

# AGENDA ITEM SUMMARY

City Council



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## STAFF

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## SUBJECT

**First Reading of Ordinance No. 162, 2023, Adopting the East Mulberry Plan as an Update of the 2002 East Mulberry Corridor Plan.**

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## EXECUTIVE SUMMARY

The purpose of this item is for Council to consider adoption of the draft East Mulberry Plan and potential annexation considerations related to the plan. Staff will share a potential approach to annexation for Council to consider based on a concept referred to as “Thresholds.”

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## STAFF RECOMMENDATION

Staff recommends adoption of the Ordinance on First Reading.

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## BACKGROUND / DISCUSSION

Staff have been working towards an update to the East Mulberry Plan, including extensive community engagement, since 2020. While the plan provides an approach for future potential annexation of the East Mulberry enclave, the overarching purpose of the plan seeks to create a clear vision for many aspects of the area, especially issues raised during internal city staff and community engagement. Because the existing 2002 East Mulberry Corridor Plan is now over 20 years old, updated guidance for future land uses, transportation, and development review are necessary for city staff now. Even for developments in the area that are not immediately eligible for annexation, these tools are helpful resources for Larimer County staff consultation as they approach development review. Since 2021, staff have participated in several discussions with Council on this topic, including the following work sessions and Council committee meetings:

- March 2021: Work session focused on the public engagement plan and the fiscal impact analysis of a potential phased annexation approach.
- March 2022: Work session focused on the plan update, strategic approach to plan-making and annexation evaluation.
- April 2022: Council and County Commissioner discussion of potential future annexation and the existing Intergovernmental Agreement for Growth Management.

- April 2022: Work session focused on overall community approach to annexation and growth management, including implications for the East Mulberry Enclave area.
- August 2022: Staff presented a financial analysis framework for five subarea designations within a 20-year timeframe separated into 5-year increments.
- October 2022: Staff presented Opportunities and Tradeoffs by Character Area and received feedback to provide ranges of costs to inform future discussions at the November 8th full Council Work Session.
- June 2023: Engagement summary and memo shared with Council.
- October 2023: Staff presented the draft of the East Mulberry Plan and the Thresholds potential annexation approach to illustrate how the strategy may be utilized in the future.
- November 2023: Memo shared with Council to answer questions from the October 2023 work session.

### **Feedback from Council**

Significant discussion has occurred regarding the East Mulberry Plan and the implications of potential annexation. Council feedback has generally centered around an interest in moving slowly and deliberately to avoid acquiring infrastructure without adequate resources to support them; focusing on lessons learned from the most recent large annexation project – the Southwest Enclave Annexation; and a desire to conduct substantial analysis prior to annexation of large portions of the East Mulberry Enclave.

### **History**

The current East Mulberry Corridor Plan was adopted in 2002. The plan was jointly adopted by the City of Fort Collins and Larimer County. The plan update reexamines the East Mulberry area relative to changed conditions, emerging trends, and aligning with key policy recommendations found in the 2019 City Plan update. Through engagement with area business owners, residents, and extensive internal staff conversations, the plan aims to highlight area priorities, guide thoughtful growth, and prioritize future public investments.

An area of unincorporated County land surrounded by land within the City limits, referred to as an 'enclave', was formed along East Mulberry in August 2018. Three years after an enclave is formed, the City of Fort Collins may initiate involuntary annexation. Therefore, the East Mulberry Enclave became eligible in August 2021. Although not statutorily required to annex the enclave, the City has an agreement with Larimer County that such an enclave annexation will be pursued when it becomes eligible. Given the size of the East Mulberry enclave, such an annexation could be phased over several years.

Annexation has been a tool used to grow the boundary of the City's jurisdiction since the late 1800s. Since the 1950s, many of the City's annexations have occurred to the south in conjunction with development proposals on otherwise "greenfield" land, often of formerly agricultural lands or undeveloped prairie lands. Much of the East Mulberry area developed between the 1950s and 1970s, especially the industrial area north of East Mulberry Street. This area was generally isolated from the development occurring to the west around the core of College Avenue. As development occurred outward from the Fort Collins core in the 1980s, the East Mulberry area eventually became surrounded by City limits.

### **Fort Collins Subarea Plans: Position and Purpose**

Subarea plans, like the East Mulberry Plan, are important tools for implementing geography-specific implementation strategies of broader City policy and goals. Subarea plans can achieve the following:

- Address important issues and opportunities unique to a given area.
- Offer context-sensitive implementation and funding strategies that are actionable.
- Provide vision, policy, and land use guidance for a particular area.

- Guide policy considerations related to large potential annexations.

**East Mulberry Plan Update: Why Update? Why Now?**

Much has changed since the East Mulberry Corridor Plan was created in 2002. In the 20 years since the plan was adopted, conditions have changed both in the East Mulberry Plan area and across the broader Fort Collins community. A plan update should be pursued for the following reasons:

- The East Mulberry Enclave was created in 2018 and became eligible for annexation in 2021. Since the adoption of the 2002 plan predated these conditions, the East Mulberry Plan did not outline an annexation strategy specifically through policy recommendations or other elements of the plan.
- Many comprehensive Citywide documents have been updated since the East Mulberry Corridor Plan was adopted. This includes City Plan, updates to the City’s Land Use Code, key outcome areas of the City’s Strategic Plan, amongst others. An East Mulberry Plan update could ensure alignment with these documents.
- Substantial development activity is occurring in the East Mulberry Plan area. Specifically, the Bloom and Mosaic communities may be catalysts for additional development proposals in this area. A plan update could address known future development and proactively address the remaining undeveloped areas of the East Mulberry Plan area.
- Market conditions have also changed, creating a need to analyze current zoning designations and explore application of policies that could serve to protect and preserve existing land uses while creating opportunity for new development.

East Mulberry Plan

The East Mulberry Plan is broken down into five distinct sections:

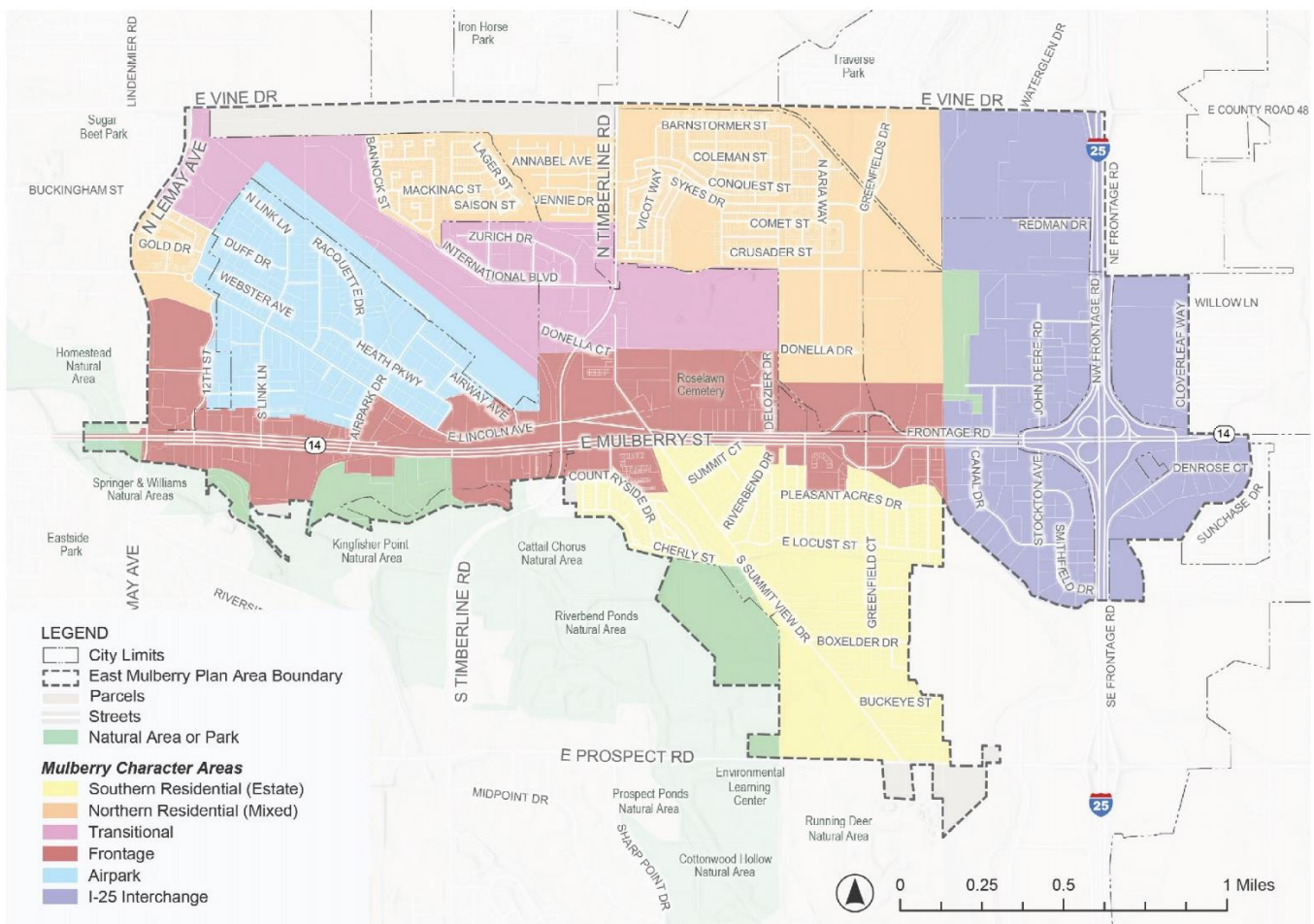
<b>Introduction</b>	This section provides background and context on the East Mulberry Plan Area.
<b>Character Areas</b>	The Character Areas section describes how character areas were formulated, the unique attributes of the character areas, and how character areas serve to provide more customized recommendations within the plan strategies.
<b>Goals &amp; Strategies</b>	The Goals & Strategies section contains the goal statements for the East Mulberry Plan Area as well as the policies and strategies that will help bring these goals to fruition.
<b>Implementation</b>	This section includes the place type framework plan that envisions the future place types within the East Mulberry Plan Area, the Transportation Framework Map, and the Development Review Framework.
<b>Annexation Thresholds</b>	The Annexation Thresholds section provides a detailed overview of the annexation thresholds approach, how thresholds will be identified, and how the thresholds approach could be managed in the long-term.

## Introduction

This section provides background and context on the East Mulberry Plan Area, including history of the area since the 1950s, a comprehensive review of existing conditions, community priorities and what we heard through community engagement, and review of the formation of the enclave and the general purpose of annexation.

## Character Areas

The East Mulberry Plan Area is a large area that encompasses various land use types. While several of the goals above apply to the entire area, each of the distinct land use types requires some specificity when it comes to the application of each goal. That said, the plan area has been divided into distinct Character Areas. Considerations for defining character area boundaries included land uses, the built form, transportation system factors, and other defining aspects of each area. Character areas are not intended to create hard edges or boundaries, but instead generally serve to define and strengthen each area's distinct qualities. The map of all Character Areas is depicted below:



The Plan Area has been broken into 6 distinct Character Areas:

- Airpark
- East Mulberry Frontage
- I-25 Interchange
- Northern Residential (Mixed)

- Southern Residential (Estate)
- Transitional

Through community engagement and internal staff conversations, specific issues and areas of opportunity continued to present themselves. Many of these issues are geographically tied to a specific character area given the diversity of land uses and context across the Plan Area. For example, small-business preservation and support continued to come up for industrial business owners within the Airpark area, while concerns about crime and aesthetics came up frequently for business-owners within the I-25 Interchange area. As mentioned above, while several of the plan goals apply to all character areas, there are unique priorities and implementation action items for future consideration.

## Goals and Strategies

When approaching this update to the East Mulberry Plan, study of existing conditions and conversations with residents and business owners reveal the complexity and challenge of planning within this area. The diversity and uniqueness of land uses, combined with the desire to simultaneously preserve many things about the plan area, while at the same time, improving other aspects, like deteriorating infrastructure and lack of community amenities, pose a unique challenge from a planning perspective. For these reasons, establishing a set of goals that cover a wide breadth of elements impacting the East Mulberry Plan area felt like an appropriate way to balance both the preservation and augmentation needs of this area that a single vision statement could not adequately capture. The plan goals speak to desired future outcomes for the plan area and were collaboratively generated with community members and staff.

There are seven major goals within the East Mulberry Plan. Below each of the seven plan goals are strategies and implementation action items. Strategies are action-oriented statements that support achievement of the goal. The implementation action items are more specific than the strategy statements and provide more detailed methods for how the strategies may be achieved.

Because annexation of the East Mulberry Enclave under a thresholds approach may take a long time, the sections called “Note on Fulfillment of this Strategy” acknowledge that implementation of these strategies and implementation action items are mostly dependent on when the areas are brought under city jurisdiction. Ongoing coordination and collaboration with Larimer County will continue throughout a threshold annexation strategy.

- *Goal 1: Commercial/Industrial Hub (industrial/ag uses):* Foster a healthy and prosperous commercial and industrial hub for the City, while remaining viable for small businesses and industry.
- *Goal 2: Stormwater infrastructure:* Master plan, construct and maintain stormwater infrastructure to provide safe conveyance of stormwater flows and reduce flood risk.
- *Goal 3: Multimodal (mobility, streets):* Plan and support safe and comfortable infrastructure for multi-modal transportation.
- *Goal 4: Community Access (amenities & services):* Increase access for residents and businesses to community amenities & services.
- *Goal 5: Housing Affordability:* Explore mechanisms to maintain housing affordability and existing character of residential neighborhoods.
- *Goal 6: Historic, Cultural, Natural Features (ecological health):* Protect and promote natural, historic, and cultural resources that support a cohesive and resilient community using nature-based solutions.
- *Goal 7: Gateway Aesthetic:* Improve the function and visual appearance of the Mulberry & I-25 interchange and Mulberry Street frontage as a gateway into Fort Collins.

## Implementation

The Implementation Section explores more practically how the goals, strategies, and implementation action items recommended within this plan could be accomplished. Within this section, there is a Place Type Framework map that depicts future land uses, a Transportation Framework map that explores a potential transportation network, and a Development Review Spectrum to guide future development activity in the East Mulberry Plan Area.

*Place Type Framework:* Place Types were developed through the creation of the most recent iteration of City Plan, adopted in 2019. These place types provide a framework for the ultimate buildout of Fort Collins and help guide future land use decisions, such as initial zoning when areas of the East Mulberry Enclave are annexed. Place types are not zoning districts but instead broader categories that focus on the types of land uses and development intensities to encourage.

*Transportation Framework:* The Transportation Framework map depicts connectivity needs, proposed streets for augmentation, and areas that require future evaluation and improvement. Some areas, such as the East Mulberry Street corridor, would benefit from a standalone design effort in partnership with the Colorado Department of Transportation (CDOT). This framework is not meant to be a comprehensive transportation plan and is instead a reflection of opportunities and concerns surfaced through community and internal staff engagement.

*Development Review Spectrum:* The Development Review Spectrum highlights typical requirements and areas of flexibility for site upgrades within the City of Fort Collins' development review process. The purpose of this spectrum is to provide a structured and strategic approach for revitalizing and improving properties over time as they come through the City's Development Review process. It can also serve as a resource for Larimer County reference when reviewing properties within the East Mulberry Enclave that are going through the County's Development Review process, but not yet eligible for annexation. Each of the categories outlined within this spectrum highlights the requirements based on the level of proposed site improvements and the priorities for each of the corresponding City departments.

## Threshold Annexation Strategy

The Annexation Threshold strategy occupies its own section of the East Mulberry Plan but continues to detail implementation of this potential approach. Staff have been further analyzing and exploring this potential approach for Council consideration. This approach is based on "Thresholds". Thresholds are a set of conditions that when reached, may represent an opportune time to consider annexations of portions of the East Mulberry Enclave. When a threshold is identified, strategic annexation of the area in question and the surrounding parcels could be initiated. Thresholds for consideration could include a combination of predictable or anticipated events, opportunities, and other defined conditions. Specifically, opportunities to achieve city priorities, major development/redevelopment activity, maintenance of logical jurisdictional boundaries, funding opportunities, and infrastructure upgrades. In many cases, thresholds would be initiated when future conditions are met, therefore, thresholds and opportunities to consider annexation may be spread across a longer time horizon. Some potential thresholds that staff have begun formulating for evaluation include:

- *Maintaining Logical Boundaries:* Over time, voluntary annexation establishes a smaller enclave or area that is essentially surrounded by City of Fort Collins. To create or maintain logical boundaries for enforcement, provision of services (i.e., police services, roadway/sidewalk improvements, and create areas of compatible land uses), annexation of the parcels to form more logical or contiguous boundaries may be a threshold.
- *Proactive Resource Protection:* Imminent impact to a critical natural resource or buffer. To apply natural resource protection under city codes, this may be considered a threshold for considering annexation.
- *Redevelopment Risk:* A redevelopment risk threshold represents the ability to preserve mobile home parks and other sources of naturally occurring affordable housing. Future property sales may pose risk

of redevelopment to existing mobile home parks. To protect these sources of existing affordable housing stock, bringing the mobile home park into the City of Fort Collins could allow application of the City's Manufactured Housing district, which would aid in preservation of these communities.

- *External Funding and Capital Project Alignment:* This threshold is related to receipt of external funding that could help alleviate some of the cost burden associated with annexation. It also would include the ability to consider annexation of areas containing multiple priority project sites from adopted plans.

### **Example Threshold**

During the October 10, 2023, Work Session, staff explored with Council an example threshold that demonstrated what types of considerations would be made when examining potential thresholds. The example threshold combines a variety of the identified categories and how potential annexation boundaries could be established for Council consideration. While this example was meant to illuminate the threshold annexation process, the example is not included in the Draft Plan document and will not be included in the final version of the Plan. The example threshold is included as an attachment to this Agenda Item Summary.

### **CITY FINANCIAL IMPACTS**

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When a phased approach to annexation of the East Mulberry area was contemplated, a full financial modeling tool was built by a financial consultant, Economic & Planning Systems (EPS) in partnership with our Finance team. The results of that modeling are included in appendices attached to the plan document. While the modeling tool was originally created to evaluate the potential costs of a phased approach for both governmental and utilities services, the model can still be used to evaluate costs associated with a potential annexation through the thresholds approach. The evaluation framework and associated analysis would be applied consistently to study each threshold, offering predictability and standardization within this approach.

Each time a threshold is triggered, an analysis period begins for the areas within the proposed threshold boundary. This analysis period would include an extensive cost analysis in partnership with each of the departments that would be providing services if the threshold area were to be annexed. The Planning department would take lead in facilitating a team from across the system toward a realistic timeline for service and a cost estimate based on various time periods and level of service. At a minimum, the analysis team would include Finance, Utilities (Light & Power & Stormwater), Streets, and other supporting departments depending on the area being considered. A full report of findings would be presented to Council for consideration and feedback. At this time, geographic threshold boundaries and resource adjustments could be honed.

### **BOARD / COMMISSION / COMMITTEE RECOMMENDATION**

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Staff have presented to several Boards and Commissions, including the Economic Advisory Board, the Transportation Board, the Bicycle Advisory Board, and the Planning & Zoning Commission. Staff have also presented to Larimer County Board of Commissioners on several occasions, and to the Larimer County Agricultural Board. A recommendation from the Economic Advisory Board has been received and is attached to this AIS. The Planning & Zoning Commission will review the plan at their November 16, 2023, hearing. A recommendation and meeting notes will be provided in a read-before memo prior to the November 21, 2023, regular Council meeting.

## PUBLIC OUTREACH

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Community engagement for this plan began in 2020 and has focused primarily on the business owners and residents within this area. While this area is important to the community of Fort Collins and the Northern Colorado region as a whole, Area Plan engagement usually occurs first with those who experience and interact with the place on a daily basis as an employee, business owner, resident or a combination of these.

During the December 13, 2022, Council Work Session, members of Council directed staff to perform a full update of the existing 2002 East Mulberry Corridor Plan and to explore the annexation thresholds approach (formerly referenced as tipping points). As part of this exploration into annexation thresholds, staff launched a new series of public outreach events to inform and engage residents and businesses on the proposed thresholds approach. Most recently, staff held an open house on October 26, 2023, from 3 to 7 p.m. in the East Mulberry area.

### *Recent Project Activities*

A series of four sessions were held spanning February and March of 2023. At these virtual and in-person sessions, staff offered a 45-minute presentation, followed by a 45-minute Q&A session to allow attendees to clarify questions and share concerns with staff members. A report prepared by the Institute for the Built Environment (IBE) documents the community engagement activities that occurred between February and March of 2023. This and other engagement summaries from previous engagement events are included as an appendix in the plan document.

As noted in the IBE report, notification methods used to inform and invite residents and community members to these events in February and March 2023 included:

- Over 2,200 postcard invitations were mailed to all addresses within the East Mulberry Enclave.
- Press Release distributed February 23, 2023.
- Over 200 in-person business visits to hand delivered invitations.
- Invitation and event reminders distributed to over 300 East Mulberry email newsletter subscribers.

*Previous Engagement:* The engagement activities that took place in February and March of 2023 are just the most recent events in an extended series of engagement work that has been conducted as part of the East Mulberry Plan update efforts. It is important to note that in addition to the most recently heard feedback, previous community and business feedback is being utilized to formulate recommendations in the updated East Mulberry Plan. As previously mentioned, summary documents of all engagement activities spanning the project history are included as an appendix in the plan.

Beginning in 2020, some of the notable previous engagement activities included the following:

- East Mulberry Business Focus Groups, August 2020
- Community Q&A Sessions, April 2021
- Community Visioning Sessions, June 29, July 14, and August 4, 2021
- Online Visioning Survey, Summer 2021
- Community Advisory Group Meetings – five meetings spanning October 2021 through April 2022
- Community Workshops, October 2021
- Community and Business Workshops, January and February 2022



Some of the primary opportunities and priorities that have been highlighted thus far in the public engagement process and internal conversations include:

- Infrastructure and Development
  - Flooding and its impact on the community
  - Integrated transportation system connecting neighborhoods to the surrounding area
  - Safety and accessibility
  - Sustainable development practices
- Gateway and Entry Aesthetic
  - An interest in aesthetic improvements at the I-25 and East Mulberry interchange as well as along the East Mulberry Highway corridor
  - An interest in maintaining the diverse uses within the area
  - An interest in preserving the industrial and agricultural function and character of the area
- Amenities and Services
  - Access to essential amenities and services, such as parks, schools, and grocery stores
  - Residents and business owners have struggled with issues related to vandalism, drug use, and homelessness, especially near the I-25 interchange
- Housing and Gentrification
  - Interest in preserving the affordability in the area

## **ATTACHMENTS**

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1. Ordinance for Consideration
2. Exhibit A to Ordinance
3. Potential Annexation Threshold Example
4. Presentation