



Redevelopment I, LLC

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Stanley Pehl
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Stanley G. Pehl, REM
BRAC Environmental Coordinator
AFCEE/EXC
2261 Hughes Avenue, Suite 155
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RE: Lowry Vista Redevelopment, Denver, Colorado

Dear Stanley:

1. Introduction

As you know, IRG Redevelopment I, LLC (IRGI) has been working for several years to redevelop a part of the former Lowry Air Force Base (LAFB) along Alameda that is comprised of the former base landfill area (OU2) and an adjacent parcel to the west (collectively "Lowry Vista"). After extensive entitlement work and ongoing discussions with CDPHE, IRGI is ready to move forward with a subsurface investigation, final site remedial designs and integrated site development approvals. This letter outlines where IRGI is in the process and the anticipated path forward. At this time, IRGI has developed, with significant input from CDPHE, a Cap Penetration Plan, Soil Stockpile Plan, Subsurface Investigation Work Plan, and Modified Environmental Covenant that would allow for the next steps toward redevelopment. IRGI is ultimately seeking Air Force approval of these plans and the Restrictive Covenant in anticipation of future redevelopment of the site.

2. Background and History

IRGI became the owner of Lowry Vista as a result of the second privatization at LAFB in early 2006 as part of the Negotiated Sale Property between the Lowry Economic and Redevelopment Authority (LERA) and the Air Force and further transfer of a portion of this property to IRGI from the LERA through the Purchase and Sale Agreement (Section 1.2 Use) between the LERA and IRGI. While there were no specific development plans in place at the time, IRGI took ownership of the site with the clear understanding from all parties that redevelopment of the property was a possibility. In 2008, IRGI invested a significant amount of time and resources to seek necessary entitlement and zoning approvals to redevelop Lowry Vista. IRGI's activities resulted in the:



- a. Formation of the Lowry Vista Metropolitan District (“LVMD”);
- b. Approval of a Master Plan for development in the Westerly Creek Basin from Urban Drainage;
- c. Approval of a revised General Development Plan (“GDP”) consistent with Denver’s Master Plan and other planning documents such as Blueprint Denver;
- d. Rezoning of the Lowry Vista consistent with the GDP; and
- e. Execution of a Redevelopment Agreement with Denver providing for construction of certain improvements on the site including a fire station.

Information regarding the GDP and zoning, and the proposed activities mentioned above were discussed on multiple occasions over the years with Air Force representatives in order to keep them updated on the progress of the plans for the site.

IRGI understands that any future site use must be integrated with the historic use and the current Air Force remedy. IRGI has been particularly mindful of the Air Force’s desire not to penetrate the existing cap as set forth in the Air Force Deed and restrictive Environmental Covenant. In addition, any redevelopment of the site must be protective of human health and the environment not only to obtain CDPHE approval, but to attract buyers to the property. With these concepts in mind, IRGI’s primary engineering objective has been to further isolate waste on the site from the environment and to the minimum extent possible, potential interference with the current remedy. IRGI’s proposed redevelopment plan (as previously discussed with the Air Force) contemplates raising the elevation of the site and the construction of virtually the entire site infrastructure (footings, foundations, and site utilities) in new fill placed above the existing cap. Through a number of revisions and innovations, IRGI’s current redevelopment plan calls for very limited cap penetrations near the south side (near Alameda) of the site to tie in site infrastructure (i.e. wet utilities) into the existing Denver system. The redevelopment plan will be completed once information from the IRGI’s Subsurface Investigation has been collected and evaluated by IRGI and CDPHE.

3. Purpose of the Cap Penetration Plan, Subsurface Investigation Work Plan and Soil Stockpile Plan

IRGI submitted several work plans to CDPHE over the past year. Copies of each of the plans are attached for your review and summarized below.

a. Cap Penetration Plan

1. This plan establishes procedures for all predesign/design investigations that will be needed to gain the information that will ultimately support redevelopment. This entails all necessary actions that will need to take place



in order to protect the existing cap and properly repair the existing cap should it be damaged in any way by such investigative activities.

b. IRGI Subsurface Investigation Work Plan

1. Evaluate the geotechnical considerations associated with the proposed infrastructure and end uses for the site. This information is necessary to develop roadway, utility and foundation designs, and refine building envelope locations.
2. Evaluate the potential soil gas implications associated with the trenches. Historic soil gas information indicates that soil gas is not a major consideration at the site. While IRGI will require active mitigation systems in all structures on the site, the current information is not detailed enough for development design and risk evaluation purposes. Thus, the Subsurface Investigation Plan calls for collection of additional soil gas information to evaluate and document this risk.
3. Evaluate the extent to which portions of the northern part of OU2 can be used as a borrow source for clean fill that can be incorporated to achieve the new site grading plan. IRGI's grading plan contemplates the excavation of clean fill from the northern portion of the site for beneficial reuse in order to raise the developed part of the site out of the Westerly Creek Dam flood pool and meet compensatory volume requirements. Information obtained from the Subsurface Investigation will confirm whether this material is available for reuse and will ultimately provide information to refine the final grading plan.

c. Soil Stockpile Plan

This plan provides for stockpiling soil on site for establishing the site grade. The grading plan contemplates the import of substantial clean fill material as part of this process. This plan identifies the proposed location of the stockpiling activities and outlines parameters for regrading and revegetating the stockpile in the event development is delayed for any reason.

IRGI has been with coordinating CDPHE for over a year in developing these plans and identifying numerous actual and potential impacts. Through this collaboration, IRGI anticipates CDPHE will provide conditional approval of the above referenced plans. In addition, CDPHE and IRGI have spent significant time evaluating necessary financial assurance for the activities proposed in IRGI's plans. IRGI will post financial assurance with CDPHE for each of these plans before initiating activities.



4. Request to the Air Force

To move the project forward, IRGI is requesting the following approvals from the Air Force:

- a. Acknowledgement that the proposed activities outlined in the attached work plans do not alter the Air Force's obligations as set forth in the Enforceable Agreement.
- b. Acknowledgement that the proposed activities outlined in the attached work plans are consistent with the Restrictive Covenant in the Deed.
- c. Approve the Soil Stockpiling Plan, Cap Penetration Plan, Subsurface Investigation Work Plan(s), and the Revised Environmental Covenant to allow such site activity as provided for in the Deed.

5. Timeline

IRGI anticipates starting soil stockpiling activities as soon as it receives all necessary approvals. IRGI anticipates initiating the site investigation activities in February 2014. With that timeline in mind, IRGI and CDPHE suggest a meeting in December to discuss any outstanding issues and move the project forward.



6. Conclusions

The groundwork to move the Lowry Vista Project forward was set forth in various documents almost seven years ago. The project entitlement process, CDPHE approval process and market have now reached a point where the project needs to move forward in earnest. We look forward to doing so. If you have any questions regarding the attached documents please call Brent Anderson at 303-972-6633. We will be reaching out to you separately to schedule a meeting with IRGI the Air Force and CDPHE.

Best regards,

A handwritten signature in black ink, appearing to read "Brent C. Anderson", written over a horizontal line.

Brent C. Anderson

cc:

Jennifer Robbins

Curtis Stovall

Tracie White

John Yerton, IRGI

Paul Weaverling, LAC

Cynthia Stephens

Paul Carroll

Attachments:

Revised Request to Stockpile Soil on OU2 Landfill Cap, Lowry Vista Project,
Denver, CO

CDPHE Approval with Conditions of the Revised Request to Stockpile Soil on OU2
Landfill Cap, Lowry Vista Project, Denver, CO dated November 12, 2012

Lowry Vista Cap Penetration Plan for Subsurface Soil Borings on the Landfill Zone,
OU2, Former Lowry Air Force Base, Colorado

Field Investigation Work Plan, OU2 Landfill Zone, Lowry Vista Redevelopment Project
Denver, Colorado

