

STERLING RANCH PHASE 2 PRELIMINARY PLAN

LETTER OF INTENT

~~JULY, 2020~~ REVISED MAY 2021

OWNER/APPLICANT: SR Land 20 Boulder Crescent St. Suite 102 Colorado Springs, CO. 80903	OWNER Challenger Communities LLC. 8605 Explorer Dr. Suite 250 Colorado Springs, CO. 80920	OWNER: Vollmer Road LLC./Pioneer 5000 Northpark Dr. Colorado Springs, CO. 80918	CONSULTANT: N.E.S. Inc. 619 N. Cascade Ave. Suite 200 Colorado Springs, CO. 80903
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REQUEST

SR Land, LLC. requests approval of the following applications:

1. A Preliminary Plan for Sterling Ranch Phase 2; a 212-unit single-family development on 74.62 acres, 8 tracts for landscaping, drainage, utilities, approximately 2.5-acre (Tract H) for future ROW, and approximately 3.9-acre (Tract F) site for future commercial.
2. A request for Early Grading and Metro District Improvements for the eastern portion of Phase 2 located south of Sterling Ranch Road upon staff approval of Preliminary Plan. (LDC Chapter 6.2.6 Pre-Development Site Grading)
3. A request for approval of a deviation to the knuckle design to reduce the minimum dimension from 40 feet to 26 feet.
4. Administrative Approval of Final Plats.
5. A request for a finding of Water Sufficiency.

LOCATION

Sterling Ranch Phase 2 is located generally in the southwest portion of Sterling Ranch along Sterling Ranch Road and east of Marksheffel Road. Phase 2 consists of the properties located north and south of Sterling Ranch Road and west of Sand Creek.



Trails and Open Space: The Preliminary Plan includes approximately 21 acres of interconnected trails and open space. Including Open Space along Sand Creek providing a regional trail connection. This system of trails and open space is intended to provide a comprehensive off-street pedestrian circulation system to supplement the standard sidewalks along streets. The 5 tracts containing trails and open space will be maintained by the Sterling Ranch Metropolitan District.

Traffic: A Traffic Impact Analysis was prepared by LSC Transportation Consultants, Inc. for the entirety of the Phase One Preliminary Plan (*Sterling Ranch Phase One, Traffic Impact Analysis, February 2015*). A Traffic Impact Study (*Sterling Ranch Filing No. 2 and Sterling Ranch Phase 2 Traffic Impact Study, May 2021*) has been prepared in support of Filing No. 2 and Phase 2, which incorporates subsequent analysis related to Sterling Ranch Filing No. 1, Homestead at Sterling Ranch, Branding Iron at Sterling Ranch Filings, and Sterling Ranch Phase 2.

Filing No. 2 includes the construction of Marksheffel Road between Vollmer Road and Sterling Ranch Road, and Sterling Ranch Road will be constructed from Marksheffel Road to Dines Boulevard, thereby connecting it to the southern point of Filing No. 1. These connections are anticipated to be constructed in the spring of 2021. Previous Deviations were approved for intersection spacing between Marksheffel and Sterling Ranch Boulevard, for the inclusion of meandering sidewalks, and for the cross-section of Sterling Ranch Road. It is anticipated Marksheffel will be designed to the City of Colorado Springs cross section and eventually be owned and maintained by the City per an IGA currently being drafted. Access to Phase 2 is provided by three access points off of Sterling Ranch Road.

Deviations: A request for approval of a deviation to the knuckle design to reduce the minimum dimension from 40 feet to 26 feet. Adherence to the standard would create excessively wide and deep lots inconsistent with the intent of the current urban-lot zoning. The deviation does not adversely impact the public. The traffic in the areas where the knuckles are proposed is minimal and the design is anticipated to have design speeds of less than 25 miles per hour.

Drainage: Detention facilities to be constructed with Sterling Ranch Filing No. 2 will serve this area. The drainage improvements associated with Phase 2 are consistent with the Master Development Drainage Plan and Preliminary Drainage Report for Sterling Ranch Phase One. The drainage improvements are designed to the most current El Paso County Engineering Criteria Manual, the Sand Creek Drainage Basin Study, the City of Colorado Springs/El Paso County Drainage Criteria Manual, and the Urban Storm Drainage Criteria Manual.

Utilities: The property is located within the boundaries of Sterling Ranch Metropolitan District No. 2. water, wastewater, storm water and park/recreational services will be provided by Sterling Ranch Metropolitan District No. 1 pursuant to an intergovernmental agreement with Sterling Ranch Metropolitan District No. 2.

Mountain View Electric Association, Inc. will supply electricity service and Colorado Springs Utilities will supply natural gas.

Roads: Road improvements for Sterling Ranch Road and Marksheffel Road are included in Sterling Ranch Filing 2. The Preliminary Plan interior roadways will be constructed as part of their respective filings.

Geologic Hazards: The site was found to be suitable for development with proper mitigation techniques. Some areas of the proposed subdivision have been found to be impacted by geologic conditions. These conditions impose some constraints on development, which can be mitigated by avoidance, regrading or through proper engineering design and construction methods. A map of the hazard areas and proposed mitigation measures can be found in the Geohazard Evaluation Report prepared by Entech Engineering Inc., dated May 4, 2021. Wetlands have been identified to be mitigated as outlined in the Compensatory Mitigation Plan prepared by Bristlecone Ecology.

Floodplain: The eastern portion of this Preliminary Plan area, adjacent to Sand Creek, is mapped within Zone A of the FEMA Floodplain Map No. 08041C0533G, dated December 7, 2018. The remainder of the Preliminary Plan area is within Zone X, which is determined to be outside the 500-year floodplain. There are no lots shown within the floodplain.

Wetlands: The Sand Creek drainageway and jurisdictional wetlands were identified on the original 2008 Sketch Plan and preserved as a natural feature. The corridor is incorporated as part of the open space system and an extension of the Sand Creek Trail. This Phase of development will not impact the main Sand Creek Channel. The western tributary within the property will be lost. To mitigate the loss, the preferred method of mitigation is the watershed approach, as outlined in the Compensatory Mitigation Plan prepared by Bristlecone Ecology, dated June 2020. Which outlines the requirements for re-establishing the wetlands adjacent to the Sand Creek Channel.

Wildlife: Wildlife that has been viewed on the site and surrounding areas include prairie dogs, coyotes, pronghorn antelope, western meadowlarks, sparrow and several species of hawks including red tail. Prairie voles, mice and prairie dogs are the typical rodent population in the area. As development occurs within Sterling Ranch, care will be taken to minimize human and wildlife conflicts within reasonable limits.

Wildfire: The primary wildland fuel type is grassland with scattered trees. The Colorado State Forest Service has determined a low wildfire hazard potential and no specific fire mitigation plans or other actions are necessary.

Districts Serving the Property:

- Academy School District 20
- Mountain View Electric
- City of Colorado Springs Utilities – Gas
- Black Forest Fire Protection District
- Sterling Ranch Metropolitan District No. 2
- El Paso County Conservation District
- Pikes Peak Library District

PROJECT JUSTIFICATION

The relevant County Plans for Sterling Ranch are the County Policy Plan, the Falcon-Peyton Small Area Plan, the Black Forest Preservation Plan, and the Water Master Plan. A detailed analysis of the

relationship of the Sterling Ranch Sketch Plan and the goals and objectives of these plans was previously provided with the Sketch Plan, and Zoning submittals with findings of consistency having been. These include the provision of adequate buffers and transitions from lower, rural density residential development, the provision of adequate urban services by Sterling Ranch Metropolitan District, an interconnected system of trails, open spaces and neighborhood parks, and the preservation of open space.

Sterling Ranch Phase 2 is consistent with the approved Sketch Plan and Zoning. As there have been no changes to the relevant County Plans since these approvals, the Preliminary Plan continues to be in compliance with the County Master Plan, the Black Forest Preservation Plan, and the Falcon-Peyton Small Area Plan as discussed below. The Phase 2 plan is consistent with the Water Master Plan and preserves the Sand Creek Greenway and has clustered development outside of the preservation area.

County Policy Plan

The following County Policies are relevant to the requested Preliminary Plan:

- **Policy 6.1.11:** Plan and implement land development so that it will be functionally and aesthetically integrated within the context of adjoining properties and uses.
- **Policy 6.4.4:** Encourage new rural residential subdivisions to be located within or contiguous with existing rural residential areas or to be incorporated as a buffer between higher density and undevelopable areas.
- **Policy 13.1.1:** Encourage a sufficient supply and choice of housing at varied price and rent levels through land development regulations.
- **Policy 13.1.2:** Support the provision of land use availability to meet the housing needs of county residents.

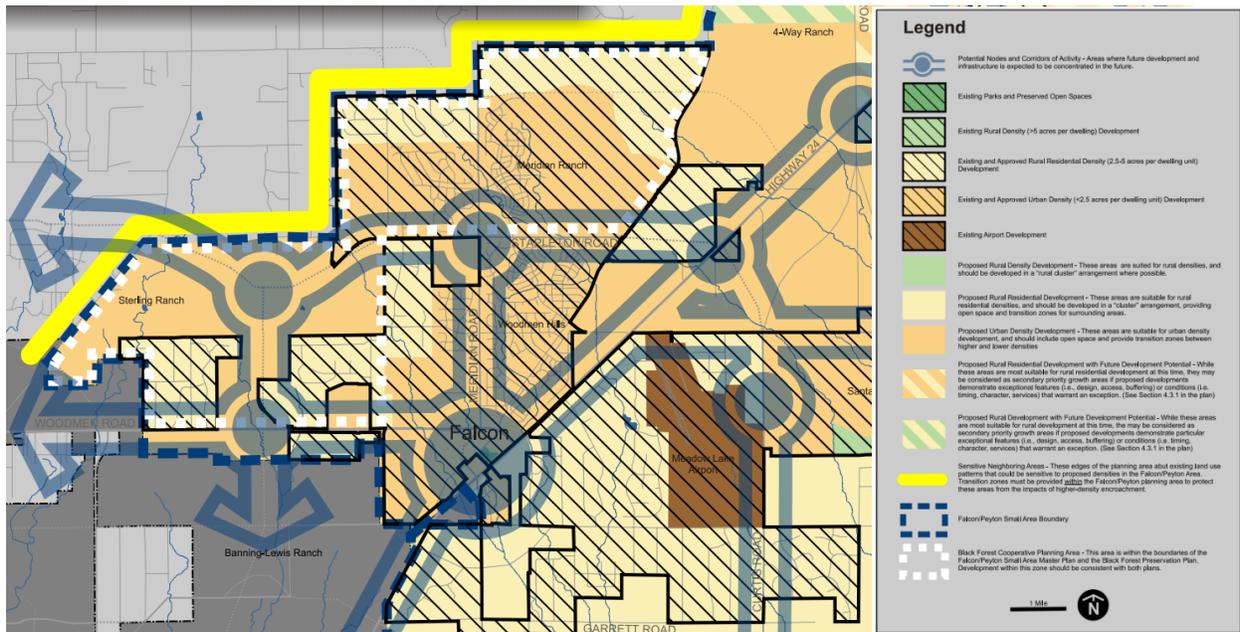
The project is consistent with the policies of the County Plan which encourages contiguous new development that is contiguous with existing residential and is incorporated as a buffer between varying densities and housing types. The plan provides for another option of housing densities and types. Buffers are provided in the form of tracts with landscaping and open space along the perimeter of the project. The plan provides for additional single-family lots for much needed housing in the County.

Falcon Peyton Small Area Plan

The site is in an area identified as “Proposed Urban Density Development” specifically defined as an area suitable for urban density development. The proposed development directly supports this identification and the following goals and policies of the small area plan.

- 3.1.1 Provide a **balance of land uses** that respects existing and historical patterns while providing opportunities for future residents and businesses.
- 3.3.1 Encourage **diversity and variety in housing** types, sizes, locations, and prices to meet the needs of existing and new residents.
- 3.3.2 Promote **predictable growth** in the housing market that is consistent with the Small Area Master Plan.

- 3.3.4 Meet the **housing needs** of as many existing and new residents of differing ages, incomes, and desired living accommodations.



Black Forest Preservation Plan

The Sterling Ranch Phase 2 area is located within the Southern Transitional Area also identified as the Cooperative Planning Area. Adequate services including water wastewater, electric, natural gas, roadways, and fire protection have been identified. The site provides an additional housing option and appropriate densities to transition from the existing rural residential and the future development of the area.

Water Master Plan

- *Goal 1.1 – Ensure an adequate water supply in terms of quantity, dependability and quality for existing and future development.*
- *Goal 3.1 – Promote cooperation among water providers to achieve increased efficiencies on infrastructure.*
- *Goal 3.2 – Promote cooperation among water providers to achieve increased efficiencies on treatment.*
- *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.*
- *Goal 5.1 – Identify the potential water supply gap at projected full development build-out (2060).*
- *Goal 5.4 – Promote the long-term use of renewable water.*
- *Goal 5.5 – Identify any water supply issues early on in the land development process.*
- *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.*

Sterling Ranch Metro District has sufficient supply and infrastructure in the area to serve this development. The total current commitment of the existing Sterling Ranch water supply is 592.89 annual acre feet. The total Sterling commitments stand at 453.10 annual acre-feet.

The Sterling Ranch System includes both decrees and determinations. Local groundwater rights are associated with three service area portions; Sterling Ranch, The Retreat, and The Ranch. The system includes a central system and some well and septic systems. The Water Resources Report primarily focuses on the central supply and does not include the 41 rural style lots in the Retreat served by wells in the calculations.

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. See Figure 5.5 for Region 3 growth map projections.”

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.

The Sterling Ranch System is expected to serve 3,710 single-family equivalent (SFE) homes in the year 2040 requiring 1,310 annual acre-feet. In the year 2060 the system is expected to serve 7,310 single-family equivalent homes requiring 2,580-acre feet per year.

In order to meet future demands, contractual arrangements have been made to obtain additional legal and physical supply including contracts with McCune Water SR Water LLC. And the Bar X Water. In addition to adding off-site sources, additional priority is to acquire and invest in additional renewable water supplies. Future supply has been contracted for and implementation is under way. A substantial amount of Not Non-tributary water is available on the Sterling Ranch site and is the purpose of a pending augmentation plan.

The Sterling System has opportunity to connect with both the Cherokee Metro District and Woodmen Hills Metro District storage and delivery facilities. Sterling wastewater is discharged into the Meridian System which in turn has potential to convert some reusable flows to available physical supplies.

Preliminary Plan Review Criteria Chapter 7.2.1.D.2.e

1. THE PROPOSED SUBDIVISION IS IN GENERAL CONFORMANCE WITH THE GOALS, OBJECTIVES, AND POLICIES OF THE MASTER PLAN;

Phase 2 lies within the Falcon-Peyton Small Area Plan identifying the area as proposed Urban Density Development and this is consistent. As stated previously, the Sketch Plan was thoroughly analyzed in its relationship to the County Plans and no changes have been made to these plans or the Phase 2 area. The project is consistent with the Water Master Plan as discussed previously.t

2. THE SUBDIVISION IS CONSISTENT WITH THE PURPOSES OF THIS CODE;

The stated purpose of the Code is to preserve and improve the public health, safety and general welfare of the citizens and businesses of El Paso County. Land use compatibility with this purpose is determined through zoning. This subdivision is consistent with the RS-5000 zoning and the approved Sketch Plan. The project is consistent with the code with the exception of the requested deviations to the knuckle design.

3. THE SUBDIVISION IS IN CONFORMANCE WITH THE SUBDIVISION DESIGN STANDARDS AND ANY APPROVED SKETCH PLAN;

The subdivision design standards are met and the subdivision is consistent with the approved Sterling Ranch Sketch Plan.

4. A SUFFICIENT WATER SUPPLY HAS BEEN ACQUIRED IN TERMS OF QUANTITY, QUALITY, AND DEPENDABILITY FOR THE TYPE OF SUBDIVISION PROPOSED, AS DETERMINED IN ACCORDANCE WITH THE STANDARDS SET FORTH IN THE WATER SUPPLY STANDARDS [C.R.S. §30-28-133(6)(A)] AND THE REQUIREMENTS OF CHAPTER 8 OF THIS CODE;

A sufficient water supply is available as demonstrated by the water supply commitment letter provided by Sterling Ranch Metropolitan District and the Water Resources Report provided by JDS Hydro.

5. A PUBLIC SEWAGE DISPOSAL SYSTEM HAS BEEN ESTABLISHED AND, IF OTHER METHODS OF SEWAGE DISPOSAL ARE PROPOSED, THE SYSTEM COMPLIES WITH STATE AND LOCAL LAWS AND REGULATIONS, [C.R.S. §30-28-133(6) (B)] AND THE REQUIREMENTS OF CHAPTER 8 OF THIS CODE;

Public sewage disposal is addressed in the Wastewater Treatment Report provided by JDS Hydro.

6. ALL AREAS OF THE PROPOSED SUBDIVISION, WHICH MAY INVOLVE SOIL OR TOPOGRAPHICAL CONDITIONS PRESENTING HAZARDS OR REQUIRING SPECIAL PRECAUTIONS, HAVE BEEN IDENTIFIED AND THE PROPOSED SUBDIVISION IS COMPATIBLE WITH SUCH CONDITIONS. [C.R.S. §30-28-133(6)(c)];

Some areas of the proposed subdivision have been found to be impacted by geologic conditions. These conditions impose some constraints on development, which can be mitigated by avoidance, regrading or through proper engineering design and construction methods. These matters are addressed in the Geohazard Evaluation Report prepared by Entech Engineering Inc., dated March 2, 2021. Wetlands have been identified to be mitigated as outlined in the Compensatory Mitigation Plan prepared by Bristlecone Ecology.

7. ADEQUATE DRAINAGE IMPROVEMENTS COMPLYING WITH STATE LAW [C.R.S. §30-28- 133(3)(c)(VIII)] AND THE REQUIREMENTS OF THIS CODE AND THE ECM ARE PROVIDED BY THE DESIGN;

These matters are addressed in the Preliminary Drainage Report prepared by JR Engineering. The design of the detention pond, drainage improvements adhere to the requirements of the code, ECM, and State Law.

8. THE LOCATION AND DESIGN OF THE PUBLIC IMPROVEMENTS PROPOSED IN CONNECTION WITH THE SUBDIVISION ARE ADEQUATE TO SERVE THE NEEDS AND MITIGATE THE EFFECTS OF THE DEVELOPMENT;

The proposed location and design of public improvements provide adequate services and mitigate any effect. The proposed deviation to the knuckle design of the roadways meets the need and intent of the urban lot development. The deviation does not adversely affect safety or operations.

9. LEGAL AND PHYSICAL ACCESS IS OR WILL BE PROVIDED TO ALL PARCELS BY PUBLIC RIGHTS-OF-WAY OR RECORDED EASEMENT, ACCEPTABLE TO THE COUNTY IN COMPLIANCE WITH THIS CODE AND THE ECM;

All lots will be accessible by new public streets that comply with the LDC and ECM except where deviations are requested to the radius and the site distance of the knuckles. Street names have been approved by El Paso–Teller County 911 Authority.

10. THE PROPOSED SUBDIVISION HAS ESTABLISHED AN ADEQUATE LEVEL OF COMPATIBILITY BY

1. INCORPORATING NATURAL PHYSICAL FEATURES INTO THE DESIGN AND PROVIDING SUFFICIENT OPEN SPACES CONSIDERING THE TYPE AND INTENSITY OF THE SUBDIVISION;

The Sand Creek drainageway and jurisdictional wetlands were identified on the original 2008 Sketch Plan and preserved as a natural feature. The corridor is incorporated as part of the open space system and an extension of the Sand Creek Trail east of this Phase 2 area. A 404 Permit was issued in 2016 authorizing work and channel improvements within the main stem of the Sand Creek and the development impact on the jurisdictional wetlands. Exposed bedrock was identified initially and is preserved within the Sand Creek Greenway.

- 2. INCORPORATING SITE PLANNING TECHNIQUES TO FOSTER THE IMPLEMENTATION OF THE COUNTY'S PLANS, AND ENCOURAGE A LAND USE PATTERN TO SUPPORT A BALANCED TRANSPORTATION SYSTEM, INCLUDING AUTO, BIKE AND PEDESTRIAN TRAFFIC, PUBLIC OR MASS TRANSIT IF APPROPRIATE, AND THE COST-EFFECTIVE DELIVERY OF OTHER SERVICES CONSISTENT WITH ADOPTED PLANS, POLICIES AND REGULATIONS OF THE COUNTY;**

Appropriate provisions are made in this regard in accordance with the Sketch Plan and surrounding area. Sidewalks are incorporated along the roadways for pedestrian connectivity. A County Regional Trail connection is provided along the east portion of the site along Sand Creek and provides pedestrian and bicycle connections to trails within Sterling Ranch and future trails to the south. A trail connection is shown along the north side of Sterling Ranch Road to connect the regional trail and the overall Sterling Ranch development. Local streets are accessed from a network of arterial roads and provide access to the individual lots. Sterling Ranch Metro District provides cost effective delivery of water and wastewater services.

- 3. INCORPORATING PHYSICAL DESIGN FEATURES IN THE SUBDIVISION TO PROVIDE A TRANSITION BETWEEN THE SUBDIVISION AND ADJACENT LAND USES;**

As necessary, appropriate landscaping setbacks and/or buffers are provided as required by the LDC. This plan incorporates a 50-foot Landscape Buffer and a 100-foot minimum building setback along the southern boundary as specified on the Sterling Ranch Sketch Plan.

- 4. INCORPORATING IDENTIFIED ENVIRONMENTALLY SENSITIVE AREAS, INCLUDING BUT NOT LIMITED TO, WETLANDS AND WILDLIFE CORRIDORS, INTO THE DESIGN; AND**

The Sand Creek drainageway and jurisdictional wetlands were identified on the original 2008 Sketch Plan and preserved as a natural feature. The corridor is incorporated as part of the open space system and an extension of the Sand Creek Trail. This Phase of development will not impact the main Sand Creek Channel. The western tributary within the property will be lost. To mitigate the loss, the preferred method of mitigation is the watershed approach, as outlined in the Compensatory Mitigation Plan prepared by Bristlecone Ecology, dated June 2020. Which outlines the requirements for re-establishing the wetlands adjacent to the Sand Creek Channel.

- 5. INCORPORATING PUBLIC FACILITIES OR INFRASTRUCTURE, OR PROVISIONS THEREFORE, REASONABLY RELATED TO THE PROPOSED SUBDIVISION SO THE PROPOSED SUBDIVISION WILL NOT NEGATIVELY IMPACT THE LEVELS OF SERVICE OF COUNTY SERVICES AND FACILITIES;**

The Traffic Impact Study prepared by LSC identifies the improvements for the surrounding roadways. The report demonstrates no negative impact to existing conditions in the area. The reports relating to water supply, wastewater treatment and drainage demonstrate that there will be no negative impact on existing service and facilities.

11. NECESSARY SERVICES, INCLUDING POLICE AND PROTECTION, RECREATION, UTILITIES, OPEN SPACE AND TRANSPORTATION SYSTEM, ARE OR WILL BE AVAILABLE TO SERVE THE PROPOSED SUBDIVISION;

Water and sanitary sewer service are to be provided by Sterling Ranch Metropolitan District No. 2. Electric Service is provided by Mountain View Electric Association Inc. The site is entirely within Colorado Springs Utility territory for natural gas services. The required Will Serve letters are included with the submittal. Recreation opportunities are provided through trail connections and preserved open space along the Sand Creek Greenway.

12. THE SUBDIVISION PROVIDES EVIDENCE TO SHOW THAT THE PROPOSED METHODS FOR FIRE PROTECTION COMPLY WITH CHAPTER 6 OF THIS CODE; AND

The site lies within the Black Forest Fire Rescue Protection District. A Fire Protection Report and Fire Commitment Letter is included with this submittal.

13. THE PROPOSED SUBDIVISION MEETS OTHER APPLICABLE SECTIONS OF CHAPTER 6 AND 8 OF THIS CODE.

The proposed subdivision meets the applicable sections of these parts of the Code.