0	\$250	0	1.4%	\$531,974	2,128	2,128
Bldg Materials, Garden Equipment	\$18,447,635	\$46,266,545	\$0	\$350	0	1.4%	\$2,751,603	7,862	7,862
Food & Beverage (Grocery, Beer, Wine)	\$26,866,928	\$21,031,822	\$5,835,106	\$450	12,967	1.4%	\$4,007,403	8,905	21,872
Health & Personal Care	\$9,495,432	\$17,526,855	\$0	\$350	0	1.4%	\$1,416,315	4,047	4,047
Clothing and Accessories	\$7,827,896	\$7,493,512	\$334,384	\$250	1,338	1.4%	\$1,167,589	4,670	6,008
Sporting Goods, Hobby, Book, Music	\$3,493,491	\$7,127,233	\$0	\$250	0	1.4%	\$521,080	2,084	2,084
General Merchandise	\$22,011,379	\$31,258,005	\$0	\$400	0	1.4%	\$3,283,162	8,208	8,208
Miscellaneous Stores	\$5,105,692	\$11,642,412	\$0	\$250	0	1.4%	\$761,552	3,046	3,046
Foodservice & Drinking Places	\$20,334,961	\$65,816,263	\$0	\$400	0	1.4%	\$3,033,112	7,583	7,583
Total	\$120,718,941	\$228,323,629	\$6,169,490		14,304		\$18,006,134	50,663	64,967

Source: U.S. Census; Claritas, Inc.; Urban Land Institute; and Ricker|Cunningham.

- Based on projected household growth in a one-mile radius around the South Nevada Corridor over the next 10 years, there is support for nearly 22,000 square feet of food and beverage space, over 1/2 of which could fill existing retail category “voids” or “leakage”.

Market Share

A number of factors influence a community's ability to capture investment and reinvestment dollars. These can be categorized as – top down considerations, bottom up considerations, external considerations and others. Some the public sector(or stakeholder entities) can control, and others they cannot.

Top Down Considerations

- Demand for certain land uses
- Demographic and psychographic conditions which support certain product types
- Untapped market niches (product voids)
- Competitive projects (proposed, planned and under construction)

Bottom Up Considerations

- Physical capacity of the community / individual parcels to accommodate market-supported product types – fewer physical constraints
- Vision and desire for certain uses and product types
- Size of parcels, parcel ownership (public and private), owner investment objectives



Market Share cont'd

External Considerations

- Delivery system – who are the area's builders / developers, what are they willing and able to offer
- Financing markets – availability of capital with reasonable funding terms for certain product types
- Market forces beyond those currently in the market (e.g., migration to Metro Area by people who do not represent the existing profile of residents and consumers)

Other Considerations

- Available resources to position and promote investment in the community
- Public support for a long-term vision

Demand Summary and Share

Land Use Type	Trade Area Demand (10 Year)	South Nevada Corridor Study Area			
		Market Share		Absorption (Units/Sq Ft)	
		Low	High	Low	High
Residential (Units):					
Single Family Detached	2,900	1%	2%	29	58
Single Family Attached	4,100	5%	7%	205	287
Rental Apartments	1,900	12%	14%	228	266
Subtotal Residential	8,900			462	611
Non-Residential (Sq Ft):					
Retail	1,264,400	18%	20%	227,592	252,880
Office	2,670,700	3%	5%	80,121	133,535
Industrial	4,557,300	4%	6%	182,292	273,438
Subtotal Non-Residential	8,492,400			490,005	659,853

Source: Ricker | Cunningham.

- The South Nevada Study Area has the potential to capture a relatively healthy share of higher-density housing and commercial uses.
- Opportunities for employment space will likely be for smaller, local-serving businesses .

Redevelopment Program

(three projects)

- 3 “catalyst” projects
- 41.7 total acres
- Mix of retail / service, lodging and rental residential uses
- \$75 to \$80 million in private investment

New Redevelopment:	Sq Ft/Units			
	Equity Group	On the Ivy	HD Dev	Total
Retail/Service	164,900	47,600	24,800	237,300
Hotel/Lodging	0	110	0	110
Residential (Rental)	0	203	0	203

Ivywild On The Creek

PRELIMINARY

CREEK DISTRICT

MASTER PLAN



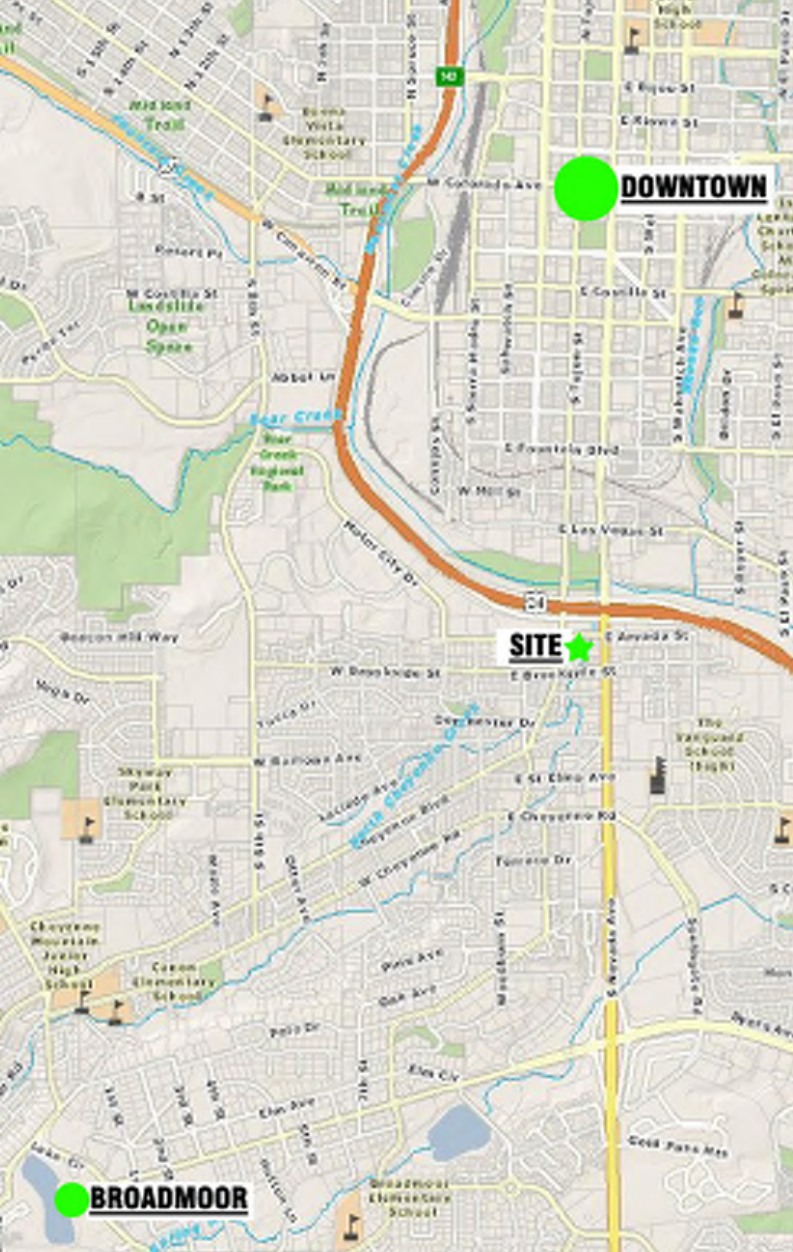
702 N Tejon St.
Colorado Springs, CO
80903



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DRAFT



Introduction:

Rejuvenating an extraordinary Creekside neighborhood

THE CREEKSIDE DISTRICT

The “Ivywild On The Creek” Neighborhood District Master Plan builds upon the work of the Colorado Springs Community Vision and meets many of the Urban Renewal Authority (URA) planning goals. The plan is the result of a two month preliminary analysis drawing upon the ideas and expertise of the planning team to further engage the city and surrounding stakeholders in a long-term vision and discussion for the project area.

The final Master Plan will seek to identify an overall vision for the *Ivywild On The Creek* project in identifying uses, themes, and placemaking elements to transform the area into a vibrant, mixed use, creek-oriented downtown neighborhood. The plan, in collaboration with the City of Colorado Springs, is to redevelop the neighborhood into a place people can enjoy easy access to the natural environment, safe modes of pedestrian, bike, and vehicular travel, ease of parking, mixed-use housing styles, commercial offerings, and entertainment.

WHY A MASTER PLAN?

The Master Plan is a necessary tool to communicate and guide investment and development in the area. The planning partners wish to ensure that future development moves forward in a positive and well positioned fashion that is predictable for the area and stakeholders. It also serves to ensure a better understanding of the existing context, future objectives and long-range vision for the community.

The Master Plan will provide a starting point in directing policy and regulatory changes, direction on how to prioritize public investments, and foster healthy development partnerships. The development team hopes to work with the City of Colorado Springs and URA to build support for the implementation of the Master Plan. It is important that champions at all levels be identified such as policy makers, city and regional agencies and surrounding stakeholders, for the successful implementation of the vision. The planning partners will work with the City of Colorado Springs and stakeholders to find a balance in the next steps.

The DOWNTOWN NEIGHBORHOOD

The *Ivywild on the Creek* subdistrict is situated in a portion of Colorado Springs that offers a unique urban and creekside environment. It also provides an opportunity to bridge the city’s downtown with the desirable south Cheyenne Boulevard and the successful Ivywild neighborhood through mixed-use, transit-wise planning, and pedestrian connections. The District will provide a dynamic, new urban residential market that provides a centerpiece for future creekside business development and living. The downtown redevelopment of the District’s vacant parcels, under-utilized land, along with revitalization of existing building uses, will help fulfill the city’s vision for a healthy urban neighborhood.





Introduction (continued): Rejuvenating an extraordinary Creekside neighborhood

PLANNING PRINCIPLES FOR THE CREEKSIDE DISTRICT

Defined by the planning team the guiding principles provided a framework for the planning process.

1. Provide a healthy urban and interactive creek environment that respects the hydrological factors within the region
2. Provide a framework that supports the downtown and regional transportation needs that intersect with the District.
3. Improve District sidewalks, paths, and bike facilities in a manner that supports urban redevelopment in and around the Creekside District.
4. Provide a dynamic park and greenway environment.
5. Introduce alternative urban residential units, while promoting equitable, affordable Housing options.
6. Provide residential and commercial opportunities that support the local and regional arts
7. Enhance economic competitiveness by creating an environment featuring high quality design that encourages the location of new businesses and assists existing businesses in the District.
8. Leverage existing infrastructure and incorporate strategies to provide a healthy mixed-use development, infill, and reuse in the District.
9. Support a vision for the district that makes the creek and South Tejon a great place for pedestrians, business and civic life.



The District Vision

The planning team is engaged in the process of creating a vision for the future of the Creekside District. The Vision establishes expectations for the District through the next 10 years. The enclosed images and graphics have been provided as an aspiration for the Master Plan.

The Vision....A PLACE FOR HOME, BUSINESS AND PLAY

The District Vision depicts a home for many people, with urban-style single family housing, apartments and condos providing a variety of housing options. A lively retail and dining atmosphere entertains visitors and residents alike. Office workers live nearby or commute to the District from destinations around the city to take in the unique environment. Visitors will come from near and far, staying for a few hours, or a few days, staying at the new hotel. The once disconnected area has been linked with the downtown trail system and embraces the local transit services. The plan addresses visitors that arrive by car, foot, transit or bike. Parking is plentiful for cars and bikes, both on street and in shared parking lots and a multi-level parking structure. The plan hopes to reinforce that Cheyenne Creek is a clean and healthy waterway that provides unique scenic views from nearby bike and walking paths, new park amenities, businesses and new residential options.





Master Plan: Overview

Creek Edge

The creeks are a special amenity which run throughout the project offering opportunities to create unique, interactive experiences. The project will seek to enhance the creek image through parks, gathering spaces, multi-use pathways, and creek bank improvements. There are several goals and objectives of this creekside experience.

1. Provide pedestrian connectivity throughout the project and creek corridor.
2. Enhance the experience through use of materials, art, pathways, and amenities.
3. Introduce different types of creek interaction through seeing, hearing, and touching.
4. Improve flood control and seasonal run-off.
5. Repair important riparian habitat areas.

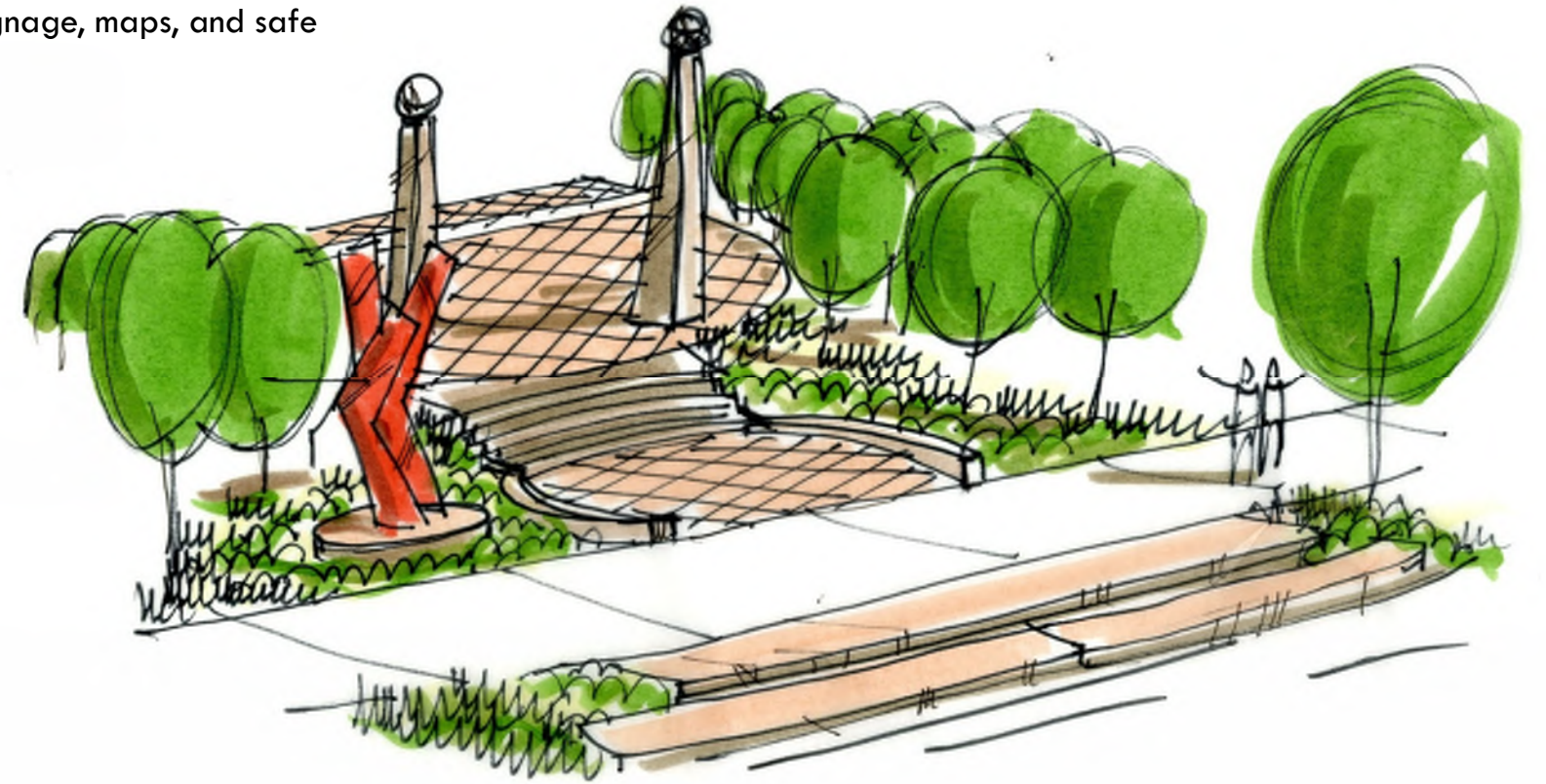
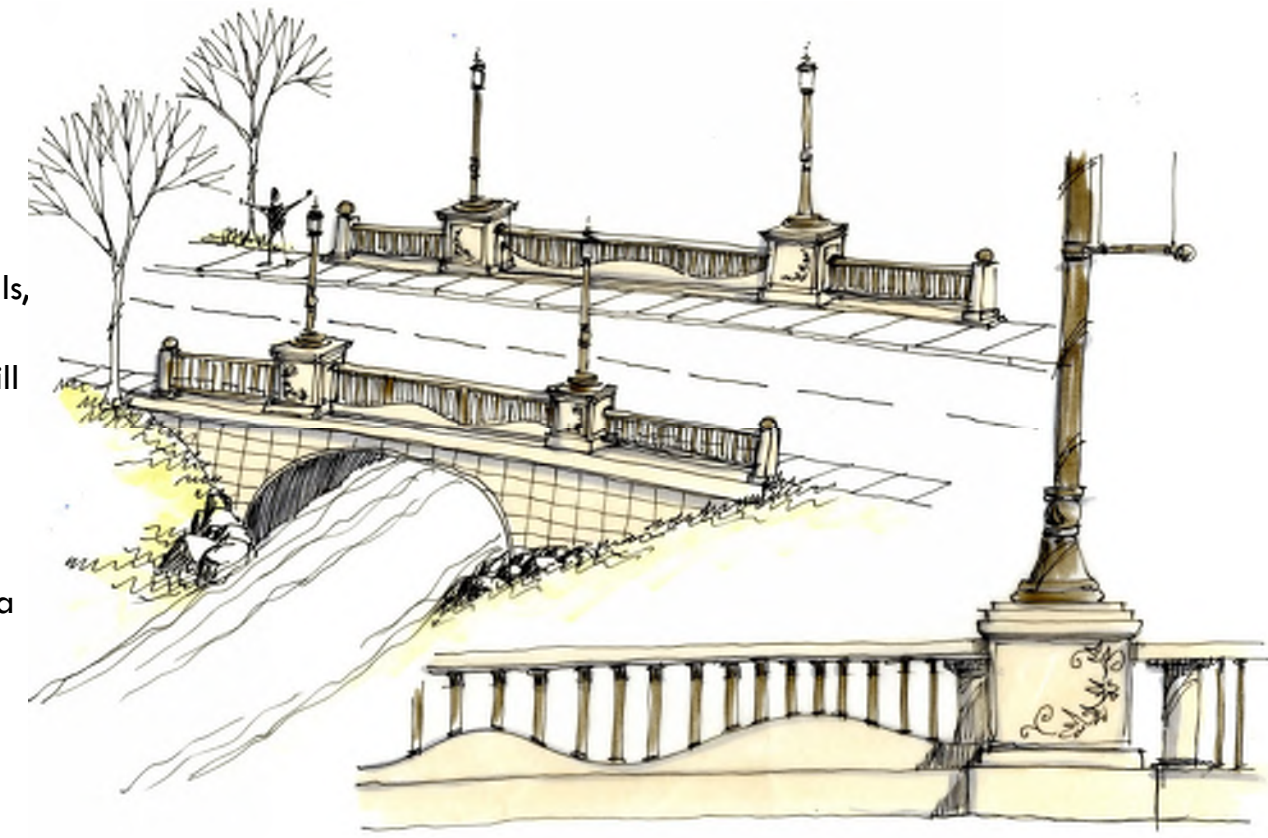




Master Plan: Overview Creek Amenities

The creek and its bank contains a unique charm and tone such as stone walls, stone fences, and wrought iron metal unique to this area. In order to help maintain the unique features found in this area, the project will seek to fulfill several objectives.

1. Repair and restore unique features along the creek to preserve their appearance and stabilize their usefulness.
2. Design using similar materials within the project boundaries to create a consistent theme.
3. Introduce juxtaposed materials to provide interest and variety.
4. Improve access within and through the project boundary, emphasizing the pedestrian.
5. Provide areas to display public art.
6. Introduce educational elements highlighting the area.
7. Create distinct pedestrian connections with signage, maps, and safe crossings.
8. Improve the landscape with native materials.





Master Plan: Overview District Connections

The role of the streetscape and pedestrian connections play an important part in creating an attractive and successful neighborhood. Providing safe, efficient, and direct access throughout the project fosters a sense a place. The connections should be easy to use and identify. *Ivywild On The Creek* will seek to employ several principals in creating connections.

1. Improve walkability and create a sense of community.
2. Provide connections from people to places as an experience.
3. Multiple access points, routes, and crossings to encourage walking and cycling.
4. Pedestrian scale streetscapes with amenities such as special paving, street trees, signage, and maps.
5. Overlooks to provide a sense of excitement, intrigue, and discovery.
6. Themed architectural elements such as logos, paving, bollards, signage, fencing, plantings, etc.

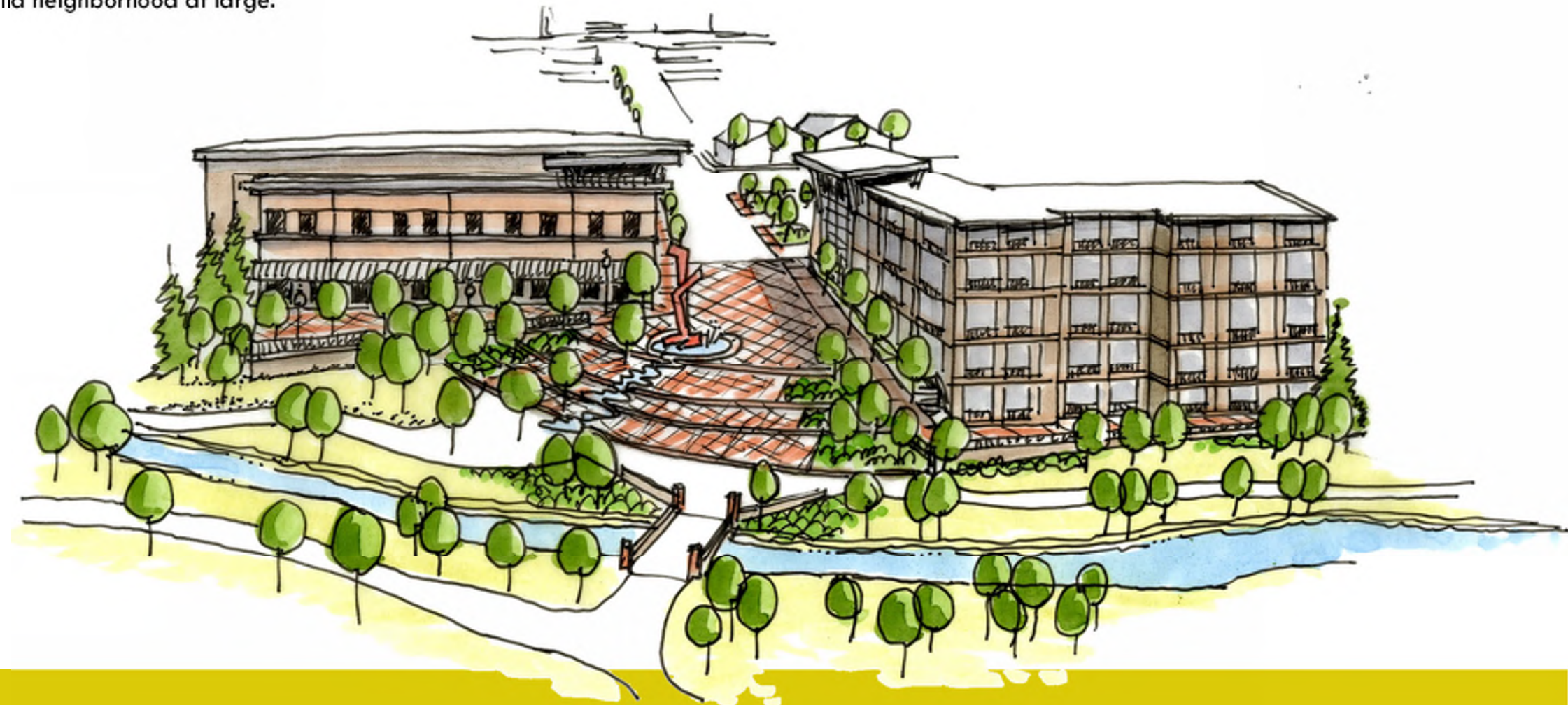


Master Plan: Overview

District Core: Built Environment

The District Core provides an opportunity for infill and adaptive re-use that will create a vibrant, densely populated, 24 hour community. Proposed uses are:

1. Dining and Entertainment opportunities.
2. Live Work Residential Units.
3. Multi-Family Rental and For Sale units for all income types.
4. Office uses
5. Retail uses
6. Small to Mid-size Boutique Hotel
7. Structured Parking to serve not only *Ivywild On The Creek*, but the Ivywild neighborhood at large.

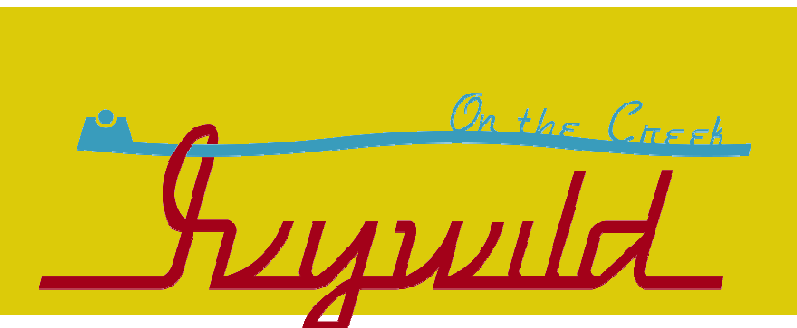


Master Plan: Overview

District Core: Park

The District Core also provides an opportunity for a central park and open space. Open space serves as a catalyst for neighborhood rejuvenation, plays an important role in the daily lives of the people who live and visit the areas, and can serve as a cornerstone in creating a sense community. *Ivywild On The Creek* will seek to create place through various elements and objectives.

1. Large central open space with varying amenities such as pavilions, uninterrupted turf areas, overlooks, pedestrian pathways, etc.
2. Performance stage for large community events.
3. Areas of display for public art.
4. Located at confluence of existing creeks providing opportunity to utilize the creeks as a focal point.
5. Provide areas for recreation, both passive and recreational.
6. Open space help fosters a safer and engaged community.
7. Create a safe place for floodwaters to be contained and dissipated.





Master Plan: Overview

District Uses

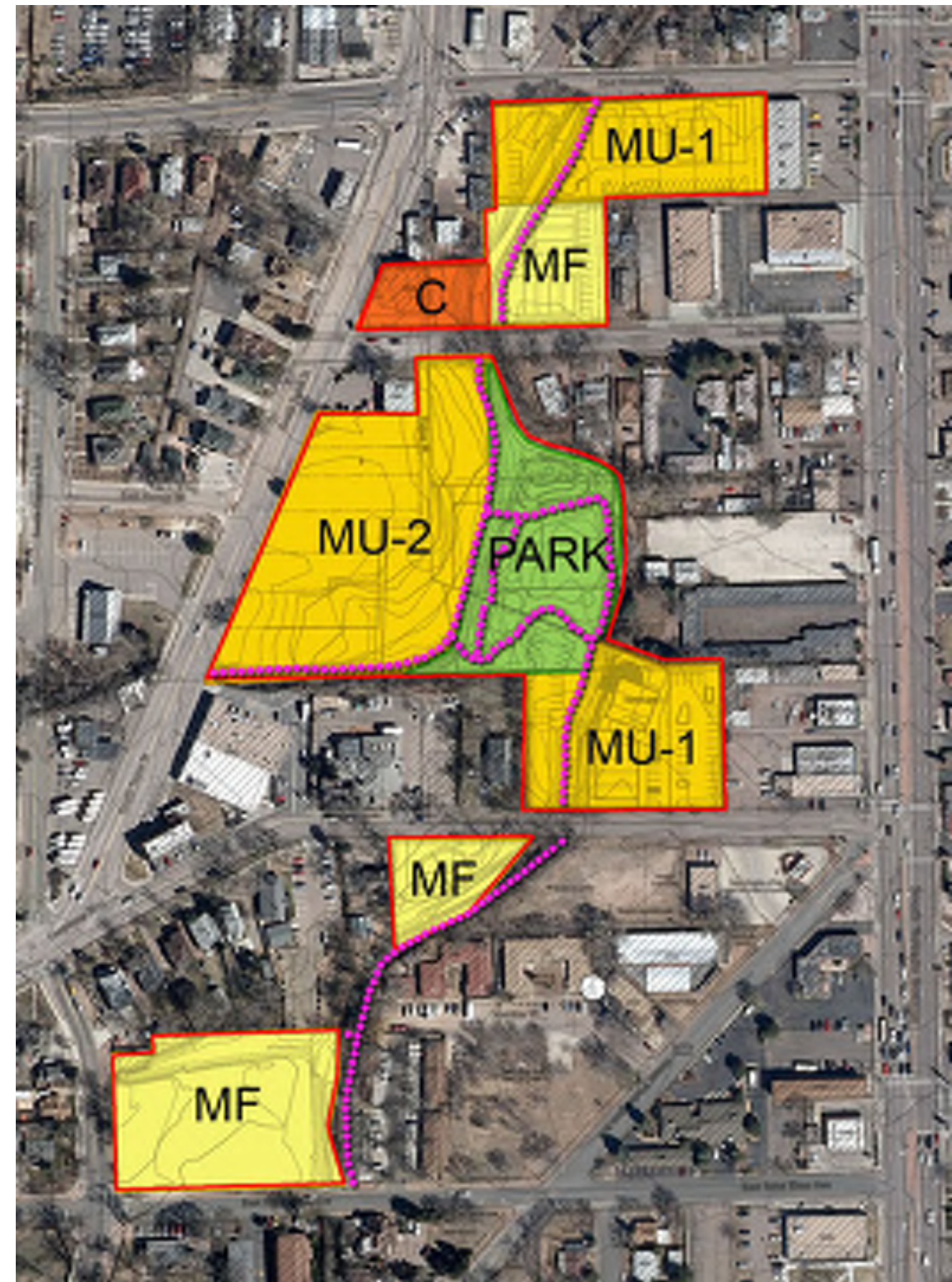
The existing built environment and natural amenities in this District provide a perfect opportunity to reinforce/create a vibrant, dense, mixed-use neighborhood that provides opportunity for everyone to live, work and play.

MU:
Mixed Use: Commercial Use on first floor (restaurant, office, retail and/or live work) with 1 to 3 stories of residential use above.

MF:
Multi-Family: 2 to 4 story Multi-Family Residential buildings for rent (apartment) or for sale (condo).

C:
Commercial: Restaurant, Office, or Retail use.

PARK: Creekside Park with recreation, entertainment, and relaxation opportunities.



Master Plan: The Numbers

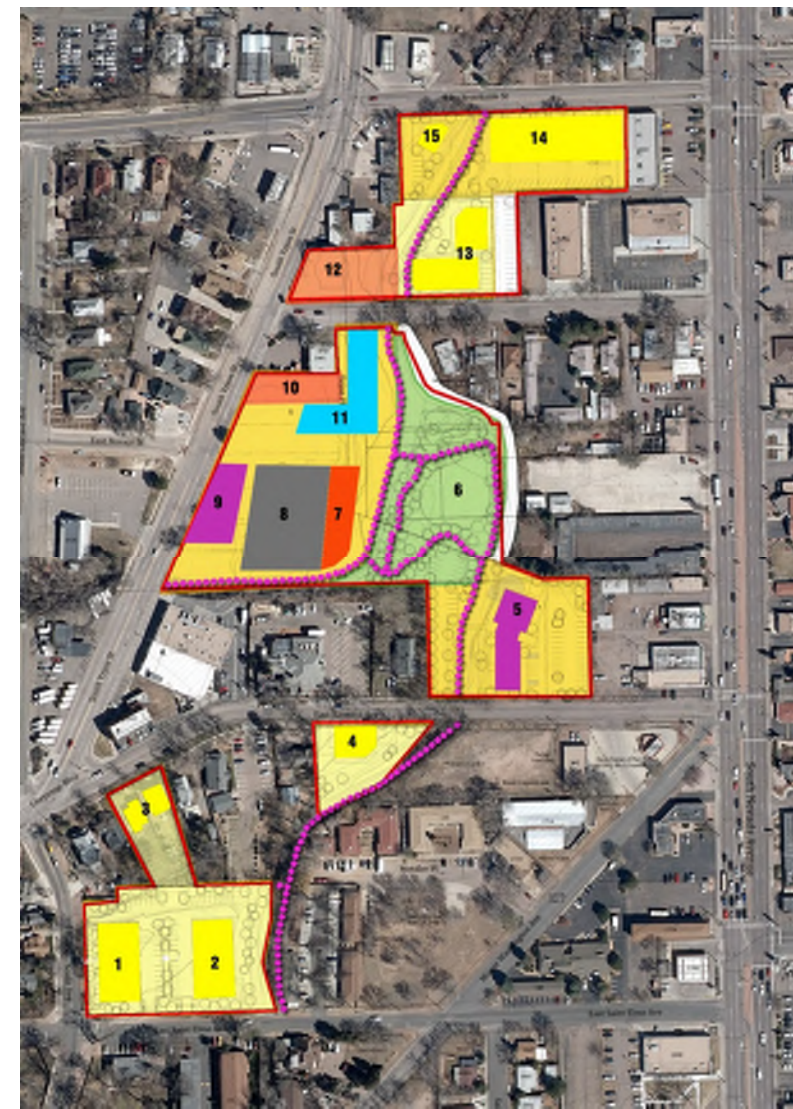
The following spreadsheet indicates maximum build-out within the parameters indicated in the Master Plan.

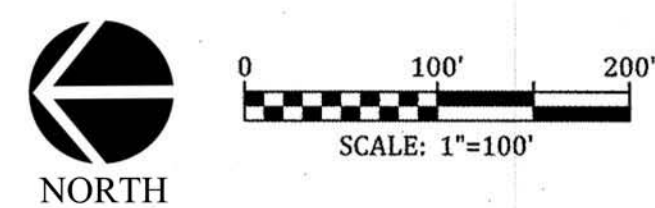
TAG	USE	SITE AREA	# FLOORS	S.F. PER FLOOR	TOTAL S.F.	UNITS	PARKING PROVIDED	PARKING REQUIRED
1	MULTI-FAMILY	37,020	3	9,310	27,930	25	40	40 **
2	MULTI-FAMILY	37,020	4	9,310	37,240	33	53	53 **
3	RESIDENTIAL (EXISTING)	8,000				2	4	4 **
4	LIVE/WORK	17,640	2	3,725	7,450	4	6	4 *
5	MIXED-USE	61,050	2	9,845	19,690	6	50	45 *
6	PARK	63,885						
7	COMMERCIAL	22,045	1	5,000	5,000			10 *
8	PARKING GARAGE	25,200	4	21,600	86,400		240	
9	MIXED USE	18,275	4	10,275	41,100	30	0	51 *
10	COMMERCIAL	8,000	2	3,940	7,880		4	39 *
11	HOTEL	40,375	5	12,850	64,250	110	5	110 *
12	COMMERCIAL	13,445	3	2,500	7,500		25	24 *
13	MULTI-FAMILY	34,515	4	10,645	42,580	26	26	26 *
14	LIVE/WORK	39,690	3	16,310	48,930	36	40	36 *
15	LIVE/WORK	11,635	2	1,600	3,200	2	2	2 *
TOTALS		437,795 (10 acres)		116,910	399,150	271	495	444

* Parking Required calculated using Form Based Zone Requirements

** Parking Required calculated using standard Colorado Springs Zoning Requirements

USE	TOTAL COMBINED S.F.	TOTAL UNITS	LINEAL FOOTAGE OF FRONTAGE IN FLOODWAY	
COMMERCIAL	50,880		EXISTING TO BE REMOVED	566 L.F.
RESIDENTIAL	204,800	164	PROPOSED	520 L.F.
HOTEL	64,250	110		
PARKING GARAGE	86,400	240		

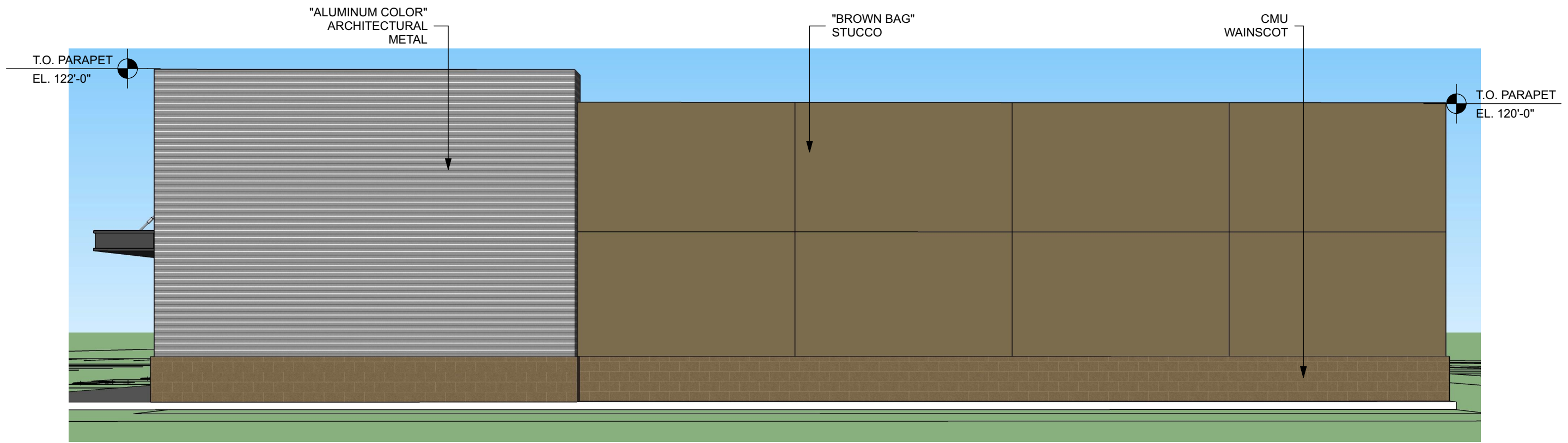






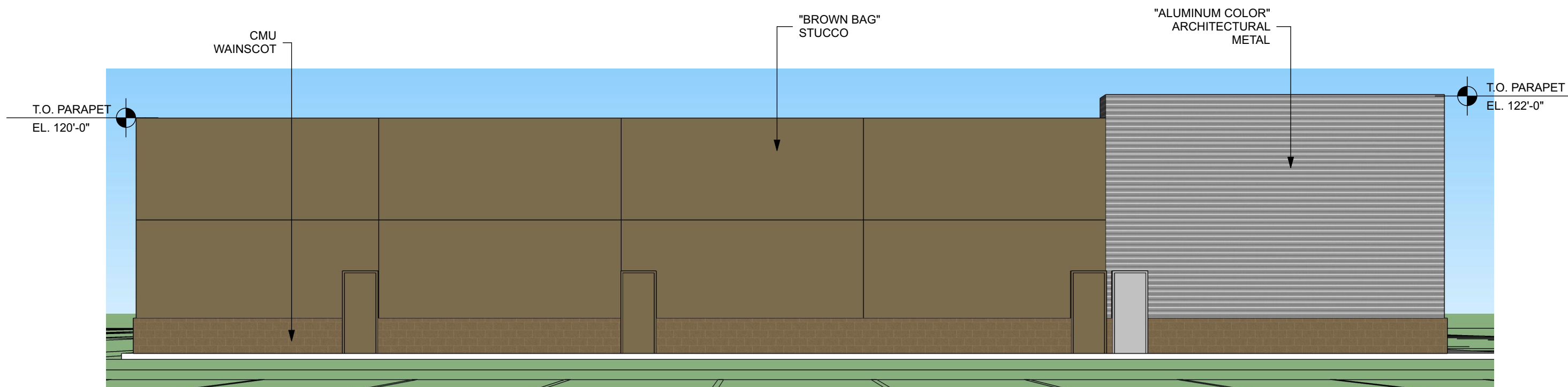
RETAIL EAST ELEVATION

NOT TO SCALE



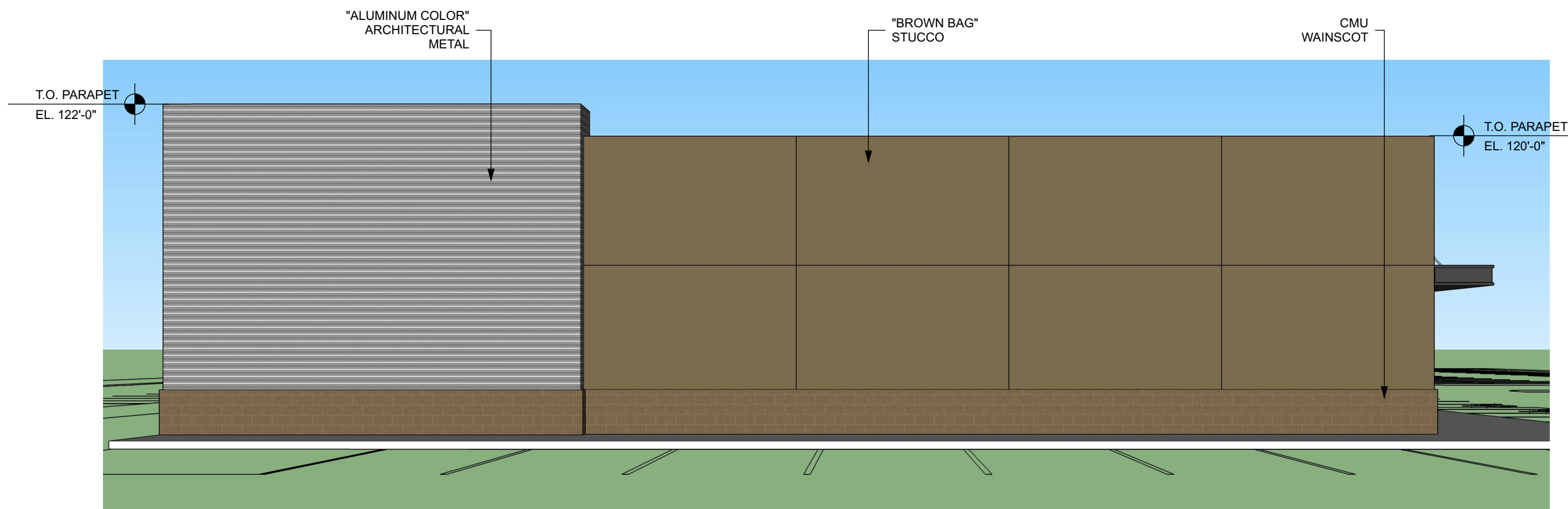
RETAIL NORTH ELEVATION

NOT TO SCALE



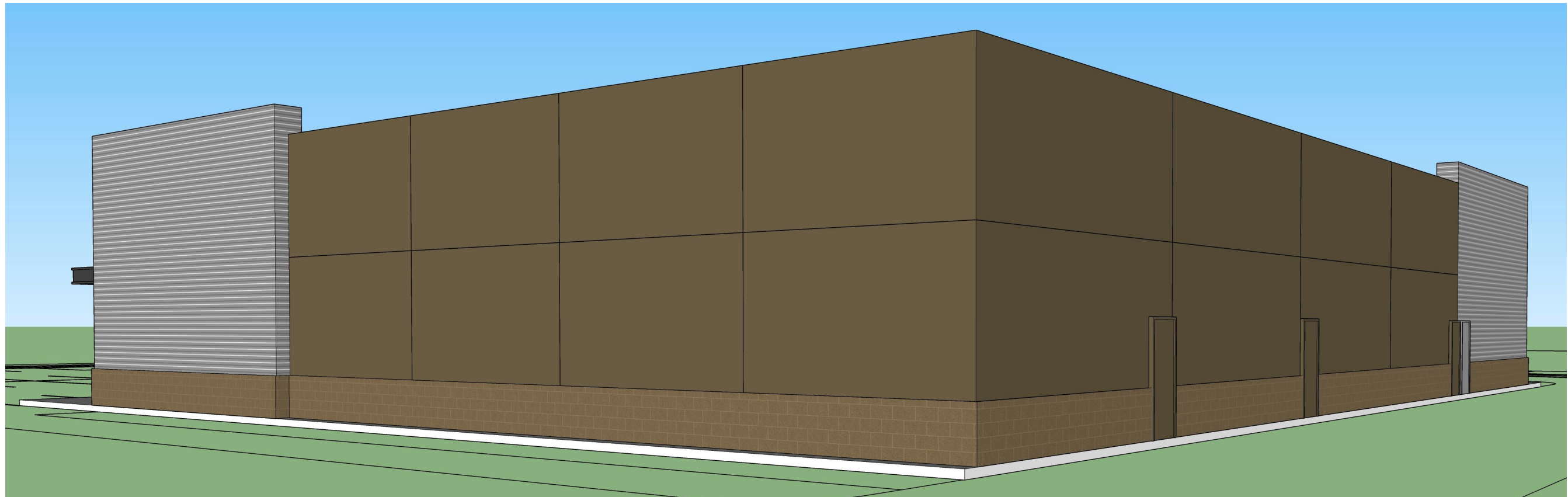
RETAIL WEST ELEVATION

NOT TO SCALE



RETAIL SOUTH ELEVATION

NOT TO SCALE



RETAIL REAR PERSPECTIVE

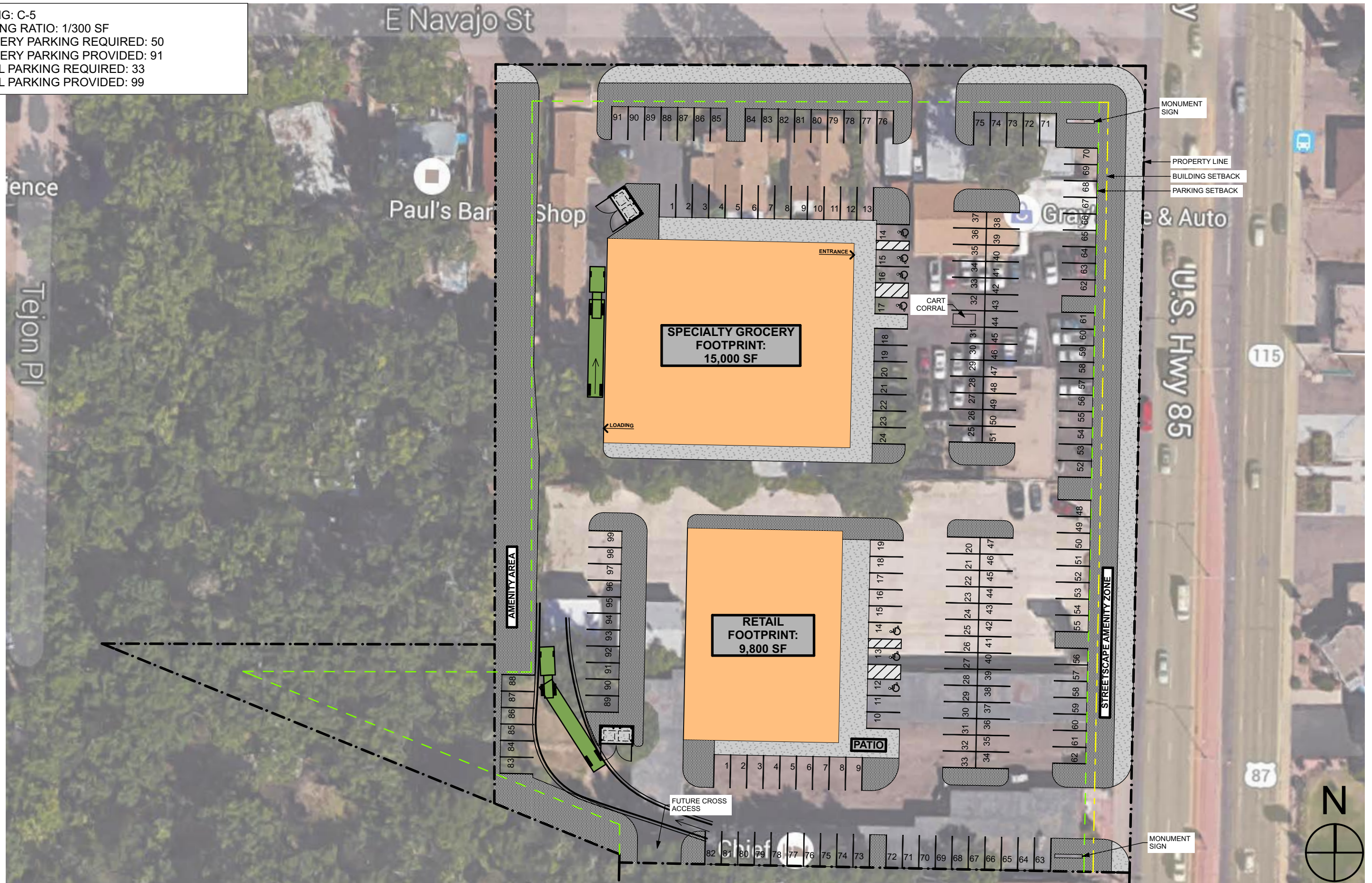
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RETAIL ENTRY PERSPECTIVE

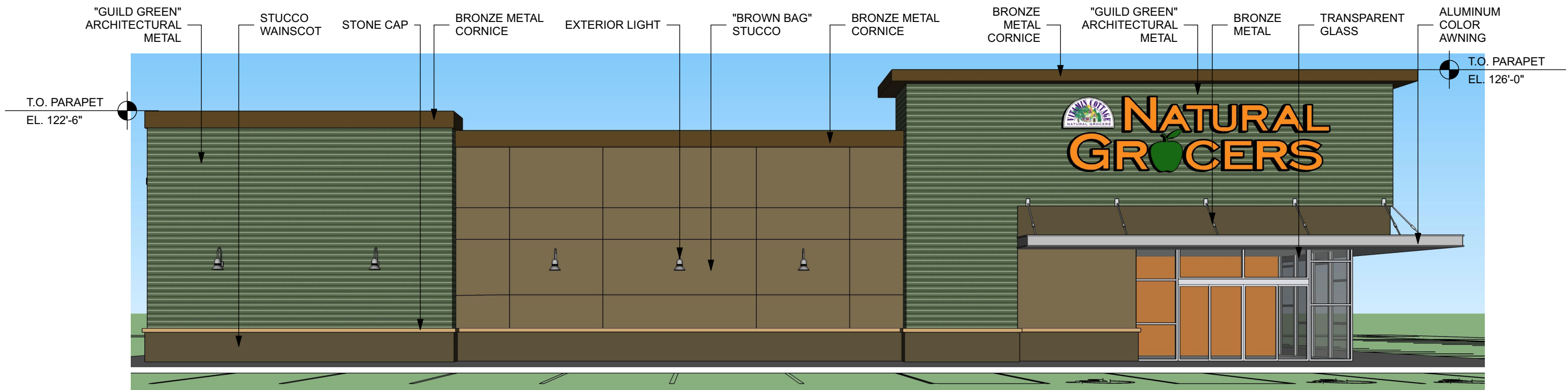
NOT TO SCALE

ZONING: C-5
 PARKING RATIO: 1/300 SF
 GROCERY PARKING REQUIRED: 50
 GROCERY PARKING PROVIDED: 91
 RETAIL PARKING REQUIRED: 33
 RETAIL PARKING PROVIDED: 99



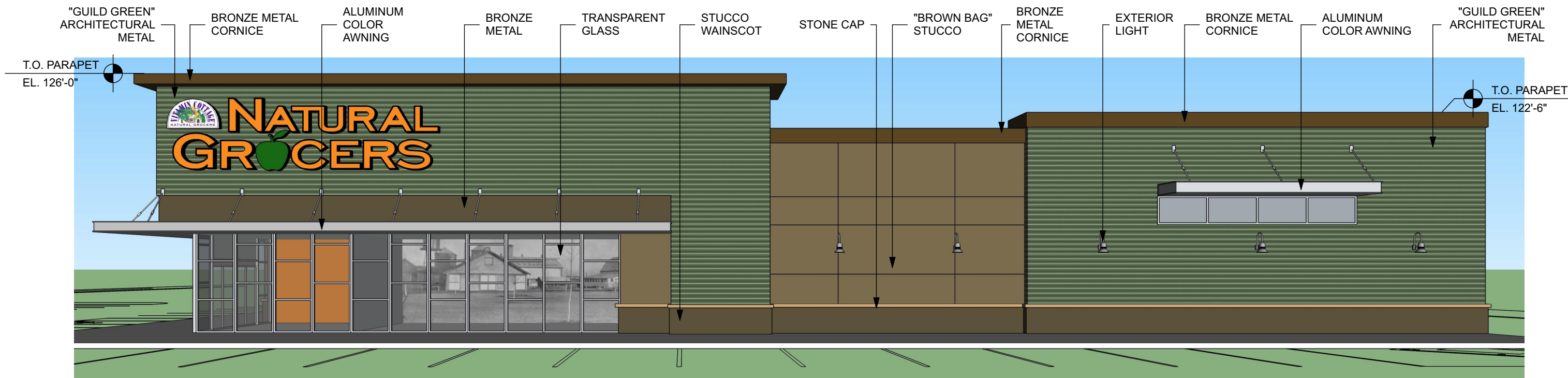
CONCEPTUAL SITE PLAN

SCALE: 1" = 50'



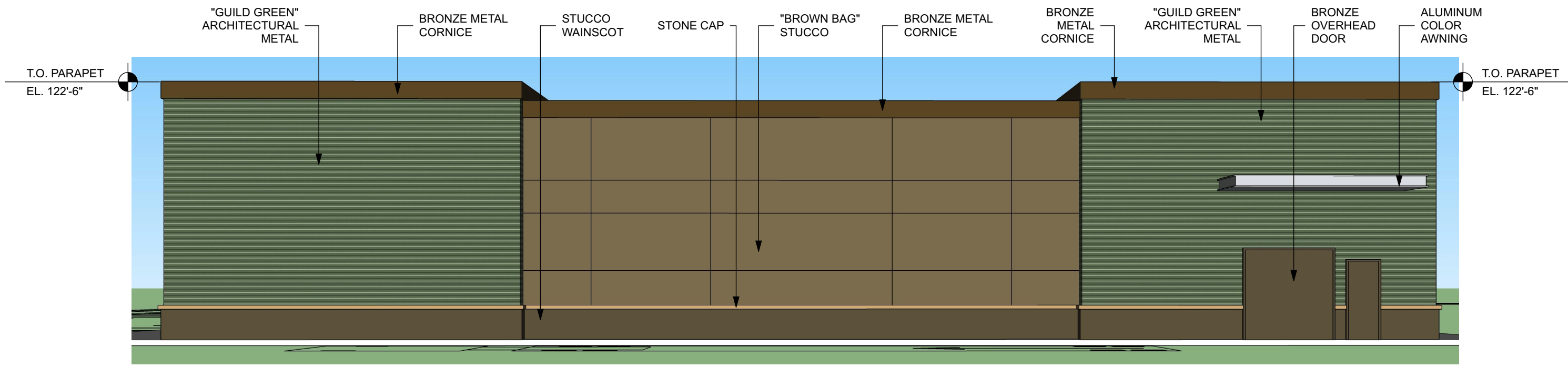
EAST ELEVATION

NOT TO SCALE



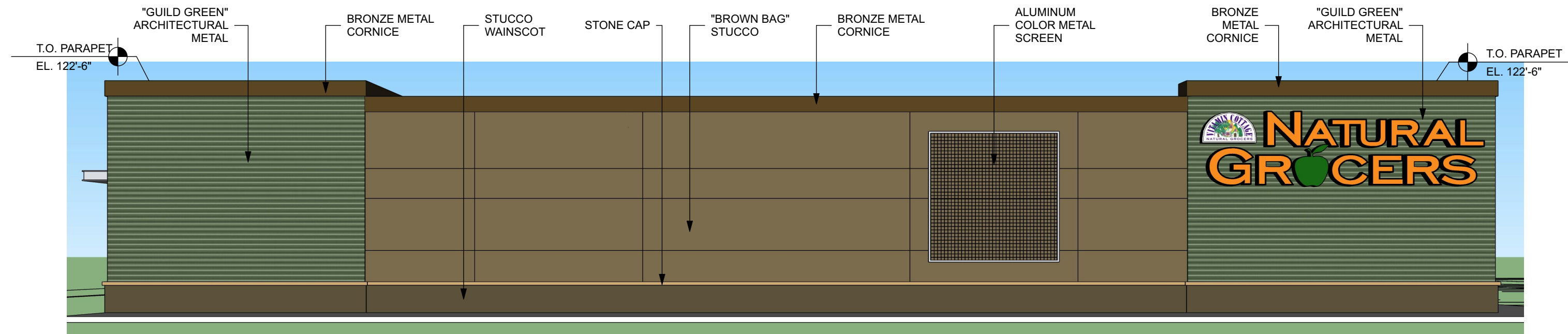
NORTH ELEVATION

NOT TO SCALE



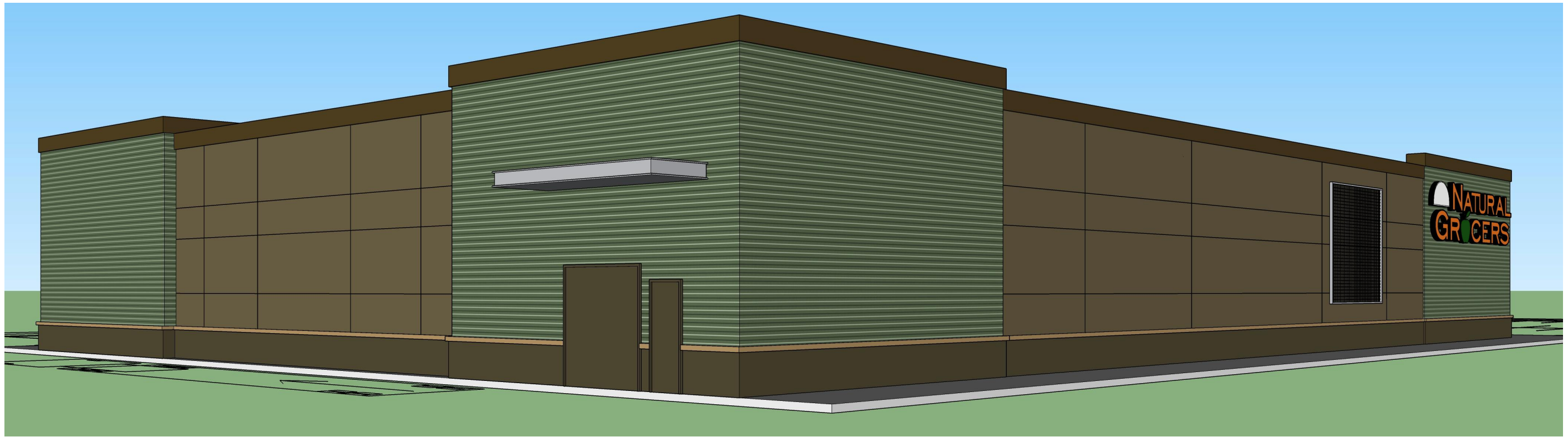
WEST ELEVATION

NOT TO SCALE



SOUTH ELEVATION

NOT TO SCALE



REAR PERSPECTIVE

NOT TO SCALE



ENTRY PERSPECTIVE

NOT TO SCALE

Land and Site Costs

Land and Site Development Costs

Cost Category	The Equity Group	On The Ivy	HD Dev	Total
Land Acquisition	\$38,960,000	\$6,700,000	\$3,890,000	\$49,550,000
Site Work	\$6,690,000	\$0	\$1,090,000	\$7,780,000
Demolition/Remediation	\$2,810,000	\$400,000	\$330,000	\$3,540,000
Utilities	\$0	\$660,000	\$0	\$660,000
Streets/Curb and Gutter	\$0	\$690,000	\$0	\$690,000
Landscaping	\$1,250,000	\$810,000	\$260,000	\$2,320,000
Other*	\$0	\$2,500,000	\$120,000	\$2,620,000
Contingency	\$0	\$750,000	\$0	\$750,000
Total Direct (Hard) Costs	\$49,710,000	\$12,510,000	\$5,690,000	\$67,910,000
Indirect (Soft) Cost	\$7,456,500	\$1,876,500	\$853,500	\$10,186,500
Land and Site Development Costs	\$57,166,500	\$14,386,500	\$6,543,500	\$78,096,500
Costs/Sq Ft	\$52.29	\$25.41	\$41.73	\$42.99

* signage, relocation, pedestrian bridge/trails, park

Source: Ricker | Cunningham

- Land acquisition costs = \$27 per square foot (well over twice typical costs)
- Total site development costs = \$20.2 million
- Total site development costs = \$11 per square foot (well over twice typical costs)
- Demolition/remediation costs = \$3.5 million (17% of site costs)



Financial Analysis

Development Program			Assumption Factors	
	Units/Spaces	Square Feet		
Retail/Service		237,300		
Residential (Rental)	203	203,000	1,000 SF/Unit	
Residential (For-Sale)	0	0	2,000 SF/Unit	
Hotel	110	88,000	800 SF/Unit	
Gross Floor Area		528,300		
Project Land Area		1,816,452	41.7 Acres	
Floor Area Ratio		29%		
Estimated Project Value (Stabilized Yr)				
Total Retail/Restaurant Rentable SF		225,435	95% Bldg. Efficiency Ratio	
Rent/SF*		\$20.00		
Total Residential Rentable SF		182,700	90% Bldg. Efficiency Ratio	
Rent/SF		\$14.40	\$1.20 Monthly Rent/SF	
Gross Income		\$7,139,580		
Occupancy		92%		
Effective Gross Income		\$6,568,414		
Operating Costs		\$1,050,834	\$2.57 \$/SF (Wtd. Avg. All Uses)	
Net Operating Income		\$5,517,580		
Capitalization Rate		7.0%		
Project Value -- Retail/Rental Hsg		\$78,822,565		
Total Hotel Rooms		110		
Average Daily Rate		\$110		
Gross Revenue		\$4,416,500		
Occupancy		70%		
Effective Gross Income		\$3,091,550		
Operating Costs		\$2,200,000	\$20,000 \$/Room	
Net Operating Income		\$891,550		
Capitalization Rate		7.0%		
Project Value -- Hotel		\$12,736,429		
Total Project Value				\$91,558,993
* Retail based on triple net lease.				

- Potential project value based on current market conditions = **\$91.6 million**

Financial Analysis

Development Cost Estimate		
Property Acquisition	\$49,544,052	\$27.28 \$/SF Land
Demolition/Remediation	\$3,543,142	\$1.95 \$/SF Land
Site Development/Infrastructure	\$14,040,778	\$7.73 \$/SF Land
Building Construction (Hard Costs)	\$57,089,250	\$108 \$/SF (Wtd. Avg. All Uses)
Soft Costs (% of Hard Costs)	\$8,960,780	12% % of Hard Costs
Developer Return on Costs	\$9,322,460	7% % of Hard Costs
Total Project Cost	\$142,500,463	\$269.73 \$/SF
Development Economic Summary		
Total Project Cost	\$142,500,463	
Total Project Value	\$91,558,993	
Project Margin/"Gap"	(\$50,941,469)	
% Project Margin/"Gap"	-36%	

- Total project costs (including developer profit of 7%) = \$142.5 million
- Project “gap”= \$50.9 million or 36% of costs
- 20% to 50% gaps not uncommon in redevelopment projects
- Project gap most impacted by **higher-than-market** property acquisition costs and **higher than typical** site development costs



Financial Analysis

Development Program

	Sq Ft/Units			
	Equity Group	On the Ivy	HD Dev	Total
New Redevelopment:				
Retail/Service	164,900	47,600	24,800	237,300
Hotel/Lodging	0	110	0	110
Residential (Rental)	0	203	0	203

Tax Increment

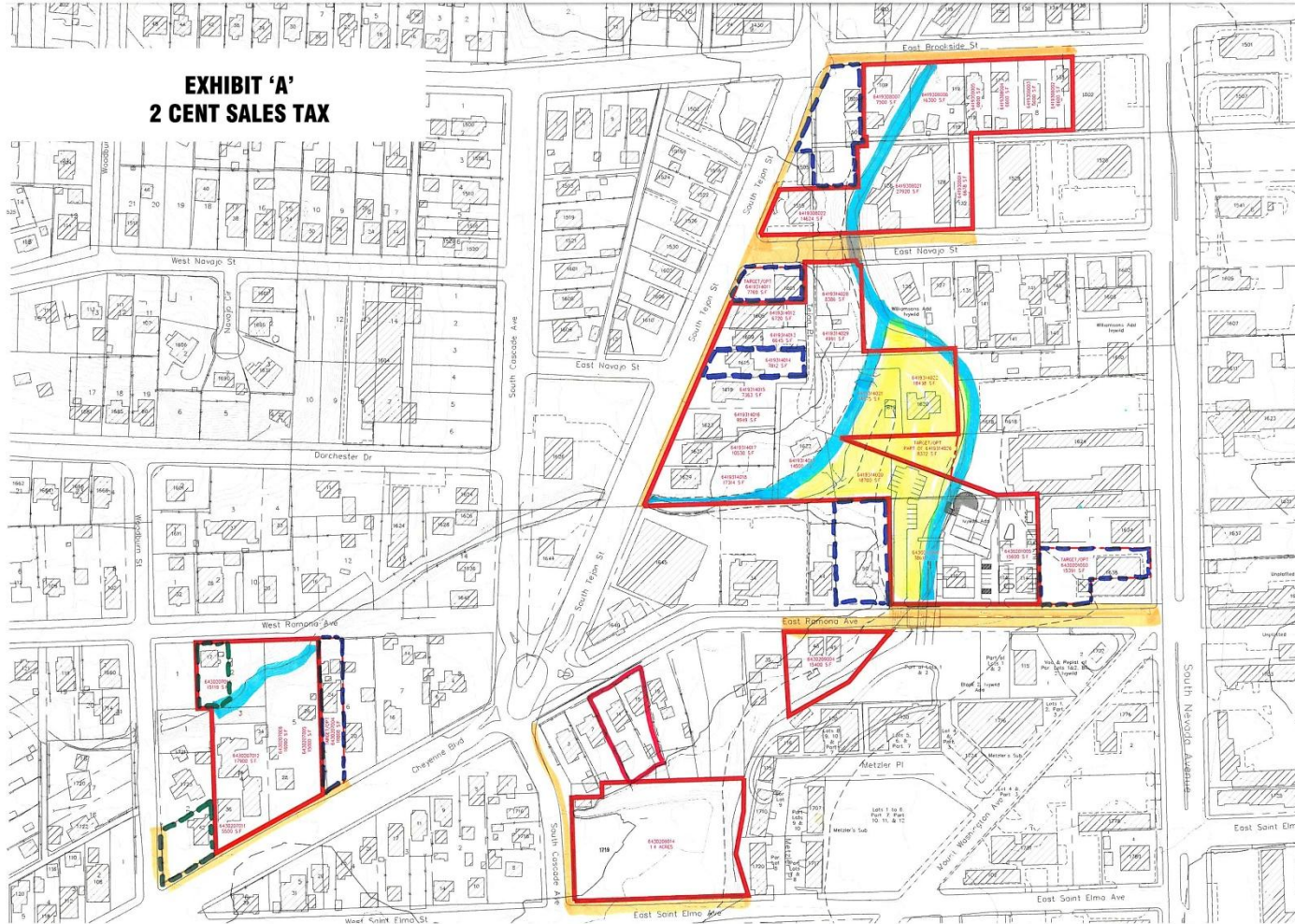
	Cumulative Totals			
	10-Year	15-Year	20-Year	25-Year
Property Tax Increment	\$4,107,562	\$8,512,707	\$13,515,195	\$18,762,241
Sales Tax Increment	\$5,155,268	\$13,642,687	\$24,002,897	\$35,540,339
Total Tax Increment Revenues	\$9,262,830	\$22,155,394	\$37,518,091	\$54,302,580

Source: Ricker | Cunningham

- Total property tax increment = \$18.8 million
- Total sales tax increment (@ 2% rate) = \$35.5 million (\$18.5 million @ 1%)
- Total tax increment of \$54.3 million sufficient to cover estimated project gap
- Increment @ 1% would not cover project gap



1% vs. 2% Comparison



Questions?

