

CASE STUDY: KIT CARSON

RESIDENTIAL REDEVELOPMENT



PROJECT SUMMARY

Kit Carson is a small, rural community located on the eastern plains of Colorado. Like many small towns beyond the reach of metropolitan areas, Kit Carson has not seen new housing development for several decades and many older homes in the community's core have fallen into disrepair. Despite a need for quality, affordable workforce housing, the town suffered from a nearly 30% vacancy rate due to the high number of abandoned and forgotten houses. Kit Carson Rural Development (KCRD) is an all-volunteer run organization established in 2006 to address this and other economic development challenges within the community.

In 2010, KCRD applied for and won a \$1 Million HUD Hope VI Main Street Grant intended to expand the production of affordable housing to the downtown areas of rural communities. KCRD identified five abandoned houses in the heart of the community that were in severe disrepair. After negotiating with owners, KCRD acquired the properties for \$85,000, and one was donated by an absentee owner. The HUD funding was used to conduct the necessary environmental studies, which cost \$10,917. These studies identified a major obstacle - that three of the five properties had asbestos present and would need costly abatement before any work could begin. With the help of the Colorado Brownfields Partnership, KCRD contacted CDPHE, who provided a \$17,800 grant for asbestos abatement.

With the asbestos issue resolved, demolition permits were issued and KCRD partnered with a local farmer who donated his in-kind time to complete the demolition and material haul-off of all five properties. The work was valued at \$100,000 and the farmer received a tax write-off for it.

The Town of Kit Carson donated \$5,000 for site work and KCRD partnered with the CU Denver School of Architecture, who volunteered their time to create \$25,000 worth of unique plans for each property. Finally, local contractors were used for the construction and landscaping of all five properties at a total cost of \$839,503. KCRD donated one of the homes to the school district for teacher housing and all five homes now house critical local workforce, including two more local educators and a local deputy.

QUICK FACTS

Location: Kit Carson, Colorado

Project type: Residential redevelopment

Site(s): Multiple

Former Use: Vacant lots and houses in severe disrepair

Renovated Use: Quality, affordable single-family residences

Environmental Issues: Asbestos

Reuse Partners:

- » Department of Housing and Urban Development (HUD)
- » Kit Carson Rural Development (KCRD)
- » Colorado Brownfields Partnership (CBP)
- » Colorado Department of Public Health and Safety (CDPHE)
- » Town of Kit Carson
- » CU Denver School of Architecture
- » Colorado Department of Labor and Employment Division of Oil and Public Safety (CDLE)

FINANCING AND DEAL STRUCTURE

Although the majority of the funding for the project came from the HUD grant, KCRD did an excellent job of creating community partnerships and leveraging local resources to make the project financially feasible. The asbestos abatement, site cleanup, demolition and design work were all beyond the scope of the available budget. By working with the CU Denver School of Architecture, CDPHE, a local farmer, and an absentee owner, KCRD added an estimated \$155,300 of value and investment into the project that successfully closed the funding gap and brought a much-needed inventory of quality, affordable housing to the community's core.

The Colorado Brownfields Partnership was an integral part of the project, offering assistance in applying for grants, acquiring properties and solving for costly environmental challenges. The partnership and effort put into this project has resulted in a creative and replicable process for community revitalization. KCRD has continued applying the project's structure to new properties with similar challenges. In total, KCRD has gotten 11 sites scraped and ready for new development.



FINANCIAL IMPACT:

Total New Investment:

\$1,083,220

Property Value-Added:

+ \$446,036

Jobs Created:
(temporary)

+10

SOCIAL IMPACT

- » Delivered five new, high-quality residences to Kit Carson, the first in more than 25 years.
- » Removed obvious blight in the community's core.
- » Revitalized key properties in and around the Downtown area.
- » Provided affordable housing for Kit Carson's local workforce.

ECONOMIC IMPACT

- » The property values of the revitalized lots increased by \$446,036, more than a 500% increase from its former use.
- » Total impact of new investment is valued at well over \$1,000,000
- » Created about 10 jobs during construction, all local.
- » **Added tax revenue - \$2,169 annually**
- » **Added property value - \$446,036**

HELP FOR YOUR PROJECT

Regardless of where you are in the process, the Colorado Brownfields Partnership (CBP) will help you learn about brownfields assistance for your community. We provide many types of support to communities interested in redevelopment of potentially contaminated sites. Contact info@cobrownfieldspartnership.org for more information.

 INFO@COBROWNFIELDSPARTNERSHIP.ORG

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COLORADO

Hazardous Materials & Waste Management Division

Department of Public Health & Environment

