



## Legislation Text

---

**File #:** CPC MP 81-16-A2MJ20, **Version:** 2

---

A Resolution for a major amendment to the Prospect Park Master Plan to change 20.63 acres from commercial to commercial and residential, located southeast of the intersection of East Fountain Boulevard and South Union Boulevard.

(Legislative)

Related Files: CPC MP 81-16-A2MJ20, CPC CP 20-00041

**Presenter:**

Rachel Teixeira, Planner II, Planning and Community Development  
Peter Wysocki, Director, Planning and Community Development

**Summary:**

Owners: Fountain Valley Holdings LLC and Welcome to Realty, LLC 401K Profit Sharing Plan  
Representative: NES Inc.

Location: Southeast of the East Fountain Boulevard and South Union Boulevard intersection is addressed as 0 East Fountain Boulevard and 2125 East Fountain Boulevard.

This project includes concurrent applications for a major amendment to the Prospect Park Master Plan and a Fountain and Union concept plan for 20.63-acres located at the southeast of East Fountain Boulevard and South Union Boulevard. The master plan amendment will change the use of this site from commercial to commercial and residential land uses. The concept plan illustrates 5.5 acres of commercial and 15.638 acres of residential land use with a density range of 12 to 24.99 dwelling units per acre for multi-family residential.

**Background:**

The subject area was annexed in May 1971 as part of the Buena Vista Addition #3. The original 48.9-acre Prospect Park Master Plan was approved in February 6, 1981 for the area generally south of East Fountain Boulevard, east of South Union Boulevard, west of South Circle Drive, and north of the U.S. 24 bypass. The original Prospect Park Master Plan contained 37.2 acres of commercial land use designation. A master plan amendment was completed in October 4, 1984 that modified the land from just commercial to a more specific mix of commercial and retail and increased the master planned area to a total of 56.46 acres.

There is a former restaurant site included in this development and that restaurant has sat vacant for a number of years. Attempts at sale and redevelopment as a restaurant have been unsuccessful. This property has become an isolated commercial/retail parcel with no activity or interest as a commercial only development. There has been interest in developing this area as mixed use-commercial and residential.

The Prospect Park Master Plan amendment allows the conversion from commercial to commercial and residential, and 5.638-acres of the 20-acres of commercial designation is for multi-family residential land use. The commercial uses within the Fountain and Union development are shown to be located along South Union Boulevard and near the South Union Boulevard and East Fountain Boulevard intersection. The multi-family residential (12-24.99 dwelling units per acre) is proposed on the remaining portion of the site. Locating the commercial uses at the corner will allow visibility and access from two major roadways. Introducing multi-family directly east will complement the commercial and afford new residents the opportunity to walk to neighborhood services. The multi-family is very complementary to the adjacent streamside and provides a good transition between commercial and single-family uses in the area. There are very limited areas of land to construct multi-family residential in the southeast area of the city. There has been some interest in the property with several pre-application meetings; however, there have been no purchase and development offers until now.

The concept plan illustrates future development of a mixed commercial and residential project. Again, the concept plan is for 5 acres of commercial and 15.638 acres of residential with a density range of 12 to 24.99 dwelling units per acre for multi-family residential.

The need for appropriate buffers between the internal commercial and residential land uses will be analyzed at the development plan stage when a more specific building and land use configuration is provided. Seven (7) access points are shown to the site: three off South Union Boulevard and the remaining four along East Fountain Boulevard. City Traffic Engineering has agreed that the applicant submit a Traffic Impact Analysis (TIA) with future development plans in order to further analyze the proposed locations and future roadway improvements prior to Traffic Engineering providing approval during the review of future development plans.

The property is currently zoned PBC (Planned Business Center) and the uses contemplated with the concept plan are permitted in the PBC zone with multi-family being a conditional use in the PBC zone. No rezoning action is required to implement this concept plan. The requirement for a conditional use to construct the multi-family residential development with a 12 to 24.99 dwelling units per is referenced on the plan per General Note #2. In addition, the Streamside Overlay will be reviewed and illustrated in detail with the submittal of a development plan application per General Notes 3 and 4. The concept plan lists the commercial building setbacks and height per the PBC zone district and the residential building setbacks and height per the R5 (Multi-Family Residential) zone district in PBC zone.

The development for the Fountain and Union site requires the applications including development plans for the commercial, conditional use site plans for the residential and final plats for the platting of the lots. These plans will be reviewed administratively. At this time, the applicant has not submitted any development plans, conditional use plans and final plat for the development.

Internal commenting reviews include Parks, Recreation and Cultural Services, Traffic Engineering, Streamside, and Water Resources.

- Parks, Recreation and Cultural Services Department Staff commented that the residential conversion does trigger the need for parkland dedication or fees in lieu of land dedication per the change of use from commercial to residential with the Master Plan Amendment (File No. CPC

MP 81-16-A2MJ20). Parks Department Staff has agreed with the applicant's decision to determine whether to either provide parkland dedication or provide fees in lieu of land dedication at the time of development plan.

- **Traffic Engineering:** Traffic Engineering's comments are addressed for the master plan amendment and concept plan. In order to provide further analysis of the access locations and roadway improvements, the applicant has agreed to submit a TIA (Traffic Impact Analysis) with the development plan. The concept plan includes a note stating that "Prior to the approval of proposed access points, the applicant is required to submit a Traffic Impact Analysis (TIA) with future development plans to analyze access locations and future roadway improvements."
- **Water Resources:** A preliminary drainage report was submitted to Water Resources for the master plan amendment and concept plan proposal. The site layout for the full spectrum detention and water quality will be finalized with the proposed development plans or final plats for this site. The latest comments from Water Resources are as follows: Preliminary Drainage Report (PDR) returned to applicant for revision with minor comments; PDR is generally acceptable.

Staff has evaluated the proposed applications for conformance with the City's current comprehensive plan (herein referred to as "PlanCOS"). According to PlanCOS, the project site is identified on the plan's vision map as a part of Reinvestment Area & Community Hub. Per the Vibrant Neighborhoods Framework map, this site is part of the Pikes Peak Park neighborhood. The project has the desired elements of an integrated mix of land uses to allow siting of residential, retail, office, recreational, and educational facilities within close proximity and a diverse of housing choices. The applicant's mission for the Prospect Park Master Plan Amendment and the Fountain and Union Concept Plan project supports the goal of the neighborhood typology to retrofit, reinvent, and introduce new features to enhance the identity, quality, affordability, and attractiveness of the Pikes Peak Park North neighborhood.

The proposal is also supported per Unique Places Framework map as changing neighborhood. Here, the neighborhood center typology provides a center of activity with an integrated mix of land uses and to take advantage of the capacity and potential of this neighborhood to create unified, vital, connected, and more transit supportive urban places, each with its unique character, identity, and design. This project provides a mixture of commercial and residential development that will provide infill development that compliments the surrounding residential land uses and the nearby commercial vacant and developed sites.

The Thriving Economy Framework would not be completely supported by this mixed use - commercial and residential proposal with the following PlanCOS objectives including:

Policy TE-2.B: Create a positive atmosphere for spinoffs, startups, and entrepreneurship, as well as Companion Strategy TE-2.B-3: Retain or modify plans and regulations to allow for a complementary mix of industrial and commercial uses, workforce training, and business services in locations identified for commercial and business development. The project would not create an entire area of economic growth only one-fourth of the site is to remain as commercial uses, while the remaining three-fourths of the site is multi-family residential development.

As a supplement to this memo, please see the details of the proposed development, staff's analysis of the review criteria, and breakdown of the comprehensive plan in the City Planning Commission

## Staff Report.

The contextual map illustrates the variety of land uses surrounding the site. These uses include the Evergreen Cemetery, offices, storage, and warehouses to the west, commercial to the northwest, commercial and residential to the north, commercial, office and Valley Hi Golf Course to the northeast, commercial, civic and residential land uses to the east, and residential to the south.

The proposed multi-family residential provides an additional housing option and transition from single-family residential to commercial. The project will allow for additional and affordable housing choice in the area since there is primarily single-family residential to the north (across East Fountain Boulevard) and to the southeast of the site. The amendment to the master plan will allow development of a mixed commercial and residential project. This is a great location for multi-family residential due to the proximity of transit services, schools, and parks, and is referenced as part of the Context Map.

There are varieties of parks within a 1.6-mile range including regional parks: Memorial Park to the northwest off South Union Boulevard, Valley Hi Golf Course to the northeast off South Chelton Road, and Leon Young Sports Park to the southeast off South Chelton Road. The Neighborhood parks including: Adams Park to the north off of Manitoba Drive, Van Diest Park to the southeast off of Verde Drive, Fountain Park to the west off of East Fountain Boulevard, and Roy Benavidez Park to the northeast off of Afternoon Circle.

There are several schools in the area ranging from elementary to college. These nearby educational opportunities include: Adams Elementary to the south off Manitoba Drive, Hunt Elementary to the northwest off East Moreno Avenue, Eastlake High School to the northwest off Eastlake Boulevard, Mountain Vista Community School to the southeast off Dorset Drive, Pikes Peak Elementary to the southeast off Verde Drive, Carmel Middle School to the southeast off Pepperwood Drive, Star Academy Elementary to the northeast off Airport Road, Tesla Middle and High School to the northeast off Afton Way, and Rogers Elementary School to the northeast off South Circle Drive.

The site is also in close proximity to several bus stops that will afford future residents additional transportation opportunities to many different areas of the city. There are a total of 5 bus stops adjoining or within a short walk from the site serving Bus Route No. 15 and Bus Route No. 1 including: two stops at the intersection of Union and Fountain; one stop off Fountain between Donifan Drive and Hutchinson Drive; and, two stops near the intersection of Fountain and South Circle.

There are also several areas of undeveloped, commercial sites in close proximity: 7.17-acres across South Union Boulevard to the west,; three vacant commercial sites to the east, two commercial lots off of South Union Boulevard, 1.35-acre lot to the north of South Union Boulevard and East Fountain Boulevard, 0.989-acre to the north of South Union Boulevard and East Fountain Boulevard, and commercial sites along the South Circle Drive corridor are potential sites for commercial redevelopment.

There are major grocery stores sites within a 3-mile range of the Fountain and Union project including: King Soopers at 2910 South Academy Boulevard; Target at 1630 East Cheyenne Mountain Boulevard; Walmart Neighborhood Market off of 1725 North Union Boulevard and 1622 South Academy Boulevard; Safeway Stores off of 1920 South Nevada Avenue; 1425 South Murray

Boulevard and 1121 North Circle Drive; and Walmart Supercenter off of 3201 East Platte Avenue.

**Previous Council Action:**

N/A

**Financial Implications:**

City Code requires a fiscal impact analysis with a major master plan amendment. The Fiscal Impact Analysis (FIA) prepared by the City Budget Office and is attached. The FIA for this site shows a negative cash flow over a 10-year timeframe with the assumption of a 270 unit, multi-family project for development. This application changes a 20-acre area that was previously planned for commercial to 5-acres of commercial and 15.638-acres of residential. This is due to loss sales tax revenue from possible commercial activity. The Budget office indicated that while the multi-family does provide significant population based revenues, in addition to sales tax, it was not enough to overcome the loss of commercial sales tax revenues.

This property has become an isolated commercial/retail parcel with no activity or interest as a commercial only development. There is a former restaurant site included in this development. That restaurant has sat vacant for a number of years. Attempts at sale and redevelopment as a restaurant have been unsuccessful. This property has become an isolated commercial/retail parcel with no activity or interest as a commercial only development. There has been interest in developing this area as mixed use -commercial and residential. The multi-family residential component provides an additional housing option and transition from single-family residential to commercial.

**City Council Appointed Board/Commission/Committee Recommendation:**

At the April 30, 2020 meeting, the Planning Commission held a public hearing on the master plan amendment and the concept plan. City staff and the consultant representative, NES Inc., made formal presentations. The presenters focused their remarks on the project application including; how the proposal met the review criteria and is in conformance to the master plan amendment and concept plan, the stakeholder process, the review comments received from city agencies, and conformance to the city's comprehensive plan - PlanCOS.

At the hearing, no public comment was heard. The Planning Commission unanimously voted 7-0-2 to recommend approval the land use applications to City Council (in favor: Hente, McMurray, Graham, McDonald, Eubanks, Almy, and Wilson; absent: Rickett and Raughton).

Reference the minutes from the Planning Commission hearing for a detailed record.

**Stakeholder Process:**

The public notification process consisted of providing initial notice to the neighbors by posting a poster for the project on site and sending postcards to 193 property owners within 1000 feet. City Planning Staff received an email in support for the project from a neighboring resident who feels that developing this area to include residential structures would improve the area. The copy of this email is referenced under Figure 4 of the City Planning staff report. No other written correspondence was received in response to the internal review postcard mailing and the property posting. The site will again be posted and public notification sent prior to the City Planning Commission hearing and City Council.

The applications were sent to the standard internal and external reviewing agencies for review and comment. Review comments were received and all city agency comments have been addressed for the two applications. Internal review agencies for this project include Colorado Springs Utilities, Traffic Engineering, City Engineering Development Review, Parks and Recreation, Floodplain, City Surveyor, Water Resources, Fire Department, Economic Development, and Budget/Finance.

External commenting reviews include Harrison School District 2, CDOT, CONO, Spring Creek HOA, Hillside Neighborhood Association, and Eastlake HOA.

- Harrison School District 2 (HSD2): HSD2 did not provide any comments pertaining to the additional students being added to the school district. The school district provided the following comment on the project that “School fees collected upon issuance of building permits.”
- CONO: CONO stated that they supplemented the City notification process by notifying Community at Spring Creek Owners Association, East Lake HOA, Mountain Ridge Apartments, Preuss Road Improvement Association, Pride in the Park, and Hillside Neighborhood Association.

**Alternatives:**

1. Uphold the action of the City Planning Commission;
2. Modify the decision of the City Planning Commission;
3. Reverse the action of the City Planning Commission; or
4. Refer the matter back to the City Planning Commission for further consideration.

**Proposed Motion:**

CPC MP 81-16-A2MJ20

Approve a Resolution for a major amendment to the Prospect Park Master Plan to change 20.63 acres from commercial to commercial and residential, located southeast of the intersection of East Fountain Boulevard and South Union Boulevard.

N/A