

**New Castle Planning and Zoning Commission Meeting  
Wednesday, April 27, 2016, 7:00 p.m., Town Hall**

**Call to Order**

Commission Chair Chuck Apostolik called the meeting to order at 7:05 p.m.

**Roll Call**

Present    Chair Apostolik  
              Commissioner Borgard  
              Commissioner Gates  
              Commissioner Metzger  
              Commissioner Urnise

Absent     Commissioner Slack

Also present at the meeting were Town Planner Tim Cain, Assistant Town Attorney Haley Carmer, Deputy Town Clerk Mindy Andis and members of the public.

**Meeting Notice**

Deputy Town Clerk Mindy Andis verified that her office gave notice of the meeting in accordance with Resolution TC-2016-1.

**Conflicts of Interest**

Commissioner Urnise said the civil engineering company that was working on the Lakota Ridge Senior Apartments employed him. He asked to be recused from the public hearing regarding their application. The Commission agreed. Commissioner Urnise left the council chambers at 7:06pm.

**Citizen Comments on Items NOT on the Agenda**

There were no citizen comments.

**Public Hearing**

Preliminary Planned Unit Development

Purpose: Application for Preliminary Planned Unit Development (PUD)

Legal description: Lot 2A, Amended Final Plat, Lot 2, Lakota Canyon Ranch, Phase 7, According to the Plat thereof Recorded July 30, 2010 Under Reception No.789213

Common Address: T.B.D. Castle Valley Blvd., New Castle

Applicant: Lakota Ridge Senior Apartments, LLC

Landowner: Town of New Castle

Resolution PZ 2016-2 A Resolution of the New Castle Planning and Zoning Commission Approving Lakota Ridge Senior Apartments, LLC's Preliminary PUD Development Plan Application.

Chair Apostolik opened the Public Hearing at 7:07p.m.

Town Planner Tim Cain reported that Community Resources & Housing Development Corporation (CRHDC) had submitted their application for Preliminary PUD Development, and that the application met the minimum standard of completeness. He said the applicant had requested that final construction documents, complete civil plans and drainage calculations be deferred until CRHDC was awarded grant funds. CRHDC stated that they had a very limited operating budget until they receive a grant from Colorado Housing Financing Authority in early summer 2016. He asked that the Commissioners consider the recommendations of the Town Engineer and Public Works Director.

The application requested 50 affordable senior dwelling units. Proposed are 40 one-bedroom, one-bath units and 10 two-bedroom, one-bath units, located in six buildings. One-bedroom apartments will be 708 square feet with an 85 square foot individual private balcony. A two-bedroom apartment will be 950 square feet, each with a 61 square foot private balcony. Each unit will have washer and dryer hook-ups and more storage space than the other senior housing complex in New Castle.

There will be a 1650 square foot community center, which will include a manager's office, storage, gathering place, and laundry facilities. The manager for the town's other senior housing complex had arranged for Garfield County Department of Human Services to offer the Senior Nutrition Program, community health fairs, Meals on Wheels and the Roaring Fork Transit Authority Traveler Program.

Buildings will range in elevation from one to three stories, utilizing the slope of the land. An elevator will be installed to allow access to the upper units. There will be internal pathways throughout the parcel with extensive landscape and green open space, which meets the 15% of coverage as required by code. A community garden will also be the focal point of senior gatherings and social interaction.

The proposed parking in the development is double the amount required by code for residential parking. The code requires ½ off-street parking space for each unit, but fifty (50) spaces are proposed. There will be ample parking for guests and family members, however the Town Council has the authority to increase or decrease the number of off-street parking spaces.

The applicant will construct a public street that complies with the Public Works Manual. This will access the two major parking lots located within the perimeter of residential buildings. The grade of the street at the northeast corner of the parcel at Castle Valley Boulevard goes from 4% and increases to 8% at the top end of the road. The street will end with a "hammerhead" turn-around large enough for fire trucks.

Pedestrian pathways will be diverted away from the street and parking areas for the purpose of resident safety. The site plan also shows snow storage, however the

Public Works Director, John Wenzel suggested enlarging the parking islands to provide for additional snow storage. Director Wenzel also recommended that concrete sidewalks be five feet wide with a green belt placed between the edge of the sidewalk and back of the curb to provide improved walkability and additional snow storage. The applicant will also be required to construct a 10-foot wide asphalt foot trail on the northern boundary of the property. It will be determined whether the applicant will be required to construct the foot trail from the northeast corner of the lot southeast along Castle Valley Boulevard to the Fire Station.

The Town of New Castle currently owns the land and Lakota Senior Apartments has a Lease with Option to Purchase for a minimum of two years and a maximum of three years. At that time, Lakota Ridge Senior Apartments would be able to purchase the land from the Town of New Castle.

The application demonstrated substantial compliance with the Comprehensive Plan. Section 5 – Housing, Goal HO-1 of the Town’s Comprehensive Plan is to “preserve and create affordable housing” for our community. Part A and B of this goal states the Town would like to collaborate with non-profit agencies to promote and create affordable housing. CRHDC is working to utilize low-income housing tax credits for this development as outlined in part B of this goal.

Section 5, Housing, Goal HO-2 aligned well with the development because the applicant is proposing a housing density that will vary from the surrounding community. The density also exceeded the allowable number of units by close to 15 units. Without 50 dwelling units, the project would not be able to obtain funding.

The applicant expressly noted Policy HO-2E of the Town’s Comprehensive Plan in which the Town supports development that provides housing for those with special needs such as seniors. The section also stated that the Town would like the Garfield County Housing Authority (GCHA) to be more engaged in affordable housing development. The applicant is in current partnership with GCHA as a Special Limited Interest, which will allow the property to be property tax exempt. This would help with the operating budget and help ensure the rent will remain affordable.

The Town has the capacity to serve the proposed senior housing project with water, sewer, fire and police protection. The Fire Marshall and Town Police Chief are supportive of the application. The fire station is located less than 300 feet from the proposed senior housing project and will be able to respond extremely quickly to an emergency call.

The proposed use is a permitted use within the zone district. The subject property is zoned Mixed Use (MU) in the Lakota Canyon Ranch Subdivision. The purpose and intent of the zone district is “To provide standards and criteria for development of a compatible mix of conventional and clustered commercial, service, entertainment, low impact business and residential uses. And to also encourage clustered development...” The proposed development is a “use by right.”

There are a total of 827 dwelling units approved for Lakota Canyon Ranch. Of the 827 units, 345 residential units are allowed in the MU zone district. The Town

Council has the authority to increase the amount of MU dwelling units if another development project is proposed that would exceed the 345 residential unit limit. The senior housing project does not exceed the number of dwelling units allowed in the MU zone district.

Planner Cain stated the PUD utilized the natural character of the land, included compatible land uses, provided for fire and police protection, off-street parking, vehicular, pedestrian, and bicycle circulation, outdoor recreation, is of overall compatible architectural design, achieved adequate screening, buffering and aesthetic landscaping, avoided development of areas of potential hazard, ensured compliance with performance standards, and met all other provisions of the applicable ordinances of the Town.

The staff recommended approval of the Preliminary Development PUD Plan with the following conditions:

1. All representations of the applicant in written and verbal presentations submitted to the Town or made at public hearings before the planning commission or Town Council shall be considered part of the application and binding on the applicant.
2. The applicant shall reimburse the Town for any and all expenses incurred by the Town regarding this approval, including without limitation all costs incurred by the Town's outside consultants such as legal and engineering costs.
3. The applicant will provide a detailed response to the March 23, 2016 Memorandum from Public Works Director, John Wenzel at least three weeks before the Final PUD Development hearing before Planning and Zoning Commission which is projected to be June 8, 2016 although this date is not certain.
4. The applicant will provide a detailed response and/or request a waiver of certain items noted in the March 11, 2016 Preliminary Plan Review from the Town Engineer at least three weeks before the Final PUD Development hearing before Planning and Zoning Commission which is projected to be June 8, 2016 although this date is not certain.
5. The applicant will respond accordingly to the recommendations dated April 21, 2016 as provided by Colorado River Fire & Rescue Fire Marshall, Orrin Moon.

Carly Johansson, Director of Real Estate Development for CRHDC presented the project to the commission. Ms. Johansson stated CRHDC would be the developer, owner, and property manager.

Ms. Johansson briefly described that CRHDC provided pathways to housing resources and asset building opportunities. She said that CRHDC had five lines of service: Counseling, Lending, Real Estate Services, Real Estate Development and Asset Management. CRHDC owned properties all over the State of Colorado were not jurisdictionally tied like a housing authority would be, but did work primarily in rural communities.

Currently CRHDC owned and operated the senior housing in New Castle that had 24 one-bedroom units and one two-bedroom unit. That senior housing development was financed differently than the Lakota project, however, it will be managed and operated the same way. The goal was for the property to be a nice place for people to live.

The primary source of financing for the Lakota development will be Low Income Housing Tax Credits (LIHTC) from the Colorado Housing and Finance Authority (CHFA). The program will bring a large amount of equity to the project. Investors bring through the equity, and then the investors will benefit by getting a tax deduction over 15 years, based on the depreciation of the property. Garfield County Housing Authority and Colorado Division of Housing are partnering with CRHDC on the project. The timeline for development of the project relies on when the project was awarded the financing. CRHDC had already applied once and was denied the award. CRHDC plans to apply again in May of 2016 and anticipate that it will be awarded in June 2016. If awarded, construction will begin by March of 2017.

The Senior Housing Development will be restricted to individuals who are 55 years of age or older. Households must be 60% of the Area Medium Income (AMI) or less. For a household of one person their annual income cannot exceed \$29,280. For a household of two people their combined annual income cannot exceed \$33,480. For a household of three people their combined annual income cannot exceed \$37,680. For a household of four people their combined annual income cannot exceed \$41,820. These are the 2016 income limits by HUD.

The rent will be as follows: 60% AMI renter, rent will be \$900 for a two-bedroom unit or \$750 for a one-bedroom unit. 50% AMI renter, rent will be \$785 for a two-bedroom unit or \$653 for a one-bedroom unit. 40% AMI renter, rent will be \$523 for a one-bedroom unit. 30% AMI renter, rent will be \$392 for a one-bedroom unit. The project will partner with Garfield County Housing Authority to serve eight project-based vouchers for community members at the 30% and 40% AMI level. The vouchers will allow those renters to only pay 30% of their income to rent no matter what their income is, and the voucher will make up the difference. 30 units will be available to the 60% AMI and below renter, 10 units will be available to 50% AMI and below renter, five will be available to 40% AMI and below renter and five will be available to 30% AMI and below renter. These percentages are based off the current market study and need. The rent will be established once the funding has been awarded.

Currently there are 37 people on the waiting list for the existing senior housing. The individuals on the waiting list would qualify for the proposed senior housing development. Most of the senior housing throughout the valley have a zero vacancy rate. There is need for senior housing, and some of the waiting lists exceed three years.

Ms. Johansson explained that CRHDC requested a waiver with respect to the civil plans, but noted that the basic layout of the site was not expected to change. She said the design team felt the public improvements associated with the internal roads were defined but may need some minor revisions as they move forward. Ms. Johannssen requested that the land be annexed into the HOA after the project is

complete. She also said that CRHDC hoped that the public improvements shown satisfy the requirements of §17.100.050, sub-section (A) (1) (c) and (f) specifically.

Ms. Johannssen said that the amount of pre-development capital CRHDC had to move the project forward was limited due to the fact that they were still in the application process for the funding that was needed to develop. After CRHDC is awarded the funds, final construction documents will be completed, including a full set of civil plans with drainage calculations.

Additionally, CRHDC would like to request that the land required for the public road be subdivided as part of the PUD, however, they wanted to deed the land to the town after the road was complete. Structuring the transfer of the ROW in that way will help with the feasibility of the development.

Ms. Johannssen reiterated that CRHDC requested that the Right of Way (ROW) be deeded over to the Town of New Castle after the public road build out was complete; and that CRHDC was also asking to be excluded from the Lakota Canyon Ranch HOA requirements, to not be annexed into the HOA until after the project was complete.

Elaina Scott, Land Scape Architect, explained the layout for the site. There is 50-foot grade change from the North East corner to the South West corner of the property. Grade changes always present a challenge, especially for senior housing that needs an easy, walkable environment. She said she wanted to create a southern facing courtyard and be able to step the buildings and the parking into the site. She also considered the orientation of the buildings to take advantage the views that each unit would have.

Ms. Scott said the main public access road would be from Castle Valley Boulevard from North to South that will connect both parking lots. An asphalt pedestrian path will be along Castle Valley Boulevard per the Lakota Canyon PUD. There would also be an internal trail system connecting the residents to the courtyard, community garden and community center. In addition, there will be a trail connection to the Jolley Trail.

Ms. Scott said there would be perimeter landscaping which will incorporate the natural landscape of the area. With doing this, the buildings and landscape will feel like it is one and fits in.

Ms. Scott said the courtyard landscape would be more formal. It will be friendly for walking dogs, meeting friends, arts and crafts, etc.

There will be 50 parking spaces, which more than what the town code requires. There will be five on-street parking spaces, 25 spaces in the lower lot and 20 spaces in the upper lot. Most of the parking would be concealed by the courtyard and the buildings and not visible from Castle Valley Boulevard. What would be seen are buildings that sit within the landscape, which is in keeping with the building guidelines of Lakota Canyon Ranch PUD neighborhood to the North.

JV DeSousa, Architect, described the building layout. He said that in designing the

layout of the buildings, CRHDC kept the footprint of buildings 1, 2, and a portion of 3 the same size as a single family residence in Lakota Canyon Ranch Subdivision. Building number one will be 1400 square feet, and smaller than the first home on the corner of Blackhawk Drive and Castle Valley Boulevard. The largest building, number four, is not as long or as big as the existing firehouse.

Buildings 1, 2, and 3 are two stories tall on both the North and South side. Buildings 4 and the end of 3 are three stories tall on the North side, and 2 stories tall on the south side. Building 5 is two stories tall on both sides, and building 6 is two stories tall on the North side and 1 story tall on the South side. The one story is important so there will not visible rooftop from above the ridgeline and from the interstate off ramp. The top two floor end units of building 3 will be moved to the end corner of building 6 per the request of Orrin Moon, Fire Marshal of Colorado River Fire Rescue, to provide access for emergency vehicles.

There will be one elevator at the community center. The community center will connect to all the buildings by bridges and egress balconies. A resident will be able to access any unit or building from any other unit or building within the complex by a level path. There will be no stairs or steep paths. The elevator will accommodate a gurney per the request of the fire department.

The proposed units are larger than the existing senior housing units. Each will have a large storage space within a large closet and the living and dining rooms will be larger. Each unit will also have a private outdoor balcony or patio, which will be located right outside the living room. Then, the top floor units that have pathways will have a small indentation that creates a small space along the public walkway. This will make the front door the units own door. All the units are designed to be ADA compliant. Not all the units will be ADA units, but can be converted easily. When a senior moves in, the units can accommodate aging in place and they would not have to move if they become mobility impaired.

Sunny Black, 882 Ute Circle. Mr. Black asked about the AMI rate and if the rents would change with the AMI. He also asked how often that would take place.

Ms. Johansson explained that HUD calculates the AMI annually, and the rent will change. However, it does not align with market increases. Also, the utilities (water, sewer, trash, gas and electric) will be included in the rent. Tenants will be responsible for cable, internet, etc.

Nancy Rayfield, at 201 Castle Valley Boulevard. Ms. Ransfield asked if there were no turn-around at the end of the parking lot, how the fire trucks and ambulances would turn around.

Mr. DeSousa said the drive isles were much bigger than the street at the other senior housing. The fire department required a maximum backing up of 150 feet including the turn-around. Both proposed parking lots are specially designed to meet that maximum requirement.

Commissioner Borgard asked how the landscaping would be established.

Ms. Johansson said the landscaping will be maintained by CRHDC and they would replace any vegetation that died. Most of the landscaping will be self-sustaining.

Commissioner Borgard also asked if the outside patios or balcony were included in the square footage of each unit.

Mr. DeSousa said no. The square footage of each unit is livable interior space. The one-bedroom units are 708 square feet and two-bedroom units are 950 square feet.

Chair Apostolik asked if the buildings would be on boilers or a central system.

Ms. Johansson said each unit would have its own forced air system furnace and air conditioning.

Chair Apostolik asked how the public walkways would be maintained.

Mr. DeSousa said that since the proposed development was affordable housing, senior housing staff would maintain the sidewalks.

Chair Apostolik closed the Public Hearing at 8:24p.m.

Assistant Town Attorney Haley Carmer said that one main issue was that the project being subject to the Lakota Canyon Ranch HOA. The applicant recently organized a neighborhood meeting with the HOA, Lakota homeowners, and other interested parties, including Town staff. At that meeting, the HOA expressed some concern that the Property is not subject to the Master Declaration or the HOA. If the Property is not incorporated into the HOA, the HOA will not collect dues from Applicant, the Property will not be subject to the HOA's design review process, and the HOA's architectural guidelines will not be binding on the Property or the Applicant. Also note that, as explained more fully in the staff report, Applicant's proposed development counts against the density of the PUD as a whole as well as the individual phase in which it was developed (Phase 7, which was allocated a total of 70 dwelling units).

Attorney Carmer said that pursuant to the Master Declaration of Protective Covenants, Conditions and Restrictions for Lakota Canyon Ranch and amendments thereto, the Property was part of what is defined in the Master Declaration as the "Expansion Property." The same is true of the fire district lot. As part of the Expansion Property, the Property was not automatically incorporated into the area governed by the Lakota Canyon Ranch Master Association ("HOA") and the Master Declaration does not encumber the Property. Under the Master Declaration, Warrior, as Declarant, has the option to incorporate the Property into the community governed by the HOA or to waive that right. To date, Warrior had not exercised its right to annex the Property into the community governed by the HOA or to record the Master Declaration against the Property. As such, the Property is not currently subject to the covenants, conditions, or restrictions included in the Master Declaration nor is it governed by the HOA.

Attorney Carmer said that the purpose of the senior housing project was to provide



affordable housing to seniors. The applicant represented to Town staff that they had not included HOA dues in its operating budget because they were not subject to the Master Declaration or the HOA at the time of application. Additionally, senior housing residents will likely use few, if any, of the Lakota community amenities that were funded by HOA dues because the Applicant's project included its own community center. Moreover, if architectural consistency is the primary concern, Section 16 of the First Supplement to 1999 Annexation and Development Agreement required that the Town Building Department receive written proof that construction plans had been approved by the Lakota Canyon Ranch Architectural Control Committee ("ACC") before issuing a building permit. Applicant intended to be a good neighbor and has scheduled an appearance before the ACC on May 4<sup>th</sup>.

Attorney Carmer said the Commission should consider whether Applicant should be a part of the HOA. Warrior has stated that the Property need not be subject to HOA governance, and Town Council expressed a similar opinion at its April 19th meeting. One option for the Commission to consider is requiring, as a condition of approval of the Application, that Applicant receive approval of its project design from the ACC.

Attorney Carmer said the applicant had also requested a cost recovery agreement regarding the costs of construction of the public street to the extent that in the future it may serve the adjacent property owned by Jim Colombo. Any recommendations or insight the Commission could provide would be appreciated.

Mr. Black, Board of Directors President for Lakota Canyon Ranch, said there had been discussion regarding the incorporation of the project into the Lakota Canyon Ranch HOA. Lakota Canyon Ranch waived the HOA Covenants but asked that CRHDC continue with the proposed design of the senior housing and that they work with the HOA.

Attorney Carmer said the senior housing units would affect the number of units in the Lakota Canyon Ranch Phase 7 and the development by reducing the number of units.

**Motion: Chair Apostolik made a motion recommending approval of PZ-2016-02, A Resolution of the New Castle Planning and Zoning Commission Recommending Approval of a Conditional Use Permit for Two-Family Residential Use on Property Located in the Commercial Transitional Zone District. Does not recommend that the Property become a part of the Lakota Canyon Ranch HOA. Commissioner Borgard seconded the motion.**

**The motion passed on a roll call vote: Commissioner Gates: Yes; Commissioner Metzger: Yes; Commissioner Borgard: Yes; and Chair Apostolik: Yes.**

Commissioner Urnise returned to the council chambers at 8:30pm.

#### **Items for Consideration**

Consider Appointing Commission Chair and Vice-Chair

After a brief discussion the commission decided to table this item until the next

meeting or when there are no vacancies on the commission.

Consider Commission Appointment to Historic Preservation Commission.  
Commissioner Metzger nominated Commissioner Borgard.

**Motion: Commissioner Metzger made a motion to appoint Commissioner Borgard to the Historic Preservation Commission. Chair Apostolik seconded the motion and passed unanimously.**

**Items for next Planning and Zoning Agenda**

There were no items.

**Commission Comments and Reports**

There were no comments or reports.

**Staff Reports**

Planner Cain reported First Baptist Church would be coming to P&Z for a Conditional Use Permit (CUP) on May 11, 2016.

**Review Minutes from Previous Meeting**

**Motion: Chair Apostolik made a motion to approve the January 13, 2016 meeting minutes as amended. Commissioner Metzger seconded the motion and it passed unanimously.**

**Motion: Chair Apotolik made a motion to adjourn the meeting. Commissioner Borgard seconded the motion and it passed unanimously.**

The meeting adjourned at 9:05p.m.

Respectfully Submitted,



  
Deputy Town Clerk Mindy Andis

  
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Planning and Zoning Commission Chair  
Chuck Apostolik