

City Council Budget Committee 04/23/2024 8:30 am

Location: City Hall, Pikes Peak Conference Room, 107 N. Nevada Avenue, Colorado Springs, CO 80903 OR Microsoft Teams, 720-617-3426, Meeting ID 248 824 463 173

Supplemental Appropriations

TOPS land acquisition - 2.54 property located at 1680 S 26th Street (\$875,000) to be incorporated as TOPS Open Space as part of the Red Rock Canyon Open Space

Fees

N/A

Other Items for Information

N/A

Special Districts

N/A

City Council Budget Committee

Date: April 23, 2024

Item Name: Proposed acquisition of an approximately 2.54 property located at 1680 S 26th Street

SUMMARY:

On April 1, 1997, an ordinance implementing a sales tax for trails, open space and parks (TOPS) was approved by the citizens of Colorado Springs. This tax went into effect on July 1, 1997. In 2023, this ordinance was amended to extend the TOPS sales tax through 2043. The TOPS Working Committee is responsible for setting priorities and making recommendations for the expenditure of TOPS funds. A 2.54-acre parcel is being considered for acquisition to be incorporated as TOPS Open Space as part of the Red Rock Canyon Open Space. This property appraised for \$872,000 in January of 2024.

BACKGROUND:

The 2014 Park System Master Plan (“Master Plan”) shows the 2.54-acre parcel adjacent to the White Acres property and notes it as part of the open space/special resource area/greenway. Due to the small size of the parcel it is not clearly identified as candidate open space; however, the acquisition of parcels adjacent to existing open spaces is supported as one of the goals of the Parks System Master Plan – Filling in the Gaps in the Open Space Network. If acquired, the site would be protected from future private development and could assist in maintaining connections between open space areas and protecting wildlife corridor movement.

The property is located at 1680 S. 26th Street and consists of 2.54-acre parcel with a single-family residence and garage (built in 1955). The property was once part of the larger property grouping known as the White Acres property. This larger White Acres property was owned by Bethany Baptist Church and consisted of 6 parcels. In 2009, the TOPS program acquired five of the six parcels of the White Acres for a total of 47.5 acres. The candidate open space parcels provided an expansion of Red Rock Canyon Open Space. The sixth parcel, located at 1680 S. 26th Street was the residence and was retained by the Church. The Church later sold the property to a staff member who had lived in the home as their caretaker.

The property is envisioned to be incorporated into and managed as part of Red Rock Canyon Open Space. The parcel has the potential to be utilized as a trailhead for Red Rock Canyon and the Chamberlain Trail, which is currently master planned to access this area. A decision on the use of and plan for the residence will be made at a future time.

The TOPS Working Committee toured the site on April 17, 2024. The City has completed the appraisal process and offered the seller fair-market value for the property of \$872,000. A signed contract is pending at the time of this write-up; however, the owner has verbally agreed to a purchase price of \$872,000 and the purchase process for the City. The contract is contingent upon final approval by City Council and acceptance of the property based on the City's due diligence work. The acquisitions would be funded with revenues from the TOPS Open Space.

Pursuant to TOPS and City Real Estate acquisition procedures, an appraisal was completed January 29, 2024, for the property which indicated a value of \$872,000 based on a comparative sales approach for the 2.54-acres. This equates to a value of approximately \$343,307/acre. The property is in the jurisdiction of El Paso County and is zoned RR-2.5.

FINANCIAL IMPLICATIONS:

Acquisition of the 2.54-acre property will require funding of \$875,000 (purchase price plus real estate transactions costs) from the TOPS Open Space Category. Maintenance, operations and any future capital improvements will be funded by the TOPS program.

TOPS Estimated Open Space Category Fund Balance - 2024	
2023 Est Fund Balance	\$ 9,469,556.00
2024 Est Available Revenue for Open Space Acquisition	\$ 5,510,584.00
Total Available	\$ 14,980,140.00
10% Reserve Funds	\$ (1,498,014.00)
Total Available for Acquisition	\$ 13,482,126.00

Including projected 2024 open space funds of approximately \$5.5 million, a fund balance of approximately \$13.5 million, the TOPS open space fund balance is anticipated to have a sufficient balance to support this acquisition if approved.

BOARD/COMMISSION RECOMMENDATION:

This item was introduced as a presentation item at the April 3, 2024 TOPS Working Committee and the April 11, 2024 Parks Advisory Board meeting. Both boards provided a favorable initial assessment. The TOPS Working Committee will take final action on this item at the May 1, 2024, meeting and the Parks Advisory Board will take final action at the May 9, 2024 meeting.

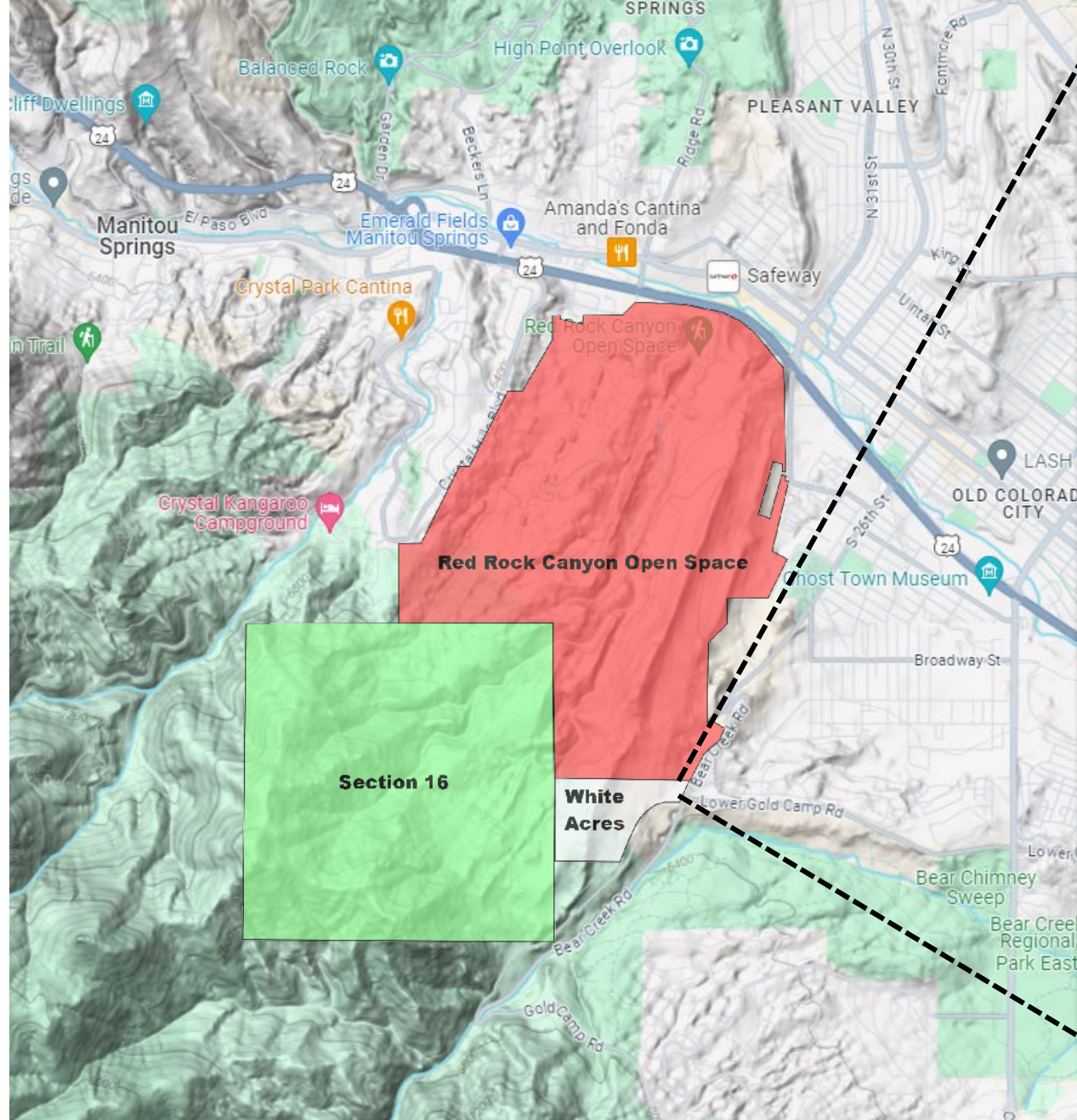
1680 S 26TH STREET PROPERTY ACQUISITION OPPORTUNITY

City Council Budget Committee



4/23/24

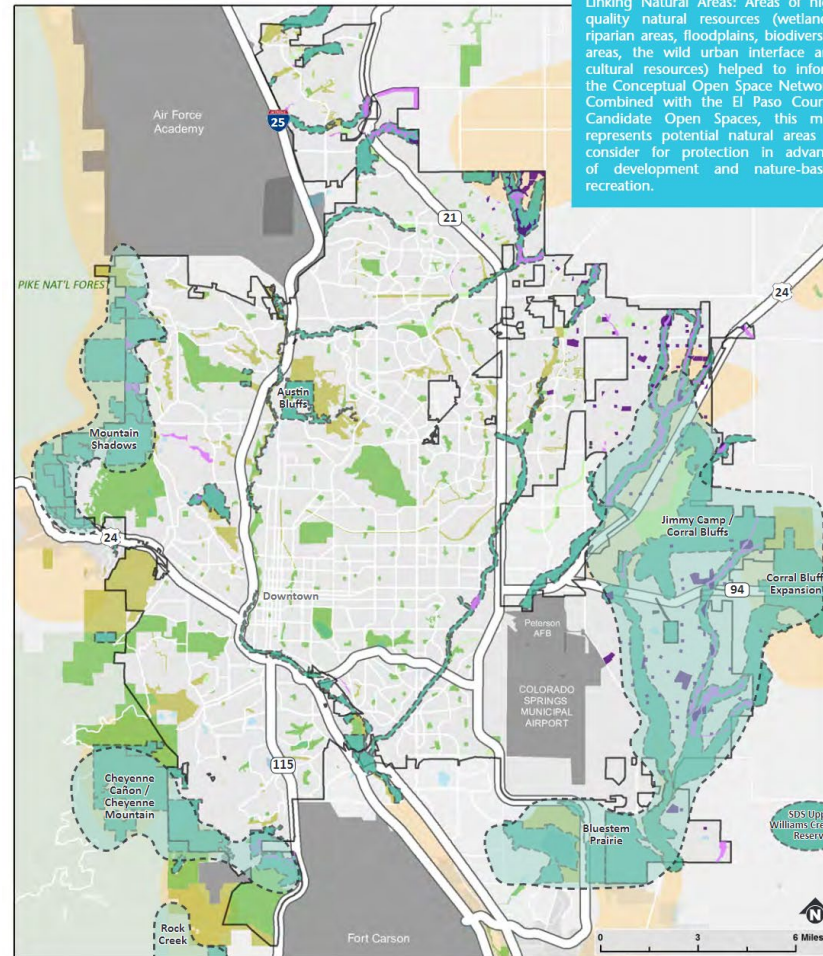
Lonna Thelen – TOPS Manager



1680 S 26TH STREET

- ❖ Adjacent to Open Space area in 2013 Park System Master Plan
- ❖ Meets Master Plan goal to Fill in the Gaps in the Open Space Network

Map 27: Open Space Candidate Areas

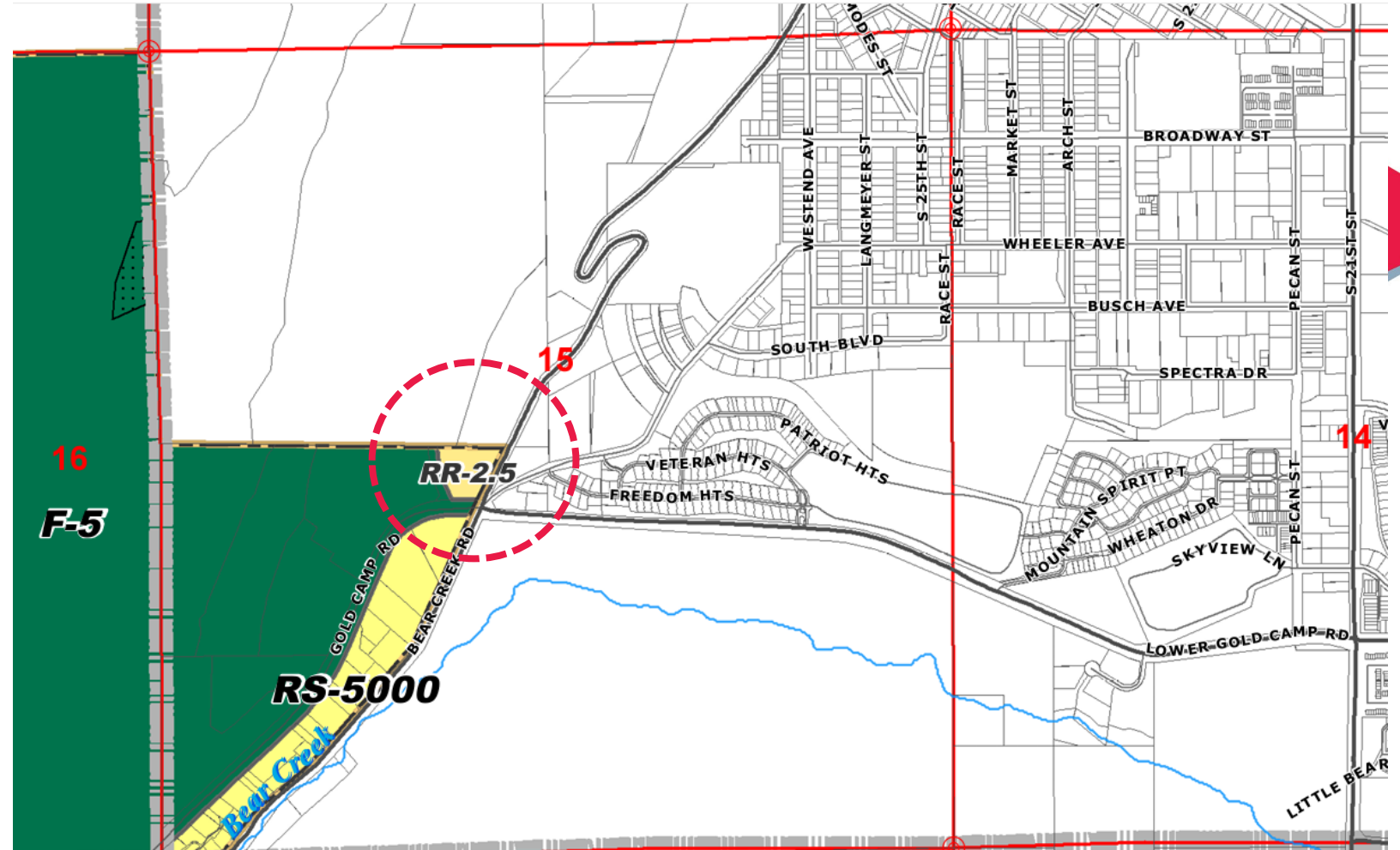


Linking Natural Areas: Areas of high quality natural resources (wetlands, riparian areas, floodplains, biodiversity areas, the wild urban interface and cultural resources) helped to inform the Conceptual Open Space Network. Combined with the El Paso County Candidate Open Spaces, this map represents potential natural areas to consider for protection in advance of development and nature-based recreation.



1680 S 26TH STREET

- ❖ Nearest Location:
 - ❖ Gold Camp Road and 26th Street
- ❖ Property Size:
 - ❖ 2.54 Acres
 - ❖ 1,922 sf house
 - ❖ Built in 1955
- ❖ Adjacent Park:
 - ❖ Red Rock Canyon Open Space
 - ❖ Originally part of White Acres
- ❖ El Paso County
 - ❖ Zoned RR- 2.5



TRANSACTION INFORMATION



- ❖ 2.54 Acres located at 1680 S 26th Street
 - ❖ Property includes house and garage structure
- ❖ Appraised value \$872,000 as of January 29, 2024
- ❖ Value per acre - \$343,307
 - ❖ Value includes a house and garage
- ❖ Total Supplemental Appropriation request \$875,000
 - ❖ Contract price - \$872,000
 - ❖ Closing costs - \$3,000

TOPS OPEN SPACE FUND BALANCE



TOPS Estimated Open Space Category Fund Balance - 2024

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2024 Est Available Revenue for open space purchases	\$5,510,584.00
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1680 S 26TH STREET

❖ Opportunity:

- ❖ Extension of existing Red Rock Canyon Open Space,
- ❖ Complete open space network
- ❖ Large level space to create parking lot Trailhead
- ❖ Chamberlain Trail access

❖ Residence:

- ❖ Decision on use of facility to be determined at a future time



1680 S 26TH STREET



1680 S 26TH STREET



QUESTIONS

