



**City of Aurora
Council Agenda Commentary**

Item #: 1
SSS: 11/17/14
1st: _____
2nd: _____

Item Title: Proposal for a New Annexation Area
Item Initiator: Bailey, Nancy - Contract Development Proj Mgr - General Management
Staff Source: Watkins, Robert - Director Of Planning - Planning & Development Service
City Manager/Deputy City Manager Signature: Skip Noe
Outside Speaker:
Council Goal: 2012: 5.0--Be a great place to locate, expand and operate a business and provide for well-planned growth and development

ACTIONS(S) PROPOSED *(Check all appropriate actions)*

- | | |
|---|--|
| <input type="checkbox"/> Approve Item as proposed at Study Session | <input type="checkbox"/> Approve Item with Waiver of Reconsideration |
| <input type="checkbox"/> Approve Item and Move Forward to Regular Meeting | |
| <input type="checkbox"/> Approve Item as proposed at Regular Meeting | <input checked="" type="checkbox"/> Information Only |

PREVIOUS ACTIONS OR REVIEWS:

**Policy
Committee**

Name: Planning, Economic Development and Redevelopment Policy Committee

Meeting Date: 09/10/2014

☒ Minutes Attached

☐ Minutes Not Available

Actions Taken: ☐ Recommends

☐ Do Not Recommend

☒ Forwarded without Recommendation

☐ Recommendation Report Attached

HISTORY *(Dates reviewed by City council, Policy Committees, Boards and Commissions, or Staff. Summarize pertinent comments. ATTACH MINUTES OF COUNCIL MEETINGS, POLICY COMMITTEES AND BOARDS AND COMMISSIONS.)*

This item was presented to the Planning, Economic Development and Redevelopment Policy Committee on September 10, 2014.

Staff received a request in June 2014, on behalf of several landowners who wish to annex 2,983 acres (4.66 square miles) to the city. The location of these properties is outside the city's planning and annexation boundaries and outside all the boundaries of the city's master infrastructure plans for roads, water, sewer and storm drainage. Staff recommended to the Committee that several studies would need to be conducted, to evaluate whether the city should proceed with this annexation. Staff presented estimates of the costs of these studies. Staff also informed the Committee that amendments would need to be made to the city's Comprehensive Plan and to the DRCOG Urban Growth Area allocation for the city if this annexation were to proceed.

The Committee asked staff to forward this item to Study Session and requested that prior to the Study Session, staff meet with the landowners to discuss who would pay for the studies. Staff met with the landowners on October 7, 2014, and the landowners stated they would pay for the fiscal impact analysis, but none of the other studies recommended by staff.

ITEM SUMMARY *(Brief description of item, discussion, key points, recommendations, etc.)*

The city received a request on June 13, 2014, on behalf of several landowners who wish to annex their property to the city. The land ownership group includes Steven Cohen, Marc Cooper, James Spehalski and Andy Chaikovsky, and they are represented by Michael Sheldon and Diana Rael. The properties are located northeast of Hayesmount Rd. and Yale Ave. and cover 2,983 acres (4.66 square miles). Map 1 (attached) is a vicinity map showing the location of these properties in relationship to the existing city limits. The landowners have indicated they intend to develop these properties in a typical suburban format with primarily residential uses and densities along with retail uses at major corners, within a timeframe of 10 to 30 years.

The attached memo describes the various issues and needed steps associated with this request. The following is a summary of the issues:

- This annexation request is not in conformance with the Annexation Boundary in the Aurora 2009 Comprehensive Plan.
- The process to address this nonconformance would be an Amendment to the Comprehensive Plan.
- In order to proceed with this amendment, an effort to define the new annexation area would be required.
- The amendment would need to address land use, zoning, transportation, fiscal impacts and service needs.
- In Aurora, there is a history of substantial planning efforts to amend comprehensive plans in order to change the annexation area.
- The Comprehensive Plan amendment needs to describe land use in the new annexation area to provide a basis for zoning and development decisions.
- The PD/GDP zoning approach should not be used for new annexation areas because GDPs are difficult to administer, very difficult to update, difficult to redevelop and not well-coordinated between projects.
- The E-470 Corridor and Northeast Plains plans provide for coordinated, logical, and well managed development and should be seen as a planning model for new annexation areas.
- Amendments to the Comprehensive Plan for new annexation areas need to include comprehensive transportation plans like those that have been adopted for the eastern areas of Aurora.
- Aurora has an estimated 21,625 acres of vacant land within its boundaries that are zoned for residential use. This translates into an estimated residential capacity of 111,532 dwellings.
- Through the Mile High Compact, Aurora is committed to coordinate its planning with the regional Metro Vision plan.
- The Metro Vision plan intends to focus growth with the urban growth area to make efficient use of existing infrastructure, to conserve resources and to promote infill development with a moderate increase in overall density.
- Aurora has an adopted urban growth area which does not include the proposed annexation area.
- There is an established process for communities to make changes to their urban growth areas requiring approval from DRCOG.
- The current water system, plans and associated supplies do not include this additional development.
- A full fiscal impact analysis will be needed.
- The estimated cost for doing the planning work and impact analysis described is between **\$417,500 and 457,500.**

Staff has proposed to update the Aurora Comprehensive Plan during 2016 and 2017. Staff would recommend a community visioning effort to look at the desired future for Aurora. Part of this effort could include looking at the City's long-term boundaries and how to proceed with orderly annexation and development.

QUESTIONS FOR COUNCIL

1. Does Council wish to proceed with the evaluation, planning and consideration of the proposed new annexation area?
2. Does Council want the proposers to pay the cost of the evaluation, planning and consideration of the proposed new annexation area?

LEGAL COMMENTS

The City Council has determined that the annexation of lands to the city shall be shown not to create any additional cost or burden on the then-existing residents of the city to provide such public facilities in any newly annexed area. "No annexation shall be accepted until the city council, upon the recommendation of the city manager, determines that the current requirements for such public facilities in the area proposed to be annexed have been fulfilled and that the future requirements for such public facilities can be fulfilled." City Code Section 146-301(B). (Bajorek).

Julie Heckman

PUBLIC FINANCIAL IMPACT *(If Yes, EXPLAIN)*

☒ Yes ☐ No

A fiscal impact analysis would need to be conducted to determine both the one-time costs associated with installing the necessary infrastructure (e.g. roads, street lighting, parks, etc) to serve the area as well as the on-going costs associated with providing city services (e.g. police, fire, street maintenance, etc) to the area as well. The fiscal impact analysis would also provide estimates for the revenue to be generated by development in the area. The fiscal impact analysis would provide an estimated net impact (expense or revenue) from the proposed annexation area.

PRIVATE FISCAL IMPACT *(If Significant or Nominal, EXPLAIN)*

☐ Not Applicable ☒ Significant ☐ Nominal

Within the current city annexation and planning boundaries, annexation would permit development at urban densities. The city's model annexation agreement typically requires the annexor to commit to installing infrastructure that will be dedicated to the city.

EXHIBITS ATTACHED:

Memo - Proposal for New Annexation Area.pdf
East Annexation Map 15 Proposed Annexation and Proposed Prosper Project
9-10-2014 PEDR Apprv Min-E. Annexation.pdf



MEMORANDUM

TO: Mayor Hogan and City Council

THROUGH: Skip Noe, City Manager
Nancy Freed, Deputy City Manager, Operations
Vinessa Irvin, Manager, Office of Development Assistance

FROM: Bob Watkins, Planning and Development Services Director
Nancy Bailey, Administrator, Office of Development Assistance

DATE: November 7, 2014

SUBJECT: Proposal for New Annexation Area

Executive Summary

Staff was contacted on June 13, 2014 regarding annexation of a large area of land (2,983 acres east of Hayesmount Road) all of which lies outside the city's Planning Area and Annexation Boundary as adopted in the city's 2009 Comprehensive Plan. The property is also outside of the city's Urban Growth Area similarly adopted in the city's Comprehensive Plan and agreed to through the DRCOG Mile High Compact. The land ownership group includes Steven Cohen, Marc Cooper, James Spehalski and Andy Chaikovsky, and they are represented by Michael Sheldon and Diana Rael. Map 1 is a vicinity map showing the location of these properties in relationship to the existing city limits. The landowners have indicated they intend to develop these properties in a typical suburban format with primarily residential uses and densities along with retail uses at major corners, within a timeframe of 10 to 30 years.

Given that the property is not within the designated Annexation Boundary, the annexation policy guidelines by which staff would normally process the review are not suitable and would not provide an adequate evaluation. Therefore, staff conducted an assessment of what would be necessary for staff to review not only the annexation, but a new annexation area as well, and to make a recommendation if a formal annexation petition were to be submitted.

Staff presented this annexation request and initial staff assessment of the studies that would be recommended to the Planning, Economic Development and Redevelopment Policy Committee on September 10, 2014. Staff also informed the Committee that amendments would need to be made to the city's Comprehensive Plan and to the DRCOG Urban Growth Area allocation for the city. The Committee asked staff to forward this item to Study Session and requested that prior to the Study Session, staff meet with the landowners to discuss who would pay for the studies. Staff met with the

landowners on October 7, 2014 and the landowners stated they would pay for the fiscal impact analysis, but none of the other studies recommended by staff.

The following is a summary of the process issues that need to be addressed in order to establish a new annexation area.

- This annexation request is not in conformance with the Annexation Boundary in the Aurora 2009 Comprehensive Plan.
- The process to address this nonconformance would be an Amendment to the Comprehensive Plan.
- In order to proceed with this amendment, an effort to define the new annexation area would be required.
- The amendment would need to address land use, zoning, transportation, fiscal impacts and service needs.
- In Aurora, there is a history of substantial planning efforts to amend comprehensive plans in order to change the annexation area.
- The Comprehensive Plan amendment needs to describe land use in the new annexation area to provide a basis for zoning and development decisions.
- The PD/GDP zoning approach should not be used for new annexation areas because GDPs are difficult to administer, very difficult to update, difficult to redevelop and not well-coordinated between projects.
- The E-470 Corridor and Northeast Plain plans provide for coordinated, logical, and well managed development and should be seen as a planning model for new annexation areas.
- Amendments to the Comprehensive Plan for new annexation areas need to include comprehensive transportation plans like those that have been adopted for the eastern areas of Aurora.
- Aurora has an estimated 21,625 acres of vacant land within its boundaries that are zoned for residential use. This translates into an estimated residential capacity of 111,532 dwellings.
- Through the Mile High Compact, Aurora is committed to coordinate its planning with the regional Metro Vision plan.
- The Metro Vision plan intends to focus growth with the urban growth area to make efficient use of existing infrastructure, to conserve resources and to promote infill development with a moderate increase in overall density.
- Aurora has an adopted urban growth area which does not include the proposed annexation area.
- There is an established process for communities to make changes to their urban growth areas requiring approval from DRCOG.
- The current water system, plans and associated supplies do not include this additional development.
- A full fiscal impact analysis will be needed.

Annexation Laws, Policies, and Process

The city's annexation process follows State Statute C.R.S. 31-12-101 et seq. and City Code Chapter 146, Article 3, Annexations and Disconnections. The Office of Development Assistance (ODA) administers the annexation process. The initial zoning for the property being annexed is processed concurrently by the Planning and Development Services Department.

There are several requirements under state law that need to be met for property to be eligible for annexation, including:

- The owners petitioning for annexation comprise more than 50% of landowners in the area and own more than 50% of the area proposed to be annexed (excluding public streets).
- There is at least one sixth of the perimeter of the property that is contiguous with the existing boundaries of the city.
- The annexation shall not affect school district boundaries.
- No portion of the property to be annexed is more than three miles from the city boundary.

The normal process for annexations within the adopted Annexation Boundary consists of the following steps:

1. Meet with the Office of Development Assistance to discuss property location, proposed land use and to review the annexation process.
2. Meet with the Real Property Services Division of Public Works to determine if the property has the required contiguity with the existing city limits.
3. Meet with the Planning and Development Services Department to discuss the Initial Zoning process and schedule requirements.
4. Submit Annexation and Initial Zoning application materials and fees, to ODA and Planning, respectively.
5. Landowners and staff negotiate terms of the Annexation Agreement. The city has an adopted Model Annexation Agreement that is the starting point. Landowners and their attorneys typically have comments and questions about the terms, and this process can take several months to conclude.
6. Conduct the Planning Commission process for consideration of the Initial Zoning. Planning Commission makes a recommendation to City Council.
7. Conduct the City Council process for consideration of the Annexation Ordinance, the Initial Zoning Ordinance and the Annexation Agreement. This process requires a series of three Council meetings, with a public notification process that follows state statute.

New Annexation Area and the Comprehensive Plan

This annexation request is not in conformance with the Annexation Boundary in the Aurora 2009 Comprehensive Plan. (See Map 1.) The annexation policy in the Comprehensive Plan is as follows:

Accept annexations within the annexation boundary defined by Map IV.A-2 if they conform to all applicable city policies. Pursue annexation of enclave properties that are generally surrounded by land within Aurora in order to ensure the efficient provision of services and to ensure development of appropriate quality. (Chapter IV. Page 8 of 11)

The process to address this nonconformance would be an amendment to the Comprehensive Plan. This amendment would be presented to both Planning Commission and City Council for consideration. The proposal involves a significant change to the Plan, and its consideration needs to include an evaluation of land use, zoning, impacts and service needs as described below.

If it were determined to be desirable to expand the city's annexation boundary, the analysis should also include whether a larger, "squared off" area should be encompassed to anticipate longer-term future

growth. The Council needs to ask itself how it would address additional requests for annexation from surrounding properties and what the limits of annexation would be. In order to complete the work needed to evaluate the proposed change to the annexation area boundary, it would be necessary to define a potential annexation study area.

Staff has looked at the relationship between annexation boundaries in past Aurora Comprehensive Plans and actual annexations. (See Maps 2-8.) Generally, it appears that there has been a defined annexation area at least since the 1970s, and the Aurora Comprehensive Plan has been amended to support new annexation areas. The process for amending the Comprehensive Plan to establish new annexation areas, which staff is proposing, appears to be consistent with past practices in Aurora. The largest annexations of land area into the city occurred during the 1980s. The Aurora Comprehensive Plan was substantially amended four times during the 1980s (1983, 1984, 1986, and 1989) at least partly to keep up with changing annexation policy and annexation areas. Reading these plans from the 1980s, it is clear that substantial effort was put into the planning for new annexation areas. Therefore, in order to establish a new annexation area of the type proposed, there is a need to amend the Aurora Comprehensive Plan to amend the annexation boundary and to plan for the new annexation area.

Staff has proposed to update the Aurora Comprehensive Plan during 2016 and 2017. Staff would recommend a community visioning effort to look at the desired future for Aurora. Part of this effort, could include looking at the City's long-term boundaries and how to proceed with orderly annexation and development.

Zoning a New Annexation Area

Colorado case law supports the notion that municipal zoning should conform with the Comprehensive Plan. In addition, the Aurora Code requires that zoning and planning decisions be in conformance with the plan. Therefore, the Comprehensive Plan needs to be amended to provide a basis for the zoning of new annexation areas.

Many of the past annexations in the E-470 corridor and in the northeastern areas beyond the corridor were zoned with Planned Development (PD) zoning. In the late 1990's, it was determined that a more consistent and integrated approach was needed for these developing areas. PD zoning essentially provides a separate, unique zoning code for each property, in the form of general development plans (GDP's), without coordinating land use, design standards or infrastructure planning between nearby developments. Because of this lack of coordination, the city undertook a planning process for the E-470 corridor, working with landowners, and the E-470 Corridor Land Use Study was adopted as a part of the city Comprehensive Plan in 1998. Based on a market analysis and analysis of physical conditions, the Plan provides a coordinated and integrated approach to development in the corridor. The current Comprehensive Plan includes the basic E-470 land use plan adopted in 1998. (See Map 9.) By 2003, a new E-470 zoning district had been created, closely based on the E-470 Land Use Study, and approximately 11,000 acres had been rezoned to the new district. (See Map 10.) Several projects in the corridor were not rezoned to the new district because they had recently approved GDP's and in some cases were already under development, including Saddle Rock, Murphy Creek, Tallyn's Reach and Heritage at Eagle Bend.

A similar plan was created for the Northeast Plains area of the city to the northeast of the E-470 corridor and an additional 25,000 acres was zoned in 2001 to the Northeast Plains Zoning District. Because of these efforts, Aurora currently has land use plans for all areas within the current annexation

boundary. These plans provide the basis for the zoning of annexations and for the review of development applications on annexed land.

It is staff's opinion that the old PD/GDP approach to zoning does not provide a good basis for development in a new annexation area. There are approximately 99 different Planned Community and Planned Development Zone Districts in Aurora. Each is very different, since they were drafted by different developers and builders and adopted separately by City Council. They date from 1970 to 2009. Each is essentially a separate zoning code, with different procedures, terms, and requirements. They have proven to be cumbersome and problematic, for the following reasons:

- The Comprehensive Plan provides a good basis for design and infrastructure development. The PD/GDP approach is not well coordinated with the Comprehensive Plan and its citywide policies.
- PD/GDPs are essential property-by-property zoning codes that are difficult to reference and administer because they greatly increase the number of individual provisions that staff must research and enforce.
- It is nearly impossible to keep PD/GDP requirements up to date in relation to current practices and policies. Other kinds of zoning districts can be updated or corrected by relatively simple, citywide amendments.
- PD/GDPs are inflexible and do not encourage redevelopment over time.
- With PD/GDPs, there is little or no coordination among neighboring properties. This can create conflicts between developments.

In revising their zoning codes, Centennial, Lakewood and Denver have all eliminated approximately 80% of their planned development zoning because of the problems listed above. The E-470 Corridor and Northeast Plain plans provide a good model for coordinated, logical, and well managed development in the E-470 Corridor and NE Plains Areas of the City. A similar planning effort needs to be applied to new annexation areas in Aurora in order to provide for appropriate land use and zoning.

Planning for Transportation for a New Annexation Area

Aurora has adopted transportation plans that include all of the eastern portions of the current annexation boundary. The plans are the Southeast Area Transportation Study (SEATS) and the Northeastern Area Transportation Study (NEATS). These plans were last updated in 2007. They are multi-modal including plans for major streets, transit and trails. The overall plans for major streets (see Maps 11 and 12) are particularly important because they have provided the basis for requiring developers to build a fully connected, efficient network of major streets. The plans are based on a technical approach that models the impact of development on the complete network. The plan recommends a network of major streets needed to carry the projected traffic through the year 2030. We have complete plans for major streets and other transportation infrastructure in the current annexation area in the form of NEATS and SEATS. A similar effort is needed in relation to new annexation areas to provide a strong basis for building a network of major streets in the new area and to address the impact of the new area on existing streets and highways.

The proposed new annexation area will not be in the RTD service area, and steps will need to be undertaken to ensure bus service is provided to the area.

Public Outreach

With examples like the Citizen Task Force for the 1989 Comprehensive Plan, the Visual Preference Survey for the 1998 Comprehensive Plan, and the Sustainability Workshops for the 2009 Comprehensive Plan, Aurora has a history of involving its citizens and business people in planning and decision-making. In considering whether to establish a new annexation area, it will be critical to involve a range of stakeholders including:

- Existing residents and business people in Aurora.
- Property owners, residents and businesses that are potentially impacted, positively or negatively, by the new annexation area, within Aurora and surrounding counties.
- Arapahoe County

Land Supply in Aurora

The Aurora Planning and Development Services Department is an official source of population and development projections for the city. The Department regularly produces population projections that are carefully coordinated with the population estimates produced for purposes of 2 per 1000 Police staffing and with the State Demographer's Office. The Department also maintains the Land Use Allocation Model (LUAM) as a tool for planning city services and facilities. It allocates population and employment projections to particular areas of the city based on a number of assumptions and weights. This allows the city to perform more detailed studies. LUAM is currently being used by Aurora Water for facilities master planning.

Based on these projection methods and the mapped inventory of vacant land zoned for residential development in the city (see Map 13), Aurora has an estimated 21,625 acres of vacant land within its boundaries that are zoned for residential use. This translates into an estimated residential capacity of 111,532 new dwellings. Single family residences make up an estimated 52% of this capacity (58,058 dwellings). It is estimated that approximately 845 dwellings will be built in Aurora in 2014. If Aurora develops at a similar rate to what the city saw in 2014, it would build out its existing residential capacity in about 132 years or by 2147. To stay on course with the population projections, the city will need to build at a faster rate of 2,390 dwellings per year. At that rate, the existing capacity will last until mid-2061.

The City of Aurora has approximately 37,831 acres of land zoned for commercial and industrial uses, with approximately 54% of that acreage (20,344) being undeveloped.

New Annexation Areas and the Metro Vision Plan

The Metro Vision 2035 Plan is the plan for the metropolitan region that is prepared and updated by DRCOG. The plan includes the following statement:

Metro Vision's Growth and Development policies aim to influence the type and location of new development required to accommodate future population growth and changing demographics.

By focusing development in these within the Urban Growth Boundary/Area in general and within Urban Centers and Rural Town Centers in particular, the region can make the most efficient use of existing infrastructure, better plan future infrastructure, and attain regional goals such as reductions in per capita water use, single occupant vehicle mode share, per capita vehicle miles traveled, and per capita transportation greenhouse gas emissions.

The following policies are included in the Metro Vision 2035 Plan

1. The urban growth boundary/area defines where development will take place in the region over the next 25 years.
2. The boundary/area is intended to achieve at least a 10 percent increase in the region's overall density between 2000 and 2035.
3. The DRCOG Board of Directors allocated growth areas to each community based on development trends and projections, working with each community to determine the specific geographic location.
4. Communities have the flexibility to postpone committing their allocated urban growth area until specific development plans are in place.
5. Metro Vision encourages local governments to use vacant parcels and under-developed parcels for infill and redevelopment, to absorb significant portions of growth, in order to use existing infrastructure efficiently.
6. Growth areas are designated to conserve appropriate areas for development beyond 2035 and avoid open spaces and environmentally sensitive areas.
7. Metro Vision seeks to direct future urban growth within the urban growth boundary area into areas where infrastructure already exists.
8. Metro Vision encourages the annexation of unincorporated areas within the urban growth area, consistent with local comprehensive plans and annexation procedures.
9. Annexation should be a logical extension of a municipality's boundaries so the local government can provide urban services to the annexed area at a level equal to what is provided to the existing municipality.
10. Urban centers will accommodate 50 percent of new housing and 75 percent of new employment between 2005 and 2035.

In 2006, Aurora received a growth allocation of 27.4 square miles of additional urban development through the year 2035. By City Council policy, this pool of growth is distributed with a defined growth area to nine sub-areas on a first-come, first-served basis. (See Map 14.) A portion of the allocation is set aside as a reserve growth account to respond to special development proposals in the defined growth area. The urban growth account is considered to be used or consumed when land is subdivided or new construction has occurred. The proposed new annexation area is outside of the defined urban growth area for Aurora.

In 2000, Aurora, along with 24 other municipalities and five counties, signed the Mile High Compact, agreeing to incorporate the Metro Vision principles into local planning. Through the Compact, Aurora agreed to adopt an urban growth area and abide by the established process for amending that area. Currently, 46 communities have signed the Compact, representing 90% of the region's population.

The latest procedures for amending the urban growth area are contained in the Metro Vision Growth and Development Supplement which was adopted by DRCOG on January 18, 2012. This document includes a description of the process for expanding the urban growth area. A request is reviewed by a

peer-review team appointed by the Chair of the DRCOG Board. Significant request are subject to a modeling process to address transportation and air quality impacts. The Board makes the final decision whether to grant the new allocation request.

The burden for making a strong case for the request falls on the requesting community. The community must make a case justifying the need for the request and describing how the request fits with the community's overall plans. Each request must address the following issues:

- **Need for additional urban growth area.** Due to revised population or employment forecast? Why the need cannot be accommodated by infill and redevelopment? Why the need cannot be accommodated in the existing urban growth area?
- **Consistency with Metro Vision.** Community's policies regarding densification of the current urban growth area. Local plans and policies that promote Metro Vision goals and track record of progress towards those goals.
- **Consistency with local plans.** Amendment of comprehensive plans to reflect the request. Opportunities for public comment. Plans and financing for infrastructure and urban services, including water, for the requested area.
- **Impact on neighboring jurisdictions.** Potential impacts. Relationship to neighboring comprehensive plans. IGA's with neighboring jurisdictions.
- **Impact on regional transportation and wastewater infrastructures.** Potential impacts and proposed mitigation. Information on how the proposal will leverage investments in multi-modal transportation. Information on how proposal will enhance efficiency or capacity of regional facilities.

DRCOG is currently in the process of updating Metro Vision and will be accepting proposals from local governments for changes to the urban growth boundaries in the second half of 2015. Updates to the regional transportation and air quality models will likely be required for significant changes like the one being proposed in Aurora. The evaluation process will likely take a year.

It is possible to make emergency requests that are off-cycle concerning the urban growth area. Such requests go directly to the DRCOG Board. The community must indicate why the request cannot wait until the 2015 update. The criteria listed above will be used to evaluate such a request. The Board may waive the requirement to complete the modeling analysis.

Water Issues

The current water system and associated supplies do not include this additional development. Planned future system improvements and water supplies also do not account for this projected growth – current plans go out to 2070 within the existing service area. The proposed annexation would add approximately 4,600 acre-feet of additional demand to Aurora's system. To meet future demands planned within the existing service area, Aurora needs to acquire tens of thousands acre-feet/year of additional water rights/supplies and construct corresponding storage to fully maximize such supplies. The proposed annexation would increase the need for future water acquisitions.

Aurora is not the only community anticipating the need for additional future water supplies. In recognition of projected future Colorado water shortages, the Governor's office recently initiated a statewide Colorado Water Plan with the goal of identifying means to meet the anticipated future supply/demand shortages in the State. The Colorado Water Plan has identified a Municipal and

Industrial supply “gap” of 450,000 acre-feet/year by 2050 with 150,000 acre/feet of the gap attributed to the Metro region. This proposed 4.66 square mile development represents an increase to the “gap” at a time of significant controversy over the issue. Front Range communities are being asked to meet the “gap” through existing and currently planned projects, water conservation and land use controls, while relying less upon agricultural transfers and transmountain diversions. The City will be questioned on measures to be employed to control additional drain on State water resources and numerous discussions are already taking place at the State on possible land use controls at the State level if municipalities don't identify other measures to help “close the gap”.

Growth in areas outside of the existing service area boundaries will require updates to the Integrated Water Master Plan, the Sanitary Sewer (Wastewater) Master Plan and the Storm Water Drainage Basin Master Plans. In addition to these City planning efforts, we will need to coordinate with Urban Drainage on the storm water planning efforts and with Metro Wastewater for regional sewer treatment and conveyance (Clean Water Boundary).

Fiscal and Service Impacts

The City Code addresses the need for Fiscal Impact Analysis in Chapter 146, Article 3. Annexations and Disconnections. It states the following under Sec. 146-301 Policy:

(E) Fiscal Impact Analysis. In its consideration of any proposed annexation, city staff shall provide to the city council an analysis of the fiscal impact of the proposed annexation. The council may request additional information or analysis from the annexor. The cost of such additional information and analysis shall be borne solely by the annexor.

Most recent annexations have been minor in nature, within the annexation boundary, and involving enclaves, so fiscal analysis has been simple and routine. In the case of this proposal, a more complete analysis is needed.

A fiscal impact analysis would need to be conducted to determine both the one-time costs associated with installing the necessary infrastructure (e.g. roads, street lighting, parks, etc.) to serve the area as well as the on-going costs associated with providing city services (e.g. police, fire, street maintenance, etc.) to the area as well. The fiscal impact analysis would also provide estimates for the revenue to be generated by development in the area. The fiscal impact analysis would provide an estimated net impact (expense or revenue) from the proposed annexation area.

Recommended Process for New Annexation Area

Staff has conducted an estimate of the costs for consultant studies to evaluate this annexation and they are summarized in the following table.

Estimated Costs of Studies and Amendments	
Description	Estimated Cost
Perform fiscal impact analysis	\$40,000 – 70,000
Amend Northeast Plains and E-470 land use plans	\$40,000
Amend NEATS and SEATS transportation plans	\$80,000
Update to Stormwater Drainage Basin Master Plans	\$99,500
Update to Wastewater Master Plan	\$49,000
Update to Integrated Water Master Plan	\$69,000
Oversight to manage overall planning and analysis process, to include DRCOG Urban Growth Area amendment request	\$40,000 – 50,000
Total	\$417,500 – 457,500

The attached flowchart “Estimated Timeframes – East Aurora Annexation” shows the estimated timeframes for the steps outlined below. The chart shows how the studies and steps might run concurrently, if Council chose to proceed with the annexation and initial zoning process. Overall, the process would likely take through mid-2016 to complete.

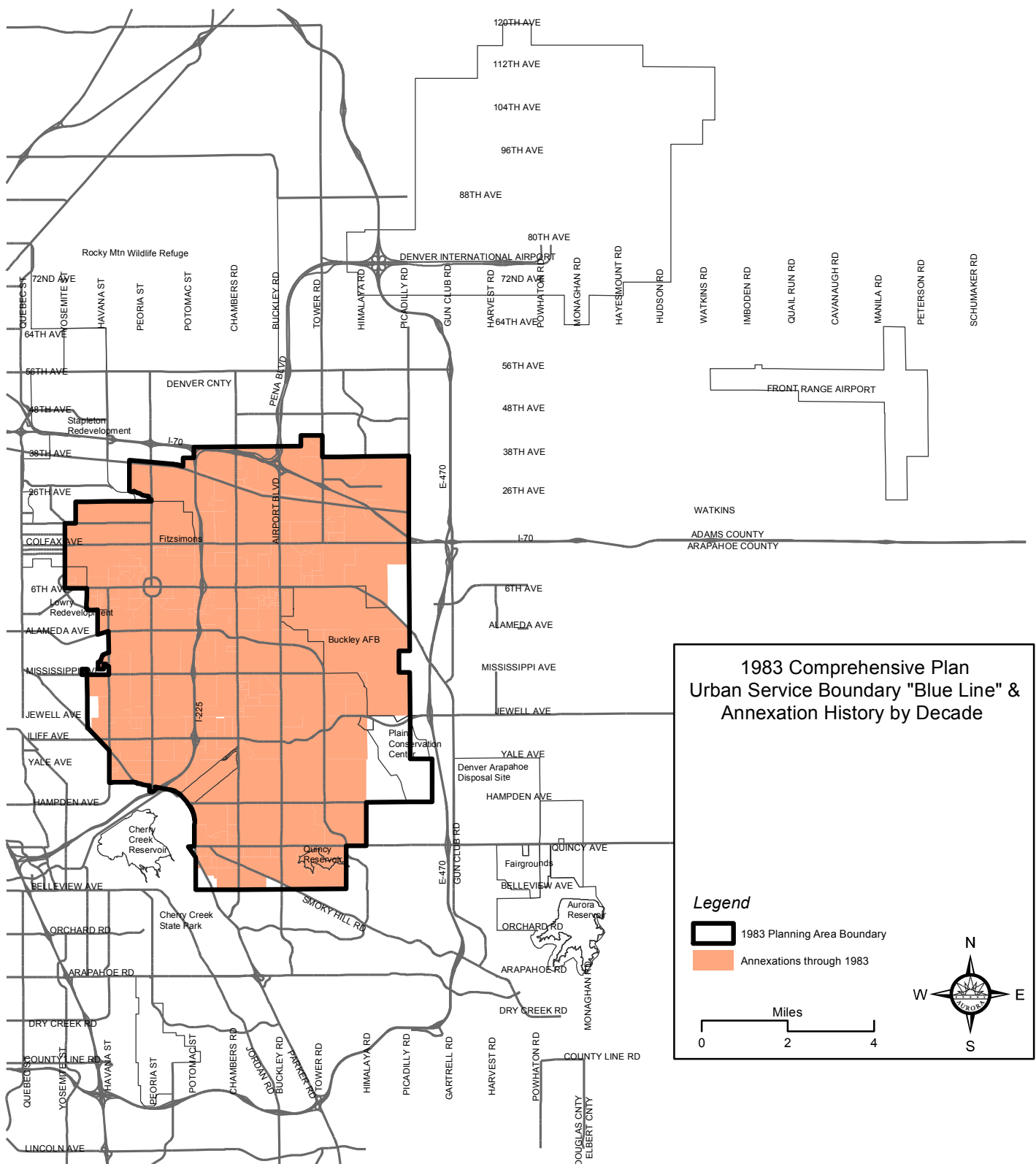
INDEX OF ATTACHMENTS

Map 1	Proposed Annexation Parcels - Planning Area and Annexation Boundary														
Maps 2- 8	Comprehensive Plan Urban Service Area Boundary & Annexation History by Decade: <table><tr><td>Map 2</td><td>1983</td></tr><tr><td>Map 3</td><td>1984</td></tr><tr><td>Map 4</td><td>1986</td></tr><tr><td>Map 5</td><td>1989</td></tr><tr><td>Map 6</td><td>1998</td></tr><tr><td>Map 7</td><td>2003</td></tr><tr><td>Map 8</td><td>2009</td></tr></table>	Map 2	1983	Map 3	1984	Map 4	1986	Map 5	1989	Map 6	1998	Map 7	2003	Map 8	2009
Map 2	1983														
Map 3	1984														
Map 4	1986														
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Map 9	E-470/Northeast Plains Land Use														
Map 10	E-470/Northeast Plains Zoning														
Map 11	Northeast Area Transportation Study (NEATS) Roadway Network														
Map 12	Southeast Area Transportation Study (SEATS) Roadway Network														
Map 13	Planned Residential Development and the Proposed East Annexation														
Map 14	Urban Growth Area														
Flowchart	Estimated Timeframes – East Aurora Annexation														

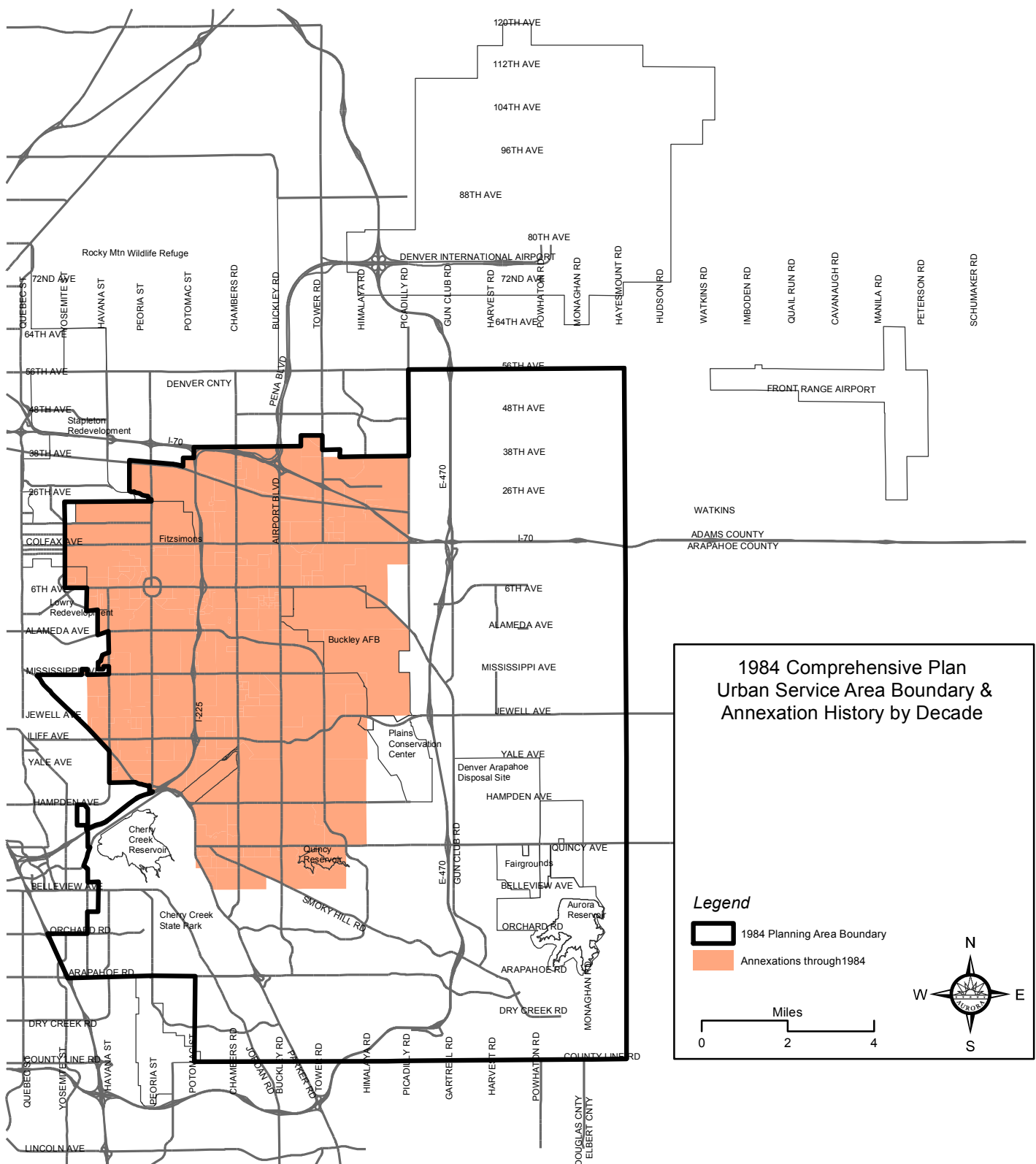
Map 1 Boundary



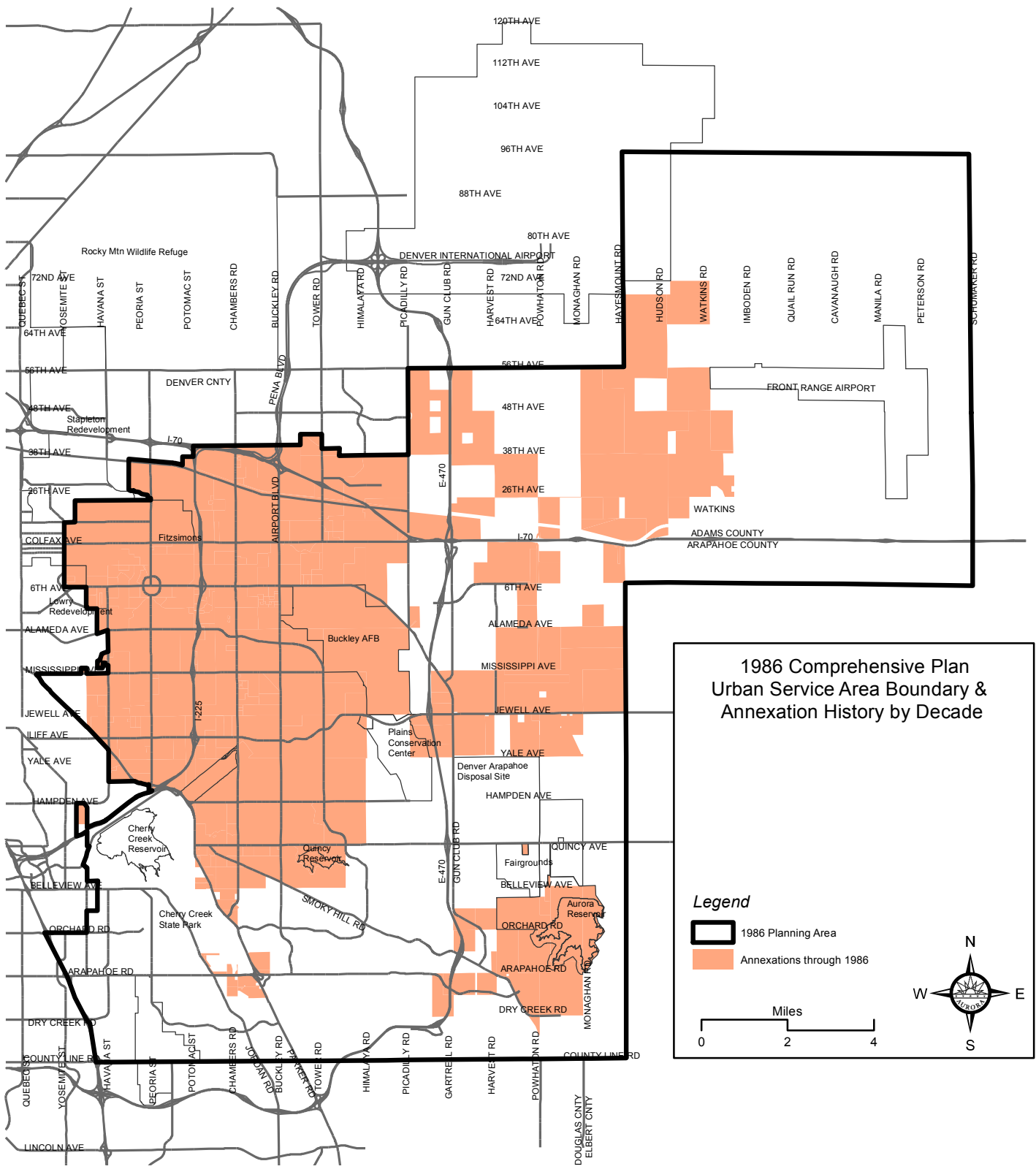
Map 2 Planning Area 1983



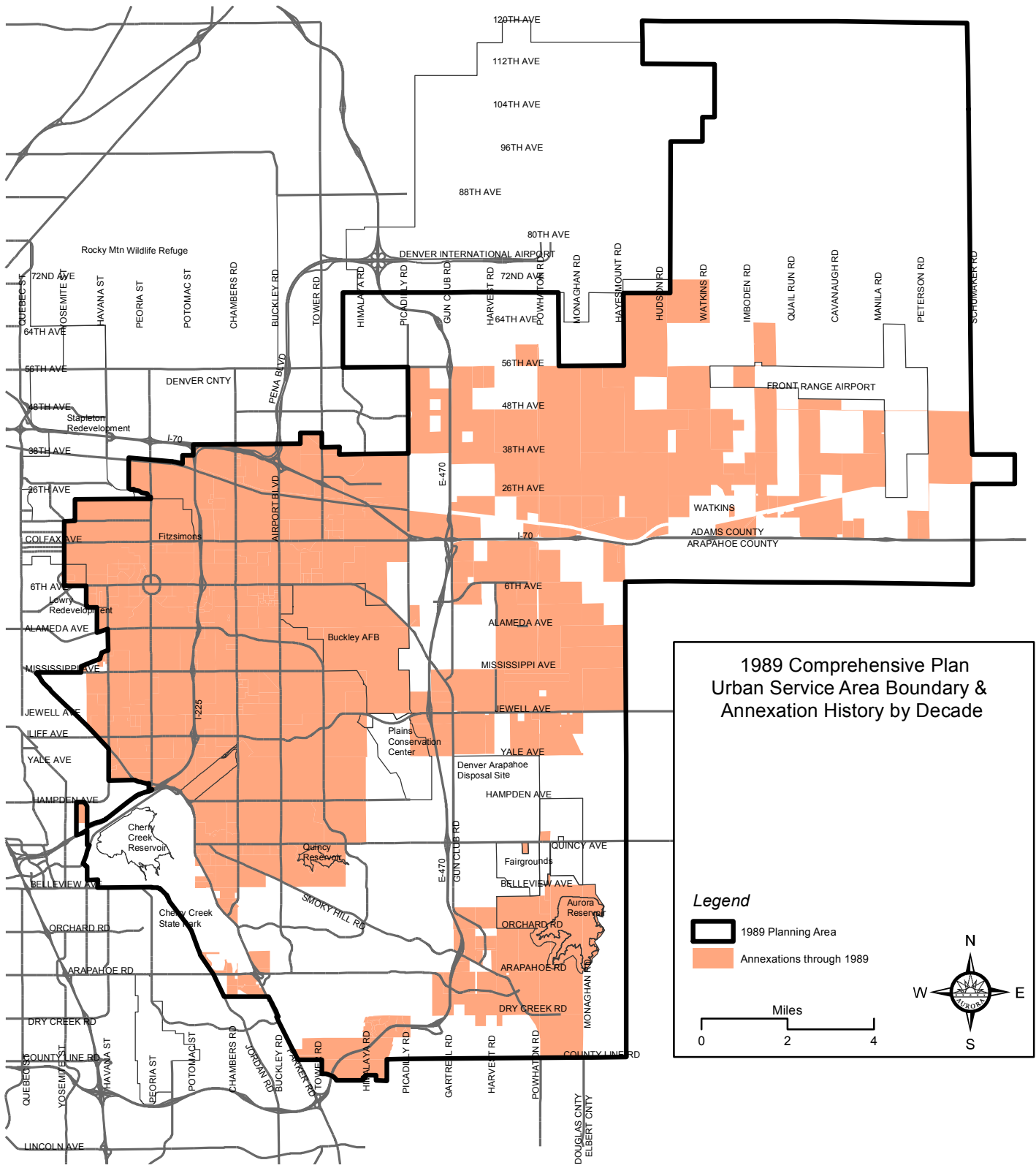
Map 3 Planning Area 1984



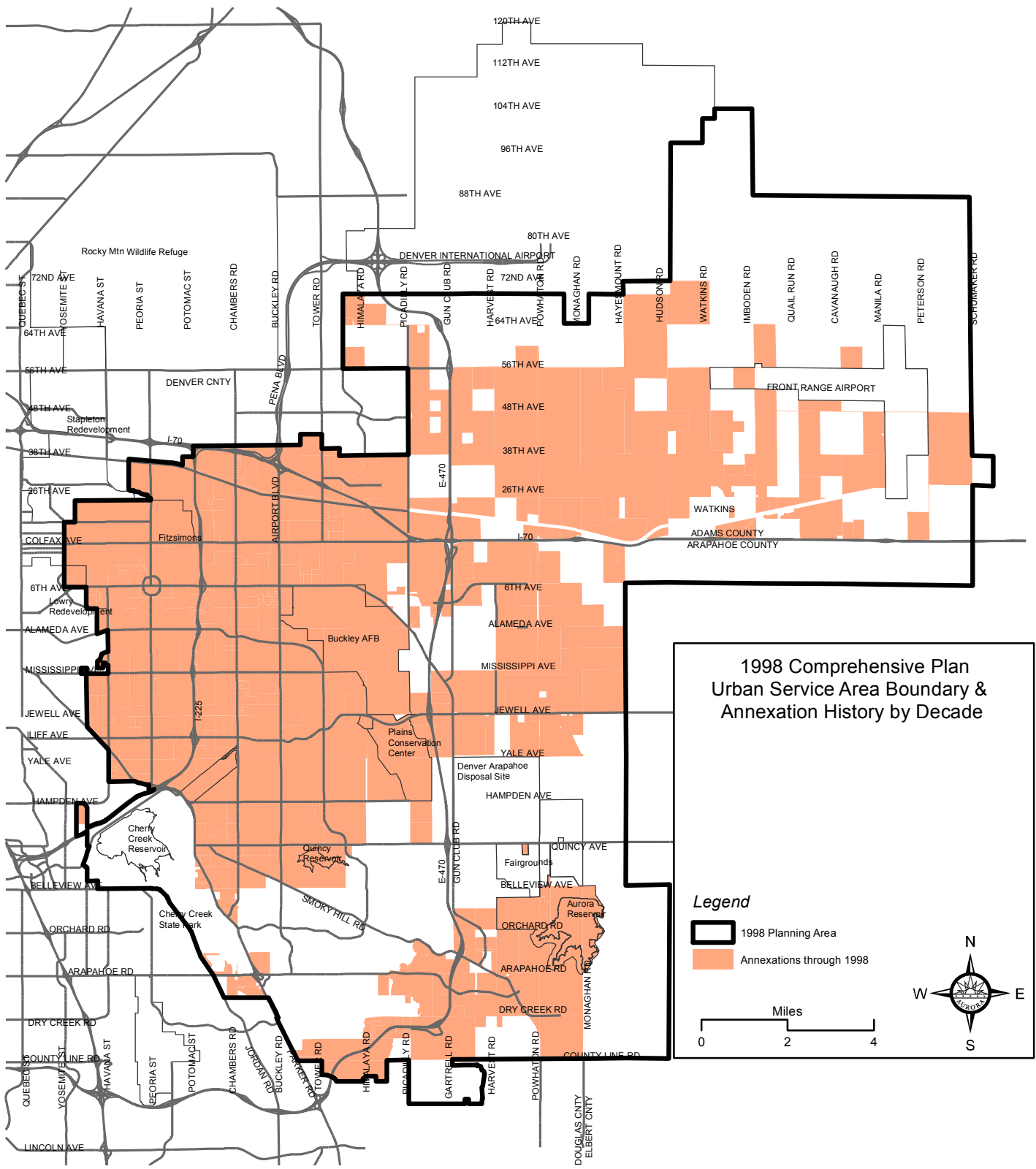
Map 4 Planning Area 1986



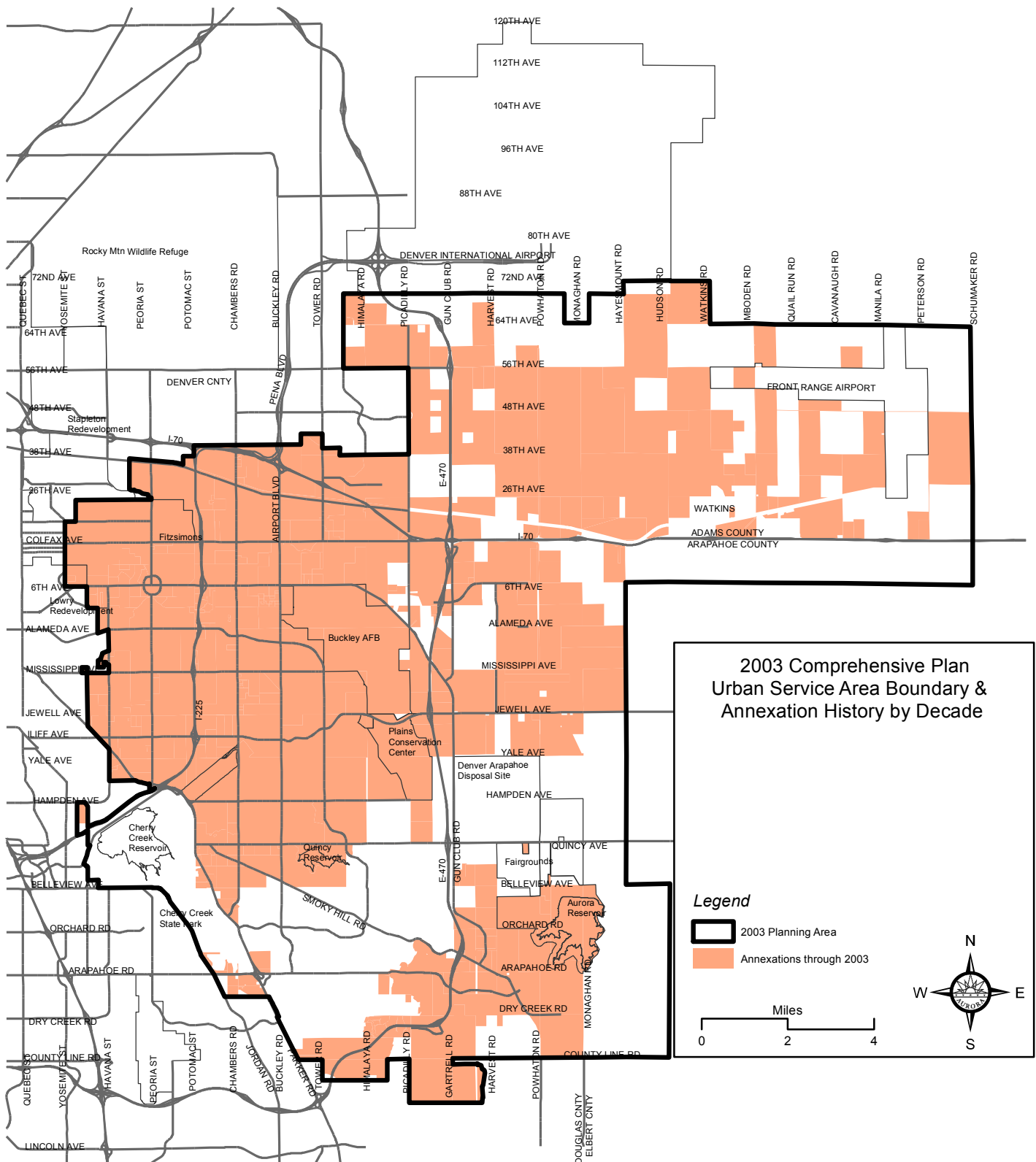
Map 5 Planning Area 1989



Map 6 Planning Area 1998



Map 7 Planning Area 2003



**2009 Comprehensive Plan
Urban Service Area Boundary &
Annexation History by Decade**

Legend

- 2009 Planning Area
- Annexations through October 2014

Miles

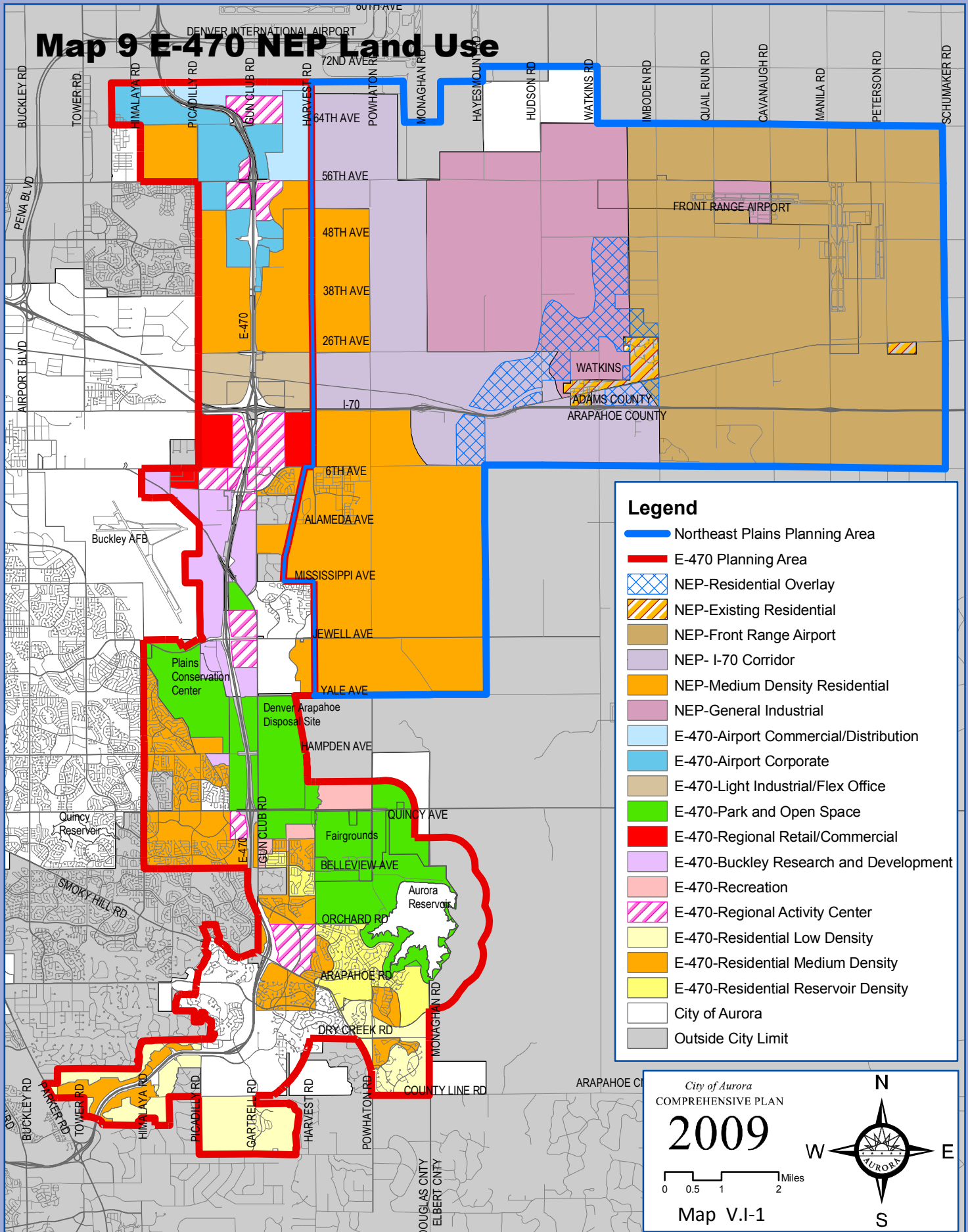
0 2 4

North Arrow

N
W E
S

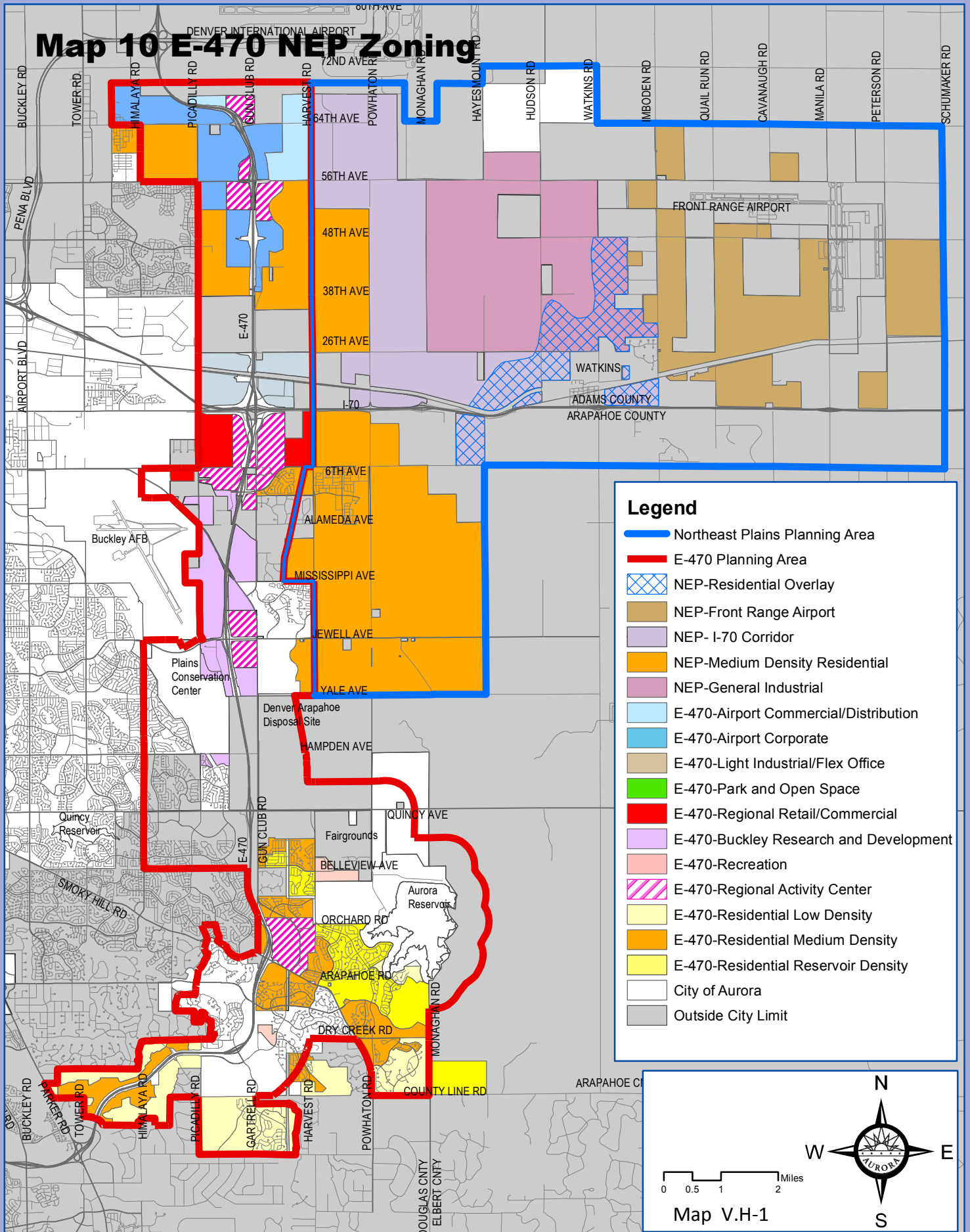
E-470 / Northeast Plains Land Use

Map 9 E-470 NEP Land Use



E-470 / Northeast Plains Zoning

Map 10 E-470 NEP Zoning



Map 11 NEATS

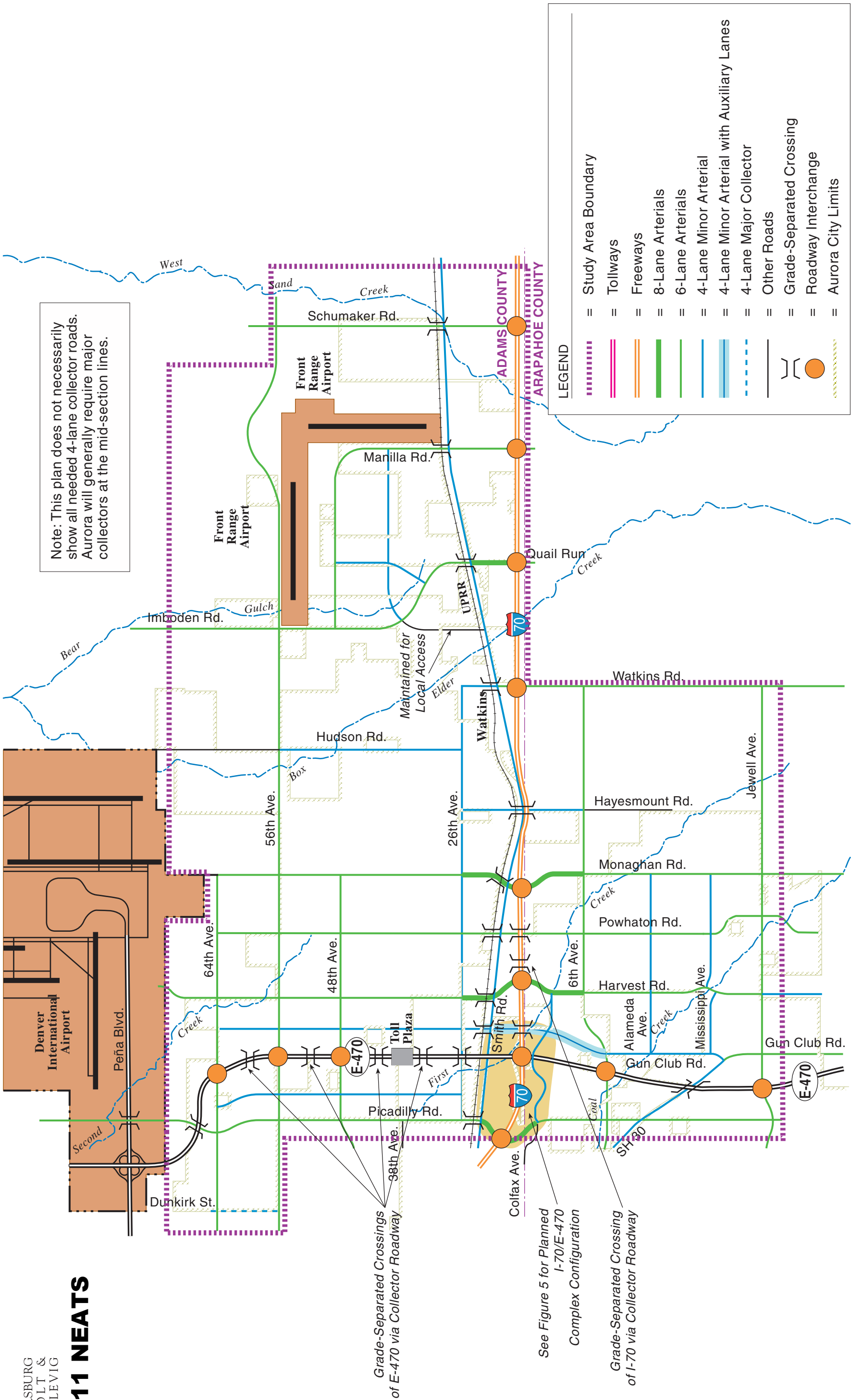


Figure 4
NEATS Roadway Network

Map 12 SEATS

Note: This plan does not necessarily show all needed 4-lane collector roads. Aurora will generally require major collectors at the mid-section lines.

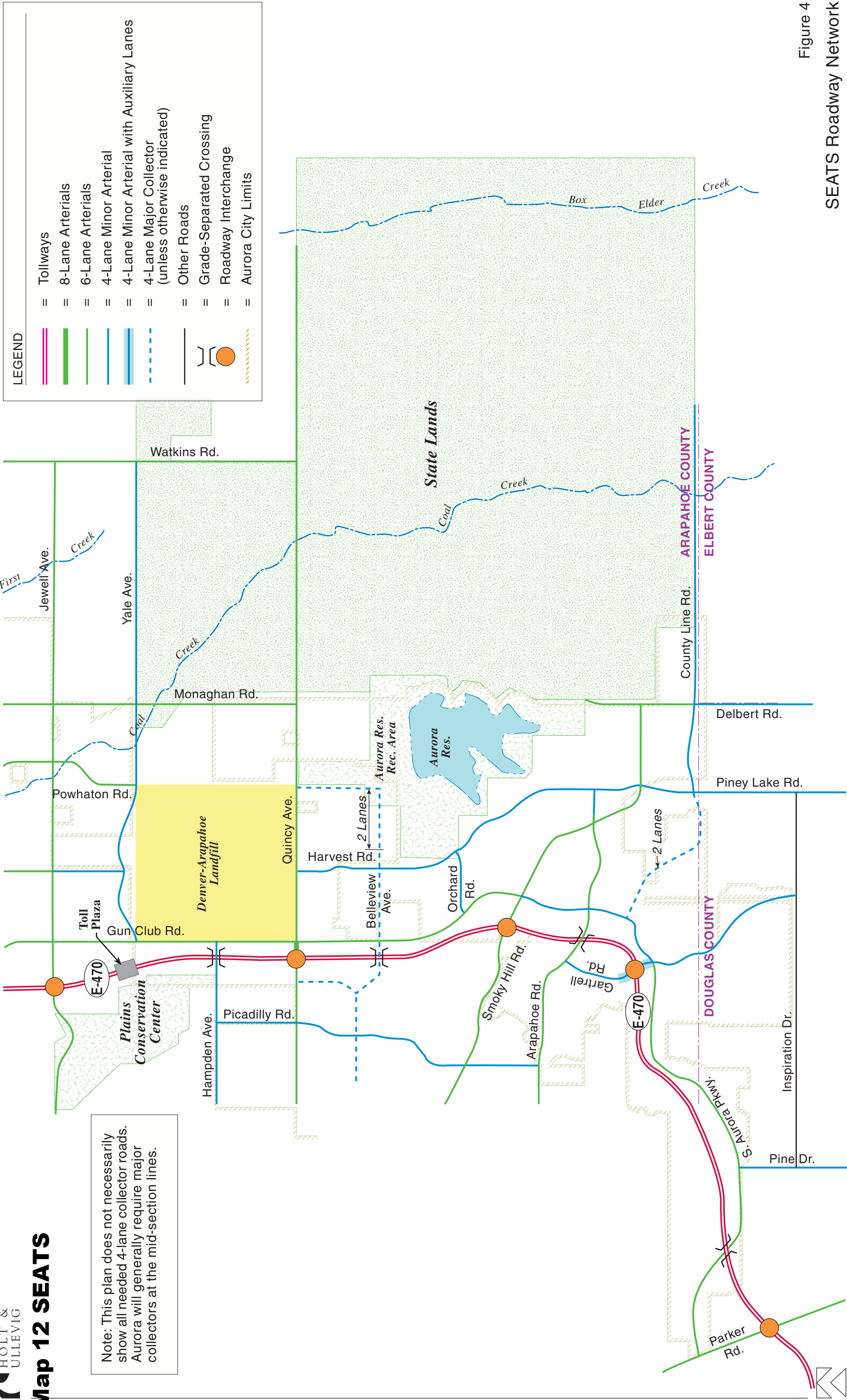
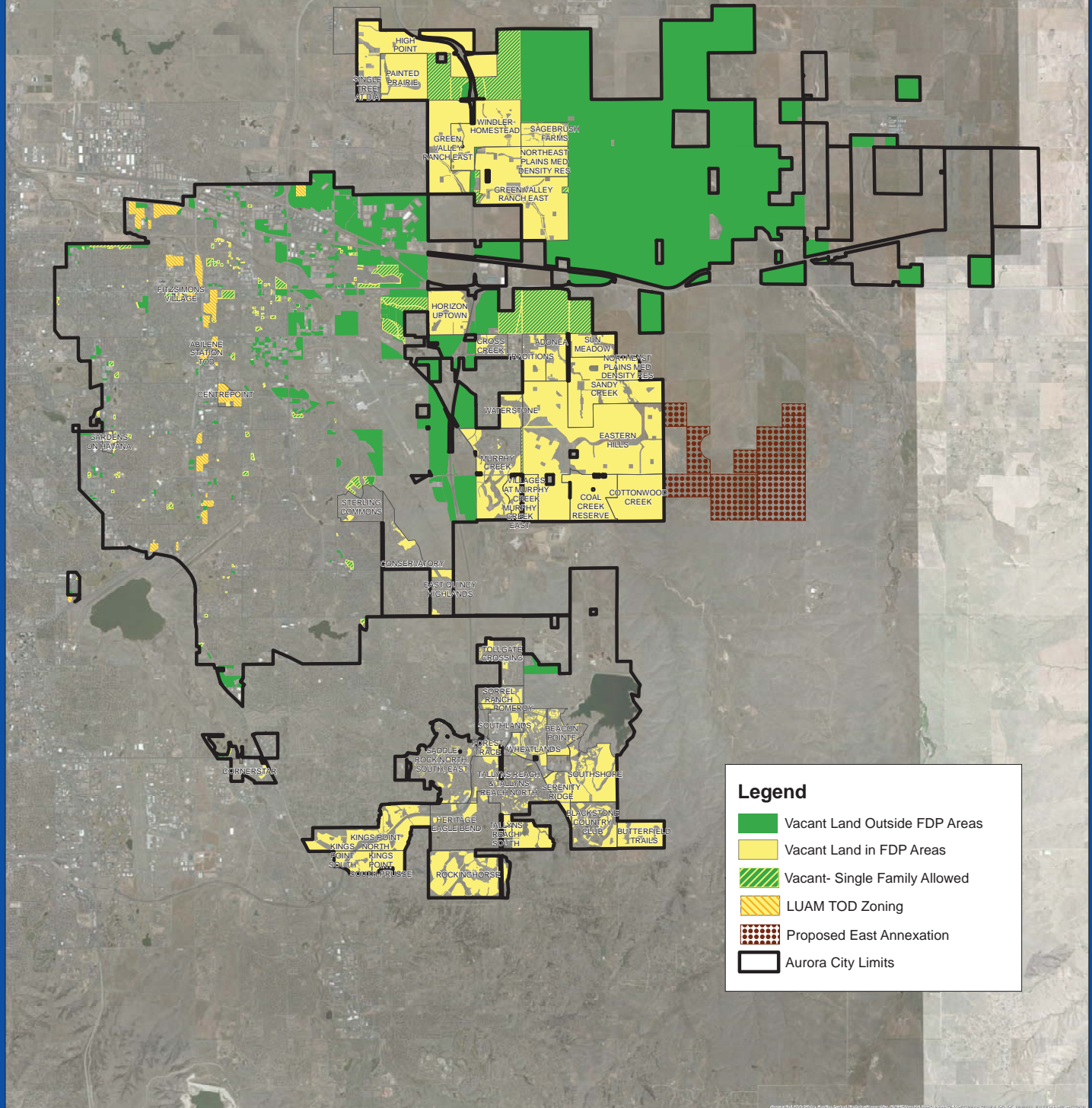


Figure 4

SEATS Roadway Network

Map 13 Vacant Land



Legend

- Vacant Land Outside FDP Areas
- Vacant Land in FDP Areas
- Vacant- Single Family Allowed
- LUAM TOD Zoning
- Proposed East Annexation
- Aurora City Limits

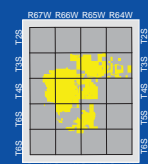
Planned Residential Development and the Proposed East Annexation



City of Aurora Planning Department
 303.739.7250 15151 E. Alameda Parkway F: 303.739.7268
 Aurora, CO 80012
www.auroragov.org



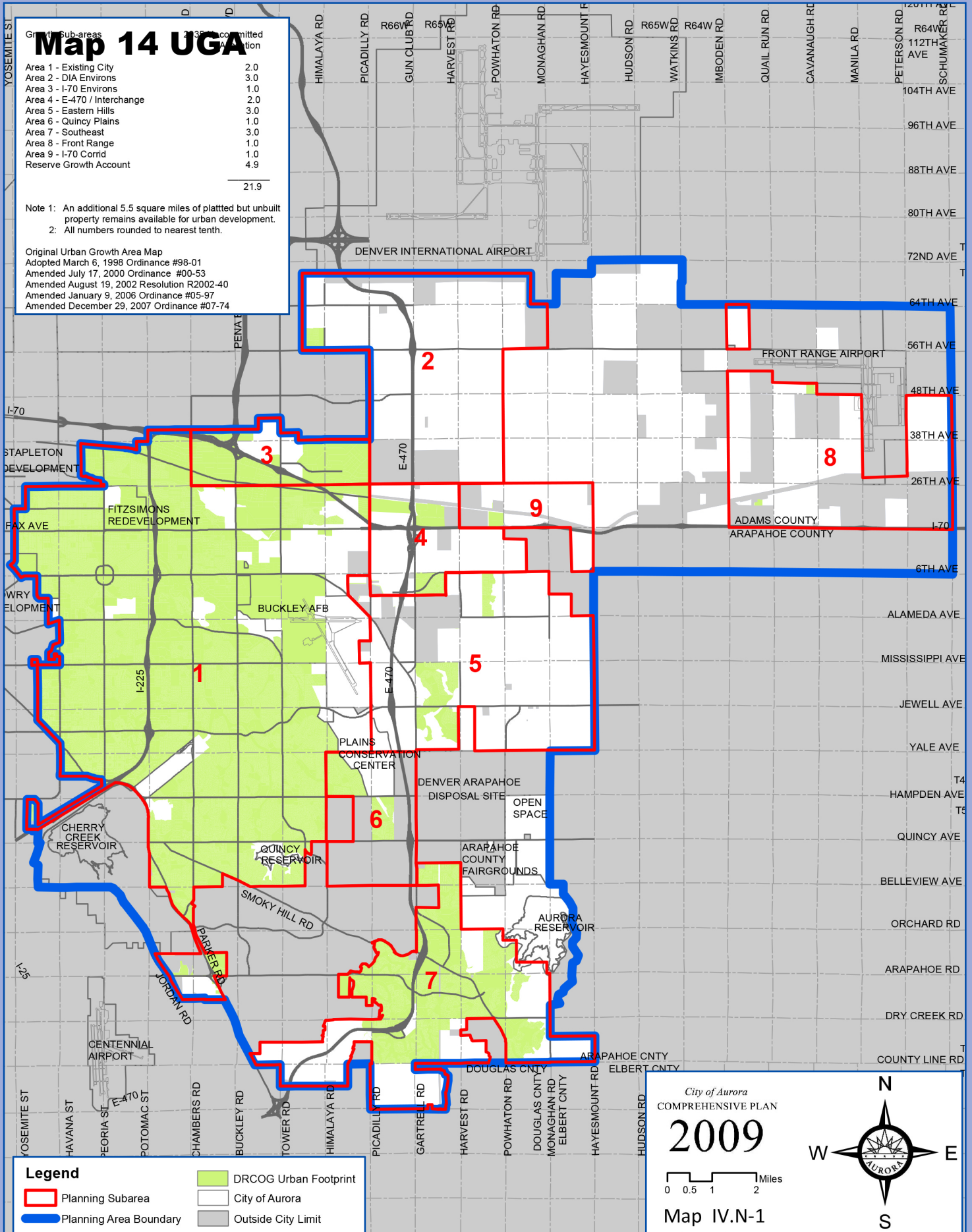
Projection: Lambert Conformal
 Coordinate System: State Plane, Colorado Central
 Datum: North American Datum (NAD) 1983 (Feet)
 Ellipsoid: Clark 1866



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DATE: 01/03/2014 FILE: I:\GIS\Arc10_SX\CityPlanning\Development\East Annexation Residential Demand

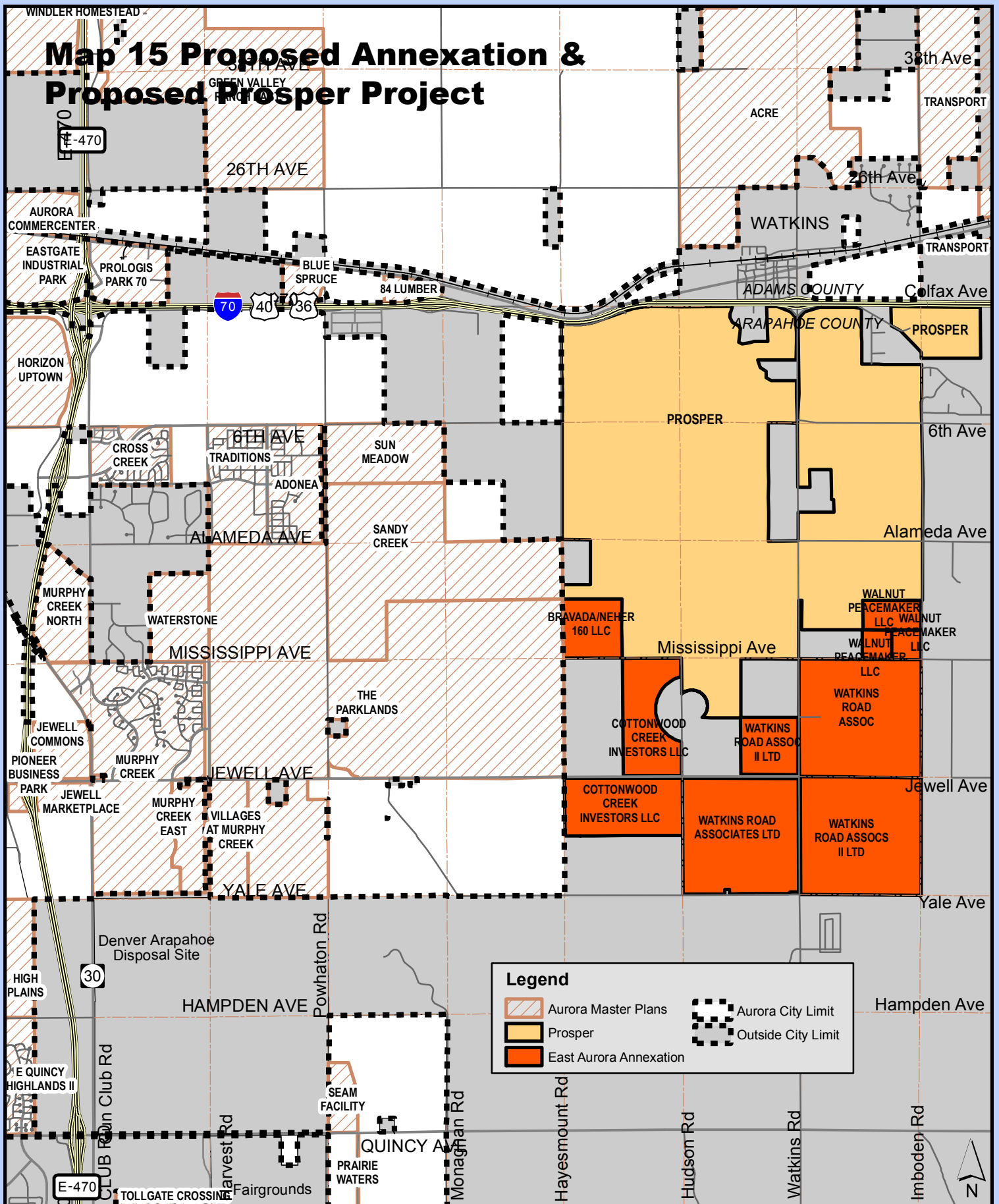
Urban Growth Area



Estimated Timeframes - East Aurora Annexation

[illegible]

Map 15 Proposed Annexation & Proposed Prosper Project



Proposed Annexation and Proposed Prosper Project

**PLANNING, ECONOMIC DEVELOPMENT & REDEVELOPMENT
POLICY COMMITTEE MEETING
September 10, 2014**

Members Present: Chair Marsha Berzins, Council Member Brad Pierce, Council Member Molly Markert

Others Present: Nancy Freed, Nancy Sheffield, Mike Hyman, Bob Watkins, Andrea Amonick, Jim Sayre, Vinessa Irvin, Karen Hancock, Nancy Bailey, Loretta Daniel, Mindy Parnes, Chad Argentar, Stephen Rodriguez, John Fernandez, Tim Gonerka, Dick Hinson, Gail Jetchick, Dexter Harding, Michael Sheldon

PROPOSED EAST AURORA ANNEXATION

Summary of Issue and Discussion:

Nancy Bailey, Administrator with the Office of Development Assistance explained to the Committee that in June 2014 staff received a request from several landowners who wish to annex their property to the city. The properties are located northeast of Hayesmount Road and Yale Avenue, and cover 2,983 acres or 4.66 square miles. A vicinity map showing the location of these properties in relationship to the existing city limits was presented to the Committee. The landowners have indicated they intend to develop these properties in a typical suburban format with primarily residential uses and densities along with retail uses at major corners, within a timeframe of 10 to 30 years.

Staff have begun an initial analysis of this annexation request and have identified several areas that will need more detailed evaluation. The annexation request is not in conformance with the Aurora 2009 Comprehensive Plan and would require an amendment to the Plan. This Amendment would be presented to both Planning Commission and City Council for consideration. The proposal involves a significant change to the Plan, and its consideration needs to include an evaluation of impacts and service needs. The Amendment process would likely take a year to complete. Ms. Bailey mentioned there was a correction in the backup material about the statement that the properties are located within the Rangeview Water District which they are not. Nancy Freed, Deputy City Manager of Operations informed the committee that this parcel of land is not in the city's Master Plan to serve. The proposed annexation is not in conformance with the Denver Regional Council of Government (DRCOG) Mile High Compact and Metro Vision Plan principals, which promote infill development and focus on defined urban centers.

Ms. Bailey explained that staff is seeking guidance from the Committee regarding the best way for staff to proceed. Bob Watkins, Director of Planning and Development Services presented issues regarding the properties and mentioned the maps provided in backup materials are from the city's Comprehensive Plan that was adopted by ordinance and by City Council in 2009.

Mr. Watkins explained that the "Planning Area and Annexation Boundary" map sets the boundary area for annexation and allows City Council the option to either approve or not approve annexation. Current policy states that Council would not adopt or approve annexation beyond that boundary without an amendment to the Comprehensive Plan. Since its location is east of the annexation boundary, this proposal requires an amendment to the Comprehensive Plan. If it were determined to be desirable to amend the Comprehensive Plan to expand the city's annexation boundary, the analysis should also include whether a larger "squared off" area should be encompassed to anticipate longer-term future growth.

Mr. Watkins referenced the Urban Growth Area map that does not include the proposed annexation. The process to address this would be to request an amendment through DRCOG of the Urban Growth Area map and Aurora allocations. Aurora's current Growth Area Allocation is 21.9 square miles total within the established Urban Growth Area. The allocation is divided among nine sub-areas, although 4.9 square miles is in a reserve account which can be allocated to any of the sub-areas. The proposal may be controversial at the regional level.

Chair Berzins ask why Mr. Watkins felt that this will create controversy at the regional level. Mr. Watkins explained that the focus of Metro Vision is on infill development around urban areas similar to the areas around Fitzsimons. Mr. Watkins added that he is on a committee now and the majority of the discussion is how we get infill development to occur, not on expanding the overall foot print of urban development. Chair Berzins asked when the 2009 Comprehensive

Plan is due to be renewed. Mr. Watkins said that it probably is ready to be renewed. Staff has delayed it due to the staffing needs associated with that and offered that maybe the time to start thinking about renewal is when the Aurora Line opens. Ms. Freed offered that there is a water planning effort going on at the state level which will become part of an analysis for water infrastructure requirements in the city. Also, the city will need to update the city's Storm water Drainage Basin Master Plan, Wastewater Master Plan and Integrated Water Master Plan.

DRCOG would likely need to run regional modeling to assess transportation and air quality impacts which is a federal requirement. DRCOG anticipates that this will take at least a year to complete. Mr. Watkins added that each of the issues presented will require lengthy work and will require substantial conversions in trying to resolve how to annex this land. DRCOG will need to give approval of amending the urban growth area. Staff has not mentioned this proposal to DRCOG yet. If the Committee wanted this to move forward, staff would have to sit down with the DRCOG staff to determine what is involved to amend the adopted DRCOG plans to accommodate this annexation proposal.

Mr. Watkins talked about the transportation impacts and said that there is a very limited roadway network in place to support extensions of development east of the existing city limits. The city has adopted transportation plans for the eastern area in the form of the Northeast Area Transportation Study (NEATS) and the Southeast Area Transportation Study (SEATS). These plans describe major transportation improvements needed to support development within the current planning and annexation areas. Revisions to NEATS and SEATS will be needed to evaluate and plan for the proposed annexation. The major improvements described in NEATS and SEATS include arterial connections and improvements to crossings and interchanges for E-470 and I-70. The eventual development in this proposed annexation area would be required to build their half of the improvements. The proposed annexation area is also outside the RTD service boundary. CM Pierce asked if there was a methodology on exchanges of growth allocation to the urban growth area. Mr. Watkins replied that there is and it applies to each sub-area; an increase in one sub-area may require a reduction in another. Each of those has an allocation and there is a five mile radius that can be applied to any of those. There was never any intention that those go beyond the Urban Growth Area boundaries.

Chair Berzins expressed that she believes that this needs to go on to full Council to get a decision. CM Markert offered that at this time she is not in favor of this annexation and does not want to spend staff time and city monies to move this along. CM Pierce said that staff should continue discussions and conduct the studies that may help council with a decision. He is also in agreement that the land owners should cover the cost to conduct and revise the studies. Chair Berzins asked staff to send them an e-mail prior to this going to Study Session on who is going to pay the cost of the studies. Ms. Freed added that it is very important that staff has the fiscal analysis to evaluate this annexation.

Outcome:

The committee asked staff to forward this item to Study Session and prior to the Study Session meeting, staff should meet with the landowners to discuss the landowners paying for the analysis, then reply to the Committee members via e-mail on what is determined in that meeting.

Follow-up Action:

Staff will e-mail the committee and then forward on to Study Session.
