

CITY OF CHEYENNE
PLANNING COMMISSION MINUTES
November 19, 2012
6:00 P.M.

MEMBERS PRESENT: Marc Woods, Chair; Gene MacDonald, Vice Chair; Lindsay Woznick, Secretary; Jim Rose, Rolfe Burgess, Shauna Lacey, Dave Teubner

MEMBERS ABSENT: None

CITY STAFF PRESENT: Brandon Cammarata, Planning & Development Director; Lisa Pafford, Asst. Development Director; Nathan Beauheim, Asst. City Engineer; Brett Walker, Senior Planner, Jan Spires, Urban Planner; Matt Ashby, Planning Services Director; Dan White, City Attorney; Tom Mason, MPO Director; Jeff Wiggins, Greenway Coordinator; Sreyoshi Chakraborty, Transportation Planner II

OTHERS PRESENT: Gary Kranse, Barbara Kloth, Megan Kram, Brent Lathrop

Marc Woods, Chair, called the meeting to order at 6:00 pm.

Roll call was done by Brandon Cammarata, Planning & Development Director.

Mr. Woods explained meeting procedures.

Jim Rose made a motion to remove the Item 1 from postponement. Dave Teubner seconded the motion. The motion was passed by a unanimous vote of 6 to 0.

Additionally, Mr. Teubner made a motion to exchange the order of Items 2 and 3. Mr. Rose seconded the motion. The motion was passed by a unanimous vote of 6 to 0.

POSTPONED ITEM 1: EASTRIDGE: Zone Change request from MR-1 Medium Density Residential – Established District to MUB Mixed Use with Business Emphasis District, for Lots 30 and 31, Block 1, Eastridge, Cheyenne, Wyoming (located at the northwest corner of the intersection of E. Pershing Blvd. and Converse Avenue).
Zone Chng-12-00011/ Roundabout Parking Lot

City of Cheyenne, a Municipal Corporation - Owner
Nathan Beauheim, Asst. City Engineer – Agent
Brett Walker– Office Representative

Mr. Cammarata read the item into the record.

Brett Walker, staff representative, provided the staff report.

Nathan Beauheim, agent, presented the project.

There was discussion of access thru the new proposed round-a-bout to get to the business across Pershing Boulevard. Access in and out of the business is very close to the proposed round-a-bout

and will be required to be right in, right out. Pedestrian crossing safety was discussed. Design changes to the round-a-bout are contemplated to provide adequate stopping distance for pedestrians. Cost for demolition of the homes on this property and the cost to develop as parking, were also discussed.

Mr. Woods opened the floor to public comment.

Dan White, City Attorney, provided that the proposal was submitted after many hours of negotiations with the current owner of the old video store.

Tom Mason, MPO Director, discussed the safety of the round-a-bout. Before Carey Junior High was planned to relocate, it was anticipated that there would be pedestrians crossing within the round-a-bout.

Mr. Woods called for public comment. Hearing none, he closed the public comment period.

Lindsay Woznick made a motion to recommend approval of the zone change request for Eastridge. Mr. Rose seconded the motion. The motion was passed by a unanimous vote of 6 to 0.

**ITEM 3: PRESENTATION: Mountains to Plains – Energy Development
Presentation**

Todd Kennedy, staff representative, introduced presenters from the Nature Conservancy.

See the attached presentation summary.

**ITEM 2: HISTORIC PLACEMAKING: Strategies for Invigorating Downtown
Cheyenne**

Jan Spires, Urban Planner

Matt Ashby, Planning Services Director– Office Representatives

Mr. Cammarata read the item into the record.

Jan Spires, staff representatives, provided the report.

Mr. MacDonald asked if the DDA has the funds or the manpower to cover all 20 strategy items listed in the report.

Ms. Spires stated that this will require partnerships and the funding may need to be reallocated and/or leveraged with various funding sources. The strategies are designed to include the participation and assistance of downtown stakeholders and interested citizens as well.

There was discussion of the timing for implementation of the plan and questionable cost values listed. The DDA does not seem equipped, have the capacity or funding to address some of the strategies, and the expectations may not be achievable with the long list in the report.

Mr. Ashby stated that the motor court costs will be reevaluated prior to adoption. It is recognized that each organization will likely prioritize two to three projects each year in their efforts to address the strategies.

Mr. Woods asked if this document could become regulatory.

Mr. Ashby stated it could not, but impacts from some of the strategies could become regulatory thru other means.


Mr. Woods opened the floor to comment. Hearing none, he closed the public comment period.

Mr. Teubner made a motion to acknowledge receipt of the report as a working plan for downtown and recommend the report proceed to the Governing Body with Planning Commission comments. Mr. Burgess seconded the motion. The motion was passed by a unanimous vote of 6 to 0.

OTHER BUSINESS: Mr. Cammarata provided an update of the public open house for input on the annual UDC update.

ADJOURNED: 7:15 p.m.


Produced by Lisa Pafford


Marc Woods, Chair

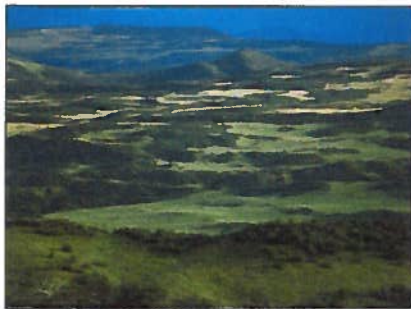
EXECUTIVE SUMMARY: MOUNTAINS TO PLAINS ENERGY BY DESIGN

INTRODUCTION

In 2011, the State Land Board (SLB) began seeking a strategy to lease and develop its oil and gas holdings underlying three large, publicly-owned properties in northern Larimer County: Red Mountain Open Space (owned by Larimer County), and Soapstone Prairie Natural Area and Meadow Springs Ranch (owned by the City of Fort Collins). These properties are valued by the public and contain many sensitive and unique values, from vast views to rare species to ancient cultural artifacts. The City and County properties are “split estate” in that the surface is owned by the City and County, while the underlying mineral estate is owned by separate entities including but not limited to the SLB. Not only do the SLB and other mineral owners have the right to develop their mineral estate, but the SLB is also charged with generating revenue from its minerals throughout Colorado, primarily to help fund K-12 education.

In keeping with its responsibilities to the citizens of Colorado, yet acknowledging the sensitivities of the project area, SLB sought a process to design an oil and gas development plan that would **balance energy development with biological, cultural, scenic and recreational resource conservation** goals of local governments. SLB contracted with The Nature Conservancy (TNC) to employ its “Energy by Design” (EBD) process (also known as Development by Design) to develop a science-based plan that would identify strategies to avoid, minimize, and mitigate the potential impacts of oil and gas development to biological, cultural, and scenic values. SLB intends to use this information to create an Oil and Gas Development Plan prior to leasing. This project is also a pilot effort for SLB to explore possible application of the EBD or a similar process to its other holdings in the state.

SLB, TNC, the City, and the County comprised the “Core Team” that completed the bulk of the work on this project. They also solicited input from a “Technical Team” of experts from federal, state, and local government agencies and science-based conservation organizations including: Colorado Parks & Wildlife, Colorado Natural Heritage Program, Colorado State University, Legacy Land Trust, Marathon Oil, Natural Resources Conservation Service, Platte River Power Authority, Rocky Mountain Bird Observatory, and the US Fish and Wildlife Service. By involving the surface owners, regulatory authorities, and other stakeholders in this surface use planning process prior to leasing, SLB staff believes this project will streamline leasing and maximize returns from the mineral estate underlying a highly visible public asset.



Soapstone Prairie Natural Area
@ Charlie Johnson



Archaeological dig on Red Mountain
@ Unknown



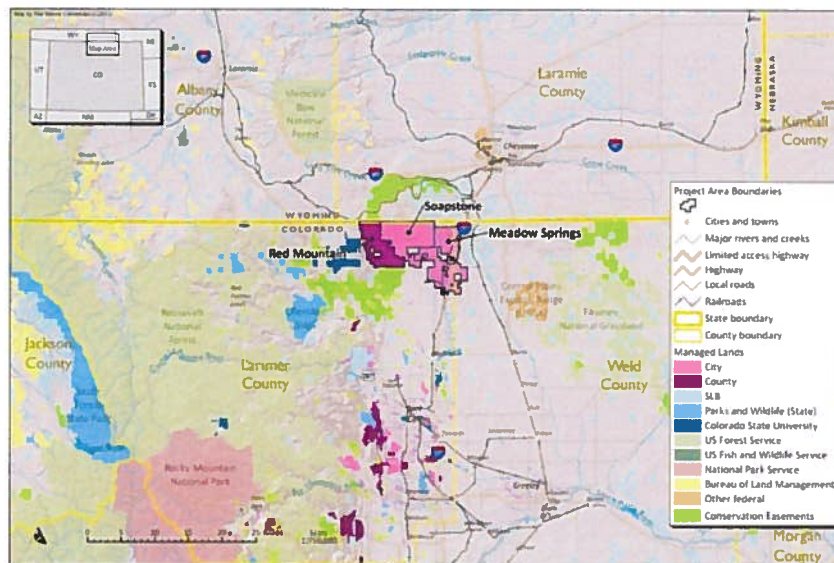
Pronghorn antelope on Soapstone Prairie
@ Meegan Flenniken

SITE OVERVIEW

The three properties in the project area are contiguous and cover over 60,000 acres north of Fort Collins, along the Wyoming border (Map 1). The City and County, together with Great Outdoors Colorado (GOCO; the state lottery-funded open space program), invested several million dollars to purchase them as part of a regional conservation effort called the Laramie Foothills Mountains to Plains Project, through which partners are creating a corridor of protected lands to link the Rocky Mountains with the Great Plains. The properties are well-known amongst residents of the City and County and contain many important values:

- **Biological values:** From west to east, elevation decreases and vegetation in the project area shifts accordingly, from woodlands up high to grasslands down low. Creeks and streams traverse the area and host a rare fish, the Iowa darter, while wetlands provide habitat for waterfowl and many rare species, including the federally-threatened Colorado butterfly plant. Golden eagles, swift fox, pronghorn, and many other sensitive species inhabit the area too. Meadow Springs also surrounds a 40-acre black-footed ferret recover center that the U.S. Fish & Wildlife Service owns and manages. Although a variety of existing roads (mostly dirt two-tracks) cross the landscape and buildings, corrals, and other infrastructure dot it, the biological values throughout the project area remain relatively intact and high quality.
- **Cultural values:** Soapstone Prairie boasts a National Historic Landmark - the Lindenmeier Archaeological Site - which is more than 12,000 years old and is the most extensive Folsom culture campsite known on the planet. In addition, arrowheads, cooking hearths, and other cultural artifacts can be found throughout the project area.
- **Scenic and recreational values:** In keeping with the objectives of GOCO, Red Mountain and Soapstone are open to public use and are popular destinations for hiking, biking, horseback riding, and other recreation activities. Visitors to the project area enjoy extraordinary views of rolling grasslands, textured shrublands, and the “Big Hole,” a broad sandy wash surrounded by multicolored cliff bands.
- **Other values:** Meadow Springs is not open to public use and while protecting important biological and cultural attributes, also serves as a bio-solid application facility, which is a critical component in the City’s wastewater program. All three properties are also managed as working cattle ranches.

Map 1. Location of the project area



OIL AND GAS DEVELOPMENT POSSIBILITIES

Energy development is booming in eastern Colorado. Although the plains have been the target of oil and gas development activities for decades, the 2009 discovery of the Jake Well near the Wyoming border (due east of the project area by approximately 30 miles) prompted a new explosion of oil leasing and exploration throughout the eastern half of Colorado in a geological layer called the Niobrara Formation. Technological advances in the capture of oil and gas in the Niobrara and other shale formations have further catalyzed leasing and development.

The eastern part of the project area may lie within the Niobrara Formation, but the oil and gas development potential of the project area is unproven. The development potential of the project area is believed to increase from west to east, with Meadow Springs having the highest potential based on at least one analysis. According to the Colorado Geological Survey, there may only be one place in the Soapstone Prairie area – southeast of Round Butte - where energy companies could successfully explore for oil. Over the last 60 years, operators have drilled (and subsequently plugged and abandoned) a number of wells according to the Colorado Oil and Gas Conservation Commission.

Activity is ramping up again. Oil and gas companies recently have demonstrated interest in developing the area. For example, in March 2012, a seismic company approached the City to study 20,000 acres covering much of Meadow Springs and part of Soapstone. In May 2012 and pursuant to previous leasing activity, Marathon Oil received approval from the Colorado Oil and Gas Conservation Commission to expand and establish new drilling and spacing units for 32 wells in the vicinity of the project area, several of which lie within Soapstone Prairie and Meadow Springs. Marathon has also successfully completed a well just a few miles south of the project area. In addition, SLB has received numerous lease auction nomination requests over the past several years. However, the SLB has refrained from auctioning these tracts in order to develop a more comprehensive leasing and development strategy.

The ownership of the minerals is mixed. The City and County do not appear to own any of the subsurface rights beneath the project site. Major mineral owners include SLB and Anadarko, with SLB holding more than 15,000 acres in trust, primarily in the eastern half of the planning area. Several additional owners/lessees have less substantial mineral holdings throughout the parcels, with Marathon Oil being the major leaseholder at present. The Core Team solicited participation from several operators throughout the project. Marathon participated in one of the Technical Team workshops and hosted a well site visit mid-project. SLB also has conducted outreach to the Colorado Oil and Gas Association. The Core Team will continue to solicit input and participation from oil and gas companies in subsequent phases of the project (see Implementation of Results).



Well site @ Gary Buffington

PLAN RESULTS

The goal of the project is to advance oil and gas development in the near term while protecting important biological, cultural, and scenic values. To this end, the Technical Team defined and mapped four types of “surface occupancy areas” ranging from No Surface Occupancy to Preferred Surface Occupancy, based on known locations of biological and cultural values. This approach helps educate and incent operators to develop in the areas that are least impactful to biological and cultural resources. The Technical Team also identified timing limitations for biological values, and mapped scenic values and cultural resource potential as supplementary information, to be used in combination with the surface occupancy areas in order to help guide oil and gas development decisions.

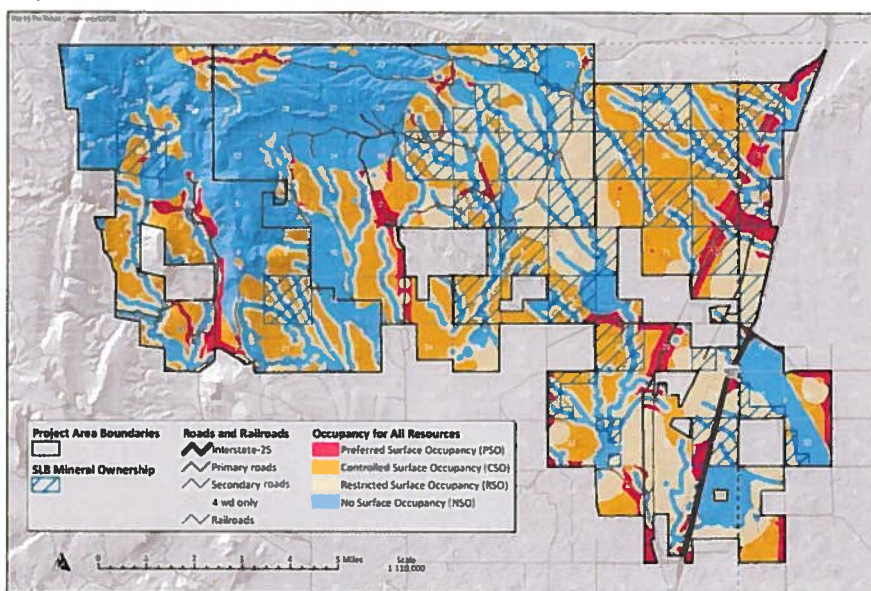
Definitions and map of Surface Occupancy Areas for biological and cultural values – The main differences between the areas described below are (1) the sensitivity of the biological and cultural values for which they were created and (2) the standards of reclamation and compensatory mitigation for biological values. The on-the-ground application of the surface occupancy areas will depend on surveys conducted by the operator prior to development, which may result in fine-tuning. See the full report for the complete set of definitions.

- **No Surface Occupancy (NSO)** – Mandated no surface occupancy due to the unprecedented biological or cultural values in these areas, that are either irreplaceable or would take decades or centuries to restore. Species impacted here may not recover. For cultural values, NSO areas include the Lindenmeier site plus a surrounding one-mile buffer to protect this unsurveyed area, plus all known cultural sites that are classified as very high and high priority and a 50 meter buffer around each. For biological values, NSO areas include places that warrant permanent, year-round protection from new impacts and cannot successfully be mitigated elsewhere through restoration or land protection; examples include wetlands plus a 300’ buffer, golden eagle nests plus a ¼ mile buffer, and rare plants plus a 300’ buffer. No new roads are allowed in NSO areas, but existing roads may provide access depending on the amount of construction needed to upgrade the road, the amount of traffic, and the impact associated with viable alternatives. Should accidents occur during oil and gas exploration and development that destroy or damage these areas, exceptional reclamation and mitigation will be required.
- **Limited Surface Occupancy (LSO)** – Areas that are subject to highest restrictions on surface use due to sensitivity of the biological and/or cultural values in these areas. For cultural values, LSO areas include unsurveyed areas that have known sites whose values are undetermined. For biological values, LSO areas include targets and surrounding buffers (as needed) that warrant year-round protection, but not necessarily *permanent* protection from new surface disturbance because they can be mitigated elsewhere through restoration or land protection; examples include lark bunting core areas plus a 450’ buffer and the mountain plover staging (i.e., breeding) area plus a ¼ mile buffer. New impacts in LSO areas will require higher standards of reclamation and mitigation than Controlled Surface Occupancy areas due to the difficulty of restoring and/or mitigating the biological values.
- **Controlled Surface Occupancy (CSO)** – Areas that are generally suitable for O&G development. While biological and cultural values are present throughout the CSO area, they are less sensitive than in Limited Surface Occupancy areas. For cultural values, CSO areas include unsurveyed areas and surveyed areas/sites identified as having low value. For biological values, CSO areas include values that do not need year-round protection from new surface disturbance; examples include swift fox dens and important winter habitat for elk, mule deer, and pronghorn. Impacts in CSO areas require lower standards of reclamation and mitigation than Limited Surface Occupancy areas, and higher standards than Preferred Surface Occupancy areas.

- **Preferred Surface Occupancy (PSO)** – Areas in which surface occupancy is preferred from a biological perspective due to previous and existing disturbances such as roads and transmission lines. These areas have biological values but are relatively common, already degraded, or potentially restorable with minimal effort. New impacts in PSO areas will require only baseline standards of reclamation compared to the other surface occupancy areas. Compensatory mitigation is not required.

Map 2. Surface occupancy areas for biological and cultural values

This map includes recommendations to SLB. New surface disturbance is prohibited in 44% of the project area (No Surface Occupancy areas) while the remaining 56% of the project area falls within Limited Surface Occupancy (29%), Controlled Surface Occupancy (22%), and Preferred Surface Occupancy (5%) categories. Prior to oil and gas development, on-the-ground surveys will be conducted to verify the presence/absence of biological and cultural values and associated surface occupancy requirements. It is important to note that only one entire section on the project area is designated as No Surface Occupancy (i.e., around the Lindenmeier Archeological site) and that every other section provides some access to minerals.



Disturbance threshold – forthcoming

Timing limitations for biological values – Some species need seasonal restrictions from construction or general human disturbance to support their life cycles. For example, the Colorado Division of Parks and Wildlife (CPW) recommends timing limitations of no human encroachment within ½ mile radius of golden eagle nests from December 15-July 15 to prevent nest abandonment, and no post-development well-site visits within critical winter range for mule deer from December 1-April 15 (from 3 p.m.-10 a.m.). The Technical Team incorporated all timing limitations from the Colorado Oil and Gas Rules, CPW's best practices, and other sources to identify both legal requirements for timing limitations and additional recommendations as appropriate. As with surface occupancy areas, pre-development surveys must be completed to determine whether timing limitations will apply.

Scenic and recreational values and cultural resource potential – To guide energy companies in the placement of well pads and other infrastructure in locations that would have the least visual impact possible, the Technical Team prioritized scenic values from important viewpoints and trails, and CSU developed a predictive model and map showing potential sites for cultural resources such as tools and cooking hearths. These maps can be used in combination with the biological and (existing) cultural resource maps to help select locations for development. However, they do not replace on-the-ground surveys for the final selection of sites.

IMPLEMENTATION OF RESULTS

This report and its recommendations for avoiding and minimizing impacts to biological, cultural, and scenic values constitute the first of three phases toward the potential development of oil and gas in the planning area (Figure 1).

Figure 1. Project phases. This report addresses Phase I only.



In Phase II, SLB will use the Phase I recommendations to create an Oil and Gas Development Plan. This plan will include a leasing plan, stipulations including but not limited to Best Management Practices, and surface use agreements for SLB minerals. In Phase III, the City and County plan will create a Compensatory Mitigation Plan, which would build on the guidance included in this plan by identifying a suite of potential restoration or land protection projects and contemplating the creation of a mitigation fund. All of this information is intended to aid operators in planning for oil and gas development and in the creation of Surface Use Agreements with the City and County.

The SLB, City, County, and TNC envision continuing to work together on Phases II and III, and may solicit additional input from the Technical Team as needed. As was the case with Phase I, representatives from the oil and gas industry are welcome and encouraged to participate in the remaining phases of the project. Given the checkerboard subsurface ownership, the plan will only be as effective as the willingness of the operators to adhere to its recommendations. This plan provides reasonable access to minerals while protecting biological and cultural resources. The implementation of this plan will provide reasonable assurance that if mineral development occurs at Red Mountain Open Space, Soapstone Prairie Natural Area, or Meadow Springs Ranch, critical cultural and biological resources and extraordinary scenic and recreational values will be protected.

FOR MORE INFORMATION

- City of Fort Collins: Daylan Figgs, Natural Areas Senior Environmental Planner, 970-416-2814, dfiggs@fcgov.com.
- Larimer County: Meegan Flenniken, Resource Program Manager, 970-679-4562, mflenniken@larimer.org.
- State Land Board: Pete Milonas, Minerals Director, 303-866-3454 x3324, pete.milonas@state.co.us, or Melissa Yoder, External Affairs, 303-866-3454 x3330, melissa.yoder@state.co.us.
- The Nature Conservancy: Megan Kram, Project Manager, 303-257-0430, mkram@tnc.org.



Soapstone Prairie Natural Area @ Meegan Flenniken