

CASE STUDY: KIT CARSON

PAXSON BUILDING REDEVELOPMENT



PROJECT SUMMARY

Kit Carson is a small, rural community located on the eastern plains of Colorado. Like many such towns, Kit Carson has not seen new development for several decades and older buildings in the community's core are falling into disrepair. Kit Carson Rural Development (KCRD) is an all-volunteer run organization established in 2006 to address economic development challenges within the community.

KCRD's first brownfields cleanup was the demolition and redevelopment of the 6,500 square foot Paxson Building. Constructed in the early 1900s, it had several uses over the decades, but had been abandoned for many years. Centrally located on one the main corners in town, the building was an obvious blight, which presented an opportunity to revitalize a key property in the heart of the community.

KCRD contacted the Colorado Brownfields Foundation (CBF - the precursor to the Colorado Brownfields Partnership) to discuss opportunities for the site and gain access the State's cleanup resources. CBF introduced KCRD to other state brownfield partners including the Department of Public Health and Safety (CDPHE) and the Division of Oil and Public Safety (OPS). CBF then assisted KCRD in securing funding for a Targeted Brownfield Assessment (TBA) to determine what environmental issues were present.

The TBA, which was valued at \$29,242, identified two major obstacles. First was the existence of underground petroleum storage tanks (USTs) on the site that would need to be removed prior to any demolition or redevelopment. CDPHE/OPS provided \$25,435 for removal of the tanks and the County donated \$5,000 to backfill the site. The second major obstacle was extensive friable asbestos that needed to be abated prior to demolition. CBF assisted KCRD in applying for a \$200,000 EPA clean-up grant to wet-demo the building after purchasing the property for \$5,000. Working with the County and CDPHE, KCRD was able to safely dump the removed asbestos at the local landfill.

In 2021 KCRD was awarded a \$210,000 grant from the CO Department of Local Affairs to develop the site with a 4,200 commercial building, which now houses a community co-working space and two commercial spaces for rent. With additional funding from local foundations and KCRD itself, the new Paxson Building was completed in 2022 for about \$450,000.

QUICK FACTS

Location: Kit Carson, Colorado

Project type: Commercial redevelopment

Site(s): Main street corner lot

Former Use: Abandoned gas station, built in the early 1900's

Renovated Use: Co-working and commercial space

Environmental Issues: Extensive asbestos and underground petroleum storage tanks

Reuse Partners:

- » Kit Carson Rural Development (KCRD)
- » Colorado Brownfields Partnership (CBP)
- » Colorado Department of Public Health and Safety (CDPHE)
- » State Division of Oil & Public Safety (OPS)
- » Colorado Department of Local Affairs (DOLA)
- » Town of Kit Carson
- » Cheyenne County
- » EPA Region 8
- » Boettcher Grant
- » Local Charitable Lead Trust
- » Flying Diamond Ranch Foundation
- » Collins Johnson Family Foundation
- » Cooper Clark

FINANCING AND DEAL STRUCTURE

From conceptual planning to cleanup grant assistance, CBF helped KCRD leverage the State's resources to make the project financially feasible. The TBA, UST removal, asbestos abatement and site grading, valued at almost \$260,000, were all items beyond the Town and KCRD's financial capacity. The technical assistance provided by CBF helped form KCRD's critical partnerships with CDPHE, OPS and other resources that closed the funding gap and prepared this catalytic site for redevelopment.

For the construction, KCRD did an excellent job of creating partnerships and leveraging State and local resources to make the build out financially feasible. KCRD partnered with nine different organizations to raise the nearly \$450,000 required for the buildout. The deal structure of the Paxson Building is an inspiring example of what kind of time-intensive and costly projects a rural community can execute when the community is able to execute through dogged leadership and extensive leveraging of resources.



FINANCIAL IMPACT:

Total New Investment:

\$739,677

Property Value-Added:

+ \$450,814

Jobs Created: (temporary)

+20

Space for New Businesses (sf):

+ 4,200

SOCIAL IMPACT

- » Replaced a highly visible blight with a much-needed, business-ready commercial product.
- » Will help revitalize the Town's main corridor and provide space for needed commercial services.

ECONOMIC IMPACT

- » Property value of the revitalized site is estimated to have increased by \$455,814.
- » The total impact of new investment is valued at almost \$715,000.
- » Created an estimated 20 jobs during construction, almost all local.
- » Created 4,200 sf of space for new businesses which should result in numerous, permanent local jobs as well as increased spending in the local economy.
- » **Added tax revenue - \$7,500 annually**
- » **Added property value - \$450,814**

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

