

AnnexCOS

ANNEXATION GUIDELINES



Colorado Springs Utilities
It's how we're all connected



COLORADO
SPRINGS
OLYMPIC CITY USA

29 June 2026

CONTENTS

CHAPTER 1. PROJECT OVERVIEW

Introduction	1-2
Project Goals	1-9

CHAPTER 2. ANNEXATION GOALS & POLICIES

Annexation Evaluation	2-2
Annexation Goals and Policies	2-3

CHAPTER 3. VIBRANT NEIGHBORHOODS IMPLEMENTATION

Overview	3-2
Implementation Priorities and Actions	3-3
Utilizing Annex COS for Annexation Planning and Decision-Making	3-4
Process and Analysis of Annexation Petitions	3-6
Update Process	3-9

APPENDICES. ADDITIONAL INFORMATION

Appendix A. Annexation	A-2
Appendix B. Annexation Policies and Code Requirements	B-2
Appendix C. Suitability Modeling and Criteria	C-2

ACKNOWLEDGMENTS

INTERNAL WORKING GROUP

Colby Foos
Nancy Henjum
Brian Risley
Andrea Slattery

MAYOR AND CITY COUNCIL

Mayor Yemi Mobolade
Ken Casey
Lynette Crow-Iverson, President
Dave Donelson
Kimberly Gold
Nancy Henjum
David Leinweber
Roland Rainey
Brian Risley, President Pro Tem
Brandy Williams

PLANNING COMMISSION

Ryan Case
Jennifer Cecil
Brian Clements
Richard Engel
Amanda Gigiano
Nadine Hensler
David Robbins
Andrea Slattery
Sheva Willoughby

STAFF TEAM

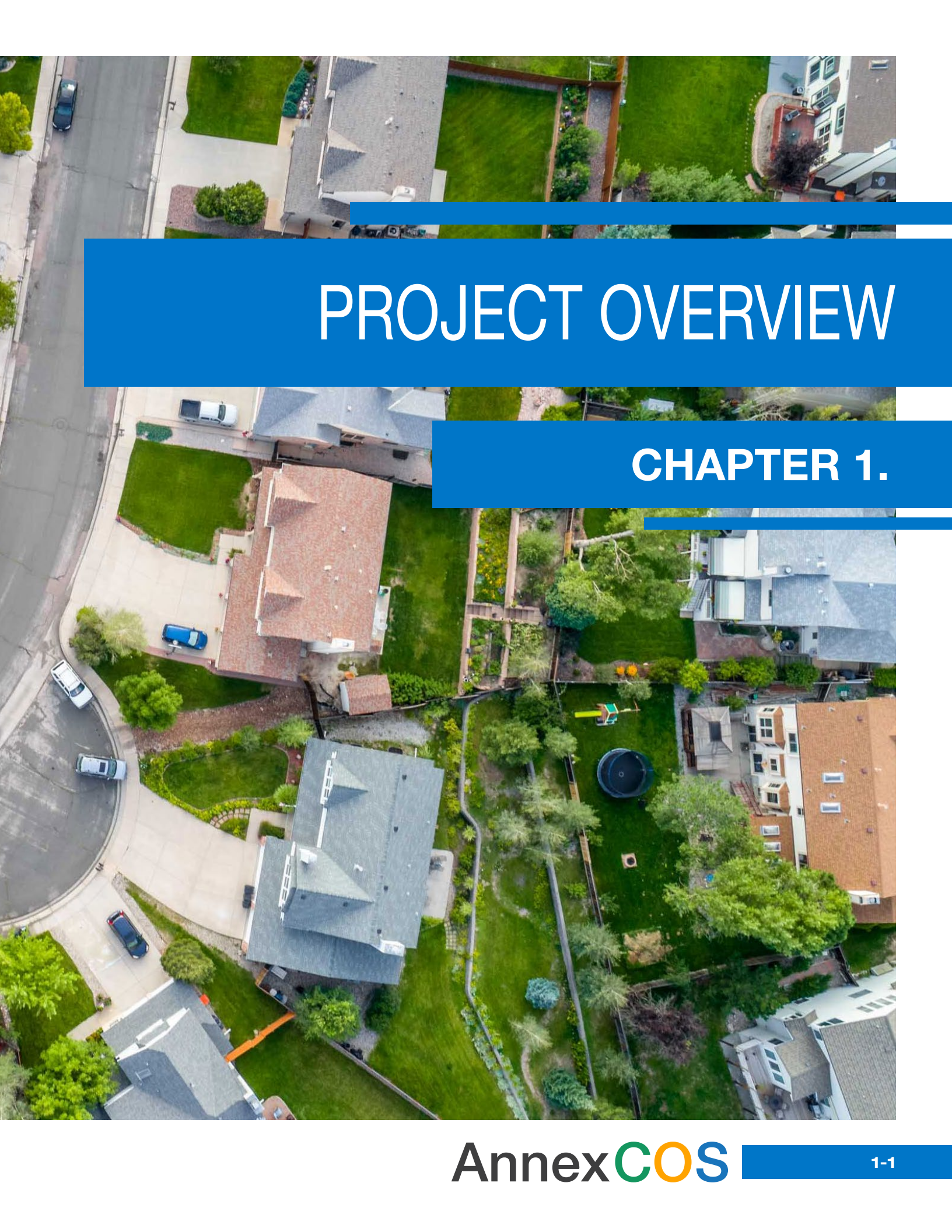
Kevin Walker, Director, City Planning Department
Shelia Booth, AICP, Comprehensive Planning and Special Projects Manager
Katie Carleo, AICP, Acting Assistant Director, Planning and Neighborhood Services (former)
Bryan English, PMP, Development Projects Manager, Colorado Springs Utilities
Charles Phillips, Planning Technician
Max D’Onofrio, Lead Public Communications Specialist
Liam Aubrey, Community Engagement Strategist
Johnny Malpica, AICP, LEED® Green Associate™, Senior Comprehensive Planner
Julia Gallucci, Water Conservation Supervisor



LOGAN SIMPSON







PROJECT OVERVIEW

CHAPTER 1.

Annexations

Over the next 20 years, Plan**COS** envisions strategic additional outward expansion of City limits, and developing and re-developing property currently within City boundaries while becoming more proactive in working to incorporate existing enclaves and near enclaves into the City. Additional strategic annexations around the periphery of the City may be considered if they will provide a fiscal benefit to the City, will be well aligned with existing and planned City infrastructure, will implement recommendations in the County Master Plan, or will support the primary economic development objectives of the City and regional partners.

Annex**COS** updates and replaces the City's 2006 Annexation Plan and implements this vision through updated annexation policies, evaluation criteria, and guidance for future annexation planning and decision-making.

- Plan**COS**

INTRODUCTION

Project Overview

This Plan is intended to facilitate coordination between the City and regional agencies, jurisdictional partners, and property owners. It is not an aspirational document; rather, it is intended to serve as an operational framework that guides annexation planning, coordination, and decision-making. Effective coordination among City departments, governmental entities in the region, and private property owners supports more effective planning and results in patterns and timing of development that promote more economically and environmentally sustainable land use, while allowing for improved compatibility in standards for infrastructure and urban services. Annex**COS** also provides a policy framework and evaluation tool to guide annexation planning and decision-making; in turn, helping to ensure that annexations align with the City's long-term vision, infrastructure capacity, fiscal sustainability, and community goals established in Plan**COS**.

In 2019, the City adopted a new citywide comprehensive plan—Plan**COS**. Plan**COS** recognizes that to continue to be a successful City, and to meet future housing and employment demands, the City should consider opportunities for infill development, redevelopment, and strategic development of vacant land within existing City limits. One implementation initiative in Plan**COS** recommends a systematic update of the City's annexation strategies and policies to include guidance for strategic annexations, evaluation of existing annexation policies, a focus on policies and strategies for enclaves, reconsideration and updating of recommendations for utility served enclaves and properties along the periphery of the City, and an update of the Three-Mile Plan. In addition, over the next 20 years, Plan**COS** envisions strategic growth and expansion of the City limits.

In support of Plan**COS**, the City adopted a new zoning and subdivision Unified Development Code (Retool**COS**) and a citywide multimodal transportation plan (Connect**COS**). Annexations around the periphery of the City may be considered if they have a fiscal benefit to the City, will align well with existing and planned City infrastructure, or will support the primary economic development objectives of the City and regional partners.

Annex**COS** is the next in the series of tools implementing Plan**COS**. The Plan provides a policy and evaluation framework for considering potential annexations in alignment with the broader goals established by Plan**COS**. Decisions regarding any annexation always depend on the particular properties and circumstances at hand. While Annex**COS**

focuses on policy, infrastructure, and other considerations specific to annexation, it is guided by the Plan**COS** vision for balanced growth, sustainability, and the long-term livability of Colorado Springs.

This Plan establishes both the City's Three-Mile Plan and Area of Planning Interest (AoPI) Map. Per Colorado Revised Statute (C.R.S.) Section 31-12-105(1) (e), the City must have a plan in place for the areas within three miles of the municipal boundary, referred to as a Three-Mile Plan, prior to completing any annexation within the three-mile area. Upon adoption by City Council, Annex**COS** satisfies the statutory requirement and the same statute's requirement of an annual update of the Three-Mile Plan with subsequent annual updates.

In addition to the Three-Mile Plan, and pursuant to the 2021 Intergovernmental Agreement between the City and El Paso County, Annex**COS** establishes the AoPI Map. The AoPI includes properties within and beyond the Three-Mile Plan and serves as a framework for evaluating future annexation potential and/or coordinated planning, infrastructure, and service delivery with El Paso County, utility providers, and regional partners. Inclusion within the AoPI does not establish an expectation of annexation, but rather identifies areas where annexation evaluation, regional coordination, infrastructure planning, or utility service considerations may occur over time. The AoPI includes annexation and growth opportunity areas; limited annexation and growth potential areas; enclaves and isolated County areas; County roadways serving incorporated areas; and other County property. Inclusion of land within the AoPI or other areas studied or depicted in this document does not imply that any parcel should or will be annexed, but rather reflects a planning framework shaped by the community's values and aspirations outlined in Plan**COS**.

The City's current 2006 Annexation Plan has been superseded and replaced by Annex**COS**. Coupled with Plan**COS** and the City's Strategic Plan, Annex**COS** provides guidance on areas that may be more easily integrated into the City based on the provision of Springs Utilities' services. It also guides City leadership and staff in the review of annexation petitions and communicates annexation policies and intentions to other jurisdictions, property owners, the Colorado Springs community, and the Pikes Peak region.

Annex**COS** was funded by the City's general fund and a state grant awarded to the Planning Department through the Colorado Department of Local Affairs (DOLA).

AnnexCOS does:

Provide a policy framework and objectives for annexation decisions.

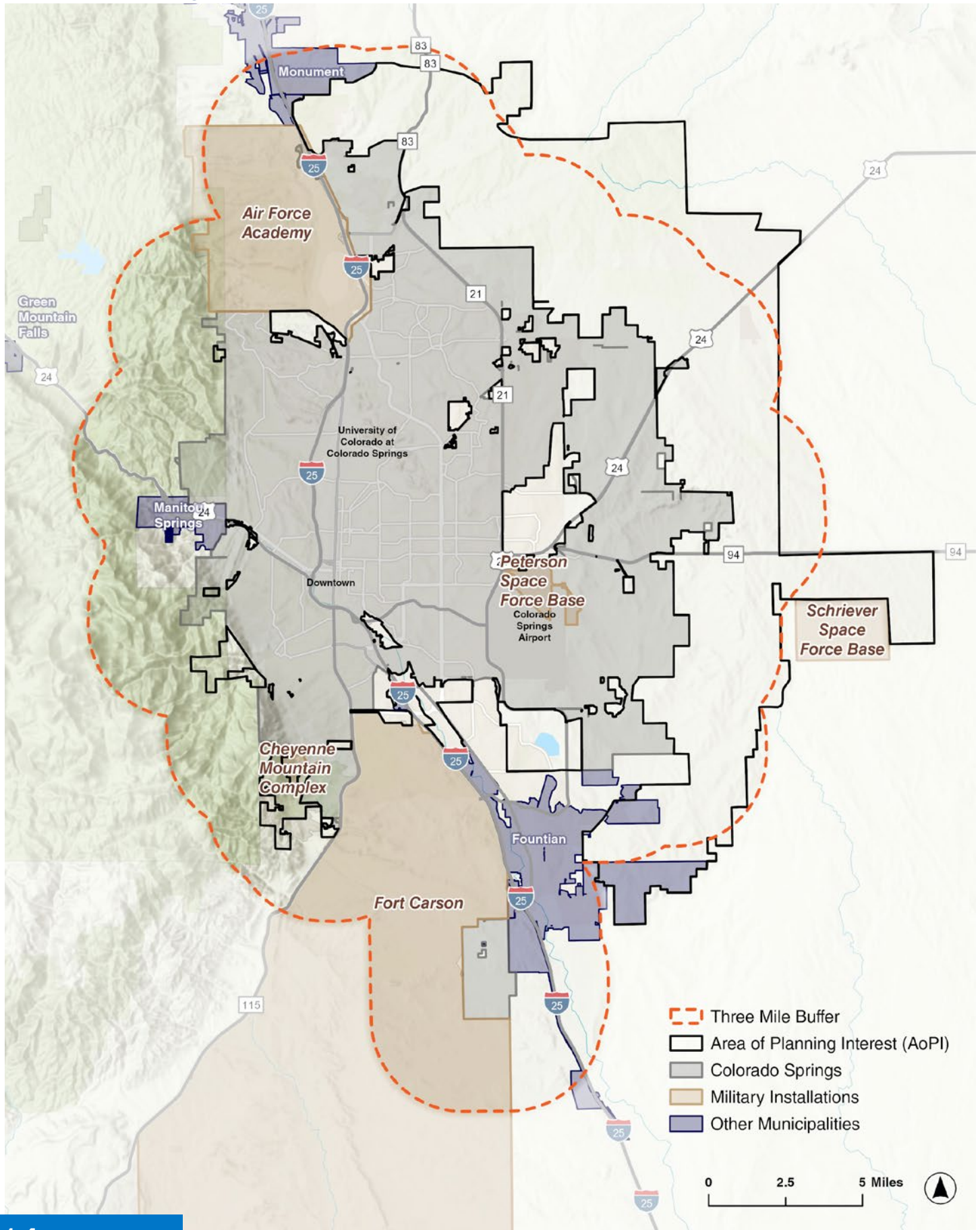
Build on previous policy and guiding documents, such as the 2006 Annexation Plan, Plan**COS**, and the Annexation Policy Checkpoint Guidelines.

Provide a tool for use in evaluating annexation submittals.

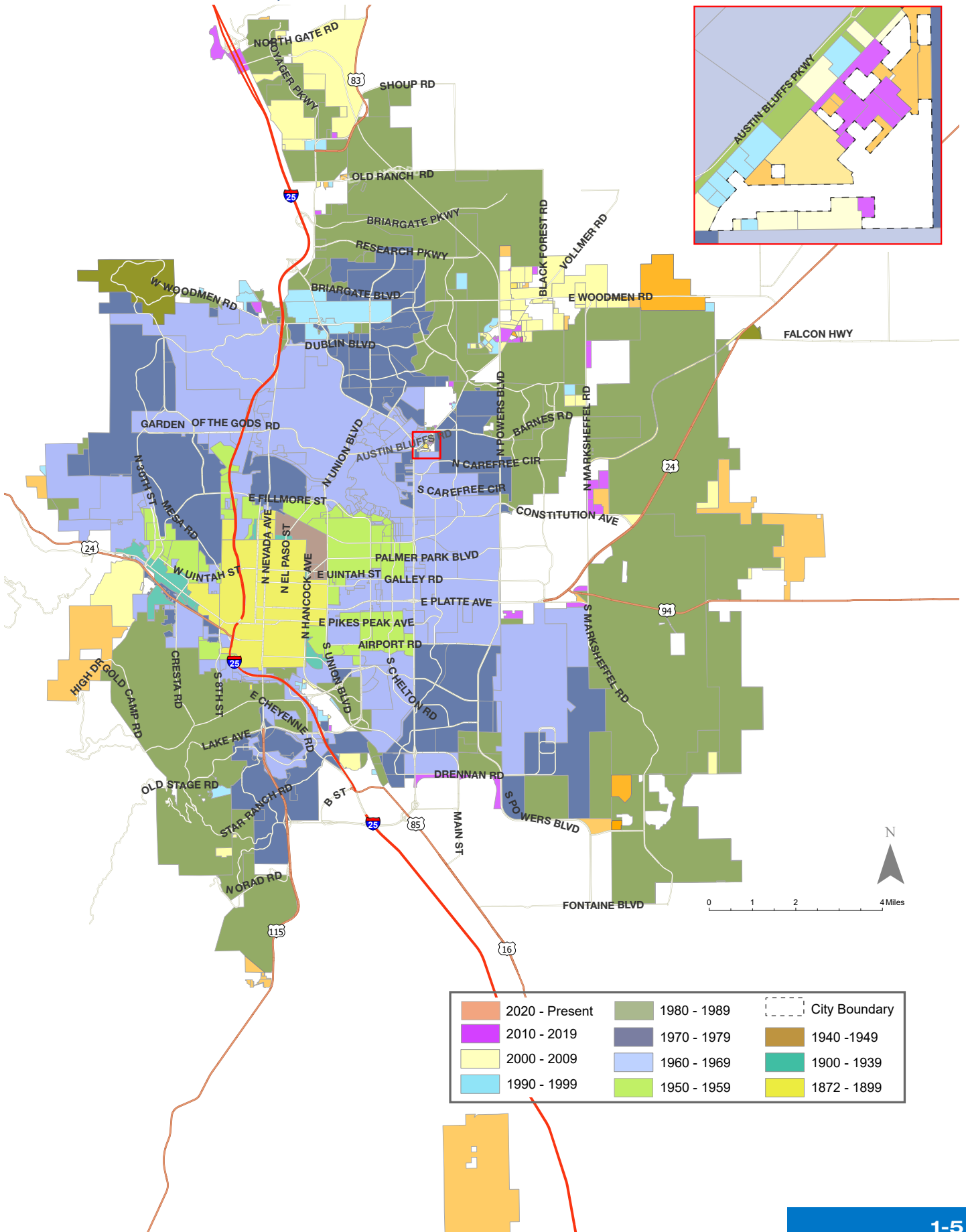
AnnexCOS does not:

Replicate or replace provisions set forth in the C.R.S. or Colorado Springs City Code, nor does it propose or prioritize areas for annexation.

Area of Planning Interest (AoPI)



Annexations Over Time, 1872 - 2026



WHAT IS ANNEXATION?

An expansion of a jurisdiction's total land area.

In this case, the incorporation of land within El Paso County into the City of Colorado Springs.

What is Annexation?

Annexation is the legal process by which a city adds territory to its jurisdiction. Within the context of this Plan, annexation pertains to the City incorporating property within El Paso County into the City's municipal limits. A brief overview follows, and a more thorough explanation is included in Appendix A.

An area is eligible for annexation if not less than one-sixth of the perimeter of the area proposed for annexation is contiguous with the annexing municipality. C.R.S. Section 31-12-104(1)(a). There must also be a "community of interest" between the annexing municipality and the property to be annexed; the area to be annexed must be urban or will be urbanized in the near future; and the area must be integrated with or be capable of being integrated with the annexing municipality per C.R.S. Section 31-12-104(1)(b).

In addition, a Three-Mile Plan must be in place prior to the completion of the annexation of any land within a three-mile area of a municipality's boundaries, according to C.R.S. Section 31-12-105(1)(e). Annex**COS** is this plan and is to be updated annually to comply with the requirements in that same section. Refer to Chapter 3 for additional information.

Annexations to the City may be initiated in multiple ways:

- By Voluntary Petition:
 - The most common type of annexation is a Voluntary 100% Petition, in which all property owners in the proposed annexation area are party to and sign a petition to annex. The petition is filed with the City Clerk. To the knowledge of City staff, over the past two decades, with the exception of those annexations involving only City-owned properties, all completed annexations have been accompanied by a petition signed by 100% of the owners.
 - It is possible for owners of more than 50%, but less than 100% of an area, to petition the City to annex the entire area.
 - A Majority Petition without an Election must be signed by persons comprising more than 50% of the landowners in the area and persons owning more than 50% of the area as set forth in C.R.S. 31-12-107(1)(a).
 - By Petition for Annexation Election, the lesser of 75 qualified electors or 10% of the qualified electors may request an annexation election for a specific area as set forth in C.R.S. 31-12-107(2)(a).
- By the City:
 - Enclaves. The City may annex an unincorporated area entirely contained within the boundaries of the City if the area has been surrounded by the City for at least three years.
 - City-owned land. The City may annex an area if it is the sole owner of the property, and the property does not consist solely of a public street or right-of-way.

Municipal annexations are governed by Section 30 of Article II of the Colorado Constitution and the Colorado Municipal Annexation Act of 1965, found in Article 12 of Title 31 of the Colorado Revised Statutes. At a regional level, an Intergovernmental Agreement (IGA) dated April 13, 2021, between the City and El Paso County (County) provides an agreement to coordinate and evaluate potential urban-level development in the AoPI and decide whether annexation may be appropriate.

At the City level, the City Charter and Unified Development Code (City Code Chapter 7) sets forth conditions for and requirements of annexation. City Code requires the City to determine whether projected surplus capacity and resources are available across all Springs Utilities' service lines to serve both present and projected users in the area proposed for annexation.

The City Code also requires that Springs Utilities be the sole and exclusive provider of water, wastewater, electric, and natural gas services to all annexed properties, unless an exception applies. Additionally, the City Council recently adopted the Checkpoint Policy (see Appendices), which also includes requirements, guidelines, and criteria to assist in a preliminary evaluation of proposed annexations following petition.

For further details on annexation, refer to Appendix A.

WHAT GOVERNS ANNEXATION?

- Colorado Constitution
- Colorado Revised Statutes
- City Code of Colorado Springs (Chapter 7 and Chapter 12)
 - Provides utility extension policies.
 - Establishes potential annexation conditions to be imposed in annexation agreements.
 - Sets local procedural requirements.
 - Sets rules for utility service within and outside the City.
 - Makes provisions for special annexation ordinances.
 - Requires annexed properties to be served by City electric and gas.
 - Requires surplus capacity for electric, natural gas, water, and wastewater in order to annex.
- Checkpoint Policy (Council-adopted policy)
- Intergovernmental Agreement between the City of Colorado Springs and El Paso County

Community Engagement

Representatives from City Council and City Planning Commission served on the Internal Working Group to assist in the development of Annex**COS**. City staff incorporated public feedback into the process. The Technical Advisory Committee (TAC) oversaw the technical aspects of the process and plan, ensuring that Annex**COS** was coordinated with City departments, Springs Utilities, and other agencies. Community members and stakeholder groups were invited to participate through small group meetings and community events.

Two community events engaged the public through educational and interactive activities, provided both in-person and online.

- **Speaker Panel Event (August 2024):** This initial event set the foundation for public outreach by hosting a session to educate the community on topics including fiscal impact, community design, water, housing, and demographics. The event introduced the larger community to the planning process; educated the community about trends on a state and local level that may inform the City's annexation decisions; and allowed the community to provide feedback on early key questions.
- **Open House Event (January 2025):** City and Springs Utilities staff provided information to gather feedback from the public on the annexation suitability zones and draft goals and policies.
- **Stakeholder Group Meetings (May 2026):** Groups represented City departments, military installations, HBA, water and utility providers, municipalities, EPC, and PPACG and provided comments on the draft plan.
- **Draft Plan (May - June 2026):** The draft plan was available online for comment, and then reviewed by City staff, PC and CC.



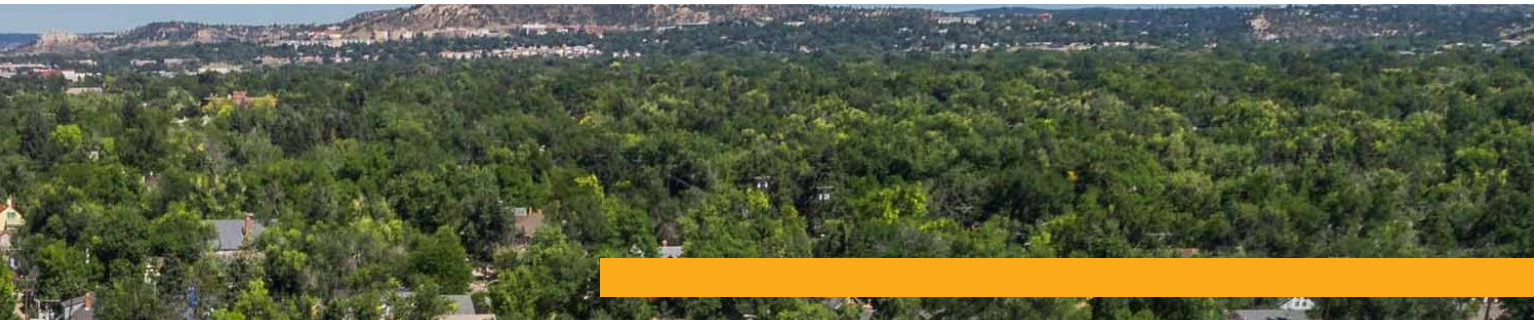
PROJECT GOALS

Annex**COS** provides a ‘big picture’ approach to annexation and considers the interrelationships between service costs and revenues, the provision of a full range of urban services, and the impact on community form and character.

The following goals do not work independently but are inextricably linked. When combined, the project goals provide an opportunity for increased housing opportunities, employment growth, and community improvements that work together in a way that is fiscally sustainable.

- Form a set of annexation goals and policies.
- Establish the Three-Mile Plan and AoPI Map based on updated data and include logical phasing of annexations, public improvements, and utility service extensions.
- Provide a framework and process for evaluating annexation petitions.
- Assess the general snapshot of urban services necessary to serve the proposed annexation area, including public safety, transportation, parks, water, wastewater, stormwater, natural gas, and electric services.
- Compare annexations with existing and planned urban infrastructure.
- Enhance the City’s ability to accommodate and prepare for projected population and employment growth.
- Align annexation policies with Plan**COS**.
- Increase understanding and predictability for County property owners contemplating annexation.
- Improve development review coordination between the City of Colorado Springs, Springs Utilities, El Paso County, and other community stakeholders.
- Support opportunities for housing diversity, mixed-use development, and coordinated growth patterns that improve access to employment, transportation, public services, and community amenities.





ANNEXATION GOALS & POLICIES

CHAPTER 2.





ANNEXATION EVALUATION

Annexation Phasing and Timing Implications

Timing of capital improvements and urban services play a key role in determining where City expansion may occur. As annexations occur within the Area of Planning Interest (AoPI) over a period of time, annexation evaluation, timing, and implications are expected to change.

Springs Utilities' growth model, which may change over time, considered growth projections and an analysis of growth absorption rates within the AoPI that reflect regional growth patterns.

Annexation Evaluation Methodology and Considerations

When considering annexation of parcels, the City will examine applications based on the following:

- **Utilities.** Includes factors such as utility service boundaries, proximity to existing utility infrastructure, service level, other utility providers, and cost. In addition, this category looks at Agreements to Annex, Colorado Springs-owned land outside of the City boundary, and enclaves.
- **Transportation.** Evaluates compatibility with and support for the goals, policies, and recommendations of ConnectCOS, Mountain Metro plans, and the 2050 Regional Transit Plan and Specialized Transportation Plan.
- **Community Development Impacts.** Includes factors that represent existing community services to parcels in the AoPI and Three-Mile Planning Area. Colorado Springs Police Department (CSPD) and Fire Department (CSFD) response times, Springs Utilities response times, and proximity to fire and police stations which help demonstrate proximity to essential community services, such as emergency response and public safety infrastructure.
- **Proximity to Urban Development in Conjunction with City Limit Contiguity.** Looks at existing development to capture where future development might go to reflect a continuous development pattern.
- **Parcel Data.** Includes factors from the El Paso County Assessor including size of the parcels to encourage suitability for larger vacant parcels and discourage suitability for smaller already developed and subdivided parcels in the unincorporated county.
- **Exclusion/Reductions.** Include factors that take parcels out of consideration for annexation and/or reduce their suitability, and includes federal lands, parcels within other municipalities, and parcels served by other utility service districts.
- **Enclaves.** Each enclave should be evaluated for annexation feasibility, infrastructure and service impacts, fiscal considerations, land use compatibility, and the presence of recorded Agreements to Annex (Pre-Annexation Agreements).

ANNEXATION GOALS AND POLICIES

The annexation goals and policies included below are intended to be applied adaptively.

GOAL 1.

Utilize the Three-Mile Plan and the Area of Planning Interest (AoPI) as tools to inform and manage enclaves and annexations for the City of Colorado Springs.

Policies

ANX 1-1. Focus annexations. Primarily focus City annexations within the AoPI and Three-Mile Planning Area.

ANX 1-2. Prioritize annexations that are:

- Adjacent or within close proximity to existing public improvements including utilities and infrastructure;
- Adjacent to, or within close proximity of existing City limits;
- Large parcels with the ability to create or add multi-use development patterns;
- Complementary to the County Master Plan; and
- Advancing the objectives of Plan**COS** such as those for economic development.

ANX 1-3. Management of enclaves.

- Avoid the creation of new enclaves.
- Support voluntary annexation of existing enclaves, in whole or in part.
- Consider City-initiated annexation of enclaves when development patterns, infrastructure needs, service delivery considerations, or land use incompatibilities may negatively impact surrounding City development or efficient municipal operations.
- Continue the City's practice of facilitating annexation of enclaves through City-initiated annexations involving City-owned property or public rights-of-way and offering adjacent private property owners the opportunity to voluntarily annex concurrently.
- Recognize and consider recorded Agreements to Annex (Pre-Annexation Agreements) in evaluating annexation opportunities within enclaves, particularly where a majority of property owners within a single enclave are subject to such agreements.
- Consider administrative, procedural, or financial incentives that may encourage voluntary annexation of enclaves, including City participation in annexation processing, application fees, or preparation of annexation documents where appropriate.

ANX 1-4. Logical extensions of City limits. Annexations should result in logical and contiguous extensions of the City boundary that support cohesive urban development patterns and the efficient provision of public infrastructure, utilities, and municipal services. Annexations should avoid creating isolated, disconnected, or inefficient boundary configurations that complicate service delivery or long-term growth planning.



GOAL 2.

Utilize the provision of public facilities and services to ensure that annexations are within desirable locations.

Policies

ANX 2-1. Urban development with adequate services.

- Consider the existing levels of infrastructure (such as utilities, etc.) when petitions are submitted.
- Inform potential annexers, property owners, elected and appointed officials and the general public of the status of existing or planned critical public facilities (police, fire, etc.) as well as transportation, schools, stormwater management, and parks, in accordance with adopted plans for expansion and levels of service.
- Update information at least every two years.

ANX 2-2. Efficient use of land and urban services. The City shall balance new growth areas with the most efficient and effective use of existing infrastructure and investment through infill. Where there are extraordinary costs for new growth areas, annexation agreements will assess and consider costs and impacts on existing levels of service accordingly.

ANX 2-3. Efficient use of infrastructure. The City should prioritize efficient and effective use of existing infrastructure and investment through infill prior to any new annexations. Where there are extraordinary costs, annexation agreements will assess and consider costs and impacts on existing levels of service accordingly.

ANX 2-4. Support planning outside the City limits. The City will work with El Paso County and neighboring municipalities to develop plans and policies for public services and facilities required for new and existing development located in unincorporated areas of the AoPI and the Three-Mile Planning Area.



GOAL 3.

Provide adequate urban facilities and services to annexed areas.

Policies

ANX 3-1. Utility capacity and service feasibility. Major annexation requests should be evaluated for long-term Springs Utilities capacity and service feasibility from a four-service perspective (water, wastewater, natural gas, and electric) using the City's and/or Springs Utilities' existing models.

ANX 3-2. Utility provision to implement community goals. The City and Springs Utilities will consider the importance of PlanCOS objectives in the planning, operation and stewardship of resources, utilities and infrastructure. Other objectives include planning for resilience, environmental and conservation goals, and implementation of desired timing and location of growth patterns.

ANX 3-3. Limited assimilation of developed areas served by utility districts. Assimilating developed areas currently served by existing water, wastewater, natural gas, and electric service providers should be limited to extraordinary circumstances.

ANX 3-4. Compliance with water ordinances. Annexations should comply with all City water ordinances, including requirements related to supply, demand management, conservation, and long-term water resource sustainability as determined by Springs Utilities.

ANX 3-5. Groundwater and easement standards. Annexations should consider established utility service territories and Public Utilities Commission requirements while demonstrating compliance with applicable groundwater protection standards and provide necessary easements for water, wastewater, stormwater, and utility facilities for reliable service.

ANX 3-6. Water resource constraints. Annexation evaluation shall explicitly account for basin-specific water supply constraints, including existing intergovernmental agreements, basin preservation commitments, groundwater management district requirements, and applicable water court decrees. Where water service constraints exist due to legal, hydrologic, or administrative limitations, annexation may require restrictive use conditions, enhanced conservation standards, phased development timing, or may be deemed infeasible.

GOAL 4.

Consider the fiscal impacts of annexation to the City and Springs Utilities.

Policies

ANX 4-1. Standardized assessment of long-term fiscal impacts.

Potential annexations should be evaluated using a standardized fiscal impact analysis methodology established by the City and Springs Utilities to consistently assess near-term and long-term fiscal impacts, service demands, infrastructure costs, revenues, and overall fiscal sustainability.

ANX 4-2. Growth to pay fair share of new facility costs. Annexation Agreements and other mechanisms should ensure that new growth contributes an equitable share toward the costs of public infrastructure, utilities, and municipal services needed to support development and mitigate potential fiscal and operational impacts.

ANX 4-3. City-provision of services upon annexation. Restrict provision of City facilities and services to new urban development outside the boundaries of the City to encourage proper timing and phasing of annexation to the City. This is not intended to restrict services to areas in the service areas of utilities or areas subject to separate agreements.

ANX 4-4. Standardized fiscal evaluation methodology. Develop and utilize standardized criteria for consideration and review of the fiscal impact of each proposed annexation in considerations with TABOR limitations and revenue structures. Criteria are applied equally to each property and funded by property owners for review by staff, public officials, and the general public.

ANX 4-5. Alignment of service demand and revenues. Information should demonstrate that the timing and pace of development can be reasonably supported by projected revenues, infrastructure capacity, public facilities, utilities, and municipal services so that growth does not outpace the City's ability to maintain adopted service levels or infrastructure performance standards.

Action 4.6. Coordination of City and Utilities analysis defined by SLAs. The City and Springs Utilities annexation application review timeframes will be documented through separate Service Level Agreements (SLAs) in order to maintain a standardized Fiscal Impact Analysis (FIA) framework and analytical model to evaluate municipal service costs, infrastructure needs, revenues, expenditures, and long-term fiscal sustainability associated with annexation proposals.



GOAL 5.

Utilize annexation as an incentive to achieve desired community form and meet PlanCOS goals and policies.

Policies

ANX 5-1. Management of community edges. Collaborate with El Paso County, adjacent communities, military installations and property owners to plan the edges of the AoPI and Three-Mile Planning Area by providing joint guidance on factors including, but not limited to, adequacy of water and energy resources, future land use, development referrals, infrastructure planning and funding, development standards, encroachment of uses to impact military or utility operations, open space buffers, and the preservation of open lands.

ANX 5-2. Annexation to achieve special opportunities and PlanCOS objectives. The City may consider annexation of properties with significant development or redevelopment potential when the annexation advances adopted community objectives identified in PlanCOS or other City-adopted plans and policies. Consideration may include the provision of permanently affordable housing, housing diversity, mixed-use development, major employment opportunities, infrastructure efficiencies, transportation connectivity, public amenities, or other public benefits determined by the City to support long-term community goals.

ANX 5-3. Housing and mixed-use development opportunities. Annexations should support the City's ability to accommodate projected housing and employment needs through development patterns that encourage housing diversity, mixed-use development, and reasonable proximity to employment centers, transportation networks, utilities, public services, and community amenities.



GOAL 6.

Implement annexation policies through intergovernmental cooperation.

Policies

ANX 6-1. Intergovernmental agreements. Work with El Paso County and other adjacent jurisdictions to establish or revise Intergovernmental Agreements (IGAs) as needed to implement annexation policies. Consider a regional IGA.

ANX 6-2. Coordinated development standards. Institute a consistent and coordinated system and standards for land developed within the AoPI and Three-Mile Planning Area.

This page intentionally left blank.



An aerial photograph showing a multi-lane highway interchange with several overpasses. To the left, a river flows through a wooded area. In the background, there are mountains under a blue sky with scattered clouds. The image is overlaid with orange and blue graphic elements.

IMPLEMENTATION

CHAPTER 3.



OVERVIEW

Annex**COS** is designed as an adaptive policy and evaluation framework that guides annexation decisions for the City of Colorado Springs. Rather than a static plan, it is intended to continuously evolve in response to new data, infrastructure changes, shifting fiscal conditions, policy updates, and public interest. This approach ensures that annexation remains strategic, transparent, and aligned with City priorities, while also allowing for flexibility in response to emerging opportunities and challenges.

Annex**COS** establishes a policy and evaluation framework to guide annexation planning and decision-making. The goals, policies, evaluation criteria, and review considerations contained in this Plan are intended to support consistent, informed, and data-driven analysis of annexation proposals, while preserving the legislative discretion of City Council. Except where otherwise required by state law, City Code, utility regulations, or annexation agreements, the provisions of Annex**COS** are not intended to function as mandatory approval standards or checklist requirements.

This chapter outlines the aspects of implementation of Annex**COS**, each of which plays a crucial role in guiding responsible and well-managed annexation decisions:

- **Utilizing Annex**COS** for Annexation Planning and Decision-Making.** This section outlines how annexation proposals should be assessed for growth objectives, service feasibility, and long-term City priorities.
- **Adaptive Management: Ensuring Annex**COS** Remains Responsive to Change.** This section highlights how the City monitors and adjusts annexation strategies to remain proactive and responsive.

By integrating these sections, Annex**COS** provides a comprehensive, forward-thinking approach to annexation, ensuring that growth is strategic, well-managed, fiscally responsible, and aligned with the evolving needs of the City of Colorado Springs.

IMPLEMENTATION PRIORITIES AND ACTIONS

The successful implementation of AnnexCOS requires additional actions beyond the application of annexation policies during the review of individual petitions. Achieving the goals of AnnexCOS will depend upon proactive planning, intergovernmental coordination, ongoing monitoring, and the development of administrative tools that support consistent and transparent decision-making. The following implementation actions establish a work program intended to improve annexation planning, strengthen regional coordination, promote voluntary annexation opportunities, and ensure that annexation decisions align with the City's long-term fiscal, infrastructure, utility, and growth management objectives.

These actions are intended to support the annexation goals and policies contained within this Plan and should be incorporated into annual work programs, departmental priorities, and future updates to AnnexCOS. Implementation actions may be refined over time based on available resources, changing development patterns, infrastructure needs, and regional planning priorities.

- 1. Action 1.1 – Enclave Inventory and Prioritization Program:** Develop and maintain an inventory of enclaves and near-enclaves, identifying properties with Agreements to Annex, development potential, vacant land, utility service availability, and proximity to planned infrastructure improvements to support annexation planning and prioritization.
- 2. Action 1.2 – Voluntary Enclave Annexation Incentives:** Develop administrative and procedural incentives to encourage voluntary annexation of enclaves and near-enclaves, including streamlined review processes, reduced fees, City-prepared annexation documents, and other incentive programs where appropriate.
- 3. Action 4.1 – Fiscal Impact Analysis Framework:** Develop and maintain a standardized Fiscal Impact Analysis (FIA) framework and analytical model to evaluate municipal service costs, infrastructure needs, revenues, expenditures, and long-term fiscal sustainability associated with annexation proposals.
- 4. Action 4.2 – Model Annexation Report and Checklist:** Develop a standardized annexation report template and review checklist to ensure consistent evaluation of annexation petitions and documentation of policy compliance, infrastructure considerations, utility service availability, fiscal impacts, and community objectives.
- 5. Action 6.1 – Regional Coordination and Intergovernmental Agreement Update:** Review and update the 2021 IGA with El Paso County to improve annexation coordination, infrastructure planning, utility service considerations, and regional growth management, while exploring opportunities for participation by additional jurisdictions and regional partners.
- 6. Action 6.2 – Area of Planning Interest Coordination Framework:** Initiate discussions with El Paso County, utility providers, and regional partners to develop coordinated planning principles, development standards, and infrastructure expectations for properties located within the AoPI.
- 7. Action 1.3 – Annual Three-Mile Plan Update:** Conduct an annual review and update of the Three-Mile Plan to maintain consistency with annexations, development activity, infrastructure investments, utility planning, and regional growth patterns.
- 8. Action 7.1 – AnnexCOS Monitoring and Updates:** Conduct a bi-annual review of AnnexCOS goals, policies, implementation actions, and evaluation criteria, including updates to the AoPI Map, suitability analysis, urban service areas, infrastructure mapping, and other supporting planning tools.

UTILIZING ANNEXCOS FOR ANNEXATION PLANNING AND DECISION-MAKING

Annexation is a critical tool for managing the growth of Colorado Springs, ensuring that new development aligns with the City's long-term vision, infrastructure capacity, and fiscal sustainability. To facilitate responsible annexations, Annex**COS** highlights the components used in the annexation review process:

Annex**COS** Evaluation

Annexation proposals will be assessed based on Annex**COS**. To ensure informed decision-making, the following key issues must be considered:

- Assess consistency with Annex**COS** goals and policies (see Chapter 2).
- Cross-reference with Plan**COS**, infrastructure capacity, fiscal sustainability, zoning regulations, and other relevant documents.
- Assess annexation proposals using adopted evaluation criteria, supporting data, and applicable analysis methodologies.
- Evaluate the annexation's broader regional context and impacts, including service extensions and infrastructure needs.
- Evaluate whether the timing and pace of development can be reasonably supported by existing or planned infrastructure, utility capacity, public facilities, and municipal services. Annexation proposals may include phased development, infrastructure improvements, or service expansions to ensure that new growth does not overburden existing systems or reduce adopted levels of service.
- Consider regional coordination, land use compatibility, environmental constraints, and service delivery implications associated with nearby County development, neighboring municipalities, federal lands, and alternative utility service areas.
- Ensure compatibility with existing and planned transportation networks and public utilities.
- Evaluate key planning, infrastructure, fiscal, and service considerations.
- Mitigate conflicts with utilities and other services providers already in place.
- Assess annexation feasibility based on the Colorado Springs Annexation Process, Springs Utilities requirements, and the City's Checkpoint Policy.
- Identify key strengths, weaknesses, and opportunities related to the annexation, addressing critical factors before approval.
- Evaluate potential challenges such as infrastructure limitations, service gaps, and fiscal feasibility and sustainability.
- Consider data from supporting models to encourage data-driven decisions.
- Evaluate whether annexation proposals support housing diversity, mixed-use development, and coordinated land use patterns that improve proximity to employment opportunities, transportation systems, utilities, and community services.

Fiscal impacts should be evaluated using standardized analyses methodologies, assumptions, and review criteria established by the City and Springs Utilities. Annexation petitions may be required to include fiscal impact analyses prepared using City-approved models, templates, or methodologies to allow for consistent comparison of projected revenues, infrastructure costs, operational impacts, service demands, and long-term fiscal sustainability across annexation proposals. Fiscal analysis may include consideration of capital improvements, ongoing service obligations, utility infrastructure, transportation needs, public safety impacts, reimbursement mechanisms, and the timing and phasing of development.

This approach ensures annexation proposals are thoroughly evaluated, strategically planned, and aligned with citywide growth priorities

City Council Annexation Checkpoint Policy

Annexation in the City of Colorado Springs is guided by a policy checkpoint framework that ensures annexation proposals align with City priorities, infrastructure capacity, and financial sustainability. The Annexation Policy Checkpoint Guidelines establish key conditions, opportunities, and risks that are evaluated during the annexation review process. See Appendix B for information on the Checkpoint Policy.

Annex**COS** establishes a policy and evaluation framework to guide annexation planning and decision-making. The goals, policies, evaluation criteria, and review considerations contained in this Plan are intended to support consistent, informed, and data-driven analysis of annexation proposals, while preserving the legislative discretion of City Council. Except where otherwise required by state law, City Code, utility regulations, or annexation agreements, the provisions of Annex**COS** are not intended to function as mandatory approval standards or checklist requirements.

Annexation Evaluation Conditions

A proposal must meet baseline conditions outlined in the City Code and include:

- Logical extension of City boundaries.
- Demonstrated benefits to the City.
- Sufficient planned or existing utility resources (water, wastewater, gas, electric).
- Compliance with City water ordinances.
- Alignment with public service requirements.

Opportunities: Positive Annexation Factors

Annexations are more likely to be approved if they:

- Support diverse housing options.
- Enhance economic development and job creation.
- Improve City services and infrastructure efficiency.
- Have a positive or neutral fiscal impact.

Risks: Potential Challenges

The City may deny or require modifications to proposals if they:

- Lack clear timelines or create financial uncertainty.
- Require costly infrastructure extensions that burden City or utility services.
- Conflict with existing utility service territories or constraints.
- Increase governance challenges due to newly created “near enclaves”.

Plan**COS** Alignment and Compliance

To gain approval, an annexation must:

- Support infrastructure planning and service delivery.
- Strengthen economic development.
- Avoid development patterns or timing that disrupt City service provision.

By following these checkpoints, the City of Colorado Springs ensures annexations contribute to responsible, strategic, and sustainable growth.

PROCESS AND ANALYSIS OF ANNEXATION PETITIONS

Purpose and Intent

This section establishes the City of Colorado Springs' policy framework for the review and analysis of annexation petitions under AnnexCOS. The process is intended to ensure that annexation decisions are made in a consistent, transparent, and data-informed manner, while preserving City Council's legislative discretion to evaluate annexation requests based on their unique circumstances.

AnnexCOS provides policy guidance and evaluation tools that support, but do not replace, the statutory requirements of the Colorado Revised Statutes (C.R.S.), the Colorado Springs City Code, or applicable intergovernmental agreements. Annexation petitions are reviewed holistically, recognizing that annexation decisions involve consideration of long-term service capacity, fiscal sustainability, community form, and regional coordination.

While consistency with adopted policies and evaluation criteria is encouraged, annexation petitions may be considered even when full alignment with all AnnexCOS goals, policies, or criteria is not demonstrated.

Policy Framework for Annexation Review

City Council–Adopted Annexation Checkpoint Policy

Annexation review is informed by the City Council–adopted Annexation Checkpoint Policy (Appendix B), which establishes a preliminary policy framework for evaluating annexation proposals. The Checkpoint Policy identifies baseline conditions, opportunities, and potential risks associated with annexation and is used to assess alignment with City priorities, infrastructure capacity, service feasibility, and fiscal considerations.

Annexation review includes consideration of both mandatory statutory and regulatory requirements, as well as broader policy guidance contained in AnnexCOS. Statutory requirements established by Colorado Revised Statutes, City Code, utility ordinances, and applicable intergovernmental agreements must be satisfied unless otherwise permitted by law. The goals, policies, evaluation criteria, and suitability considerations contained in AnnexCOS are intended to guide annexation planning and decision-making and support consistent, informed, and data-driven review of annexation proposals.

The Checkpoint Policy supplements annexation requirements contained in C.R.S. Title 31, Article 12, City Code Chapter 7 Unified Development Code, and City Code Chapter 12 Utilities, and is applied as part of the City's overall annexation analysis.

Annexation Review Process

The following flowchart summarizes the policy-based sequence used to evaluate annexation petitions under AnnexCOS:

1. Annexation Petition Considered
2. Application of City Council–Adopted Annexation Checkpoint Policy (Appendix B)
3. Evaluation Using AnnexCOS Suitability Criteria (Chapter 2; Appendix C)
4. Assessment of Consistency with AnnexCOS Goals and Policies (Chapter 2)
5. Statutory and Procedural Review (C.R.S. Title 31, Art. 12; City Code Ch. 7 & 12; Appendix A)
6. Comprehensive City Analysis
 - Statutory eligibility
 - Policy considerations
 - Utilities' capacity (Springs Utilities)
 - Fiscal impacts
7. Planning Commission Review (if applicable)
8. City Council Legislative Action (Approval, Approval with Conditions, or Denial)

AnnexCOS Evaluation Criteria

Annexation petitions are further evaluated using the Annex**COS** evaluation criteria described in Chapter 2 and detailed in Appendix C (Suitability Criteria). These criteria provide a consistent, data-driven basis for assessing annexation suitability across multiple categories, including infrastructure, transportation, community development impacts, contiguity, proximity to existing urban development, parcel characteristics, and exclusion factors.

The evaluation criteria are not intended to function as mandatory thresholds or minimum standards. Rather, they are applied to identify relative strengths, constraints, and considerations associated with a proposed annexation area.

AnnexCOS Goals and Policies

Annexation review includes consideration of consistency with the annexation goals and policies set forth in Chapter 2: Annexation Goals and Policies. These policies articulate the City's long-term objectives related to growth management, service provision, fiscal responsibility, utility capacity, community form, and intergovernmental coordination.

The goals and policies are applied collectively and adaptively. Consistency with the goals and policies of Annex**COS** is an important consideration in annexation review and decision-making. While a lack of full consistency with individual policies does not automatically preclude consideration of an annexation petition, proposals should generally demonstrate alignment with the overall intent, objectives, and policy direction of Annex**COS**. Where appropriate, annexation agreements, conditions of approval, or phased implementation strategies may be used to advance policy objectives over time.

Annexation Petition Submittal and Review

Annexation petitions may be submitted in accordance with the procedural and eligibility requirements of C.R.S. Sections 31-12-104 through 31-12-107, the Unified Development Code, and applicable Planning Department annexation procedures. Required submittal materials are described in Appendix A: Annexation Framework and may include petitions, legal descriptions, annexation plats, utility service information, fiscal analyses, and other supporting documentation necessary for review.

Upon submittal of a complete annexation petition, the City conducts a comprehensive review that includes statutory eligibility determinations, policy analysis under Annex**COS**, utility capacity evaluation, fiscal impact assessment, and review under the Annexation Checkpoint Policy. Public review and hearings are conducted in accordance with state law and City Code.

As part of the annexation review process, the City and Springs Utilities may require applicants to prepare and submit fiscal impact analyses using standardized methodologies, assumptions, templates, or models



approved by the City. The purpose of these analyses is to provide a consistent framework for evaluating the projected fiscal impacts of annexation proposals, including anticipated revenues, infrastructure and operational costs, utility demands, public service impacts, and long-term financial sustainability. The analyses may also evaluate whether proposed development is reasonably expected to support the cost of necessary public infrastructure, utilities, and municipal services over time.

Legislative Discretion

Annex**COS**, the evaluation criteria, and the Annexation Checkpoint Policy are intended to guide annexation analysis and inform decision-making. They do not create entitlement to annexation. Final determinations regarding annexation are legislative decisions of City Council and are based on statutory compliance, policy considerations, site-specific conditions, public input, and the City's long-term infrastructure and fiscal capacity.

Where City Council determines that approval of an annexation proposal is appropriate despite substantial inconsistency with applicable Annex**COS** goals, policies, evaluation criteria, or suitability considerations, the approving ordinance or associated findings should identify the basis for approval and the public benefits, unique circumstances, or other considerations supporting the decision.

UPDATE PROCESS

To maintain its relevance and effectiveness, Annex**COS** and the Three-Mile Plan will be updated annually through a combination of scheduled reviews and trigger-based adjustments:

- **New Annexations.** Updates needed for recently annexed areas regarding service capacity, land use, and fiscal planning. These updates may inform changes to the Three-Mile Planning Area.
- **Infrastructure Expansions or Constraints.** Adjustments required due to new service extensions or capacity shortages.
- **Changes in Law, Regional Agreements, and Regional Policy Changes.** New state or municipal laws, intergovernmental agreements (IGAs), or regional planning updates.
- **Changes in Planning and Development.** Land use or zoning changes within Colorado Springs or its AoPI.
- **County Development.** New development in unincorporated El Paso County may impact land use compatibility, transportation, and City infrastructure and services.
- **Boundary Adjustments.** Adjustments to the City's jurisdictional boundaries, adjacent City boundaries, or planning areas.
- **Community Initiated.** Feedback from stakeholders, including the City Council, Planning Commission, regional partners, developers, and residents, informs plan refinements to ensure that decisions align with both policy goals and community needs. This may lead to updates in the models.
- **Regulatory and Policy Alignment.** Annex**COS** remains in compliance with Plan**COS**, state laws, intergovernmental agreements, and utility ordinances, maintaining consistency with broader City planning initiatives.

The Annex**COS** Plan will be continuously monitored and improved, ensuring that annexation policies remain proactive and adaptable.





ADDITIONAL INFORMATION

APPENDICES

APPENDIX A. ANNEXATION

INTRODUCTION

Annexation is the legal process by which a City may add land to its jurisdiction. The most common form of annexation is voluntary annexation, initiated when a petition is signed by more than 50% of the landowners representing at least 50% of the area, or by 100% owner consent in accordance with local policy. If full consent is not obtained, the City can pursue an annexation election, which is often used in previously developed, multi-owner unincorporated areas. In certain limited circumstances, the City may annex territory unilaterally—without property-owner consent—namely when the area is an enclave fully surrounded for at least three years, or when the territory is solely owned by the City. These provisions are codified in Colorado Revised Statutes (C.R.S.) Section 31-12-106.

CITY SETTING AND REGIONAL COORDINATION

Regional cooperation in matters of growth and development are key factors in ensuring strategic growth. This approach supports improved regional planning and coordination which promotes cooperation between the City of Colorado Springs, El Paso County, and other municipalities. AnnexCOS establishes a planning framework to encourage urban density uses to be incorporated within the City of Colorado Springs or be developed to a coordinated standard that reasonably allows for potential future annexation.

This vision and intent are addressed in the 2021 City County IGA (Intergovernmental Agreement Between the City of Colorado Springs and El Paso County to Establish Mutually Binding Procedures for Municipal Annexations), as well as through mutually agreed-upon administrative procedures established to implement this agreement that is ultimately within the discretionary purview of the City through its elected leadership. In deciding on issues of annexation, the City is reasonably free to negotiate or otherwise determine the terms and conditions of a particular annexation, specific to that individual decision.

For at least 50 years, State law has permitted municipalities to enter into annexation agreements with the owners of property who petition to annex (refer also to Annexation Agreements). For the past several decades, the City has routinely required these agreements for most annexations of non-City-owned property. Over the years, there have been changes both to the more standard template and content of these agreements, and to the customized provisions or requirements that may also be included in them. In 2018, City Council approved a major amendment to the original 1988 Banning Lewis Ranch Annexation Agreement. The overall goal was to bring this previously unique agreement, with its special requirements, more in line with the City’s standard annexation agreements.

ANNEXATION ELIGIBILITY

Contiguity, Serial Annexations, and Flagpole Annexations

Of the factors that make an area eligible for annexation, contiguity is the key requirement (refer to C.R.S. Section 31-12-104). In general, not less than one-sixth of the perimeter of the area proposed for annexation must be contiguous with the annexing municipality. However, provided that some lesser measure of contiguity exists between current City limits and the properties proposed to be annexed, properties can often be annexed through a series of “serial” and effectively simultaneous annexations that each meet the one-sixth requirement.

In certain circumstances, municipalities may also establish contiguity by annexing a series of parcels to provide contiguity with one or more parcels that would otherwise not be eligible for annexation. In the case of “flagpole annexations”, the Annexation Act requires the City to offer nearby property owners—whose land borders the narrow connection or “flagpole”—the opportunity to annex as well, under substantially the same terms as those offered for the main parcel.

Community of Interest Finding

There must also be a finding that a “community of interest” exists between the area proposed to be

annexed and the annexing municipality; that said area is urban or will be urbanized in the near future; and that said area is integrated with or is capable of being integrated with the annexing municipality (C.R.S. Section 31-12-104(1)(b)). Contiguity may be the basis for finding that an area is likely to urbanize unless specific criteria set forth in C.R.S. Section 31-12-104(1)(b) are shown to exist.

In evaluating whether a community of interest exists between the City and a proposed annexation area, the City will consider not only contiguity and development patterns, but also the long-term sustainability of public utilities, including resource supply reliability and compatibility with basin-level planning commitments. An area's ability to integrate into the City shall include consideration of whether all utility services can be provided in a manner consistent with City ordinances, adopted resource plans, and long-term stewardship objectives.

TYPES OF ANNEXATION

Introduction

There are two basic types of annexation:

- Extra-territorial annexations which extend the municipal boundaries, and
- Enclave annexations that consolidate municipal boundaries.

Each type of annexation can be implemented using specific methods established by the Annexation Act and City Code and further articulated in the processing guides and requirements maintained by the Planning Department. These methods are broadly outlined and categorized below to provide general guidance and clarity.

Voluntary 100% Petition

The most common type of annexation is voluntary, in which all property owners in the proposed annexation area are party to and sign a petition to annex. The petition is filed with the City Clerk. Following a determination of eligibility and compliance with C.R.S. that is made by City Council, the annexation request is scheduled for hearings by Planning Commission and City Council in accordance with C.R.S. and City Code. With voluntary annexations, an annexation agreement is ordinarily negotiated and executed with the annexer or annexers and is

ultimately recorded with the annexation plat. The annexer(s) are responsible for initiating the process and for the content and costs associated with preparing the annexation application and annexation plat. The petitioner is further responsible for any fees and associated legal noticing costs as well as related requirements. To the knowledge of City staff, over the past two decades, with the exception of those annexations involving only City-owned properties, all completed annexations have been accompanied by a petition signed by 100% of the owners.

Majority Petition without an Election

It is possible for owners of more than 50%, but less than 100% of an area, to petition the City to annex the entire area. The process and requirements would otherwise be similar to those for the 100% petition option, except that it is both legally and pragmatically difficult to negotiate and execute an annexation agreement that would be effective and binding on all the properties. For these and other related reasons, the majority petition option has not recently been recommended for use by itself, and it is not expected or recommended for future use, in most cases. An exception could entail the otherwise logical inclusion of properties about which ownership status and/or their position concerning annexation is particularly and demonstrably difficult to ascertain.

Annexation Election

The lessor of 75 qualified electors or 10% of all qualified electors may petition for an annexation election for an area encompassing multiple owners, not all of whom need to be party to the petition. If such a petition both meets statutory requirements, and is accepted by City, the City must petition the District Court to appoint commissioners who ultimately conduct the election at the City's expense (Refer to C.R.S. Sections 31-12-107 to 31-12-110 and 31-12-112).

With an annexation election, the City has significant opportunities to establish "terms and conditions" for the annexation, that become legally binding on all properties in the event a majority of electors voted in favor of the ballot question. It is possible to include a typical annexation agreement with the annexation ordinance associated with the election question. However, it may be pragmatically difficult to

impose obligations on property owners who have not affirmatively signed petitions and/or voted in favor of the annexation. Therefore, the City might need to structure an election question to allow for future and contingent triggering of some of the obligations of the associated annexation agreement. For example, the City could stipulate that all annexed properties would become obligated for future costs, dedication of water rights or improvement obligations triggered by subsequent development or redevelopment. It is also important to note that the City has the ultimate discretion with respect to the decision affirmatively annex, meaning that the City could choose not to complete the annexation even after a favorable election.

City Initiated

Enclaves

When an unincorporated area is completely surrounded by the municipality's boundaries for at least three consecutive years, C.R.S. § 31-12-106(1) empowers the City Council to annex that area by ordinance without the property owners' consent or a public hearing, though 30-day public notice by publication is required. However, two key exceptions apply. First, if any portion of the surrounding boundary consists solely of public rights-of-way (such as streets or alleys) not immediately adjacent to municipal property on their far side, the enclave provision does not apply. Second, enclaves created when surrounding land was annexed off record since December 19, 1980, are excluded from this process.

City-Owned Properties

If a municipality is the sole owner of land it desires to annex, and the area meets the contiguity requirements of C.R.S. 31-12-104(1)(a), the municipality may annex the area without notice and hearing provisions in C.R.S. Section 31-12-108 and Section 31-12-109. The entire area cannot consist solely of a public street or right-of-way. The effect of this statutory exception is an expedited process.

THREE-MILE PLAN AND AREA OF PLANNING INTEREST (AOPI)

As outlined in the IGA, AnnexCOS should include the AoPI intended to depict a three-mile area around the periphery of the City with potential for future annexation or additional coordination with El Paso County where utility services would be needed, even without annexation. AoPI could include annexation and growth opportunity areas, limited annexation and growth potential areas, enclaves, and isolated County areas; County roadways serving incorporated areas; and other county jurisdiction property.

C.R.S. Section 31-12-105(1)(e) requires that a municipality have a plan in place prior to the completion of any annexation of land within a three-mile area of a municipality's boundaries. This required plan must generally describe the proposed location, character, and extent of land use, public facilities, and public utilities within the designated planning area. AnnexCOS intends to fulfill this requirement as the C.R.S. requirements for a Three-Mile Plan. No annexation may take place which has the effect of extending the municipal boundary beyond this three-mile boundary unless an exception is met. An exception is allowed if an annexed property is split by the three-mile boundary, and 50% or more of the property falls within the boundary. The detailed requirements that govern annexation extending the municipal boundary are found in C.R.S. Section 31-12-105(1)(e).

In evaluating potential annexations within this area, the City also considers broader economic development policies, including the presence of State-designated Enterprise Zones. These zones are intended to encourage private investment and job creation in targeted areas. The location of annexation proposals within or near Enterprise Zones may influence the City's approach to infrastructure investment, service provision, and long-term planning priorities under AnnexCOS.

AnnexCOS intends to meet the statutory obligations of C.R.S. Section 31-12-105 by establishing a framework for the future growth of the Colorado Springs metropolitan area within three miles of current City limits. It identifies areas for potential annexation or for development coordination with the County and adjoining municipalities.

The basis of the Three-Mile Plan is the AoPI map developed jointly between Colorado Springs and El Paso County. Rather than attempting to anticipate detailed future land uses for this large three-mile area, the approach is limited to identifying existing infrastructure, utilities, and other services to assist the City and property owners in determining the possible costs for annexation.

In some areas, the boundaries of the AoPI extend more than three miles beyond existing City limits, while in others, there are areas where the AoPI does not encompass all property within existing three-mile limit. Ordinarily, this is because the omitted property is assumed to not be logically annexable or developed at urban densities within the unincorporated County. The most common reasons for omission of properties from the AoPI are because the property is federally owned, is already included in another municipality, or is assumed to be more logically included in another city or town (Fountain, Monument, or Manitou Springs) if it were subsequently annexed. For all properties outside of the AoPI, but within three miles, these future land use assumptions are generally depicted or denoted primarily in terms of their potential (or lack thereof) for urban density development.

ANNEXATION AGREEMENTS

An annexation agreement is a contractual agreement between the City and the annexer that is approved by City Council and executed at the time of annexation. These documents are used to define the responsibilities and obligations of both the City and the landowner(s) relating to issues such as utility extensions, construction of public facilities, road construction, land dedication, construction of off-site improvements and other obligations. The City determines whether or not an annexation agreement is required for a proposed annexation. The City and the annexer are bound by the terms of the annexation agreement unless both parties agree to modify the terms. The City and annexer will enter into an annexation agreement prior to the final approval by City Council, with the agreement conditioned upon approval of the agreement and annexation by City Council. If City Council approves the annexation request, the signed annexation agreement and supporting documents are recorded and become

binding upon the impacted property owner(s) who may or may not be the original annexer. Although these agreements may technically remain in perpetuity, as a practical matter, all directly applicable obligations and responsibilities are ordinarily addressed concurrent with or prior to the subdivision platting stage.

Agreements to Annex (Pre-Annexation Agreements)

An agreement to annex (sometimes referred to as a “pre-annexation agreement”) is a binding agreement entered into between the City and a property owner, wherein the owner consents and agrees to future annexation, at the discretion of the City, ordinarily in exchange for being provided with extra-territorial water and/or wastewater service. These are ordinarily standard-form agreements, with consistent terms and provisions that have been periodically updated over time. However, certain terms may be negotiated with the property owner. These agreements are recorded against and are binding upon the affected properties, including future owners. The current version of this agreement stipulates that the property owner will be responsible for many of the direct costs of annexation (e.g., application fees, legal notices, and preparation of the annexation plat). Additionally, the more recent forms of these agreements allow for the City to require public improvements to be made, or costs assessed, to bring the properties up to City standards in conjunction with annexation.

Between approximately 800 to 850 unincorporated parcels are individually served by Springs Utilities extra-territorial water service, wastewater service, or both. The majority of these properties have recorded agreements to annex of some kind. Locations where these agreements are common include but are not limited to Woodmen Valley, Pine Creek, Thunderbird Estates, Park Vista, as well as unincorporated properties in the West Colorado Avenue area.

Recorded Agreements to Annex (Pre-Annexation Agreements) are generally intended to establish consent to future annexation and are binding upon the subject property and subsequent property owners in accordance with their terms and applicable law. Existing Agreements to Annex may be considered during review of future annexation petitions involving the affected property.

APPENDIX B. ANNEXATION POLICIES AND CODE REQUIREMENTS

OVERVIEW

The following compilation of plan and agreement descriptions highlights the background of, the legal and regulatory framework for, and process for annexation in Colorado Springs over the past twenty years. Beginning with the 2006 Annexation Plan, and following regulatory changes, intergovernmental agreements, and other City planning initiatives, these plans set the stage for Annex**COS**.

2006 ANNEXATION PLAN

The 2006 Colorado Springs Annexation Plan aimed to expand the City's boundaries through strategic annexations of adjacent areas. It involved incorporating several unincorporated communities and areas of interest to the City into its jurisdiction. This expansion plan included provisions for infrastructure development, municipal service extensions, and land- use regulations within the newly annexed areas. The goal was to facilitate growth, manage urban sprawl, and ensure efficient delivery of City services to a broader population base.

2019 PLANCOS COMPREHENSIVE PLAN

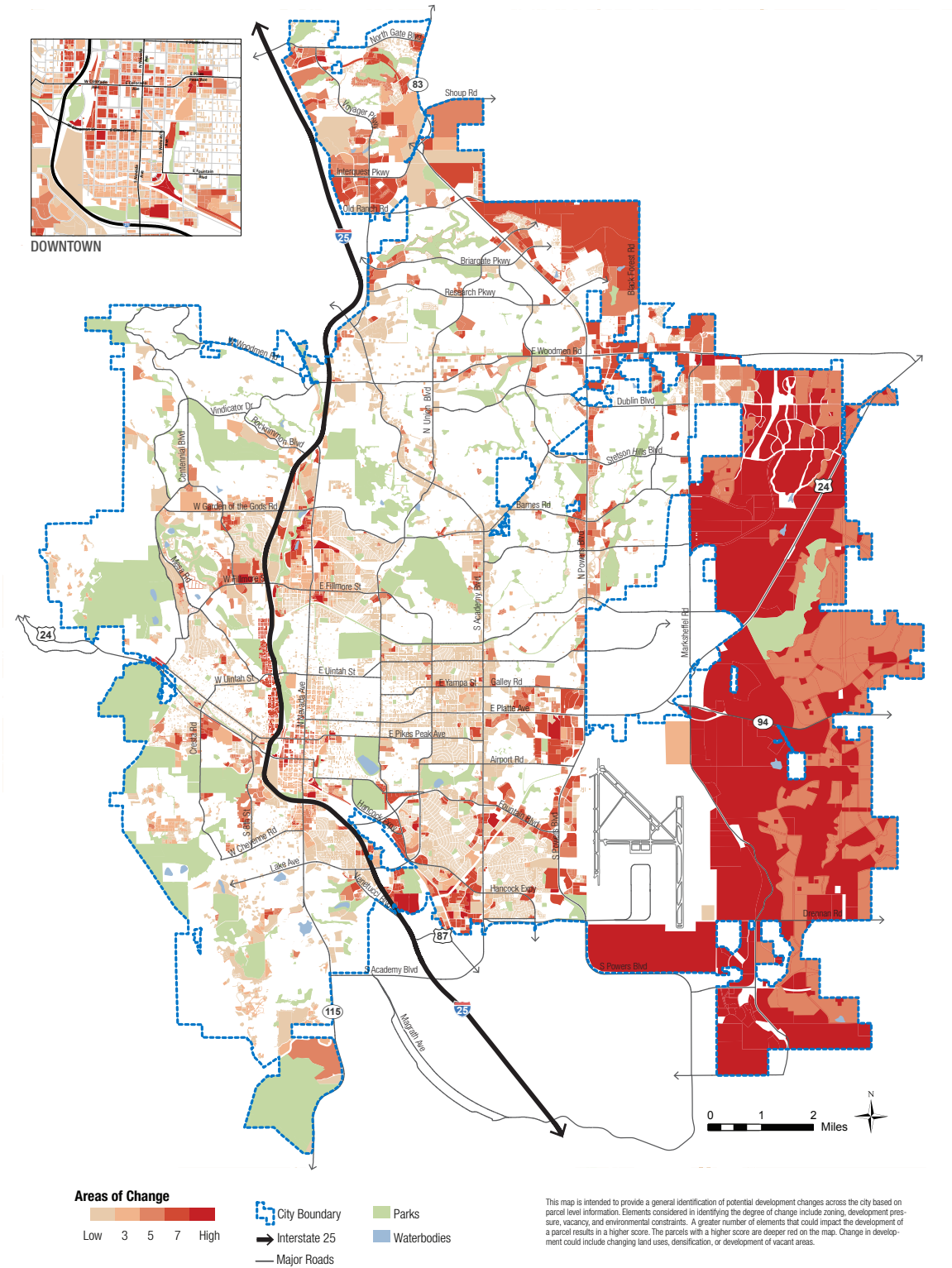
Adopted in 2019, Plan**COS**, the City's Comprehensive Plan, provides policy guidance on growth and annexation in Colorado Springs through several key principles listed below. Plan**COS** also identifies Annex**COS** as one of its six most important implementation initiatives, and the Implementation chapter provides broad policy direction for this update.

"Plan**COS** recommends systematic update of the City's annexation strategies and policies to follow the outline of the 2006 City Annexation Plan. Recommended areas of revised policy or emphasis include the following:

- Guidance for strategic annexations of properties along the periphery of the City that support economic growth or accommodate expansion of the regional roadway network.
- Evaluation of annexation policies to be consistent with the vision, goals, and policies of this plan and in coordination with Colorado Springs Utilities, El Paso County, and other municipalities.
- Additional focus on policies and strategies directed toward more expeditious inclusion of enclaves and near enclaves within City limits. (Note: "Near Enclaves" is defined as a non legal term for an unincorporated area that is largely surrounded by the City but does not technically qualify as an enclave.)
- Reconsideration of the current annexation recommendations uniquely applicable to the Cimarron Hills enclave in coordination with Colorado Springs Utilities.
- Update of current recommendations for properties along the periphery of the City including the annexation of eligible and logical City-owned properties.
- Update of the "3-Mile Plan" for unincorporated properties using a version of the current land use designation."

Although Plan**COS** recognizes the substantial remaining development and redevelopment capacity of areas within the City boundary and places a priority on continued development and redevelopment of these areas, vacant land within the City has decreased since 2006 and even since adoption of Plan**COS** in 2019.

Areas of Change Map from PlanCOS



RESOLUTION NO. 55-21. COLORADO SPRINGS - EL PASO COUNTY INTERGOVERNMENTAL AGREEMENT (IGA) FOR MUNICIPAL ANNEXATIONS

Within the 2021 IGA, the City agreed to develop a Comprehensive Annexation Plan “Annex**COS**” including policies that will evaluate impacts upon and inclusion of County infrastructure and services and where impacts can be known in advance of annexation petitions. Also identified within the IGA is the need to develop an AoPI Map.

Annexation evaluation shall explicitly account for basin-specific water supply constraints, including existing intergovernmental agreements, basin preservation commitments, groundwater management district requirements, and applicable water court decrees. Where water service constraints exist due to legal, hydrologic, or administrative limitations, annexation may require restrictive use conditions, enhanced conservation standards, phased development timing, or may be deemed infeasible.

ANNEXATION CHECKPOINT POLICY

The Colorado Springs Annexation Checkpoint Policy recently adopted by Colorado Springs City Council suggest a process and requirements for properties seeking annexation into the City. The process includes a high-level policy and technical review, including an applicant and staff presentation at a City Council Work Session to ensure compliance with City vision and goals and alignment with existing and proposed infrastructure and services. In addition, the Guidelines include the following evaluation criteria:

1. Requirements which should be refined or added to the Unified Development Code (UDC):
 - Water extension ordinance requirements (City Code 12.4.305)
2. Guidelines and Other Considerations that should be considered in review and approval of annexation areas:
 - Offers housing diversity.

- Sufficiency of existing or planned public safety staffing
- Diversity of development (commercial/ industrial/residential)
- Reasonable utilities cost recovery/return on investment projections.
- Desirable parkland/open space
- Sufficiency of existing or planned roadway infrastructure
- Proximity/opportunity to serve employment centers.
- Economic impact on the City
- Connectivity/proximity to transportation options
- Ability to fund/offset costs for needed public facilities (police department, fire department, public works)

SPRINGS UTILITIES WATER ORDINANCE (12.4.305, 7.5.701)

This Colorado Springs City Code explicitly defines a required surplus in the City’s water supply. In February 2023, City Council adopted Ordinance No. 23-02, establishing Section 12.4.305 of the Municipal Code. This ordinance creates a buffer between current supply and the required demand for any new extension of water service, including newly annexed areas. This codified threshold replaces previous code language that called for maintaining a surplus without specifying an exact amount. The ordinance has a direct impact on how and where the City extends its water service, ensuring that future growth remains aligned with long-term water availability.

UTILITIES RULES, REGULATIONS AND LINE EXTENSION SERVICE STANDARDS

Any annexation must meet all requirements within Colorado Springs Utilities' Rules and Regulations and Line Extension Services Standards.

[Utilities Rules and Regulations](#) (URR) set out the regulations, rates, and terms and conditions of Colorado Springs Utilities' services and are governed in accordance with the Code of the City of Colorado Springs (City Code), Title 12 (Utilities). URRs and Colorado Springs Utilities Tariff (collectively, the URR and Tariff are referred to as the Tariff).

[Line Extension Services Standards](#) are required infrastructure development guidelines developed to assist customers, architects, engineers, contractors, developers and inspectors in planning and installing our water, wastewater, electric and gas services.

The following policies and agreements ensure Colorado Springs Utilities honors critical agreements to ensure the best management and use of water across the Arkansas Basin and using groundwater. These agreements can impact Colorado Springs Utilities' ability to serve water services in some areas of the Three-Mile Plan.

CITY OF COLORADO SPRINGS AND COLORADO SPRINGS UTILITIES COMMITMENT TO THE ARKANSAS RIVER BASIN

Since 2003 when the City of Colorado Springs signed onto the Arkansas Basin Preservation Principles, Colorado Springs and Colorado Springs Utilities have been committed to keeping Arkansas River water in the Arkansas Basin. Limiting deliveries of water to the Arkansas Basin is further memorialized in Contract No. 11XX6C005 between the Bureau of Reclamation and the City of Colorado Springs which governs the conveyance of water through the Southern Delivery System, the commitment was further memorialized in the Bent County Intergovernmental Agreement, which governs the development of water supplies in Bent County. Colorado Springs Utilities cannot serve any property located outside of the Arkansas River Basin.

The divide between the Arkansas River Basin and the South Platte River Basin cuts through northern El Paso County.

UPPER BLACK SQUIRREL CREEK DESIGNATED GROUNDWATER BASIN

The Upper Black Squirrel Creek Groundwater Management District manages the use of the Upper Black Squirrel Creek groundwater supplies. Any development that occurs within the district boundaries would be subject to oversight from the district. Colorado Springs does not own any water rights originating from the Upper Black Squirrel Creek Groundwater District; however, development that was within the City and within the Upper Black Squirrel Creek Groundwater Management District could be subject to the district's water administration. Colorado Springs Utilities would be able to serve water to any property that was located within the management district but would lose the right to collect lawn irrigation return flows that would seep into the ground. The amount of lost lawn irrigation return flows would depend on how much landscape development occurred in any areas within the management district served by Colorado Springs Utilities. Annexation of property in the Upper Black Squirrel Creek Groundwater Basin will likely require restrictive use, landscape code and reuse provisions in any annexation or service agreement.

APPENDIX C. SUITABILITY MODELING AND CRITERIA

SUITABILITY CRITERIA

Suitability criteria for the Colorado Springs Annexation Plan creates and evaluates annexations within the Areas of Planning Interest (AoPI) and Three-Mile Planning Boundary. Suitability maps are intended to provide relative, comparative insight and do not establish thresholds, entitlements, or presumptions of annexation feasibility. Suitability must be interpreted in conjunction with statutory eligibility findings, land use assumptions, water resource constraints, fiscal analysis, and policy considerations. Suitability does not independently determine annexation decisions.

Criteria for Suitability are divided into seven categories:

- Infrastructure
- Transportation
- Community Development Impacts
- Contiguity
- Proximity to Urban Development
- Parcel Size Data
- Exclusion

Following is the list of criteria selected for the Suitability analysis. These criteria were reviewed with technical committee groups to ensure the appropriate criteria are being considered.

List of Criteria

Infrastructure

The infrastructure category includes factors from Colorado Springs Utilities' modeling. This is a model that looks at factors such as utility service boundaries, timeframe of service, other utility providers, and cost. Below are the three condensed factors that evaluate suitability from the perspective of utilities infrastructure. In addition, this category looks at Agreements to Annex, Colorado Springs owned land outside of the City boundary, and enclaves. These three criteria represent additional spatial or physical infrastructure layers that highlight higher potential for annexation suitability tied to existing infrastructure. Springs Utilities will review the availability of water, electric and natural gas resources to serve areas within the existing City Boundaries and will present the impacts to those resources for any proposed annexation along with consideration of the following criteria related to Springs Utilities infrastructure. Any annexation suitability must meet all requirements within Utilities Rules and Regulations and Line Extension Services Standards.

Within a **1/2-mile buffer of the City boundary**, Springs Utilities will have the ability to provide infrastructure and facilities to serve existing and planned customers without significantly impacting the level of service. Ideally, the area would meet the following conditions related to Springs Utilities' service territories:

- The parcel is completely or partially within Springs Utilities' natural gas or electric service territory(ies) or touches or is near all four Springs Utilities service territories (natural gas, electric, water, wastewater).
 - It is within or partially within Springs Utilities existing electric or natural gas service territory(ies) to avoid or mitigate impacts of service territory invasion.
 - It is not located within another utility provider's territory for water and wastewater.
 - It is City owned property outside of Colorado Springs or it has an Annexation Agreement.
-

Within the **one-mile planning area of the City boundary**, This applies to the three-mile area and assumes future development. Ideally, the area would meet the following conditions related to Springs Utilities' service territories, infrastructure and facilities:

- The parcel has infrastructure or facilities for fewer than all four utility services (e.g., it touches natural gas or electric but not all four utility services).
 - It is located partially or completely within either Springs Utilities' natural gas or electric service territory(ies).
 - It is not within another utility provider's water or wastewater service territory(ies).
 - It is an Enclave.
-

Beyond the three-mile planning area of the City boundary, This applies to areas and assumes a much longer-term development horizon. Typically, these areas have the following conditions related to Springs Utilities' infrastructure:

- The parcel lacks infrastructure for water and wastewater, and utilities cannot develop the necessary infrastructure and facilities in a timely manner.
 - It is located completely or mostly outside both Springs Utilities' natural gas and electric service territory(ies), meaning the parcel does not touch either service territory.
 - It is located within another utility provider's water and wastewater service territory(ies).
 - It is not contiguous (adjacent) to any existing Springs Utilities' service territory(ies).
-

List of Criteria

Transportation

The Transportation category includes factors from ConnectCOS, Mountain Metro, and the 2050 Regional Transit Plan & Specialized Transportation Plan. Parcels in proximity to existing and future transportation infrastructure represent areas of investment and service that could benefit the suitability for annexation considerations. Below are the six factors that rank parcels in the suitability model.

Parcels within a half mile of existing or future highway in proximity to City Limits: one-mile buffer (Major Thoroughfare ConnectCOS).

Parcels within a half mile of existing or future highway in proximity to City Limits: two-mile buffer (Major Thoroughfare ConnectCOS).

Parcels within a half mile of existing or future highway in proximity to City Limits: three-mile buffer (Major Thoroughfare ConnectCOS).

Parcels within a half mile of existing or future highway in proximity to City Limits: outside a three-mile buffer (Major Thoroughfare ConnectCOS).

Parcels within one-mile of an existing or future transfer center, park-and-ride, and mobility hub (Transit Facilities ConnectCOS).

Parcels within a half mile of new fixed transit routes (2050 Regional Transit & Specialized Transportation Plan).

Community Development Impacts

The Community Development Impacts category includes factors that represent potential better access to community services for parcels in the AoPI and three-mile planning boundary. A drive time analysis was used to evaluate parcels proximity to fire and police stations, to help demonstrate their favorable proximity to essential community services, such as emergency response and public safety infrastructure. In addition to driving times, Police also have a proximity analysis to their service sectors to add another layer to how Police serve Colorado Springs. Lastly, Utility Center response times were modeled by Springs Utilities to understand their desired service coverage in the event of utility infrastructure maintenance and issues.

Parcels within a four-minute drive to a fire station.

Parcels within an eight-minute drive to a fire station.

Parcels within a 13-minute drive to a police station.

Parcels within a 17-minute drive to a police station.

Within an existing Colorado Springs Police Sector.

Within a half mile away from the Existing Colorado Springs Police Sector.

Between a half mile and a mile away from existing Colorado Springs Police Sectors.

Over a mile away from existing Colorado Springs Police Sectors.

Parcels within a 30-minute response time for Utility Service Centers.

List of Criteria

Contiguity

This category highlights parcels adjacent to Colorado Springs City limits. Parcels adjacent to City limits have a higher recognition of suitability due to their proximity to existing Colorado Springs infrastructure, services, and incorporated land.

Parcels adjacent to City limits.

Proximity to Urban Development

This category looks at existing development (through a building footprint analysis) to capture where future development might go to reflect a continuous development pattern rather than a random one. Negative scores are present here to lower the suitability of parcels that are farther away from existing development due to the higher cost of providing services to parcels not near existing development or the City limits.

Proximity to urban development within a half-mile buffer .

Proximity to urban development between a half-mile and one-mile buffer.

Proximity to urban development beyond a one-mile buffer.

Assessor's Data

This category includes factors from El Paso County assessor's data. These factors look at the density of the parcel to encourage suitability for larger vacant parcels and discourage suitability for smaller already developed and subdivided parcels in the unincorporated county. Below are the density factors that rank parcels in the suitability model.

Parcels over 100 acres.

Parcels between 41 and 100 acres.

Parcels between 10 and 40 acres.

Parcels between 5 and 10 acres.

Parcels between 2.5 and 5 acres.

Parcels less than 2.5 acres.

Exclusion

This category identifies areas not included in the suitability model.

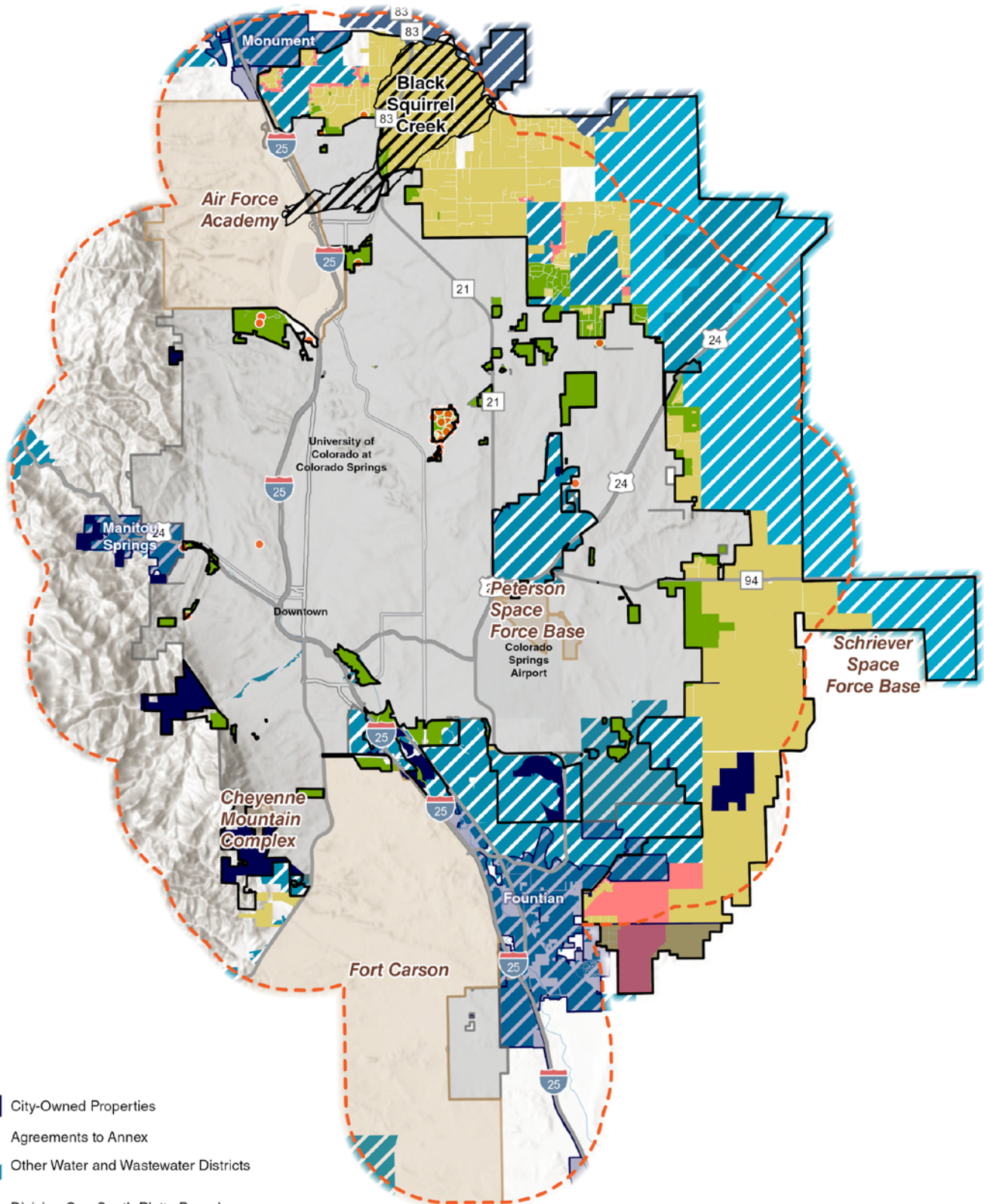
Federal lands.

Military installations.

Parcels in other municipalities.

Parcels served by other utility service districts.

INFRASTRUCTURE

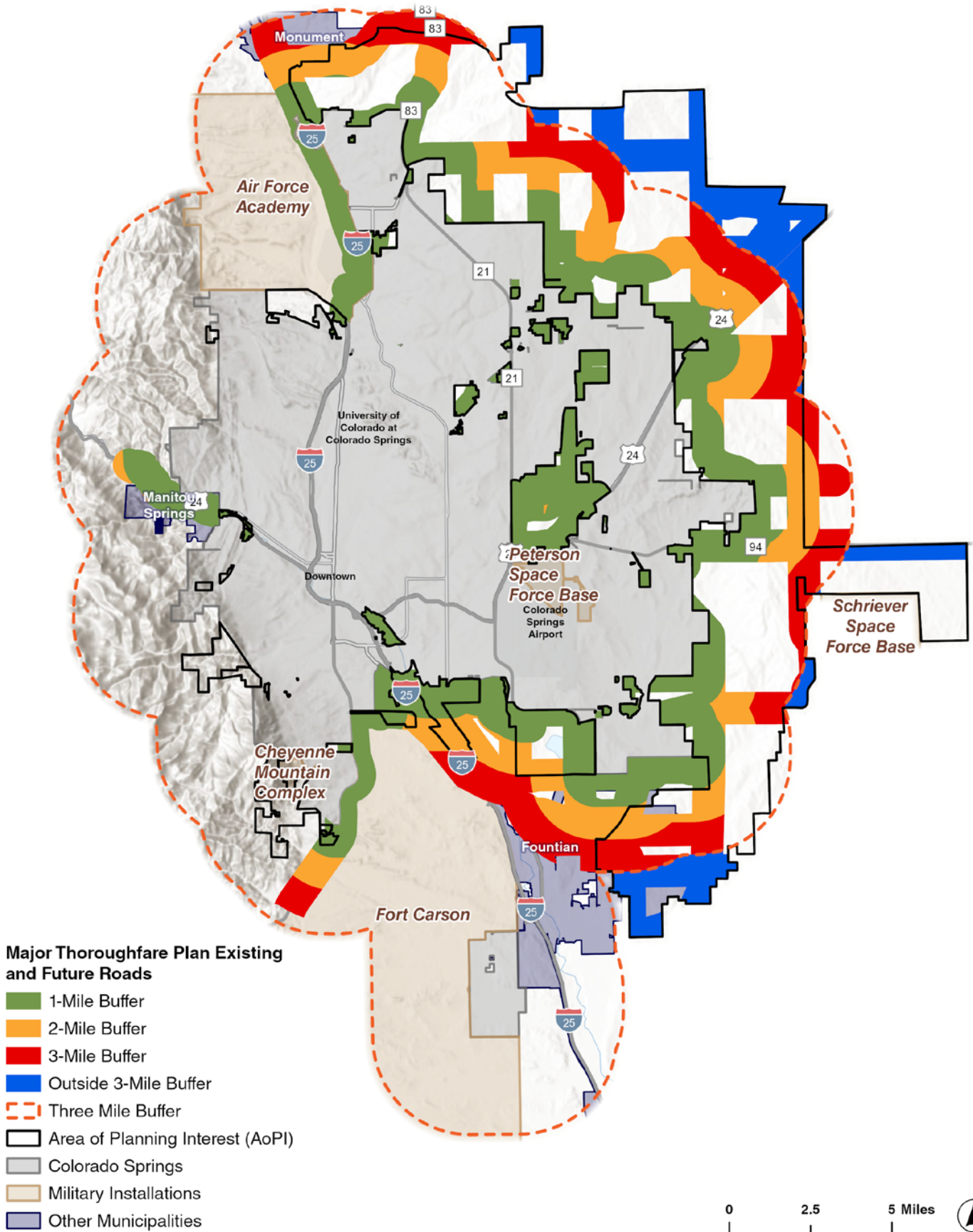


- City-Owned Properties
- Agreements to Annex
- Other Water and Wastewater Districts
- Division One South Platte Boundary
- Three Mile Buffer
- Area of Planning Interest (AoPI)
- Military Installations
- Colorado Springs
- Other Municipalities



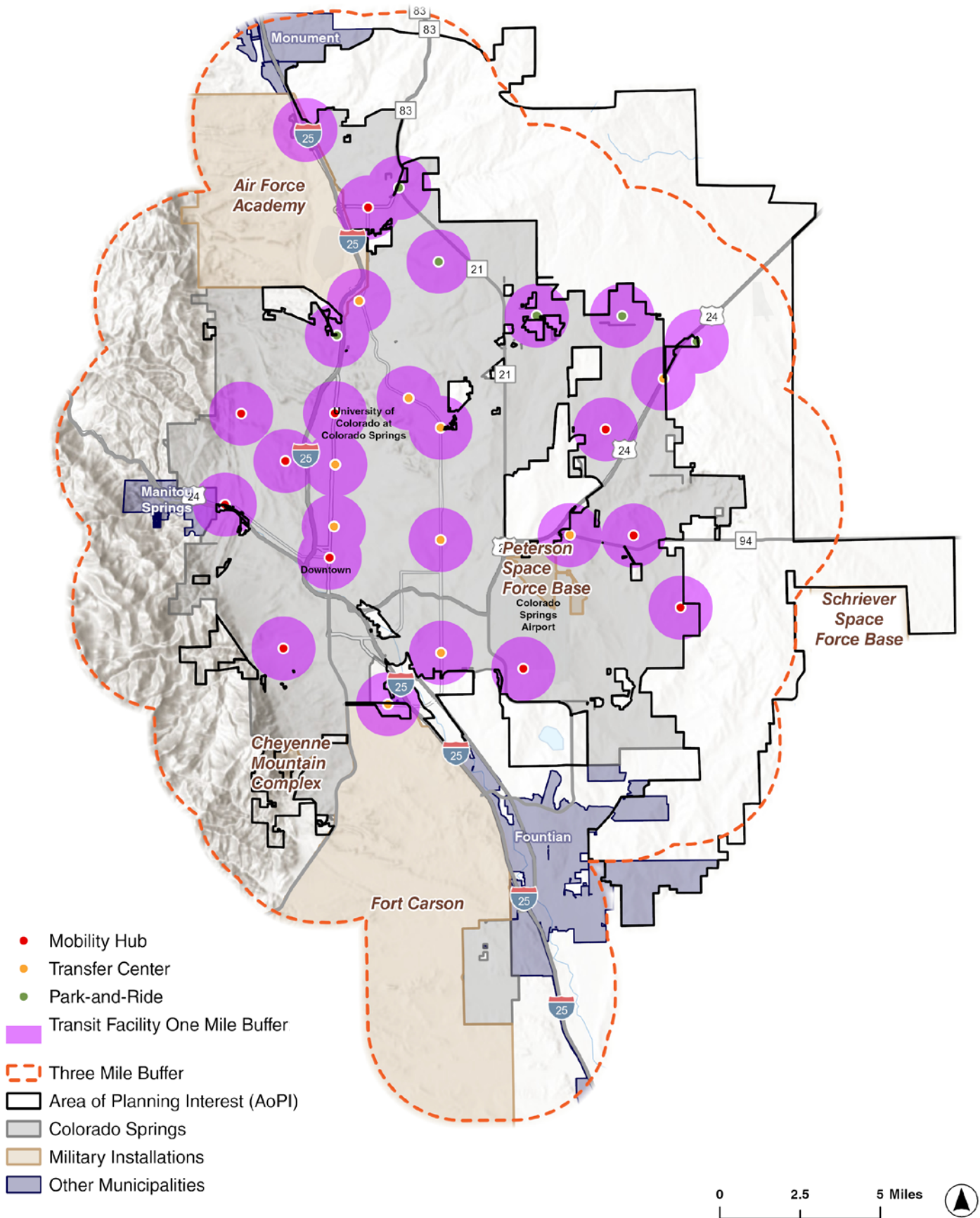
TRANSPORTATION

Proximity to Major Thoroughfares



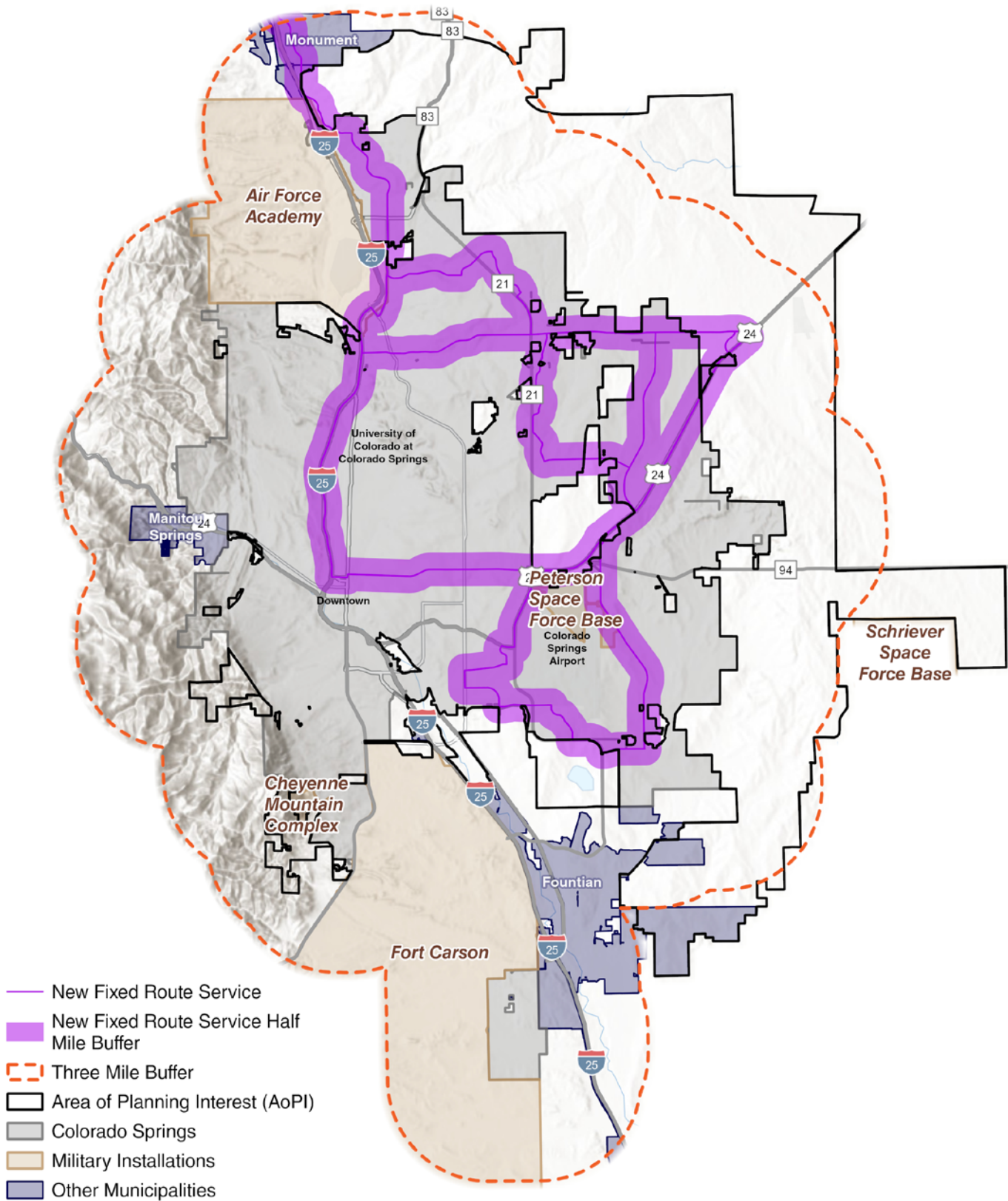
TRANSPORTATION

Proximity to Mobility Hubs



TRANSPORTATION

Proximity to Transit

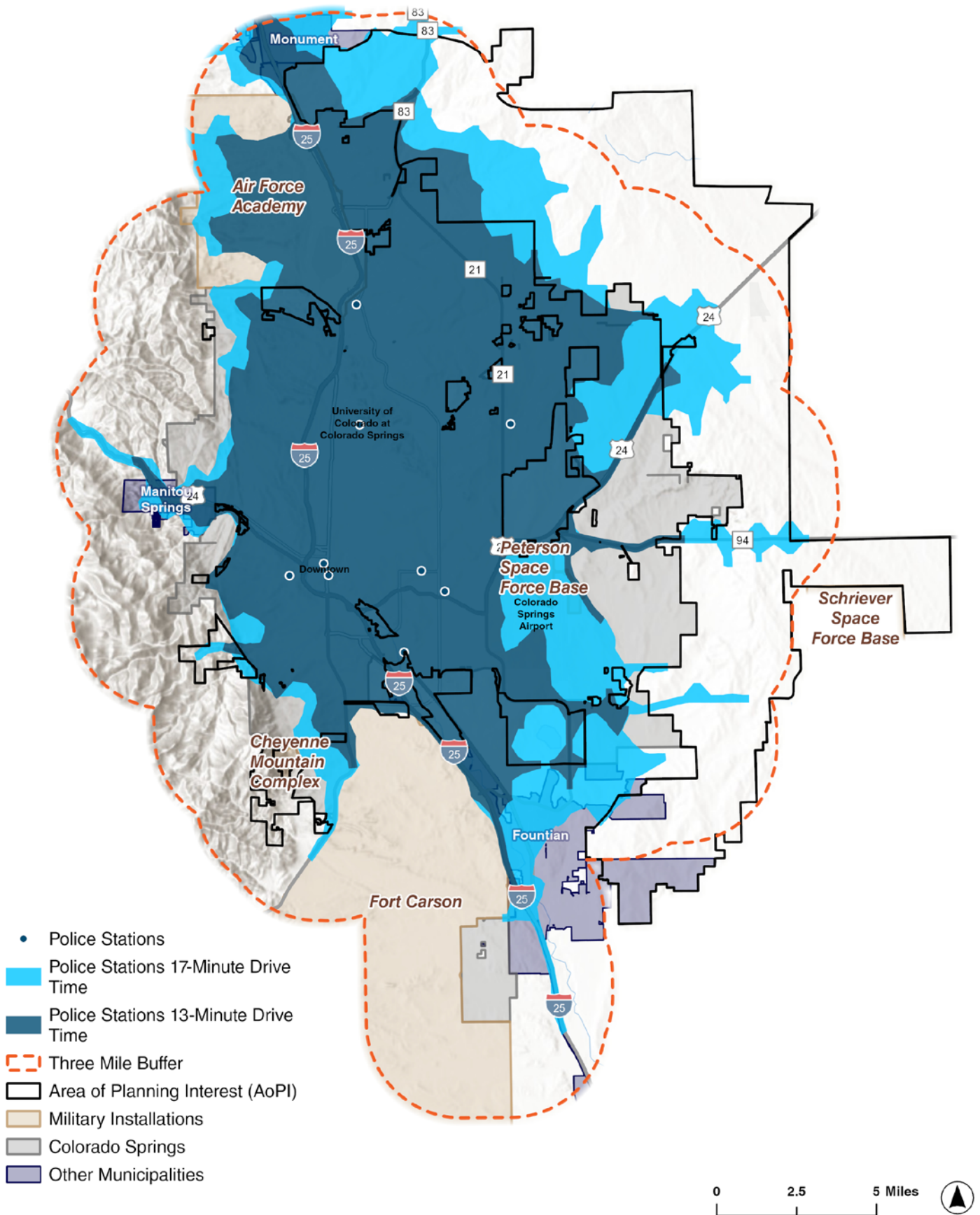


0 2.5 5 Miles



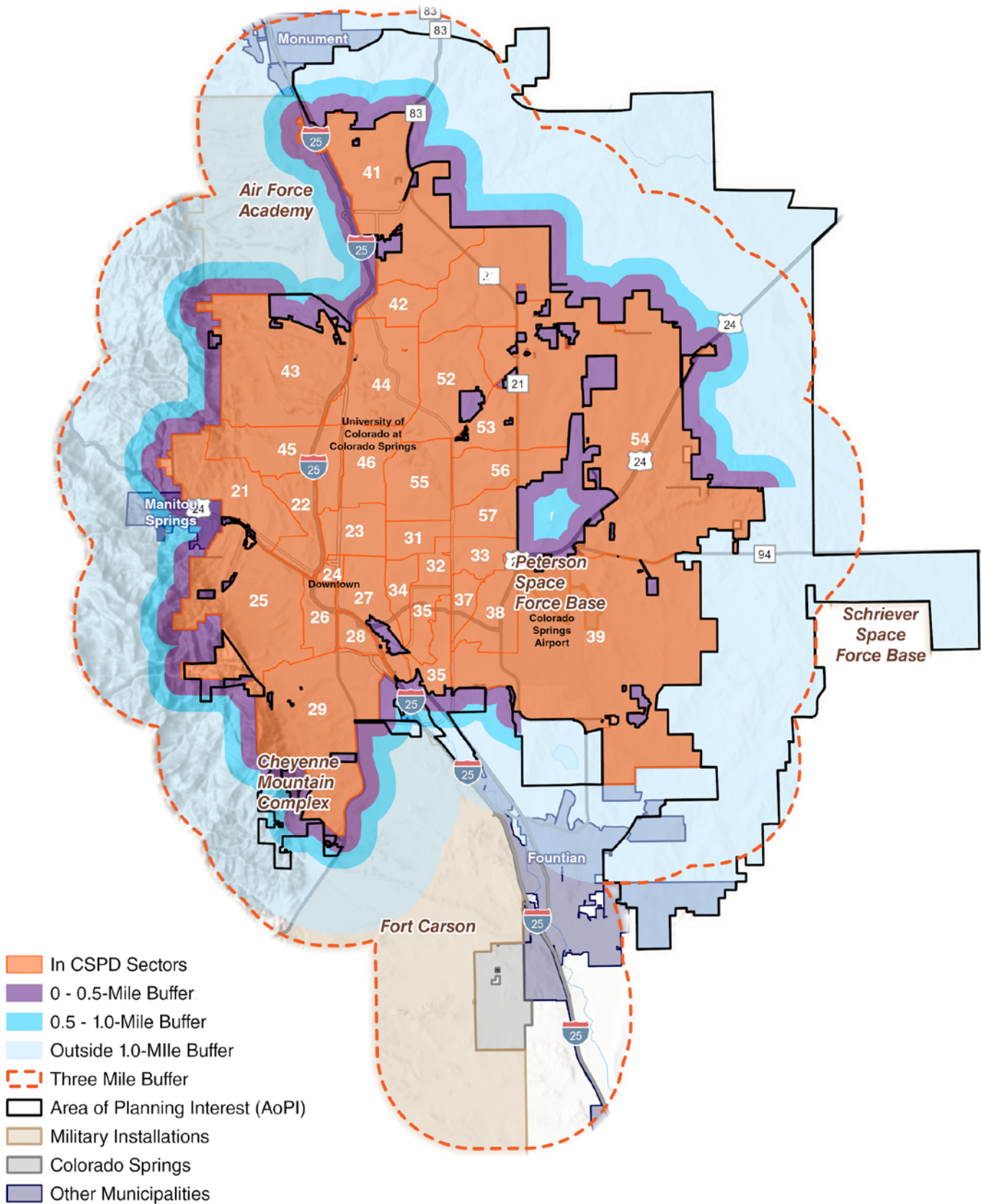
COMMUNITY DEVELOPMENT IMPACTS

Police Stations and Drive Time



COMMUNITY DEVELOPMENT IMPACTS

Proximity to Police Sectors

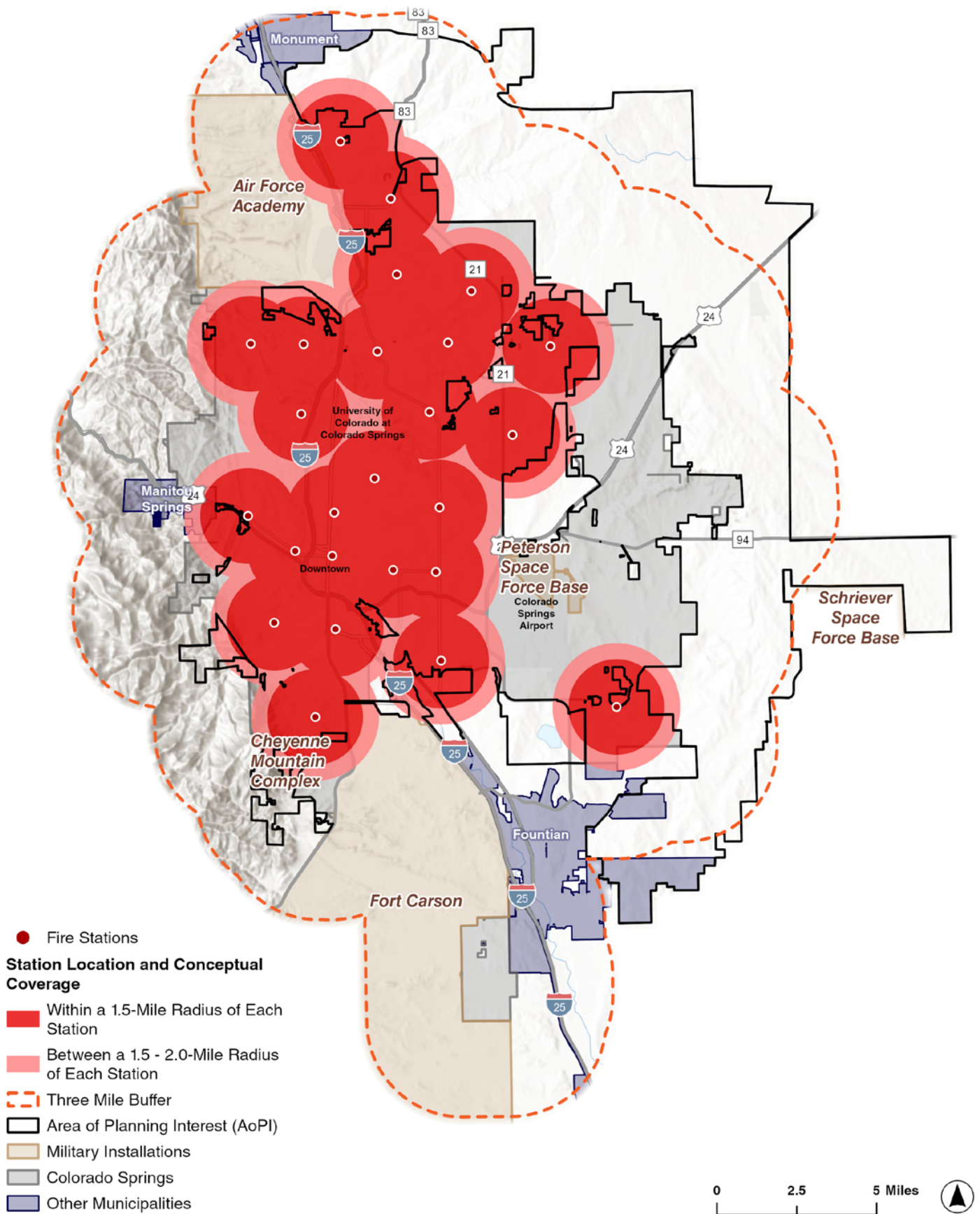


0 2.5 5 Miles



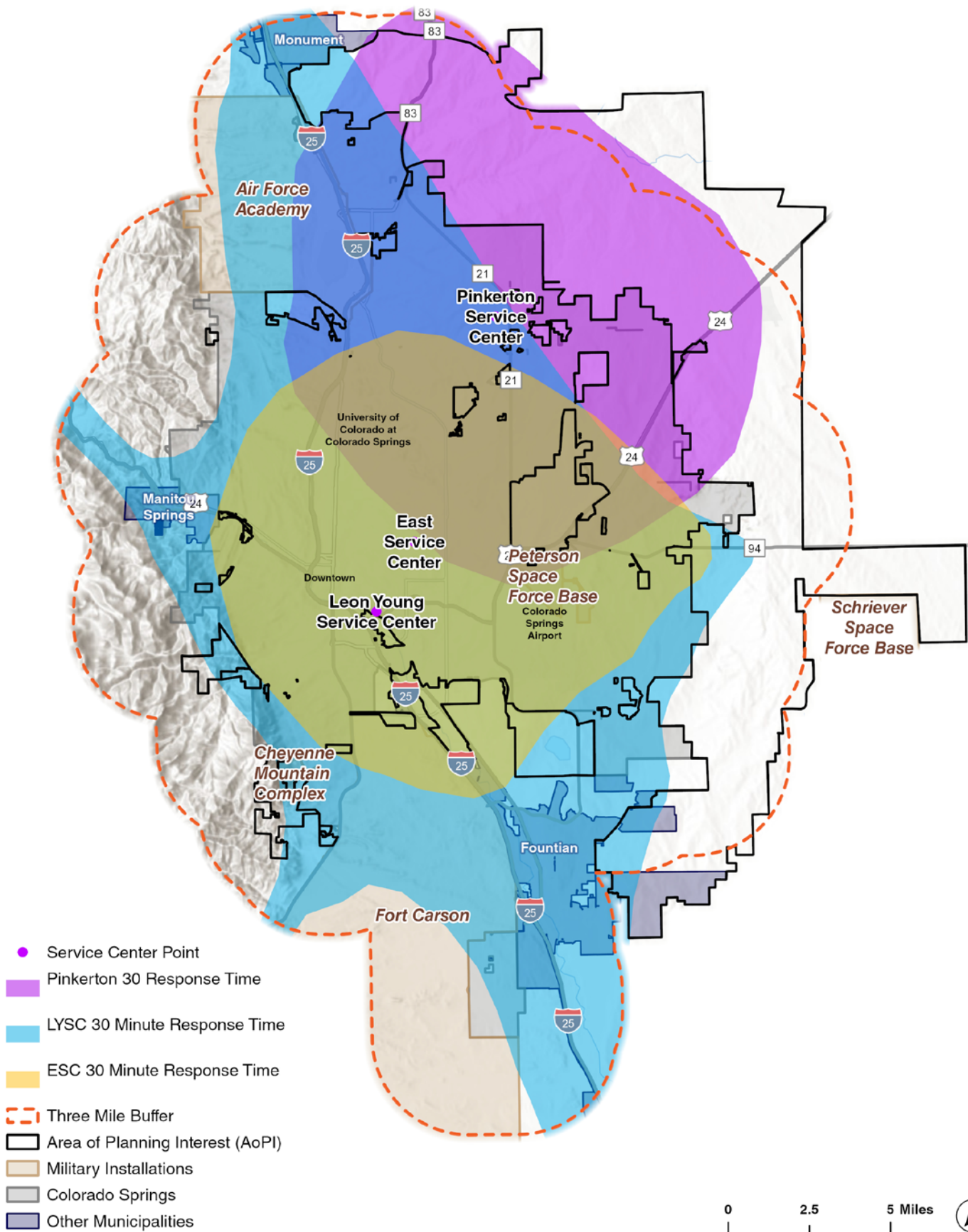
COMMUNITY DEVELOPMENT IMPACTS

Proximity to Fire Stations



COMMUNITY DEVELOPMENT IMPACTS

Service Center Response Times

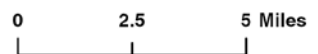
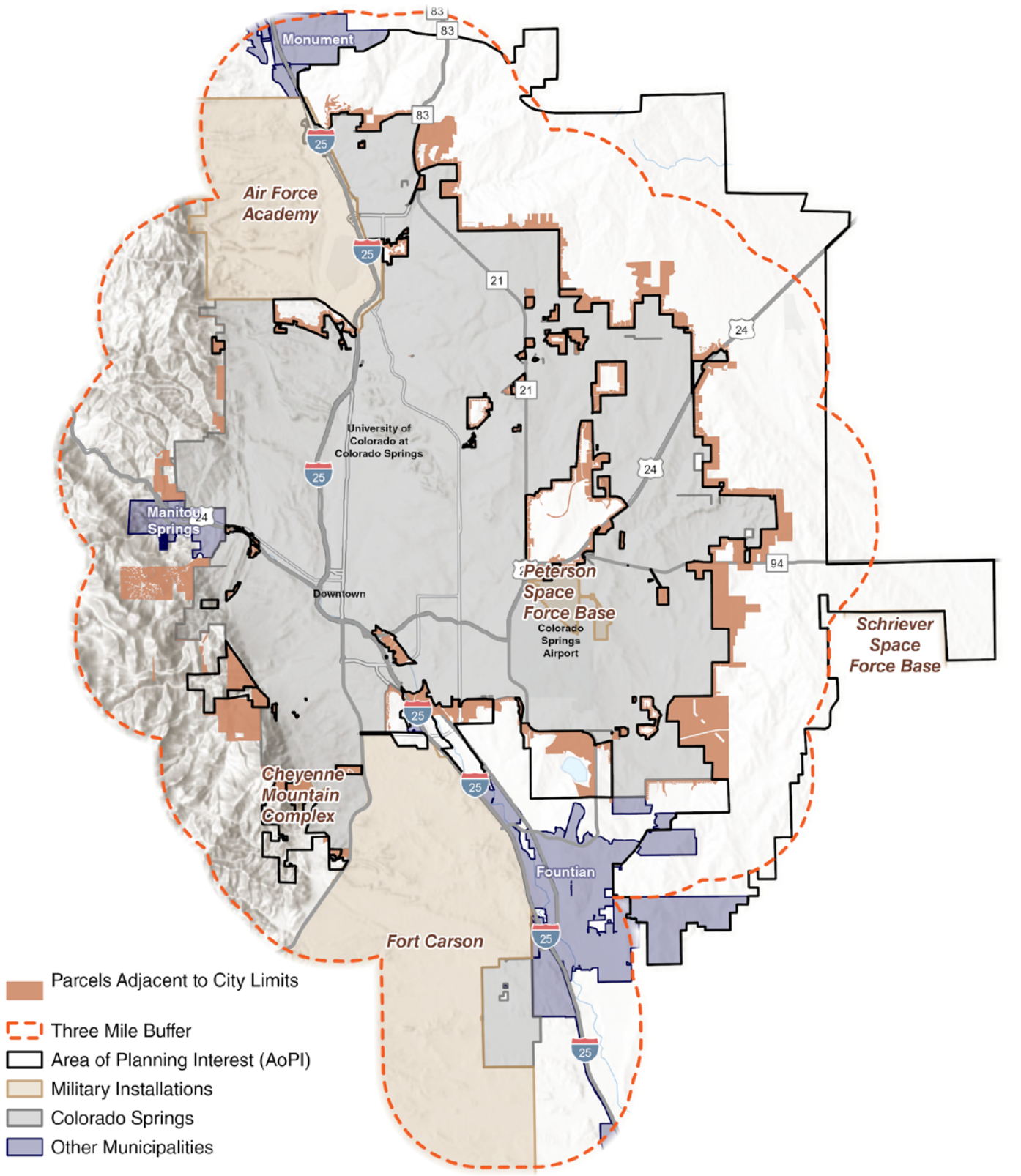


0 2.5 5 Miles

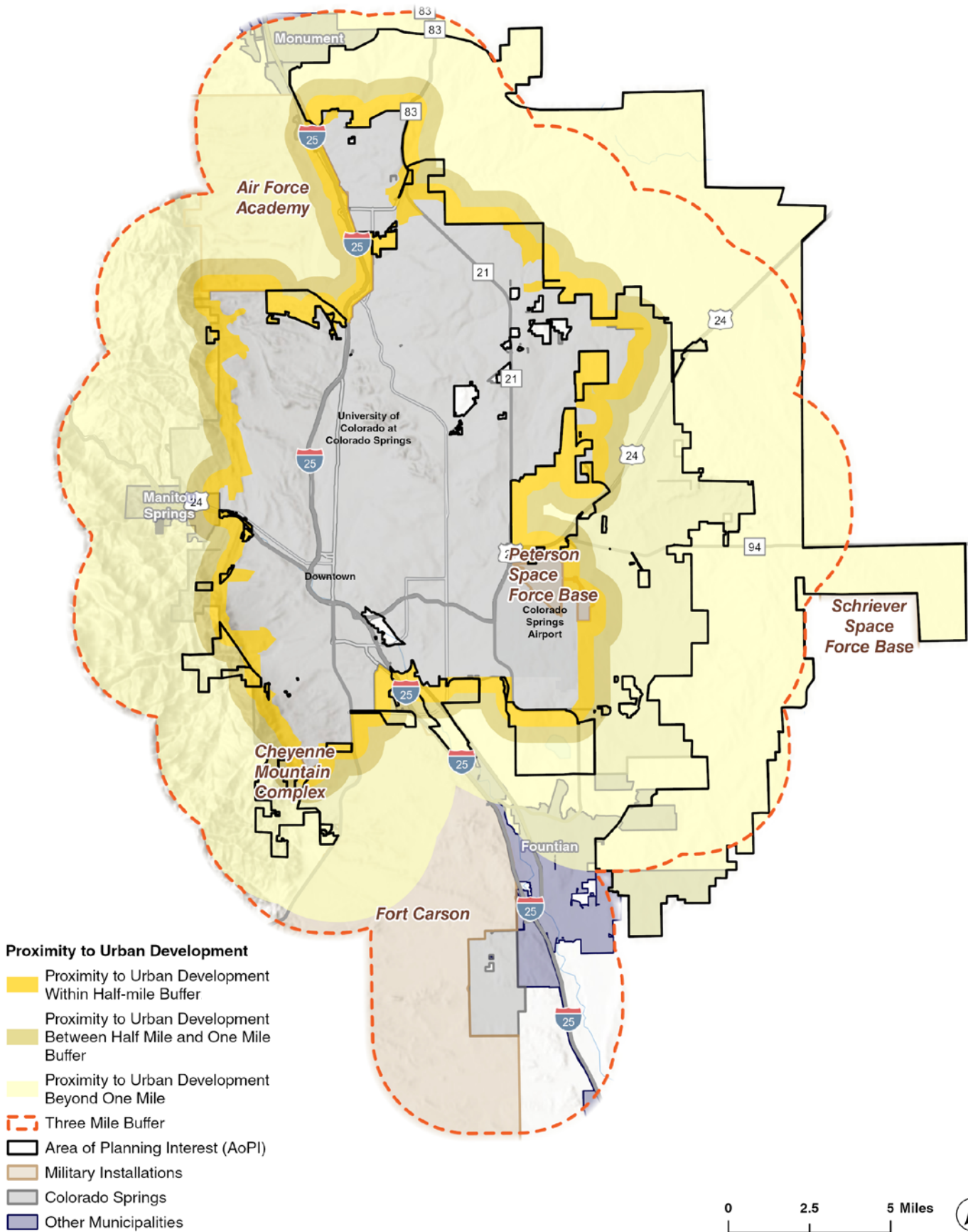


CONTIGUITY

Parcels Adjacent to City Limits

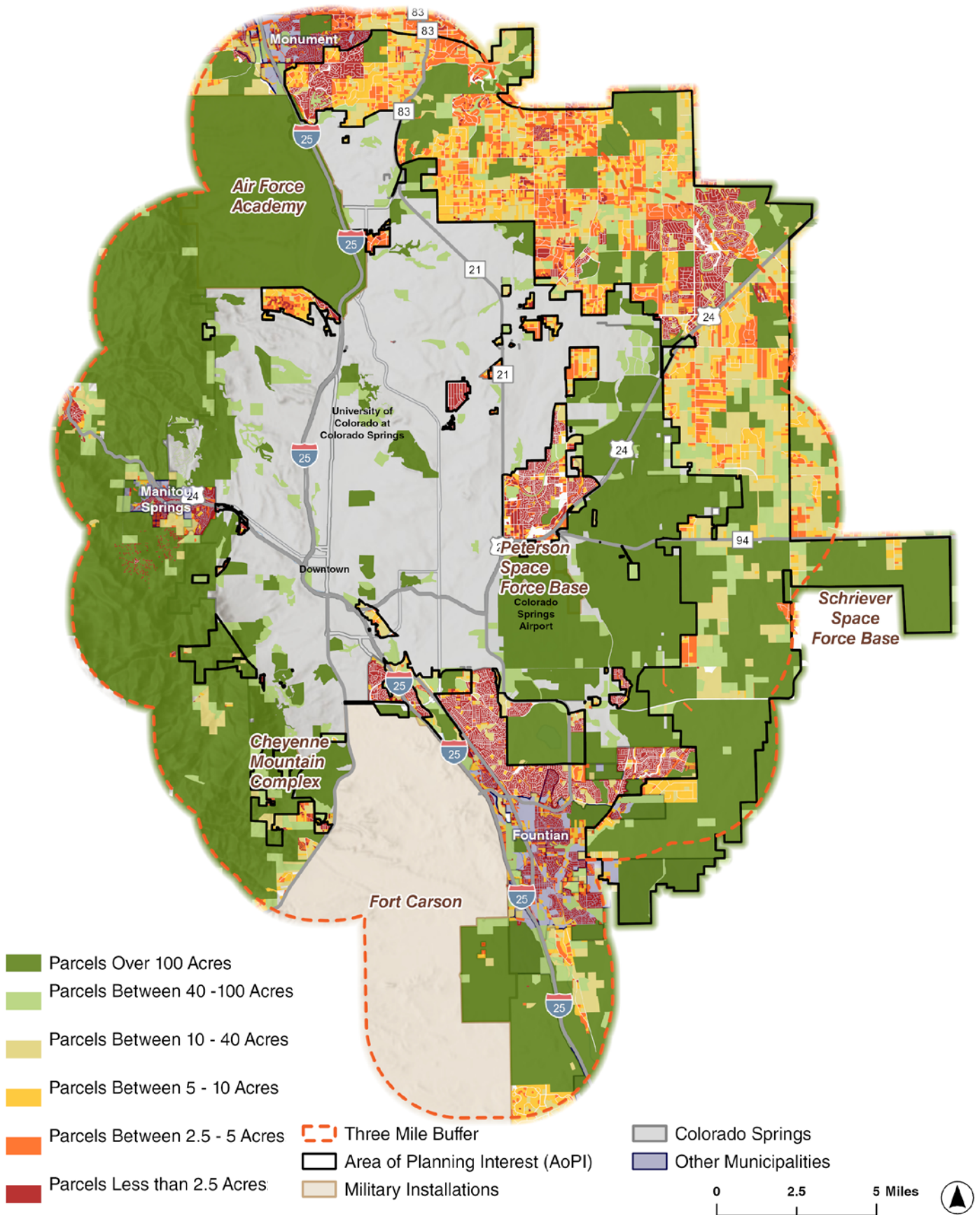


PROXIMITY TO URBAN DEVELOPMENT



ASSESSOR'S DATA

Parcel Size



This page intentionally left blank.

