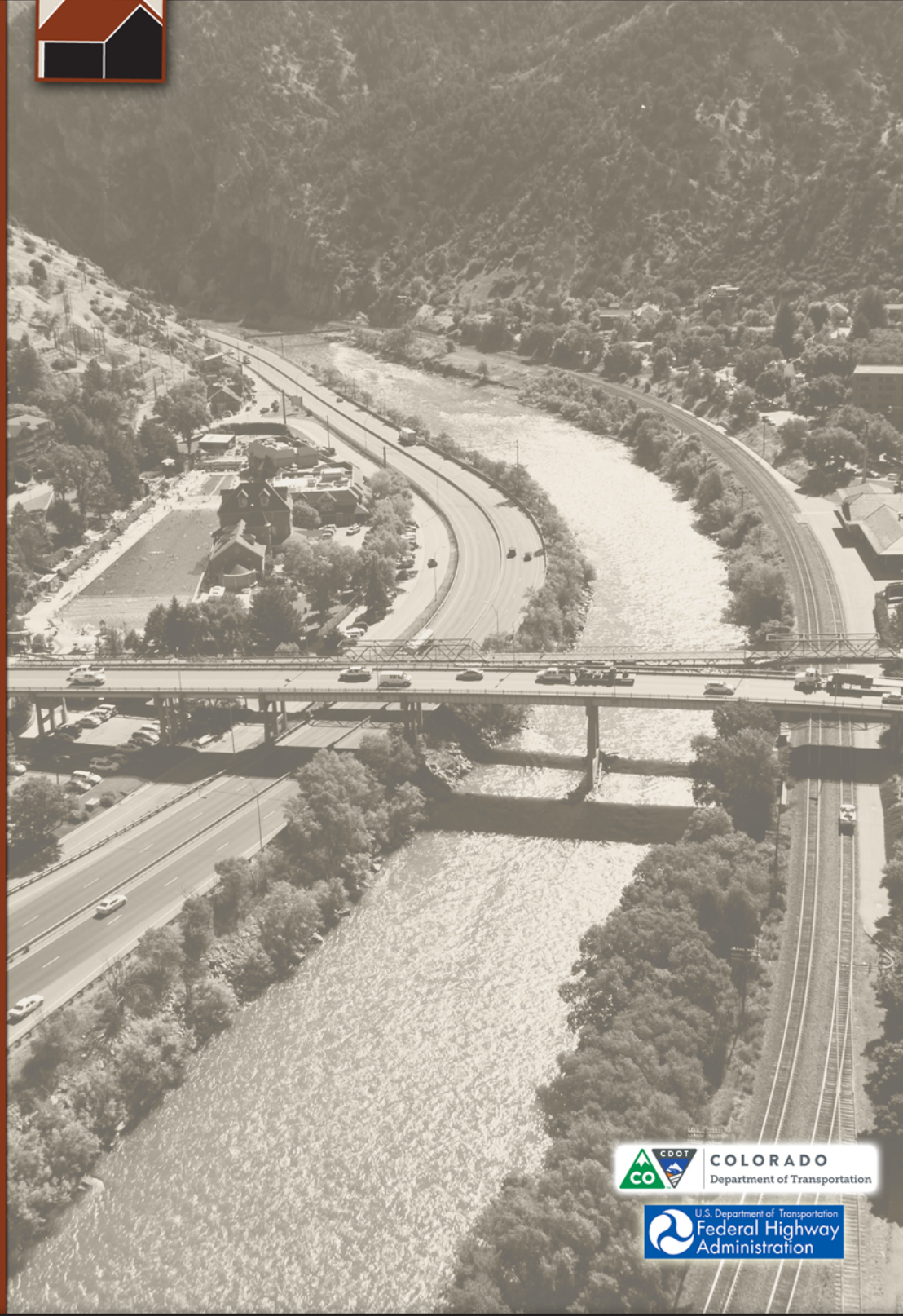


SH 82 GRAND AVENUE BRIDGE

Economic Conditions Technical Report





Economic Conditions Technical Report
for the
SH 82 Grand Avenue Bridge Environmental Assessment

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ArLand Land Use Economics

Prepared for:

**Colorado Department of Transportation
Federal Highway Administration
Jacobs Engineering, Inc.**

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1.0 Introduction

This technical report focuses on economic and business impacts occurring in jobs, income, and business activity in the commercial sector of the Glenwood Springs local economy as a result of the No Action and Build Alternatives. The area of study is downtown Glenwood Springs, with a particular focus on the lodging, entertainment, retail and restaurant activities of the downtown area.

Economic impacts of transportation projects are typically the result of: (a) construction impacts which are usually short term during the duration of construction, (b) changes in volume and pattern of traffic movements, (c) acquisitions of commercial property to allow for changes and expansion of the transportation system, (d) changes in ease of access to commercial businesses, and (e) redevelopment potential resulting from changes made to the transportation facilities. This report explores impacts from these perspectives for both alternatives.

1.1 Study Area

For purposes of this analysis, the area of focus is the Grand Avenue Bridge study area, which encompasses downtown Glenwood Springs. It is shown in Figure 1.

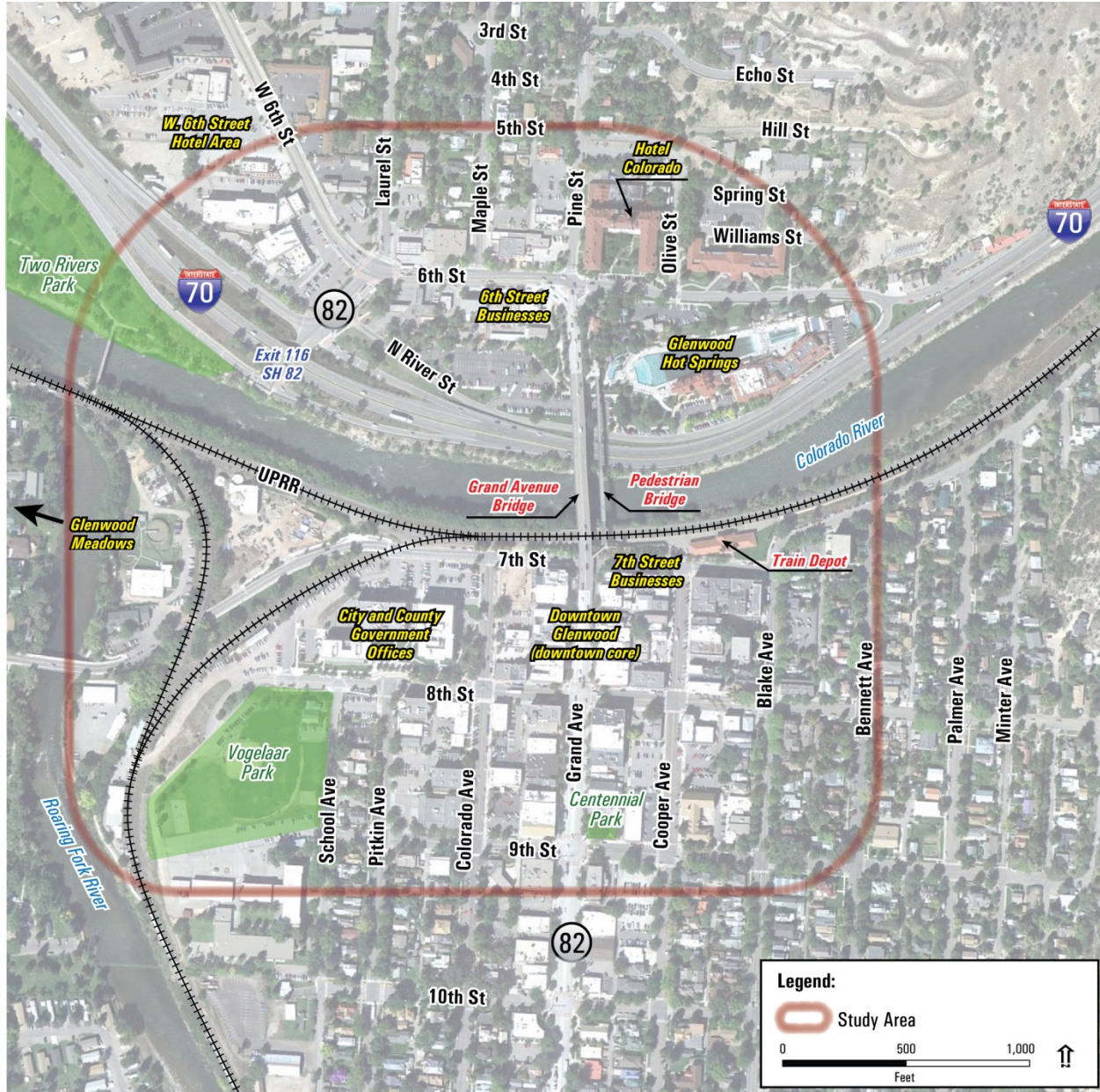
Downtown Glenwood Springs can be defined as 6th Street, which is downtown's northern "gateway" anchored by the Glenwood Springs Hot Springs pool, down to approximately 11th Street along Grand Avenue and the adjoining streets to the east and the west. There are a number of retail, restaurant, lodging, civic, residential, and other supporting uses within this area.

1.2 Approach

The background analysis for this technical memo incorporated interviews with downtown businesses and organizations, as well as analysis of relevant employment, business, retail, and lodging trend information. The study team interviewed select downtown businesses face-to-face or over the phone throughout the months of March and April, 2013. The team asked questions regarding individual business characteristics, such as years in business, number of employees, customer base, slowest and busiest months, potential impact of a temporary pedestrian and vehicular bridge closure, as well as potential long-term impacts.

The economic development literature suggests that the long-term business success of any downtown, particularly those that are impacted by construction and access changes, is dependent on local planning, preparedness, and response to the changes, as well as the strength of the broader economy.

Figure 1. Economic Activity Centers



Source: Jacobs, 2014.

During the time period of this analysis (March through early May 2013), the Glenwood Springs Downtown Development Authority (DDA) hired a design and transportation team led by studioINSITE to develop ideas under the Build Alternative for creative design and public amenities for the areas beneath and beside the southern end of the bridge. Additionally, the team was commissioned to develop public realm, landscaping, and urban design recommendations for the 6th Street area. The study team interviewed the DDA design team for this report.

1.3 Report Organization

This report is organized into three sections:

- Background on the economy of the affected area.
- Analysis of expected economic impacts.
- Suggested mitigation measures.

2.0 Economy of the Affected Area

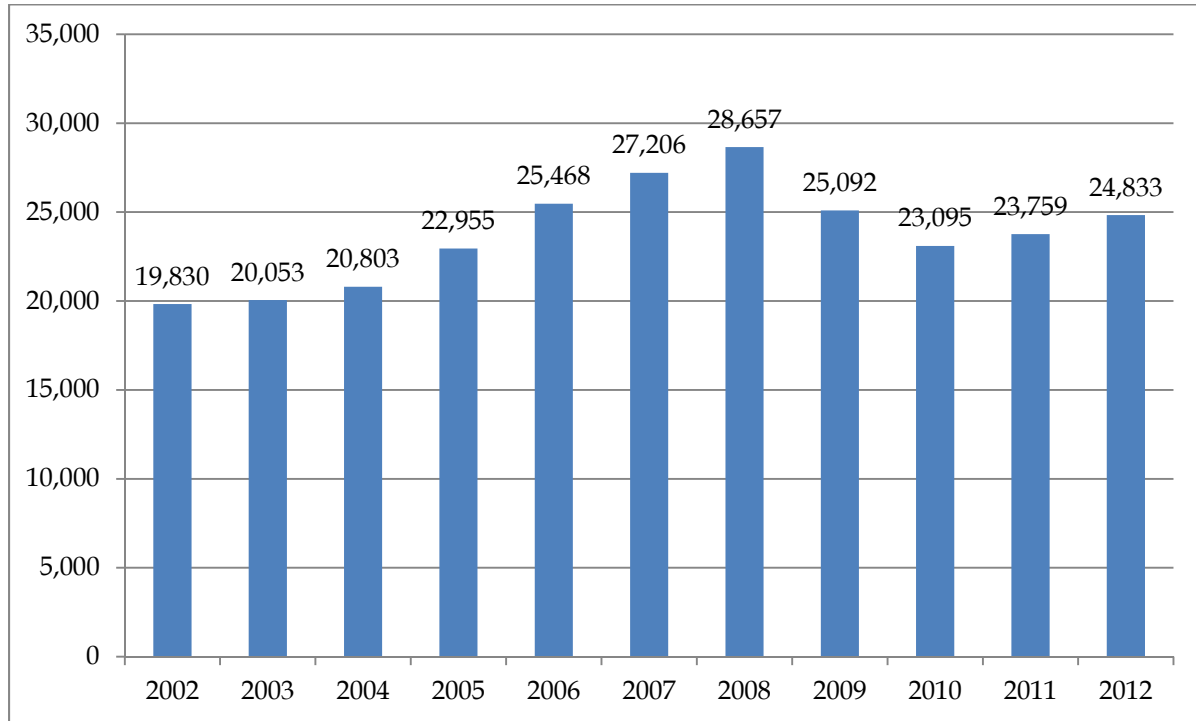
In order to assess the potential economic impacts of either the No Action or Build Alternative, it is important to understand the specific economic characteristics of the affected area. This section presents findings on Garfield County and Glenwood Springs, and examines the market base and business characteristics of downtown Glenwood Springs.

2.1 Employment and Economic Trends

While downtown Glenwood Springs is a retail, restaurant, and entertainment hub for visitors and the local population, it is also part of a larger regional economy. Like much of Colorado, Garfield County and Glenwood Springs suffered job losses during the Great Recession. According to the Colorado Department of Labor, there was a loss of over 5,500 jobs in the County between 2008 and 2010. Jobs have recently begun to return to the County and the rest of the state. Between 2010 and 2012, the County added over 1,700 jobs (Figure 2).

There have been larger shifts in the Garfield County economy. The largest jobs increases between 2001 and 2011 were seen in Mining, Health Care and Social Assistance, and Public Administration, as shown in Table 1. Oil and gas sector employment (reflected in the Mining figures in Table 1) and Health Care comprise increasingly larger portions of County jobs.

Figure 2. Garfield County Employment



Source: Colorado Department of Labor, Labor Market Information, 2012 figures are from Third Quarter estimates.

Table 1. Garfield County Employment

Industry	2001	2006	2011	2001-2006	2006-2011	2001-2011
Agriculture, Forestry, Fishing & Hunting	213	174	181	-39	7	-32
Mining	301	2,172	2,343	1,871	171	2,042
Utilities	287	241	238	-46	-3	-49
Construction	3,618	4,251	2,646	633	-1,605	-972
Manufacturing	366	455	345	89	-110	-21
Wholesale Trade	604	638	735	34	97	131
Retail Trade	2,923	3,452	2,791	529	-661	-132
Transportation and Warehousing	350	942	817	592	-125	467
Information	294	240	218	-54	-22	-76
Finance and Insurance	499	576	513	77	-63	14
Real Estate Rental and Leasing	436	592	641	156	49	205
Professional and Technical Services	847	1,092	1,031	245	-61	184
Management of Companies & Enterprises	**	146	157	**	11	**
Administrative and Waste Services	829	788	833	-41	45	4

Table 1. Garfield County Employment

Industry	2001	2006	2011	2001-2006	2006-2011	2001-2011
Educational Services	1,863	2,123	2,394	260	271	531
Health Care and Social Assistance	1,696	2,275	2,683	579	408	987
Arts, Entertainment and Recreation	382	364	323	-18	-41	-59
Accommodation and Food Services	2,311	2,694	2,470	383	-224	159
Other Services, ex. Public Admin	704	716	654	12	-62	-50
Public Administration	1,207	1,533	1,747	326	214	540
Unclassified	**	**	**	**	**	**
Total	19,865	25,468	23,759	5,603	-1,709	3,894

Sources: Colorado Labor Market Information, ArLand.

According to the Glenwood Springs Chamber of Commerce’s *Fall 2012 Trends Report* (Glenwood Springs Chamber of Commerce, 2012), oil and gas extraction is accounting for a growing portion of Garfield County’s employment and wages, particularly in the western part of the County, including Rifle, Parachute, and Silt. In 2001, 1 percent of local wages was paid to workers in the oil and gas industry. This portion rose to 5 percent by 2010.

Health Care has been a fairly stable and consistent portion of Garfield County’s employment and wages, averaging between 9 and 11 percent of all wages and jobs in the area. Valley View Hospital employed approximately 900 workers in 2011. The hospital is located at about 20th Street and Grand Avenue and serves a wide regional area.

2.1.1.1 Tourism

Another critically important industry to the Roaring Fork Valley, Glenwood Springs, and downtown Glenwood Springs is tourism and associated retail. In a 2007 socioeconomic impact study of Garfield County, BBC Research & Consulting examined and divided the County’s economic base into nine categories (BBC Research & Consulting, 2007):

- Tourism
- Regional services
- Gas
- Oil shale
- Government
- Agriculture and agricultural services
- Manufacturing

- Net out-commuting
- External household funding

The study found that tourism comprised the largest portion of the County's economic base, with tourism and regional services together comprising approximately one-half of the County's base. Garfield County tourism-related employment included a portion of jobs in eating and drinking establishments and most jobs in amusement, recreation, hotels, and lodging. Portions of the real estate and construction sectors were also tourism-related, primarily in terms of meeting the needs of second homeowners in Garfield and Pitkin Counties. Regional services included a wide array of trade and service jobs supported, at least in part by sales to individuals and businesses based outside the County. Construction services provided to customers based outside the County, rental and leasing services, and motor vehicle and parts dealers were examples of regional services employment in Garfield County.

Downtown Glenwood Springs, as a historic and well-known regional attraction, is an important part of the regional economic base. Glenwood Springs welcomes an estimated 1.5 million visitors per year, according to the Glenwood Springs Chamber of Commerce. The Glenwood Hot Springs / Hotel Colorado estimates that 75 percent of its visitors are from Denver's Front Range. Given the close relationship between the downtown businesses and the Glenwood Hot Springs activities, it is highly likely that the majority of customers in the downtown area are also from the Front Range.

Glenwood Springs is known for its family friendly activities for all age groups. While the area is accessible to skiing, snowboarding, and other wintertime activities, it is better known for its summer offerings. Local attractions include:

- **Glenwood Hot Springs.** The historic hot springs pool, the largest in the world and renowned for its healing properties, is located adjacent to the Grand Avenue Bridge. Once referred to as the "Spa of the Rockies," the hot springs has become a resort destination with its pool, spa, 107-room Hotel Colorado, 1,000-member fitness facility, and supporting retail and services.
- **Downtown Glenwood Springs.** Restaurants and specialty retailers line Grand Avenue and the adjoining streets, attracting visitors enticed by the hot springs and regional recreational amenities.
- **Glenwood Caverns Adventure Park & Historic Fairy Caves.** Located just north of the downtown area, the park offers rides and cave tours, giant swings, and gondolas with views almost 50 miles to the south.

Glenwood Vaudeville Revue. Vaudeville was formerly the only entertainment available in the West with acts travelling around the country performing in local theaters. The Glenwood Vaudeville Revue revives this tradition at the Blue Acacia Theatre in the Masonic Lodge located at 9th Street and Colorado Avenue.

- **Outdoor Activities.**

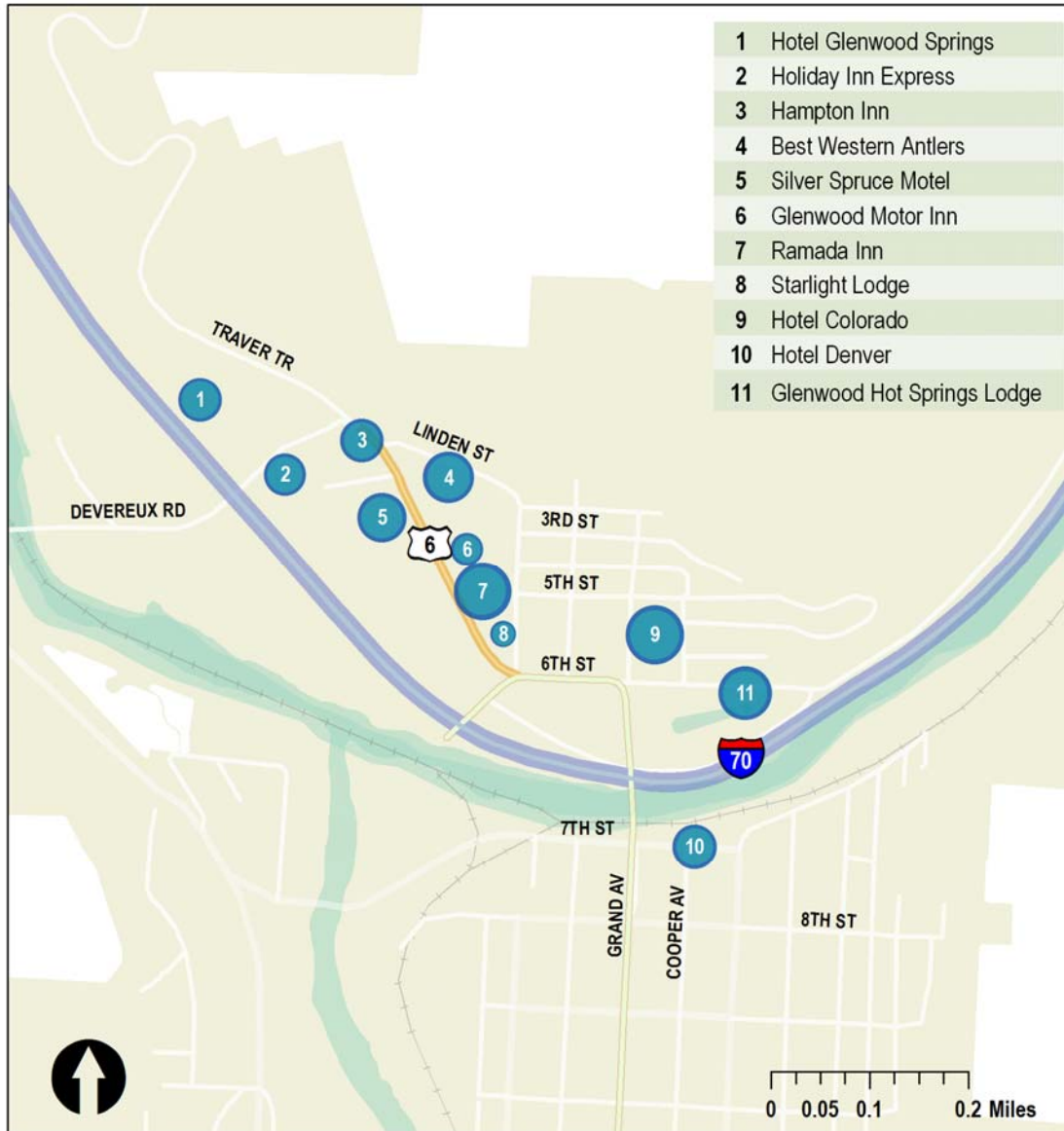
- *White River National Forest.* At 2.3 million acres, this is the largest forest in the state and spans over ten Colorado counties, with more visitors than any other forest in the nation.
- *Hanging Lake.* This glacially formed lake is located at the edge of Glenwood Canyon. With year-round access, its trailhead is about ten miles east of Glenwood Springs.
- *Rafting and kayaking.* Commercial rafting and kayaking companies annually guide thousands of visitors down the Colorado and Roaring Fork Rivers through rapids, substantiating Glenwood Springs' stature as one of the country's premier whitewater destinations. There are also calmer waterways that are suitable for families with younger children.
- *Trails.* Glenwood Springs has a wide variety of trails and bike paths that cater to all athletic abilities.
- The extensive recreational activities in the area include horseback riding, paragliding, rock climbing, ATVs, zip lines, and ropes courses.

2.1.1.2 Lodging

Many of the visitors stay in the estimated 1,600 hotel rooms within the City of Glenwood Springs (City). There are also bed and breakfasts, lodges, condos, and private homes available for rent. This section discusses the overall health of the lodging industry based on information from Smith Travel Research (STR), as well as Glenwood Springs lodging trend information. STR is a well-respected private data source in the lodging industry, tracking supply and demand and providing market share analysis for all major hotel chains and brands in North America and the Caribbean.

Figure 3 shows the major hotels in the immediate vicinity of the Grand Avenue Bridge. Downtown Glenwood Springs benefits from approximately 800 hotel rooms on the north side of the river, primarily on W. 6th Street just outside of the study area and within walking distance of the downtown area. The 73-room Hotel Denver is on the south side of the river along 7th Street in the downtown area. The remaining hotel rooms within Glenwood Springs are within a very short distance from the downtown. With the majority of visitors staying in facilities to the north of the river, pedestrian access to the restaurants and other business establishments on the south is critically important to the health of many of the downtown businesses.

Figure 3. Hotels Near the Grand Avenue Bridge

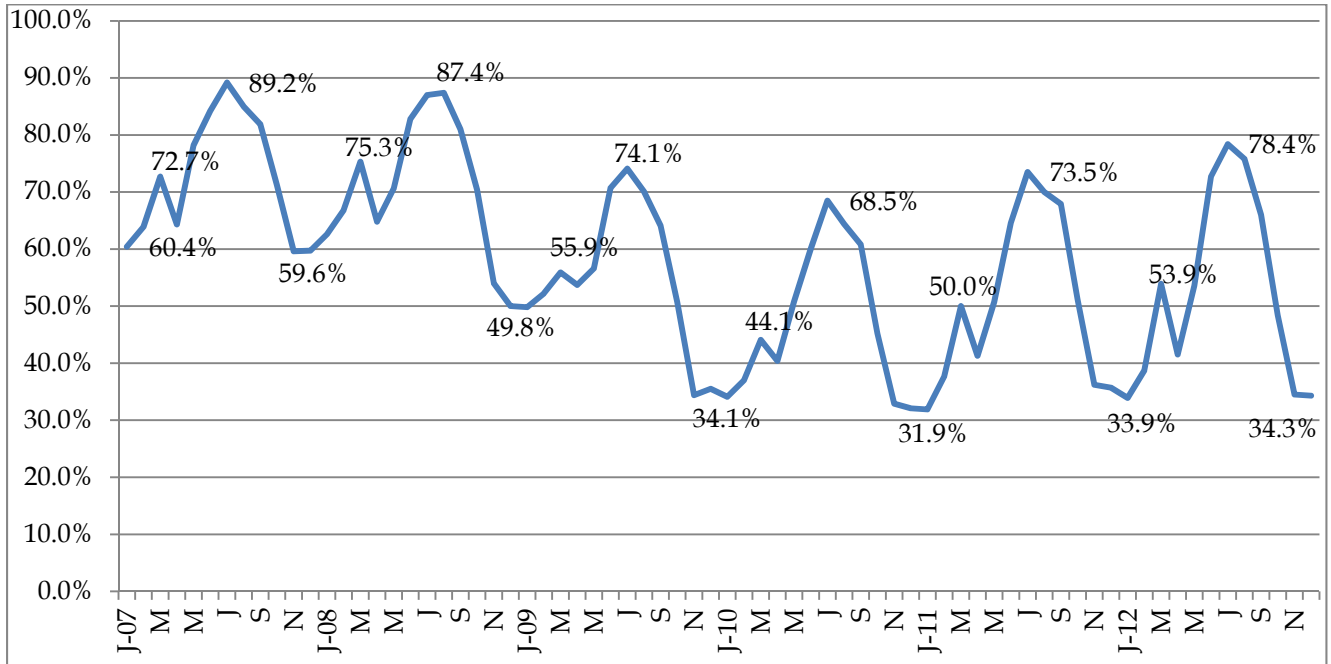


Sources: ArLand, Smith Travel Research.

The Great Recession had a serious impact on lodging establishments in Glenwood Springs. Figure 4 shows occupancy rates of Glenwood Springs hotels based on a STR survey of approximately 10 hotels with about 800 rooms in the City. There is dramatic seasonal fluctuation, which is normal for lodging businesses. While occupancies in summer months appear to be returning, occupancies in the winter months are still lagging. There could be a number of reasons for this recent phenomenon, including lingering effects of the recession. Weather could also affect activity. When lodging is

affected in Glenwood Springs, it also affects the performance of the retail and restaurants that rely on visitors for a significant portion of their revenues.

Figure 4. Lodging Occupancies in the City of Glenwood Springs

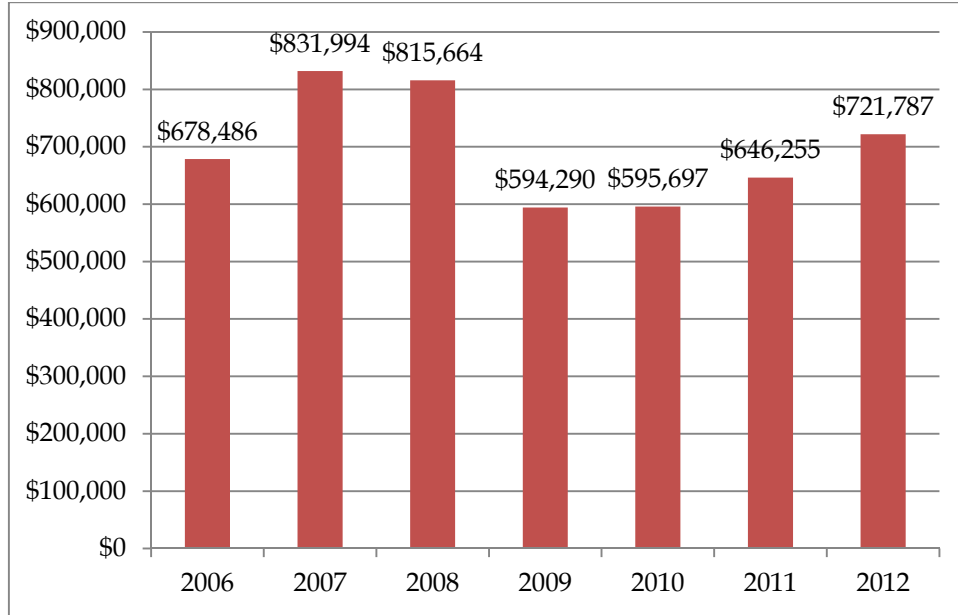


Sources: Smith Travel Research, ArLand.

Figure 5 shows the fluctuation in lodging tax revenues received by the City of Glenwood Springs for all types of lodging establishments, including hotels, motels, bed and breakfasts, etc. Lodging tax revenues have begun to climb back from their low of \$594,290 received in 2009.

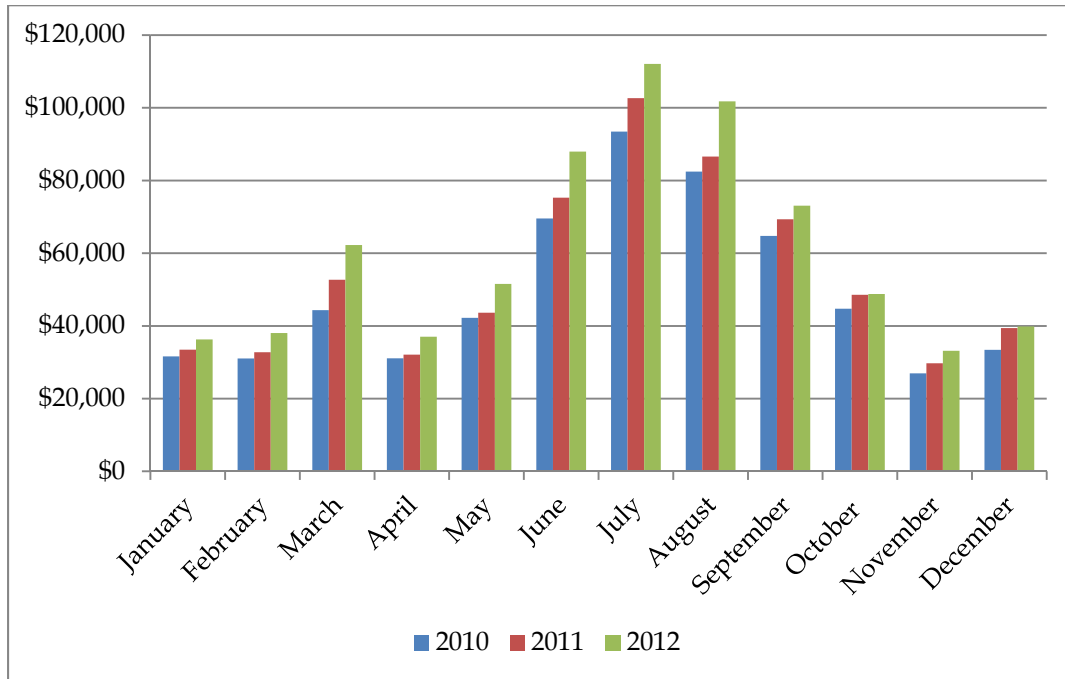
Figure 6 shows the seasonality of lodging based on lodging revenues received in Glenwood Springs, which sees a dramatic slowdown in the winter months. April and November are consistently the slowest months. Although Glenwood Springs benefits from spring break and the December holidays, in general, winter is much slower for Glenwood Springs than summer.

Figure 5. Lodging Tax Revenues in the City of Glenwood Springs, 2006-2012



Sources: City of Glenwood Springs, ArLand.

Figure 6. Lodging Tax Revenues by Month, 2010-2012

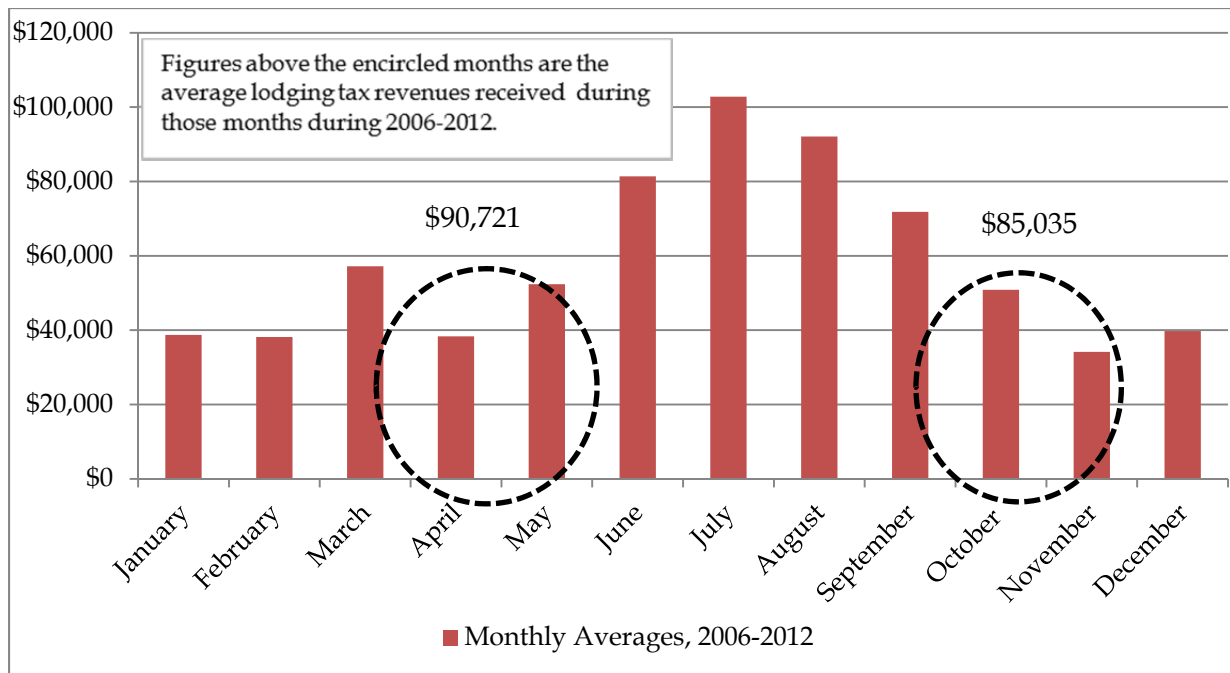


Sources: City of Glenwood Springs, ArLand.

Conversations with local businesses indicate that April-May and October-November are the “mud” or slow seasons for Glenwood Springs. Although the majority of the businesses indicated that the two slow seasons were equally slow, a small group mentioned that because of earlier springs recently, their April-May business revenues were slightly higher than their October-November revenues.

That appears to be substantiated by Figure 7, which depicts average lodging tax revenues received by month from 2006-2012 according to the City of Glenwood Springs. Based on average lodging tax revenues received during this time period, the April-May time period appears to be slightly busier than the October-November time frame. Between 2006 and 2012, April-May tax revenues received by the City totaled \$90,721, while the October-November tax revenues equaled \$85,035. Lodging tax rates stayed consistent during this time period at 3.7 percent.

Figure 7. Average Monthly Lodging Tax Revenues Received, 2006-2012

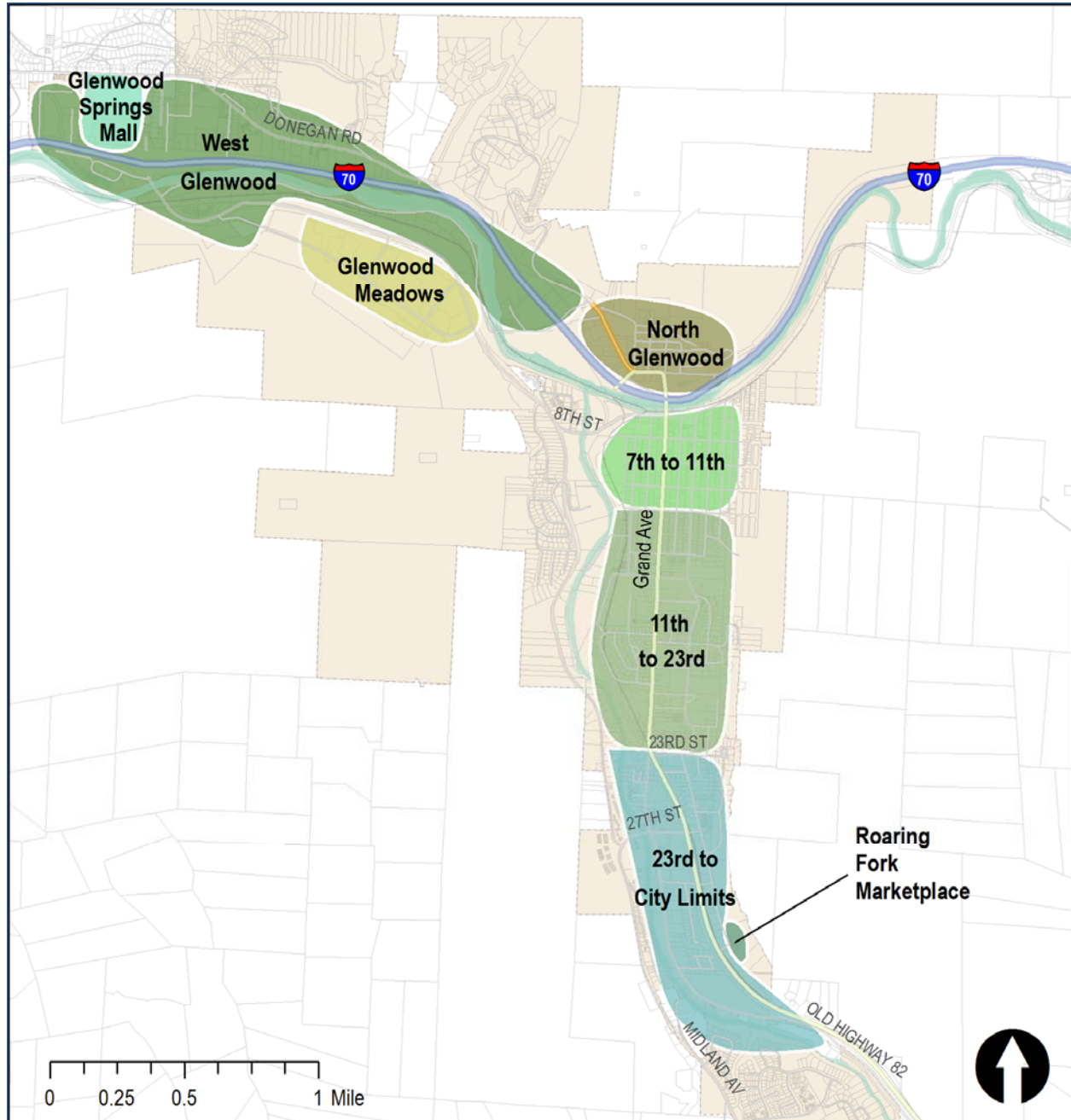


Sources: City of Glenwood Springs, ArLand.

2.1.1.3 Retail

Figure 8 shows the retail subareas in the City of Glenwood Springs according to the City’s Finance Department. Downtown Glenwood Springs encompasses the areas defined as 7th Street to 11th Street, as well some of the businesses (particularly along 6th Street) in the North Glenwood subarea.

Figure 8. Glenwood Springs Retail Districts

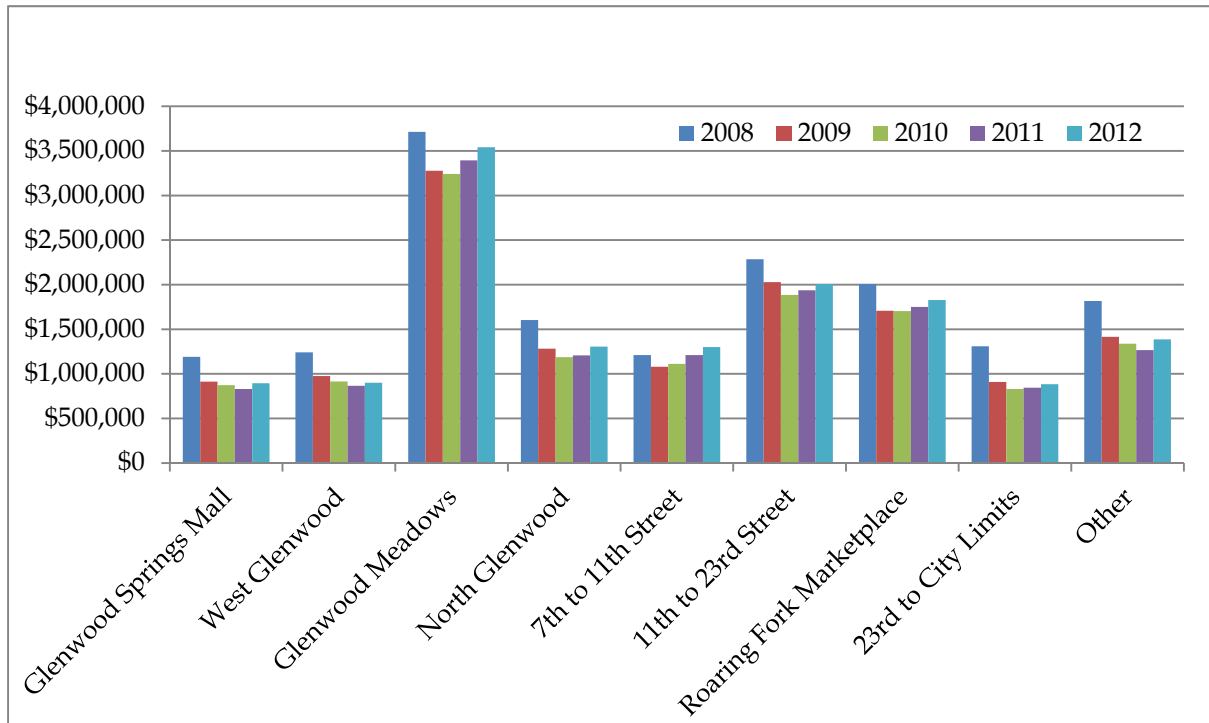


Sources: City of Glenwood Springs, ArLand.

Figure 9 shows sales tax receipts by subarea in the City of Glenwood Springs. Glenwood Meadows, located at the southwest corner of Midland Avenue and Wulfsohn Road, benefits the City with big box retailers, such as Target, Lowe’s, Bed Bath & Beyond, and Pier 1, as well personal services and restaurants. While they serve some visitors, their clients are predominantly local residents and businesses in the wider I-70 and Roaring

Fork Valley areas. If tax revenues from retailers located in the 7th to 11th Street subarea are added to tax revenues from North Glenwood, they would represent the second highest source of sales tax revenues in the City. Many of the North Glenwood retailers are located on 6th Street adjacent to the bridge or are located close to the lodging establishments.

Figure 9. Sales Tax Revenue by Area, 2008-2012



Sources: City of Glenwood Springs, ArLand.

For much of its history, downtown Glenwood Springs has served as an entertainment and recreation center for the region. According to the Glenwood Springs Chamber of Commerce, in the 1800s, Glenwood Springs had become a town with “bars and brothels, populated with gamblers, gunslingers, miners and madams.” In 1890, a bath house, lodge, and pool were built near the hot springs' source.

In addition to being a center of tourism, downtown is a government center. Glenwood Springs is the County seat for Garfield County, and many of its facilities are located in the downtown area between 7th and 8th Streets west of Grand Avenue. The City offices are also located in this area. The large number of City and County employees and associated businesses also help keep the area consistently active.

Downtown Glenwood Springs has created a successful niche as a center of retailing, tourism, recreation, civic, and cultural activities. It has unique one-of-a-kind retail and

specialty dining supporting the County’s tourism related economic base. Downtown also employs a significant number of people in a wide variety of full- and part-time jobs. Table 2 shows an estimate of retail and personal services full- and part-time employment by subarea. North Glenwood and the 7th to 11th subarea employ a significant number of persons in the lodging, entertainment, and recreation industries. Glenwood Meadows also employs a significant number of people.

Table 2. Estimated Retail and Personal Services Employment by District, 2012

	7th to 11th	11th to 23rd	23rd to City limits	Glenwood Meadows	Glenwood Springs Mall	North Glenwood	Roaring Fork Market-place	West Glenwood
Auto-related	5	14	50	0	18	10	0	23
Entertainment and Recreation	162		2	73		3		8
Lodging	232	77	4	45		265		67
Restaurant	216	145	84	127		129	8	91
Retail-General	140	79	197	157	118	5		15
Retail-Home Center				150				
Retail-Specialty and Boutique	194	39	151	107	72	51	22	18
Service-Personal	36	40	14	27	5	55	9	18
Other-Vet/Pet	6	8	15				1	4
Total	991	402	517	686	213	518	40	244

Sources: Info USA, ArLand.
Information excludes auto sales/service, business services, wholesalers, contractors, social services.

Glenwood Springs also provides a varied schedule of destination events, including art festivals, outdoor markets, and special events, that draw many local residents in addition to area visitors. Many of these events are held in downtown Glenwood Springs.

2.2 Affected Businesses

Figure 10 through Figure 13 depict the location of businesses within the areas of downtown that will experience the most direct impacts from bridge construction and subsequent changes to the bridge as a result of the realignment and reconstruction under the Build Alternative. Table 3 through Table 6 list the businesses and their industry types.

2.2.1 Businesses North of the River

The Glenwood Shell and the Kum & Go are very successful gas stations primarily due to their locations right at the I-70 interchange. The Mountain Sports Outlet, the Gear Exchange, and the Blue Sky Ski Rental sell and rent outdoor equipment. Although they appear to be oriented to drive-by traffic, all have indicated that they are also destination businesses with loyal local repeat customers. Businesses such as Springs Liquors and the Flower Mart have indicated their heavy reliance on drive-by traffic.

The businesses in this area are poised to capture drive-by customers, although existing ingress and egress can be challenging. The south side of 6th Street has angled parking in front of the store fronts, requiring drivers to back into eastbound 6th Street traffic when leaving. Heavy eastbound traffic volumes on 6th Street, especially during peak travel times, can make this maneuver unsafe and difficult. Also, parking depths on the south side of 6th Street are narrow and can be difficult to maneuver. The parking for the Mountain Sports Outlet on the north side of 6th Street is better, although access to the business from visitors traveling east on 6th Street can be challenging due to the generally heavy traffic on 6th Street, which inhibits left turns.

Figure 10. 6th Street Commercial



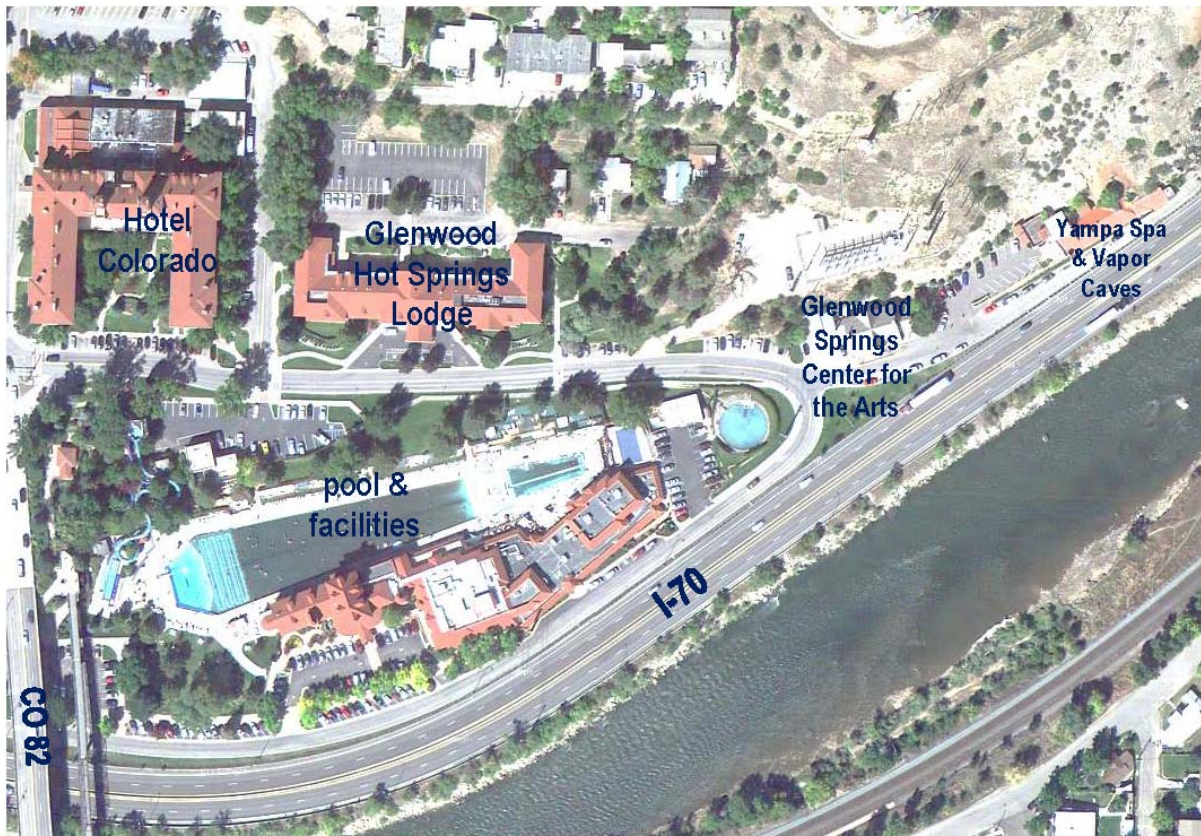
Source: ArLand.

Table 3. 6th Street Businesses

Business Name	Business Type
Starlight Lodge	Lodging
Subway	Restaurant-Fast Food
Kum & Go	Retail-Gas
Odoba	Restaurant Fast Food
Mountain Sports Outlet	Retail-Sporting Goods
KFC	Restaurant-Fast Food
Fiesta Guadalajara	Restaurant
Hotel Colorado	Lodging
Village Inn	Restaurant
Glenwood Shell	Retail-Gas
Glenwood Activities	Entertainment
Sioux Villa Curio	Retail-Souvenirs
Blue Sky Ski Rental	Retail-Sporting Goods
Springs Liquors	Retail-Liquor
Gear Exchange	Retail-Sporting Goods
Flower Mart	Retail-Flowers
General Store	Retail-Souvenirs; Misc.
Polanka	Restaurant
Natural Medicals	Retail-Medical Marijuana

Source: ArLand.

The main commercial businesses in in the northeast quadrant of the study area are dominated by lodging and pool facilities. The Glenwood Springs Center for the Arts and the Yampah Spa and Vapor Caves are also located in this area.

Figure 11. Commercial Establishments North of the River, East of Pine Street

Source: ArLand.

2.2.2 Businesses South of the River, West of Grand Avenue

Several businesses are located south of the river between 7th and 9th Streets on the west side of Grand Avenue. In general, retail and restaurants line Grand Avenue. Parking interspersed with office spaces is located behind the retail businesses. Some limited residential areas are located on the upper levels of commercial buildings. The City and County government offices are significant presences, particularly between 7th and 8th Streets. The Grind, a popular burger restaurant located on 7th Street west of the bridge, is in the process of moving to the King Mall, between 7th and 8th Streets, east of the bridge.

Interviews with a few of the businesses in the area indicated concern about the aesthetics of the bridge and the outdoor plaza area between 7th and 8th Streets since this is a particularly popular area in the summer for visitors to linger. Businesses between 8th and 9th were not as concerned about the immediate impacts of the bridge aesthetics. They expressed concern about the continued ease of pedestrian movement and the need for downtown parking.

Figure 12. Commercial Establishments South of the River, West of Grand Avenue



Source: ArLand.

2.2.3 Businesses South of the River, East of Grand Avenue

The businesses located south of the river between 7th and 9th Streets on the east side of Grand Avenue include some of the most popular restaurants in the area. The Grand Avenue wing street is a narrow frontage road fronting some of the businesses along Grand Avenue between 7th and 8th Streets. Commercial use extends to the block between Cooper and Blake Avenues along 7th Street along the river. The Hotel Denver is located in this area.

Business owners and managers had mixed feelings about the impact of potential construction. In general, businesses farther removed from the immediate bridge area were not as concerned about business impacts. Newer business owners tended to be more optimistic than longstanding owners. A few of the business owners indicated that they were planning to shut down during the full bridge closure. A number expressed optimism about the long-term benefits of the proposed changes under the Build Alternative.

Table 4. Businesses on Grand Avenue (West) Between 7th and 8th

Business Name	Business Type
The Grind	Restaurant
Rib City	Restaurant
Italian Underground	Restaurant
Lilly's Consignment	Retail-Clothing
Elizabeth Dean Boutique	Retail-Clothing
The Candlestick Maker	Retail-Candles, souvenirs
Florindo's	Restaurant - space for lease
Book Train	Retail-Books
Sacred Grounds	Restaurant
Daily Bread	Restaurant
Confetti Design	Retail-Clothing
Mountain Valley Textiles	Retail-Crafts, Textiles
Haute Plate Bistro	Restaurant-Catering
Auto Glass Specialists	Retail-Auto
City and County Offices	Government
Businesses on Grand Avenue (West) Between 8th and 9th	
Vectra Bank	Bank
Ala Carte	Retail-Clothing
Posh Boutique	Retail-Clothing
Trattoria Pizzeria	Restaurant
Gallery Mountain Ink	Services-Tattoo
Loyal Brothers Lounge	Restaurant
Luxe Nest Home Furnishings	Retail-Furnishings
Main Street Gallery and Framer	Retail-Art and Framing
Las Margarita's	Restaurant
Arcella's Bath and Beauty Retreat	Services-Beauty

Table 4. Businesses on Grand Avenue (West) Between 7th and 8th

Spyder Rose Tattoo	Services-Tattoo
Personality Clothing	Retail-Clothing
Downtown Drug	Retail-Souvenirs

Source: ArLand.

Table 5. Businesses on Grand Avenue (East) Between 7th and 8th Streets

Business Name	Business Type
Peppo Nino	Restaurant
Juicy Lucy's Steakhouse	Restaurant
Liberty Truth Bar	Restaurant
Pullman Restaurant	Restaurant
Southern Comfort Salon and Spa	Services-Beauty
Bleu Door Boutique	Retail-Clothing
High Country Gems & Minerals	Retail- Gem, rocks, jewelry
Fine Things Jewelry	Retail-Jewelry
Summit Canyon Mountaineering	Retail-Sporting Goods
Narcissus Hair Salon	Services-Beauty
Doc Holliday	Restaurant
The Spring Restaurant	Restaurant
King Mall (includes Resident Goldsmith, Grande Optics)	Retail
GNS Natural Solutions	Retail-Medical Marijuana
Belvedere Chocolates & Bookcliff Vineyards	Retail-Chocolates & wine
Fin's Grille	Restaurant
Riviera Restaurant	Restaurant
Businesses on Grand Avenue East Between 8th and 9 th Streets	
US Bank	Bank
Offices	Service-Business
TreadZ	Retail-Clothing
Allstate	Service-Business
May Palace	Restaurant
Glenwood Sew	Retail-Fabric
Post Independent	Service-Business
Anderson's Clothing	Retail-Clothing
Sunlight Rental	Retail-Sporting Goods

Source: ArLand.

Figure 13. Commercial Establishments, South of the River, East of Grand Avenue



Source: ArLand.

Table 6. Businesses on Grand Avenue (East) Between 7th and 8th Streets, Cooper and Blake Avenues

Business Name	Business Type
Pullman Restaurant	Restaurant
Oddo Engineering & URS	Service-Business
MIG Cycle and Sport	Retail-Sporting Goods
Glenwood Adventure Company	Entertainment
7th Street Salon	Service-Hair Salon
Mona Lisa	Retail-Clothing
Hotel Denver	Lodging
Glenwood Canyon Brewpub	Restaurant
Grand River Consulting	Service-Business
Artist's Mercantile & Gallery	Retail- Art Supplies
Katie's Consignment	Retail-Clothing
JH Chen Asian Bistro	Restaurant
M&N Apple Specialists	Service-Business

Source: ArLand.

There were over 100 commercial establishments (not including many of the professional offices) in the study area during the time of this analysis (see Table 7). While the area is dominated by restaurant and retail establishments, there are also other uses, such as government offices, professional and personal services.

3.0 Economic Impacts

Bridge projects can result in positive or negative impacts on local business activity because of alignment changes which affect drive-by traffic, business access, and the need for land acquisition.

The bridge and Grand Avenue have been described as both a divider and connector of the downtown area and the area to the north of the river. The pedestrian bridge is critical to downtown. It brings a significant number of visitors from the many lodging establishments located on the north side of the bridge to the large number of commercial establishments on the south side. The bridge is also the backdrop for area amenities.

Table 7. Number of Commercial Establishments in the Study Area

Commercial Establishments	
Lodging	4
Fast Food	3
Gas	2
Restaurant	25
Retail	37
Other	30+
Total	100+

Source: ArLand.

There is a sidewalk/patio area between 7th and 8th Streets on the west side of the bridge which accommodates restaurant and coffee shops patrons who enjoy lingering outdoors in the fair weather months. As many as 1,000 visitors on a busy summer day walk through this area, according to a visitor count conducted by a small business located in this area.

Even though businesses may be located near or even adjacent to the bridge, they can be impacted differently depending on their customer base. In general, businesses can be categorized, for purposes of this analysis, into the following broad categories.

- **Businesses that depend primarily on drive-by traffic.** These store types typically include gasoline stations, fast food restaurants, motels and convenience stores. These businesses tend to experience revenue growth or shrinkage in direct proportion to increases or decreases in traffic volumes, based on past studies examining the impacts of bypasses and other transportation projects. There are two gas stations within the study area north of the bridge. There is also a KFC on Pine Street and a Qdoba on Laurel Street.
- **Businesses that are specific destinations.** These store types might include sellers of consumer durables (furniture), specialty merchandise (antiques, books), specialty or destination restaurants, and some specialty retail. These businesses tend to experience revenue growth or shrinkage in proportion to changes in their strength as an attraction and the perceived speed and ease of access to their sites.

Most businesses in downtown Glenwood Springs fall into this category. While a number of them have been in business for some time and are destinations, many of the business interviews indicated that ease of access is tremendously important to accommodate the high volume of visitor traffic.

- **Businesses that cater to every-day family shopping needs.** These are businesses like grocery stores and drug stores dependent on traffic volumes, convenience, and ease of access to survive. Downtown Glenwood Springs and 6th Street have very few of these types of businesses. Exceptions include an optical shop, a framing shop, and several professional businesses (engineering, computer repair, etc.).

3.1 Temporary Construction Impacts

3.1.1 No Action Alternative

Under the No Action Alternative, there would be no construction impacts.

3.1.2 Build Alternative

The budget for the Grand Avenue Bridge construction is estimated at \$60 million, which has multiplier effects throughout the economy as money is spent for materials and labor. Construction workers spend money locally on lodging, food, gasoline and other sundries. The construction may also benefit local companies who provide some goods

and services for the project. While there would be potential benefits, there would also be impacts. The overall construction period is estimated at two years, during which time the study team estimates fully closing the bridge and diverting traffic entirely from the area for a period of approximately 90 days. The Glenwood Hot Springs pool may experience construction phases where access to their parking lot would not be available. Hotel Colorado parking would not be directly affected.

Although the Glenwood Hot Springs is a destination on its own, it also benefits from downtown proximity to restaurants and other destinations. Additionally, its 1,000-member athletic club serves members from throughout the region whose access would be impacted during the construction period.

3.1.2.1 Build Alternative Benefits

Construction impacts can be measured by the jobs and incomes of people involved in constructing the facility and the output of firms employed by the construction, as well as the additional jobs and earnings created by the construction. These impacts would peak during the construction period, and decline once the project is fully built.

The study team used multipliers developed by the U.S. Department of Commerce Bureau of Economic Analysis (BEA) to estimate the total potential impact of the Grand Avenue Bridge construction on the Glenwood Springs regional economy. BEA generates multipliers to estimate how much a one-time or sustained increase in economic activity in a particular region will be supplied by industries located in the region. Multipliers are a widely used tool in economic impact studies to measure regional impacts. According to the BEA, there are numerous examples of their use:

- Federal government agencies have used multipliers to assess the local economic impacts of federal actions, such as military base closings.
- State and local governments have used multipliers to estimate the regional economic impacts of government policies and projects and of events, such as firms locating within their state, or to assess the impacts of a range of projects, such as building a new sports facility. They have used multipliers to examine the effects of natural disasters, such as Hurricane Katrina, or of hosting special events, such as national political conventions (Bureau of Economic Analysis).

The BEA multipliers estimate the overall construction impact of the project. The multipliers incorporate the direct impact of the construction industry and the indirect impact related to the spending, jobs, and incomes created by supporting industries in the regional area (Table 8).

- *Output Impact.* The estimated output impact of \$99.7 million equals the value of construction (\$60 million) plus the impact of the purchase of goods and services generated by the construction (estimated at \$39.7 million).

- *Earnings Impact.* The project would generate wages and salaries of \$32.4 million paid to construction workers.
- *Employment Impact.* Construction would generate approximately 782 jobs.
- *Value Added Impact.* This measure estimates that the total change in the local and regional economy as a result of the project would be \$55.6 million.
- *Direct Effect Impact.* This measure estimates that there would be a change in local household earnings of \$91.9 million and the creation of 99 local jobs as a result of the project.

Table 8. Multiplier Impacts of Bridge Construction

	BEA Multiplier	Value
Final Demand		
Construction Value	--	\$60,000,000
Output Multiplier	1.6616	\$99,696,000
Earnings	0.5400	\$32,400,000
Employment	13.0279	782
Value Added	0.9259	\$55,554,000
Direct Effect		
Earnings	1.5317	\$91,902,000
Employment	1.6508	99

Sources: Bureau of Economic Analysis, ArLand.

For purposes of this analysis, it was assumed that the \$60 million in construction expenditures would take place evenly over the two-year construction period. The overall economic effects would be large because of the magnitude of the construction project, and, as a result, benefits would likely be widely dispersed throughout the region and the state.

Glenwood Springs would likely receive some of this total earnings and employment benefit; however, quantification of specific benefits to the downtown and the City as a whole would be very approximate. General effects would include:

- Construction workers would patronize and benefit some of the local restaurants; however, many would also bring food from home or other locations. A 2009 national survey conducted by the Bureau of Labor Statistics estimated that workers in the \$45,000 average wage (average wage of construction workers) range spent an average of \$12 a week on lunch expenditures away from home. Two years of construction with 782 workers spending \$12 a week results in an estimate of \$975,900 in potential revenue for Glenwood Springs restaurants.
- Lodging costs are a primary consideration for construction employees; however, some of the more moderately priced lodging establishments and apartments would likely benefit from employment of workers currently living outside the area. Past booms in oil and gas activity in west Garfield County have also resulted in increased extended stay opportunities in that area.

- Local construction companies would likely benefit from subcontracting opportunities.

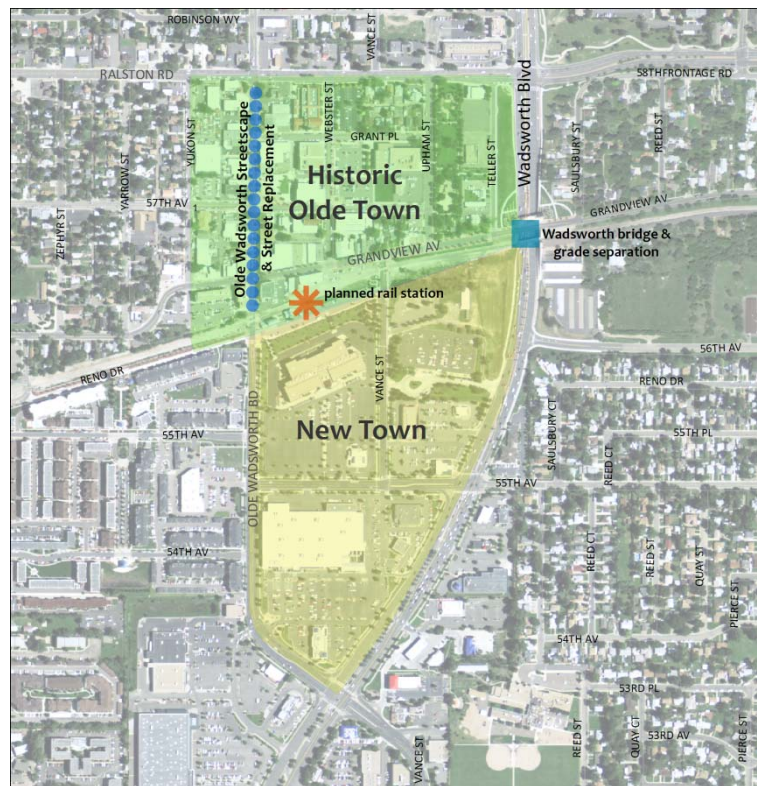
3.1.3 Adverse Effects

While downtown Glenwood Springs has undergone repaving and construction activities, the construction activity from the Build Alternative would be unprecedented in recent history. While every transportation project has its own unique attributes, the Grand Avenue Bridge project would have a special set of challenges because of the bridge's role in the regional and local economy. It is a gateway to the Roaring Fork Valley for travelers along I-70 and has been an integral part of downtown for many years. While there is no exact replica for the challenges involved in reconstructing the bridge, the study team examined several case studies for their applicability to the situation and their lessons learned. Two examples included significant bridge reconstructions next to downtowns. The bridge in the Arvada example was approximately \$30 million; the St. Croix example is estimated at \$300 million.

3.1.3.1 Downtown Arvada Streetscape, Street Reconstruction, Bridge Construction, and Grade Separation

The City of Arvada is a first-ring suburb of Denver in Jefferson and Adams Counties. With a 2010 population of over 105,000, its downtown has become a local destination because of its many activities and current retail and restaurant mix. The City was established in 1870 and houses a number of historic buildings in its downtown district, "Historic Olde Town." Through the years, the downtown has weathered turnovers in business as a result of changes in shopping habits.

Figure 14. Downtown Arvada



Source: ArLand.

Arvada's downtown is centered on Olde Wadsworth just west of Wadsworth Boulevard, a state highway and major north-south arterial in Jefferson County, carrying an estimated 50,000 cars per day.



There have been significant changes in the last ten years with respect to downtown enhancements and changes in accessibility. There have been several major transportation construction projects, and work is currently ongoing due to the build-out of the FasTracks transit system in the Denver metropolitan area. At the same time, downtown Arvada has transitioned from mostly antique and “hobby” stores to a retail destination with a unique mix of stores and activities. Long-time retail destinations,

such as DiCicco’s restaurant and a number of others, have been successful throughout the years and are now complemented by new offerings such as microbrew restaurants, a jazz club, coffee, yogurt, and other niche restaurants.

Some of the more significant downtown Arvada transportation work includes the following:

2004 Streetscape and Street Replacement

The streetscape and street replacement work took place on Olde Wadsworth from Ralston Boulevard to the railroad tracks. The work took place over a three month period of time in the winter and was staged block by block from building face to building face. It expanded the sidewalks to allow trees and small patios, installed pavers on intersection crosswalks, and removed diagonal parking. In addition to streetscape and sidewalk work, the City took the opportunity to replace the water main and storm sewer. The work was funded by the Arvada Urban Renewal Authority (AURA) and managed by the City of Arvada.

2009 Railroad / Wadsworth Bridge Construction and Grade Separation

Wadsworth Boulevard is a north-south state highway carrying a significant amount of traffic. Adjacent to downtown Arvada, it was traversed by a Burlington Northern and Santa Fe at-grade railroad crossing built by the Colorado State Highway Department (now Colorado Department of Transportation [CDOT]) in the 1950s. Critical traffic problems occurred every time a train crossed at the at-grade crossing. An average of five trains per day crossed the highway – several during peak traffic periods – stopping traffic for eight to ten minutes, creating what had become unacceptable delays.



The project lowered the highway by nearly 25 feet, creating a bridge overhead (and pedestrian plaza) for the railroad tracks and Grandview Avenue (see Figure 14 on previous page). It was designed to allow for the future FasTracks light rail project. Construction began in September of 2006 and ended in December of 2008. It was

originally forecast for 18 months. The estimated cost of the project, including design, property acquisition, and construction, was approximately \$30 million. Funding was secured from a number of sources, including \$19 million in Federal and State formula funds, \$6 million from Arvada, and \$5.7 million in Federal earmarks. Funds from Arvada were used primarily for bridge “enhancements.”

While CDOT maintained constant communication and access during the course of the project, several businesses were displaced on both sides of Wadsworth due to highway widening, including Goodberries, which was a local restaurant destination. The restaurant closed permanently. Another impact of particular concern to downtown businesses at the time was the removal of the left turn lane from Wadsworth into downtown along Grandview. It removed the only direct access from Wadsworth into downtown.

Despite the transportation challenges, downtown Arvada is stronger than ever. Many of the longtime restaurant destinations have been able to stay in business while additional retail and restaurants have been added to the retail mix. Many of these new businesses occupy formerly vacant space. While office development has been a bit challenging because of the downturn, downtown Arvada is becoming a regional destination¹.

RTD (Regional Transportation District) FasTracks Project



The RTD FasTracks project is a \$6.5 billion expansion of the regional transit system in the Denver metro region approved by Denver metro residents in 2004. The project proposes to add six additional rail transit lines, bus routes, approximately 70 transit stations, and associated parking. Although the entire system build-out schedule is in question due to funding shortfalls, Arvada is on the FasTracks Gold Line, which has been funded and is currently under construction,

scheduled to open in 2016. The commuter rail line will connect downtown Denver to Wheat Ridge (Jefferson County) with three stations in Arvada. Construction has begun with utility relocations. Future work includes street closures, primarily impacting downtown Arvada businesses in order to lay tracks, build the station, test run trains, etc. The City also fears that the greatest impact from FasTracks will be lack of parking around the station area. The City is currently negotiating with RTD about the construction of a parking structure near the station, and is currently examining the feasibility of another parking structure in downtown.

Findings from Arvada most applicable to Glenwood Springs include the following:

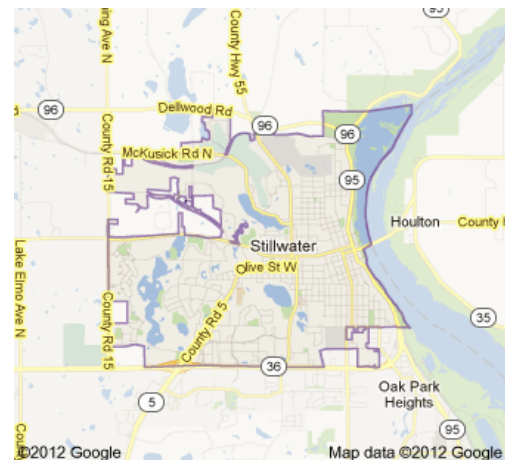
¹ Interview with Bill Honer, City of Arvada, Civil Engineer, August 10, 2012 and City of Arvada website.

- Downtowns constantly evolve in order to survive. Downtown Arvada has transitioned from mostly antique and hobby stores to a retail destination with a unique mix of stores and activities. Long-time retail destinations are now complemented by new offerings. Downtown Glenwood Springs has been undergoing the same evolution.
- Changes to infrastructure, such as streetscape, transportation access, etc., can be challenging to individual and collective businesses in the short term. The City of Arvada has been extremely proactive in planning for and addressing the changes. Because of the current transportation improvements being made, downtown businesses continue to remain challenged; however, the downtown has seen consistent improvement and greater success.
- Arvada is part of the regional Denver metropolitan area, which has seen consistent positive growth and change. Downtown Arvada would have a harder time succeeding if the larger regional economy were unsuccessful.

3.1.3.2 St. Croix River Crossing, Minnesota and Wisconsin

St. Croix River Crossing is a national example of a fairly significant bridge realignment and construction project adjacent to downtown Stillwater in Minnesota. The bridge links Minnesota and Wisconsin (see Figure 15). The economic impact analysis from 2004 focuses attention on economic impacts associated with the bypass of downtown Stillwater, the reconfiguration of interchanges, new frontage roads and alignments. Estimated at \$300 million, construction is expected to begin in 2013.

Figure 15. St. Croix River Crossing



Findings most applicable to Glenwood Springs include the following:

- A 1999 survey of downtown Stillwater visitors confirmed findings that downtown Stillwater’s historic retail district is a special destination that draws shoppers and tourists from a wide area. It showed that downtown Stillwater’s economic base depends on access from the Twin Cities area to the west, rather than from traffic to the east across the bridge.
- Changes in downtown traffic volumes and access were projected to have a potentially greater and more widespread impact on downtown’s 87 businesses than the potential taking of a few existing businesses. Since most of the businesses were determined to cater to tourists, residents, and others coming specifically to visit

downtown, they are most affected by the potential for their clientele to easily access the area.

- While few of the downtown businesses are strong destination attractions by themselves, the combined mix of businesses in the area represents a regional destination. Because a new bridge will help ease congestion, a new bridge would, in the long term, increase the attractiveness of visitation to the downtown area during peak summer months.
- Although most of the downtown businesses cater to the specialty and visitor markets, there were a few downtown businesses that cater to the needs of local residents (i.e., pharmacy, sporting goods, etc.) A new bridge was deemed to have potentially mixed results for those businesses since the new bridge would bypass them.
- The City proactively planned for future development and revitalization in the downtown area. Future success of the area was deemed to hinge on the extent to which the City follows through on its growth and development plans.
- Based on other surveys and research, communities and business districts with strong identities as destinations for visitors or local shoppers are those that are most likely to be strengthened due to the reduction in traffic delays.
- The proposed bridge activity and highway access routes were projected to lead to relative shifts in the location of traffic movements and changed levels of accessibility to various locations. All of these economic impacts would be classified as local level effects and would represent locational redistributions of business activity.



3.1.3.3 Case Study of Construction Impacts

The perception of inconvenience may keep visitors away, according to interviews with area businesses and a case study of business revenue losses as a result of transportation-related construction. For commercial properties, disruptions lead to loss of business revenue and thus, loss of achievable rents. According to the Transit Cooperative Research Program, typical businesses may face about a 10 percent loss in annual revenues due to construction impacts. Businesses that are highly dependent on drive-by customers and access (e.g., gas stations) may see revenue losses of 40 percent or higher depending on the length and magnitude of the construction period (ECONorthwest, 2002).

Table 9 shows case studies of businesses impacted by construction in Indiana and Wisconsin. Note that these figures are based on information reported by companies following construction, the data were not independently verified, and businesses that failed during construction were not included. Most of the businesses in downtown

Glenwood Springs and along 6th Street would fall in the “Restaurant and Tavern” category and in the “Other Retail Businesses” category. Reported declines in sales volume for these businesses range from 16 percent to 28 percent.

Table 9. Sample Ranges of Construction Impacts on Businesses

Type of Businesses	Reported Declines in Sales Volume During Highway Construction
Gasoline service stations, car washes and other non-repair automotive service establishments	13 to 42%
Groceries, convenience stores, bakeries, and other food stores	13 to 31%
Restaurants and taverns	16%
Furniture and furnishings, consumer electronics, music, computer and other retail businesses	17 to 28%
Wholesale businesses	3%
Professional services	2%

Source: ECONorthwest, Parsons Brinckerhoff Quade and Douglas, TCRP Report 78, *Estimating the Benefits and Costs of Public Transit Project: A Guidebook for Practitioners*, 2002. Originally from case studies as described in ERA, Rivkin Associates, Daniel Mandelker and Brian Blaesser, Robinson & Cole, prepared for the Federal Highway Administration, *An Assessment of the Effects of Public Project Acquisitions on Adjacent Business*, October 1996.

The effects of construction and other impacts vary considerably based on the duration and magnitude of the project. This underscores the need to avoid delays once construction begins. Negative impacts can be somewhat reduced through good signage and a marketing campaign that reminds people that businesses are open.

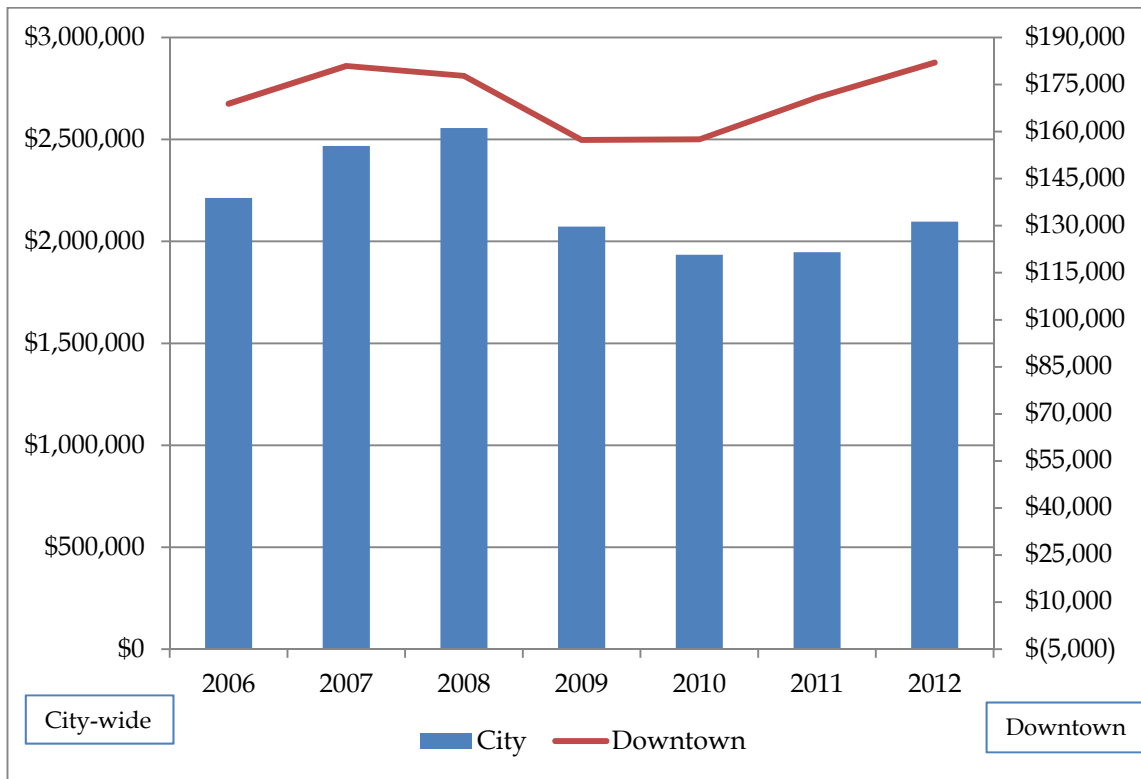
3.1.3.4 Downtown Glenwood Springs Pedestrian Bridge Case Study

Glenwood Springs has experienced past transportation construction projects that have closed portions of Grand Avenue or diverted traffic. One example that was mentioned and discussed during a number of the business interviews was the closure of the pedestrian bridge about three years ago. The current pedestrian bridge, constructed in 1985, was resurfaced in April and May 2010, effectively closing the bridge to all pedestrian traffic over the Colorado River. Interviews with local businesses open during this time indicated that a majority believed that there was a decrease in business revenues of 10 to 50 percent during the time period of construction. The impact was primarily felt on the south side of the bridge. Interviews indicated that businesses on the north side of the bridge were unaffected.

The perception of a decline in sales in the downtown area (primarily south of the river) due to repaving of the bridge was also exacerbated in April 2010 by a sharp downturn in the overall economy beginning in 2009, which affected the City as a whole as well as downtown. Figure 16 shows sale tax revenues for the City (in blue) and for downtown (defined as 7th to 11th) (in red) for April and May of the years indicated. In 2009 and 2010, the downtown and the City as a whole experienced a notable loss of sales tax revenue (nearly 15 percent) compared to revenues received in previous years for the two-month periods of April and May only. The recession hit all retail businesses during this time period. There may have been different reasons for decreases in different areas.

In the 7th Street to 11th Street area, the pedestrian bridge repaving project may have affected some of the businesses. Additionally, downtown spending is more discretionary and visitor-dependent, so when the economy goes into a recession, this type of spending is the first to get cut for most families.

Figure 16. City-wide and Downtown Sales Tax Revenues, April-May of 2006-2012



Sources: City of Glenwood Springs, ArLand.

** Note that downtown revenues are shown on the secondary axis.

Figure 16 illustrates, however, that sales activity in downtown Glenwood Springs broadly tracks the wider economy of the City. By the end of 2009, sales tax collection from 7th to 11th Streets as an overall percentage of city sales tax collections grew to a share greater than in previous years. While there have been fluctuations in sales tax collected between 7th and 11th Streets following 2007, downtown as an overall percentage of sales tax revenue collected citywide appears to be on an upward trajectory (Table 10).

Table 10. Downtown Sales Tax as Percentage of Total City Sales Tax

Year	7th to 11th Streets	All Glenwood Springs	Percent of Total
2007	\$1,222,125	\$16,530,216	7.4%
2008	\$1,211,071	\$16,378,515	7.4%
2009	\$1,078,853	\$13,584,104	7.9%
2010	\$1,112,329	\$13,084,823	8.5%
2011	\$1,209,677	\$13,307,523	9.1%
2012	\$1,300,069	\$14,046,787	9.3%

Sources: City of Glenwood Springs, ArLand.

3.1.3.5 Case Study Conclusions

The case studies present a variety of different scenarios and lessons learned. They are as follows:

- Maintaining business access through the provision of alternative routes, signage, and constant communication with businesses should be a high priority for the agencies involved in managing project construction.
- Despite all efforts, businesses do see a drop-off in activity, particularly when construction is most heavily impacting them and access is confusing and/or difficult.
- Business that rely heavily on drive-by traffic, such as liquor stores, gas stations, and some restaurants and retail establishments, appear to suffer more heavily compared to businesses that are more destination oriented.
- While some businesses are regional attractions, it is the combined mix of business that makes the downtown strong. In Arvada, several businesses, such as DiCicco’s (Italian family restaurant), the Army Navy store, and a few others, have stayed in business during the last ten years. In addition, downtown has seen the addition of businesses that serve a regional restaurant and retail market, likely enhanced by greater regional accessibility. It formerly served just the local population.
- In Arvada’s Grandview area has seen the greatest positive change in all of downtown, despite the concern of downtown businesses about the left turn lane closure from Wadsworth Boulevard onto Grandview. Fairly recent new business additions include the Arvada Beer Company, Dnote, (an entertainment and music venue), and some additional restaurants and coffee shops.
- Businesses that are suffering already will likely experience challenges.

- Downtown economies track the broader regional economies in which they are located.
- Mitigation activities include more proactive communication, signage, special events, and sales and marketing activities for businesses that are affected by construction. Loan programs may be helpful. In Arvada, the City and the Urban Renewal Authority have offered no or very low interest loans to those businesses which have been affected by construction and downturn in business.

3.1.3.6 Summary of Construction Period Beneficial and Adverse Effects

Overall, construction of the Build Alternative would take place over a period of two years, with pedestrian access remaining intact during the entire time. While the bridge area would completely close for approximately 90 days to move the bridge into place, most of the construction elements would be completed outside of the existing SH 82 route during most of the construction duration at staging areas, yet to be determined. Likely candidates, however, would include the Glenwood Hot Springs parking lot, as well as a few other locations in the vicinity. There would be an increase in construction traffic and noise and other nuisances in and near those staging areas, which would impact businesses in the immediate vicinities.

A variety of parking and traffic rerouting measures would be undertaken. They include the following:

- **Temporary Detour.** Traffic would be rerouted via a temporary detour connecting the 8th Street bridge to 8th Street downtown, allowing traffic on Midland Avenue to access downtown via 8th Street. This connection would enable commuters and others to more easily access downtown businesses on the south side of the bridge.
- **Parking.** The Build Alternative would require both temporary and permanent impacts to parking in the study area. Because of the small number of impacted spaces, the replacement spaces in the Glenwood Hot Springs parking lot, and the creation of more pedestrian-friendly environments, this is not anticipated to have a great impact on the level of business activity in these areas.
- **Glenwood Hot Springs.** A bridge abutment and piers for the new Grand Avenue Bridge would be constructed in the existing Glenwood Hot Springs parking lot located west of the existing Grand Avenue Bridge. This would require removing several parking spaces (the number of removed parking spaces will be determined during final design). When the existing Grand Avenue Bridge abutment is removed, the parking lot could be extended to the east, creating a new area for replacement parking spaces. Therefore, no net loss of parking spaces for the Glenwood Hot Springs parking lot is expected.

Construction activities would occur in the parking area to excavate bridge pier foundations (up to two for the Grand Avenue Bridge and two for the pedestrian

- bridge), relocate utilities, construct the Grand Avenue Bridge and new pedestrian bridge, reconstruct parking spaces, and stage other construction activities. These activities would impact parking spaces at various times throughout the construction period.
- **6th and Laurel Intersection Area.** Parking may be reconfigured in the Village Inn and Subway parking lots to improve access with the new roundabout. This may require some temporary reductions in the number of parking spaces.
 - **700 to 800 Block of Grand Avenue.** The existing parking on the Grand Avenue wing street would be removed during demolition of the Grand Avenue Bridge. It would be replaced with a more pedestrian friendly area that would extend under the bridge.
 - **7th Street.** 7th Street would be closed during the approximately 90-day full bridge closure. At other times during the construction period, 7th Street between Cooper and Colorado would be converted to one lane, with either a one-way westbound or alternating direction one-way operation to accommodate buses and other trucks needing downtown access for businesses. This is necessary to provide room to construct bridge abutments and piers near 7th Street, provide space for construction equipment and materials, and improve traffic operations at the 7th Street/ Colorado Avenue intersection. This work would require the removal of about 10 to 12 on-street parking spaces.
 - **I-70.** Although I-70 would be closed up to ten times during construction, these closures would take place overnight only.

Despite all efforts to maintain access and minimize noise, traffic, parking and construction nuisance, businesses would likely suffer a decline in sales, but would recover over time. It is imperative that construction stay on schedule. Businesses that are “destinations” tend to fare better. The biggest impacts would likely be felt by some of the more marginal businesses, which may lose enough sales in the short term to cause them to eventually close.

Overall construction activities would inject \$99.7 million (including the multiplier impact) into the local economy. These benefits would also be somewhat dispersed over a wide regional area since the majority of the construction crew is likely to come from the region and state. Local restaurants would likely be the primary beneficiaries of construction crew spending.

Moving the new Grand Avenue Bridge would require complete closure of the bridge, and is planned to take place over an approximately 90-day period within a two-year time period. 7th Street, 8th Street, Colorado Avenue, and Cooper Avenue would be converted to a one-way counter-clockwise loop. During the full closure period, local business revenue is expected to further decline. Interviews indicate that the decline may

be as high as 50 percent; however, the closure is planned to coincide with seasonal slow periods when revenues are down. Additionally, a couple of business owners have indicated that they would leave for an extended vacation during that time.

During the full bridge closure period, a temporary detour connecting the 8th Street bridge to 8th Street downtown would connect traffic on Midland Avenue to downtown on 8th Street. This would result in traffic pattern changes between the north and south sides of downtown Glenwood Springs. During construction, businesses along Grand Avenue between 7th and 8th Streets, on 7th Street, along 6th Street, and on West 6th Street adjacent to and west of the 6th and Laurel intersection would be less visible to drive-by traffic. Also, trips to these businesses by car might require out-of-direction travel along Midland Avenue, which could reduce sales.

During the full bridge closure, retail in other parts of Glenwood would be expected to benefit from the temporary detour, which would help offset some of the negative effects of construction on some downtown businesses. Glenwood Meadows would potentially be a convenient alternative for some shopping trips as it has some local restaurants and retail. The shopping center also has Target, Lowe's and other similar type of retailers which are destinations for local residents for household shopping. While they are convenient for a few sundry items, visitors and tourists to the area typically prefer a more unique retail environment rather than a center similar to what they may have in their own communities.

After construction is complete, the downtown economy should fully recover. The Glenwood Springs economy is bouncing back from the Great Recession and the City is proactively preparing for the changes that construction will bring. The Glenwood Springs Chamber of Commerce and the Glenwood Springs Downtown Partnership (Downtown Partnership) are also planning downtown activities during the construction period to assure the general public that businesses are open and to encourage local patronage.

In addition to the short term construction impacts on many of the businesses, the Build Alternative would also result in a property taking of the Glenwood Shell station (106-6th Street). A fuller description of this impact is discussed in Section 3.2.2.

3.2 Land Acquisition and Access Changes

3.2.1 No Action Alternative

Under the No Action Alternative, no land acquisition would be needed.

3.2.2 Build Alternative

Under the Build Alternative, the Glenwood Shell station would be fully acquired. The Build Alternative would also require partial acquisitions of properties currently primarily used for parking purposes at the Glenwood Hot Springs, as well as small slivers of properties at the Kum & Go retail-gas station and the Subway restaurant.

However, because parking impacts would be mitigated and access would be maintained, these partial acquisitions are not expected to affect the long-term operations or contributions to the local economy by these businesses.

When land acquisition is involved to support transportation improvements, property owners are to receive fair market value for their land and business. At the time of the interview with the Glenwood Shell station property owner (March 22, 2013), the owner was uncertain about his future plans. Should the property owner relocate elsewhere within the City, it can be assumed that fiscal benefits generated from the business such as taxes and employment would generally be replaced locally. However, the Glenwood Shell station is a very successful business partially due to its location right at the entrance to the downtown area and City from I-70. It may be somewhat difficult for the owner to replicate its success within the City of Glenwood Springs.

The demand for gasoline, tires, convenience items, and other services the Shell station provides would likely not disappear. The Kum & Go station across the street may be a beneficiary of some of the demand, as well as other gas stations and tire stores in other parts of Glenwood Springs.

Characteristics of the Glenwood Shell station property to be fully acquired under the Build Alternative are in Table 11.

Table 11. Characteristics of Commercial Parcel to be Acquired

Business Name	Glenwood Shell Station
Address	106-6th Street
Number of Parcels	1
Land Area (sq. ft.)	26,675
Building area (sq. ft.)	1,856
Land Value	\$327,570
Building Value	\$120,250
Total Property Value	\$447,820
Property Taxes (City, County, Colorado Mountain College, Water)	\$9,460
Estimated City Retail Sales Tax Generated (3.7%)	\$166,500
Number of Employees	10
Estimated Payroll Value [1]	\$249,600

[1] Assume \$15 per hour at 32 hours per week and 52 weeks per year, based on interview indicating full and part time employees making from \$11 and up.

Sources: Garfield County Assessor's Office; interview with business owner March 21, 2013; ArLand.

The property taxes currently generated by the Shell gas station are approximately \$9,460 (2013 taxes). The total property value is estimated at \$447,820 based on the assessor's estimation of value. The estimated city retail sales tax generated from the Glenwood Shell station is approximately \$166,500 annually, over 1 percent of total City sales tax revenue.

Beyond the local taxes estimated here, businesses also pay federal and state income taxes. Employees also pay federal and state income taxes on their income earned. Glenwood Shell station, because of the nature of its business, pays into the federal and state highway users tax funds and fees related to the sale and disposal of tires.

3.2.2.1 Build Alternative Access Changes

Under the Build Alternative, most of the regional traffic would no longer pass many of the stores currently on 6th Street. The proposed 6th and Laurel roundabout intersection would greatly improve traffic operations compared to the No Action Alternative, which would reduce congestion along 6th Street and help customers access those businesses. The DDA is currently undergoing a planning process focusing on redeveloping the area and making it more pedestrian-friendly for the many visitors who walk between the hotels north of the river and the downtown businesses on the south side of the river.

The Build Alternative would affect the nature of access and visibility for the businesses along 6th Street on either side of the street. The remaining traffic would be local; however, the decrease in traffic and future public realm improvements by the DDA would result in a more pedestrian-friendly zone. The creation of more pedestrian-friendly environments would encourage people to walk to their destinations, thus reducing some parking demand.

There are several businesses on 6th Street. On the north side of the street, they include:

- Starlight Lodge
- Subway
- Qdoba
- Kum & Go retail-gas station
- Mountain Sports Outlet
- KFC
- Fiesta Guadalajara Restaurant

Gas stations and fast food outlets are among the business types most affected by changes in location. There would be acquisition of a very small portion of the Kum & Go Station and the Subway properties, which would not directly affect their long term operations.

However, additional signage would be helpful for both of these businesses to ensure that customers can find them. While KFC may be affected in the short term by changes, it would continue to remain accessible to pedestrians and other local traffic.

Businesses on the south side of 6th Street include:

- Sioux Villa2 Curio
- Blue Sky Ski Rental
- Gear Exchange
- Springs Liquors
- Flower Mart
- General Store
- Polanka Restaurant
- Natural Medicals

Interviews indicated that two of the businesses felt that they were destination businesses, had a local reputation, and would be fine in the long term. One of the businesses indicated that business activity was currently fairly slow, signifying that the construction period would be very challenging for long-term survival. Two of the businesses indicated that they would probably relocate because they were highly dependent on drive-by traffic. The owner of one of the businesses indicated that he would remain in business through construction and then retire. One of the businesses is relatively new to the 6th Street area and represents an expansion by one of the businesses south of the river.

In the long term, despite these business changes, it is anticipated that any potential business losses or changes would be replaced by new or replacement business in the same location, resulting in little change in effects to the community.

3.2.2.2 Build Alternative Redevelopment and Long-Term Business Changes

The City of Glenwood Springs, in its 2011 *Glenwood Springs Comprehensive Plan*, indicated a desire for more intensive and efficient development of storefront retail and office space along the 6th Street area along with structured parking for the Glenwood Hot Springs pool. The plan encourages the addition of housing units in any redevelopment of the site. The slowdown in traffic and a more pedestrian-oriented public realm in the 6th Street area leading up to the pedestrian bridge would provide an atmosphere conducive to potential redevelopment. The City is planning a subarea planning process for the area shortly.

Any redevelopment would likely result in greater property values, tax and other fiscal benefits, in addition to the benefit of extending a downtown walkable environment to the north side of the river and up to the area where the majority of hotel rooms are located.

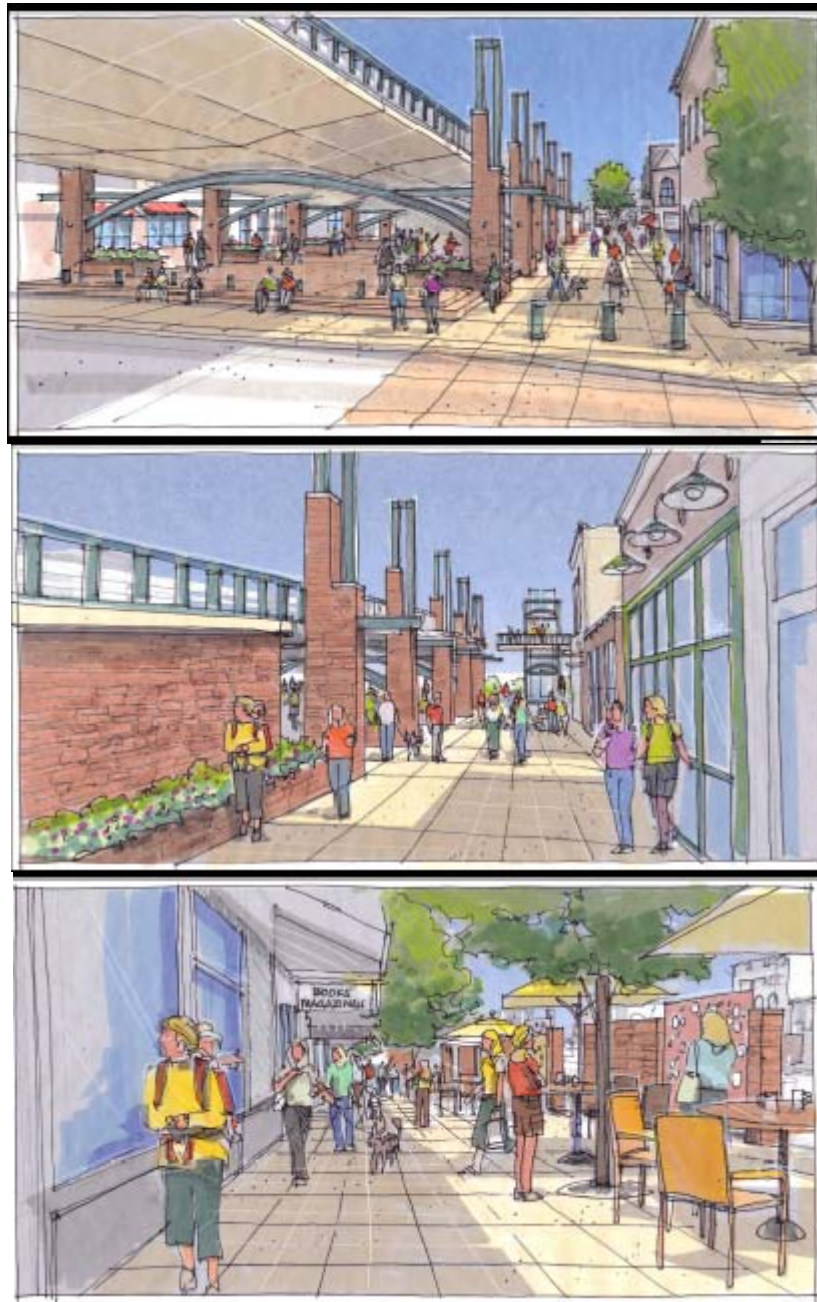
On the south side of the river, the aesthetic impact of the new bridge has been debated given the close proximity of many of the businesses located between 7th and 8th Streets to the bridge. The study team and DDA have been working closely to ensure that the sidewalk/plaza area on each side of the bridge remain as wide and as pedestrian-friendly as possible. On the east side of the bridge, the Grand Avenue wing street would be removed and replaced by a pedestrian plaza. While concerns have also been expressed about where the pedestrian bridge lands, a location enabling good access to streets on the south side would ensure that all businesses have good accessibility to visitors arriving via the bridge. Figure 17 and Figure 18 show some of the graphics displayed to the public by the DDA in planning for the public areas. While these figures are very conceptual, they show some of the redevelopment opportunities that could result from the project, as envisioned by the downtown group.

Figure 17. Overview of 7th Street



Source: StudioINSITE, 2013.

Figure 18. Depictions of Grand Avenue Bridge Area between 7th and 8th Streets



Source: StudioINSITE, 2013.

The new Grand Avenue Bridge would be higher and in closer proximity to businesses along Grand Avenue between 7th and 8th Streets than the existing bridge. The higher bridge would block views across Grand Avenue to a slightly higher degree than the existing bridge. Businesses on Grand Avenue would remain visible and accessible to motorists and pedestrians, and the proposed improvements described above would

create a more visually pleasing and inviting environment than current conditions. Therefore, businesses along Grand Avenue are not expected to be impacted by the new highway bridge.

3.3 Summary

3.3.1 No Action Alternative

Under the No Action Alternative, there would not be a considerable change to the downtown area. As discussed, businesses will come and go, but downtown Glenwood Springs would likely remain a major regional visitor destination. Over a period of several decades, most of the downtown commercial district would experience a major turnover in retail stores and restaurants, so some businesses may be replaced by different business types regardless of the alternative chosen. Downtowns are often successful because of the gathering of businesses in locations convenient and conducive to pedestrian activity, and can often be the sum of all the businesses in the downtown.

Indirect impacts would result from increased traffic volumes and congestion along SH 82 and 6th Street. For example, by 2035, level of service (LOS) at the 6th and Laurel intersection under the No Action Alternative would worsen to LOS D and E for the morning and afternoon peak hours, respectively. Visitors and the local community would experience congestion along the study area roadways and would find it more difficult to access businesses in the downtown area and on 6th Street. The DDA's plans for redeveloping 6th Street would be more difficult to implement.

3.3.2 Build Alternative

Under the Build Alternative, the overall construction would inject \$99.7 million (including the multiplier impact) into the local economy; however, the benefits would be somewhat dispersed over a wide regional area. Overall bridge construction would take place over a period of two years with pedestrian access remaining intact during the entire period. Although most of the construction elements would be completed outside of the existing SH 82 route at staging areas during most of the construction duration, there would be increases in construction traffic and noise, other nuisances in and near those staging areas which will impact businesses in the immediate vicinities.

Most downtown businesses would likely suffer a decline in sales, despite all efforts to maintain access, and minimize noise and construction nuisance. It is imperative that construction stay on schedule. Businesses that are "destinations" would tend to fare better. The biggest impacts would likely be felt by some of the more marginal businesses, which may lose enough sales in the short term to cause them to eventually close.

During the full closure period, local business revenue would further decline. Interviews indicate that the decline may be as high as 50 percent; however, it is planned to coincide with one of the slow periods in Glenwood Springs when revenues are down anyway.

Additionally, a couple of business owners have indicated that they would leave for an extended vacation during that time.

During the closure period, a detour route would be provided along Midland Avenue. Retail in other parts of Glenwood Springs would benefit from the diversion, including Glenwood Meadows, as it has some local restaurants and retail. However, visitors typically prefer a more unique retail environment rather than shopping that is similar their own communities.

Under this alternative, the Glenwood Shell station would be fully acquired. The property taxes currently generated by the property are approximately \$9,460 (2013 taxes). The total property value is about \$450,000 based on the assessor's estimation of value. The estimated city retail sales tax generated from the Glenwood Shell station is approximately \$166,500 annually, about one percent of total City sales tax revenue. Beyond the estimate of local taxes, businesses also pay federal and state income taxes. Employees also pay federal and state income taxes on their income earned. Glenwood Shell station, because of the nature of its business, pays into the federal and state highway users tax funds and fees related to the sale and disposal of tires.

The Glenwood Springs economy is bouncing back from the Great Recession and the City is proactively preparing for the changes that construction will bring. In the 6th Street area, the reconstructed bridge would lead to a new alignment and, therefore, some shifts in traffic movement. The slowdown in traffic and a more pedestrian-oriented public realm leading up to the pedestrian bridge would provide an atmosphere conducive to potential redevelopment. Any redevelopment would likely result in greater property values, taxes, and other fiscal benefits in addition to the benefit of extending a downtown walkable environment to the north side of the river up to the area where the majority of hotel rooms are located.

The economic development literature suggests that the long-term business success of any downtown, particularly those that are impacted by significant construction and access changes, is dependent on the local planning, preparedness, and response to the changes, as well as the strength of the broader economy. The City is proactively planning for the changes to ensure that the downtown business environment remains successful.

4.0 Mitigation

Typical mitigation measures for transportation construction projects include maintaining business access, enhanced communications with businesses, hotel voucher and alternative transportation programs, additional signage, and public outreach to let the wider region know that the area is open for business. Case studies of the economic impact of bypasses and transportation projects also point to proactive planning, in addition to sensitive and appropriate urban design measures, to ensure that projects are compatible with an area.

Given the potential impact, length of construction, and potential complexity of the project, CDOT could undertake the following mitigation measures:

- Design the Build Alternative to maintain and, where possible, improve access to existing businesses.
- As part of the right-of-way process, coordinate with the Glenwood Hot Springs to identify a solution to compensate for parking impacts.
- Using the established CSS process, work with stakeholders to incorporate design features to enhance business and tourism opportunities. CDOT has committed to providing Context Sensitive Solutions for its projects, with a particular focus on projects in the I-70 mountain corridor. Examples include incorporating features into the pedestrian bridge that enhance and strengthen the pedestrian connection between the downtown core and 6th Street, and into the new intersection at 6th and Laurel to create a traffic gateway that creates a positive impression for visitors to Glenwood Springs.
- Coordinate with the DDA and the Downtown Partnership to develop signage that directs visitors to the 6th Street businesses. Some of the businesses may benefit from additional signage because of reduced visibility due to the configuration of the interchange. They include the Kum & Go gas station and the Subway. There may also be others that would benefit from increased signage. CDOT will provide additional signage to clarify detour and access changes.

To minimize and mitigate the economic effects to affected businesses during construction, CDOT will:

- Maintain access to all businesses at all times.
- Commit to a construction schedule that includes full bridge closure for a period of approximately 90 days when the downtown community is traditionally slow instead of a partial closure for a much longer period of time, which would cut into the community's important summer months.
- Commit to keeping pedestrian access across the river open at all times either through a new pedestrian walkway on the highway bridge or a stand-alone pedestrian bridge.
- Use Accelerated Bridge Construction techniques to minimize bridge closure time.
- Comply fully with federal and state requirements, including the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970, as amended (Uniform Act) for all acquisition and relocation.

- Communicate regularly with businesses about the construction schedule.
- Conduct public outreach to let the local community and region know that the area is open for business.
- Participate with local business organizations (e.g., the DDA, the Glenwood Springs Chamber of Commerce, Downtown Partnership, Colorado Mountain College, and others) to identify other mitigation measures the project could incorporate to mitigate business impacts. Coordinate and continue to work closely with these organizations on specialized outreach, special sales, and extra marketing, in addition to developing a project-specific outreach and marketing campaign and other measures to mitigate business impacts.

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Ala Carte
Anderson's Clothing
Artist's Mercantile Gallery
Blue Sky Rental and Repair
Book Train
Dancing Bear
Elizabeth Dean Boutique
Fine Things Jewelry
Flower Mart
Gear Exchange
Glenwood Sew
Glenwood Shell

Grande Optics
Main Street Gallery and Framers
Martin's Naturals
Mountain Sports Outlet
Resident Goldsmith
Sacred Grounds
Springs Liquors
Summit Canyon Mountaineering
Polanka

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Kauffman, Bob. 711 Grand Avenue. March 19, 2013

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