



## Legislation Text

---

**File #:** 19-103, **Version:** 1

---

Introduction of the proposed United States Air Force Academy (USAFA) Annexation Addition No.1 and No. 2, generally located west of Interstate 25 along North Gate Boulevard

(Legislative Items)

Related Files: CPC A 18-00124, CPC A 18-00125, CPC MP 18-00138, CPC PUZ 18-00137, CPC PUP 18-00177

**Presenter:**

Catherine Carleo, Principal Planner, Planning and Community Development Department  
Peter Wysocki, Planning and Community Development Director

**Summary:**

Owner: United States Air Force

Developer: Blue and Silver Development Partners

Consultant: Matrix Design Group

Location: Southwest of North Gate Boulevard and Interstate 25

The City is in process with a proposed annexation of 183.14 acres as part of the USAFA Annexation Addition No. 1 and Addition No. 2. The intent of this item before City Council at Work Session is to provide a briefing of the proposed annexation and the annexation process. Statutory requirements are set that an annexation hearing shall be publically noticed for four consecutive Saturdays in the local newspaper prior to a public hearing with full testimony for the proposed annexation. A resolution was before City Council on January 22, 2019 setting this hearing date for February 26, 2019. A detailed memo will be provided for this official hearing that will introduce the associated land use items and proposed applications.

**Previous Council Action:**

On October 23, 2018, City Council accepted the original petition for annexation which authorized further processing of the annexation through the City Land Use Review process. A resolution setting the City Council hearing date of February 26, 2019 was heard and passed on the January 22, 2019 City Council agenda.

**Background:**

The annexation area and associated master plan - True North Commons - is located along the west side of Interstate 25 along North Gate Boulevard. The site is owned by the United States Air Force Academy (USAFA) but is proposed to be developed by Blue & Silver Development Partners under a long-term lease agreement with USAFA. The site is proposed to be developed with a mix of uses intended to support the development of a new Visitors Center for the USAFA, complimented by supporting market driven private sector uses which will be developed to create a destination activity

center. The proposed site is envisioned with distinct districts for development which are fully explained in the Developer's project statement (FIGURE 1).

The proposed annexation coincides with the regional initiative for the new USAFA Visitors Center which received funding through the Regional Tourism Grant granted for the City for Champions projects. The proposed annexation would align to bring the property into the corporate City limits and further the Visitors Center project with supporting private development around the Visitors Center. The City has been working with United States Air Force Academy for the siting of the Visitors Center. The associated applications detail the intensions for the surrounding development and infrastructure associated to the overall project.

This annexation application contains two serial annexations. 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 statue required one sixth contiguity with the current city boundary. The USAFA Addition No. 1 will annex 85.23 acres and the USAFA Addition No. 2 will annex the remaining 97.90 acres. The total annexation consists of 183.14 acres as a request to annex the property into the municipal limits of the City of Colorado Springs. The property is intended for a mix commercial, retail, office, institutional, hospitality and open space within the City. This annexation will also annex North Gate Boulevard for a portion west of Interstate 25 within the annexation boundary.

Land owners seeking voluntary annexation must petition the municipality to request annexation into the City. The Annexation Petition for this property was heard and accepted by City Council on October 23, 2018. The City's authority to annex land is established by Colorado Revised Statues (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.

In this case a serial annexation is needed to facilitate the annexation of land where the proposed development will occur. This area of land does not currently have contiguity with the current City boundary. A serial annexation allows the property owner to configure a series of annexations that meet the state statute required contiguity. (FIGURE 10) With the proposed serial annexation configuration the property is eligible for annexation.

The City Annexation Plan was last updated in 2006 and is an advisory document. It was drafted and adopted without benefit or knowledge of the current circumstances associated with this unique and strategic planned use and development of this site, in partnership with the Air Force, and on federally owned property. Moreover, because the property was then (and will remain) in federal ownership; in 2006 there was no expectation that there would be a need to consider the potential for annexation. (FIGURE 17) Therefore, it was assumed at the time that the property would not be annexed, and it is not designated on the Potential for Annexation Areas Map (Map 3.1) as a potential annexation area. However, in view of current circumstances a strong case can be made in support of the spirit and intent of the 2006 Plan. In particular, the Annexation Plan lays out the cornerstone evaluation criteria from the City's 2001 Comprehensive Plan to be used in evaluating potential annexations. In view of current circumstances and conditions, several of these now strongly apply in support of this proposed annexation. The following most applicable criteria are directly quoted from the 2006 Annexation Plan:

- The short and long term benefit of expanding City services;
- The impact a development area may have upon the City if it is not annexed;
- Any necessary capital improvements and anticipated revenues generated by the proposed development;
- Employment opportunity;
- Diversification of the economic base; (and)
- The efficiencies of adding the annexation to the City.

On this basis, staff suggests that this annexation is consistent with the original intent of the 2006 Plan. The City Annexation Plan (2006) also includes a Future Land Use 3 Mile Plan (Map 2.1) with designations of potential future land use for properties then within three miles of current City limits. The designation for this property is 'Major Institutional' which was (and would remain) consistent with a joint use project on Air Force Academy property.

Finally, the new City Comprehensive Plan (PlanCOS) was recently adopted by City Council. Plan COS recommends an update of the 2006 Annexation Plan with some broad direction. One of these areas of direction for the anticipated update is the encouragement of strategic future annexations such as this example; with clear economic benefits to the City, region and our military partners. Staff will provide a full detailed analysis of the proposed annexation's adherence to PlanCOS with the coming public hearing presentation and supporting Council memo for that hearing.

The draft annexation agreement is attached. Staff is still finalizing the agreement, which will be provided to Council for the formal hearing.

#### **Financial Implications:**

A Fiscal Impact Analysis (FIA) is required for all annexation requests and is completed by the City Budget Office. The FIA was completed on November 8, 2018. The fiscal review criteria of the City Code states city costs related to infrastructure and service levels shall be determined for a ten-year time horizon for the appropriate municipal funds. This is a standard FIA modeling by the City Budget Office and does not reflect any potential supplemental funding mechanisms the Developer may gain towards the overall development of the project.

The FIA methodology reviewed City units projected increase in marginal cost of providing services to the development for 2019-2028. The FIA states most departments indicated there were no identifiable costs of providing services to this development. Some agencies as reported in the FIA identified marginal increases in operation costs annually. The result of the FIA is a positive cumulative cash flow for the City during the 10-year timeframe. The Summary of Expenditures and Revenues is attached, along with the Expenditure and Revenue Notes to provide the methodology for calculating the expenditures and revenues. (FIGURE 12)

#### **Board/Commission Recommendation:**

At its January 17, 2019 meeting, the City Planning Commission unanimously recommended approval of the annexations to the City Council (8-0 vote; Commissioner Satchell-Smith absent).

#### **Stakeholder Process:**

The public process included posting the site and sending postcards to all property owners within a

1000-foot buffer at application submittal. Similar mailings were sent prior to each scheduled public hearing. A full detail of citizen and agency participation will be discussed and outlined in the memo presented for the hearing to be held on February 26, 2019.

Staff sent plans to the standard internal and external review agencies for comments. All comments received from the review agencies are addressed. Commenting agencies included Colorado Springs Utilities, City Engineering, City Traffic, City Fire, School District 20, Police and E-911, and El Paso County Development Services. The applications were transmitted per our standard review to the USAFA Community Planning and Civil Engineer Squadron for review. As the property owner for the proposed applications the City did not receive any formal comment from this division but did receive communication of acknowledgement of the transmittal and communication the Civil Engineer Squadron would not be submitting comment.

**Alternatives:**

N/A

**Proposed Motion:**

Future motions will be provided for action to be taken on the proposed annexations and accompanying land use items.

N/A