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PLANNING AND COMMUNITY DEVELOPMENT DEPARTMENT
CRAIG DOSSEY, EXECUTIVE DIRECTOR

Planning Commission Meeting
Thursday, September 17, 2020
El Paso County Planning and Community Development Department
200 S. Cascade Ave – Centennial Hall Hearing Room
Colorado Springs, Colorado

REGULAR HEARING

1:00 p.m.

PRESENT AND VOTING: BRIAN RISLEY, TOM BAILEY, SARAH BRITAIN JACK, JOAN LUCIA-TREESE, TIM TROWBRIDGE, ERIC MORAES, BECKY FULLER, AND JAY CARLSON

PRESENT VIA ELECTRONIC MEANS AND VOTING: THOMAS GREER

PRESENT AND NOT VOTING: GRACE BLEA-NUNEZ (JOINED DURING SKETCH PLAN ITEM)

ABSENT: NONE

STAFF PRESENT: MARK GEBHART, NINA RUIZ, RYAN HOWSER, KARI PARSONS, JEFF RICE (VIA REMOTE ACCESS), AND EL PASO COUNTY ATTORNEY LORI SEAGO

OTHERS SPEAKING AT THE HEARING: PAUL HOWARD, PHIL STUEPFERT, JEFF HODSDON, GREG PANZA, SUSAN CHARLES, SCOTT REID, PAT HRBACEK, GEORGE ROWLEY, PETER MARTZ

Report Items

1. A. Report Items -- Planning and Community Development Department – Ms. Ruiz -- The following information was discussed:

- a) The next scheduled Planning Commission meeting is for **Thursday, October 1, 2020 at 1:00 p.m.**

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- b) **Ms. Ruiz** gave an update of the Planning Commission agenda items and action taken by the Board of County Commissioners since the last Planning Commission meeting.
- c) **Ms. Ruiz** also shared project tracking numbers for the department compared to building permits year to date.
- d) **Mr. Gebhart** gave an update on the Master Plan process and timeline. A Master Plan Advisory Committee meeting was held on Tuesday, September 8. The Houseal-Lavinge team will take the next couple of months to put together a draft of the Master Plan.

B. Public Input on Items Not Listed on the Agenda - NONE

2. Consent Items

A. Approval of the Minutes – September 3, 2020

The minutes were unanimously approved as presented.

Mr. Risley, through staff recommendation, asked that Item 5 for McDermott Accessory Living Quarters be heard before the Grandview Reserve. There was no opposition to that item being moved.

REGULAR ITEMS

3. SKP-20-001

PARSONS

**SKETCH PLAN
GRANDVIEW RESERVE**

A request by 4 Site Investments, LLC, for approval of a sketch plan to allow for 587.1 acres of residential area not to exceed 3,260 dwelling units, 127.1 acres of park and open space area, 17.0 acres of institutional area, 16.4 acres of neighborhood commercial area, and 20.6 acres of public right-of-way. The 768 acre property is zoned RR-2.5 (Residential Rural) and is located north of Judge Orr Road, adjacent to Eastonville Road to the east, and adjacent to Highway 24 to the west and is within Sections 21, 22, 27, and 28, Township 12 South, Range 64 West of the 6th P.M. The property is within the Falcon/Peyton Small Area Master Plan (2006). (Parcel No. 42000-00-396) (Commissioner District No. 2)

Ms. Parsons gave a brief overview of the project and asked **Ms. Seago** to go over the review criteria for a sketch plan. Ms. Parsons then introduced the applicants' representative **Mr. Paul Howard** to give their presentation along with **Mr. Phil Stuepfert, Greg Panza, and Jeff Hodsdon**.

Mr. Jeff Hodsdon gave the transportation findings.

Mr. Risley – If you are talking 3200 homes, my experience is that is 1.2-1.5 kids so it's 4000+ kids. Have you had conversations with the school district to see how they will accommodate those numbers? **Mr. Howard** – Originally, we talked about an elementary site, but it may be a K-8 and it could be 25 acres; and we are willing to do that. We've spoken to the superintendent and are continuing to work with them. Not all of those children will choose to go to this school, so it'll be a relatively smaller number.

Mr. Greg Panza went over the water, wastewater, environmental, and geological factors of the presentation.

Ms. Parsons then gave her full presentation to the Planning Commission. Her report is on permanent file.

Mr. Jeff Rice gave the County's engineering findings. His presentation is also on permanent file.

IN FAVOR: NONE

IN OPPOSITION:

Ms. Susan Charles and Mr. Scott Reid – We own the property just south of the new subdivision. We have a concern about the drainage and how it will affect our property. (Slides shown) The drainage is a non-jurisdictional area that is in a floodplain. All the diversions would run directly through our property. We want clarification of those channels and drainage.

Mr. Tim Kistler, Superintendent, Peyton Schools – We have been in conversation with the applicants. We are happy to not be located by the septic area. I was part of the Falcon/Peyton Small Area Plan way back when it was developed. They offered the 10.9 acres and I was happy, but that was for just elementary. As I started working with other school administrators, the amount of homes on the acreage, they could bring in 3200+ kids, so I looked at what we need to have and it's about 35 acres.

Mr. Greg Land – I am not against growth, because it's coming. But we need to plan well. We need to ensure we have enough land, enough water. We don't have the facilities to absorb this number of students. We will continue to work with the developer.

The applicant had an opportunity for rebuttal. **Mr. Howard** stated that they understand the importance of a good school district and will continue to work with them. He reinforced that they'd like a vote and not a continuance.

DISCUSSION:

Mr. Risley – The comment regarding drainage was covered well, but could you talk on the intent and maintaining historic flows and what is being proposed? **Mr. Panza** – they are unstudied drainage plans. With developments, release of water from our site will be at the historic rate. **Mr. Bailey** – Does it make a distinction between peak and historic rates? **Mr. Panza** – there is a 5-year peak and a 100-year peak and we have to discharge below those peaks.

PC ACTION: LUCIA-TREESE MOVED/FULLER SECONDED TO APPROVE REGULAR ITEM 3, SKP-20-001, FOR A SKETCH PLAN FOR GRANDVIEW RESERVE UTILIZING RESOLUTION PAGE NO. 35, CITING 20-039, WITH FIVE (5) CONDITIONS AND TWO (2) NOTATIONS, AND THAT THIS ITEM BE FORWARDED TO THE BOARD OF COUNTY COMMISSIONERS FOR THEIR CONSIDERATION. THE MOTION WAS APPROVED UNANIMOUSLY (9-0).

4. ID-20-002

PARSONS

**SPECIAL DISTRICT SERVICE PLAN
GRANDVIEW RESERVE METROPOLITAN DISTRICT NOS. 1-5**

A request by 4 Site Investments, LLC, for approval of a Colorado Revised Statutes Title 32 Special District service plan for the Grandview Reserve Metropolitan District. The parcel proposed for inclusion into the District totals 768 acres and is located north of Judge Orr Road, east of Eastonville Road, and west of Highway 24 and is within Sections 21, 22, 27, and 28, Township 12 South, Range 64 West of the 6th P.M. The proposed service plan includes the following: a maximum debt authorization of \$250 million, a debt service mill levy of 50 mills for residential, 35 mills for commercial, an operations and maintenance mill levy of 10 mills, for a total maximum combined mill levy of 60 mills. The statutory purposes of the District include the provision of the following: 1) street improvements and safety protection; 2) design, construction, and maintenance of drainage facilities; 3) design, land acquisition, construction, and maintenance of recreation facilities; 4) mosquito control; 5) design, acquisition, construction, installation, and operation and maintenance of television relay and translation facilities; 6) covenant enforcement; and 7) design, construction, and maintenance of public water and sanitation systems. The property is included within the Falcon/Peyton Small Area Master Plan (2006). (Parcel No. 42000-00-396) (Commissioner District No. 2)

Ms. Parsons gave a brief overview and asked **Ms. Seago** to go over the review criteria for a special district service plan. She then introduced the applicants' representative **Mr. Pat Hrbacek** to go over their presentation. September 29 is the BoCC hearing to set the official hearing date. October 13 is the BoCC hearing date. **Mr. Hrbacek's** presentation is on permanent file.

Mr. Carlson – Can you explain the financial aspect of it and how they will pay for it? It looks like they are using a median home price of \$375,000. **Mr. Hrbacek** – Where it comes from is the financial plan Exhibit D. The underwriter shows a projected bond financing in 2021 and a refinancing in 2031 based on builtout and costs per home and mill levy that would be realized for that home. You see that in actuality the amount that can be borrowed is lower than what the costs will be or the maximum debt will be. You can only impose a debt service levy up to a certain amount and up to a certain amount of time. **Mr. Carlson** – My concern is that you are basing the median price of a home on the highest price we've seen for the area. This is in Falcon and I see the current median home price as \$260,000; that's a 30% difference. What happens when we are back to more sustainable numbers and what happens to those calculations? **Mr. Hrbacek** – those calculations might have to be redone. Any gap is taken up by the developer and not by the homeowners. The financial plan is the arbiter of what can be borrowed, and we are giving you our best price, but that may not be right. Any risk associated with it goes on the developer.

Mr. Trowbridge – You project 400 units a year starting next year and none of the infrastructure is in place yet; how can you justify that number? **Mr. Hrbacek** – Typically those numbers are based on marketing studies by outside parties and what the trends are both locally and nationally. Staff was comfortable with the numbers provided in the service plan. **Mr. Howard** – Regarding development, we don't go out and borrow \$250 million, we have to front end load that and then get paid back provided the model is there to pay us back. We put a very significant down payment in and then if the model doesn't support the other \$250 million for us to recapture, then we don't get it. If the model changes, and then you'll have real results, and that will affect what we get back. **Mr. Carlson** – If the median home prices are 30-40% off, that number could be significant. **Mr. Howard** – That number will be fine-tuned as we work through the plan. We want to have affordable priced housed and \$375,000 isn't it. That is just the median they are using. **Mr. Carlson** – If home prices don't go up and go back where they were not long ago, then you will see that large deficit in the bond pay back. **Mr. Carlson** – is the water treatment something you scale up or does it all go in at one time? **Mr. Howard** – we put in a tank and then we put in one well and then another as we need them.

Ms. Parsons gave her full presentation to the Planning Commission. Her report is on permanent file.

Mr. Carlson – Do the median home prices support the financial plan? **Ms. Parsons** – staff is comfortable with the financial plan presented.

Ms. Fuller – Can you address this letter that we received from Ankele etc law firm? **Ms. Seago** – They are in attendance, so they will address it.

IN FAVOR: NONE

IN OPPOSITION:

Mr. George Rowley – Our client owns property in 4 Way Ranch Metro District No. 1. We became aware of this hearing and became concerned. There is a part of District No. 2 that has moved to District No. 1. The developer is working out a settlement agreement that is still in process. They don't have the financial capacity to provide for this District. We don't think they've met the statutory requirement to establish a special district. There are a few policies that are being violated as far as statutes and County policies. Mr. Rowley's letter is on permanent file. It was not received until 4:09 p.m. the day before the Planning Commission hearing. District Nos 1 and 2 need to be amended.

Ms. Fuller – Are you saying that what we just approved as a sketch plan is included in District No. 2? **Mr. Rowley** – Yes.

Ms. Fuller – And they are saying that they cannot finance District No. 2? **Mr. Rowley** – Yes they are saying they do not want to provide service. We are asking you to delay because District Nos 1 and 2 are supposed to be working together. What is left may not be enough to provide for the district. **Ms. Fuller** – Are you asking us to delay so you can try to talk the Board out of their previous decision to provide service? **Mr. Rowley** – Yes, that's correct.

Mr. Trowbridge – You are representing the green area and not 4 Way Metro District, is that correct? **Mr. Rowley** – Yes. **Mr. Trowbridge** – On what basis can they talk about service when the client is not a service provider? **Ms. Seago** – They are able to talk as a concerned citizen and be heard. **Mr. Rowley** – You would be reducing No. 2 by 60% and a less valuation.

Ms. Lucia-Treese – I guess my concern is these don't happen in a vacuum overnight. I do have concerns getting an 11th hour document and want to know why this wasn't worked out with Grandview prior to hearing. **Mr. Risley** – We need to stay focused on review criteria and understand that it was presented late but is testimony. We can either find it valid or not valid. **Ms. Lucia-Treese** – I will respect your request, but I would like my comments on the record. I feel as though this could have been handled better.

Mr. Bailey – You seem to suggest that since the exclusion resolution doesn't provide any evidence on why they can't serve, the application is somehow incomplete or invalid. The applicant has provided the information with the application and has met all the requirements.

Mr. Peter Martz – offered a rebuttal to the opposition. I formed the district, and I'm confused by his account. (showed map of existing districts). The public hearing was noticed, advertised per statute, a hearing was held, the petition was reviewed by the

applicant, and after a lengthy public hearing, the BOD of District No. 2 voted to permit the exclusion. We know District No. 2 because we run District No. 2. It owns the water system that will provide services to the property that he indicated. The financing in the service plan looks at the Pikes Peak region to determine the median house points. **Mr. Hrbacek** – The property owner that as here today had the opportunity to participate at that time. To now try to redo that process is inappropriate and not timely. The contingent nature of the exclusion is because Colorado law requires it. If you exclude from one district in anticipation of another district being created, you cannot have the exclusion happen until the new district is formed. From a substantive side, we want to make clear that the ability to exclude the part from District No. 2, there is no current debt in 4 Way Ranch No. 2. We believe it substantiates why there is a need for an additional district. A single district was not going to work, and therefore a multi-district was proposed. We are asking for a vote and not a continuance.

Ms. Fuller – Can you address the 40-year instead of a 30 year-bond issuance? Does the homeowner understand the difference? **Mr. Hrbacek** – It allows a longer time to pay back that debt. It allows full build out over a greater period. The potential gap goes to the developer and not the hom owner.

Mr. Carlson – Is it fair to say if you can't get a 40-year bond approved, that the repayment numbers do not work? **Mr. Hrbacek** – That is a fair statement.

DISCUSSION:

Ms. Fuller – I'd like the BoCC to understand the 40 vs 30-year bond issuance.

PC ACTION: LUCIA-TREESE MOVED/BAILEY SECONDED TO APPROVE REGULAR ITEM 4, ID-20-002, FOR A SPECIAL DISTRICT SERVICE PLAN FOR GRANDVIEW RESERVE UTILIZING RESOLUTION PAGE NO. 37, CITING 20-040, WITH ELEVEN (11) CONDITIONS AND TWO (2) NOTATIONS, AND THAT THIS ITEM BE FORWARDED TO THE BOARD OF COUNTY COMMISSIONERS FOR THEIR CONSIDERATION. THE MOTION WAS APPROVED UNANIMOUSLY (9-0).

5. AL-19-035

HOWSER

**SPECIAL USE
MCDERMOTT ACCESSORY LIVING QUARTERS**

A request by Craig McDermott for approval of a special use for accessory living quarters. The 29.32 acre property is zoned RR-5 (Residential Rural) and is located on the west side of Herring Road, approximately one-quarter (1/4) of a mile north of Shoup Road and within Section 8, Township 12 South, Range 65 West of the 6th P.M. (Parcel No. 52080-00-030) (Commissioner District No. 1)

Mr. Risley – How did the size of the accessory living quarters work out? **Ms. Ruiz** – habitable vs. uninhabitable living spaces are taken into account. They would be required to get a building permit to use any of the uninhabitable space, so we would see the square footage. 20% difference could be administratively approved.

Mr. Carlson – Is there any restrictions of heating? Does the residential section heat the non-residential space? **Ms. Ruiz** – There are no restrictions. That would be a building code restriction, not a planning requirement.

Mr. Carlson – What is the 20% that you referred to? **Ms. Ruiz** – That is the amount they can do administratively, and it is also the amount that would consider it a second dwelling and not an accessory living quarters area.

PC ACTION: TROWBRIDGE MOVED/LUCIA-TREESE SECONDED TO APPROVE REGULAR ITEM 5, AL-19-035, FOR A SPECIAL USE FOR MCDERMOTT ACCESSORY LIVING QUARTERS UTILIZING RESOLUTION PAGE NO. 39, CITING 20-041, WITH THREE (3) CONDITIONS AND THREE (3) NOTATIONS, AND THAT THIS ITEM BE FORWARDED TO THE BOARD OF COUNTY COMMISSIONERS FOR THEIR CONSIDERATION. THE MOTION WAS APPROVED UNANIMOUSLY (9-0).

- 6. El Paso County Master Plan – Information Update – No Action Needed – Mr. Gebhart** gave an update of the Master Plan during report items. No further information was provided.

NOTE: For information regarding the Agenda item the Planning Commission is considering, call the Planning and Community Development Department for information (719-520-6300). Visit our Web site at www.elpasoco.com to view the agenda and other information about El Paso County. Results of the action taken by the Planning Commission will be published following the meeting. (The name to the right of the title indicates the Project Manager/Planner processing the request.) If the meeting goes beyond noon, the Planning Commission may take a lunch break.

The minutes were approved as presented at the October 1, 2020 hearing.