

**CITY OF COLORADO SPRINGS PLANNING COMMISSION
RECORD-OF-DECISION**

THURSDAY, JULY 16, 2015

UNFINISHED BUSINESS CALENDAR

ITEM NO.	PROJECT DESCRIPTION
<p>ITEM NOS.: 4.A-4.B</p> <p>CPC PUZ 15-00031 (Quasi-Judicial)</p> <p>CPC PUP 15-00032 (Quasi-Judicial)</p> <p>PARCEL NO.: 6425204002</p> <p>PLANNER: Lonna Thelen</p>	<p>A request by Aeroplaza Fountain LLC for approval of the following development applications:</p> <ol style="list-style-type: none"> 1. A zone change from PBC/CR/AO (Planned Business Center with a condition of record and Airport Overlay) to PUD/AO (Planned Unit Development with Airport Overlay). 2. A concept plan for an 80 unit, small lot single family development (Village at Aeroplaza). The property is proposed to be zoned PUD/AO (Planned Unit Development with Airport Overlay). <p>The property is located northeast of Fountain Boulevard and Aeroplaza Drive and consists of 14.02 acres.</p>

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DATE: July 16, 2015
ITEM: 4A and 4B
STAFF: Lonna Thelen
FILE NO.: CPC PUZ 15-00031 , CPC PUP 15-00032
PROJECT: Village at Aeroplaza

COMMUNICATIONS

Commissioner Donley stated that he had done the Master Plan for this area in a previous job but believed that he should have no problem being able to make a decision on the item. Marc Smith, City Attorney, concurred that this should not be an issue.

STAFF PRESENTATION

Lonna Thelen, Principal Planner made a PowerPoint presentation (Exhibit A)

APPLICANT PRESENTATION

Ms. Leslie Thomas of Thomas and Thomas Consultants gave a short PowerPoint presentation (Exhibit B). The Planned Unit Development application was a hybrid preliminary submittal with some additional detail. This is in a low income area of the City and there is pressure to bring in more affordable housing availability. Ms. Thomas questioned the 2020 Land Use Plan as there are patterns that are not being addressed throughout the City because the in the last fifteen years, land use patterns have changed. The major interchange at Fountain and Powers has not been completed and the original plan of Fountain Boulevard has not materialized. Mr. Jeff Mark of Landhuis Company stated that the thought process was that if a nice residential subdivision was built it would spur growth in the area because the industry has stated that more rooftops are needed before a viable investment can be made in the area. More affordable housing is also needed and this would assist in that need. The property cannot work as it is currently zoned.

Commissioner Shonkwiler asked if the possibility had been explored about subdividing into smaller commercial units so no one user would have to build out the entire acreage. Mr. Mark stated that this had been researched the last few years however most users require at least 80,000 sq.ft. or approximately two acres for each parcel. Commission Shonkwiler stated that given the zoning smaller manufacturing sites would be better rather than building such large buildings. Mr. Mark stated that that had not been researched as their company is not involved in industrial development.

Commissioner Smith asked if Ms. Thomas had looked at other alternatives with a residential use. Ms. Thomas stated that they had looked at other development options but they didn't work; however they are open to the next level of design. They are not asking for approval of

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plan today or for 15' buffer as the plan is negotiable. What they want to discuss today is the zoning as staff wants to know how the residential will work and do not want to proceed unless they know about zoning.

CITIZENS IN FAVOR

Mr. Bob Landry, Re/Max stated that the last few years that people want to see new smaller residential homes under \$200,000. There is a direct need for more of this type of residential in this area that is affordable.

CITIZENS IN OPPOSITION

Jason LaChance, Chief Financial Officer of DPIX, adjacent property owner, spoke on why they are opposed to the rezoning. DPIX is a high tech manufacturing company of digital x-ray sensors which are key components in medical systems and with homeland security. DPIX acquired the property in 2006 and brought 130 jobs in high tech manufacturing to Colorado Springs and have invested approximately \$150 million in their facility and the land to the north of their building for future expansion. The additional adjacent land for expansion was critical before even opening the facility as DPIX requires easy access to transportation and the availability to the nearby Powers transportation corridor. DPIX opposes the zone change to residential because it will increase traffic, cause a disruption to their security and utilities, as well as, have an impact on their future expansion. The property owners state that they have owned the property for over 20 years, but DPIX was not approached about the proposal and knew nothing until notification was received from the City. The proposed residential zone is incompatible with their existing operations as well as to their future expansion.

Commissioner Donley asked for a description of the outside activity of DPIX. Mr. LaChance stated that everything is mainly internal with the delivery and storage of supplies, materials and equipment outside.

Commissioner Walkowski asked whether the reason that the site was chosen was because of the amount of truck traffic to the facility and easy access to the area. Mr. LaChance stated that there are regular deliveries of raw materials and chemicals with some large tractor trailers bringing large pieces of equipment.

Commissioner Gibson asked if they would increase their capacity if an expansion to the north occurs. Mr. LaChance confirmed that that was the case. Commissioner Gibson then asked how the new residential property would disrupt their expansion. Mr. LaChance stated that DPIX looked at the entire area before they purchased any land. The zone change changes the compatibility of the adjacent property. Commissioner Gibson inquired whether an increased setback to the residential development would make a difference or not. Mr. LaChance said that the current zone is appropriate and cannot speculate on what may or may not occur with a residential development.

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Commissioner Smith stated he was having a hard time understanding why a residential development would affect the business. He asked if DPIX had ever considered purchasing the property to protect their interest. Mr. LaChance stated that DPIX has known the property has been owned for quite some time and not sure why the land was not purchased in the past as he was not with DPIX at the time. DPIX does have sufficient land to expand already and they don't feel believe that the company needs to purchase the additional land just to keep the compatibility in place. Mr. LaChance stated that DPIX has asked the question on whether they can expand where they are or if they have to move and go elsewhere and look outside the State of Colorado. Commissioner Smith questioned again why the expansion cannot occur to the north with the residential zone change. Mr. LaChance stated that it is a capability issue and a difference between research and development and commercial uses versus residential uses.

Commissioner McDonald mentioned that with the existing PBC zone that a secondary use for residential is allowed at the site with up to 8.1 density units per acre and the rezone would allow for less units at 5.9 density units consequently the existing zone would allow for more units. Mr. LaChance stated that DPIX recognizes that there are more uses allowed in the current zone but would like to have the opportunity to provide comments for the particular request.

Commissioner Shonkwiler stated that it appears the DPIX is opposed to the zone change as it affects its business and operation. Mr. LaChance stated that DPIX is not opposed to the development of the area as an industrial manufacturing site, should that change they would want to have more information.

QUESTIONS OF STAFF

Commissioner Gibson asked for an explanation of the secondary use employment zone and what it could be used for. Lonna Thelen stated that a multi-family use is shown as a secondary use in the Comprehensive Plan. The PBC zone district does allow for multi-family residential as a Conditional Use, but not a permitted use.

Commissioner McDonald asked how many units would be permitted. Ms. Thelen stated that the density is regulated by the Master Plan and the overarching plan for multi-family but would have to also be within the requirements of the zone district. The number of density units that were mentioned is a part of the Comprehensive Plan not the zoning. Commissioner McDonald asked if they went through the Conditional Use process would multi-family be possible. Ms. Thelen stated yes if the Conditional Use were approved.

Commissioner Donley inquired about Highway 24 as it connects to Powers at Fountain. What is the status of the roadway vs. Highway 24 and clarification of where Highway 24 is relation to this project. Kathleen Krager, City Traffic Engineer stated that Fountain is State Highway 24 and runs from I-25 to Powers. The status for the project is that no improvement monies planned in the near term. The ultimate plan is to make an interchange at Powers and Fountain but the funding is probably 50 years out. There have been discussions for a new location of the East

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Highway 24 connection to I-25 but the ranking of this project is not high on the State's list. Commissioner Donley stated that southbound Powers to Fountain is a fairly easy turn but more difficult eastbound with the continuity. Ms. Krager confirmed. Commissioner Donley asked about the tract of land nearby that is zoned PBC. Ms. Krager stated that the land is currently owned by the State of Colorado.

Commissioner Markewich mentioned that he knew that there had been some improvements to Powers south of Platte, but will the improvements go past Fountain? Ms. Krager stated the improvements stop just south of the Fountain intersection. Commissioner Markewich inquired about the expansion of Platte in that area and the increase of commercial and general uses along Powers as there would be anticipation for further expansion along Powers towards the south. Ms. Krager stated that at this time there were no plans for expansion but at some point in the future Powers would expand to a six lane roadway.

Commissioner Donley made the statement that there is no conflict of interest but he wanted to make it aware that he has worked with Thomas and Thomas on proposals in the past ten years but none of them came to fruition.

REBUTTAL

Mr. Mark of Landhuis Company would like to respond to the issues of traffic, security, power and incompatibility from DPIX. The proposed residential development would bring significant less traffic than a commercial project. He stated that he cannot speak to security. With regards to Utilities, there is plenty of available power at the site and there is no concern. Mr. Mark stated on the comment of incompatibility that he is not sure what the issue would be with their operation. The proposal is to have a 15' buffer from DPIX to the property line with a minimum of 25' separation to the DPIX parking lot however Mr. Mark stated he did not know the distance between the building and the parking lot but it is a significant amount of land.

DECISION OF THE PLANNING COMMISSION

Commissioner Walkowski stated that while he has listened to the thoughts and trends made by the applicant and while there have been some significant points raised, the Planning Commission should not modify the existing Comprehensive Plan at the dais. Without redefining the Comprehensive Plan, he doesn't see that the PUD review criteria are met and that this is not consistent with the Zoning Code.

Commissioner Henninger reviewed the proposal and considered the housing in the surrounding area. Housing has to be weighed with the design of the Comprehensive Plan and the Industrial within the neighborhood based on what is being proposed. Industrial land is very important and don't see that this land use fits within the Powers commercial corridor nor is this compatible with the Comprehensive Plan or existing Master Plan. He stated he would be supporting the City's position.

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Commissioner Markewich agrees with the applicant on the 2020 Land Use Map in that the plan is old and outdated and in need of an update; however, there is an importance to use the land in the character to what is already within the area. The site is within proximity to the Colorado Springs Airport and Peterson Air Force Base although a lower cost of housing is a laudable goal. Commissioner Markewich mentioned there is a need to very consistent with land uses as a substantial change doesn't lend itself to consistency with buyers that want to build high tech manufacturing and would be a problem if these users see an inconsistency will wonder why the City does not follow the rules. Single Family Residential next to high tech manufacturing is not compatible and does not comply with the Comprehensive Plan, does not agree with the Master Plan and does not comply with Zoning and therefore will support staff's position.

Commissioner McDonald indicated that she has a completely different view and believes that the proposed use is compatible with the other residential uses across Aeroplaza. The site is on the edge of a business zone with a lot of area that is not utilized. If the land has remained as is for over 20 years with the same Comprehensive Plan and Master Plan and has not been utilized then another use would be good for the site. If a Conditional Use were granted would allow for residential at a much higher density and impact per acre so am in favor of the zone change and a change to the Master Plan.

Commissioner Gibson stated that she shared Commissioner McDonald's sentiment. It is understood that the City needs to be business friendly and consistent with protecting the interest of what properties people have purchased however lessening the impact of residential from 8.1 density units to 5.9 density units is more appropriate. Should the request be for a large multi-family apartment type use she could see denial.

Commissioner Shonkwiler stated that he has a big problem with rezoning property. There is a requirement to be very careful when changing designations but in this case the request does not comply with the Comprehensive Plan. This area was zoned purposefully and as actually zoned this way by the present owner. Not all options have been explored for subdividing property as well as multiple uses at the site. The intrusion of small lot residential in the area down to Fountain and Powers would have negative impact to the residents with noise and a major intersection of highway with major traffic. No reason can be found to be compatible with the Comprehensive Plan or Master Plan.

Commission Chair Phillips stated that he is on the side of Commissioner Gibson and Commissioner McDonald. The Comprehensive Plan is a guideline. This land has sat idle for years and not doing any good as is. There is housing along Powers as not all land is industrial. The City is short on housing and someone wants to try to make it work.

Commissioner Donley stated that this is one of the tougher decisions to make. There is a surplus of non-residential space and should promote infill and mixed use development but worried about the single family residential. He would like to see more density and a buffer

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around perimeter to separate the development from DPIX and will support the denial by staff. The Airport and Peterson Air Force Base both review the proposal and there will be impact from airplane traffic. Based on the PUD criteria, Commissioner Donley stated that he would have to oppose the request.

Commissioner Smith stated that this is a difficult decision to make because of the need for affordable housing. The density is lower than it could be but Planning staff has still denied the request. There is definite need for affordable housing with enough land for industrial uses elsewhere. He will support Commissioner McDonald and Commissioner Gibson on their denial.

Moved by Commissioner Donley, seconded by Commissioner Shonkwiler to deny **Item 4A, CPC PUZ 15-00031**, change of zoning classification from PBC/CR/AO (Planned Business Center with Conditions of Record and Airport Overlay) to PUD/AO (Planned Unit Development with Airport Overlay) based upon the finding that review criteria listed in City Code Section 7.3.603 are not met. Motion carried 5-4.

Moved by Commissioner Donley, seconded by Commissioner Henninger to deny **Item 4B, CPC PUP 15-00032**, concept plan for Village at Aeroplaza based upon the finding that the review criteria listed in City Code Section 7.3.605 have not been met. Motion carried 6-3.

July 16, 2015

Date of Decision

Planning Commission Chair