



Legislation Details (With Text)

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Title: Overview of the Amara Annexation and related Fiscal Impact Analysis and Economic Impact Report.

Presenter:
 Bob Cope, Economic Development Officer
 Andrew Knudtsen, Economic & Planning Systems, Inc.
 Colton Harguth, Economic & Planning Systems, Inc.
 Katie Carleo, Land Use Planning Manager, Planning & Community Development
 Peter Wysocki, Planning Director, Planning & Community Development

Sponsors:

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Attachments: 1. Amara CC Work Session 10-24-22_Staff Presentation, 2. Amara Economic Fiscal Impact Analysis, 3. Attachment_3-Mile Buffer, 4. Attachment_Amara Additions, 5. Attachment_Surrounding Ownership and Future Roads, 6. Attachment_Amara Roadway Exhibit, 7. FINAL DRAFT_Amara Addition No. XXX, 8. Amara CC Work Session 10-10-22_FINAL

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10/24/2022	2	City Council Work Session	received	
10/10/2022	1	City Council Work Session	received	

Overview of the Amara Annexation and related Fiscal Impact Analysis and Economic Impact Report.

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Summary:

Applicant: La Plata, LLC
 Owners: Tee Cross Ranches, LLC - Bobby Norris
 Developer: La Plata Cruz Holdings
 Consultant: La Plata LLC
 Location: Northeast of Squirrel Creek Road and Link Road

This is a session to discuss the Economic & Fiscal Impact Analysis conducted in connection with the Amara Annexation application. We will cover:

- 1) projected economic impacts including jobs and overall economic growth, and

- 2) projected fiscal impacts including new City gross revenue, new City expenditures, and net new City revenue

Background:

Please refer to the attached PowerPoint presentation for additional information.

The formal Amara annexation and associated applications were submitted to the City in November of 2021, after the City Council accepted the initial petition for annexation. The goal of La Plata (the Annexor) is to complete the processing of the annexation by the end of 2022.

October 10 - City Council Work Session on the annexation technical requirements and overview of the annexation agreement

October 11 - City Council Budget Committee review of the FIA/EIR

October 11 - City Council Regular meeting - resolution scheduling the annexation public hearing for November 22

October 24 - City Council Work Session on FIA/EIR

October 25 - City Council Town Hall meeting at 5 PM (this will be after the City Council regular meeting)

November 9 - Planning Commission hearing

November 22 - City Council regular meeting public hearing (assuming Planning Commission makes a recommendation on November 9)

December 13 - City Council regular meeting final action (assuming Council takes action to approve the annexation on November 22)

The proposed annexation is for approximately 3200 acres. It includes the establishment of the Amara Master Plan and Agriculture zoning as a “holding” zone until future development plans and correlating zoning application(s) are submitted. The annexation itself consists of 11 serial annexation plats that establish contiguity with the exiting city limits. The annexation area is located south of Bradley Road and northeast of Squirrel Creek Road and Link Road. This area is currently within unincorporated areas of El Paso County and is mostly vacant. The overall site comprises of a few different El Paso County zoning districts and is situated in an area of residential development in El Paso County and surrounding City of Fountain.

In 2021, El Paso County and the City entered into an Intergovernmental Agreement (IGA) for the purposes of planning and processing proposed urban level development in unincorporated areas of El Paso County. The IGA memorialized the shared acknowledgement that it is best practice for urban level development to be built within municipalities. The IGA also lays out a collaborative process for review of development applications. As part of this effort, the IGA identified Area of Planning Interest, which includes the Amara annexation. The Area of Planning Interest map does not guarantee or imply approval of annexations. The map is intended to be used to initiate communication between El Paso County and the City.

Landowners seeking voluntary annexation must petition the municipality to request annexation into the City. The initial Annexation Petition for this property was accepted by City Council on November 23, 2021. (This action only verified that the land is eligible for annexation.) The City's authority to annex land is established by Colorado Revised Statutes (C.R.S. 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. **(see '3-Mile Buffer' attachment)** The proposed annexation meets both requirements.

The annexor proposes to annex just under 3200 acres of property into the municipal limits of the City of Colorado Springs. The proposed annexation also includes a portion of Bradley Road from its current terminus with the City boundary to the eastern portion of the Amara annexation off of Bradley Road. This annexation is comprised of twelve serial annexations which make up a flagpole annexation approach. **(see 'Amara Annexation Addition No. 1-11' attachment)** The annexation begins at Bradley Road and moves southwest, and "skips" over a portion of State Land. (Land owned by the State of Colorado can be "counted" as contiguity.) Each of these are discussed below for better clarification.

Flagpole Annexation

The proposed area for development, as the real property of the annexation, does not currently have contiguity with the current City boundary. A flagpole annexation allows the property owner to configure a series of annexations, that meet the state statute required contiguity, and use a roadway as a 'flagpole' to gain contiguity (Colorado Revised Statute 31-12-105(e.3)). **(see 'Amara Additions' attachment)** Per Colorado Revised Statute a property owner may achieve required contiguity by annexing a public street. In this case the Amara annexation additions no. 1-4 are annexing right-of-way only. This extends the City boundary and allows for contiguity to be gained for addition no. 5; the subsequent additions then build upon this contiguity as a serial annexation.

Serial Annexation

A serial annexation allows property owners petitioning a municipality to "portion-off" the intended whole annexation boundary into separate annexations if the whole portion does not meet the state statute required one sixth contiguity (Colorado Revised Statute 31-12-105). In this case, a serial annexation is needed to facilitate the annexation of land where the proposed development will occur. For the total annexation of Amara there are twelve proposed additions which make up the total land for annexation. Each addition on its own meets the state requirements for contiguity and builds on each other to accomplish the whole annexation. **(see 'Amara Additions' attachment)**

Public Lands Contiguity

Per Colorado Revised Statute 31-12-104(a) "contiguity shall not be affected by the existence of... public lands, whether owned by the state, the United States or an agency thereof." As such, the proposed annexation incorporates this provision and contiguity is not affected, although maintained, between addition no. 6 and addition no. 7A where state owned land is 'jumped'. **(see 'Surrounding Ownership and Future Roads' attachment)** The remainder of the area to be annexed continues to establish the required one-sixth contiguity in the serial annexation configuration.

The overall development of this area is projected in six phases (see 'Amara Master Plan' attachment) which identify all required improvements with each phase as well as any school or park land which will be zoned and dedicated to the City or school district as part of each phase. The Amara Master Plan also outlines the roadways associated with development as it progresses through the phases of development and the responsibilities for those roadway improvements. The draft annexation agreement is attached as (see '**Draft Amara Annexation Agreement**' attachment). Dedication and improvements with this annexation are fully outlined in the agreement. It is at the City Council's discretion for final action on an annexation agreement, the final agreement will be part of the agenda packet for the formal public hearing.

Through responsible, timely and ongoing planning initiatives, Colorado Springs Utilities (Springs Utilities) has developed existing, and identified future, utility facilities that currently serve or will be needed to serve all present and future users whether within or outside the corporate limits of the City. Springs Utilities has negotiated an annexation agreement with the annexor that includes the terms by which Springs Utilities will be able to provide utility services to the annexing property. That proposed agreement is included with this memo.

Throughout this process Colorado Springs Utilities (CSU) has reviewed all applications and requested supporting documentation for the establishment of service for the proposed annexation area. Per City Code Section 12.1.111 with annexation CSU shall be the exclusive provider of utility services. There may be potential for temporary or permanent wholesale third party utility providers which are still pending and would be managed through CSU.

Water

Currently, applying a first-come, first-serve approach, Springs Utilities has adequate water resources available to serve the annexation area as required by City Code section 7.6.203(C). The requirements to connect the annexation area to existing water infrastructure are included in the proposed Amara Annexation Agreement and are consistent with the City Code, Utilities Rules and Regulations (URRs), and Line Extension and Service Standards (LESS). As the City continues to develop with existing City limits and new annexations, additional water rights will need to be acquired by Springs Utilities and service delivery expanded by developers.

Wastewater

Springs Utilities has sufficient capacity to serve the annexation area, based on the assumption that Springs Utilities will contract with another utility to provide wholesale wastewater service for a portion of the annexation area. Springs Utilities has sufficient capacity to serve that portion of the annexed area not covered by the wholesale service contract. The requirements to connect the annexation area to existing wastewater infrastructure are included in the proposed Amara Annexation Agreement and are consistent with the City Code, URRs and LESS.

Electric

Electricity to serve the annexation area will be generated and/or purchased in accordance with Springs Utilities' electric integrated resource plan process. The requirements to connect the annexation area to existing electric infrastructure are included in the proposed Amara Annexation Agreement and are consistent with the City Code, URRs and LESS.

Natural Gas

Natural gas service to the annexation area will be in accordance with Springs Utilities' gas

integrated resource plan process. The requirements to connect the annexation area to existing gas infrastructure are included in the proposed Amara Annexation Agreement and are consistent with the City Code, URRs and LESS.

Colorado Springs Police Department

The City of Colorado Springs Police Department (CSPD) has reviewed the annexation and master plan and worked with the owner to understand the scope of development and timing. Currently CSPD is not asking for any station location within the Amara annexation area. While analyzing the overall development along the southeastern edge of the City of Colorado Springs it was determined that a CSPD substation would better be located north of the Amara development. The functions of the police force are mobile in their staffing of areas and will be able to serve the Amara development through its initial phases and will be working to determine a location for a future station along with continuing to evaluate future development plans as they come in for the Amara development. Future development within the annexed area is required to comply with the recently adopted public safety impact fee.

Colorado Springs Fire Department

There are two permanent fire station locations proposed within the annexation. With the first two phases, the annexor will be required to provide a site and a facility (as indicated on sheet 4 of the master plan) for a temporary fire station. This temporary station will remain in operation to serve the new development and until the permanent station is constructed and operational in Phase 3. The second station is provided in Phase 4 to serve the northern part of the annexation. Again, future development within the annexed area is required to comply with the recently adopted public safety impact fee.

Roadways

The annexor submitted a traffic impact analysis which helped guide the requirements for transportation improvements to serve the annexation area. The TIA evaluated

- Trip generation
- Traffic distribution and analysis of levels of service
- Short- and long-term improvements
- Phased implementation of improvements

Via the annexation agreement, the annexor is responsible for constructing roads within the development as well as financially contributing or constructing several off-site roadway and intersection improvements. Roadway and intersection improvements will be phased as development occurs based on warrants.

Previous Council Action:

On November 23, 2021, City Council accepted the initial petition for annexation and determined that the annexation meets statutory requirements for further processing and consideration.

Financial Implications:

By City code a Fiscal Impact Analysis is required to be completed with an annexation application. The full details of the Fiscal Impact Analysis and an Economic Impact Analysis will be discussed at the next work session.

City Council Appointed Board/Commission/Committee Recommendation:

A recommendation on the annexation will be rendered by the Planning Commission prior to City Council hearing. The annexation petition will “move forward” to the City Council regardless of whether the Planning Commission has a positive or negative recommendation.

Proposed Motion:

N/A