STERLING RANCH EAST FILING NO. 8 (FORMERLY FOURSQUARE AT STERLING RANCH) – 2ND PUDSP MINOR AMENDMENT AND CHANGE IN WATER SUPPLY

LETTER OF INTENT

AUGUST 2026

OWNER:
CLASSIC SRJ LAND, LLC
2138 FLYING HORSE CLUB DR.
COLORADO SPRINGS, CO 80921

APPLICANT:
CLASSIC SRJ LAND, LLC
2138 FLYING HORSE CLUB DR.
COLORADO SPRINGS, CO 80921

CONSULTANT:
N.E.S. INC.
ANN ODOM
619 N. CASCADE AVE. SUITE 200
COLORADO SPRINGS, CO 80903
719.471.0073
AODOM@NESCOLORADO.COM

SITE DETAILS:

TSN: PORTIONS OF 5200000573 & 5233000021

LOCATION: NW CORNER OF THE INTERSECTION OF STERLING RANCH ROAD & BRIARGATE PARKWAY

ACREAGE: 25.46 AC

CURRENT ZONING: PUD

CURRENT USE: VACANT

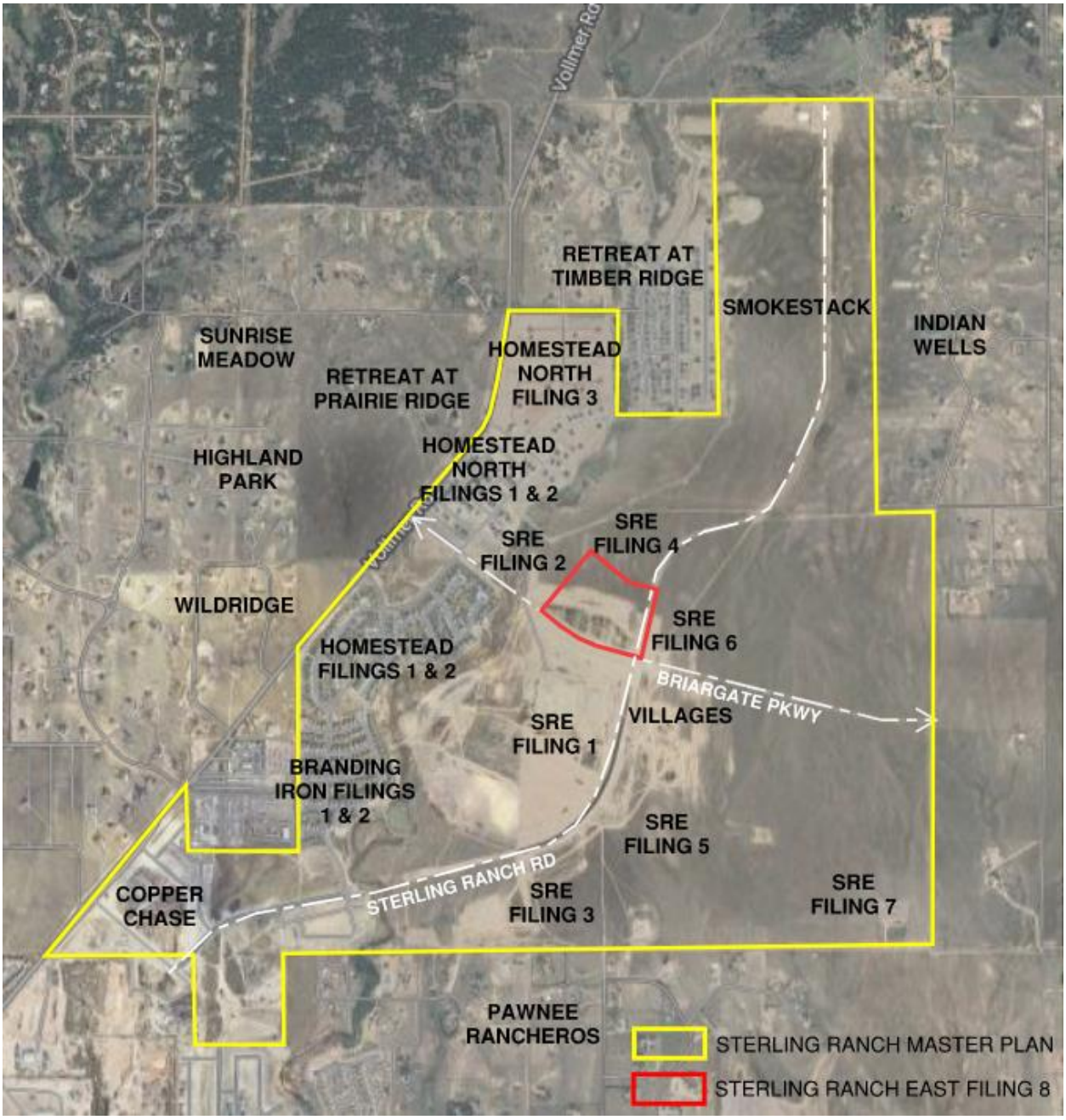
REQUEST

N.E.S. Inc. on behalf of Classic SRJ Land LLC requests approval of the following applications:

1. A Minor Amendment to the Sterling Ranch East Filing No. 8 PUD Development Plan/Preliminary Plan (PUDSP256); This amendment will modify the site layout to accommodate a different lot type on 76 of the 154 lots. The Amendment will revise the configuration of the residential lots, internal roadways, tracts, and reduce the open-space acreage from 5.93 acres to 5.19 acres.
2. Change in water supply for an increase in water needed for the reduced lot count. The water demand increases by 11.1% from the original approval

LOCATION

The Sterling Ranch East Filing 8 2nd PUDSP Minor Amendment includes 25.46 acres and is within the Sterling Ranch master planned community. The proposed project is on the northwest corner of the Briargate Pkwy and Sterling Ranch Road intersection. Sterling Ranch East filing 8 is adjacent to Sterling Ranch East Filing 2 to the west, Sterling Ranch East Filing 4 to the north, Sterling Ranch East Filing 6 to the east across Sterling Ranch Rd, and a future school site to the south across Briargate Pkwy.



PROJECT DESCRIPTION AND CONTEXT

The project proposes to amend the Sterling Ranch East Filing 8 PUDSP (formerly FourSquare at Sterling Ranch) to update the lot type on 76 of the 154 residential lots. The proposed amendment will maintain a total of 154 units and reduce the overall open-space from 5.93 acres to 5.19 acres. The overall layout has changed including lot and tract layout and the internal road configuration. The density remains the same as the previously approved PUDSP at 6.05 du/ac. As this amendment does not modify lot count, it is still comfortably within the 5-8 du/ac range designated in the approved Sterling Ranch Sketch Plan.

The proposed amendment will allow for one product type where there were previously two. The new PUDSP will only include a small lot detached single-family product with a more traditional layout than the previously approved FourSquare product. The minimum lot size for this product is 3,500 sf. All units will have direct access to a public street and will include 2 off-street parking spaces. This amendment eliminates the need for a previously approved PUD modification which allowed 76 lots for the FourSquare product gain access from a shared driveway rather than a public street.

Sterling Ranch East Filing 8 maintains the extension of Sterling Ranch Road from its intersection with Briargate Parkway to Idaho Falls Drive, which will be the primary access into the community. One of the internal roads, Salt Lake Way, is being removed with this amendment. The internal east/west road Estes Park Path has been extended to connect from Boulder City Drive to the west all the way to Rio Rancho Trail to the east. Pagosa Springs Place has been revised from a north/south alignment to an east/west alignment. It is contiguous from Boulder City Drive to Rio Rancho Trail.

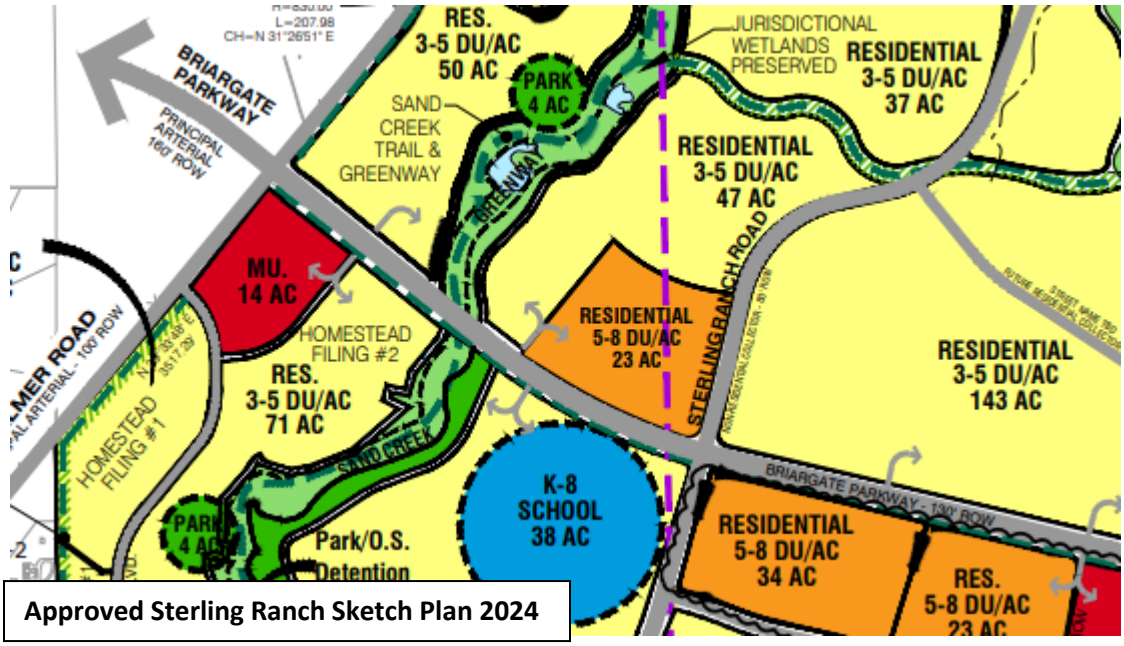
The total open-space will be slightly reduced from 5.93 acres to 5.19 acres with this amendment. While the total acreage is less, the individual compact lots will have larger yards than the previous Four-Square lots. The reconfigured open-space will be central to the development and connected by a 5’ concrete trail. PUDs require 10% of the total site area to be open space, and 25% of the open space must be contiguous. To meet the PUD requirements, the project must include at least 2.54 acres of open space with 27,725 sf of contiguous open space. The total proposed open space is 5.19 acres which is 20.4% of the total site area and Tract G is 35,105 sf which is 31.6% of the required open space.

A finding of water sufficiency was approved with the previously approved FourSquare PUDSP. The Minor Amendment proposes an increase in water demand due to an adjustment of passive irrigation needs and an increase in lot size. The increase is 11.1% of what was previously approved.

SKETCH PLAN CONSISTENCY:

The Sterling Ranch Sketch Plan for 4,800 dwelling units on 1,444 acres was approved in November of 2024. The approved Sketch Plan identifies the area as residential with a density of 5-8 du/acre.

The Sterling Ranch East Filing 8 PUDSP amendment will result in a gross residential density of 6.05 du/ac, which is consistent with the densities on the approved Sterling Ranch Sketch Plan.



Approved Sterling Ranch Sketch Plan 2024

COMPATIBILITY/TRANSITIONS:

Sterling Ranch has been intentionally designed to concentrate the higher density residential and more intense uses along the major arterials and intersections. In this part of Sterling Ranch East, the primary intersection is Briargate Parkway and Sterling Ranch Road. The location of the higher density Sterling Ranch East Filing 8 at the northwest quadrant of this intersection provides a buffer and transition from the lower density detached single family proposed in Sterling Ranch East Phase 1 to the north and east to the major arterial street of Briargate Parkway. The compact detached single-family product will be compatible with proposed 35-acre K-8 school site immediately south of Briargate Parkway. East of Sterling Ranch East Filing 8 lies a 6.78-acre regional detention pond, which transitions to lower density single-family residential in Sterling Ranch East Filing 6 to the east. The proposed Villages at Sterling Ranch East is located in the southeast quadrant of Briargate Parkway and Sterling Ranch Road intersection, which is a similar density to Sterling Ranch East Filing 8.

ACCESS AND TRAFFIC: One full-movement access is proposed to connect to Idaho Falls Drive (Urban Local) and three full movement access points are proposed to connect to Boulder City Drive (Urban Local). The intersection of Idaho Falls Drive/Sterling Ranch Road is planned to be a full-movement stop-sign-controlled intersection and the intersection of Briargate Parkway/Boulder City Drive is planned to be restricted to three-quarter movement (left-in/right-in/right-out only).

Sterling Ranch East Filing No. 8 is projected to generate about 1,400 new external vehicle trips on the average weekday, with about half entering and half exiting the site during a 24-hour period. During the morning peak hour, about 29 vehicles would enter and 79 vehicles would exit the site. During the afternoon peak hour, about 89 vehicles would enter and 54 vehicles would exit the site.

Levels of Service:

- Some of the movements at the intersections of Briargate/Vollmer (#5), Marksheffel Road/Vollmer Road (#12) and Marksheffel Road/Sterling Ranch Road (#13) are projected to operate at LOS E or LOS F during the peak hours, if they remain stop-sign controlled in the short-term future. Once signalized, all movements at these intersections are projected to operate at LOS D or better, based on the projected short-term and 2045 total traffic volumes.
- The intersection of Briargate/Sterling Ranch is projected to operate at a satisfactory level of service as a stop-sign-controlled intersection in the short-term future. By 2045, this intersection will likely need to be converted to traffic-signal control. As signalized intersections, all movements are projected to operate at LOS D or better during the peak hours, based on the projected 2045 total traffic volumes.
- The intersection of Sterling Ranch Road/Boulder City Drive (#102) is projected to operate at an acceptable level of service as a stop-sign-controlled three-quarter movement (left-in/right-in/right-out only) intersection.
- The intersection of Sterling Ranch Road/ Idaho Falls Drive (#308) is projected to operate at an acceptable level of service as a stop-sign-controlled full-movement intersection.

Recommended Improvements

- Based on the short-term and 2045 total traffic volumes shown in Figures 11b and 12b of the report and the criteria contained in the El Paso County Engineering Criteria Manual (ECM) a northeast-bound left-turn lane on Sterling Ranch Road approaching Idaho Falls Drive. A center painted median is part of the standard Urban Minor Collector cross section.
- Based on the short-term and 2045 total traffic volumes shown in Figures 11b and 12b of the report and the criteria contained in the ECM an eastbound left-turn lane and a westbound right-turn deceleration lane are required on Briargate Parkway approaching Boulder City Drive. Note that both of these lanes have already been constructed.

AIR QUALITY: The proposed residential use will not negatively impact air quality. The proposed development is located within a developing area with convenient access to Vollmer Rd, E Woodmen Rd, and Highway 24, providing shorter travel time to employment and commercial facilities.

NOISE: Chapter 8.4.2(B)(2)(b)(ii) of the Land Development Code states that noise mitigation shall be required for single-family and duplex residential subdivisions, which contain lots that will be individually owned, and are located adjacent to expressways, principal arterials or railroads. Mitigation shall reduce the existing or projected exterior noise levels to 67 dBA Leq. A noise study to determine the area of potential impact is required where a subdivision includes or borders an expressway, principal arterial or railroad.

No site-specific noise study was undertaken for Sterling Ranch East Filing 8 as a Noise Impact Study was undertaken for Homestead North, which is located immediately adjacent to Briargate Parkway. Because of the short proximity between Homestead North at Sterling Ranch and Sterling Ranch East Filing 8, the same study was utilized and noise mitigation recommendations are proposed to be implemented.

The Homestead North Noise Impact Study recommended a minimum 6-foot-high noise barrier along Briargate Parkway arterial road to reduce noise levels in the adjacent proposed development below 67 decibels. Based on this previous recommendation, a 6' concrete panel noise wall is proposed along the rear of the lots backing to Briargate Parkway. Sterling Ranch Road does not require noise mitigation as it is classified as a collector, but the 6' concrete panel noise wall is continued along Sterling Ranch Road screening for privacy and to provide a consistent development identify. A detail of the 6' concrete panel wall is provided in the PUDSP plan set.

WATER: Sterling Ranch East Filing 8 PUD and Preliminary Plan update includes 154 lots which fall into high-density development ratios for small lots, and roughly 7.35 annual acre-feet of water set aside for irrigated landscaping. This report updates the PUD from the previous ratio of 113 lots ≤3500 square feet (SF) and 41 lots ≤7000 SF to all 154 lots ≤7000 SF. All 154 lots of Filing 8 will be served by central water and sewer services.

The resulting water demand on the central water system is 56.33 acre-feet. This commitment is a constitutes an 11.1% increase from the previously submitted preliminary plan commitment letter dated November 3rd, 2022, for the above preliminary plan known as Sterling Rach East Filing No 8 PUD and Preliminary Plan formerly known as Foursquare at Sterling Ranch PUD and Preliminary Plan.

The total 300-year water supply for FAWWA is shown in Table 3 and totals 1960.33 annual acre-feet 300-year, Appendix F is an accounting of active water commitments, which total 1,250.69 acre-feet including all subdivisions committed through October 19, 2026.

This leaves a net excess of currently available water of 709.64 AF300 year. Therefore, there is more than sufficient water supply to meet the needs of Sterling Ranch East Filing 8 PUD and Preliminary Plan on the 300-year basis.

Highlights of this revision:

- Change in total lots from 158 lots to 154 lots
- Change in outdoor irrigation from 3.56-acre feet per year to 7.35-acre feet per year

WASTEWATER: The wastewater commitment is for 26,488 gal/day on an average daily- maximum monthly basis. Sufficient supply is available as demonstrated by the water and sewer service commitment letter. The loading projected from this preliminary plan represents roughly .0786% of the contractual capacity available to FAWWA. FAWWA therefore has more than adequate wastewater treatment capacity to provide service to this preliminary plan area. Public sewage disposal is further addressed in the Wastewater Report prepared by JDS Hydro in October 2022.

Including all commitments to date, (October 19th, 2026) and including Sterling Ranch East Filing 8 Final Plat (Formerly Foursquare at Sterling Ranch PUD), which has already been committed within the

Foursquare at Sterling Ranch PUD letter dated October 20th, 2022, in the current committed capacity is for 2,994 SFE which is 59.87 % of FAWWA contractual treatment capacity.

OTHER UTILITIES: The site is within the service area of Mountain View Electric Association, Inc. for electricity supply, and within the service area of Colorado Springs Utilities for natural gas supply. Will serve letters are included with this submittal. The number of units is consistent with the previous approval so the will-serve status remains.

DRAINAGE: The drainage improvements associated with the Sterling Ranch East Filing No. 8 PUDSP are consistent with the Master Development Drainage Plan for Sterling Ranch. A Final Drainage Report was prepared for this site and is included in this submittal. A full spectrum regional detention pond is provided in Tract C of Sterling Ranch East Filing 6.

The development of the proposed site does not significantly impact any downstream facility or property to an extent greater than that which currently exists in the pre-development conditions. All drainage facilities within this report were sized according to the Drainage Criteria Manuals and the full-spectrum storm water quality requirements.

FLOODPLAIN: This site is not within a designated F.E.M.A. Floodplain as determined by the flood insurance rate map, community panel number 08041CO533G, effective December 7, 2018.

WILDLIFE: In general, the site provides moderate to poor quality habitat for wildlife. No State-listed or State sensitive species were observed on the site. The site is not suitable habitat for any Federally-listed threatened and endangered species. The site provides moderate quality habitat for some grassland and woodland wildlife, including birds, mammals, reptiles, and possibly amphibians. The expected impact from site development to grassland species is classified as relatively low and to woodland species as moderately low.

WILDFIRE: The primary wildland fuel type is dry climate grassland. The Colorado State Forest Service has determined a moderate wildfire hazard potential for the site. The fire intensity scale is moderate. Development of the site will reduce available wildfire fuels in this area.

GEOLOGIC HAZARDS: The Soils, Geology, and Geologic Hazard Study prepared by Entech Engineering Inc included in this submittal found that the site is generally suitable for development. Some areas of the proposed subdivision have been found to be impacted by geologic conditions, which will impose some constraints to development. Hazards observed include artificial fill, collapsible soils, expansive soils, areas of erosion, groundwater, potential unstable slopes, and radon. Suggestions for mitigation are included in the Soils, Geology, and Geologic Hazard Study.

In areas of high groundwater, foundations must have a minimum 30-inch depth for frost protection. Subsurface perimeter drains are recommended to help prevent the intrusion of water into the areas below grade, where high subsurface moisture conditions are anticipated periodically. Any grading in these areas should be done to direct surface flow around construction to avoid areas of ponded water. A minimum separation of 3 feet between foundation components and groundwater is recommended. All proposed structures will have crawlspaces, there are no proposed basements in this development.

SCHOOLS: The eastern portion of the Sterling Ranch East Filing No. 8 PUDSP area is within School District 49. The western portion is within School District 20. Land for schools within both school districts is to be dedicated with the various phases of the Sterling Ranch development to meet the needs of this growing part of the community. This includes a School District 20 K-8 school directly south of the development, a School District 20 elementary school to the southwest and a School District 49 site to the west.

TRAILS AND OPEN SPACE:

Sterling Ranch East Filing No. 8 provides 5.19 acres of open space including multiple tracts in the center of the development that will connect by a 5' concrete trail. PUDs require 10% of the total site area to be open space, and 25% of the open space must be contiguous. To meet the PUD requirements, the project would need to include 2.54 acres of open space with 27,725 sf of contiguous open space. The proposed open space is 20.4% of the total site area and Tract G is 35,105 sf which is 31.6% of the required open space. All roadways include pedestrian sidewalks and connections to the Sterling Ranch parks and trails system, including Sand Creek Regional Trail. Parks and trails will be owned and maintained by the Sterling Ranch Metro District.

DISTRICTS/ENTITIES SERVING THE PROPERTY:

The following districts will serve the property:

- Academy School District 20
- Falcon School District 49
- Mountain View Electric Association
- Colorado Springs Utilities – Natural Gas
- Sterling Ranch Metro District
- FAWWA – water and wastewater
- Black Forest Fire Protection District No. 3

RELATIONSHIP TO THE ADOPTED COUNTY MASTER PLANS

YOUR EL PASO MASTER PLAN

The new County Master Plan denotes the site as a suburban residential placetype, which consists of predominantly single-family homes up to a density of 5 du/ac, with supporting uses including attached single-family, multi-family, neighborhood commercial, and parks. The Sterling Ranch East Filing No. 8 PUDSP proposes higher density single-family detached residential units, which are similar in size and function to attached-single family residential and is therefore consistent with the intent of this placetype.

This area is located within a priority development area and is denoted as a "new development area" on the Areas of Change map. New development areas take place on largely undeveloped land adjacent to built-out areas. The compact detached single-family residential products are designed to integrate with and compliment adjacent development.

The PUD Preliminary Plan is consistent with Core Principle 1, Land Use and Development, which seeks to "manage growth to ensure a variety of compatible land uses that preserve all character areas of the

county," in addition to goal 1.1, "ensure compatibility with established character and infrastructure capacity."

It is also consistent with Core Principle 2, Housing & Communities, which seeks to "preserve and develop neighborhoods with a mix of housing types", as well as Goal 2.1 to "Promote development of a mix of housing types in identified areas."

WATER MASTER PLAN

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

Goal 6.0 – Require adequate water availability for proposed development.

Policy 6.0.8 – Encourage development patterns and higher density, mixed use developments in appropriate locations that propose to incorporate meaningful water conservation measures.

Policy 6.0.11– Continue to limit urban level development to those areas served by centralized utilities.

Water, wastewater, storm water will be provided by Falcon Area Water and Wastewater Authority (FAWWA). All Sterling Ranch Metro District assets will be allocated to FAWWA. The Sterling Ranch East Filing No. 8 PUDSP amendment includes 154 lots which fall into high-density development ratios for small lots, and roughly 7.35 annual acre-feet of water set aside for irrigated landscaping. This report updates the PUD from the previous ratio of 113 lots ≤3500 square feet (SF) and 41 lots ≤7000 SF to all 154 lots ≤7000 SF. All 154 lots of Filing 8 will be served by central water and sewer services.

The resulting water demand on the central water system is 56.33 acre-feet. This commitment is a constitutes an 11.1% increase from the previously submitted preliminary plan commitment letter dated November 3rd, 2022, for the above preliminary plan known as Sterling Rach East Filing No 8 PUD and Preliminary Plan formerly known as Foursquare at Sterling Ranch PUD and Preliminary Plan.

The total 300-year water supply for FAWWA is shown in Table 3 and totals 1960.33 annual acre-feet 300-year, Appendix F is an accounting of active water commitments, which total 1,250.69 acre-feet including all subdivisions committed through October 19, 2026. This leaves a net excess of currently available water of 709.64 AF300 year. Therefore, there is more than sufficient water supply to meet the needs of Sterling Ranch East Filing 8 PUD and Preliminary Plan on the 300-year basis.

The project is located within region 3, Falcon Area, containing 4 growth areas projected to be completed by 2040, three areas to be completed by 2060, and two other growth areas located on the north and south sides of Falcon Highway directly east of Falcon. Specifically, the Water Master Plan states:

"Region 3 contains four growth areas west of Falcon projected to be completed by 2040. Other areas of 2040 growth are projected for the north-central part of the region west of Highway 24 extending from Falcon to 4-Way Ranch. North of Falcon along Highway 24, growth is projected by 2060 on both sides of the highway. Just west of Falcon, another small development is projected by 2060 on the north and south sides of Woodmen Road. On the east side of Highway 24, three separate areas of growth are projected for development by 2060, with the largest of the three

spanning from south of Judge Orr Road to east of Peyton Highway into Region 4c. This development will likely consist of 35-acre lots that will require individual wells to use Denver Basin groundwater. The other two growth areas will be located on the north and south sides of Falcon Highway directly east of Falcon."

Region 3 has a current water supply of 7,164-acre feet per year and a current demand of 4,494-acre feet per year. The 2040 water supply is projected to be 7,921-acre feet per year and the project demand is 6,403-acre feet. The 2060 water supply is projected to be 8,284-acre feet per year and the projected demand is 8,307-acre feet.

2045 MAJOR TRANSPORTATION CORRIDOR PLAN

The 2045 Functional Classification map shows the extension of Briargate Parkway/Stapleton Drive as a new 4-lane principal arterial roadway connection through Sterling Ranch.

EL PASO COUNTY PARKS MASTER PLAN

The Parks Master Plan does not identify any proposed parks or candidate open space on this site or in the vicinity. A 29.8-acre community park is included as part of Sterling Ranch East Phase 1. The Trails Master Plan map identifies a proposed Regional Trail adjacent to Sand Creek through Sterling Ranch. This has been accommodated in the Sterling Ranch filings already approved or in progress on the west side of the creek. There are no proposed regional trails in this portion of Sterling Ranch.

Sterling Ranch East Filing 8 includes a total of 5.19 acres of open space, including multiple open space tracts connected by a 5' concrete trail. This trail connects to adjacent sidewalks and provides connectivity to the Sterling Ranch Parks and Trails including the proposed regional trails and community park adjacent to Sand Creek.

PROJECT JUSTIFICATION

Chapter 4.2.6.E of the LDC allows the combination of a preliminary plan with a PUD development plan, provided all review and approval standards for both the PUD development plan and preliminary plan are met.

Actions Amending a PUD Zoning District – Chapter 4.2.6

- The Planning and Community Development Director may approve a minor amendment to an approved PUD which is determined will have no foreseeable effect beyond the property boundary, such as minor changes in the siting of buildings, changes to landscape features in the interest of public safety, or the alignment of utilities and the alignment of interior roadways and parking areas. No such changes shall significantly increase the size or height of structures, significantly reduce the efficiency or number of public facilities serving the PUD, significantly reduce or increase parking areas, or significantly encroach on natural features proposed by the plan to be protected.

  The proposed project will not have any off-site impacts beyond what was approved with the original application. The proposed project maintains 154 dwelling units which is consistent with the previous approval. The configuration of 76 of the lots will change from the Four Square packs with shared driveways to a more traditional single-family layout. The open-space is reduced from 5.93 acres to

5.19 acres which is a 12% reduction. The required PUD open-space it still being exceeded with this plan. Minor changes to the internal road network are also proposed but will not impact the surrounding road network or site access functionality. Traffic impacts, density, and maximum building height all remain the same.

Substantial Change in Water Supply – 8.4.7(E)(2)

Administrative Determination of Whether Change is Substantial. The administrative determination whether the change in water supply is considered substantial shall be made by the PCD Director, in consultation with CAO and County staff. Factors to consider in this determination include, but are not limited to:

- The percent increase or decrease in water demand or water availability; or

  The proposed project will increase water demand from 50.73 acre-feet to 56.33 acre-feet which is an 11.1% increase from the original approval. While the number of units decreased, additional water is needed for passive irrigation in the tracts throughout the subdivision.

- The absolute quantity increase or decrease in the water demand or water availability

  The proposed project will increase water demand from 50.73 acre-feet to 56.33 acre-feet which is a 5.6 acre-feet increase. While the number of units decreased, additional water is needed for passive irrigation in the tracts throughout the subdivision.