



## Legislation Details (With Text)

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### West Colorado Annexation Options and Potential Fee Policy Change

**From:**

Councilmember Merv Bennett; Carl Schueler, Planning Manager - Comprehensive Planning

**Summary:**

Councilman Merv Bennett has been coordinating a multi-jurisdictional group that has met several times with City and CSU staff to review options associated with annexing all or part of the remaining unincorporated territory on the west side of Colorado Springs in the vicinity of West Colorado Avenue and U.S. 24 generally east of the City of Manitou Springs.

The process undertaken by the group will be generally explained along with a recommended priority area and approach. Voluntary coordinated annexations could be particularly encouraged for properties north of the U.S. 24 right-of-way (ROW) by waiving all or a part of the City’s application fees for annexation and the associated zoning actions.

**Previous Council Action:**

None specifically applicable to this topic.

**Background:**

The remaining unincorporated areas in the vicinity of West Colorado Avenue and U.S. 24 function as an “enclave” because they are now surrounded by properties within the City of Manitou Springs. However, most this area does not technically qualify as an enclave because of its border with Manitou Springs and internal boundaries with non-annexed right-of-way. The City Annexation Plan (2006) recommends annexation of all of these areas based primarily on jurisdictional logic and efficiency. For those properties still served by septic systems, annexation would provide the added advantage of accelerating the conversion to City sewer. This is especially important for those

properties along Colorado Avenue immediately upstream from CSU's 33rd Street water intake.

Progress toward annexation of these privately owned areas has been sporadic and very limited in recent years. This has been due to a combination of factors, including:

- Annexation is costly and time consuming
- Most unincorporated properties have previously approved connections to City water and sewer and/or are served by septic systems that are allowed by County regulations
- County zoning for these properties is generally permissive
- Although these property owners typically pay higher out-of-City rates for water and sewer, they benefit from lower property and sales tax rates
- The majority of these properties are not subject to a current requirement that the City could use to compel annexation (such as a pre-annexation agreement)
- The City has traditionally been hesitant to compel property owners to annex even if they could be required to do so.

Four geographic areas were evaluated:

- 1) Colorado Avenue ROW and directly associated private properties
- 2) Colorado Department of Transportation (CDOT)-owned U.S. 24 ROW
- 3) "High Street Area" located south of U.S. 24 adjacent to Manitou Springs
- 4) "Robinson Street Area" located south of U.S. 24 and east of Red Rocks Open Space

The group considered information and evaluated issues, questions, eligibility and annexation options for these areas. This process is further summarized in the attached PowerPoint presentation.

The first recommendation was to focus on Area 1 as a priority because of the ongoing investment in the West Colorado ("Avenue") roadway project being funded by dollars from PPRTA extension and other sources, and the associated redevelopment potential for this corridor.

Area 1 consists of the Colorado Avenue ROW as well as 23 privately-owned parcels. The parcels are depicted on two attached maps. Information for each parcel is included in an attached exhibit.

After consideration of the circumstances and options, the committee recommends that annexation of these Area 1 parcels continue to be encouraged via a voluntary process, and that the City consider waiving of all or a part of the City application fees as an incentive. The Executive Branch recommends that any fee waiver be limited to coordinated or concurrent annexation applications, in order to promote efficient processing and/or redevelopment opportunities.

If City Council approves an application fee waiver for just this area, this would be a policy choice to make special provisions for this area.

The recommended process for annexing the Colorado Avenue ROW itself would be conveyance from CDOT to El Paso County, followed with a request/concurrence of the County to annex. One rationale for the 3-step process is because CDOT policy ordinarily prevents them from being an active petitioner for annexation.

### **Financial Implications:**

If the City undertook the process of directly annexing the Colorado ROW, along with staff costs, there would be some limited direct costs including the required legal advertising. If each of the 23 parcels were to separately submit an application and the full City application fees were waived, the resultant

loss of forgone revenues would be approximately \$6,000 per parcel or on the order of about \$140,000. However, this is a largely theoretical number because not all the owners should be expected to apply for annexation under any circumstances within the near to medium term future. A deadline could also be incorporated into any approved policy waiver.

Although a detailed fiscal impact analysis has not been performed for each of these properties, for most there will be some offset to the General Fund associated with sales and/or property taxes not currently being collected. It is also generally noted that City public safety staff often provide at least first response to emergency calls in this area regardless of jurisdiction. For this segment it is expected that that the majority of existing deficiencies associated with the roadway and streetscape will all be addressed via the PPRTA Avenue project. Other site specific infrastructure costs will continue to be the responsibility of the individual property owner. Costs associated with the Camp Creek and Fountain Creek channels and flood plain are a large scale regional and municipal consideration that will need to be address regardless of whether these relatively few properties are or are not annexed.

**Board/Commission Recommendation:**

There have been no formal board recommendations provided as of this time.

**Stakeholder Process:**

Thus far, the stakeholder process has involved the above-referenced group convened by Councilmember Bennett. A partial list of participants up to this point is as follows:

Michelle Anthony, Manitou Springs  
David A. Bighton, Citizen  
Merv Bennett, Colorado Springs City Council  
Wade F. Burkholder, Manitou Springs Planning Director  
Rafael Cintron, CSPD  
Sallie Clark, El Paso County Commissioner  
Welling Clark, Organization of Westside Neighbors  
Renee Congden, Colorado Springs City Attorney's Office  
Michael Creoeall, Hotel San Ayre  
Kenneth Hodges, El Paso County Attorney's Office  
Darlene Kennedy, Manitou Citizen  
Keith King, Colorado Springs City Council  
Don Knight, Colorado Springs City Council  
Kathleen Krager, Colorado Springs Traffic Engineer  
Bonnie Lapora, Avenue Merchants, Grandview Neighborhood Watch  
Wynetta Massey, Colorado Springs City Attorney  
Charae Moore, City Budget  
Ann Nichols, Manitou Springs Urban Renewal Authority  
John Olson, Design Professional  
Dale Pijanowski, City Attorney  
Pat Rigdon, CSPD  
Brent Schubloom, CSU  
Carl Schueler, City of Colorado Springs Planning Department  
Marc Snyder, Manitou Springs Mayor  
Michael Spitzmiller, CSPD  
J. Adrian Stanley, Colorado Springs Independent  
Colleen Toll, Manitou City Council

Steve Tuck, Colorado Springs Planning Department  
Nina Vetter, City Budget  
Peter Wysocki, Colorado Springs Planning Director

**Alternatives:**

- Direct staff to provide a proposed Council resolution to allow the Planning Director to waive annexation and related zoning fees for only those properties in the West Colorado area north of U.S. 24 with a preference for coordinated and/or concurrent applications.
- Subsequently provide notice of this policy change to directly impacted property owners along with invitation to one or more informational meetings if there is sufficient interest for this
- If they occur, such meetings could be sponsored/supported by the Organization of Westside Neighbors(OWN) and/or the Westside Avenue Merchants
- Direct staff to pursue an agreement with El Paso County that will result in the Colorado Avenue ROW being conveyed from CDOT to the County and then petitioned for City annexation, with Colorado Springs being responsible for the process.

**Proposed Motion:**

N/A

N/A