KETTLE CREEK ADDITION NO. 1 ANNEXATION

Planning Commission April 8, 2026

Staff Report by Case Planner: Chris Sullivan

Quick Facts

Applicant
N.E.S. Inc.

Property Owner
Waldo S. and Rebecca A. Pendleton;

Mark D. and Lynn M. George

Developer
Challenger Homes

Address / Location
2060 Old Ranch Road, 10455 Kettle Creek Road, 10515 Kettle Creek Road, Kettle Creek Road Right-of-way

TSNs
6228001006, 6228001009, 6228001010

Zoning and Overlays
Current: RR-5, RR-2.5 (County)

Proposed: R-Flex Medium/SS-O/AF-O (Residential Flex Medium Scale with Streamside and United State Air Force Academy Overlays)

Site Area
19.88 acres

Proposed Land Use
Single-Family Residential

Applicable Code
Unified Development Code (UDC)

Council District
2 (upon annexation)

Project Summary

A request for Annexation of 19.88 acres, a Zoning Map Amendment (Establishment) establishing R-Flex Medium/SS-O/AF-O (R-Flex Medium Scale with Streamside and United States Air Force Academy Overlays), and a Land Use Plan proposing single-family residential development with up to 123 units located northeast of Kettle Creek Road and Old Ranch Road Intersection.

File Numbers	Application Type	Decision Type
ANEX-25-0002	Annexation	Legislative
ZONE-25-0028	Zone Map Amendment (Establishment)`	Legislative
LUPL-25-0014	Land Use Plan	Legislative

Background

Prior Land-Use History and Applicable Actions

Action	*Name*	*Date*
Annexation	Kettle Creek Addition No. 1	TBD
Subdivision	Kettle Creek Filing No. 1	TBD
Master Plan	Kettle Creek Annexation Land Use Plan	TBD
Prior Enforcement Action	Not Applicable	N/A

Site History

The site contains three platted properties with two established single-family homes located within a county enclave. The property at 10455 Kettle Creek Road is owned by the George's and the other two lots, 10515 Kettle Creek Road and 2060 Old Ranch Road, are owned by the Pendleton's. All these properties currently gain access from Kettle Creek Road. The properties are currently platted in the El Paso County under the Pendleton Subdivision.

Applicable Code

The subject application(s) were reviewed under the Unified Development Code. All subsequent references within this report that are made to "the Code" and related sections are references to the Unified Development Code.

Surrounding Zoning and Land Use

Adjacent Property Existing Conditions

	Zoning	*Existing Use*	*Special Conditions*
North	BP/A/AF-O	Industrial/Kettle Creek Open Space	N/A
West	BP/AF-O	Industrial	N/A
South	R-5/AF-O/County Enclave	Residential / County Residential	N/A
East	R-5/AF-O/A	Residential / Kettle Creek Open Space	N/A

Zoning Map

Stakeholder Involvement

Public Notice

Public Notice Occurrences *(Poster / Postcards)*	Initial Review / Prior to City Planning Commission hearing
Postcard Mailing Radius	1,000 feet
Number of Postcards Mailed	111
Number of Comments Received	6

Public Engagement

As part of the public engagement efforts, six (6) comments have been received to date. All of the comments received are either against the project or express concerns. Please review further analysis below. A neighborhood meeting was not required based on the number of comments and types of concerns raised.

Comments Against:

1. Increased Traffic onto Old Ranch Road due to approved neighboring residential development plus the traffic from this project if it gets approved.

2. Pedestrian safety concerns for students that walk from Challenger Middle School and Pine Creek High School when there are limited sidewalks in the area.

Timeline of Review

Petition Acceptance	June 10, 2025
Initial Submittal Date	August 5, 2025
Number of Review Cycles	5
Item(s) Ready for Agenda	March 12, 2026

Agency Review

Traffic Impact Study

Traffic Engineering reviewed the Traffic Impact Study (TIS) and determined that the TIS was complete and provided adequate information and analyses per the requirements of the City's Traffic Criteria Manual and Traffic Engineering staff. The developer will be responsible for the recommended traffic mitigation measures and roadway improvements. To support turning movements resulting from the project, the developer is responsible for the construction of the eastbound left turn lane at the Old Ranch Road/Kettle Creek Road intersection. This turn lane will need to contain a 155-foot eastbound left-turn lane and a 160-foot-long transition taper. The developer shall dedicate 13 feet of right-of-way and an 8-foot public improvement easement along the south edge of the site on Old Ranch Road. All proposed public roadways shall be constructed to City standards. All civil drawings shall reflect on- and off-site public improvements and shall conform to the City standards and the Manual on Uniform Traffic Control Devices (MUTCD).

School District 20

The District is requesting fees in lieu of land dedication per existing City Code for all residential units within this development.

Parks

This project creates a new park land obligation based upon the proposed (123) residential units being created, per City Code Section 7.4.307. In cases of limited dedication acreage obligated, park fees in lieu are an acceptable alternative in meeting code requirements. Park Fees will be evaluated with the future development plan, and due at time of building permit. Existing Homes in the County to be removed will not be considered towards future Park, School, or CDI fees due.

Stormwater Enterprise (SWENT)

Comments review and addressed during the review.

Colorado Springs Utilities (CSU)

Comments received and addressed during the review.

United States Air Force Academy (USAFA)

Comments received and addressed during the review.

Annexation

Summary of Application

The proposed annexation follows the voluntary annexation rights under C.R.S. (Colorado Revised Statute) and owners must petition the municipality to request annexation into the City. The City's authority to annex land is established by Colorado Revised Statues (CRS. 31-12-101), which sets requirements and procedures which municipalities must follow. A

property is eligible for annexation if the contiguity requirement is met; not less than one-sixth the perimeter of the proposed area for annexation is contiguous with the existing boundary of the annexing municipality, and that area proposed for annexation has more than 50% ownership within the City 3-Mile Buffer for annexation. This site meets all of these requirements as it is part of an enclave that abuts City boundaries on all sides.

The proposed annexation consists of 19.88 acres including 3 residential properties under a total of two ownerships. Additionally, this annexation includes all of Kettle Creek Road right-of-way, which is expected to be conveyed to the City from El Paso County prior to recording the annexation plat. Two of the three properties contain single-family residential detached dwellings, which would eventually be removed to construct the new development.

Annexation Agreement

The Annexation agreement is generally required for annexation of private property into the City of Colorado Springs. A draft version of that agreement has been included in the agenda packet. The agreement is used to establish any city requirements upon annexation which are determined by relevant City reviewing agencies. There are no significant requirements to identify; see the Draft Annexation Agreement for additional information.

City Annexation Plan (2006)

The City Annexation Plan was last updated in 2006 and is currently being updated through the AnnexCOS project. The current annexation plan places an emphasis on strategically eliminating enclaves and near enclaves within the City's boundaries which is supported by PlanCOS. AnnexCOS is anticipated to recommend a strategic approach to logical annexations that supports and encourages significant areas of newly planned urban density development to be included within City limits to promote the long-term fiscal and resource sustainability of the city and region.

Fiscal Impact Analysis

A Fiscal Impact Analysis (FIA) is required for all annexations, and one was provided for this request by the City's Budget Office. The results of the FIA show a positive cashflow after the required 10-year timeframe. The FIA is included in the background material.

Southeastern Colorado Water Conservancy District (SECWCD)

This property has completed its required inclusion application into the Southeastern Colorado Water Conservancy District through the Bureau of Reclamation. The Inclusion process will be completed with the Bureau of Reclamation with a final Letter of Assent pending.

Application Review Criteria

UDC Section 7.5.701

Annexations are subject to the following review criteria:

1. *The area proposed to be annexed is a logical extension of the City's boundary;*

   This property is part of an enclave surrounded City boundaries in an area that is having significant growth for residential and non-residential uses. The site meets contiguity requirements and has access to all city services. The City encourages voluntary annexation to remove enclaves. The proposed development will be consistent with City development patterns and provide a buffer between existing/proposed uses.

2. *The development of the area proposed to be annexed will be beneficial to the City. Financial considerations, although important, are not the only criteria and shall not be the sole measure of benefit to the City;*

   A FIA was completed by the City's Budget Office which showed a positive cashflow at the 10-year mark.

3. *There is a projected available water surplus at the time of request;*

   At the time of this request, CSU has reviewed this annexation and no issues were presented regarding projected water availability.

4. *The existing and projected water facilities and/or wastewater facilities of the City are expected to be sufficient for the present and projected needs for the foreseeable future to serve all present users whether within or outside the corporate limits of the City;*

City Water and Sanitary Sewer are available to the site but will require extensions at the expense of the developer.

5. *The annexation can be effected at the time the utilities are extended or at some time in the future;*

All services will require extensions to meet the needs of the proposed development at the developers' cost.

6. *The City shall require as a condition of annexation the transfer of title to all groundwater underlying the land proposed to be annexed. Should such groundwater be separated from the land or otherwise be unavailable for transfer to the City, the City, at its discretion, may either refuse annexation or require payment commensurate with the value of such groundwater as a condition of annexation. The value of such groundwater shall be determined by the Utilities based on market conditions as presently exist;*

The transfer of water rights is a requirement with annexing property into the City which specific requirements identified within the annexation agreement (see 'Draft Annexation Agreement' attachment).

7. *All rights of way or easements required by the Utilities necessary to serve the proposed annexation, to serve beyond the annexation, and for system integrity, shall be granted to the Utilities. Utilities, at the time of utility system development, shall determine such rights of way and easements;*

The draft Annexation Agreement establishes timelines of rights-of-way and easements. Future plans will be required to indicate such locations and design to be accepted by CSU.

8. *If the proposed annexation to the City overlaps an existing service area of another utility, the applicant shall petition the PUC (Public Utilities Commission) or other governing authority to revise the service area such that the new service area will be contiguous to the new corporate boundary of the City.*

The parcels in question currently receive electricity from Mountain View Electric; as such, the developer will be responsible for providing just compensation for existing electrical distribution facilities and service rights specified under C.R.S. Section 40-9.5-204, plus all costs and fees incurred by CSU as a result of or associated with the acquisition of such electric service territory. This obligation is further discussed under the Draft Annexation Agreement.

9. *After the foregoing have been studied in such depth as the City Council shall require, the City Council in its discretion may annex or not annex the proposed area. In the event the City Council chooses to annex, it may require a contemporary annexation agreement specifying the installation and the time of installation of certain public and utility improvements, both on site and off site, that are required or not required under this Zoning Code. City Council may specify such other requirements, as it deems necessary. In the event the City Council chooses not to annex, utilities shall not be extended unless Council is assured that an agreement for annexation can be enforced, and that the remaining provisions of this section for annexation subsequent to extension of utilities have been met.*

The Draft Annexation Agreement identifies the specifics on utility requirements regarding obligations and timing of improvements.

After evaluation of the Kettle Creek Addition No. 1 Annexation the application meets the review criteria.

Zone Map Amendment (Establishment)

Summary of Application

It is required by City Code that any annexed property be accompanied by a zoning designation either by specific zone or a holding zone. The proposed Zone Map Amendment application requests a zone designation of R-Flex Medium/SS-O/AF-O (Residential Flex Zone Medium with Streamside and United States Air Force Academy Overlays). The R-Flex Medium zone district allows for a mix of residential uses at a density cap between 6-15 dwelling units per acre (DU/AC). Due to the existing stream east of this site the streamside overlay is to be established (see 'Land Use Plan' attachment). Additionally, the United States Air Force Academy Overlay will also be established as all the surrounding property are within the overlay.

Application Review Criteria

UDC Section 7.5.704

An application for an amendment to the zoning map shall be subject to the following criteria of approval:

1. *The proposed rezoning is consistent with the goals and policies of the Colorado Springs Comprehensive Plan, with other plans and policies adopted by the City Council; and with the purpose statement of the proposed zone district.*

   R-flex Medium is intended to allow for a mixture of residential use, which is consistent with existing and planned development in the surrounding area.

2. *The rezoning will not be detrimental to the public interest, health, safety, convenience or general welfare.*

   The proposed zone will not be detrimental to the public interest, health, safety, convenience, or general welfare. The proposed zone of R-flex Medium will allow for single family attached and detached products on separate lots. At a density range of 5-16 DU/AC. This site is adjacent to a BP (Business Park) zone to the west. To the east is a recently approved residential development known as Cottage at Kettle Creek which is a multi-family development in the R-5 (Multi-family High) zone at a density of 11.52 DU/AC. There is known sensitive habitat to the east of this property which a preservation area is being provided for. The proposal project has been reviewed by City staff, and all comments have been addressed.

3. *The location of the lands in the zoning map area being amended are appropriate for the purposes of the proposed zone district(s).*

   The developer has provided a land use plan which identifies a future single-family residential development, which is comparable to surrounding residential use types and their developed densities.

4. *If the application proposes to rezone a small area of land, the application demonstrates that the size, scale, height density, and multimodal traffic impacts of the proposed rezoning are compatible with surrounding development or can be made compatible with surrounding development through approval conditions.*

   The requested Zoning Map Amendment proposes a zone establishment verses rezone; hence, this criterion is not applicable.

5. *If the application proposes to rezone a relatively small area of land, the application demonstrates that the change in zoning will not create significant dislocations of tenants or occupants of the property, or that any impacts are outweighed by other public benefits or progress toward other Colorado Springs Comprehensive Plan goals that would be achieved by approval of the application.*

   The requested Zoning Map Amendment proposes a zone establishment verses rezone; hence, this criterion is not applicable.

6. *If a Land Use Plan or amendment to a Land Use Plan accompanies the application, the Land Use Plan or amendment complies with the applicable criteria in Subsection7.5.514C.3 (Land Use Plan Criteria).*

The project includes the Kettle Creek Annexation Land Use Plan, which has been determined to comply with review criteria in City Code Subsection 7.5.514.C.3.

7. *The application is consistent with any approved Concept Plans in the area for which the map is being amended or includes or is accompanied by a provision that the approved Concept Plans have been classified as implemented and do not have to be amended to be considered consistent with an amended zoning map.*

The parcels in question are not subject to any City approved plans.

8. *If the application is for creation of an ADS-O district, the approval criteria applicable to the creation of the text of the ADS-O district in Section 7.2.607D.4 (Decision) shall also apply to consideration of the zoning map amendment required to create or amend the boundaries of the ADS-O district.*

The subject properties are not currently or proposed to be part of an ADS-O district.

9. *If rezoning to a PDZ district, the proposed PDZ district provides significant community amenities or other benefits, as determined by the Manager, that promote the achievement of Colorado Springs Comprehensive Plan goals and would not otherwise be required of the applicant under this UDC or other City or governmental regulations.*

The applicant is not proposing to establish PDZ district for the development.

10. *Complies with the additional standards of the base zone district where the property is located (see Article 7.2 (Zone Districts)) or in an overlay district that applies to the property (see Part 7.2.6 (Overlay Districts)).*

This Zone Establishment has been reviewed by the USAFA and Streamside reviewers for compliance with City Code. There are no outstanding comments.

After evaluation of the Kettle Creek Addition No. 1 Zone Establishment the application meets the review criteria.

Land Use Plan

Summary of Application

Per Section 7.5.302.A of the Code, a Land Use Plan is required is certain circumstances to show the envisioned land development and use pattern for a proposed development at a conceptual level. The plan also aids in the City's evaluation of how a proposed development may impact surrounding development without requiring level of detail required on a Development Plan. (see 'Land Use Plan' attachment).

The land use plan identifies Residential use including both detached and attached type units with a maximum height and density range per the R-Flex Medium zone district. A Green Space / Preservation area is proposed at the northeast corner of the property and along the frontage of Old Ranch Road. Two access points are proposed. One point of access east of the existing Kettle Creek Rd and Old Ranch Road intersection which is to be removed/reconfigured. The other access point will connect into the neighboring Cottages at Kettle Creek Development to the east. The land use plan also establishes the inner and outer streamside buffer for Kettle Creek. Per requirement of the City's Engineering Development Review and Traffic Engineering divisions of Public Works, the project must provide several easements and dedicate 13 feet of frontage to Old Ranch Road. An approximately 0.5-acre private full spectrum detention basin will be provided near the frontage of the property.

Application Review Criteria

UDC Section 7.5.514

Land Use Plan Criteria: If the Land Use Plan is submitted in connection with an application to establish a zone district or to change a zone district boundary then it shall be reviewed based on the following criteria:

1. *Consistency with the Colorado Springs Comprehensive Plan and other plans and policies adopted by City Council;*

The proposed application is consistent with the Colorado Springs Comprehensive Plan (PlanCOS) and other city-wide plans (e.g. ConnectCOS, etc.).

2. *Consistency with development standards the zone district in which the property is located, or would be located after a requested zone district change;*

The Land Use Plan is consistent with the proposed R-Flex Medium, SS-O and AF-O zones districts and related development standards. As this application gives only a high-level picture of future use and density, a Development Plan will be required to grant any use of the property.

3. *Compatibility with the land uses and development intensities surrounding the property;*

The proposed zone districts and land use pattern envisions a density range of 5-16 dwelling units per acre. The developer intends to develop a mix if single-family residential products, which is consistent with the surrounding use mix.

4. *Impacts of the permitted or requested uses, appropriate to the type of development, the neighborhood, and the community;*

Overall, the proposed Land Use Plan illustrates uses and development configuration that is appropriate and compatible to the site and surroundings. The proposed development will add an additional 123 residential units to the Kettle Creek Neighborhood which is in addition to the approved residential neighboring to the east of this site. The projects zone, use, and type of construction is directly compatible with the neighboring Cottages at Kettle Creek project. The future residential will gain access through private roadways with connect into Old Ranch Road – Minor Arterial. The site will connect into city infrastructure and utilities. The development will handle its own drainage via onsite improvements. The use and type are consistent with the City's development pattern in this area (specifically properties that gain access to Old Ranch Road), however, property owners within the county enclave on the south side of Old Ranch Road are developed in a pattern consistent to an R-E zone district.

5. *Adequacy of proposed ingress/egress points and traffic circulation, both on and off the site;*

City's Traffic Engineering Division has reviewed the proposed project and all comments have been addressed with respect to public improvements that are needed to mitigate the impacts of the development on adjacent public infrastructure.

6. *Capacity of the existing streets, utilities, parks, schools, and other public facilities to serve the proposed development;*

The project has been reviewed by internal and external agency partners which oversee certain public facilities and infrastructure and was determined to adequately address service capacity and impacts.

7. *Promotion of transitions in height, intensity, or character between proposed non-residential or mixed-use development and nearby low-density residential zone districts.*

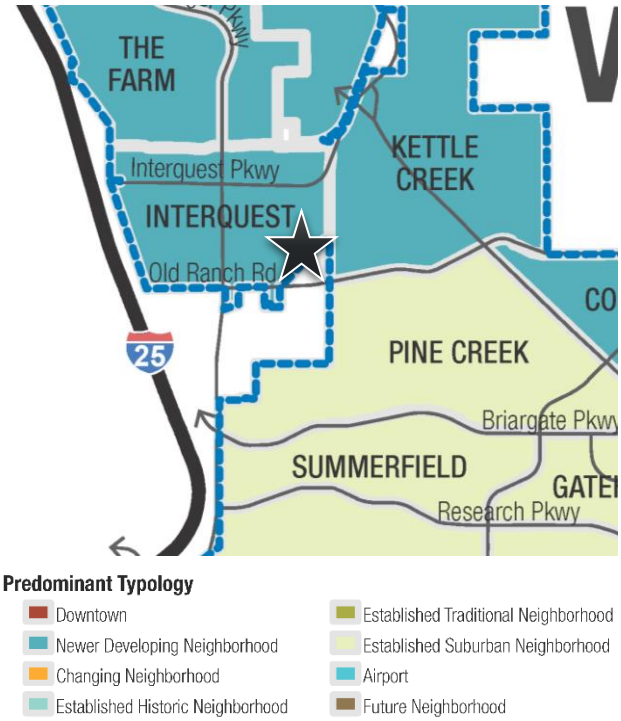
The envisioned development and land use pattern will be comparable to surrounding residential developments.

After evaluation of the Kettle Creek Annexation Land Use Plan the application meets the review criteria.

Compliance with PlanCOS

PlanCOS Vision

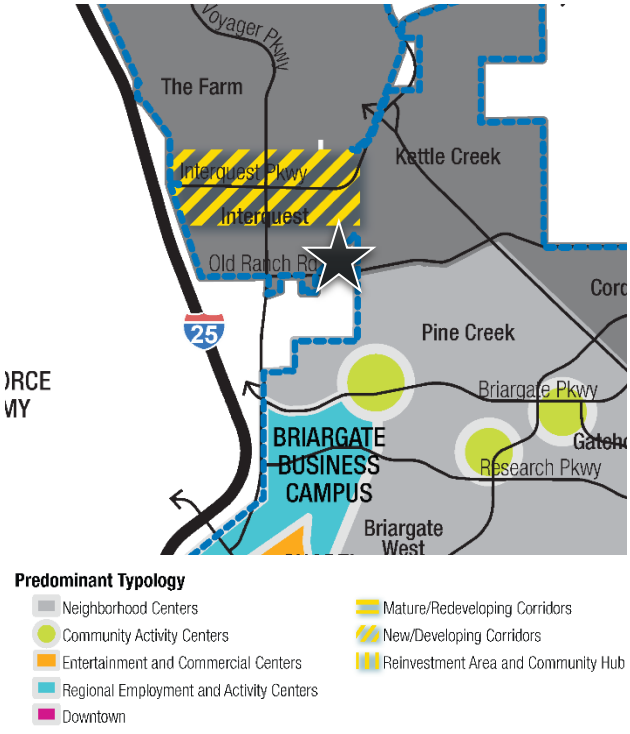
PlanCOS is oriented around six major themes, Vibrant Neighborhoods, Unique Places, Thriving Economy, Strong Connections, Renowned Culture, Majestic Landscapes. Chapter 8 of PlanCOS provides broad policy direction for annexation; annexations will occur in accordance with State law; support of economic development objectives of the City and will be a fiscal benefit; development will be consistent with long range plans; and avoid creating enclaves while proactively working at incorporating existing enclaves into the City. Staff have evaluated the proposed annexation and determined its eligibility in accordance with State law to be acceptable. The annexation is a logical extension of city boundaries as it further reduces an existing enclave and provides needed/compatible use with the surrounding development. The site is located within the newer developing neighborhood typology in the Kettle Creek and Interquest neighborhoods. As previously noted, there are active low-medium density residential developments occurring around this enclave. The proposed development is compatible with existing and new development under construction.



Vibrant Neighborhoods

Per Chapter 2 (Vibrant Neighborhoods) of PlanCOS, the project area is located adjacent to the Newer Development Neighborhood typologies which are for areas like the Interquest and Kettle Creek neighborhoods as they are seeing a significant amount of change or new development. Below are specific goal and/or policies to consider:

Goal VN-2: Strive for a diversity of housing types, styles, and price points distributed throughout our city through a combination of supportive development standards, community partnership and appropriate zoning and density that is adaptable to market demands and housing needs.



Unique Places

Based on Chapter 3 (Unique Places), the site is located southeast of a New/Developing Corridor typology (specifically Interquest Parkway). Though there are no specific policies to point to, residential development generally supports our corridor areas and there should be an emphasis on access / connectivity to those areas. Additionally, this chapter also places an emphasis on infill development within core areas of the city. Though this site is an annexation, it can be considered infill development as it is repurposing existing property surrounding by City development existing/approve to north, east, and west.

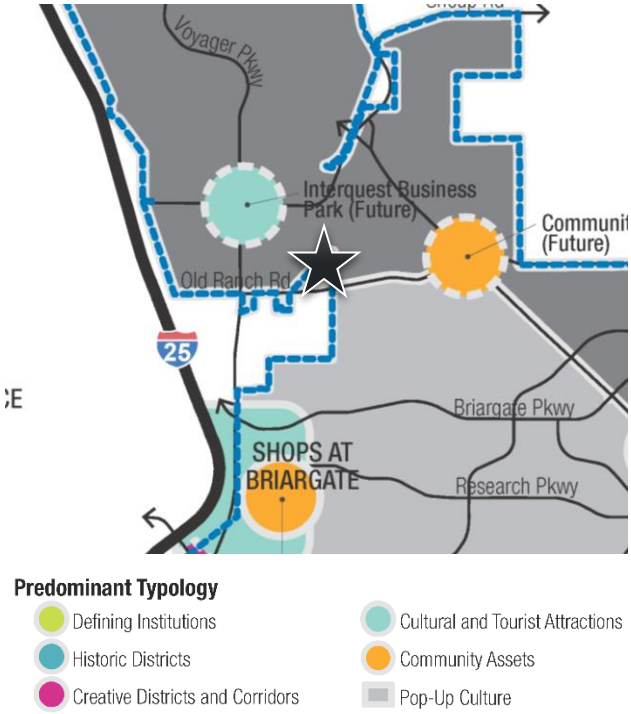
Strong Connections

This site is adjacent to Developing Suburban Streets typology to the east and Future Street typology to the west. Below are some of the goals and/or policies to consider:

Goal SC-1: Multimodally connect people and land uses through the city and the region

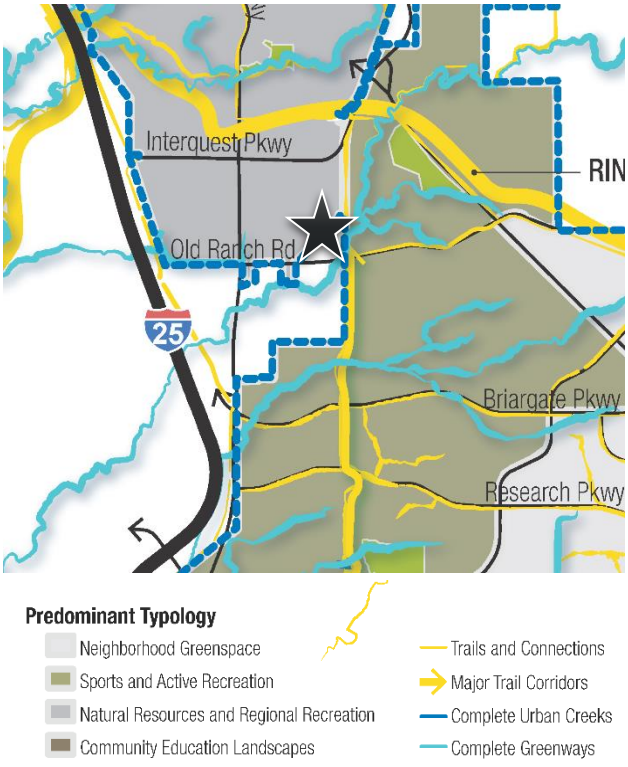
Goal SC-3: Manage our stormwater and flood control systems as a vital and integrated community asset

Goal SC-4: Achieve a more environmentally sustainable utilities system for the city



Renowned Culture

Per Chapter 6 (Renowned Culture) Map, this site is located near the Interquest Business Park which is identified as a Cultural and Tourism Attractions typology. These areas are intended to be recognized, protected and enhanced as they support our community and tourism industry for Colorado Springs.



Majestic Landscapes

Per Chapter 7 (Majestic Landscapes), The project site is located adjacent to the Kettle Creek Open Space which is a city-owned park system. It contains trail corridors and the Kettle Creek stream. Please review the below goals and/or strategies for more considerations.

Goal ML-2: Activate and expand sustainable community use and interaction with open spaces, parks and cultural resources.

Goal ML-3 Optimize shared use of our waterways as corridors for wildlife, recreation, stormwater conveyance, non-motorized transportation, utilities, and as natural areas and assets of the environment.

Goal ML-4: Provide stewardship for our majestic natural landscapes through improved preservation, resource conservation, air quality and protection of our view sheds.

Statement of Compliance

ANEX-25-0002 – Kettle Creek Addition No. 1 Annexation

After evaluation of the Kettle Creek Addition No. 1 Annexation the application meets the review criteria as set for in City Code Section 7.5.701.

ZONE-25-0028 – Kettle Creek Addition No. 1 Zone Establishment

After evaluation of the Kettle Creek Addition No. 1 Zone Establishment the application meets the review criteria as set forth in City Code Section 7.5.704.

LUPL-25-0014 – Kettle Creek Annexation Land Use Plan

After evaluation of the Kettle Creek Annexation Land Use Plan the application meets the review criteria as set forth in City Code Section 7.5.514.