

Lack of sewage agreement delays Banning development

Nov 9, 2005

By ED SEALOVER THE GAZETTE

Development of Banning-Lewis Ranch, which has been delayed for 18 years by bankruptcy, legal wrangling and a complex annexation agreement, must wait at least two more weeks.

Colorado Springs City Council members voted Tuesday to postpone a decision on the first parcels on which construction is set to begin.

The council was leery of giving Banning-Lewis Ranch Management Co. the go-ahead to build homes until it signs an agreement on sewage treatment.

Though minor in the greater scope of delays, the move could cause problems, said John Cassiani, company vice president for operations. It pushes building further into the winter months and jeopardizes the Aug. 11 opening of a school if sewer lines can't be hooked up quickly, he said.

"We do need to get started. We really do," Cassiani said. "It's been a long time coming."

The history of the 24,000-acre area on the city's eastern edge has been one of false starts since Arizona developer Frank Aries paid \$235 million for it in the mid-1980s. The council annexed it in 1988 after crafting an agreement that required owners to pay for all infrastructure on the land for the first time in city history.

Aries turned the land over to a trust corporation during the savings-and-loan crisis, and it was sold to Saudi Arabian investors for \$18 million in 1993. Californiabased Capital Pacific Holdings bought it for \$55 million in 2001; a sister company is now overseeing the development.

Cassiani presented a plan to the council Tuesday to develop 394 acres in the northwestern corner of the ranch into homes, parks, a recreation center and a school. Paul Tice, the city's manager of land-use review, called the first proposal to build on the ranch, which is expected to hold the majority of city growth for the next 50 years, "a watershed event . . . in the development history of the community."

If the plan is approved, Tice said, the first home could go up next year and a charter school serving Falcon School District 49 would open in August.

But after negotiating for more than a year, the company has yet to sign an agreement with Colorado Springs Utilities on how to treat wastewater from 786 single-family homes, plus duplexes and townhomes.

About 500 of the homes will be served by a sewage plant on Las Vegas Street. But the rest will need a new plant that is not expected to be built until 2010, so an interim agreement must be developed.

Cassiani and utilities officials assured the council that they are close to signing a deal.

But Mayor Lionel Rivera said he remembered the disaster of the planned Woodmen-Academy boulevards overpass. In that case, the council let building begin in the area as city officials drew up an agreement to get developers to pay for the overpass. That agreement eventually fell through.

"I'd really like to have that agreement done before I approve anything," Rivera said. "In my mind, approving this could overburden our wastewater system."

Cassiani said after the meeting that he is not sure he can get all the ranch's property owners — there are more than 20 of them — to sign a deal by the Nov. 22

council meeting.

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OTHER COUNCIL ACTION

STUDY MONEY

U.S. Sens. Wayne Allard and Ken Salazar said Tuesday that they've secured money for two water projects that will help Colorado Springs.

A House-Senate conference committee recommended giving \$125,000 to the Fountain Creek Watershed Study and \$34,000 to a study of the east fork of Sand Creek. The House and Senate still must approve the committee report, but members cannot pull out individual projects.

The Fountain Creek study, which has been under way since 2003, is examining how to reduce flooding, erosion and sedimentation along the waterway. It went unfunded in President Bush's proposed budget, and critics threatened to cut it off before its conclusion.

"It means we can keep moving forward with a process that's essential to the future of all of southern Colorado," Councilwoman Margaret Radford said of the appropriation.

Another \$34,000 will go toward a study on constructing drop structures — devices meant to slow the rush of water and limit erosion — in Sand Creek near Powers Boulevard.

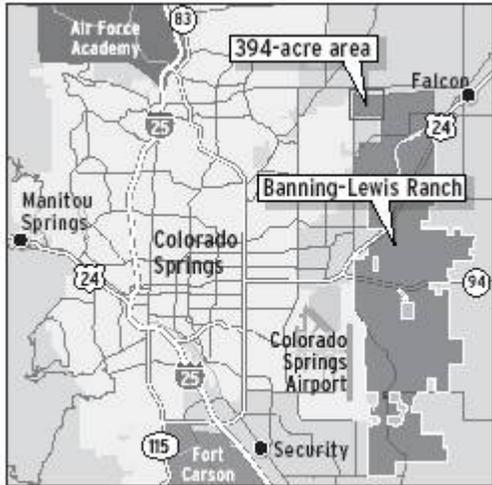
PEACE OFFERING

Mayor Lionel Rivera apologized Tuesday to Georg-Andreas Pogany, saying that just because the veteran protests the Iraq war, the mayor shouldn't have called him anti-Army.

Several anti-war activists lambasted Rivera for insinuating that those who don't support the war in Iraq are against the troops, too. The mayor earlier had pulled his support from Operation Just One, a program that connects veterans with mental health practitioners who have agreed to give free care.

Rivera, an Army veteran, then challenged the protesters to prove they support the troops by holding a rally for them.

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