

FLYING HORSE NORTH

SKETCH PLAN SUBMITTAL

Letter of Intent

August 18, 2022



Owner:

Flying Horse Development, LLC

Applicant:

HR Green Development, LLC



FLYING HORSE
NORTH

Introduction

The entire Flying Horse North community (hereafter called FHN) is approximately 1,459 acres in total with part of the property already constructed including the Filing 1 estate lots and a private golf course. The Flying Horse Development, LLC (owner) desires to develop the remaining land of approximately 912.6 acres with 846 residential units consisting of estate, low, and medium density residential units. The proposal includes a luxury resort hotel 225 rooms (keys) and 50 branded flats totaling 275. The proposal also includes some commercial areas and a potential fire station near Black Forest Road and Hodgen Road. Also, near the existing temporary golf clubhouse on the property a new golf clubhouse, restaurant/bar and associated golf amenities are planned. The FHN team is submitting this Sketch Plan with the associated documents and reports and is requesting approval of all submitted items including:

- Letter of Intent (hereafter called LOI) by HR Green Development, LLC
- Master Development Drainage Plan by HR Green Development, LLC
- Master Traffic Impact and Access Analysis by SM ROCHA, LLC
- Geologic Hazard Study and Preliminary Subsurface Soils Investigation by Entech
- Preliminary Wetland Delineation Report including Noxious Weed Management Plan and Impact Identification Report by Bristlecone Ecology
- Water Resources and Wastewater Disposal Report by HR Green Development, LLC
- Sketch Plan Drawings by HR Green Development, LLC
- Will serve letters from Black Hills Energy and Mountain View Electric Association (MVEA)

The format of this document follows the LOI checklist and also addresses each of the Sketch Plan Criteria for Approval.

LOI Checklist Items

1. Owner name/email for responsible party, applicant name, property address, property tax schedule number
2. Current zoning of the property.
3. Discussion detailing the specific request and size of the area included in the request.
4. Discussion identifying and acknowledging any applicable overlay zoning
5. Summary of the proposed request and how it complies with each of the Criteria of Approval in Chapter 7 and the Subdivision Design Standards in Chapter 8 of the Land Development Code.
6. Discussion summarizing how the proposed sketch plan is consistent with the El Paso County Master Plan, including all applicable elements of the Master Plan (e.g., Water Master Plan, Parks Master Plan, etc.).
7. Discussion summarizing the feasibility of providing utilities to the proposed development, including the provision of utilities by a proposed or existing special district or other municipal provider.
8. Discussion summarizing any constraints, hazards, and potentially sensitive natural or physical features (e.g., wetlands, protected species habitat, floodplain, geological, etc.) within the area included within the request.
9. Discussion summarizing all proposed major roadway alignments through the sketch plan area and any connections to existing major roadways.
10. Discussion summarizing how drainage ways and floodplains through the plan area, and offsite as appropriate, are proposed to be protected, changed, or improved.
11. Discussion regarding the surrounding area and how the proposal fits within the context of the area and any potential impacts that may be caused by the proposed development.
12. Discussion summarizing potential public and private improvements, including onsite and offsite improvements, and the plan for ongoing ownership and maintenance of each improvement.

13. Discussion summarizing any community outreach efforts by the FHN that have occurred or are planned as part of the request.

El Paso County's Sketch Plan Review Criteria are also listed throughout the LOI. Each item listed below are addressed when relevant subjects are discussed. This LOI provides description on how FHN has met each Review Criteria.

Sketch Plan County Review Criteria for Approval

El Paso County requires a Sketch Plan demonstrating how the proposal meets the Criteria for Approval. In approving a Sketch Plan, the Board of County Commission shall find that:

- A. The proposed subdivision is in general conformance with the goals, objectives, and policies of the Master Plan;
- B. The proposed subdivision is in conformance with the requirements of this Code;
- C. The proposed subdivision is compatible with existing and proposed land uses within and adjacent to the sketch plan area;
- D. The water supply report provides sufficient information to identify compliance with the water supply standards and identifies any need for additional water supplies;
- E. Services are or will be available to meet the needs of the subdivision including, roads, police and fire protection, schools, recreation facilities, and utility service facilities;
- F. The soil is suitable for the subdivision;
- G. The geologic hazards do not prohibit the subdivision
- H. The subdivision will not interfere with the extraction of any known commercial mining deposit [C.R.S. §§ 34-1-302(1), et seq.];
- I. The design of the subdivision protects the natural resources or unique landforms;
- J. The proposed methods for fire protection
- K. The subdivision is appropriate and the design is based on mitigating the constraints of topography, soil types, geologic hazards, aggregate resources, environmental resources, floodplain, airplane flight overlays, or other constraints.

NOTE: Review Criteria are addressed periodically within this LOI identified by this graphic representation (white text with brown background).

LOI CHECKLIST ITEMS

1. Owner/Applicant Name

Owner:

Flying Horse Development, LLC
Mr. Drew Balsick
drew@flyinghorsedevelopment.com

Applicant:

HR Green Development, LLC
Mr. Phil Stuepfert
pstuepfert@hrgreen.com

2. Current Zoning of the Property

The current zoning of the property is PUD (Planned Unit Development).

3. Specific Request and Size of Area

The FHN community (hereafter called "FHN") is generally located east of Highway 83, north and south of Stagecoach Road which transverses through the center of the property in an east/west direction. The property is also southwest of the intersection of Hodgen Road and Black Forest Road as shown on Figure 1. The total overall FHN property consists of approximately 1459.5 acres however this Sketch Plan proposal is for the remaining undeveloped land of approximately 912.6 acres. The approved Filing 1 is NOT included in this submittal. See Figure 2 showing the Filing 1 area (blue color) that is NOT included in this submittal.

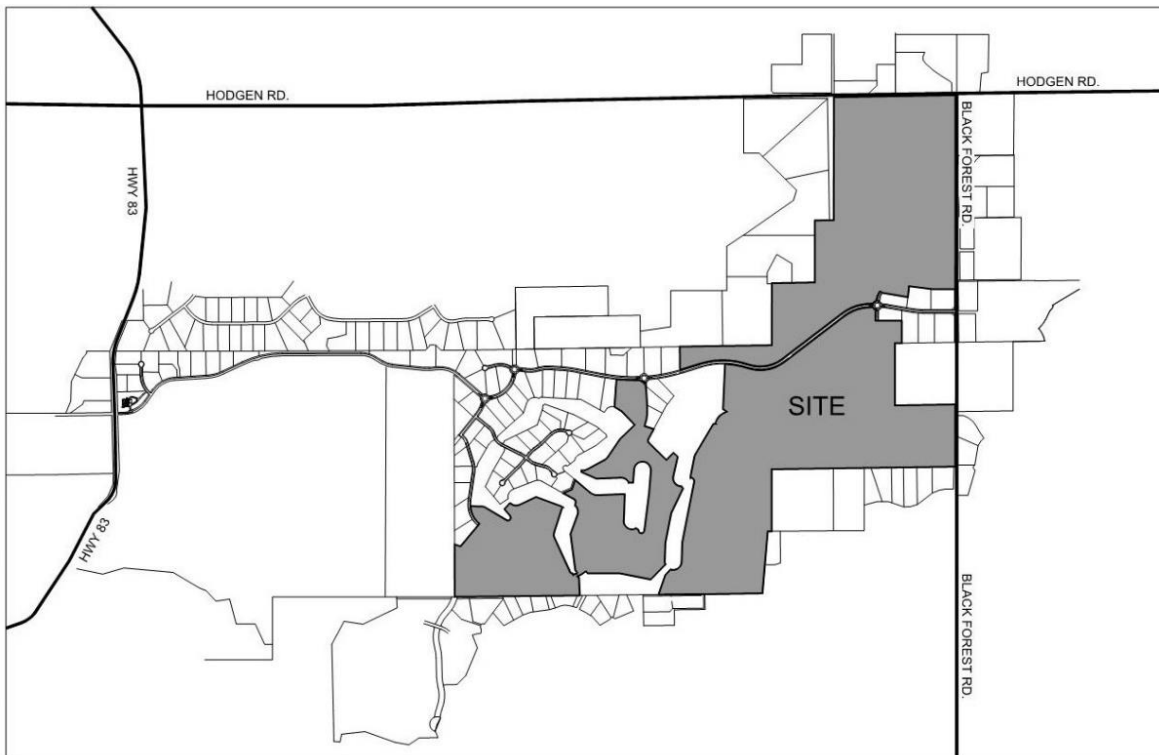


Figure 1-Vicinity Map



Flying Horse Development, LLC is hereby submitting the Sketch Plan and requesting approval by El Paso County. The Sketch Plan proposes primarily residential uses at various densities. The project also includes some commercial uses such as a luxury resort hotel, new golf clubhouse, and fitness center. This community will have significant open space (minimum of 22%) connected by trails and walkways. At full buildout of the entire FHN property it is estimated the total FHN property will consist of about 30% open space which includes the +- 208 acre golf course. The County open space requirement is just 10%, therefore this community far exceeds the minimum requirement for open space. Below is a breakdown of the total FHN property and what is included in this Sketch Plan submittal.

DESCRIPTION	SUB-TOTALS	TOTALS
Filing 1 existing lots (purple color)- <u>not included in this Sketch Plan</u>	+ - 349.0 acres	
Filing 1 existing golf course (blue color)- <u>not included in this Sketch Plan</u>	+ - 208.0 acres	
Total Filing 1 total acreage (blue color) - <u>not included in this Sketch Plan</u>		+ - 557.0 acres
FHN SKETCH PLAN SUBMITTAL <u>Includes all remaining un-developed land (vacant) in FHN shown on the exhibit:</u> Filing 2 - one lot (yellow color) Filing 3 -luxury hotel/golf casitas (rentals), branded flats, new clubhouse, some commercial and 2.5 acre lots (green color) Remaining filings (orange color)		+ - 912.6 acres
Total FHN property - includes approved/constructed Filing 1 lots and golf course and all future remaining filings		+ - 1459.6 acres

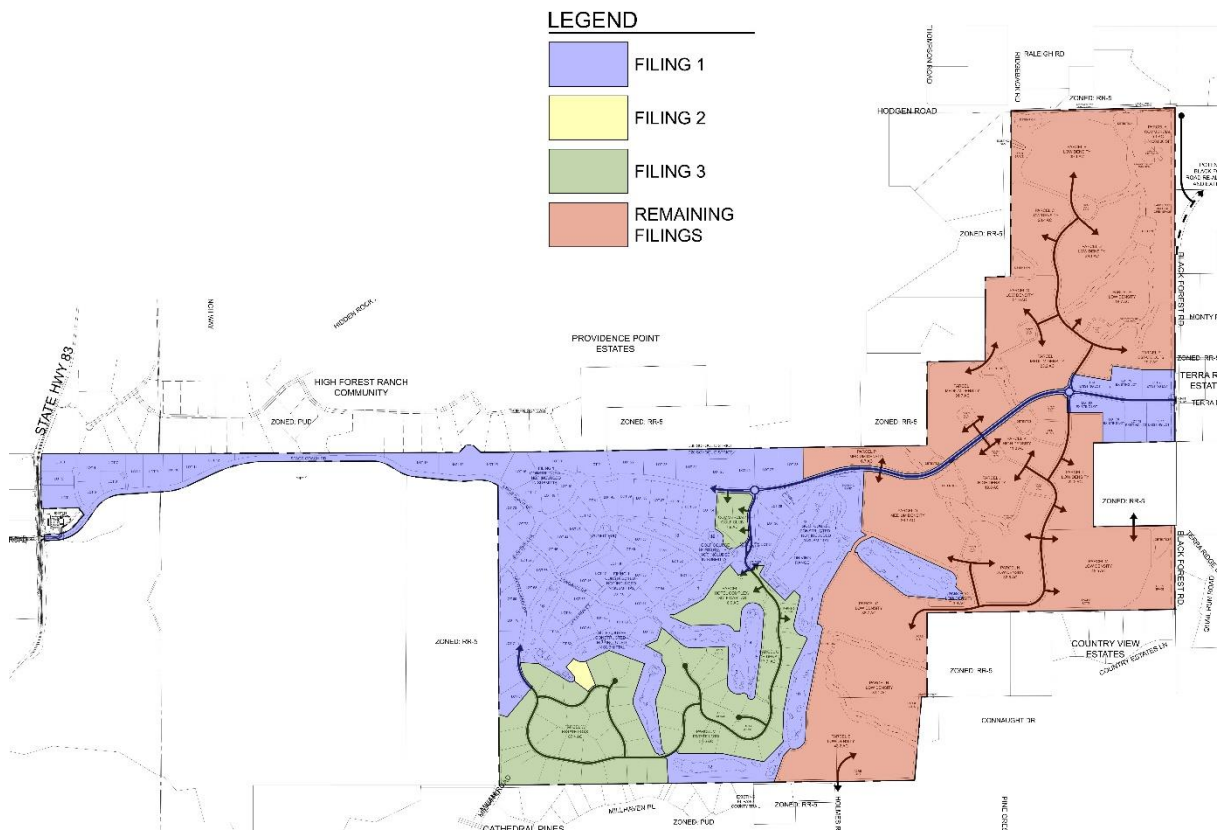


Figure 2- FHN Filing Exhibit

The following land uses are shown on the FHN Master Plan and are proposed in this request.

Residential Land Use:

FHN is primarily proposing residential land uses with the maximum number of residential units at 846 lots. FHN will offer a variety of housing choices with varying lot sizes, densities and price ranges. The largest lots (5 acre estate lots) are planned around the perimeter of the property (south/southeast, east, north and northwest) as shown on the plan. The large estate lots will serve as a buffer to the surrounding area adjacent to the FHN property. Lower to medium density parcels are more internal site planned to be a minimum of 1/4 residential lots. Final product widths and depths are not determined at the time of Sketch Plan and will not be finally determined until the Preliminary Plan/PUD stage. The medium density residential parcels are located internal to the site buffered by the lower density parcels externally. This design provides good land use transitions from internal medium density parcels to lower densities on the perimeter of FHN. Large landscape buffers are also shown on the property perimeter with the largest buffers along Black Forest Road. While the final buffer widths are not determined yet, they will exceed the County requirements.

Commercial and non-residential uses:

Three parcels are planned for commercial related uses as described below.

- Parcel "BB" is the proposed luxury hotel consisting of hotel rooms and a combination of golf casita and flat units on Parcel CC all totaling 275 keys (rooms) and units. Golf casitas are homes/units that function as "hotel rooms" or rental units.
- Parcel "A" is a commercial parcel as shown in the northeast corner of the property at Black Forest Road and Hodgen Road intersections. This parcel is intended for general commercial uses and may also include a potential fire station site for the Black Forest Fire District.
- To the north, adjacent to the luxury hotel, is a commercial area labeled Parcel AA which is associated with the luxury hotel. Labeled "Golf Clubhouse/Restaurant/Bar/Golf Facilities" a new clubhouse will replace the existing temporary clubhouse for the golf course at this location.
- A Fitness Center is planned on the eastern part of the property adjacent to Stagecoach Road and north of the large proposed park. A smaller "Clubhouse (Hotel)" is located south of the luxury resort hotel that will likely be a small building with a pool and other amenities.

Parks, Open Space and Trails:

The overall FHN project already has a large amount of open space with the constructed golf course (+/- 208 acres) which is part of Filing 1. With this proposal the golf course will have no or very minimal changes. The existing golf course and associated 81 lots (Filing 1) are not included in the Sketch Plan submittal. The remaining undeveloped land of 912.6 acres is the focus of this Sketch Plan submittal. On this remaining 912.6 acres FHN is proposing a well-designed community with significant open space (22% - 203.9 acres) which includes a mix of open space features described further below. The FHN trails will ultimately connect to the County Regional Trail and the Black Forest Regional Park south of this site.

Many of the existing drainageways will become part of the large open space network that will serve as the trail backbone of FHN. This design will allow residents to seamlessly circulate on trails



Figure 3- Existing golf course will remain intact and is not a part of this Sketch Plan submittal.



internally with minimal crossings of streets and providing the important regional connection to Black Forest Regional Park. The County regional trail from Cathedral Pines through FHN will provide an ultimate connection near Hodgen Road. As shown on the Sketch Plan the following parks, open space and trail amenities are proposed:

- Large community park (south of the proposed Fitness Center)
- Multiple pocket parks
- A County public trail (on FHN property) providing a key regional connection for this area located west of Black Forest Road.
- Approximately 24,000 linear feet of community wide trails internal to the FHN community
- Miles of additional sidewalks will be located within individual parcels
- Significant landscape buffers and setbacks along Black Forest Road

Landscape Buffers:

Large landscape buffers are proposed adjacent to existing large lot residential homes on the east side of Black Forest Road-see Figure 4. East of parcel "J" the buffer will be smaller where large estate lots are planned. A lot of the buffer area should remain undisturbed, however where it is disturbed through the construction process will be re-established with native vegetation. This large buffer will provide a significant setback from communities such as Terra Ridge that is just east of FHN. The lower density parcels are located west of this large buffer which provides a good land use transition. While the FHN lots will be smaller than Terra Ridge lot sizes the FHN team has recognized the importance to provide these large buffers and keep the smaller lots more internal to property away from Black Forest Road. On the southern boundary of FHN there are landscape buffers located in those areas as well adjacent to Country View Estates. In addition to the landscape buffer, larger lots (+- 5 acres) are shown along the property line providing an appropriate land use transition from Country View Estates. North of those larger lots the lower density parcels are planned.



Figure 4- Large buffers are planned along Black Forest Road to minimize impact to estate lots to the east community (Terra Ridge)

sketch plan?

SKETCH PLAN REVIEW CRITERIA ITEM "C" - The proposed subdivision is compatible with existing and proposed land uses within and adjacent to the sketch plan area.

Applicant comment: FHN is compatible with existing and proposed land uses within and adjacent to the property as described above and throughout this document. While the smaller lots/units are higher density than the surrounding Black Forest area, the master plan provides significant buffering and setbacks. Additionally, the FHN higher density parcels are sited internal to the site with lower densities on the perimeter. Estate lots (5 acres and above) are placed on the perimeter of the project and 2.5 acres lots are planned next to Cathedral Pines 2.5 acre existing lots. The FHN proposed perimeter buffers far exceed County Code. Buffers are also provided between non-residential and residential areas per land development code Chapter 6. This proposal does not change Milam Road through Cathedral Pines as part of this development.



4. Identify and acknowledge any applicable overlay zoning

The current zoning is PUD (Planned Unit Development). The overall property has previously obtained a Preliminary Plan approval for 2.5 acre lot sizes with a total quantity of 283 lots. The approved plans for the Filing 1 area show 2.5 acre lots in the forested area north of the existing Cathedral Pines community. This previously approved land use allocation will remain intact as originally planned for that area with the intent to preserve many of the existing trees as possible.

This would be a good place to include the current entitlements and explain the net increase in density and number of lots from current approvals.

5. Compliance with the Criterial of Approval in Chapter 7 and the Subdivision Design Standards in Chapter 8 of the Land Development Code

Per the Early Assistance meeting held for this project and the Intergovernmental Agreement (IGA), the City of Colorado Springs is requiring FHN streets be designed and constructed to City standards in case of future annexation. The reason for this is the FHN property falls within the "Potential Annexation Area" and therefore the IGA applies to this property. The FHN team will work cooperatively with the City and County on a site-specific agreement for the improvements. For other standards where County requirements will be applied from Chapter 7 and 8, the project will be in compliance. The County Land Development Code indicates that a Sketch Plan should address the feasibility of the division of land including review of:

- Schematic design
- Ability to obtain water and sanitation
- Location of geologic hazards
- Identification of environmentally sensitive areas and wildlife habitat areas
- Source of required services
- Vehicular and pedestrian circulation
- Relationship to surrounding land uses
- Evaluation of wildfire hazards
- Conformance with the requirements of the Code and Master Plan.

The FHN Sketch Plan is also in general compliance of the 2040 Major Transportation Corridors Plan, Water Master Plan, and the County Parks Master Plan as described in this LOI.

SKETCH PLAN REVIEW CRITERIA ITEM "B" - The proposed subdivision is in conformance with the requirements of this Code;

Applicant comment: The FHN subdivision (community) will be in conformance with the requirements of the County Code and applicable City Code regarding streets. This LOI and the supporting reports demonstrates the FHN Sketch Plan satisfies these requirements. The project has the ability to obtain water and sanitation for the development. Identification of environmentally sensitive areas and wildlife habitat areas has been completed and the natural drainageways have been respected. Vehicular and pedestrian access/circulation has been addressed and well planned. FHN is sensitive to the surrounding land uses and the applicant has evaluated and planned for the wildfire hazards.

6. Consistency with the El Paso County Master Plan, including all applicable elements of the Master Plan (e.g., Water Master Plan, Parks Master Plan, etc.).

El Paso County has multiple master plans including the recently approved Master Plan (approved in 2021). The following County Master Plans are addressed in this section:

- **Master Plan (2021)**
- **Parks Master Plan**
- **Water Master Plan**

The FHN Sketch Plan is in general compliance and intent of the goals, objectives, and policies of the County Master Plans as described below.

El Paso County Master Plan (2021)

The County recently approved the new Master Plan which replaced all previous sub-area plans and previous plans. For example, the Black Forest Preservation Plan is no longer a guiding document and therefore the new County Master Plan shall guide the decision making process for this project. This section of the LOI demonstrates compliance with many items identified in the Plan. The bold italic narrative are elements or quotes directly from the County Master Plan.

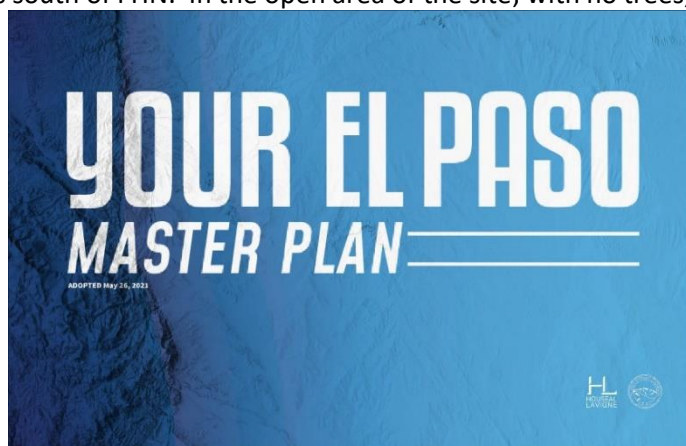
The introduction of the Master Plan states:

“As one of the most desirable places to live in the United States, El Paso County is experiencing unprecedented growth, and is expected to increase in population by more than 250,000 people in the next 30 years”.

Due to this growth more housing is needed in multiple areas of the County of all types, sizes and price ranges. The Master Plan further states that the County:

“seeks to balance conservation with new growth and development and recognizes the absolute importance of being good stewards of the natural environment”.

This challenge of balancing both growth and preservation is demonstrated in the FHN project. In the forested areas of the site (southern area) the largest estate lots (2.5 acres) are located in that region so that a majority of the trees can remain. This also provides logical land use transitions from Cathedral Pines 2.5 acre estate lots south of FHN. In the open area of the site, with no trees, the density increases and smaller lots are proposed. The counter balance to smaller lots is to provide large areas of open space (over 22 % of the site area) which contains many of the major drainage ways with connected trails throughout. Overall, the FHN proposal aligns with many of the El Paso County’s Master Plan Core Principles and Goals as described below in this LOI.



2021 Master Plan Element: Land Use & Development

The Master Plan lists many Land Use and Development Core Principle and Goals and the following are most relevant to the FHN proposal:

Core Principle: Manage growth to ensure a variety of compatible land uses that preserve all character areas of the County.

Goal 1.1 - Ensure compatibility with established character and infrastructure capacity.

Goal 1.3 - Encourage a range of development types to support a variety of land uses.

Goal 1.4 - Continue to encourage policies that ensure “development pays for itself”.

Regarding Goal 1.1, FHN design aims to be compatible with logical land use transitions and buffering. It is understood that the surrounding Black Forest area is comprised of larger lot estates. Therefore, sensitivity was implemented in multiple ways through sound planning approaches. One example is the provision of large landscape buffering along Black Forest Road. On the west side of this existing road development areas have been pulled back significantly. See Figure 5 demonstrating this scenario. Furthermore, where a development parcel abuts Black Forest Road in the southeast corner (See Figure 5), a large buffer is provided and larger lots (5 acres minimum) will be placed on the south perimeter. Lower density parcels are also located west of Black Forest Road to provide good land use transitions for this area.

Furthermore, in the southwest area of FHN adjacent to Cathedral Pines, large estate lots (2.5 acres) are placed within the forested areas which helps to preserve many of the existing trees (part of the Black Forest). It also places similar sized estate lots adjacent to Cathedral Pines 2.5 acre lots. This ensures compatibility with established character of the immediate area to the south.

Regarding Goal 1.3, FHN encourages a range of development types to support a variety of land uses. A wide range of lot sizes are proposed from large estate lots to smaller 1/4 acre lots.. This provides housing for multiple income levels in this area of the County. Also, some commercial uses are proposed which are needed in this region of the County. Goal 1.4 discusses the idea that “development pays for itself”. The utilities and infrastructure for this project will be provided by the developer through multiple mechanisms such as the FHN Metropolitan District, Cherokee Metropolitan District (or similar water/wastewater provider) and with the setup of an HOA (Homeowners Association) for the long-term maintenance of those facilities.



Figure 5- A large buffer (over 500' in some areas) is provided in the southeast part of FHN along Black Forest Road and 5 acre lots west of the proposed buffer

2021 Master Plan Element: Housing & Communities

The Master Plan lists the following Housing and Communities Core Principle and associated goals. FHN meets or exceeds the following:

Core Principle: Preserve and develop neighborhoods with a mix of housing types.

Goal 2.1 - Promote development of a mix of housing types in identified areas.

Goal 2.2 - Preserve the character of rural and environmentally sensitive areas.

Goal 2.4 - Support aging-in-place housing options to meet residents' needs through all stages of life.

Regarding Goal 2.1, FHN proposes a mix of housing types including low and medium densities placed internal to the site and lower density lots on the project perimeter as shown in Sketch Plan.

Regarding Goal 2.2 there is some forested areas (part of the Black Forest) in the southwest area of the property. FHN is proposing 2.5 acre estate lots to match the same and preserve as many trees as possible in that area. This is an identical approach to other communities in the area like High Forest Ranch (north of FHN) and Cathedral Pines (south of FHN). Also, the major drainageways on the open (non-tree areas) are respected in the FHN plan to preserve the character of the topography and provide a well-connected trail system. See Figure 6. These corridors can provide a habitat for wildlife and as importantly permanent open space for the future residents.

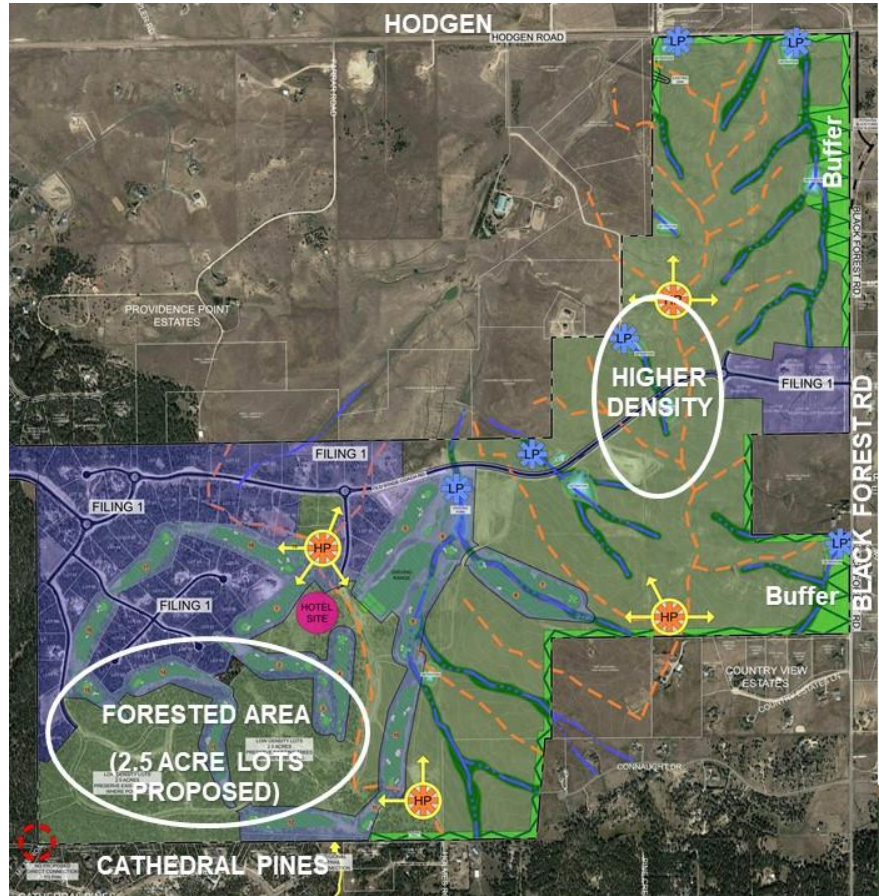


Figure 6 - Existing drainageways (dark green color) will be utilized as open space/trail corridors. Large estate lots (2.5 acres) are placed in the forested areas to match the character of Cathedral Pines and to preserve many trees.

Regarding Goal 2.4, FHN will provide multiple housing types (detached residential) with various lot sizes, square feet, densities and price ranges. This mix of residential housing types supports the concept of aging-in-place housing options to meet residents' needs through all stages of life.



2021 Master Plan Element: Transportation & Mobility

The Master Plan lists Core Principle and associated goals for Transportation and Mobility. FHN meets or exceeds the following:

Core Principle: Connect all areas of the County with a safe and efficient multimodal transportation system.

Goal 4.1 - Establish a transportation network that connects all areas to one another, emphasizing east-west routes, reducing traffic congestion, promoting safe and efficient travel.

Goal 4.2 - Promote walkability and bikeability where multimodal transportation systems are feasible.

Goal 4.4 - Develop a sustainable funding mechanism for transportation infrastructure and maintenance.

Regarding Goal 4.1, while the goal is focused more on regional connections for the entire County, FHN does have the east west connection of Stagecoach Road which will be kept intact with this additional development. This will maintain the connection between Highway 83 and Black Forest Road which will be the primary east-west route for this development. For more information regarding traffic please see the Traffic Impact Study by SM Rocha, LLC.

Regarding Goal 4.2 the FHN project promotes walkability and bikeability with the significant open space and trail system that is well connected internally to the site and externally to the regional County Trail. This system will provide an important connection to Black Forest Regional Park allowing walkers and bikers to easily access the park. There also will be a significant amount of sidewalks throughout the FHN community that will all connect to the network of trails and this overall system.

Regarding Goal 4.4 the FHN community will be creating the FHN Metro District that will fund a sustainable funding mechanism for transportation infrastructure and maintenance. Additionally, for other major infrastructure such sanitary sewer, FHN will connect to a District such as Cherokee Metropolitan District. While some of the final decisions have not been solidified there will be a sustainable funding mechanism in place for construction and long term maintenance likely through the FHN Metro District that will be formed for this project.



Figure 7- FHN will connect it's trail system to the County Regional Trail and Black Forest Regional Park

2021 Master Plan Element: Community Facilities & Infrastructure

The Master Plan lists the following Core Principle and associated goals in regard to Community Facilities and Infrastructure. While many of these goals are intended for Countywide, the FHN project meets many of these goals.

Core Principle: Continue to coordinate with local and regional agencies to provide well-managed, high-quality community facilities and services.

Goal 5.1 - Coordinate with agencies to provide high-quality community facilities, services, and infrastructure to enhance quality of life.

Goal 5.2 - Improve the effectiveness of public safety through coordination, funding, and planning.

Goal 5.3 - Ensure adequate provision of utilities to manage growth and development.

Goal 5.4 - Use best management practices to protect water quality, conserve water, minimize impacts of flooding, and beautify El Paso County.

Regarding Goal 5.1, FHN will be utilizing the FHN Metro District to construct many of the high-quality facilities and plentiful parks and open space areas such as the large park and fitness center as shown on Figure 8. While many are private facilities they do provide a community asset for future residents of FHN. The luxury resort hotel will be high quality and will serve a large geographic region that expands beyond Colorado and can enhance the quality of life for future residents of this community. The FHN Metro District will also be constructing miles of infrastructure such as sanitary sewer, water, and stormwater for this property.

Regarding Goal 5.2, FHN will improve the effectiveness of public safety through coordination, funding, and planning. This community will provide safe roads internal to the property as required by the codes and ordinances. By adding a municipal water system the community will provide fire hydrants throughout the project supplying the fire district with this important asset.

Regarding Goal 5.3, FHN will ensure adequate provision of utilities to manage growth and development by providing a municipal water and sanitary system through the use of the FHN Metropolitan District and Cherokee Metropolitan District.

Regarding Goal 5.4, the FHN project is providing best management practices to protect water quality and minimize impacts of flooding. A well-designed stormwater control system will be implemented that includes full spectrum detention ponds where needed. Many of the existing drainageways will be preserved that will aid in protecting water quality for the area and minimize flooding downstream.

2021 Master Plan Element: Water

Because of the El Paso County Water Master Plan, which is addressed later in this submittal, the overall Master Plan only briefly addresses water. FHN complies with many of the directives laid out in the Master Plan related to water including:

- Encourage development that incentivizes and incorporates water-efficient landscaping principles

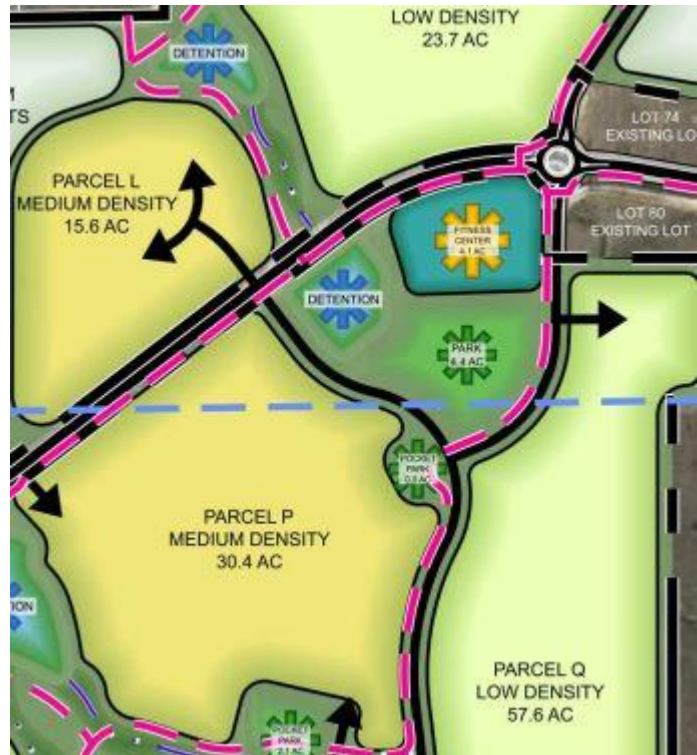


Figure 8- A large park and fitness center is located central to the project adjacent to the medium density parcels.



- Minimize the percentage of landscaped area covered with non-native turf and increasing the percentage of landscape areas that can be covered with non-living material

FHN will include restrictions on the square footage of irrigated turf each residential lot is allowed. Additionally, the open spaces will be predominately native vegetation and not irrigated while the parks will be designed to incorporate xeric landscaping as much as possible.

- Promote urban level development in areas served by centralized utilities

FHN will be served by a centralized water and wastewater system to support the level of development proposed. If the water source for the central water system is from the Denver Basin, the wells will likely be Arapahoe wells due to the productivity of that aquifer in the project area. This further complies with the Master Plan which states that EPC should “incentivize the use of deeper Arapahoe and Laramie-Fox Hills aquifers by central providers...”

The Master Plan references the Pikes Peak Area Council of Governments Water Quality Management Plan (208 Plan) regarding wastewater. One of the primary goals of the 208 Plan is to “avoid the proliferation of individual wastewater treatment facilities and/or wastewater treatment entities.” Wastewater from FHN is anticipated to be treated by Cherokee Metropolitan District at their existing Water Reclamation Facility which aligns with the objectives of the 208 Plan.

2021 Master Plan Element: Recreation & Tourism

The Master Plan lists the following Recreation and Tourism Core Principle and associated goals. FHN meets or exceeds the following:

Core Principle: Maintain and expand the County’s recreation and tourism options.

Goal 7.1 - Support high-quality, sustainable outdoor recreation as a key amenity for residents and visitors.

Goal 7.2 - Explore projects, programs, and initiatives for enhancing tourism in unincorporated areas.

Goal 7.3 - Plan for and provide a variety of parks, trails, and open space within the region.

One of the main features FHN will provide to support the Recreation and Tourism element is a luxury resort hotel that will bring significant tourism to El Paso County. FHN also provides quality outdoor recreation with the fitness club, amenity center, parks, open space and trails. Ultimately the entire FHN community provides significant open space, parks and trails. The future residents of this community can enjoy the variety of recreational amenities. The surrounding area can utilize the County trail through FHN.

2021 Master Plan Element: Environment & Natural Resources

The Master Plan lists Environment & Natural Resources Core Principles and associated goals. FHN meets or exceeds the following:

Core Principle: Prioritize and protect the County’s natural environment.

Goal 9.1 - Consider the environmental impacts related to natural resource conservation, air quality, water quality, wildlife habitat, and waste management during any planning process.

Goal 9.2 - Promote sustainable best practices with regard to development and infrastructure

The FHN project has thoroughly examined the environment and natural resources of the site through various sources of data as described in the environmental report. Following review of these resources and completing the environmental study, there is minimal impact to the natural resources of the property. In some cases this project can enhance the natural resources by controlling runoff with the proposed detention ponds. Also, by preserving many of the existing drainage ways, FHN will create improved greenway corridors that will provide habitat for wildlife. The residents will be able to walk on trails and enjoy the enhanced natural resources. See the Natural Features and Wetlands Report by Bristlecone for further information.

2021 El Paso County Master Plan - Potential Areas for Annexation

The Master Plan discusses the following subject of potential areas of annexation by stating:

“As the largest municipality in El Paso County, Colorado Springs is expected to grow in population over the next several decades. As a result of this growth, Colorado Springs, and other municipalities including Fountain and Monument, will need to annex parts of unincorporated County to plan for and accommodate new development. This will either occur through new development within existing municipal limits or the annexation of subdivisions in unincorporated parts of the County.” - 2021 El Paso County Master Plan

As shown on Figure 9, the FHN property is in the “Potential Annexation Area” for the City of Colorado Springs. Due to this fact and per the request of the City, this project will follow the Intergovernmental Agreement (IGA). Therefore, the FHN streets will be designed to City standards and in the future the property may be annexed into the City. Also, higher densities than the surrounding area are requested since it will be served by municipal infrastructure that can support smaller lots.

The Master Plan discusses the following subject of potential areas of annexation by stating:

“As established in the Key Areas section of this Plan, it is anticipated that several unincorporated parts of El Paso County will be annexed into adjacent municipalities, particularly the City of Colorado Springs. All of the identified areas are located just outside municipal limits, which would make annexation easier for both the County and the associated municipality. This proximity simplifies the ability to extend municipal services into

these regions. Access to services, namely water and wastewater, is the most important factor in the County for determining appropriate areas for annexation. The County coordinated with the larger municipalities help identify these areas.” - 2021 El Paso County Master Plan

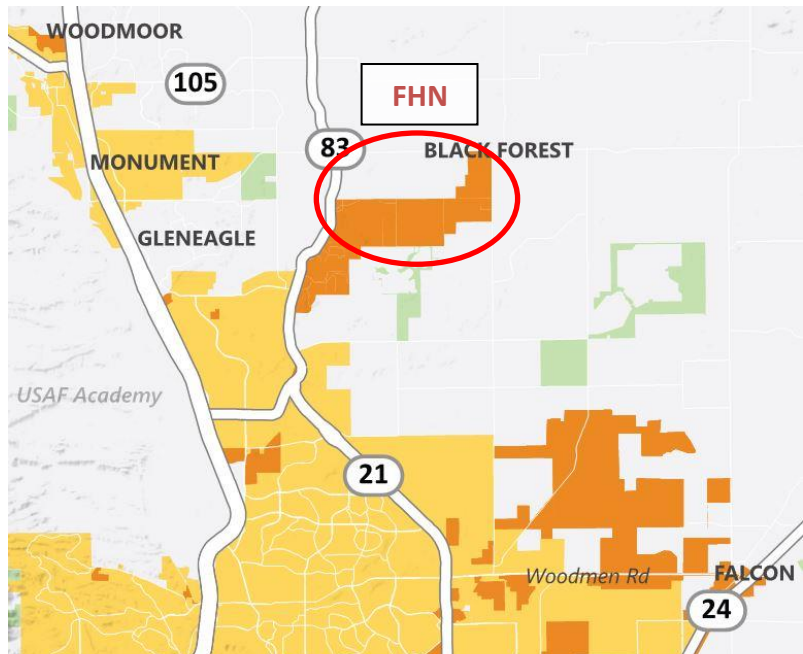


Figure 9- In the “Key Area Exhibits”, FHN is shown within a “Potential Annexation Area” and therefore higher densities are being requested for this site.



As stated in the Master Plan the City and the County coordinated with the larger municipalities to identify potential annexation areas. As shown in the graphic the FHN property is shown within the potential annexation area and is close to the existing City boundary. FHN is also near urban centers as shown on Figure 10 such as:

- Northgate
- Interquest Marketplace
- Air Force Academy

These key areas in northern Colorado Springs are growing and thriving areas of the City. There are many jobs in this expanding area within 15-20 minutes of the FHN property. Therefore, it is logical to have a mix and variety of housing types and densities as proposed on FHN. The northern part of Colorado Springs is one of the fastest growing areas of the City. Furthermore, as shown on Figure 11, the nearby Transportation network is easily accessible via State Highway 83.

One of FHN major entranceways is at Highway 83 and Stagecoach Road. This allows residents of this community to reach a major north-south arterial (Highway 83) within a few minutes and connect to Northgate Blvd and Powers Blvd in approximately 10 to 15 minutes.

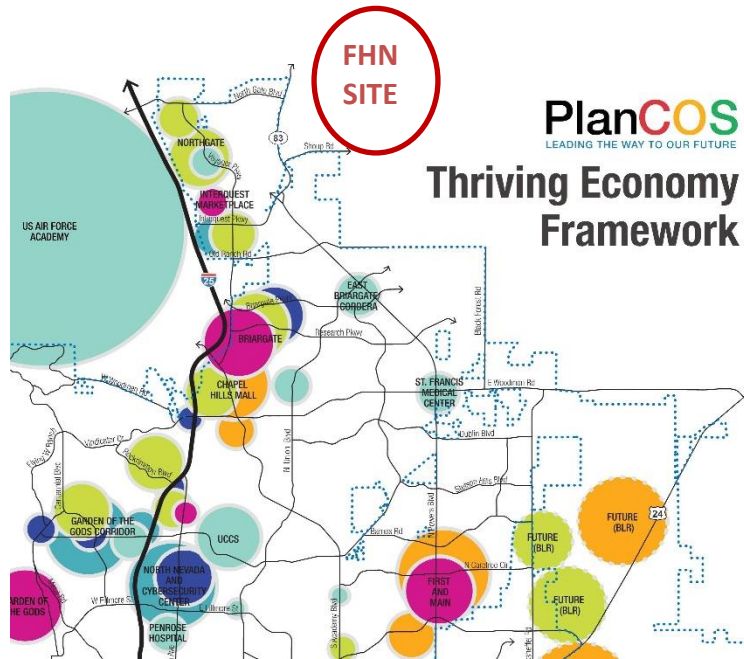


Figure 10- The FHN community is within 10-15 minutes of one of the fastest growing parts of the City (Northgate commercial center).

The Master Plan discusses cost of infrastructure and the lack of funds for El Paso County. This is important as FHN will utilize a Metro District to construct the road network and much of the major infrastructure needed for this project. Regarding costs of infrastructure, the County Master Plan states:

“For the County, as a government entity, the cost of maintaining infrastructure and services is an important factor when evaluating locations for future potential annexation. New development will increase the strain on the County’s existing infrastructure and will

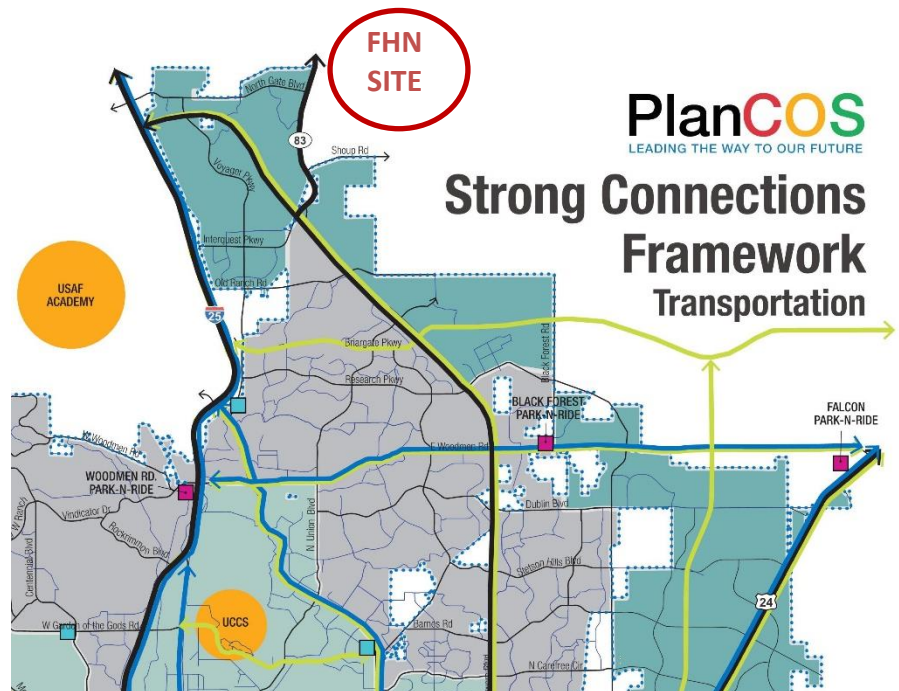


Figure 61-Residents of FHN can easily access Highway 83 and quickly connect to Powers Blvd and Northgate Blvd within 10-15 minutes.



eventually necessitate the construction of new facilities to ensure all parts of the County are appropriately served. For example, El Paso County struggles to adequately maintain its existing roadway network. The development of more neighborhoods in outlying areas will increase use of roadways and related maintenance costs, and further exacerbate gaps in roadway funding.” - 2021 El Paso County Master Plan

It is commonly known that the County struggles and has challenges with adequately maintaining its existing roadway network. With this property in the potential annexation area the roadways for this project will initially be maintained by the County and in the longer term possibly by the City. If this occurs this could reduce the cost of maintenance for the County. Additionally, with the creation of the FHN Metropolitan District the cost to construct the infrastructure will be covered by this Metro District.

The Master Plan discusses Sustainable Growth and that the County must determine how and when areas under its jurisdiction should and can be annexed by a municipality to establish a growth pattern for the future. A formalized growth pattern will help the County better plan for financial impacts associated with infrastructure management. The County Master Plan lists many recommendations which are intended to facilitate sustainable growth across El Paso County. Some of the relevant recommendations relating to FHN are:

- ***Coordinate regularly with municipalities to maintain knowledge of plans for annexation.***
- ***Continue to evaluate development impact fees, requiring adequate private investment to ensure any long-term maintenance of new development will not overburden County resources, and will be served by adequate infrastructure until they can be incorporated if necessary or desired.***
- ***Prioritize the annexation of existing unincorporated County enclaves as opportunities arise.***
- ***Improving the process of transferring publicly owned infrastructure through the annexation process***

These recommendations have been followed and will be followed as the FHN project proceeds through the process. FHN is following the recently formed IGA between the City and the County and discussions have been held with both entities, including the EA (Early Assistance) meeting.

2021 Master Plan Element: Small Towns & Rural Communities

The County Master Plan discusses the following subject of potential areas of annexation by stating:

“Similarly, unincorporated rural communities have commercial uses and community facilities that serve surrounding residents and create a sense of community even without a formalized municipal governmental boundary. The unincorporated areas that comprise this Key Area are Black Forest, Ellicott, Hanover, Peyton, Rush, Truckton, and Yoder. Regardless of municipal status, all of these places function as a community that supports the needs of a significant portion of the County’s rural population. To better serve this population, additional commercial development should be prioritized in the unincorporated places, or where appropriate, additional commercial development should be annexed by the municipalities.” - 2021 El

Paso County Master Plan



Figure 12 – Commercial is planned at the southwest corner of Hodgen & Black Forest Road to serve the surrounding residents and FHN.



FHN is proposing commercial at the southwest corner of Black Forest Road and Hodgen Road that will provide some commercial uses for both the residents of FHN and the surrounding region. See Figure 12. This proposed land use (Parcel A) includes a potential fire station. These land uses are appropriate for this intersection and specific location.

2021 Master Plan Element: Forested Areas

The Master Plan discusses the following subject of Forested Areas stating:

“This Key Area includes parts of the County where natural forests are the predominant feature such as the Black Forest....new development and any redevelopment in these locations should be of a lower intensity to mitigate any impacts on the Forest, properly manage stormwater, provide safe access to major roads and state highways for the traveling public and emergency response vehicles and adhere to the strictest building codes to prevent any hazards such as fires and soil erosion related to poor planning, design, and construction. Managed residential growth, along with supportive commercial uses, have helped the other forested areas preserve their natural amenities while supporting the daily needs of a thriving local community...Each development proposal should also be reviewed on a case-by-case basis to determine its specific impact on the forested area and the established character of the individual community. - 2021 El Paso County Master Plan

What about the commercial uses and the higher density residential uses?

It is understood that the Black Forest is a valuable natural resource, therefore, FHN proposes 2.5 acre estate lots in the forested areas as shown in Figure 13. This is a similar approach to what has been constructed in the area with the Cathedral Pines and High Forest Ranch which also have 2.5 acre lot sizes. Those communities are immediately north and south of FHN. The proposed land use allocation and layout of the area in the Black Forest will preserve as many trees as possible and will have a very similar character to the surrounding area.

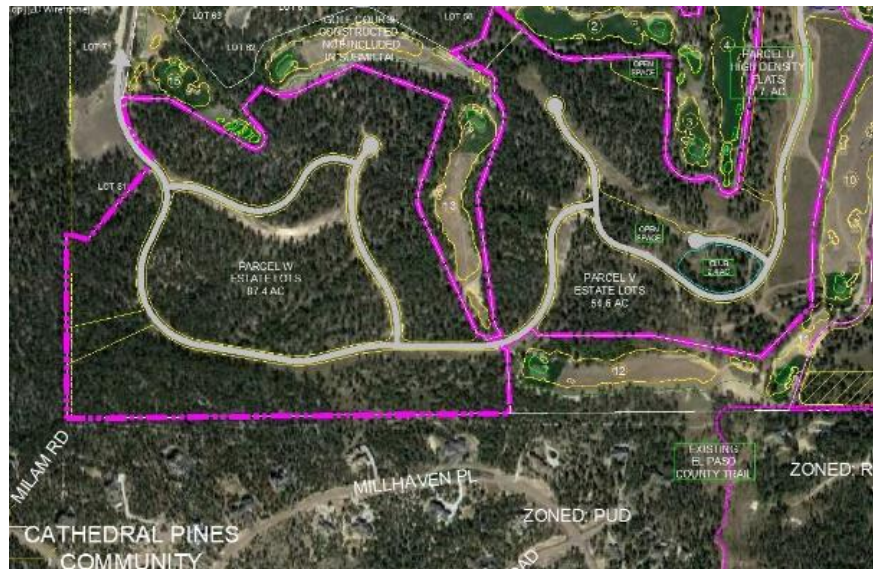


Figure 13 --Large estate lots (2.5 acres) are proposed in the forested areas to preserve the trees and match lot size with Cathedral Pines.

2021 El Paso County Master Plan - Areas of Change

The Master Plan discusses the following subject of Areas of Change by stating:

“As El Paso County plans for growth and development over the coming decades, it is anticipated that some areas of the County will change more significantly than other areas. Some areas will continue to be designated for conservation and protection, some developed areas may see some infill redevelopment, while others will be completely transformed as new development takes place in currently undeveloped areas.” - 2021 El Paso County Master Plan

The FHN property falls within the “Area of Change” (orange color shown on Figure 14) per the Master Plan and as shown on the graphic below. The entire Black Forest area and the Town of Monument area has experience significant growth and change in the last couple of decades. This trend is likely to continue however the amount of vacant land is fairly minimal except for the FHN property and some property immediately west and southwest of FHN. Since this property falls within an Area of Change and a Potential Annexation area (per the County Master Plan), this site falls within an area anticipated to have some change in the future.

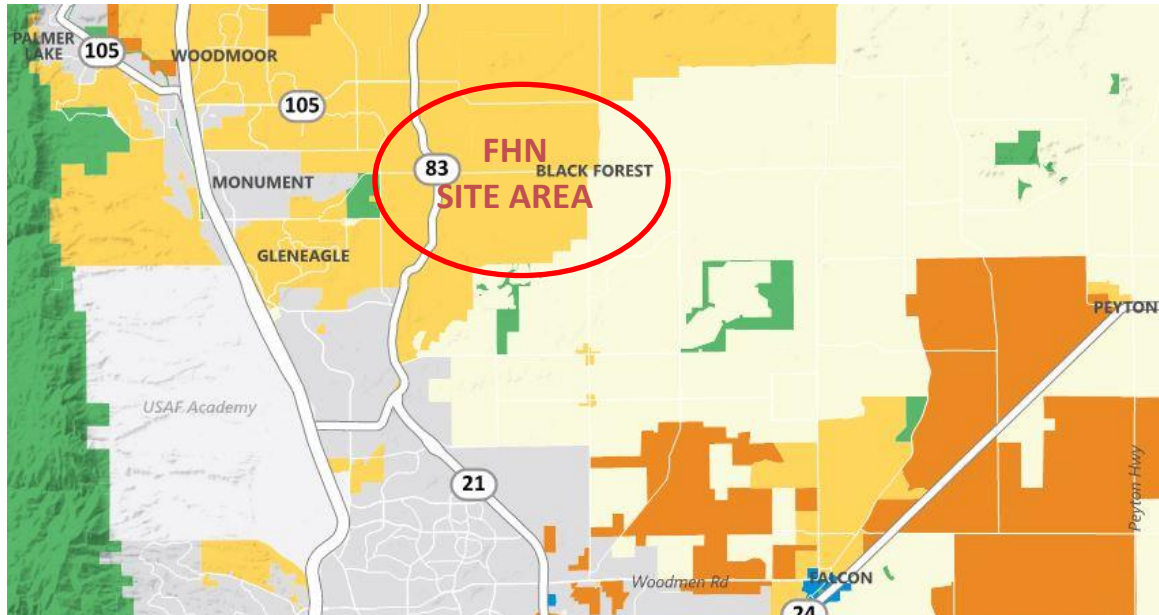


Figure 14-The FHN property is shown in an area of change on the new County Master Plan

The Master Plan further discusses “Minimal Change: Developed” stating:

“Developed areas of minimal change are largely built out but may include isolated pockets of vacant or underutilized land. These key sites are likely to see more intense infill development with a mix of uses and scale of redevelopment that will significantly impact the character of an area.” - 2021 El Paso County Master Plan

The FHN remaining property is vacant and the proposal is to smaller lots (higher densities than the surrounding area). To minimize the impact to the surrounding areas, the FHN plan proposes land use transitions (lower densities) on the edges of the property. Furthermore, large buffers are included in areas along Black Forest Road. On the southeast part of the property one acre lots are shown along the entire southern edge next to Country View Estates. Lastly, 2.5 acre estate lots are located in the southwest part of FHN, adjacent to Cathedral Pines 2.5 acre lots.

2021 El Paso County Master Plan – Priority Development Area

The Master Plan discusses “Priority Development Areas” and the FHN property falls within this designation as seen on Figure 15 with the cross hatch.

While it is generally in an area of the County with larger lots and lower densities, this property can annex into the City of Colorado Springs in the future. Also, the FHN property is within 10-15 minutes of major City growth.

Due to this growth in the immediate area it is logical that this region of the County will have change occurring over time.

There are pockets of Suburban Residential in the region and with this property possibly being annexed to the City the proposed overall density of 1.2 units/acre is appropriate. While this density is higher than the immediate surrounding area, appropriate land use transitions and buffers have been implemented. Specifically with 5 acres lots around the perimeter matching the existing lot sizes in the area.

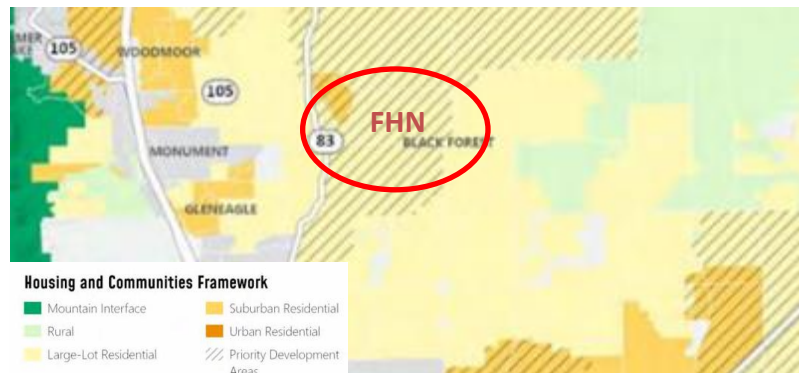


Figure 15- FHN property is within the "Priority Development Area" identified in the County Master Plan.

2021 El Paso County Master Plan - Environmental Considerations:

The Master Plan discusses key environmental considerations such as:

- Development Influence
- Water Ecosystems & Habitats
- Wildlife Habitat
- Environmental Tourism
- Sense of Place
- Recreation

The relevant items are addressed below on how the FHN proposal aligns well with these considerations.

Development Influence

The Master Plan states:

“Accommodating the County’s significant growth will not be easy, particularly when paired with the desire to protect open space and undeveloped land. By employing conservation design standards for new development, the County can balance development with environmental stewardship and protect valued areas and habitats. Regardless of the type or location of development, conservation design principles should be used to inform, evaluate, and guide new development to ensure best practices are being utilized on an incremental basis to safeguard the environment and protect open space and environmental features.” - 2021 El Paso County Master Plan

The FHN Sketch Plan recognizes that part of the Black Forest is on the southwest part of the property. To help preserve and protect this important natural resource the 2.5 acre estate lots are placed throughout that area in order to preserve as many trees as possible. Higher densities are located on the east part of the site where no trees exist. In these areas there are existing drainage ways that are preserved and utilized as expansive open space corridors. This will allow the creation of a naturalized corridor as it will be planted with Colorado native grasses and forbs. See the exhibit



on this page showing the existing drainage corridors (highlighted in blue outline) that now create the open space, trail and wildlife corridors within the FHN community.

Water Ecosystems & Habitats

The Master Plan states:

“Watershed planning and flood control management help protect developed areas from the impacts of natural hazards and prohibiting development in a floodplain reduces the likelihood of flooding events. With water quality and access being a priority throughout the County, prohibiting development in these locations can be critical.” - 2021 El Paso County Master Plan

The FHN meets this goal by avoiding the floodplain area in the northwest part of the site near Hodgen Road. Also, the existing drainage way corridors are respected as shown on Figure 16 (blue highlighted area) and shown on Figure 17. As shown on the proposed Sketch Plan these existing drainage ways have been incorporated into the massive open space and trail system throughout FHN. This open space and trail system will also connect to the County regional trail to the south which provides a regional connection to the Black Forest Regional Park. These natural drainageways will also provide wildlife habitat as they will be landscaped with Colorado native vegetation and will be permanently preserved in perpetuity.



Figure 16--Existing drainage ways are preserved within open space corridors (blue highlighted area).

Wildlife Habitat

The Master Plan states:

“There are eight threatened species in El Paso County, and together with hundreds of other nonthreatened species, whose valued habitats cover nearly the entire County. While some areas of the County are considered higher value for the habitat they provide and the biodiversity they support, areas of valuable wildlife habitat exist throughout the County. For instance, parts of the northern riparian areas are home to the federally threatened Preble’s Meadow Jumping Mouse.” - 2021 El Paso County Master Plan

The FHN property does not have any significant environmental issues and there is no known threatened species on the property per the environmental report prepared by Bristlecone Ecology. The FHN site provides moderate quality habitat for some grassland and woodland wildlife, including birds, mammals, reptiles, and possibly amphibians. Development of the site could impact some habitat for wildlife, but based on the findings, impacts to grassland species is relatively low, and to woodland species as moderate to low. Designated open spaces as shown on the Sketch Plan will conserve some of the open grassland habitats and possibly improve the quality through supplemental plantings. Implementation of a stormwater management plan will assist in protecting water quality in downstream reaches, which will provide additional benefits to aquatic species including invertebrates. Increased flows and riparian tree and shrub plantings will introduce riparian and wetland habitats that do not currently exist, diversifying the property. Detention facilities may add seasonal water features that could support additional wildlife such as waterfowl. Few sensitive species were present and only in small numbers, and thus are not expected to be affected any more than other species. No state listed species were present. To alleviate any significant impacts to wildlife, larger 2.5 acre lots are proposed in the forested

areas. Riparian tree plantings along drainageways will enhance and integrate the existing grassland habitats with high-value riparian ecosystems. The creation of detention facilities is expected to create small pockets of marshes/wetlands. Therefore, species that occur in drainageways are expected to benefit from the habitat restoration and management plan for the drainages and open space. Implementation of the stormwater management plan will assist in protecting water quality in the drainages. Additional measures to reduce impacts to wildlife include:

- Limiting the use of herbicides, pesticides, and fertilizers;
- Minimizing the installation of fencing; and when fencing is needed, use wildlife friendly fences or include specific wildlife crossings along fence lines.
- Minimize road crossings for the open space corridors to reduce conflict with vehicles.
- Managing pets to avoid conflicts with wildlife.



Figure 17- Drainage corridors were identified early in the planning process to be preserved as future open space corridors.

Tourism

The Master Plan states:

“Each year, hundreds of thousands of people visit the County from all around the world to spend time in its state and regional parks, hike its mountains, and simply enjoy the beauty of its natural, well-protected landscape. These visitors contribute millions of dollars to the local economy through dining, lodging, transportation, retail, and entertainment. As a catalyst for tourism in El Paso County, emphasizing the natural environment is important.” - 2021 El Paso County Master Plan



Figure 18-A luxury resort hotel is planned on FHN that will serve as a major tourism destination.

While the comment is intended for the entire Pikes Peak region, the FHN project and designed master plan supports this statement in several ways. First, the luxury resort hotel facility (Figure 18) will bring thousands of visitors from around the United States and potentially the world to El Paso County. These visitors be able to enjoy the amenities within the FHN community and throughout the region spending dollars in El Paso County. These visitors will contribute millions of dollars to the local economy. The Master Plan also states:



“El Paso County’s natural environment creates opportunities for year-round active and passive recreation. These amenities provide options for exercise such as hiking the mountains, biking on the trails, or simply by spending time in nature, watching animals in their natural habitat, studying and identifying plants, or just taking a rest.” - 2021 El Paso County Master Plan

FHN expands on this idea of creating opportunities for year-round active and passive recreation with the plentiful parks, open space and trails that are proposed within the community. The existing natural drainageways on the property are respected and transformed into significant open space and trail corridors. Most importantly, with the existing County trail connection from FHN into the Black Forest Regional Park this will provide residents of FHN and the surrounding community to enjoy the natural environment year-round. See Figure 19. The existing golf course also offers a recreational amenity for visitors and residents. The connection point from the Black Forest Regional Park to FHN is indicated with the red arrow on the graphic. The regional trail connection will occur at this location and will traverse through FHN all the way to Hodgen Road. This regional trail will be placed on an easement granting full public access to surrounding residents.

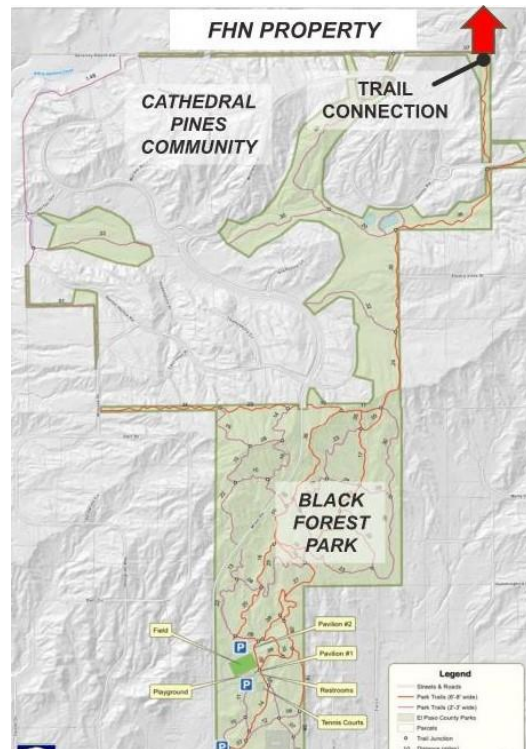


Figure 19-FHN will provide a regional trail connection to this regional asset and construct the trail to Hodgen Road.

The Master Plan states:

“Tourism to parks and recreation destinations bolsters patronage at local businesses and serves as an economic driver for the County”...“The legacy of the parks, opens spaces, and trail systems in the County must not only be protected and enhanced to meet the needs of the growing population, but also continue to balance tourism in a sustainable and equitable manner.” - 2021 El Paso County Master Plan

While this was addressing the Countywide system, FHN supports this concept and aligns very well with this goal. The FHN open space and trail system meets the needs of the growing population not only in this area but also Countywide. This balance of growth yet providing areas for visitors and residents to recreate outside is implemented in the FHN master plan.

The Master Plan further states:

“Tourism can account for a large share of a community’s economy, and this is true for El Paso County, which is a hub for outdoor recreation not only in the State, but also for the county. Millions of people visit El Paso County each year and according to Visit Colorado Springs, the tourism and promotional nonprofit for the Pikes Peak Region, in 2018 visitors spent about \$2.25 billion dollars in the region. Tourism also supports the local economy through job creation, as the third largest employment industry in the Pikes Peak Region, providing over 20,000 jobs.” - 2021 El Paso County Master Plan

The Master Plan goes on to address the importance of tourism and the associated economic impact from this industry stating:



“Tourism is one of El Paso County’s strongest industries with year-round outdoor events and pristinely preserved natural resources drawing thousands of visitors to the region every year. El Paso County boasts over 55 exciting things to do and see in the region. From its rich natural features home to the Garden of the Gods... to major destinations such as the U.S. Air Force Academy”

“The County should continue to maintain and improve existing natural assets and destinations including parks, trails, and open space facilities that support outdoor recreation tourism in the region.”

“The County should support efforts secure additional funding for branding and marketing specifically targeting tourist attractions and activities in the off season to promote year-round tourism. Additionally, the County should encourage hotels and restaurants...” - 2021 El Paso County Master Plan

The tourism that comes along with the luxury resort hotel will help to support the local economy through job creation and adding jobs to the thriving tourism industry in the County. It will also add yet another destination in the region that will draw people from throughout the United States and beyond. FHN aligns with this recommendation of adding hotels and restaurants to promote year-round tourism. The positive fiscal impact will be significant due to the hotel facilities and additional development of the remaining property as described in the fiscal analysis below.

FHN Fiscal Analysis

A Fiscal Analysis was completed for the project to explore the positive tourism impact of FHN. While not a requirement, this information is being provided for informational purposes only. Much of the focus is the luxury resort hotel but this analysis also looks at the remaining vacant land to be developed. The proposed development includes a +- 225 room (keys) facility with associated rental units and a mix of single family and attached units associated with the hotel. THK Associates, Inc has prepared an estimate of annual and total revenues from property, sales and accommodation taxes for a 20-year period. See Figure 20 which is a summary table depicting these revenues over a twenty-year period. FHN has potential, over the next twenty years, to generate \$119,578,702 in

Twenty-Year Fiscal Impacts To El Paso County with Consideration for a 1.9x Economic Multiplier		
	<u>Impacts over Twenty Years</u>	<u>With Consideration for Multiplier (1.9x)</u>
El Paso County	\$62,936,159	\$119,578,702
Property Tax Revenues to All Providers	\$312,649,940	\$594,034,885

Source: THK Associates, Inc.

Figure 20 - The positive fiscal impact to the County and region is significant over a twenty year timeframe.

tax revenue to El Paso County. In addition to the estimated revenues, it is projected the development of FHN to generate \$3,167,376 to the Pikes Peak Regional Building Department, \$10,397,953 to El Paso County, and \$27,455,800 to Cherokee Metro District, with most one-time fees occurring prior to or during the construction time period. Other positive impacts from the proposed development include both temporary and permanent employment. The analysis also estimates tax revenues to other service providers in addition to El Paso County.



Housing – This project will provide additional housing at various densities in an urbanizing area of the County. While much of the surrounding area is in larger estate lots, the County needs more diverse housing for all income levels. FHN will offer a diverse range of housing with appropriate land use transitions to the surrounding larger lots by use of large buffers and lower densities on the perimeter of the project. Five (5) acre lots are placed on the perimeter of the property in multiple areas as shown on Figure 21. Country View Estates is one of the areas where both a buffer and one acre lots are proposed along the common property line.

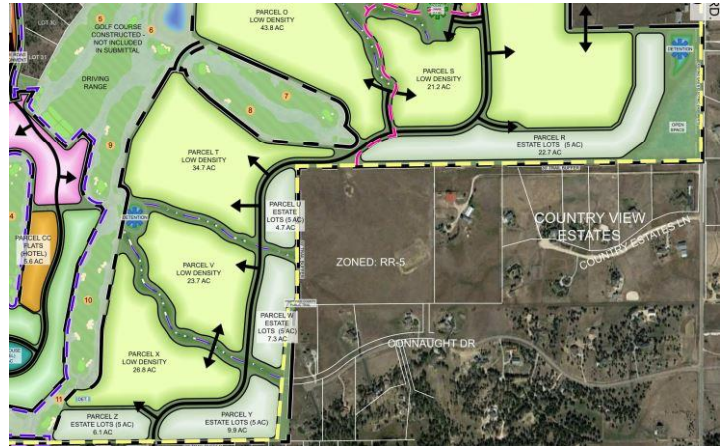


Figure 21-Five acre lots are located along the entire east and southeast boundary to minimize impact to adjacent estate lots (Country View Estates).

2021 El Paso County Master Plan - Housing Mix

Regarding housing mixes the County Master Plan states:

“Housing variety provides multiple options to support residents regardless of income, household size, and age. Providing an equitable mix of housing can ensure the viability of El Paso County as a home for all.” - 2021 El Paso County Master Plan

This statement aligns well with the FHN project as with a project of this size, a large variety of housing types are proposed. While specific lot sizes are not finalized at this time, it is anticipated there will be a mix of the following housing products:

- Estate lots (2.5 acre lots) – Single Family Detached
- Estate lots (5 acre lots) – Single Family Detached
- 1/4 to 1/2 acre lots – Single Family Detached
- Attached residential in hotel area (Duplex and Flats associated with the hotel complex area only). No attached residential is proposed in the eastern open areas of the project.

LAND USE CATEGORY	UNITS
Estate Lots (2.5 acre)	49
Estate Lots (5.0 acre)	27
Low Density Residential	632
Medium Density Residential	138
Total Residential Units (excludes 50 branded flats and 225 hotel keys as part of the hotel complex which totals 275 keys/units)	846

2021 El Paso County Master Plan - Placetype

Regarding Placetypes the County Master Plan shows this area as “Large Lot Placetype”. In this category the following uses are listed:

Primary:

- Single Family Detached

Supporting Land Use:

- Agriculture
- Parks and Open Space
- Commercial/retail (limited) and commercial service (limited)
- Parks and open space

The FHN project proposes primarily single family detached, both 2.5 acre estate lots and 5 acre estate lots and smaller lots at a minimum of ¼ acre. The smaller lots do not align to the Placetype however those parcels are purposely surrounded by lower density single family detached parcels and large estate lots (5 acre minimum lot size). This provides a buffer to the smaller lots. The lower densities and large buffers on the perimeter provide good separation from the larger estate lots in the area. Lastly, where the Cathedral Pines 2.5 acre lots abut the FHN property, this proposal shows a large parcel of similar sized lots at 2.5 acres within the forested areas. Therefore, Large Lot Placetype is proposed on FHN in the forested areas next to adjacent 2.5 acre lots and Suburban Residential is located in the open areas with no trees.

FHN also proposes “Suburban Residential Placetype” in the non-forested areas which is primarily the east area of the property. In this category the following uses are listed:

Primary:

- **Single-Family Detached Residential with lots sizes smaller than 2.5 acres per lot, up to 5 units per acre**

NOTE – The FHN density for the entire property (including Filing 1 and the golf course) will be approximately one (1) unit per acre, well below the 5 units/acre.

Supporting Land Use:

- **Single Family Attached (hotel area only)**
- **Multi-family Residential (NOT PROPOSED AT FHN)**
- **Parks and Open Space**
- **Commercial/retail (limited)**
- **Commercial service (limited)**
- **Parks and open space**

I would recommend updating this area to only include the uses proposed in FHN. Hotel uses can be commercial - they are not single family dwellings.

While Suburban Residential is not specifically shown on the FHN site, similar densities and type of development are within approximately 1.5-2 miles away (Flying Horse and Sanctuary Point). Also, the Town of Monument to the west is growing rapidly with urban densities at or above this FHN proposed densities.

IMPORTANT NOTE:

FHN at the time of full completion, the entire FHN project of 1,459 acres (includes Filing 1 and the golf course) will result in a density of less than one (1) unit/acre which is a low density when compared to other projects within a couple miles of this property.

As shown in the County Master Plan Figure 22 shows a natural progression of Rural Center, Large Lot Residential, Regional Open Space and Suburban Residential. These land uses or Placetypes complement each other well and are logical land use transitions. The FHN proposal fits into this land use relationship in the following way:

- Rural Center (proposed commercial at Black Forest Road and Hodgen and the commercial in Black Forest) – The County Master Plan shows commercial at this intersection
- Large Lot Residential (2.5 and 5 acre lots in the Black Forest area)
- Regional Open Space (nearby Fox Run Regional Park)
- Suburban Residential (higher density areas in the open, non-tree areas)



Therefore, the proposal of Suburban Residential along with Large Lot Placetype and Rural Center type use is common in land use planning across the U.S.

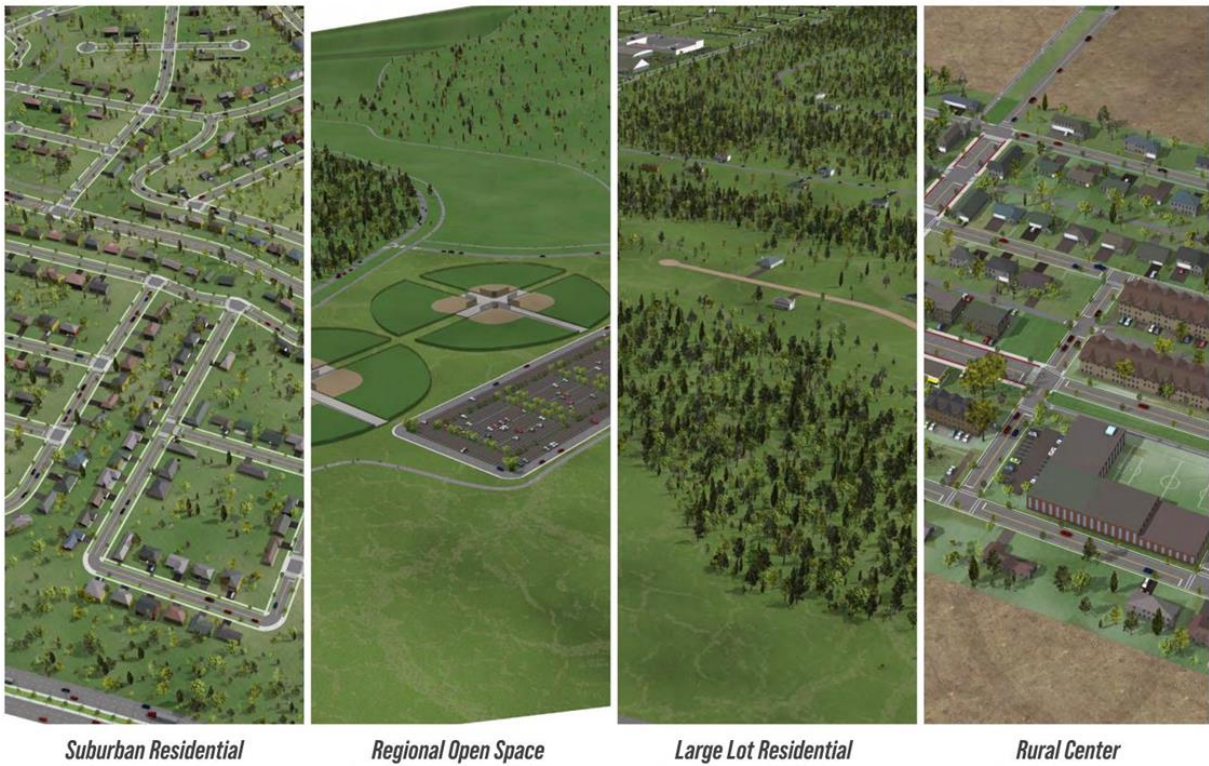


Figure 22 - FHN fits within the Large Lot Residential Placetype however proposes some higher densities as well. The Suburban Residential Placetype is a logical land use transition if buffered correctly.



Implementation of the 2021 County Master Plan

The County Master Plan addresses implementation of the goals and principals of the plan and how applications should be evaluated. Regarding Land Use Applications and Master Plan, it states:

“The Planning Commission and Board of County Commissioners conduct open and public hearings on land use applications and take an action on the application, which will typically include a finding of consistency or inconsistency with the Master Plan. In making this finding, the Planning Commission and Board of County Commissioners are asked to weigh the merits of each individual land use application against all applicable components of the Master Plan. Approval of a land use application does not necessarily require a finding that the application is fully consistent with each and every applicable component of the Master Plan, likewise, denial of an application does not necessarily require a finding of inconsistency with all applicable components of the Master Plan.” - 2021 El Paso County Master Plan

Regarding this statement, the FHN project is in compliance with most aspects of the Master Plan as outlined in this LOI. However, there are some elements where the project does not meet the intent such as the Large Lot Placetype. This is typical when evaluating any land use decision such as a Comprehensive Plan or Master Plan in other municipalities. The determination to approve should be based on substantial compliance of most, but not every item in the plan. With this submittal Flying Horse Development, LLC strongly believes FHN is in substantial compliance with the following County plans:

- **Master Plan (2021)**
- **Parks Master Plan**
- **Water Master Plan**
- **2040 Major Transportation Corridor Plan (MTCP)**

The Master plan further states that the County Master Plan should be open and flexible stating:

“A Flexible Plan - Recognizing that it is impossible to foresee or forecast all future land use or development requests and given the unpredictable nature of land use requests, this Plan was written with the intention of remaining open and flexible. Moving forward, while using the Master Plan as a foundational guide for decision-making, it will be the role of County officials to implement the Plan by making decisions on land use requests in a manner that best fits the needs and vision of El Paso County.” - 2021 El Paso County Master Plan

Therefore, the Master Plan it is intended to be a guide for land use decisions. This proposal is higher density than the surrounding area, however in exchange for this the following elements are proposed:

- Landscape buffers in many of the areas on the perimeter of the site
- Very large expansive buffers along Black Forest Road
- Lower densities placed on the perimeter (i.e. five acre lots along the perimeter of the property line east and southeast areas)
- Estate lots (2.5 acres) have been placed in the forested areas on the south side adjacent to the Cathedral Pines estate lots that are also 2.5 acres.
- Quality community with expansive open space, parks and trails (over 22%).
- Luxury resort hotel that will be a tremendous asset for El Paso County

When examining all of the Sketch Plan checklist items and the Review Criteria it is clear that FHN complies substantially with the 2021 County Master Plan.

El Paso County Parks Master Plan

The County Parks Master Plan has several goals that FHN compliments well. The narrative below describes how this project meets the intent of many goals.

Note: Narrative that is bold is directly from the County's Parks Master Plan.

OVERALL SYSTEM MISSION/ROLE

Goal 2: Provide a coordinated and connected system of parks, trails, and open space that is equitably distributed based on population and serves the needs of county residents.

The overall FHN proposes a coordinated and connected system of parks, trails, and open space that is equitably distributed within the community. A Regional Trail is provided (yellow dashed line on Figure 23) that will go through FHN connecting from the south near Cathedral Pines to the east/northeast along FHN southern boundary. Then the alignment will generally traverse north along the west side of Black Forest Road ultimately connecting to Hodgen Road. The County trail will be open to the public and will be placed in an easement. The remaining trail system for FHN will be owned and maintained by the District or a Homeowners Association.

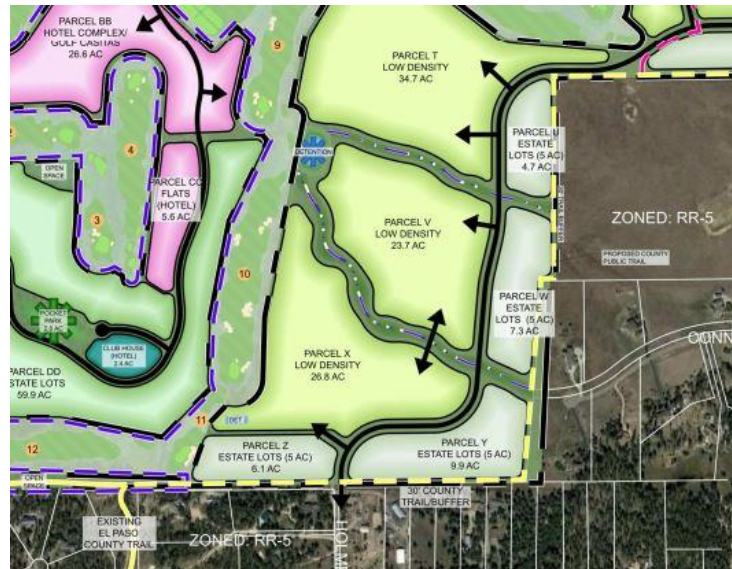


Figure 23-FHN has provided a coordinate and connected system of parks, trails and open space internal to the site and externally to Black Forest Regional Park

Goal 3: Balance passive/active use of county parks and open space and determine what is most appropriate for individual sites based on community need and master planning processes.

FHN provides passive parks, active parks and open space that is appropriate for this site. FHN well exceeds the County 10% requirement for open space and proposes a well-designed trail and open space system. FHN is asking for higher densities than the surrounding area yet provides 22% of the developed area in open space. Once the entire FHN community is complete for all 1,459 acres, approximately 30% of the site will be in open space that includes the golf course.

Goal 4: Provide an overall vision for the recreation and resource preservation network, and identify gaps so that the County, local jurisdictions, and others can work together to fill them.

With Black Forest Regional Park south of this property, it is logical to connect the FHN trail system to the existing County trail and provide an extension to the north all the way to Hodgen Road. This trail system will help fill potential “gaps” in the regional system by making this key connection.

The Master Plan discusses regional trails as follows:

REGIONAL TRAILS

Goal 1: Work collaboratively with others to create a continuous, connected system of regional trails. Provide an overall vision for system of regional trails within the County and connected to adjacent counties and participate in the Regional Non-motorized Trails and Bike Plan Update to identify standards and address needs as part of a multi-modal transportation network. Ensure that regional trail corridors are secured.

As mentioned previously, with this FHN project, the County is securing this Regional Trail extension all the way to Hodgen Road. The FHN team has been in contact with County Parks department to discuss preliminary alignments of this regional trail. This trail will be placed on an easement so it can be used by the public outside of FHN. With this project a regional trail corridor will be secured that will allow generations to utilize this important asset for the surrounding Black Forest area residents.

OPEN SPACE

Goal 1: Protect and enhance El Paso County's legacy of unique natural features and areas and cultural resources, working in collaboration with others to conserve high priority open space areas in the county.

FHN will help facilitate this goal of enhancing natural features and areas by respecting the significant drainage-ways by preserving them as trail/open space corridors that will fit well within the overall County's open space system. While a County park is not desired on this property by the Parks department, the community will provide significant parks for future residents. This concept supports the greater goal of the County Parks goal of protecting and enhancing the unique natural features.

El Paso County Water Master Plan

The El Paso County Water Master Plan (WMP) identifies eight different planning regions in the County. FHN falls in Region 2 which includes the Monument area and the western portion of Black Forest. The existing central water systems in Region 2 are all located in the Monument area. Region 2 is the only region in El Paso County that is projected to have an average-year water surplus in 2060.

Cherokee Metropolitan District (CMD) has signed a letter of intent to serve and provide water and wastewater service for the proposed project. CMD has a diverse water portfolio which includes both renewable and nonrenewable water sources. The exact source water to be committed for this development has not yet been identified.

The following is a list of goals and policies from the WMP that the proposed project is consistent with:

Goal 1.1 – Ensure an adequate water supply in terms of quantity, dependability and quality for existing and future development.

The proposed water sources for this project are either renewable or meet the 300-year rule for quantity. The water system will be designed with redundant equipment and backup power generation for critical facilities to ensure dependability. Additionally, multiple water sources will serve to mitigate any potential single source failure. CMD's existing water treatment facilities all meet or exceed EPA primary standards and any new treatment facilities that may be required will be designed to do the same to ensure high quality water for the proposed development.

Goal 3.1 – Promote cooperation among water providers to achieve increased efficiencies on infrastructure.

CMD has existing infrastructure in the project area due to the proximity to the CMD Sundance system. Some or all of the existing Sundance infrastructure could be utilized by the proposed development, reducing the amount of new infrastructure required to serve the proposed development with water.

Goal 3.2 – Promote cooperation among water providers to achieve increased efficiencies on treatment.

While additional water treatment may be required for the proposed development, CMD's existing infrastructure, including treatment, will be used to provide water for the project.

Goal 3.7 – Encourage the interconnection of infrastructure owned by water providers and projects that will have access to more than one water source, both to foster conjunctive use

and to better accommodate water supply emergencies.

CMD has a variety of source water supplies which mitigates potential water supply emergencies.

Policy 4.3.3 – Incentivize the use of deeper Arapahoe and Laramie-Fox Hills aquifers by central water providers, leaving or deferring the use of the shallower aquifers for the more dispersed domestic well users.

While the exact source water(s) to be dedicated to the proposed development has not yet been identified, if new wells are drilled, they are anticipated to be Arapahoe and Laramie-Fox Hills. By utilizing these aquifers, the proposed development would not impact the surrounding lots individual (typically Dawson) wells.

Policy 5.2.4 – Encourage the locating of new development where it can take advantage of existing or proposed water supply projects that would allow shared infrastructure costs.

As noted above, even though the proposed development is not adjacent to the CMD existing service area, CMD has water infrastructure adjacent to the proposed development. By partnering with CMD as the water provider, this project would utilize existing infrastructure to some extent.

Policy 5.5.1 – Discourage individual wells for new subdivisions with 2.5 acre or smaller average lot sizes, especially in the near-surface aquifers, when there is a reasonable opportunity to connect to an existing central system, alternatively, or construct a new central water supply system when the economies of scale to do so can be achieved.

FHN will be served by an existing central water system as the average lot size is less than 2.5 acres.

Policy 6.0.4 – Encourage development that incentivizes and incorporates water efficient landscaping principles.

FHN will include restrictions on the square footage of irrigated sod each residential lot is allowed. Additionally, the open spaces will be predominately native vegetation and not irrigated while the parks will be designed to incorporate xeric landscaping as much as possible.

SKETCH PLAN REVIEW CRITERIA ITEM “D” - The water supply report provides sufficient information to identify probable compliance with the water supply standards and identifies any need for additional water supplies;

Applicant comment: The FHN water supply report provides sufficient information to identify probable compliance with the water supply standards and identifies any need for additional water supplies. FHN will be served with a municipal water system likely provided by Cherokee Metropolitan District which is addressed in the Water Resource Report.

I do not believe adequate information has been provided to make a probable finding of water sufficiency. We need more data- how much capacity is CMD going to need, what improvements may be needed? The only information that we have at the moment is that there is not enough water and improvements are needed, but those potential improvements are not identified. I believe water is going to be a contentious issue and it would benefit you to ensure this argument is well made.

Traffic and Access

Please see the Traffic Study for detailed information regarding traffic and transportation. Considering the conceptual nature of the proposed development, future access will generally include multiple access drives along all exterior roadways bordering the proposed development and along Old Stagecoach Road. Primary points of entry to the overall development are provided at the following locations: one full-movement access serving as the east leg of the State Highway 83 and Stagecoach Road intersection, and one full-movement access serving as the west leg of the Black Forest Road and Old Stagecoach Road intersection.

The development addresses other items as outlined in the County Master Plan as follows. Bold text is taken directly from the 2021 County Master Plan.

“Multimodal Access - While all placetypes would benefit from a safe, walkable, and connected street network, multimodal access is a defining and critical feature in Urban Residential, Rural Center, and Regional Center placetypes and other areas that promote a mix of uses and mobility options. The County should encourage sidewalks and other multimodal facilities in all new development in placetypes, as appropriate, and upgrade existing infrastructure to these types of facilities when needed”. - 2021 El Paso County Master Plan

FHN will provide sidewalks throughout the development and a connected street and trail network as shown on the Sketch Plan. Additionally, FHN will provide the County Regional Trail in a north/south direction as shown on the plan. Details to be worked out with the County Parks department.

Subdivision Access - Local access is key to connecting residents to the region and residents have identified subdivision access as a primary concern. Input received as part of Your El Paso County outreach process cited a need for subdivision communities to have two points of access, or two ways in and out. Generally, single access subdivisions create points of high traffic and congestion where they join the primary street network and are disconnected from other neighborhoods by roads that dead end at cul-de-sac. Having two points of access allows for a more contiguous street network and would remove these barriers. - 2021 El Paso County Master Plan

FHN is providing two main points of access but also allowing for multiple secondary connections to adjacent properties as shown on the Sketch Plan.

“Providing multiple points of access to a subdivision also improves efficiency in emergency response times, and allows for better pedestrian and bicycle access across neighborhoods. Better access can be the difference between a resident or visitor choosing to walk over drive to their destination. Increased access especially with multimodal options for walking and biking has the opportunity to reduce vehicular travel and ultimately congestion and stress on roadway infrastructure. The County should continue to require that new subdivision developments in the County have multiple points of access to existing roadways to minimize congestion and improve emergency access. They should be sited in a manner that improves connectivity to adjacent areas.” - 2021 El Paso County Master Plan

FHN is providing multiple access points and is including a key connection to Holmes Road on the south side that will allow emergency access and as a potential fire evacuation route north and south.

“Existing subdivisions should also be encouraged to find ways to expand points of access and open up connections to neighboring developments and subdivisions such as through stub roads or easements.” - 2021 El Paso County Master Plan

FHN has provided multiple points of access with neighboring properties with potential stub roads or easements. Details to be worked out at time of Preliminary Plan and Plat stage.

Responsibilities & Maintaining Roads - There are jurisdictional responsibilities assigned to ensure roads are properly maintained in the County, however, funding has been a consistent challenge for the County to keep up with road maintenance demands. Thus, highlighting a real need to share responsibilities with municipalities to maintain at a minimum County roadways segments that are within their municipal boundary or develop agreements with the municipalities to maintain roadways within and near enclaves. In addition to taking responsibility of existing County roads, as municipalities grow and annex adjacent lands for development it is critical that they also take responsibility to maintain the roadways within, or otherwise primarily serving, these annexed areas rather than leave them to the County or PPRTA. - 2021 El Paso County Master Plan

FHN roads are being designed to City standards with the possibility to be annexed in the future per the IGA. In the near term El Paso County will be responsible for the maintenance.

Biking On- & Off-Street Opportunities

There are existing “on and off-street” bicycle facilities throughout the County, a majority of which exist within Colorado Springs. Whether located on- and off-street, trails accommodate cyclists and pedestrians in their own delineated space as they navigate roadways. However, on major roads with high traffic volumes and higher vehicular speeds, only confident cyclists will regularly use unprotected on-street options. - 2021 El Paso County Master Plan

FHN is providing many on and off street bicycle facilities as shown on the plan. Additionally at the Preliminary Plan stage sidewalks and connected streets will accommodate cyclists and pedestrians.

Stormwater Management

The FHN Sketch Plan is in general compliance and intent of the goals, objectives, and policies of the County Master Plans as it regards to Stormwater as described below.

“The effective management of stormwater runoff is critical due to its potential to affect stream water quality, riparian zone habitat and wetlands, flood conveyance capacity, and sediment loading and transport. Hydrologic impacts from urbanization can cause water quality problems, aggregation/degradation of stream channels, increased temperature, and sedimentation, which can have a corresponding effect on aquatic habitat, groundwater recharge and streamflow.” - 2021 El Paso County Master Plan

The Master plan further states:

Stormwater detention, retention ponds, or other best management practices (BMPs) should be required to minimize flooding, maximize infiltration, and minimize water quality impacts from impervious surface contaminants. Common structural BMPs are stormwater detention and retention ponds, methods to minimize directly connected impervious surface areas, and irrigated grass buffer strips. Nonstructural BMPs include stormwater quality-control planning, adoption of criteria and standards, illicit discharge controls, and general education programs. - 2021 El Paso County Master Plan

FHN understands the importance of stormwater and that it is critical not only in the Black Forest area but throughout the County. The majority of the development that drains to Black Squirrel Creek and is within the heavily forested area of the Black Forest will remain larger 2.5 acre lots and the new hotel site which will have a full spectrum detention facility. The large homesites have a much smaller impact on the stormwater rate and quality than more densely developed areas within the East Cherry Creek Drainage basin. Still development within the Black Forest is properly managed, routed and treated to meet El Paso County’s master plan by using natural swales to convey flows via hard infrastructure and integrated water quality features that blend with the landscape typical of rural and large-lot residential development. Within the East Cherry Creek Drainage Basin, open spaces

are maintained along historic drainageways which will continue to convey stormwater from the developed site. As the project progresses these drainageways will be evaluated and designed using low impact development techniques to convey water through naturalized swales and ditches.

Dispersed throughout the development will be strategically placed detention ponds to provide attenuation of storm flows along with water quality as full spectrum detention ponds. Discharges from the development will be at or below historic levels into the existing receiving channels, streams and areas.

The FHN (per the MDDP) is planning for and providing effective management of stormwater runoff that will protect the stream water quality, riparian zone habitat and flood conveyance capacity, and sediment loading and transport. The following elements from the County Master Plan are being met with the FHN project:

- *No direct discharge of stormwater into a lake, stream, or perennial drainage ways.*
- *FHN will provide erosion and sedimentation control plans*
- *Disturbance management and revegetation plans will be developed*
- *FHN will provide stabilization during disturbance*
- *Monitoring will be performed during disturbance with regular inspections*
- *Financial assurances will be secured to ensure that erosion control plans are implemented*

SKETCH PLAN REVIEW CRITERIA ITEM “A” - The proposed subdivision is in general conformance with the goals, objectives, and policies of the Master Plan;

Applicant comment: As described above in this document, the FHN Sketch Plan is in general compliance with the goals, objectives and policies of the following El Paso County documents:

- **El Paso County Master Plan (2021)**
- **Parks Master Plan**
- **County Water Master Plan**
- **2040 Major Transportation Corridor Plan (MTCP)**

7. Feasibility of providing utilities to the proposed development, including the provision of utilities by a proposed or existing special district or other municipal provider.

FHN Metropolitan District

FHN Metropolitan District (FHNMD) will be formed to provide bonding to fund construction of the roads, utility infrastructure, waterways/wetlands, parks and trails. For the ongoing maintenance of those facilities that are not dedicated to the County, a District will be formed to provide on-going services for those facilities/areas. FHN Metropolitan Districts will provide water and Cherokee Metropolitan District to provide sewer. Refer to the water resource and wastewater report for further information and details. Other districts or entities serving FHN

- Mountain View Electric Association Inc. (MVEA) will provide electric service to the property.
- Black Forest Fire Protection District
- District 20 and District 38 (schools)
- El Paso County Conservation District
- Cherokee Metropolitan District (sewer service)
- FHN Metro Districts (water service)
- Black Hills Energy (Natural Gas Service)

The Wastewater infrastructure collection system is planned to be installed by FHN Metro District (FHNMD). FHNMD will tie into an existing wastewater system for conveyance to the Cherokee Metropolitan District (CMD) Wastewater Treatment Plant. See Wastewater Disposal Report for more detailed information.

The Water infrastructure is planned to be installed by FHN Metro District (FHNMD). Cherokee Metropolitan District (CMD) has signed a Letter of Intent to Serve FHN with water. Discussions are ongoing regarding the exact water source(s) to be committed to this development.

The Storm Sewer network will be located within each subbasin, providing collection to each drainage facility where water quality and flood attenuation treatment will occur prior to discharge to the drainage channels

All services required to support the FHN development are or will be available. The FHN Metropolitan District will be formed to provide bonding to fund construction of the roads, stormwater infrastructure, parks and trails and for the ongoing maintenance of those facilities that are not dedicated to the City or County. The FHN Metropolitan District will enter into an Inter-Governmental Agreement with Cherokee Metropolitan District (or similar District) for the provision of water and wastewater service. All other necessary services will be provided as described above.

SKETCH PLAN REVIEW CRITERIA ITEM “E” - Services are or will be available to meet the needs of the subdivision including, roads, police and fire protection, schools, recreation facilities, and utility service facilities;

Applicant comment: Services will meet the needs of the FHN community (subdivision) as described in this LOI.

8. Constraints, hazards, and potentially sensitive natural or physical features (e.g., wetlands, protected species habitat, floodplain, geological, etc.) within the area included within the request.

El Paso County’s new Master Plan was reviewed in order to provide the following recommendations to effectively manage the natural resources in order to protect and preserve the natural environment in accordance with El Paso County’s vision.

Water Features

Surface Water – There is little surface water on the site. Surface water is almost entirely derived from precipitation, consisting of runoff from snowmelt and surface flows from storm events. Proposed detention facilities will temporarily detain runoff onsite and direct it into existing natural drainageways. As designed the intent is to avoid water pollution as the stormwater facilities should adequately address urban runoff into drainageways and ultimately water resources. These facilities will be designed to comply with local, state and federal guidelines.

Riparian Areas – There are currently few riparian areas existing on the property. Development will increase riparian availability and diversity, providing additional wildlife habitat at the site. Creation of open space tracts along drainageways will ensure preservation of new riparian areas as well as promote access to these areas for recreation through trail systems.

Natural Resources & Land Conservation

Federal & State Land – There is no federal or state land on the site. Conservation easements will not be acquired, though open space tracts will be established and maintained by the Metro District or an HOA.

Wetland Habitat and Waters of the U.S.

Please refer to the Natural Features and Wetland Report by Bristlecone Environmental for detailed information.

Floodplains:

The property contains portions of floodplain in the northwest corner of the property near Hodgen Road. This development will avoid this floodplain and therefore no impacts will occur.

Noise

The Land Development Code requires the impacts of noise pollution to residents to be mitigated. The proposed development is located adjacent to other residential uses and the noise impact will be very minimal. Some commercial uses are proposed however appropriate site planning and landscape buffers planned to minimize any negative impacts for air quality. For example, the commercial planned in the northeast corner of the site is not immediately next to significant residential homes and buffers are located to the south and west of the parcel, thus minimizing impact to adjacent residential uses. No industrial uses (or other noise pollution uses) are planned or requested on FHN and therefore noise pollution is not a factor.

Air Quality

The proposed residential use will not negatively impact air quality. The proposed development is located adjacent to other residential uses. Some commercial uses are proposed however they have appropriate site planning and landscape buffers planned to minimize any negative impacts for air quality. No industrial uses are planned or requested on FHN which could potentially affect air quality.

Soil Hazards and Geologic Information:

The Soils and Geology Report prepared by Entech identifies geologic conditions that occur on the property. The site was found to be suitable for development with appropriate mitigation and avoidance.

Vegetation

Vegetation will be unavoidably disturbed through the development. The vast majority of the site is classified as either Foothill Grasslands, which is the primary ecosystem type that will be impacted, or Pine-Oak Woodlands, which will largely be preserved. The site is generally of moderate quality and impacts are not expected to imperil or substantially harm either of these ecosystems, though development of the site will result in the loss of a few hundred acres of grasslands. No globally-sensitive vegetation communities are present, and one state-sensitive vegetation community is present (Shortgrass Prairie). FHN is on the fringe of the Ponderosa Pine Woodlands, a globally and state stable vegetation community. There are many mature trees on the property, mostly along the ridgelines of the western portion of the site where large estate lots are planned. The majority of the woodlands on the site will be incorporated into the development and will thus be preserved; as such, significant impacts are not expected. Development of the site will likely increase and improve riparian habitat along the swales in the eastern half of the site through the planting of trees along drainages and the presence of more consistent hydrologic flows. There is currently almost no riparian or wetland habitat on the property. The highest quality habitat on the site is within the forested

areas, primarily in the western half of the site. As mentioned, these areas will largely be preserved and incorporated, so the highest quality habitats on the site will remain. See the Natural Features and Wetlands Report by Bristlecone for further information.

Aquatic Resources

Per the Natural Features and Wetlands Report by Bristlecone, there are few aquatic resources on the site. Site reconnaissance also revealed that many of the aquatic resources depicted in the NWI/NHD data are not present on the site at all. Given that the project will preserve many of the on-site drainages and adjacent open space buffer areas, there is good potential to improve native vegetation and aquatic resources by:

1. Creating a habitat restoration and management plan for the drainages and open space areas
2. Increasing native vegetation in the disturbed shortgrass prairie areas by seeding with native species;
3. Including requirements in the Codes, Covenants and Restrictions (CCRs) to preserve native vegetation and minimize non-native landscaping and irrigation;
4. Implementing a stormwater management plan and preparing a natural channel stabilization plan for some of the drainages
5. Implementing an integrated noxious weed management plan

Soils

Per the report by Bristlecone, approximately 62% of the site is rated 'Not Limited' for dwelling with or without basements, while approximately 33% is rated 'Somewhat Limited', and the remaining 5% of the site, on the far western edge, is rated 'Very Limited' (NRCS 2022b). This project will not interfere with the extraction of mineral deposits.

SKETCH PLAN REVIEW CRITERIA ITEM "F" - The soil is suitable for the subdivision;

Applicant comment: The soils and Geology Report prepared by Entech indicates that the soils are generally suitable for development. While there are some expansive and collapsible soils, these are sporadic and can be mitigated by proper engineering design and construction techniques. About 95% of the site has "no limitations" or "somewhat limited" soils, therefore the majority of the site does not have any major soil issues.

SKETCH PLAN REVIEW CRITERIA ITEM "G" - The geologic hazards do not prohibit the subdivision, or can be mitigated;

Applicant comment: The Soils and Geology Report prepared by Entech the geologic hazards do not prohibit the subdivision, or can be mitigated.

SKETCH PLAN REVIEW CRITERIA ITEM "H" - The subdivision will not interfere with the extraction of any known commercial mining deposit.

Applicant comment: The El Paso County Master Plan for Mineral Extraction shows Upland Deposits of sand and gravel, with silt and clay. The Soils and Geology Report prepared by Entech identifies xxxxxx. Accordingly, this project will not interfere with the extraction of mineral deposits.

Complete
this



9. Proposed major roadway alignments through the sketch plan area and any connections to existing major roadways.

Please see the Traffic Study for detailed information regarding traffic and transportation.

Considering the conceptual nature of the proposed development, future access will generally include multiple access drives along all exterior roadways bordering the proposed development and along Old Stagecoach Road. Primary points of entry to the overall development are provided at the following locations: one full-movement access serving as the east leg of the State Highway 83 and Stagecoach Road intersection, and one full-movement access serving as the west leg of the Black Forest Road and Old Stagecoach Road intersection. Internal roadway alignments will be well planned providing connections to Old Stagecoach Road or other requested connections required by the County.

10. Address how drainageways and floodplains through the plan area, and offsite as appropriate, are proposed to be protected, changed, or improved.

FHN has provided protection of most of the major drainageways and avoided the floodplain in the northwest corner of the property. The drainageways have been protected and will be large open space corridors as reflected in the proposed master plan. Please refer to the Natural Features and Wetland Report by Bristlecone for more detailed information.

Not sure what is meant by this. The entire project is generally within the Black Forest community. Did you mean the actual treed area?

SKETCH PLAN REVIEW CRITERIA ITEM "I" - The design of the subdivision protects the natural resources or unique landforms;

Applicant comment: The area that has part of the Black Forest, is proposed as 2.5 acre estate lots to protect many of the existing trees. Much like Cathedral Pines, High Forest Ranch and other surrounding project. The FHN design respects the significant drainage-ways through the property as open space and trail corridors. These drainage-ways will be retained or redirected and will be preserved within open space tracts. There are no federally threatened or endangered plant species on the property. There are no wetlands on this proposed area.

11. Discussion regarding the surrounding area and how the proposal fits within the context of the area and any potential impacts that may be caused by the proposed development.

As described previously in this LOI, FHN project fits within the context of the area and any impacts that may be caused by the proposed development are factored into the FHN master plan design.

Identification and location of sites of historical or archeological interest:

There are no known sites of historical or archeological interest on the property.

Identification and location of sites of natural or scenic importance:

The FHN property has part of the Black Forest in the southwest area of the site. This area has natural and scenic importance much like the area surrounding this property. As with other surrounding developments such as Cathedral Pines (south of FHN) and High Forest Ranch (north of FHN), this design locates the largest estate lots (2.5 acres) in this area to preserve as many trees as possible.

Social Impacts

The proposed Sketch Plan provides the opportunity for a range of housing product at a variety of

price points. This will provide housing for varying demands and lifestyle options, which will ensure that the proposed housing is both attractive to and attainable by a variety of purchasers. The luxury resort hotel, Fitness Club, numerous parks/trails and the existing golf course will be the main social activity of the community. This will provide a venue for recreational activities, social events, and community entertainment. This will help to provide a strong and connected community, which will have a positive social impact for these residents.

Landscape Buffers

As described previously in this LOI, significant landscape buffers are provided that far exceed County Code.

Wildfire

Wildfire hazard for FHN was evaluated using the Colorado State Forest Service's (CSFS) online Wildfire Risk Assessment Portal (WRAP; CSFS 2020). WRAP allows professionals, planners, and the public to access the best scientific information regarding wildfire risk and establish prevention and mitigation measures accordingly. According to WRAP, the wildfire risk for the Project site is approximately 30% "Moderate Risk", approximately 40% "Low Risk", and approximately 30% "Lowest Risk" (CSFS 2020; Figure 5: Wildfire Hazard Map – Wildfire Risk). "Wildfire Risk" is determined by CSFS by combining the burn probability rating of a site with the values-at-risk rating. While FHN has a low to very low rating of values and assets that would be adversely impacted by wildfire, the burn probability for the entire site is rated about 40% "Low" to "Low-Moderate" and about 60% "Moderate" (CSFS 2020; Figure 6: Wildfire Hazard Map – Burn Probability). Counterintuitively, the areas mapped for "Moderate" burn probability are not the forested portions of the site, but rather the areas of contiguous grasslands on the eastern half of the site

Roughly 30% of the site is mapped as "Moderate" wildfire risk while the remaining 70% is mapped as "Low" or "Lowest" risk. The lowest risk areas of the site include the wooded western half of the property, while the moderate risk areas are the grasslands to the east. The site is rated low in terms of values and assets present that could be lost to wildfire; it is rated low to low-moderate in terms of burn probability based on the available fuels at the site. Development of the site would result in a reduction of the available fuels for wildfires, while simultaneously increasing the values and assets present on the site. As such, the overall wildfire risk index for the Project is expected to stay close to the same as a result of development. The nearest fire response is Station 2 in the Black Forest FPD, which is 1.18 miles away.

SKETCH PLAN REVIEW CRITERIA ITEM "J" - The proposed methods for fire protection.

Applicant comment: The site lies within the jurisdiction of Black Forest Fire Protection District and will serve this property and development. A municipal water system (pipes and fire hydrants in streets) will be throughout the entire FHN project.

SKETCH PLAN REVIEW CRITERIA ITEM "K" - The subdivision is appropriate and the design is based on mitigating the constraints of topography, soil types, geologic hazards, aggregate resources, environmental resources, floodplain, airplane flight overlays, or other constraints.

Applicant comment: As noted above, there are few physical or environmental constraints to the development of the property and those that have been identified will be mitigated during construction. The impact identification analysis demonstrates that the site is suitable for the proposed development.

12. Potential public and private improvements, including onsite and offsite improvements, and the plan for ongoing ownership and maintenance of each improvement.

FHN has a plan for ongoing ownership and maintenance of each improvement. This District will be formed to provide bonding to fund construction of the roads, major utility infrastructure, waterways, parks and trails. For the ongoing maintenance of those facilities that are not dedicated to the County, this District will provide on-going maintenance.

At this time it is planned that Cherokee Metropolitan District will provide wastewater treatment and water to FHN. For this proposal of increased density, a municipal water distribution and sanitary collection system will be needed and will be funded through the use of the mechanisms such as the FHN Metropolitan District. Refer to the water resource and wastewater report for further information and details.

For streets, per the IGA agreement, the County will be responsible for maintenance unless this project is annexed into the City of Colorado Springs. Streets will be designed to City standards per the IGA.

13. Summarize community outreach efforts by the applicant that have occurred or are planned as part of the request.

FHN has made significant efforts prior to this Sketch Plan submittal including four (4) neighborhood meetings. Additionally a project website has been setup that provides basic information with an area for anyone to submit questions at any time. The FHN teams has provided answers to many of the questions submitted online and will continue that effort throughout the process. Most importantly, the FHN team held the neighborhood meetings for input from the community. These meetings were held at Discovery Canyon school campus (within 10 minutes of the FHN property). The groups that were invited and meeting dates are as follows:

- **FHN Filing 1 residents** - January 18, 2022
- **Cathedral Pines** - January 20, 2022
- **High Forest Ranch** - January 25, 2022
- **Black Forest area residents** - January 27, 2022

In total approximately 900 people were invited with invitation letters mailed to each residence. The main purpose of the meetings was for the FHN team to listen to concerns and comments. A short presentation was provided at each meeting. An opportunity to sign a petition against the development was also offered to all attendees. The applicant is submitting these signatures to the County so they are on record.

Throughout the four meetings various concerns and questions were voiced which are summarized below in the table.

MOST COMMON QUESTIONS/CONCERNS BY NEIGHBORS	HOW THE QUESTION/CONCERN IS BEING ADDRESSED
<i>WATER - Concerns with the availability of water and how this project might impact the Dawson aquifer wells.</i>	FHN will be served by a municipal water system, likely Cherokee Metro District or similar entity. Shallow wells are not the main source of water for FHN. Proof of sufficiency will have to be processed through the County and State at time of Preliminary Plan/PUD.
<i>DENSITY - Concern that the lots are too small and density is too high for this area.</i>	FHN is providing 2.5 acre lots in the forested areas next to the 2.5 acre lots in Cathedral Pines which is a good land use relationship. In other areas where adjacent estate lots exist, FHN is proposing 5 acre lots along the property line. Smaller lots are placed in the center of FHN buffered by lower densities and landscape buffers.
<i>APARTMENTS – concern that the Attached parcels will be apartments.</i>	FHN is not proposing apartments. The attached product will likely be single family attached only in the hotel complex area
<i>INFORMATION NOT DISCLOSED FOR FILING 1 RESIDENTS - Some FHN Filing 1 residents feel they were not told this could type of development could happen (i.e. was not disclosed).</i>	Filing 1 residents were informed of this potential development expansion through a disclosed document that was signed by each Filing 1 lot purchaser. It stated FHN could be annexed and higher density lots, commercial and potentially a hotel may be developed in the future.
<i>TRAFFIC – concern that this development will overload the existing roads</i>	FHN is aware some transportation improvements may be needed. Please see the Traffic Study for more detailed information.
<i>MILAM ROAD - Cathedral Pines resident expressed concern with Milam Road being extended into FHN creating significant traffic problems</i>	FHN is not proposing any changes to Milam Road extension, nor is any construction for Milam planned. The Milam alignment, requested by the County as part of Cathedral Pines traverses west of FHN on property not controlled/owned by FHN.
<i>HIGHWAY 83 – concern that this road cannot handle the additional traffic</i>	CDOT controls this road, not the developer, however FHN will cooperate with future improvements as needed.
<i>COUNTY PROCESS – there was some concern about the approval process for FHN</i>	The FHN team and County planners explained this project will follow the required approval process of Sketch Plan, PUD/Preliminary Plan and Plats.
<i>COUNTY MASTER PLAN COMPLIANCE – neighbors feel that the new County Master Plan is not being met with this proposal.</i>	As defined in this document the majority of the Sketch Plan Review Criteria is being met. FHN strongly believes and has demonstrated this project is in general compliance with most of the items in the new County Master Plan.
<i>COUNTY REGIONAL TRAIL - Desire to have the trail extended through FHN and be for public use</i>	FHN will extend the trail through the FHN to Hodgen Road. It will be for public use.
<i>POTENTIAL ANNEXATION - Concern if annexed to the City what would happen?</i>	FHN is processing through the County, however streets will be designed to City standards per the IGA agreement.
<i>FIRE - Concern with fire hazards with FHN and the area.</i>	FHN will provide a municipal water system which also provides fire hydrants throughout FHN.
<i>LIGHTING - Concern lighting from the hotel and development will be too bright causing light pollution</i>	FHN will comply with building regulations.
<i>OPEN SPACE – questions about how much open space is being provided</i>	FHN at time of completion will provide approximately 30% open space (includes the golf course) for the entire 1,459 acres. However, for the specific area proposed for expansion (912.5 acres and 1121 units) about 22% open space is provided. County requirement is only 10%.



Conclusion

The FHN proposal meets the majority of the County Review Criteria as described in this LOI and in this summary.

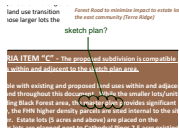
EL PASO COUNTY SKETCH PLAN REVIEW CRITERIA SUMMARY

REVIEW CRITERIA	DESCRIPTION
<i>A. The proposed subdivision is in general conformance with the goals, objectives, and policies of the Master Plan;</i>	Yes, the FHN subdivision is in <u>general conformance with the majority</u> of elements of the 2021 Master Plan.
<i>B. The proposed subdivision is in conformance with the requirements of this Code;</i>	Yes, FHN <u>will meet</u> the County Code and City standards for streets.
<i>C. The proposed subdivision is compatible with existing and proposed land uses within and adjacent to the sketch plan area;</i>	Yes, FHN <u>is compatible</u> with existing uses (and proposed) by placing 2.5 acres lots in forested areas next to Cathedral Pines and with large buffers and lower densities (5 acre lots) on the perimeter.
<i>D. The water supply report provides sufficient information to identify probable compliance with the water supply standards and identifies any need for additional water supplies;</i>	Yes, the FHN water supply report <u>does provide</u> the requested data. FHN <u>will be served by a municipal water system</u>.
<i>E. Services are or will be available to meet the needs of the subdivision including, roads, police and fire protection, schools, recreation facilities, and utility service facilities;</i>	Yes, services <u>are available</u> through current service Districts and with the creation of FHN Metro District and potentially Cherokee Metro District.
<i>F. The soil is suitable for the subdivision;</i>	Yes, per the Geotech Report the <u>soils are suitable</u> for development as proposed.
<i>G. The geologic hazards do not prohibit the subdivision, or can be mitigated;</i>	There are <u>NO geologic hazards</u> that would prohibit this development.
<i>H. The subdivision will not interfere with the extraction of any known commercial mining deposit.</i>	No, the FHN project <u>will not interfere with any extraction</u> of any known commercial mining deposit
<i>I. The design of the subdivision protects the natural resources or unique landforms;</i>	Yes, FHN design <u>protects natural resources and unique landforms</u> by placing the estate lots (2.5 acres) in the forested areas and in medium density areas major drainageways are protected in open space corridors.
<i>J. The proposed methods for fire protection</i>	Black Forest Fire District will serve this development. FHN provides a municipal water system (with fire hydrants).
<i>K. The subdivision is appropriate and the design is based on mitigating the constraints of topography, soil types, geologic hazards, aggregate resources, environmental resources, floodplain, airplane flight overlays, or other constraints.</i>	Yes, the FHN plan design and this LOI demonstrates how this development <u>is appropriate and mitigates</u> these listed items.



SKP-22-003 LOI_PCD Review_V2.pdf Markup Summary

Architect (5)



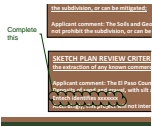
Subject: Architect
Page Label: 7
Author: Ryan Howser
Date: 9/7/2022 10:01:46 AM
Status:
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sketch plan?



Subject: Architect
Page Label: 26
Author: Ryan Howser
Date: 9/7/2022 12:08:19 PM
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I would recommend updating this area to only include the uses proposed in FHN. Hotel uses can be commercial - they are not single family dwellings.



Subject: Architect
Page Label: 37
Author: Ryan Howser
Date: 9/7/2022 3:47:07 PM
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Complete this



Subject: Architect
Page Label: 38
Author: Ryan Howser
Date: 9/7/2022 3:49:45 PM
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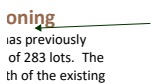
Not sure what is meant by this. The entire project is generally within the Black Forest community. Did you mean the actual treed area?



Subject: Architect
Page Label: 6
Author: Ryan Howser
Date: 9/7/2022 9:56:16 AM
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Not sure what is meant here

Arrow (1)



Subject: Arrow
Page Label: 8
Author: Ryan Howser
Date: 9/7/2022 10:07:14 AM
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Callout (1)



Subject: Callout
Page Label: 31
Author: Ryan Howser
Date: 9/7/2022 1:12:55 PM
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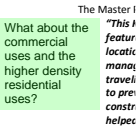
I do not believe adequate information has been provided to make a probable finding of water sufficiency. We need more data- how much capacity is CMD going to need, what improvements may be needed? The only information that we have at the moment is that there is not enough water and improvements are needed, but those potential improvements are not identified. I believe water is going to be a contentious issue and it would benefit you to ensure this argument is well made.

Text Box (2)



Subject: Text Box
Page Label: 8
Author: Ryan Howser
Date: 9/7/2022 10:07:10 AM
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This would be a good place to include the current entitlements and explain the net increase in density and number of lots from current approvals.



Subject: Text Box
Page Label: 18
Author: Ryan Howser
Date: 9/7/2022 10:13:53 AM
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What about the commercial uses and the higher density residential uses?