2424 GARDEN OF THE GODS: REZONE & CONCEPT PLAN

PROJECT STATEMENT

NOVMEBER 2022, REVISED JANUARY 2023

REQUEST

NES Inc. on behalf of 2424 GOTG, LLC requests approval of:

- 1. A Zone Change from PIP1/HS to PUD/HS on 125.34 acres.
- 2. A PUD Concept Plan for 2424 Garden of the Gods Road for Office/Commercial/Civic on 43.67 acres, Office/Commercial/Civic/Residential on 11.05 acres, Residential on 15.19 acres, and Open Space on 55.43 acres.

LOCATION



The site is located on the north and west of the intersection of N. 30th Street and W. Garden of the Gods Road. To the east of the site, across 30th Street, is a Loaf 'n' Jug gas station/convenience store, Red Leg Brewing Company, and Artemis at Spring Canyon apartments. Weidner are proposing a 228-unit apartment development on land adjacent to the Loaf 'n' Jug and Red Leg brewery. This is currently under review with the City. To the south is the US headquarters for The Navigators, a religious ministry and mission training organization. To the north and northeast is the Mountain Shadows residential community. To the west is undeveloped land identified on the Mountain Shadows Master Plan as an Office Industrial Park and owned by Flying W Ranch. The National Forest lies further to the west.

The site includes five parcels comprising 125 acres. A 61.2-acre parcel includes approximately 750,000 sf gross of existing office buildings with 2,592 parking spaces on Lot 1, Block 1, Mountain Shadows Filing No. 1. A 2.9-acre parcel in the northern corner of the site was platted as an open space tract with Mountain Shadows Filing No.3. Immediately to the west of the intersection of Garden of the Gods Road and N 30th Street is a 9.5-acre parcel that was at one time used as overflow parking for the adjacent offices but is now disused and overgrown.



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Adjacent to this is a 12.1-acre parcel that includes part of the internal private loop road, Alpine Meadows Lane, with the remainder being part of the overflow parking area. A 39.3-acre parcel runs the entire length of the property's west boundary and contains steeply sloping terrain.

RECENT HISTORY

An application for a PUD Zone Change and Concept Plan, together with an amendment to the Mountain Shadows Master Plan, were submitted to the City in August 2020. That plan proposed 420 multifamily residential units in addition to the potential for 200,000 sq.ft. of new non-residential floorspace and an expanded range of non-residential uses for the existing building. That submittal was recommended for approval by staff, approved by Planning Commission in March 2021 (4-3 vote), and approved by City Council at the first reading in May 2021 (5-4 vote). At the second reading of the Zone Change, the City Council reversed its decision and denied the Zone Change and accompanying Concept Plan (5-4 vote). As the Master Plan amendment did not require a second reading, the submitted amendment to the Mountain Shadows Master Plan was approved at the first reading of City Council.

Although the opponents of the project referenced numerous objections to the proposed Zone Change and Concept Plan, it was the arguments relating to wildfire evacuation that were the focus of the deliberations that led to the reversal of the City Council's decision. Other concerns that were expressed by some of the Commissioners and City Council members who voted against the project were Master Plan compliance, visual impact, and habitat impacts.

JUSTIFICATION FOR NEW SUBMITTAL

There are a number of new circumstances that justify this new submittal of an identical plan to the City.

1. REVISED CONCEPT PLAN

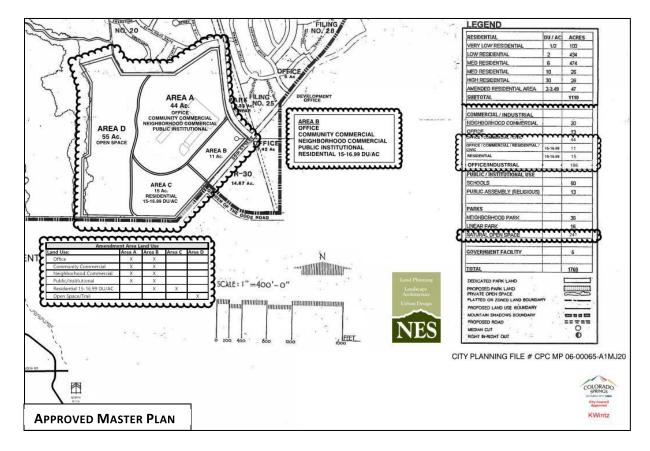
Following the initial submittal of an identical plan to that previously denied and a neighborhood meeting to discuss that proposal, the Applicant has decided to revise the Concept Plan to reduce the number of residential units and vary the type of residential proposed. Details of the revied Concept Plan are set out below.

2. MASTER PLAN COMPLIANCE:

The previously submitted amendment to the Mountain Shadows Master Plan was approved by City Council in May 2021. The amendment to the Master Plan revised the land use designations for the property as follows:

- 44 acres of Office/Community Commercial/Neighborhood Commercial/Public Institutional land uses in the area occupied by the existing building and associated parking to the north and east;
- 11 acres of Office/Community Commercial/Neighborhood Commercial/Public Institutional/ Residential land uses in the existing parking area to the southeast of the existing building;
- 15 acres of Residential in the overflow parking area to the west of the main entrance; and
- 55 acres of Open Space along the western side of the property.

The proposed Zone Change and Concept Plan are now in accordance with the approved Master Plan.



3. WILDFIRE EMERGENCY EVACUATION

The principal concern expressed by opponents in 2021 was the absence of adequate wildfire emergency evacuation planning for the City or specifically for the proposed development. Since that time the City has implemented an ordinance to introduce new emergency evacuation protocols within Chapter 8: Public Safety of the City Code. The new measures set out in Chapter 8.7.206 include the creation of evacuation zones, a public information campaign

related to the evacuation zones and evacuation planning, and the acquisition and maintenance of evacuation software to assist with real-time emergency management and evacuation preparedness. City Council did not introduce criteria in the zoning code to require an evaluation of evacuation planning specific to new development projects.

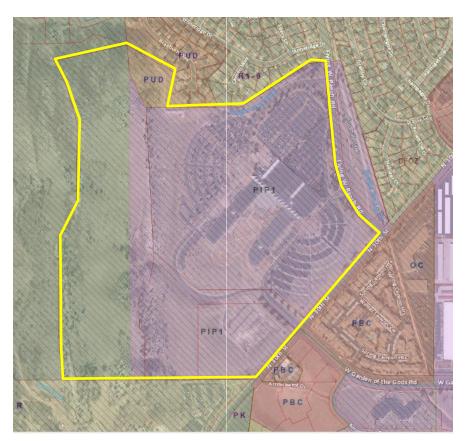
4. IMPROVED ROAD INFRASTRUCTURE

The extension of Centennial Boulevard to I-25 at Fontanero has been completed and is operational. This provides greater capacity and an additional emergency egress option from this northwestern portion of the City. In addition, the City's improvements to 30 th Street are well underway and when complete will provide more capacity for emergency egress to the west.

PROJECT DESCRIPTION

ZONE CHANGE

The site is currently zoned PIP1 (Planned Industrial Park), PUD (Planned Unit Development), and A (Agricultural), all with a Hillside Overlay. The surrounding zoning includes Agriculture, Residential, Planned Business Park, Office Complex, and Planned Industrial Park, with most including Hillside Overlay. The surrounding mix of uses include industrial, singlefamily and multifamily residential, commercial, institutional, and vacant/agricultural land.



A zone change to Planned Unit Development with Hillside Overlay (PUD/HS) is requested for the entire 125-acre property. The current PIP1 zoning limits the viable uses for the existing buildings, which are only leased at 37.72% of capacity. The proposed PUD zone better reflects the current office and call-center uses within the current buildings and opens up a wider variety of permitted uses on the site. The existing 3-story building occupies a footprint of 288,341 sf, which represents a building coverage of 5.3% of the 125-acre property and 10.8% of the 61.2-acre Lot 1. The site also has over 1000 more parking spaces then required by Code for the existing uses. The rezoning will provide the opportunity to improve the marketability of the existing buildings and will increase the redevelopment potential of the vacant/under-utilized portions of the site. This will make this infill property on the west side of the highway more efficient and sustainable.

The proposed PUD zone provides the ability to identify specific uses and development standards for a proposed development. The uses proposed for this PUD are listed in the table below. This combines some of the less intense uses in the existing PIP1 zone with the uses most likely to be feasible for this site that are allowed within the OC Zone; a zone that is considered compatible with residential areas.

Office use types:	Commercial use types:
Call center	Business office support services
Financial services	Communication services
General offices	Data Center
Medical offices, labs and/or clinics	Funeral services
Mixed office/residential use	Hotel/motel
Civic use types:	Mixed commercial-residential
Club (membership, social, and recreational)	Miniwarehouses
Cultural services	Personal consumer services
Daycare services	Pharmacy
Public/private school, college or university	Indoor Entertainment
Hospital	Indoor Sports and Recreation
Religious institution	Restaurant (No Drive-in)
Semipublic community recreation	Retail (Neighborhood Serving/Specialty Food)
Open Space	
Residential use types:	
Multi-family dwelling (apartments, townhomes)	
Retirement home	
Single-family detached or attached dwelling	

The PUD also proposes to cap the proposed multifamily residential development at 320 units, with a maximum density in area B of 9 units per cacre and in Area C of 14.5 units per acre. The PUD imposes a maximum height for the zone of 45 feet, which is consistent with the existing PIP1 zone and the substantial existing buildings, which are 45 feet tall. The maximum lot coverage for the site will be 40% and the setbacks will remain as they are for the current PIP1 zoning, which is a 50-foot front setback, a 30-foot side setback, a 50-foot rear setback and a 100-foot setback when adjacent to residential, which is the case for the north boundary of the property.

CONCEPT PLAN

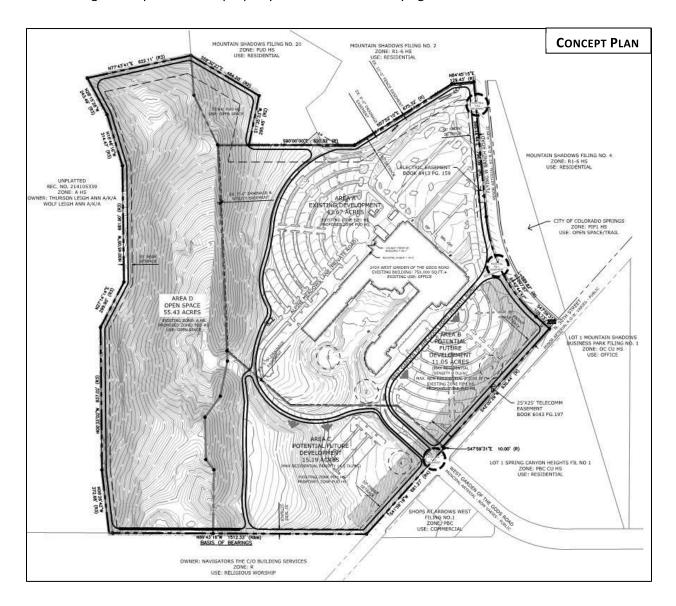
The Concept Plan for the 125-acre 2424 Garden of the Gods Road property shows the existing buildings to remain in place but with a range of uses that reflect the proposed PUD zoning. The plan also identifies two areas with future development/redevelopment potential (Areas B and C), again with a range of use options reflecting the proposed PUD permitted uses. The former overflow parking area and vacant land to the west of the main Garden of the Gods Road entrance to the property (Area C) has the greatest potential for redevelopment. This area has good access and visibility to the 30th Street and Garden of the Gods Road intersection and is divided from the existing building operations by the internal loop road. It is buffered from the Mountain Shadows neighborhood to the north by the substantial existing buildings and to the west by the proposed open space. This area is still proposed for multifamily residential use but at a reduced density of 14.5 units per acre or a maximum of 220 units.

The second area with future development potential is the portion of the existing parking lot that fronts 30th Street (Area B). This part of the under-utilized parking area is viable for new commercial/residential/mixed-use development, as it has good access to 30th Street and Garden of the Gods Road and high visibility. It is also buffered from the neighborhood to the north by the existing buildings. This area was initially identified for 220 multifamily apartments. The revised Concept Plan reduces the density of the residential in this area to 9 units per acre or 100 units and limits the type of multifamily in this area to townhomes only (no apartments). This change addresses neighbors' concerns about the number of apartments proposed by the Concept Plan and the reduction in the number of units will also reduce the traffic impact from the development, which is also a concern for the neighbors.

Following discussions with the Mountain Shadows Community Association, additional clarity was added to define the allowed uses in each area of the Concept Plan. Additional notes were added to the Concept Plan to clarify that no new development is proposed in Area A, the maximum number of units and/or non-residential floorspace in Area B, and to limit Area C to residential use only. To address concerns regarding building height and compatibility with the Hillside Overlay, the Concept Plan was amended to include a 150 ft zone from the property boundary along 30th Street and Flying W Ranch

Road where only 2-story buildings are permitted. All this information has been included in the revised Concept Plan.

Access to the proposed new development areas will be via the existing internal driveways and will utilize the existing access points to the property off 30th Street and Flying W Ranch Road.



The Concept Plan continues to show the entire western portion of the site as open space due to the steep topography, which makes it unsuitable for development. Initial discussions have taken place with

City Parks Department regarding the future public use of the open space area. The property is identified as Candidate Open Space on the Parks System Master Plan and is a priority purchase for the City as it is seen as an integral component for the future connection to the national forest land to the west and for the completion of the proposed Chamberlain Trail. An application was submitted to TOPS (Trails, Open Space and Parks Program) for funding for the purchase of the property, subject to the approval of the PUD Zoning and Concept Plan for the property. There is also the opportunity for the City and the owner to work together to provide trailhead parking on the property.

PROJECT JUSTIFICATION

Conformance with Zone Change Criteria (Section 7.5.603)

1. THE ACTION WILL NOT BE DETRIMENTAL TO THE PUBLIC INTEREST, HEALTH, SAFETY, CONVENIENCE OR GENERAL WELFARE.

The land uses proposed by the PUD are based upon the less intensive uses allowed in both the PIP1 zone and the OC zone and are uses that are generally considered more compatible with residential areas then many of the uses permitted in the current PIP1 zone. The PUD limits the height of the zoning to 45 feet, which is consistent with the existing PIP1 zone. The zoning maintains the PIP1 setbacks, which includes a 100-foot setback adjacent to residential areas. The proposed rezone will improve the transition from the Mountain Shadows single-family neighborhood to the north to the industrial uses along parts of 30th Street and Garden of the Gods Road and will not be detrimental to public interest, health, safety, convenience, or general welfare. The change of residential type and density in Area B from apartments at 16 units per acre to townhomes at 9 units per acre also addresses concerns expressed by neighbors about use compatibility. The reduction in the number of units will also reduce the traffic impact from the development, which is also a concern for the neighbors.

To address concerns regarding building height and compatibility with the Hillside Overlay, the Concept Plan was amended to include a 150 ft zone from the property boundary along 30th Street and Flying W Ranch Road where only 2-story buildings are permitted.

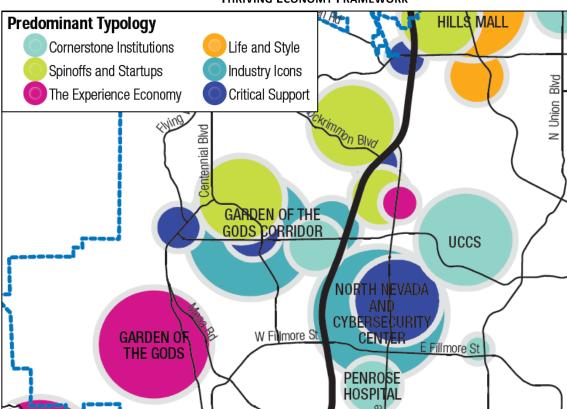
2. THE PROPOSAL IS CONSISTENT WITH THE GOALS AND POLICIES OF THE COMPREHENSIVE PLAN.

The objective of the Zone Change and associated Concept Plan is to allow a wider variety of feasible uses on this property to encourage greater occupancy of the existing buildings and make better use of the under-utilized parts of the site. This approach is consistent with the PlanCOS emphasis on infill and

adapting to ever-changing market needs and demands and Policy UP-2.A, which specifically supports infill and land use investment throughout the mature and developed areas of the city.

PlanCOS also focuses on the importance of creating vibrant neighborhoods and providing diverse housing choices. Strategy VN-2.A-3 supports land use decisions and projects that provide a variety of housing types and sizes, serving a range of demographic sectors, and meeting the needs of residents and families through various life stages and income levels.

These strategic objectives of PlanCOS are met through the intent to broaden the use opportunities for the existing building, increase the density of development on the site, and the potential for introducing multifamily residential uses to meet workforce needs.



THRIVING ECONOMY FRAMEWORK

The Thriving Economy Framework Plan shows the Garden of the Gods Road corridor as a major employment corridor with a focus on Industry Icons, Spinoffs and Startups, and Critical Support. The 2424 Garden of the Gods property is shown as a Critical Support center. PlanCOS strategies to support these typologies include:

Strategy TE-1.C-2: Support and leverage projects and initiatives with mixed uses, transit supported and walkable attributes to attract and retain a skilled workforce and business investment

Strategy TE-1.C-3: Ensure an adequate supply of attainable housing for the workforce across all industries, and that it is conveniently located near hubs of employment and/or public transportation.

Strategy TE-4.A-1: Encourage revitalization and infill in underutilized urban places.

Strategy TE-4.A-2: Ensure land use regulations allow for increased density in areas identified for this, including Downtown, activity centers, and urban corridors.

The proposed rezone of the 2424 Garden of the Gods property will support these strategies by locating an attainable housing product on an infill site in a location that is within walking distance of employment hubs. The addition of townhomes to the mix of permitted residential broadens the housing choice and price point in this area of the City. The site has excellent pedestrian access to adjacent sidewalks and various multi-use trails. The development of Area C will extend sidewalk along the site's frontage to 30th Street and will provide internal connections to the external sidewalks adjacent to the site. The site also has good access to public transit, with a transit stop on the opposite side of 30th Street, which can be accessed via the signalized intersection at 30th Street and Garden of the Gods Road. The goal is to create a pedestrian friendly, transit accessible, residential development that will serve the workforce needs of the Garden of the Gods employment corridor within which it is located.

3. WHERE A MASTER PLAN EXISTS, THE PROPOSAL IS CONSISTENT WITH SUCH PLAN OR AN APPROVED AMENDMENT TO SUCH PLAN. MASTER PLANS THAT HAVE BEEN CLASSIFIED AS IMPLEMENTED DO NOT HAVE TO BE AMENDED IN ORDER TO BE CONSIDERED CONSISTENT WITH A ZONE CHANGE REQUEST.

An amendment to the Mountain Shadows Master Plan relating to this property was approved in May 2021. This amendment changed the land use classification from "MCI" and OIP (Office Industrial Park). To the following land use designations:

- 44 acres of Office/Community Commercial/Neighborhood Commercial/Public Institutional land uses in the area occupied by the existing building and associated parking to the north and east;
- 11 acres of Office/Community Commercial/Neighborhood Commercial/Public Institutional/ Residential land uses in the existing parking area to the southeast of the existing building;
- 15 acres of Residential in the overflow parking area to the west of the main entrance; and
- 55 acres of Open Space along the western side of the property.

The proposed PUD zoning is consistent with the approved Mountain Shadows Master Plan amendment.

4. FOR MU ZONE DISTRICTS THE PROPOSAL IS CONSISTENT WITH ANY LOCATIONAL CRITERIA FOR THE ESTABLISHMENT OF THE ZONE DISTRICT, AS STATED IN ARTICLE 3, "LAND USE ZONING DISTRICTS", OF THIS CHAPTER. (ORD. 94-107; ORD. 97-111; ORD. 01-42; ORD. 03-157; ORD. 12-76)

The project is not a Mixed-Use zone district.

Conformance with Concept Plan Review Criteria (Section 7.5.501.E)

1. WILL THE PROPOSED DEVELOPMENT HAVE A DETRIMENTAL EFFECT UPON THE GENERAL HEALTH, WELFARE, AND SAFETY OR CONVENIENCE OF PERSONS RESIDING OR WORKING IN THE NEIGHBORHOOD OF THE PROPOSED DEVELOPMENT?

The proposed PUD Concept Plan shows a mix of office/commercial/civic/residential uses to better utilize the existing buildings and the parts of the site with redevelopment potential. The range of proposed uses is compatible with the existing mix of uses in and around the site, which include commercial uses and apartments on the opposite side of 30th Street, a religious ministry and mission training organization to the south, and substantial areas of existing and planned areas of office and industrial use to the east, west and south.

Any new activity/development will be focused toward 30th Street and will be buffered from the adjacent neighborhood by the existing buildings. The PUD Zone and Concept Plan limits the height of any new development on the site to 45 feet, which is consistent with the existing PIP1 zone and existing buildings on the site. The Concept Plan also includes a 150 ft zone from the property boundary along 30th Street and Flying W Ranch Road where only 2-story buildings are permitted. The PUD Concept Plan retains the 100-foot buffer to the existing residential neighborhood to the north. Open space is proposed along the western portion of the property which will provide a transition to the west.

2. WILL THE PROPOSED DENSITY, TYPES OF LAND USES AND RANGE OF SQUARE FOOTAGES PERMIT ADEQUATE LIGHT AND AIR BOTH ON AND OFF THE SITE?

The proposed density and types of land uses are compatible with the surrounding mix of residential, industrial and commercial development. The proposed 55 acres of open space that will be retained will allow for adequate light and air both on and off the site. The introduction of townhomes in Area B and the combination of 2 and 3 story buildings will ensure adequate light and air throughout the development.

3. Are the permitted uses, bulk requirements and required landscaping appropriate to the type of development, the neighborhood and the community?

The permitted uses and bulk requirements will adhere to the proposed PUD zone standards, which are generally consistent with the existing PIP1 zone standards and are intended to be compatible with adjacent residential areas. To address the visual impact of the proposed buildings, it is proposed to reduce the size and orientation of buildings closest to the property boundary and the Concept Plan also includes a 150 ft zone from the property boundary along 30th Street and Flying W Ranch Road where only 2-story buildings are permitted. The current PIP1 zone requires a 100-foot setback to adjacent residential areas, which is currently in place along the northern boundary. The Concept Plan does not propose any new building in this area in order to maintain that separation. Any new building will be focused on the 30th Street frontage.

The proposed revision to limit Area B to townhomes will reduce the bulk and visual impact of any new residential development in this area. The plan also includes a substantial 55-acre open space area along the western portion of the property. The site is currently well landscaped; new landscaping will be addressed in future Development Plans and will be consistent with the City's Landscape Ordinance. The Concept Plan retains the same peripheral setbacks of the current PIP1 zone to ensure the existing attractive and mature landscaped areas along the site's perimeter are not disturbed.

4. Are the proposed ingress/egress points, traffic circulation, parking areas, loading and service areas and pedestrian areas designed to promote safety, convenience and ease of traffic flow and pedestrian movement both on and off the site?

The property currently provides multiple vehicular access points to adjacent roadways and these will all be maintained. Existing internal circulation, loading and service areas and pedestrian connectivity will remain. The development of Area C will extend sidewalk along the site's frontage to 30th Street. Internal pedestrian connections from the new development to external sidewalks will be created to provide access to adjacent trails, bus stops and commercial areas.

5. WILL THE PROPOSED DEVELOPMENT OVERBURDEN THE CAPACITIES OF EXISTING STREETS, UTILITIES, PARKS, SCHOOLS AND OTHER PUBLIC FACILITIES?

The objective of the Concept Plan is to optimizing the use of a this under-utilized infill property that is already served by existing road and utility infrastructure, to support more efficient and sustainable growth in the City. The opportunity to increase the leasing potential of the existing building and to add new development to the site will make better use of the existing streets, utilities, parks and schools, none of which are operating at full capacity. Schools in District 11 are generally under capacity and will not be overburdened by this development. Utilities, parks, and other public facilities were considered with the original master plan and will not be overburdened by the proposed new and expanded uses on the site.

The Traffic Impact Study prepared by SM Rocha demonstrates that there will be no negative impacts to the surrounding road network as a result of the proposed development. During the hearing process for the previous submittal the City commissioned an independent review of the SM Rocha study by Kimley-Horn. Kimley-Horn agreed with he findings of the SM Rocha study and indicated that it was overly conservative in its assumptions. The reduction in the number of units proposed will further reduce any traffic impact from the development.

As noted above, there is the opportunity for the City to purchase the 55 acre open space parcel which is a priority purchase for the City as it is seen as an integral component for the future connection to the national forest land to the west and for the completion of the proposed Chamberlain Trail. There is also the opportunity for the City and the owner to work together to provide trailhead parking on the property.

6. Does the proposed development promote the stabilization and preservation of the existing properties in adjacent areas and surrounding residential neighborhoods?

The proposed mix of uses on the site is compatible with the surrounding area. The proposed revision to limit Area B to townhomes will provide a more gradual transition in and use intensity from the Mountain Shadows neighborhood to the north and east and the higher density apartments proposed in Area C. Any new activity will be focused toward 30th Street and will be buffered from the residential neighborhood to the north by the existing buildings and will not create additional noise or traffic in the neighborhood.

7. Does the concept plan show how any potentially detrimental use to use relationships (e.g., commercial use adjacent to single-family homes) will be mitigated? Does the development provide a gradual transition between uses of differing intensities?

The substantial existing buildings and parking on the northern part of the site provide a transition and buffer to the proposed areas with future development potential adjacent to 30th Street. The open space on the west part of the site provides a substantial buffer and transition to the more natural areas and the ridge to the west.

8. IS THE PROPOSED CONCEPT PLAN IN CONFORMANCE WITH ALL REQUIREMENTS OF THIS ZONING CODE, THE SUBDIVISION CODE AND WITH ALL APPLICABLE ELEMENTS OF THE COMPREHENSIVE PLAN?

The above analysis of the relevant review criteria demonstrates that the proposed Concept Plan is in conformance with all requirements of the zoning, subdivision, and applicable portions of PlanCOS.

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