

AGENDA BRIEF

MEETING: Town Council - 05 Jul 2022 **FROM:** James Dickhoff, Planning Director

PROJECT: Workforce Housing Project Site Selection

ACTION: Council action

ATTACHMENTS:

TC Staff Breif-07.05.22 Final

TOWN COUNCIL GOALS & OBJECTIVES:

Workforce Housing

RECOMMENDATIONS:

Provide a determination on continuing to pursue the proposed 24-unit Workforce Housing Development south of Town Hall, or to move this project to a newly selected site. Staff also requests direction on any change to the plans for the S. 5th and Apache St. site.

Provide a determination on which optional site(s) to pursue for purchase offer(s), and what conditions should be included in the offer.

On May 3, 2022 Town Council provided the following decision at their meeting:

"Directed staff look for sites inside town limits or easily annexable, dispersed throughout the town, a property that is immediately buildable, allows for a larger number of units, and a cost not to exceed \$500,000"

Additionally, Council consented to the following criteria for site selection considerations:

- -immediate buildability of the site (topography, soils, etc.)
- -availability of infrastructure close by (utilities, road network, etc.)
- -sites inside town limits or easy to annex
- -allows density of units as desired
- -price less than or equal to \$500k

Per Council, lesser priority, but also important, criteria include:

- -walkability
- -near employment centers
- -HOA fees/regulations

On May 19, 2022, Town Council directed staff to conduct an analysis for properties to accommodate at least the 28 units previously proposed for 550 S 8th Street, as part of the Town's workforce housing PP3 development project.

Staff then engaged Davis Engineering for opinions on properties identified at the meeting as well as a few additional site considerations, since the Piedra Road properties had been discovered to be under contract. Davis engineering provided opinions on buildability for each parcel. In addition, in preparation for a potential executive session for discussion and direction on potential property negotiations, staff engaged our real estate firm, CBRE, for opinions of potential financial value.

Attached is the analysis provided by Davis Engineering for a number of sites, which also includes a few staff comments. The goal is to seek direction from Town Council on potentially pursuing negotiations for property to accommodate the Town's initial Private-Public Partnership workforce housing development currently contemplated under an executed contract with our private sector partner, Servitas.

Staff recommends that Town Council consider at least the needed land to accommodate the 28 units previously proposed for 550 S. 8th Street (South Pagosa Park). In addition, there maybe an opportunity to look at a parcel large enough to accommodate the 24 units proposed for the lot South of Town Hall, and potentially a lot large enough to accommodate all 64 rental apartment units. The 574 S. 5th Street Townhomes could then be considered a as separate project for workforce housing ownership units, a growing need that is currently not being addressed in the community. Also, staff believes that after the Town's initial housing development project, there will most likely be additional workforce housing projects that the Town will pursue in some fashion. Owning the land is a critical first step in any housing development, thus Town Council may want to consider land banking additional property for such purpose.

Staff also recommends conducting an executive session to discuss potential negotiations for properties that Town Council is interested in pursuing for purchase.

Site 1 – Aspen Village, Block 5, Lots 1 & 5, Block 6, Lots 2 & 3 (Rock Rd. & Boulder Dr.)

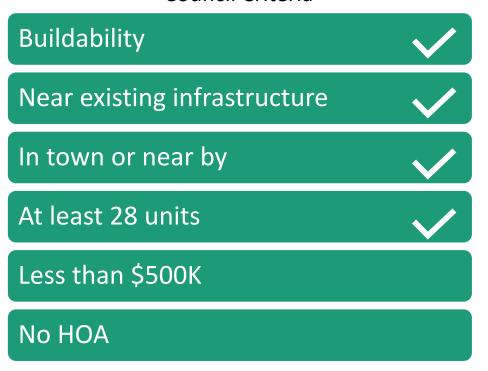
Davis Engineering comments:

- 1. Aspen Village is a relatively new mixed-use subdivision with all the utilities available, and some service stub-outs, however, it is likely that a direct connection to the water line(s) will need to be made for building fire lines. For Block 5, Lots 1 & 5 it will require cutting across Rock Road.
- 2. Aspen Village has sidewalks and bike lanes throughout.
- 3. Will likely need to cut out curb and gutter and install driveway cuts to work with specific site design.
- 4. A storm drain system exists in this portion of Aspen Village to convey runoff to the regional detention pond. Based on the site design, the peak runoff will need to be evaluated to see if the storm drain has the capacity to convey the runoff, and if not, detention ponds may be required to mitigate the peak on-site.
- 5. The sites are generally level and can be fully utilized and were manipulated during subdivision construction to obtain the current configuration. Geotechnical evaluation should be performed to verify the soil condition and to provide construction recommendations.
- 6. Being a new subdivision, and the anticipated lack of bedrock, it is not envisioned that significant additional site development cost will be necessary.

- These lots appear to be ready for construction with little or no main line infrastructure extension improvements.
- Walkable to grocery, retail and services.
- A portion of Lot 1 of block 5 is adjacent to Aspen Village Drive a high traffic roadway, which
 may not be ideal for residential units, however buffering could be included to reduce noise
 impacts. The remaining lots have little exposure to high traffic.
- The properties are zoned MU-C, allowing up to 16 units per acre, prior to a density bonus.

Site 1 Aspen Village 2

Council Criteria



2 Options (4 lots)	
•A - 1.97 Acres, Block 5, Lots 1 & 5 •B - 2.05 Acres, Block 6, Lots 2 & 3	
No Acreage Loss	
Mixed Use Corridor – Town	
Multi-Family Homes Allowed – 16 units/acre	
•Each two-lot option will accommodate 32 units = 64 units total for all	4 lots.
Walkability - Yes	
Site is flat to nearly flat	
Geotechnical needed to confirm bedrock location – though no issues expected	
No Additional Buildability Costs	
HOA \$800 yr. per lot	



Site 2 – TOPS Business Park Lots 1 – 3 (Piedra Road)

These Lots are currently under contract with expected closing in October, however, since Town Council asked about these sites, staff has included the site analysis for comparison and information.

Davis Engineering comments:

- 1. A 6-inch water line and 8-inch sewer line run through the property generally between the lots. The PAWSD map shows the water line to be on the back side of a master meter, so it should be confirmed that it is a public line.
- 2. Dry utilities are in the vicinity and may need to be extended to some degree to the site.
- 3. Stevens Lake is located just to the north of the subject lots, and we believe it is a jurisdictional dam under the purview of the Colorado Division of Water Resources, Dam Safety Division. The outlet from the lake runs through the lots in some fashion. The outlet used to drain into a canyon that was located on the north side of Piedra Road. This canyon was filled in several years ago, and a culvert extended from the outlet pipe to the culvert that ran under Piedra Road. In reviewing this culvert several years ago, it was rusted out for the portion under the road. Site drainage will need to be mitigated, and then conveyed to this pipe.
- 4. It is anticipated that bedrock is very close to the ground surface throughout the lots. It was noticed that it appeared one of the utility lines (water or sewer?) had earth mounded over the top.
- 5. While the sites are fairly level, due to the bedrock, it is likely that significant import fill will be needed to develop the site.
- 6. Vehicle access will likely need to come from Wildwood Circle or Backswing Court, as appropriate. Arrangements will need to be made with the owners of these roads as necessary.
- 7. There are no pedestrian handling amenities close to the project.

- These lots have a number of potential challenges including non-compacted fill, deteriorated underground culverts, and access agreements and improvements.
- These lots are not in a walkable area.

Site 2 TOPS Piedra Business Park

Council Criteria

Buildability

Near existing infrastructure



At least 28 units

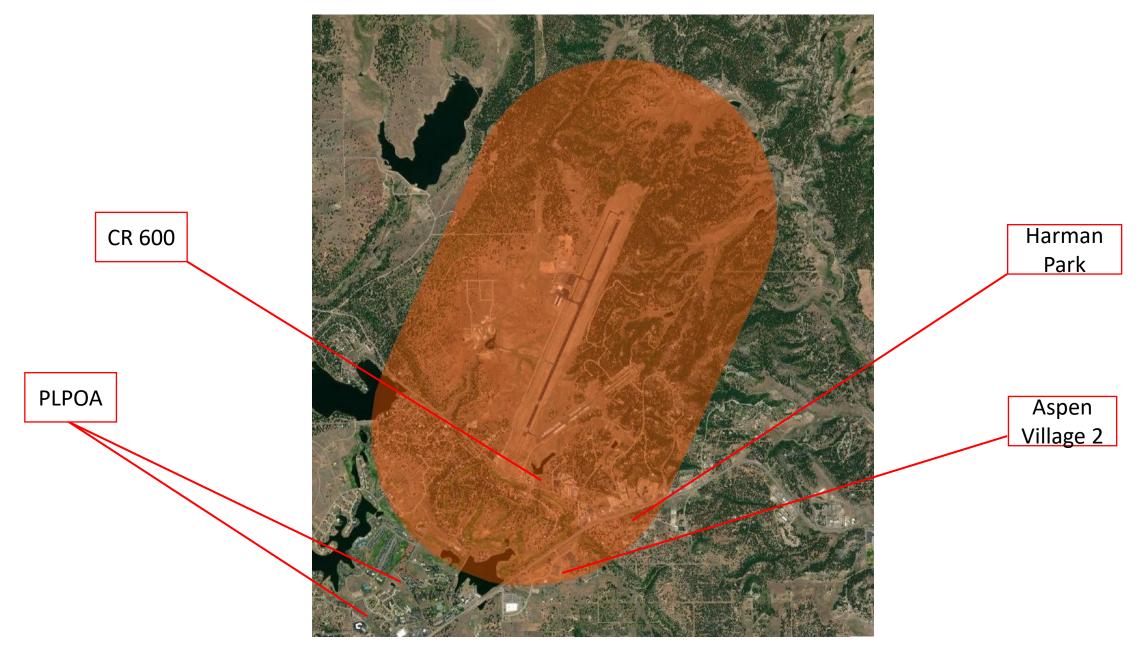
Less than \$500K

No HOA

These Properties are Currently Under Contract



Stevens Airfield Area of Influence



Site 3 – Harman Park, Lots H1, H2, H3, H4X, and H6X (Papoose Court)

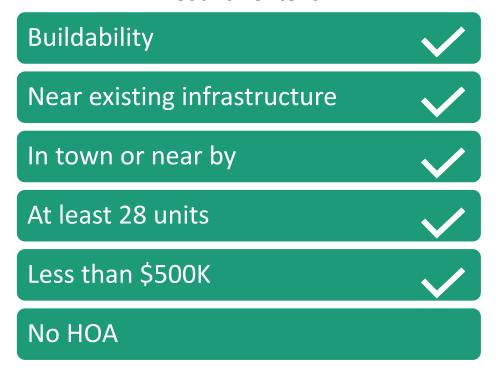
Davis Engineering comments:

- 1. Harman Park is a relatively new mixed-use subdivision with all the utilities available, and some service stub-outs.
- 2. The sewer for the subdivision is a private high-pressure low flow system that requires individual lift stations for each site/project. During work on other projects in the subdivision, it sounded from discussions with Ambiente H2O, the consultant/supplier that works with the sewer owner and is intimately familiar with the system, that the existing pressure sewer system may be nearing its capacity. Rectifying this may require replacing the main force main line, potentially up to 2,000 feet long all the way to the TOPS sewer on Eagle Drive.
- 3. Harman Park has sidewalks in the immediate vicinity of the subject lots.
- 4. Will likely need to cut out curb and gutter and install driveway cuts to work with specific site design. If all the lots are obtained, it may be desirable to remove Papoose Court entirely to better utilize the overall area.
- 5. If Papoose Court remains, it will likely need to be cut for building fire line connections.
- 6. There is a regional detention pond for Harman Park, but it is not clear how it is to function. As such, it may be necessary to have on-site runoff mitigation with a detention pond.
- 7. The lots have a moderate slope downward from west to east. There is bedrock close to the surface throughout the subject lots, and because of this, significant import fill may be necessary to develop the site.

- The bedrock in Harman Park is very close to the surface.
- The Harman Park private pressured sanitation collection system appears to be very close to maximum capacity, requiring a substantial improvement investment.
- Could purchase all lots and vacate Papoose Court providing additional land to accommodate the development (parking / access).
- Not an ideal location based on the above considerations.

Site 3 Harman Park

Council Criteria



Multiple Options (5 lots)	
•A63 Acres, Lot H1	
•B71 Acres, Lot H2	
C67 Acres, Lot H3D - 1.59 Acres, Lot H4X	
•E - 1.03 Acres, Lot H6X	
No Acreage Loss	
National Han Countries Town	<u> </u>
Mixed Use Corridor – Town	
Multi-Family Homes Allowed	
Mata ranniy fromes / mowed	J
Walkability - No	
	<u> </u>
Private Sanitation Collection	
Private sanitation collection system appears to be near maximu	m capacity
Highway Proximity May Present Noise Issue	
Level to Nearly Level	
Hardrock within 1 – 2 ft.	
narurock within 1 – 2 it.	
Additional \$40K - \$70K Buildability Cost	
HOA \$25 yr. estimate / unit	



Site 4 – Central Core (Davis Cup Drive)

This property has been sold, however, since Town Council asked about these sites, staff has included the site analysis for comparison and information.

Davis Engineering Comments:

- 1. A 6-inch water line runs along the northerly property boundary, and an 8-inch sewer line runs through the westerly portion of the lot (running south to north).
- 2. Dry utilities are in the vicinity and may need to be extended to some degree to the site.
- 3. There is a "natural" drainage that runs through the property from the Lone Pine Condominiums on the south along the west side of the property all the way to the northend. This drainage runs through a pond at the Timbers, and then continues to a culvert under Park Avenue. The project will need to mitigate runoff peak flows and then discharge to the indicated drainage. It is somewhat concerning that the drainage goes through a pond at the Timbers and could be a source of issues as development is pursued in the vicinity.
- 4. It is likely that wetlands exist along the natural drainage.
- 5. Roughly 2/3 of the easterly portion of the property is relatively level with the street and likely the area available for use. It is also likely that the earth in the area has been manipulated to obtain the current configuration, and geotechnical evaluation should be performed to verify the soil condition and to provide construction recommendations.
- 6. There are no sidewalks or trails in the immediate vicinity of the property. It is ±500 feet to the multi-use trail on Village Drive, and ±790 feet to the multi-use trail on Park Avenue.

Site 4 Davis Cup Dr.

Council Criteria

Buildability

Near existing infrastructure

In town or near by

At least 28 units

Less than \$500K

No HOA

This Property has Sold-Info provided for comparison purposes only

	1 Option (1 lot)	
l	•5.12 Acres	
	2.50 Usable Acres	
	PUD; PLPOA; Central Core – County	
	Multi-Family Homes Allowed	
	Walkability - Yes	
	Gently Sloping	
	Wetland Delineation Needed	
	Additional \$107K Buildability Cost	
	HOA \$300 yr. (rounded up from \$275 to account for future increases) per Unit	



<u>Site 5 – Central Core, Lot 4-B and Lot 4-AX (Eaton Drive)</u>

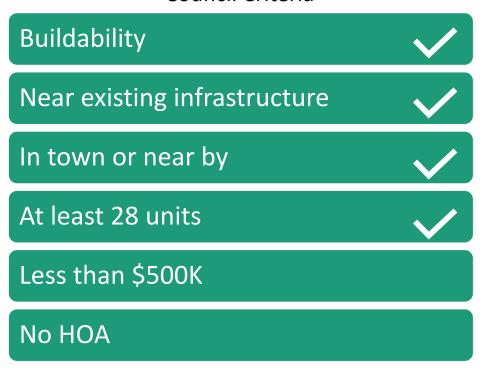
Davis Engineering comments:

- 1. An 8-inch water line runs along Eaton Drive, and an 8-inch sewer line runs along the southwesterly lot line, with a 6-inch sewer line running between the two lots.
- 2. Dry utilities are in the vicinity and may need to be extended to some degree to the site.
- 3. There is a natural drainage through Lot 4-AX that conveys the runoff from Whispering Pines 10 that will need to be maintained. This drainage may be a good location for a detention pond (provided there are no wetlands present) to mitigate on-site runoff peak flows, which then can discharge to the natural drainage to the southwest.
- 4. Lot 4-B can be fully utilized, while Lot 4-AX can be significantly used except for the above-mentioned drainage.
- 5. The Park Avenue multi-use trail goes along the northwesterly property line. There is also a sidewalk across the street along Eaton Drive.
- 6. There is a fire access easement for apartment complex to the south that will need to be incorporated into the design for any project on Lot 4-AX.

- These lots provide an opportunity to accommodate our current housing project, but also to land bank to help accommodate future housing projects.
- Very walkable to grocery, retail, services, and medical.
- Lots are within Town Boundaries, and within PLPOA HOA boundaries.
- Though the lots are within PLPOA requiring a current \$275/year HOA fee (\$25/month estimating a future increase to \$300/year), these fees provide HOA residents with access to open spaces, lakes and low annual fee recreation center passes. In addition, a portion of the HOA fees are applied to trail development projects throughout PLPOA, which ultimately interface with the Town's trail system. PLPOA has previously participated in Trail development along Village Drive and had offered to participate in the future N. Pagosa Blvd trail connection to Hwy 160.
- Lot 4-B is only available with the purchase of Lot 4AX.
- These lots could provide the opportunity to continue additional future workforce housing development phases.
- Town R-12 zoning. PLPOA PUD for multi-family would allow up to 15 units per acre. Lot 4AX 3.77 acres = 57 units. Lot 4-B 4.06 = 61 units. Total potential 118 units.

Site 5 Eaton Dr.

Council Criteria



2 Options (2 lots)
●A - 4.06 Acres, Lot 4-B ●B — 3.77 Acres, Lot 4AX
A - No Acreage Loss; B – 2.70 Usable Acres
Town Residential; PLPOA; Central Core – Town
Multi-Family Homes Allowed – 15 units per acre allowed
•Lot 4AX would allow 57 units, Lot 4-A would allow 61 units = potential 118 total units
Walkability - Yes
Flat or nearly flat, Gently Undulating
Wetland delineation needed
Estimated additional \$50K Buildability Cost
HOA \$300 yr. (rounded up from \$275 to account for future increases) per Unit



<u>Site 6 – Central Core, Portion of Lot 3-G (Greenbrier Drive)</u>

Davis Engineering comments:

- 1. A 6-inch water line runs along Greenbrier Drive, and an 8-inch sewer runs along the northeasterly property line.
- 2. Dry utilities are in the vicinity and may need to be extended to some degree to the site.
- 3. There is a natural drainage that runs through the property. It is likely that there are significant wetlands associated with this drainage, possibly 2/3 of the property.
- 4. It is likely that there is bedrock at or very close to the surface of the entire lot and is visible on the 1/3 of the lot clear of being a wetland.
- 5. The entire lot is very close to the natural drainage elevation. That, along with the bedrock makes it to where the site will likely need significant import fill.

Staff comments:

 Not a recommended site due to the extent of potential wetlands and natural drainage corridor.

Site 6 41 Greenbrier Dr.

Council Criteria

Buildability

Near existing infrastructure

In town or near by

At least 28 units

Less than \$500K

No HOA

Additional Details

1 Option (1 lot) •1.73 Acres, Lot 3-G 0.65 Usable Acres PUD, PLPOA; Central Core - County Multi-Family Homes Allowed Walkability - Yes **Gently Undulating** Wetlands; Bedrock near surface Additional \$74K Buildability Cost HOA \$300 yr. (rounded up from \$275 to account for future increases) per Unit



<u>Site 7 – Central Core, Lots 4-C1 and 4-C3 (Village Drive and Eaton Drive)</u>

Davis Engineering comments:

- 1. An 8-inch water line runs along Village Drive, and an 8-inch sewer along both the southwesterly and northwesterly property lines.
- 2. Dry utilities are in the vicinity and may need to be extended to some degree to the site.
- 3. There is a natural drainage system that runs along the southwesterly side of Lot 4-C1, and a roadside ditch along Eaton Drive. Lot 4-C2 is surrounded by the subject lots and has part if its drainage going across the subject lots. This drainage will need to be accommodated or otherwise addressed in the site design of the subject lots.
- 4. Lot 4-C3 can be completely utilized, while the very westerly portion of Lot 4-C1 drops down and is along the natural drainage.

- Though incorrectly addressed with the same Eaton Drive address, these sites are owned separately, and separate negotiations would need to occur.
- Very walkable to grocery, retail, services, and medical.
- Though the lots are within PLPOA requiring a current \$275/year (\$25/month estimating \$300/year) HOA fee, these fees provide residents with access to open spaces, lakes and low annual fee recreation center passes. In addition, a portion of the HOA fees are applied to trail development projects through PLPOA, which ultimately interface with the Town's trail system.
- Village Drive is a commercially oriented street.
- A drive through access between Village and Eaton could be beneficial.
- These lots are currently inappropriately zoned as Commercial. The Comp Plan identifies rezoning to MU-TC, consistent with properties along Village Drive.
- MU-TC allows up to 16 units per acre, allowing 38 units, prior to a density bonus.

Site 7 46 Eaton Dr.

Council Criteria



Additional Details

1 Option (2 lots) •2.36 Acres, Lot 4-C1 & 4-C3 1.90 Usable Acres Commercial, PLPOA; Central Core – Town Commercial zoning • Comp Plan recommends rezoning to MU-TC allowing 16 units per acre = 38 units total for combined two lots. Multi-Family Homes Not Allowed under commercial zoning Walkability - Yes **Gently Undulating** Natural drainage on western side of property Additional \$27K Buildability Costs HOA \$300 yr. (rounded up from \$275 to account for future increases) per Unit



Site 8 - Citizens Plaza, Lot C (Talisman Drive and Village Drive)

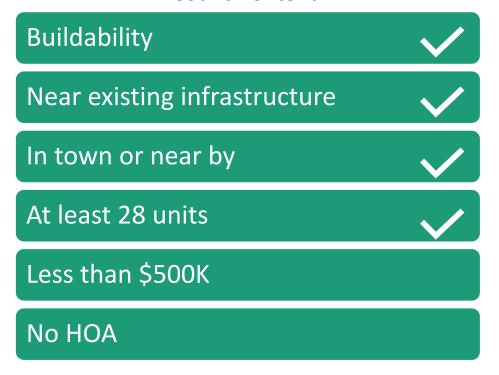
Davis Engineering comments:

- 1. A 6-inch water line runs along the east properly line, and an 8-inch sewer line along both Talisman Drive and Village Drive.
- 2. Dry utilities are in the vicinity and may need to be extended to some degree to the site.
- 3. There is a natural drainage system along the west property line (Talisman Drive) that will need to be maintained and likely has wetlands along it. The lot can be utilized all but whatever is covered by wetlands.
- 4. The lot has a fair amount of elevation difference, with 15 to 20 feet of fall from the southeast corner to the northwest corner.
- 5. Half of the parking lot to the south is on the subject parcel. The asphalt is in poor shape with several potholes. Also, the parking quantity appears to be insufficient for the neighboring property, as there were several cars double parked or parked along the edge of the parking lot (on the subject property).
- 6. The Village Drive multi-use trail crosses the property at the northwest corner.

- Residential is not the highest and best use of this site with commercial uses on each of the other three corners of this intersection.
- Wetlands compromise full use of site.
- MU-TC Zoning would allow up to 24 units, prior to a density bonus.

Site 8 63 Talisman Dr.

Council Criteria



Additional Details

1 Option (1 lot) •1.52 Acres, Lot C 1.30 Usable Acres Mixed Use Town Center - Town Multi-Family Homes Allowed Walkability - Yes **Undulating** Wetland delineation needed Additional \$45K Buildability Cost HOA \$300 yr. (rounded up from \$275 to account for future increases) per Unit



Site 9 – Enclave at Aspen Village (Timberline Drive and Aspen Village Drive)

Davis Engineering comments:

- 1. The site was previously master planned and some of the infrastructure put in place for a townhome development. It appears that utilities were installed to support this plan with 8" private water (master metered on both connections to public water) and 8-inch private sewer constructed along the proposed driveways. There are also electric junction boxes and communications conduits stubbed out of the ground. It appears the water (at a minimum) may have been pre-stubbed, as there are curb stop risers visible. It is recommended that development of this site try to utilize the utility/driveway configuration to minimize infrastructure rework, which has not been included in the cost.
- 2. With this being private water and sewer, we are not sure what will be involved in having a different property owner. The project may be responsible for relocating the water meter on east side of the project and looping the water for the existing Enclave buildings back to Aspen Village Drive while creating a separate loop for subject project. Also, it should be clear on how the responsibility for the private water and sewer lines is to be structured. For example, unless the water is reconfigured for two separate loops, the water can run both ways through the network. For the sewer, the existing Enclave is at the upstream end of the sewer line, with all their flows running through the subject parcel to the connection to the public sewer on Aspen Village Drive.
- 3. As the PAWSD map shows (and they were witnessed in the field) fire hydrants on the "back side" of the master meters, it is assumed that the meters have fire bypass ability, but this should be confirmed.
- 4. We assume that a formal survey and plat split the Enclave Phase 1 construction from the remaining partially developed site, but this should be confirmed as we don't have a copy of any such plat (make sure this is not an illegal subdivision).
- 5. The site previously planned on having one vehicular connection to Aspen Village Boulevard and another access via Timberline Drive to Alpha Drive. Timberline Drive is a narrow road (±18' of asphalt, which doesn't work and is not allowed for perpendicular parking, although the existing Enclave has it) stubbed out in the existing portion of the Enclave and is private but was clearly planned to continue through the subject parcel and connect to Aspen Village Drive (at the location where the sidewalk is missing). The original plan also had two side dead end drives internal to the site. Some arrangement will likely be needed between the existing Enclave and the subject project as far as access easements and road maintenance.
- 6. Aspen Village has sidewalks and bike lanes throughout.
- 7. It is believed that this parcel is included in the area served by the regional detention pond. The site will need to be graded such that all runoff is directed to Aspen Village Drive.
- 8. The site is generally level (other than a huge pile of topsoil from the original construction) and can be fully utilized. The site was manipulated during subdivision construction to obtain the current configuration. Geotechnical evaluation should be performed to verify the soil condition and to provide construction recommendations.
- 9. Being a new subdivision, and the existing utility installation, it is not envisioned that significant additional site development cost will be necessary, provided that the existing utility/driveway configuration is utilized.

- This lot appears to be ready for construction with little or no main line infrastructure extension improvements.
- Walkable to grocery, retail and services.
- Wall Mart across the street.
- Neighboring properties to the west and east are existing residential developments.
- R-22 Base Zoning will allow 70 dwelling units. The existing PUD Agreement caps density at 12 units per acre (38 units), requiring Town Council to amend the PUD to allow 70 units.

Site 9 – Enclave Aspen Village 2

Council Criteria



1 lot	
• 3.16 acres	
No Acreage Loss	
R-22 – PUD limiting 12 units per acre – Town	
Multi-Family Homes Allowed	
Walkability - Yes	
Level to Nearly Level	
Geotechnical needed to confirm bedrock location	
No Additional Buildability Costs	
HOA \$800 / yr. per lot	

