

**Memorandum**

**To: Mayor and Council**

**From: Tom Baker, Town Administrator**

**Date: February 18, 2014**

**Re: Town Owned Property**

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**Purpose:** Over the past several months I have been working with Mayor Breslin and others to try to understand why the Town is paying approximately \$700/year in HOA dues on the property we own in Elk Creek subdivision (Blk 5, Lot 12). I've taken a couple of site visits and to try to understand the parcel and also asked for assistance from a past HOA Board member to understand the history. In my opinion the parcel is unbuildable due to the historic utility and transportation uses of the property and the Town holds this property for the benefit of the Elk Creek Subdivision residents and the community in general. Additionally, I was told that prior to 2004 and prior to Town ownership, HOA dues were never applied to this parcel. For these reasons I find it inappropriate to pay HOA dues on this parcel.

Attached is a draft letter that I will send to the HOA board, if Council agrees.



**Town of New Castle Administration Department**

450 W. Main Street **Phone:** (970) 984-2311

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February 18, 2014

Board of Directors  
Elk Creek Homeowners Association  
c/o Debbie Sanderson  
PO Box 1010  
New Castle CO 81647

Dear Ms. Sanderson;  
Re: Block 5, Lot 12

It has come to my attention that the above mentioned Town of New Castle property has been serving as a right of way to three residential properties, known as the Kozak King property and also serves as easement for a Town water line and for a raw water irrigation ditch. As a result, the parcel is unbuildable. Our records show that the Town has been paying homeowners association dues on this parcel since 2004. However, given that the parcel is unbuildable and that it is used for utility and transportation purposes, which includes the provision of Town water to the Elk Creek subdivision, the Town finds HOA dues are inappropriate. While the Town is not seeking a refund for the payments since 2004, the Town will no longer pay HOA dues.

Sincerely,

Tom Baker  
Town Administrator

Cc: Town Attorney  
Town Council  
Finance Director