

CITY PLANNING COMMISSION AGENDA
DECEMBER 16, 2021

STAFF: KATELYNN WINTZ

FILE NO(S):

- A. CPC CU 21-00116 – QUASI-JUDICIAL
- B. CPC R 21-00117 – QUASI-JUDICIAL

PROJECT: COLLEGE CREEK APARTMENTS

OWNER: CW1 LLLP and SJ2, Inc., College Creek Homes LLC

DEVELOPER: LINCOLN AVENUE CAPITAL

CONSULTANT: NES, INC.



PROJECT SUMMARY:

1. Project Description: The project includes concurrent applications for a conditional use development plan and administrative relief request for an income-restricted affordable development of 240 multifamily residential units on 10.4-acres (**see “College Creek Apartments” attachment**). The project, College Creek Apartments, is zoned PBC (Planned Business Center). The administrative relief requests a 12.1% relief to provide 385 parking spaces where 438 are required. A concurrent final plat is being reviewed administratively.
2. Applicant’s Project Statement: (**see “Project Statement” attachment**)
3. Planning and Development Team’s Recommendation: Staff recommends approval of the applications.

BACKGROUND:

1. Site Address: The property address is 10055 Federal Drive.
2. Existing Zoning/Land Use: The property is zoned PBC (Planned Business Center) and is vacant.
3. Surrounding Zoning/Land Use:
North: PIP1 (General Industrial) and is developed as Pikes Peak Community College.
South: PBC (Planned Business Center) and is commercially developed.
East: PUD (Planned Unit Development: Victory Ridge) and is commercially and residentially developed.
West: A (Agriculture) and is vacant.
4. PlanCOS Vision: According to the PlanCOS Vision Map (**see “PlanCOS Vision Map” attachment**), the project site is identified as a New/Developing Activity Center and near a Newer Developing Neighborhood.
5. Annexation: The property was annexed into the City under Ford Parcel #1 annexation (September 28, 1982, Ordinance No. 82-151).
6. Master Plan/Designated Master Plan Land Use: The property is not part of an approved master plan.
7. Subdivision: The property was platted under Villages at College Creek Filings 1 & 2.
8. Zoning Enforcement Action: None.
9. Physical Characteristics: The property is vacant with no significant slopes or vegetation. It appears the site may have been previously graded with no additional development activities.

STAKEHOLDER PROCESS AND INVOLVEMENT:

The public notification process consisted of providing notice to the surrounding property owners within 1,000 feet of the site, which included mailing postcards to 14 property owners on two occasions; during the initial review and prior to the Planning Commission hearing. The site was also posted during the two occasions noted above. The Council of Neighborhoods and Organizations (CONO) was also notified and asked to relay the development information to their neighborhood mailing list. City Planning staff received one phone call public comment expressing general concerns of developing affordable residential units in the North area of the City.

Staff input is outlined in the following sections of this report. Staff sent copies of the plan set and supporting documentation to the standard internal and external review agencies for comments. Commenting agencies

included Colorado Springs Utilities, City Engineering, City Traffic, City SWENT, City Fire, City Police, District 20 and City Budget. All comments received from the review agencies have been addressed.

- Parks Department – The Parks Department determined that the development is required to pay fees in lieu of land dedication to satisfy PLDO requirements for this development.
- District 20 – The School District 20 determined that fees in lieu of land dedication is required to satisfy PLDO requirements.
- Landscaping – A preliminary landscaping plan was submitted for review with the Conditional Use Development Plan to satisfy the City’s landscaping criteria in City Code. Per Code, landscape buffers are required between a common property line between residential and non-residential uses. Due to site constraints, this landscaping design is not feasible to support the parking requirements. The applicant sought an alternative compliance request, which was deemed supportable by the City Landscape Architect.

ANALYSIS OF REVIEW CRITERIA/MAJOR ISSUES/COMPREHENSIVE PLAN & MASTER PLAN CONFORMANCE:

1. Review Criteria / Design & Development Issues:

a. Application Summaries

i. Conditional Use Development Plan

The proposed College Creek Apartments conditional use development plan (**see “College Creek Apartments attachment”**) consists of an infill development proposal for 240 multi-family residential units. The development as proposed includes 10, 3-story buildings in a mix of 1, 2, 3, and 4-bedroom units. Per the project statement (**see “Project Statement” attachment**) this development is an income-restricted housing development partially funded by Federal Low Income Housing Tax Credits (LIHTC) issued through the State of Colorado. In response to receiving this funding, occupancy will be income and rent restricted to 60% area median income (AMI). This unit mix, which includes 45% 3-bedroom and 5% 4-bedroom, is a new concept for affordable development in Colorado Springs with larger portions of the units being 3 & 4 bedrooms to focus on family occupancy. The LIHTC dollars used to fund this project were award by the Colorado Housing and Finance Authority (CHFA). All CHFA funded projects are required to have an affordability period of 30 years.

The development includes ancillary site improvements including landscaping, sidewalks, site lighting, and indoor and outdoor amenity space for future residents. Indoor amenities include a clubhouse with a community kitchen, laundry area, seating, and fitness center. Outdoor amenities include a pool, lounge area, community grill and picnic area, and playground. These amenities are all centrally located and well connected by pedestrian sidewalks for safe access. The development also includes trash receptacles and benches throughout the site for passive recreation opportunities. A future community park is proposed in an area just west of the project site and residents of this development are within reasonable walking distance to this park and will have pedestrian access through existing sidewalk facilities and a proposed crosswalk.

The development is an excellent opportunity to support affordable multi-family development in the North area of the City. The project site is within proximity to Pikes Peak Community College, bike lane infrastructure along Interquest Parkway, a Mountain Metro bus stop, and the commercial activities along Interquest Parkway. On average, rents in the northern part of Colorado Springs are an estimated 15% more than other areas of the city. Providing rent restricted

affordable units opens an entirely new rental market to cost burdened individuals and working families looking to live in this area of town.

ii. Administrative Relief

The administrative relief application requests relief to allow a 12.1% reduction in the required off-street parking minimum to allow 385 parking spaces where 438 are required per City Code Section 7.4.203 *Parking Space Requirements by Use* (see “College Creek Apartments” attachment). The development is an income-restricted affordable housing development. Studies provided by the applicant (see “Parking Justification” attachment) conclude that parking demand trends in income-restricted developments differ significantly from parking demand of market rate multi-family development. The Community Development Division conducted a city-wide analysis on the relationship between area median income (AMI) and vehicle ownership. A data set of 15 census tracts revealed that census tracts with the majority of households at or below 60% AMI own an average of 1.45 vehicles per household (PolicyMap, 2021). Staff finds the parking reduction request is reasonable based on the available data.

City Planning staff finds the application to be consistent with the purpose of the Conditional Uses and Development Plan criteria.

b. Affordable Housing

The addition of these 240 affordable units is in direct alignment with the Mayor's goal of increasing the supply of affordable housing by 1,000 units per year, and the City's comprehensive affordable and attainable housing plan, HomeCOS (Objective 2).

In addition, the overall adopted vision statement for the City's Comprehensive Plan, PlanCOS, includes a focus on housing opportunities: *In the coming decades, Colorado Springs will become a vibrant community that reflects our engaging outdoor setting as pioneers of health and recreation. Our city will be filled with unique places of culture and creative energy, sustainably designed around our natural environment. We will attract and retain residents of all generations with an innovative, diverse economy, and dynamic, well-connected neighborhoods that provide viable housing opportunities for all* (Comprehensive Planning Division, 2019).

Between 2020 and 2021 Colorado Springs has seen a 11% increase in the average rent for a two-bedroom/one-bath apartment, but less than 1% increase in median household income. Key contributors to the local tax base, including teachers, social workers, retail sales, and others in the hospitality industry currently struggle with this rapidly increasing housing cost. As private sector wages in El Paso County continue to lag by 17%, compared to the rest of the state, households within these large employment sectors will continue to be cost burdened and experience housing instability without increased housing choice (Posey, 2021).

Rents across Colorado Springs for a 2-bedroom apartment average \$1,386 while rents in Northern Colorado Springs averaged \$1,612 (CoStar, 2021), a 15% increase. The College Creek Apartments, also known as InterQuest Ridge Apartments, development will target workforce families and restrict rents to 60% of AMI. Rents restricted at this level are on average 30% lower than asking rents (see table below). Rents restricted to 60% AMI are consistent with the following rents: \$927 for a one-bedroom unit, \$1,113 for a two-bedroom unit, \$1,285 for a three-bedroom unit, and \$1,434 for a four-bedroom unit.

City Planning staff finds that the proposed project addresses all the applicable review criteria set forth in City Code.

2. Conformance with the City Comprehensive Plan:

Staff has evaluated the proposed project for conformance with the City's current comprehensive plan (herein referred to as "PlanCOS"), adopted in January 2019. According to the PlanCOS Vision Map, the project site is identified as a Newer Developing Neighborhood (**see "PlanCOS Vision Map" attachment**). Provision of newly constructed residential units is a direct response to the market needs for housing in the City. A big idea of Chapter 2, Vibrant Neighborhoods, is "housing for all" which asserts that a "fundamental expectation is to move our community in a direction of more housing choice" in different areas of the city. The proposed development supports this goal by providing housing to income-constrained individuals in the Northern area of the city.

The project aligns with PlanCOS Chapter 4 Goal TE-4, which states:

"Focus on productively developing and redeveloping areas already in, nearby, or surrounded by the city in order to preserve open spaces, maximize investments in existing infrastructure, limit future maintenance costs, and reduce the impacts of disinvestment in blighted areas."

Policy TE-4.A encourages prioritization of development within the existing City boundaries and built environment (not in the periphery) and is further supported by Strategy TE.4-A-3 which supports greenfield development that includes mixed-use, higher density clusters, and quality design.

Objective 2 of HomeCOS, a report adopted in support of the goals and policies of PlanCOS which further reinforce the City's commitment to supporting affordable residential development, details the City's interest in increasing the supply of affordable rentals throughout the City. Strategy 2G of HomeCOS discusses the importance of prioritizing new affordable multi-family projects in Land Use Review and the importance of working cooperatively with Community Development. The project, which has received CHFA funding, is of critical importance to furthering the goals and objectives of the comprehensive plan and supporting plans to support the vision of providing housing for all.

3. Conformance with the Area's Master Plan:

The project site is not part of an approved master plan; therefore, staff did not consider conformance with an approved master plan. City Planning staff finds the College Creek Apartments project to be complimentary and supportive of the long-range vision for the immediate project area because of the surrounding land use patterns which show a mix of commercial and residential uses of varying densities (**see "Context Map" attachment**).

STAFF RECOMMENDATION:

CPC CU 21-00116 – Conditional Use Development Plan

Approve the conditional use development plan for College Creek Apartments, based upon the findings that the request complies with the findings for authorizing a conditional use, as set forth in City Code Section 7.5.704, and the review criteria for establishing a development plan, as set forth in City Code Section 7.5.502(E).

CPC R 21-00117 – Administrative Relief

Approve the administrative relief request from City Code Section 7.4.203 allowing 385 parking spaces where 438 are required, based upon the findings that the request complies with the administrative relief criteria set forth in City Code Section 7.5.1101