



AnnexCOS Update

CITY PLANNING COMMISSION

July 8, 2026



AnnexCOS: Update Background

Current Annexation Plan

- Adopted in 2006 - Outdated
- Lots of annexation and infill since then
- New policy direction from City Council
- New and updated policies in PlanCOS

Other Challenges & Issues

- Growth: Fast, then recession (2008) and then very slow growth
- Banning Lewis Ranch impact
 - 25,000 acres of vacant land in the City
 - Activated by modification of the annexation agreement in 2018
- IGA with El Paso County
 - Creation of Area of Planning Interest
- 2022 Water Ordinance
- Recent Annexations & Public Engagement
 - Amara, Karman Line
 - Railyard
 - Karman Line Referendum

AnnexCOS: Statutory Requirements

C.R.S. 31-12-101-122

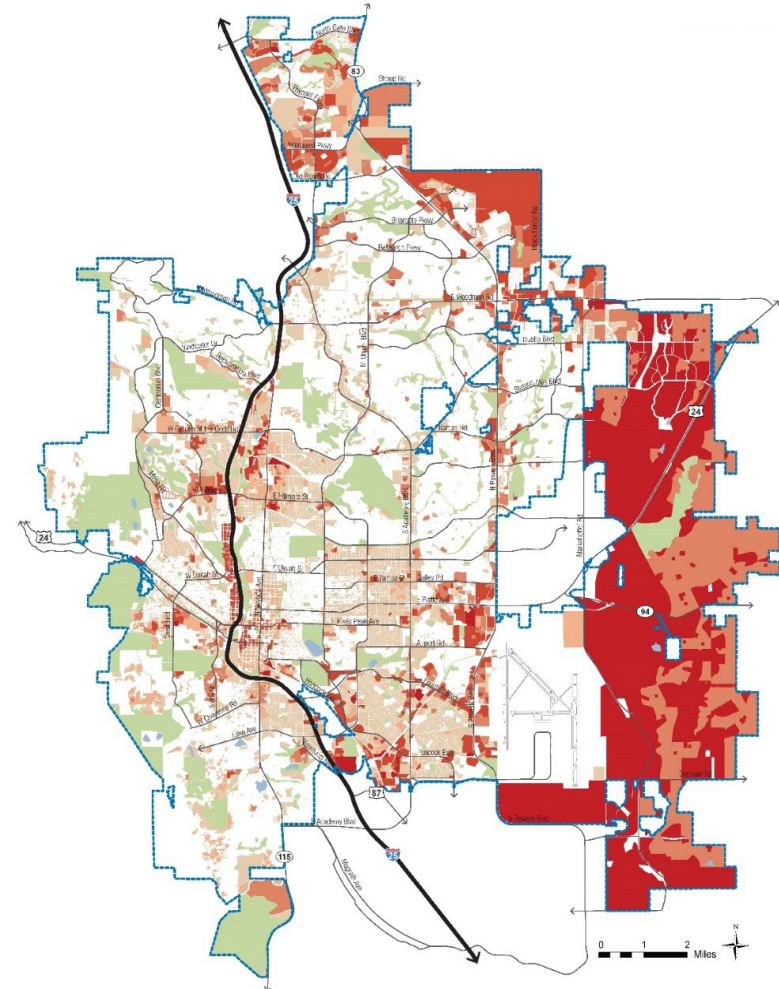
Colorado Municipal Annexation Act of 1965 (C.R.S. Title 31, Article 12)

- Annexations are limited to no more than three-miles beyond the current boundary in any given year, except under special circumstances.
- Municipality must adopt an annexation master plan for the three-mile area (commonly known as Three-Mile Plan) prior to the completion of any annexation.
- The Three-Mile Plan must be included in the municipalities comprehensive plan.
- The City's annexation plan was last adopted in 2006.
- A statement reaffirming the 2006 plan was filed in 2024.

AnnexCOS: PlanCOS Recommendation

PlanCOS

- PlanCOS allows for **targeted City expansion** over 20 years
- State Statute requires a regular update to the plan
- **Emphasis on redevelopment** within City limits
- Focus on **vacant lands within the City** with access to utilities
- Annex only if **fiscally beneficial** and **aligned** with City plans
- **Focus on water provision** for new annexation
- Annexation Plan has been a **City Council priority**



AnnexCOS: COS|EPC IGA

APRIL 13, 2021

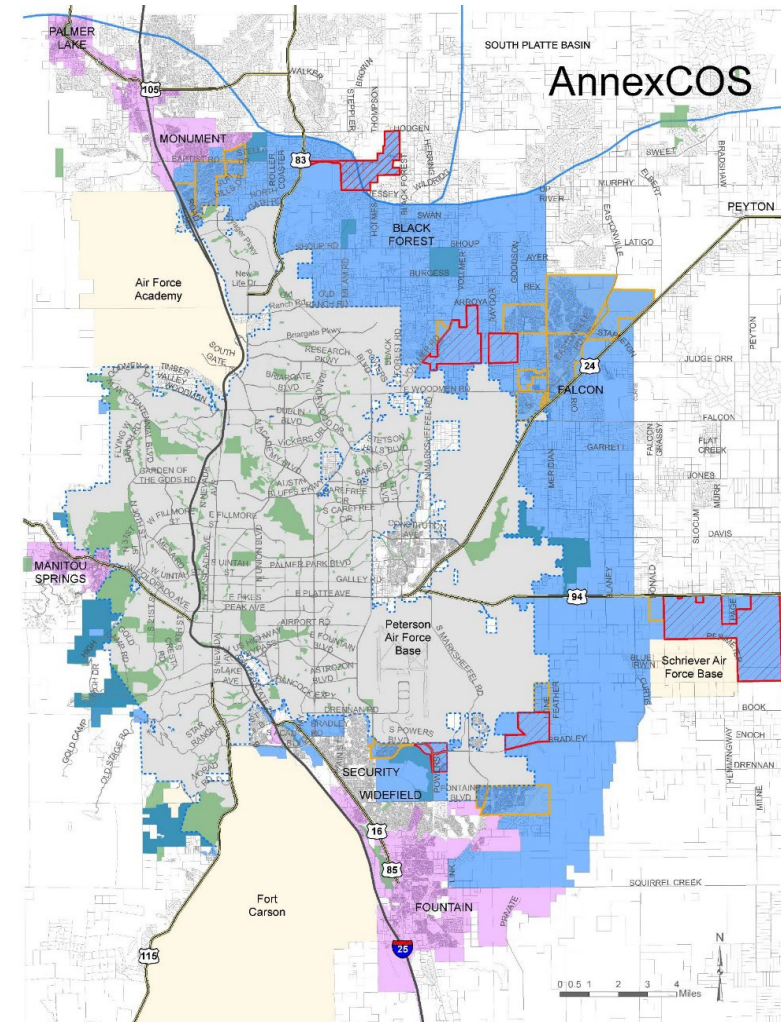
Annexation IGA between City of Colorado Springs and El Paso County.

IGA calls for a Comprehensive Annexation Plan - “AnnexCOS”:

- Policies that evaluate impacts of infrastructure and services
- Impacts known in advance of annexation petitions

The IGA also calls for the creation of the Areas of Planning Interest Map (AoPI)

- Properties within three miles of the existing City limits
- May include properties outside of the three miles
 - Annexation and Growth Opportunity Areas
 - Limited Annexation and Growth Potential Areas
 - Enclaves and Isolated County Areas
 - County Roadways Serving Incorporated Areas
 - Other County Property



Annexation: What is it?

What is Annexation?

A change in jurisdiction.

The incorporation of land within El Paso County into the City of Colorado Springs

TYPES OF ANNEXATION

Voluntary Petition

A minimum of one-sixth boundary contiguity with the City.

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.

Enclaves

The unincorporated area must be completely encircled for at least three years and annexed without property owner's consent. – Needs a Annexation Committee per Statute.

City-owned land

The City may annex if it meets the contiguity requirements and is the sole landowner.

CITY INITIATED

Annexation: How is it regulated?

- **Colorado Constitution**
- **Colorado Revised Statutes**
 - Municipal Annexation Act of 1965 (§§ 31-12-101 — 31-12-123)
- **Municipal Code**
 - 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.
- **Unified Development Code (Chapter 7)**
 - Provides utility extension policies
 - Establishes potential annexation conditions to be imposed in annexation agreements
 - Sets local procedural requirements
 - Rules for utility service within and outside the City
- **Checkpoint Policy (City Council-adopted policy)**
- **Intergovernmental Agreement (City and El Paso County)**

AnnexCOS: Process | 2024-Present

Phase 1

- Review of Existing Documents
- Identify Critical Data
- Speaker Panel Event

Phase 2

- Technical and Focus Groups Meetings
- Criteria and Mapping

Phase 3

- Annexation Goals & Policies
- Draft Document

Phase 4

- Review Draft
- Stakeholder Engagement
- Public Review

AnnexCOS: Committees & Team

Internal Working Group

Nancy Henjum, *City Council*
Brian Risley, *City Council*
Andrea Slattery, *Planning Commission*
Colby Foos, *Planning Commission*

Technical Advisory

Public Works
Parks
Finance
Economic Development
Housing & Community Vitality
Police
Fire
Airport
Military Installations
Colorado Springs Utilities

Focus Groups

El Paso County Municipalities
PPACG
Pikes Peak Water Authority
Fire Districts
Utility Providers
HBA
Neighborhood Groups

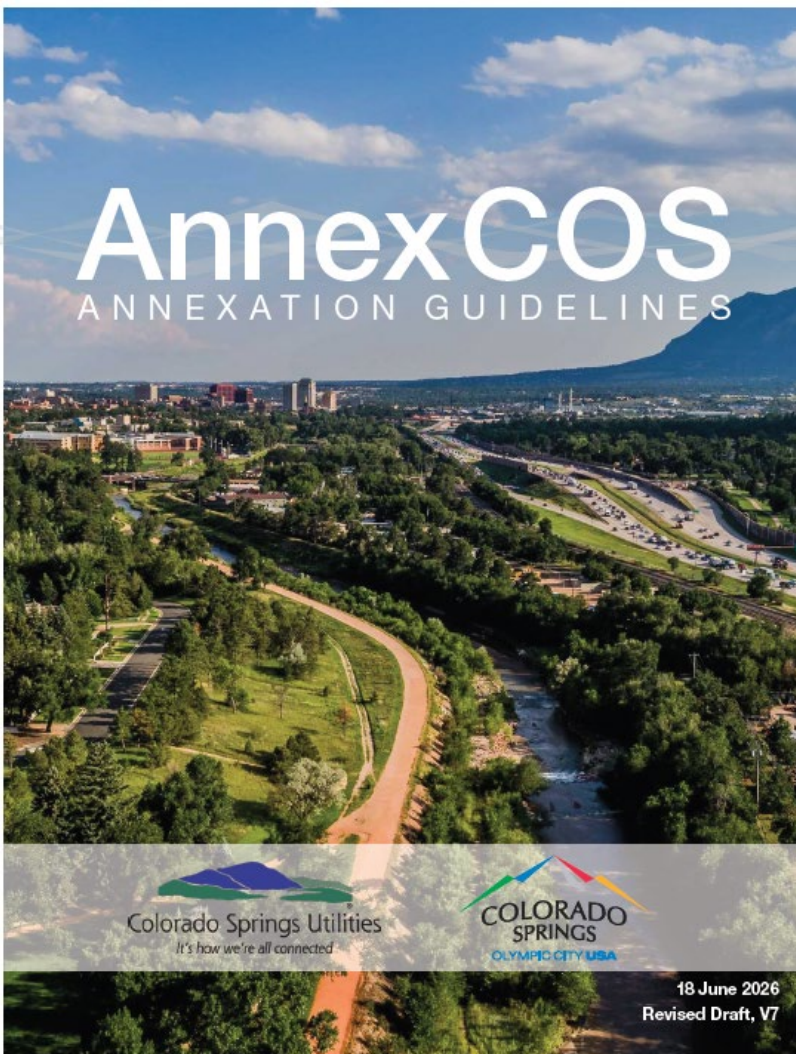
City Staff Team

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AnnexCOS: Content & Policies



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ACKNOWLEDGMENTS

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LOGANSIMPSON

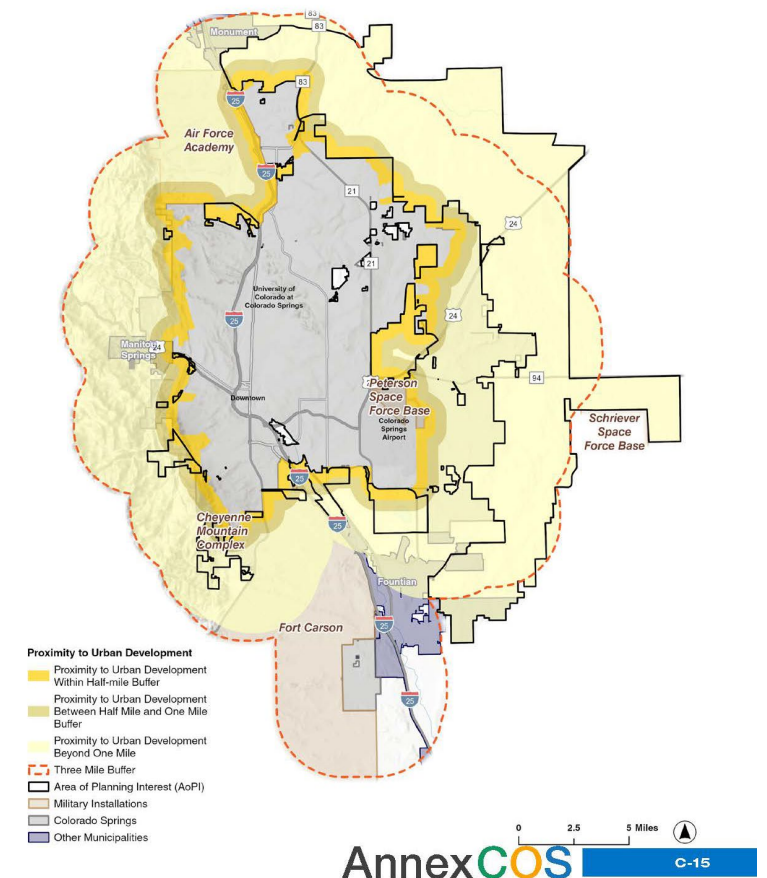
TischlerBise
FISCAL | ECONOMIC | PLANNING



AnnexCOS: Purpose

- Policy and planning framework
- Guides annexation planning and decision-making for the City
- Advisory document
- Establishes annexation goals, policies, evaluation considerations
- Implementation guidance to support consistent and informed review of annexation proposals.
- Updates and replaces the City's 2006 Annexation Plan
- Reflects current growth patterns, infrastructure considerations, regional agreements, and community vision established in PlanCOS.

PROXIMITY TO URBAN DEVELOPMENT



AnnexCOS: What is it?

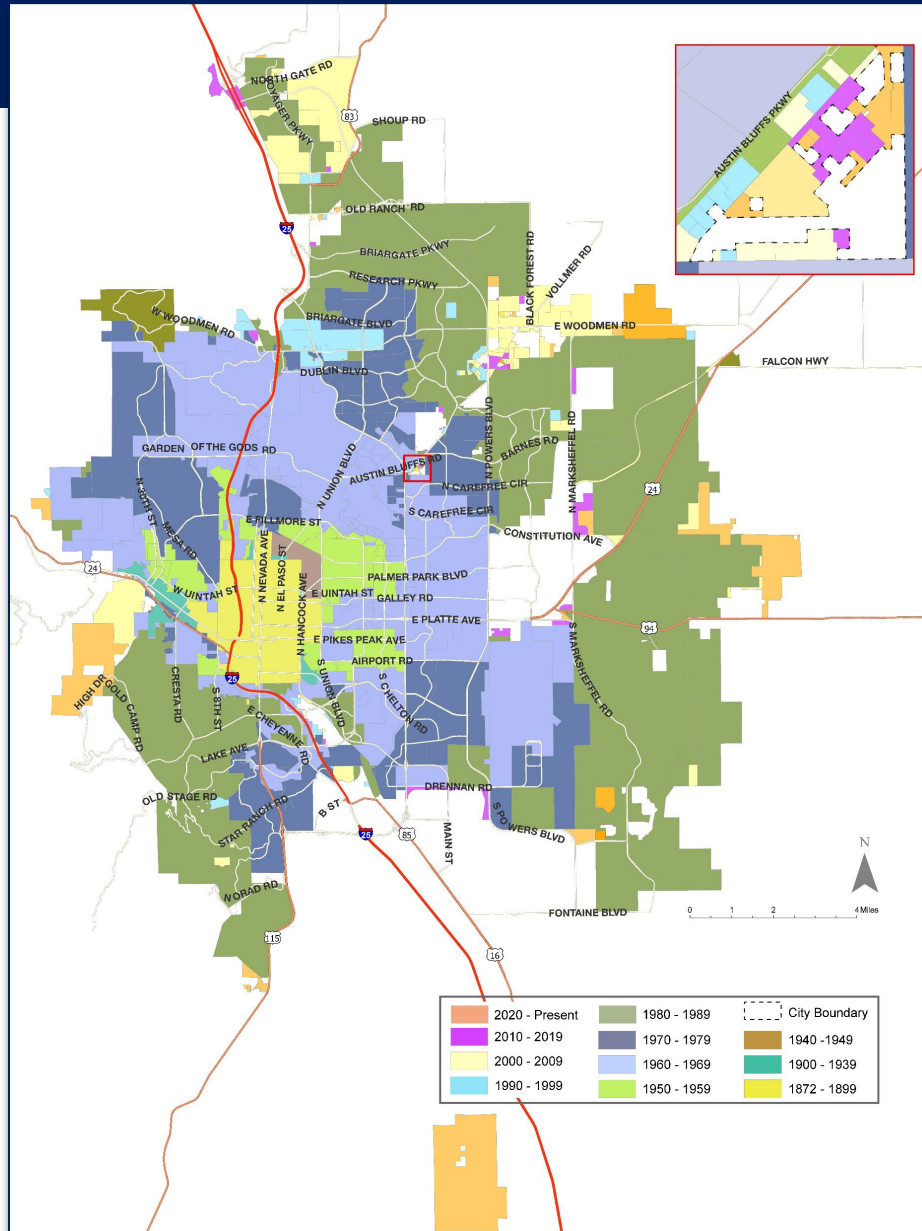
What AnnexCOS IS....

- A Policy framework
- Planning tool to shape urban form
- Guide for infrastructure expansion
- Guide for City and Property owners

What AnnexCOS IS NOT....

- A land plan for 40,000 acres of vacant land
- A priority map telling us where to go

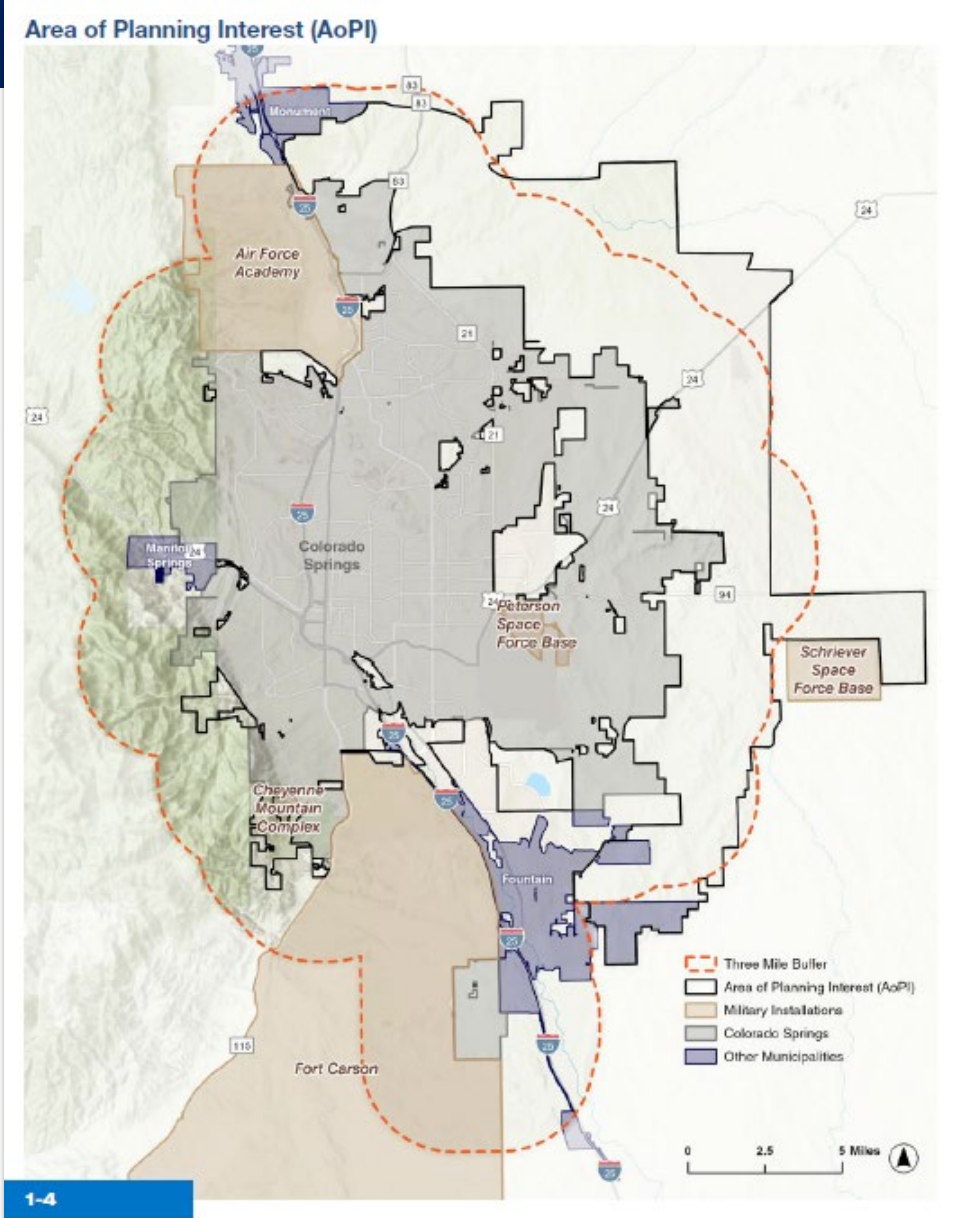
AnnexCOS: Annexation History



| | | | | | |
|--|----------------|--|-------------|--|---------------|
| | 2020 - Present | | 1980 - 1989 | | City Boundary |
| | 2010 - 2019 | | 1970 - 1979 | | 1940 - 1949 |
| | 2000 - 2009 | | 1960 - 1969 | | 1900 - 1939 |
| | 1990 - 1999 | | 1950 - 1959 | | 1872 - 1899 |

| | | | | | |
|--|----------------|--|-------------|--|---------------|
| | 2020 - Present | | 1980 - 1989 | | City Boundary |
| | 2010 - 2019 | | 1970 - 1979 | | 1940 - 1949 |
| | 2000 - 2009 | | 1960 - 1969 | | 1900 - 1939 |
| | 1990 - 1999 | | 1950 - 1959 | | 1872 - 1899 |

AnnexCOS: Process | 2024-Present



— Three Mile Plan Area
Required per C.R.S.

▨ Area of Planning Interest (AoPI)
Required per County | City IGA

AnnexCOS: Project Goals

- Create annexation goals and policies.
- Establish the Three-Mile Plan and AoPI Map.
- Provide a framework and process for evaluating annexation petitions.
- Assess the general snapshot of urban services necessary to serve the proposed annexation area
 - Public safety, transportation, parks, water, wastewater, stormwater, and electric/gas 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 PlanCOS.
- Increase understanding and predictability for property owners contemplating annexation.
- Improve development review coordination between the City and 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.

AnnexCOS: Content & Policies

Policy Areas | Considerations

- Contiguity and Enclaves
- Fiscal sustainability and cost – City & Utilities
- Infrastructure and utility efficiencies and capacities
- Community development impacts (housing, jobs, and services)
- Compatibility with existing urban development and City boundaries
- Housing diversity and affordability
- Proximity to existing and planned infrastructure
- Cooperation with other jurisdictions and property owners
- Flexibility for special circumstances

Annexation: Evaluation Methodology & Considerations

- 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.

Annexation: Evaluation Methodology & Considerations

- 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).

AnnexCOS: Goals & Policies

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.

GOAL 2

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

GOAL 3

Provide adequate urban facilities and services to annexed areas.

GOAL 4

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

GOAL 5

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

GOAL 6

Implement annexation policies through intergovernmental cooperation.

AnnexCOS: Goals

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 PlanCOS 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 extension 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.

AnnexCOS: Goals

GOAL 2

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

Policies

ANX 2-1 Uran development with adequate services.

- Consider the existing levels of infrastructure (such as utilities, etc.) when petitions are submitted.
- Inform potential annexors, 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.

AnnexCOS: Goals

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 longterm 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 the water, wastewater, natural gas, electric, stormwater, and flood management utilities and infrastructure. Other objectives include planning for resilience, in-stream flow maintenance, floodplain preservation and flood management, enhancement of recreational opportunities, water quality management, preservation of natural ecosystems, open space 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.

AnnexCOS: Goals

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.

ANX 4-6. Coordination of City and utilities analysis defined by SLAs. Springs Utilities' review timeframes for completing four-service utility evaluations, legal reviews, and other annexation-related activities will vary based on the scope, complexity, and specific characteristics of a proposed annexation. Larger or more complex annexation petitions, or those with unique or nuanced conditions, will typically require additional time to complete evaluations and prepare materials necessary to address City Code annexation requirements. To manage applicant and stakeholder expectations, Springs Utilities review timeframes will be documented through separate Service Level Agreements (SLAs) with City Planning.

AnnexCOS: Goals

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.

AnnexCOS: Goals

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.

AnnexCOS: Annexation Review Process

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
 - Utility capacity (Springs Utilities)
 - Fiscal impacts
7. Planning Commission Review (if applicable)
8. City Council Legislative Action (Approval, Approval with Conditions, or Denial)

AnnexCOS: Evaluation

Annexation proposals will be assessed based on Annex**COS**:

- Assess consistency with AnnexCOS goals and policies (see Chapter 2).
- Cross-reference with PlanCOS, 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.
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- 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.

AnnexCOS: Evaluation (continued)

- 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

AnnexCOS: Implementation

Next Steps

- Development of model annexation report with checklist
- Creation of a template Fiscal Impact Analysis framework and model
- Update of current IGA with possible expansion to include other jurisdictions
- Annual monitoring and update of Three-Mile Plan



QUESTIONS?

