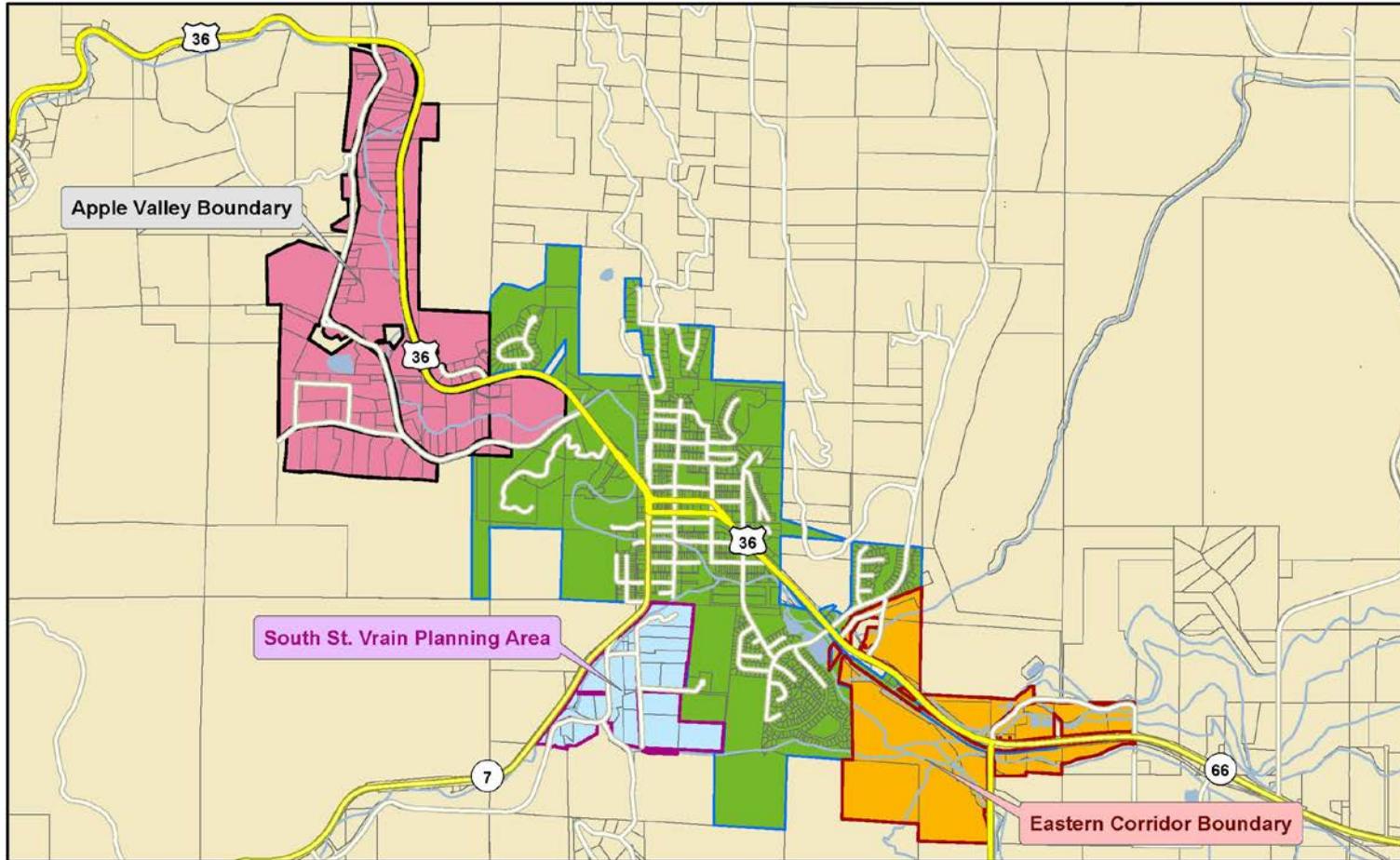


# Lyons Primary Planning Area Master Plan

10<sup>th</sup> Meeting - 20 October 2016



## PRIMARY PLANNING AREA MASTER PLAN

# LPPA 10<sup>th</sup> Meeting - Agenda

1. Open House
2. Welcome and thank you!
3. Presentation
  - a. Barriers to Investment
  - b. Guiding Principles
  - c. Land Use Recommendations
  - d. Development Concepts
  - e. Economic Feasibility
  - f. Fiscal Impact
4. Discussion
5. Next Steps



# Barriers to Investment “But-Fors”

## 1. Town policies and practices

- a. five-acre vote on potential annexations
- b. agreements with individual property owners
- c. reuse of public land

## 2. Elements of multi-jurisdictional agreements (IGA with Boulder County)

- a. property access
- b. boundaries
- c. limits on land uses

## 3. Limited net developable acres

- a. floodplains and floodways
- b. standing water
- c. irrigation laterals
- d. conservation easements
- e. topography
- f. threats from fire and flooding

## 4. Existing and proposed locations of public facilities

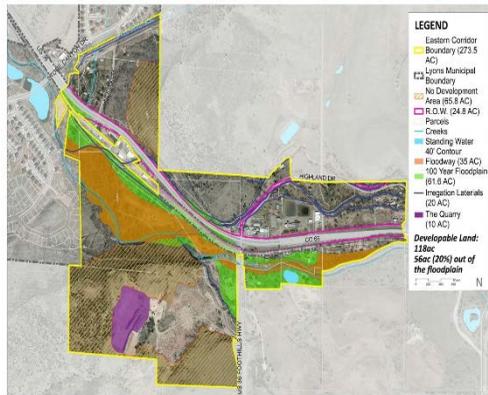
- a. Public works (new)
- b. School



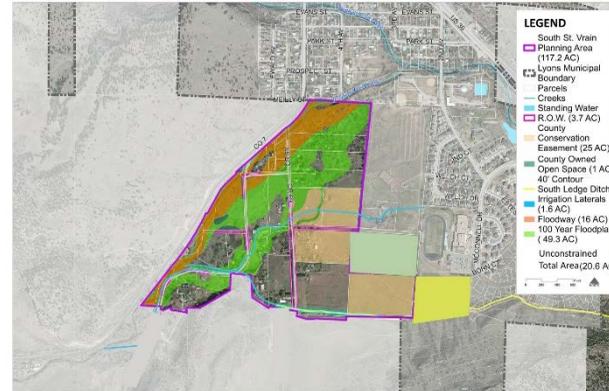
# Barriers to Investment “But-Fors” – cont’d

4. Resources available to assist with development financing “gaps”
  - a. tax increment financing (tif) boundaries
  - b. public sources of money (which carry restrictions on ownership and land use)
5. Contiguous acres under single ownership
6. Limited locations for viable commercial development
7. Acreage in public ownership (Town, County, Federal)
8. Cost of development given existing conditions
9. Impending fiscal imbalance given zoning of remaining acreage within Town boundaries

Eastern Corridor Subarea



South St. Vrain Subarea



Apple Valley Subarea



# Guiding Principles

1. Planning and development will value existing improvements and homes.
2. Land uses and product types will advance the Town's goal for a more diverse economy.
3. Homes in the area will address the needs of residents' different lifestages and income levels.
4. Investment will be high quality and distinctive in character.
5. Mobility options in the area will connect to Town, both vehicular and non-vehicular.
6. Development will balance growth through efficient development patterns.
7. The scale of development will be appropriate for the environment and will reflect market trends.
8. Formal municipal park space will be limited within the subarea.
9. The Town will assist with completing improvements (offsite and onsite) as resources are available.

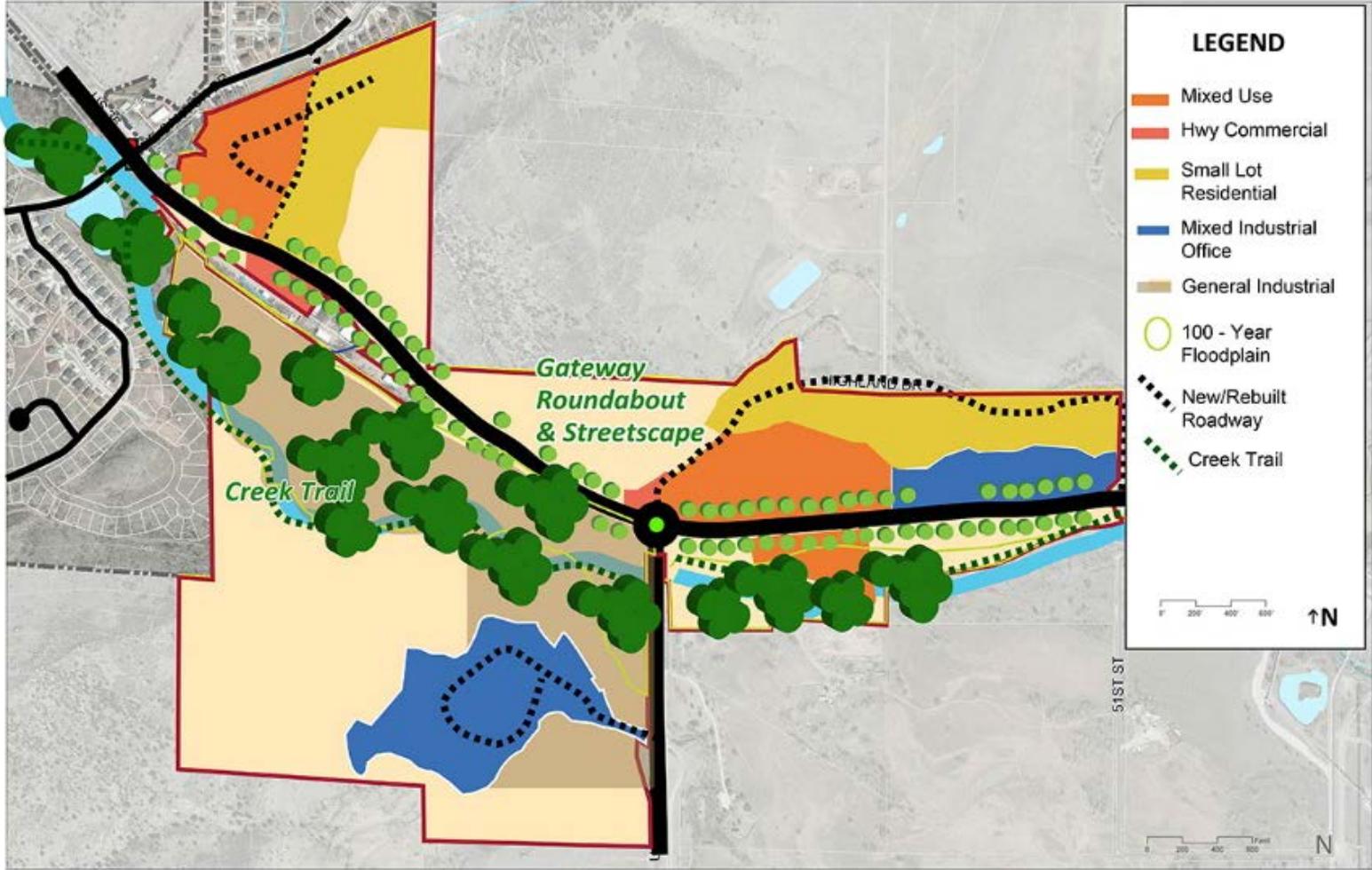


## PRIMARY PLANNING AREA MASTER PLAN

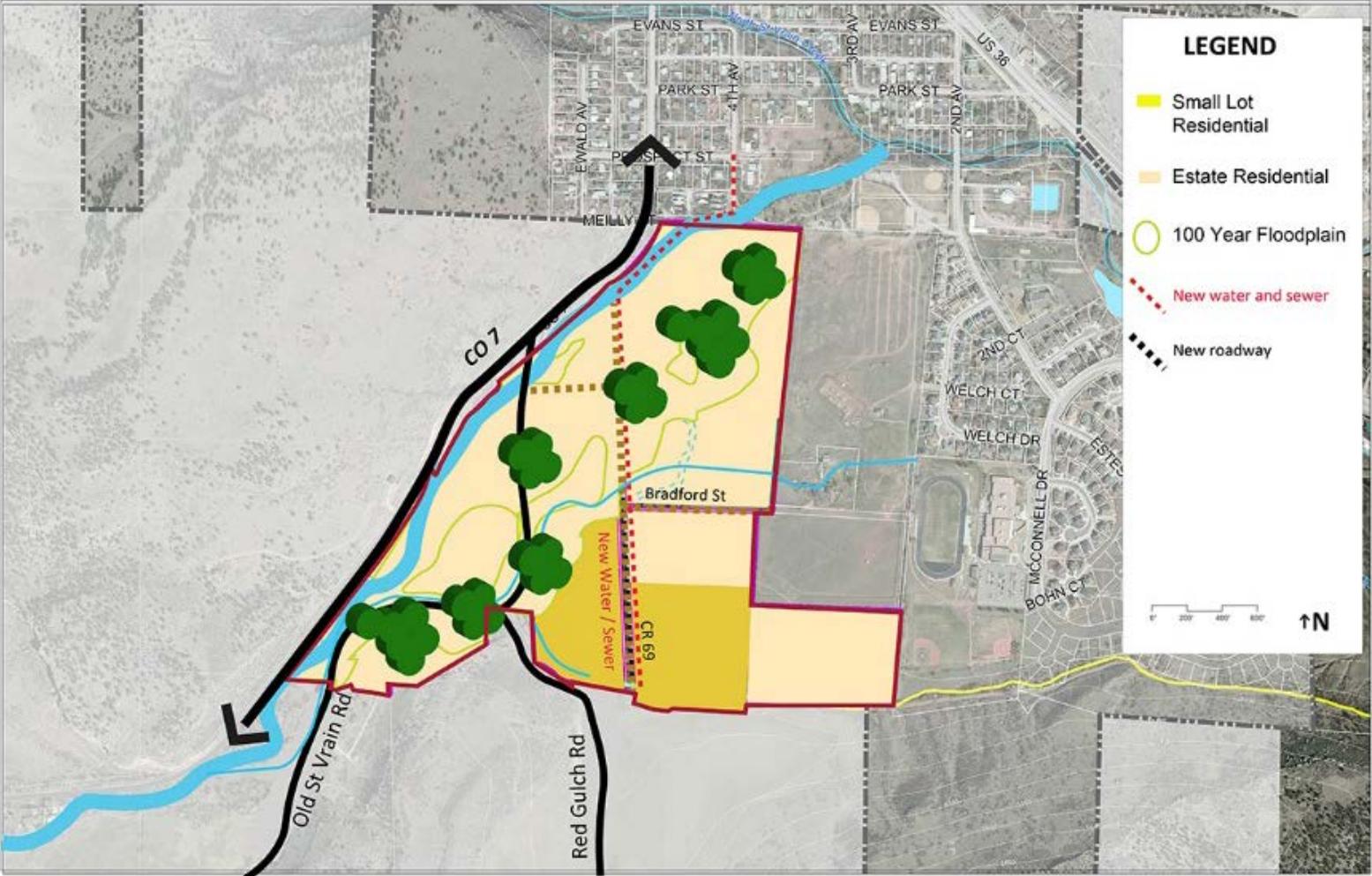


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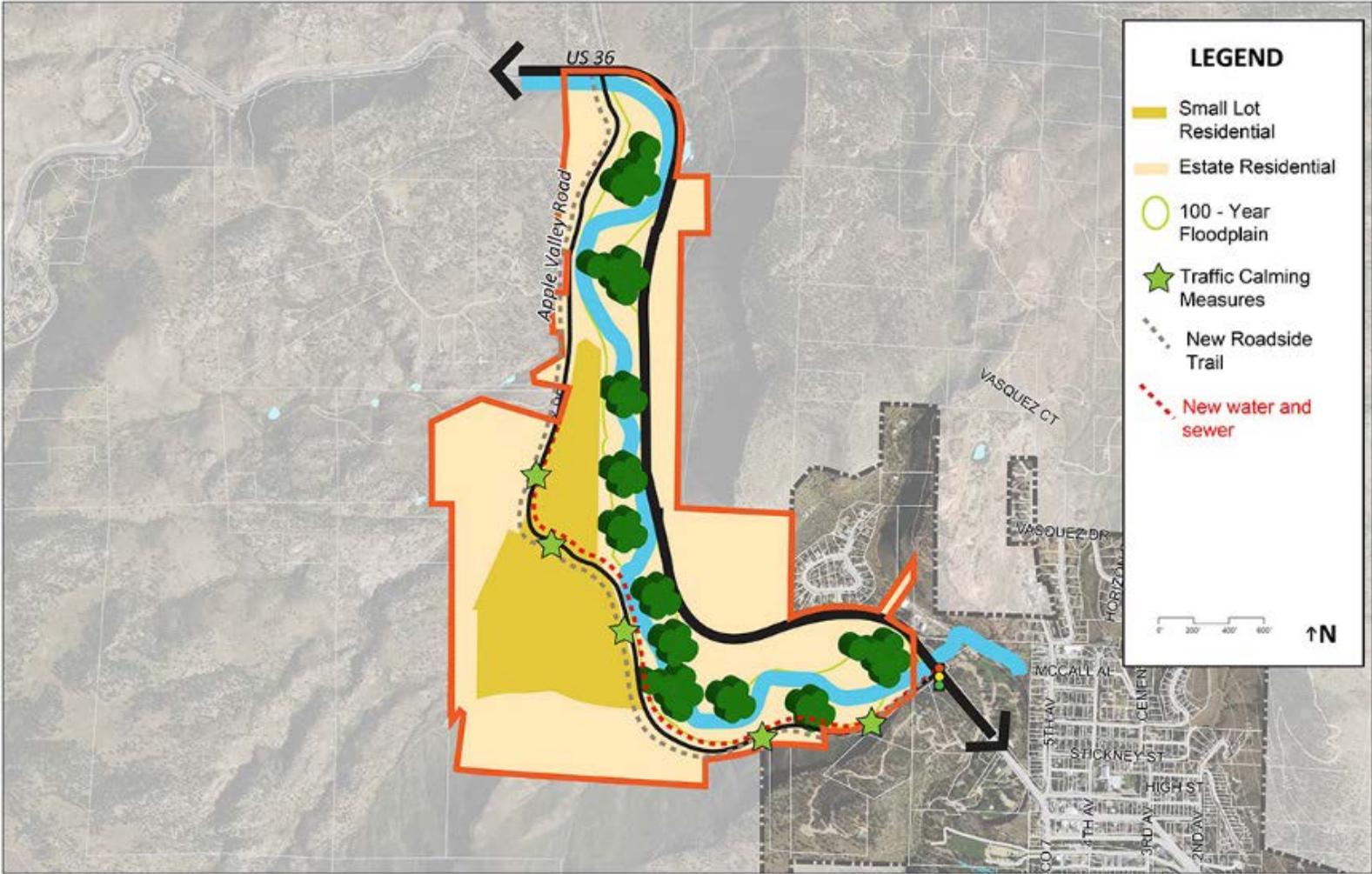
# Proposed Land Uses – Eastern Corridor



# Proposed Land Uses – South St. Vrain



# Proposed Land Uses – Apple Valley



# Eastern Corridor Perspective



Drawing provided by Ricker Renderings.



## PRIMARY PLANNING AREA MASTER PLAN

# Boutique Hotel – Eastern Corridor



**Note:**  
Development and design concepts reflect current “Town of Lyons, Commercial Development and Mixed-Use Development Design Standards and Guidelines.”

Drawing provided by Ricker Renderings.



## PRIMARY PLANNING AREA MASTER PLAN



# Mixed-Use – Eastern Corridor



**Note:**  
Development and design concepts reflect current “Town of Lyons, Commercial Development and Mixed-Use Development Design Standards and Guidelines.”

Drawing provided by Ricker Renderings.



## PRIMARY PLANNING AREA MASTER PLAN

# Affordable Housing – Accessory Dwelling Units (ADUs)



Drawing provided by Ricker Renderings.



## PRIMARY PLANNING AREA MASTER PLAN

# Affordable Housing – Small Cottages



Drawing provided by Ricker Renderings.



## PRIMARY PLANNING AREA MASTER PLAN

# Live-Work



Drawing provided by Ricker Renderings.

**Note:** Development and design concepts reflect current “Town of Lyons, Commercial Development and Mixed-Use Development Design Standards and Guidelines.”



## PRIMARY PLANNING AREA MASTER PLAN

# Economic Feasibility — Factors Affecting

- Project Revenues
  - Sale Price (market acceptance)
  - Density
  - Absorption
  
- Project Costs
  - Land Price
  - Site Improvements (physical conditions)
  - Building Construction
  - Permits, Fees, “Soft Costs”

**Eliminating uncertainty across these factors = increase in project return on investment**

# Economic Feasibility – Mixed-Use Proforma

| Development Program                                    |               | Assumption Factors   |                                   |
|--|---------------|----------------------|-----------------------------------|
| Retail/Service   | Units/Spaces  | Square Feet          |                                   |
| Employment (Office/Industrial)                         |               | 70,000               |                                   |
| Residential (Rental)                                   | 93            | 74,400               | 800 SF/Unit                       |
| Residential (For-Sale)                                 | 281           | 562,000              | 2,000 SF/Unit                     |
| Gross Floor Area                                       |               | 914,900              |                                   |
| Project Land Area                                      |               | 512,179              | 24 Acres                          |
| Floor Area Ratio                                       |               | 179%                 |                                   |
| Surface Parking (New)                                  | 999           | 329,505              | 330 SF/Space                      |
| Structured Parking (New)                               | 0             | 0                    | 330 SF/Space                      |
| Estimated Project Value (Stabilized Yr)                |               |                      |                                   |
| Total Retail/Service Rentable SF                       |               | 66,500               | 95% Bldg. Efficiency Ratio        |
| Rent/SF  |               | \$20.00              |                                   |
| Total Employment Rentable SF                           |               | 198,075              | 95% Bldg. Efficiency Ratio        |
| Rent/SF  |               | \$15.00              |                                   |
| Total Residential Rentable SF                          |               | 66,960               | 90% Bldg. Efficiency Ratio        |
| Rent/SF  |               | \$18.00              | \$1.50 Monthly Rent/SF            |
| Total Parking Spaces (Structured)                      |               | 0                    |                                   |
| Rent/Space   |               | \$600                | \$50 Monthly Income/Space         |
| Gross Income   |               | \$5,506,405          |                                   |
| Occupancy  |               | 95%                  |                                   |
| Effective Gross Income                                 |               | \$5,231,085          |                                   |
| Operating Costs  |               | \$2,168,000          | \$6.14 \$/SF (Wtd. Avg. All Uses) |
| Net Operating Income                                   |               | \$3,063,085          |                                   |
| Capitalization Rate                                    |               | 7.0%                 |                                   |
| <b>Project Value -- Retail/Employment/Rental Resid</b> |               | <b>\$43,758,354</b>  |                                   |
| Total Housing Units                                    |               | 281                  |                                   |
| Sales Price/Unit (Wtd Avg)                             |               | \$450,000            |                                   |
| Gross Revenue  |               | \$126,450,000        |                                   |
| Less Marketing Costs                                   |               | (\$8,851,500)        | 7% % of Sales                     |
| Net Sale Proceeds                                      |               | \$117,598,500        |                                   |
| <b>Project Value -- For-Sale Housing</b>               |               | <b>\$117,598,500</b> |                                   |
| <b>Total Project Value</b>                             |               | <b>\$161,356,854</b> |                                   |
| Development Cost Estimate                              |               |                      |                                   |
| Property Purchase (Acquisition/Demolition)             | \$1,536,537   |                      | \$3.00 \$/SF Land                 |
| On-Site Improvements (Surface Parking)                 | \$2,496,250   |                      | \$2,500 \$/Space                  |
| Site Development                                       | \$1,280,448   |                      | \$2.50 \$/SF                      |
| Building Construction (Hard Costs)                     | \$110,461,500 |                      | \$121 \$/SF (Wtd. Avg. All Uses)  |
| Construction Contingency                               | \$11,423,820  |                      | 10% % of Construction Costs       |
| Soft Costs (% of Hard Costs)                           | \$17,135,730  |                      | 15% % of Hard Costs               |
| <b>Total Project Cost</b>                              |               | <b>\$144,334,284</b> | <b>\$157.76 \$/SF</b>             |
| Development Economic Summary                           |               |                      |                                   |
| Total Project Value                                    |               | \$161,356,854        |                                   |
| Total Project Cost                                     |               | \$144,334,284        |                                   |
| Net Project Surplus / (Deficit)                        |               | \$17,022,570         |                                   |
| % Net Project Surplus / (Deficit)                      |               | 12%                  |                                   |

The development of a mixed-use project with retail/service, employment and residential (both for-sale and rental) uses has the potential to generate a project surplus and a reasonable return to the developer.

It is likely that components of this mixed-use project will be developed within smaller areas, so returns for those smaller projects might vary.



## PRIMARY PLANNING AREA MASTER PLAN

# Fiscal Impact – Mixed-Use

| Development Value               | Eastern Corridor Planning Area |                   |                      |
|---------------------------------|--------------------------------|-------------------|----------------------|
|                                 | Product Type                   | Total Development | Development Value    |
| <b>Residential (Units):</b>     |                                |                   |                      |
| Single Family Detached          | 230                            | \$114,750,000     |                      |
| Townhome                        | 51                             | \$14,025,000      |                      |
| Apartments                      | 93                             | \$18,600,000      |                      |
| <b>Non-Residential (Sq Ft):</b> |                                |                   |                      |
| Retail/Service                  | 70,000                         | \$14,000,000      |                      |
| Employment (Office/Industrial)  | 208,500                        | \$31,275,000      |                      |
|                                 |                                |                   | <b>\$192,650,000</b> |

Values based on:

|                                |           |           |
|--------------------------------|-----------|-----------|
| Single Family Detached         | \$500,000 | per Unit  |
| Townhome                       | \$275,000 | per Unit  |
| Apartments                     | \$200,000 | per Unit  |
| Retail/Service                 | \$200     | per Sq Ft |
| Employment (Office/Industrial) | \$150     | per Sq Ft |

| Revenue Generation             | Eastern Corridor Planning Area |                                |                            |
|--------------------------------|--------------------------------|--------------------------------|----------------------------|
|                                | Product Type                   | Added Taxable Value @ Buildout | Added Property Tax Revenue |
| <b>Residential:</b>            |                                |                                |                            |
| Single Family Detached         | \$9,134,100                    | \$143,369                      |                            |
| Townhome                       | \$1,116,390                    | \$17,523                       |                            |
| Apartments                     | \$1,480,560                    | \$23,239                       |                            |
| <b>Non-Residential:</b>        |                                |                                |                            |
| Retail/Service                 | \$4,060,000                    | \$63,726                       |                            |
| Employment (Office/Industrial) | \$9,069,750                    | \$142,359                      |                            |
|                                | <b>Property Tax*</b>           | <b>\$390,215</b>               |                            |
|                                | <b>Sales Tax**</b>             | <b>\$350,000</b>               |                            |
|                                | <b>Total Tax Revenues</b>      | <b>\$740,215</b>               |                            |
|                                | <b>Other Revenues ***</b>      | <b>\$235,763</b>               |                            |
|                                | <b>Total Revenues</b>          | <b>\$975,979</b>               |                            |

\* based on City .015696 property tax rate.

\*\* based on estimated retail sales of \$250 per square foot and 2% sales tax rate.

\*\*\*based on 2015 general fund revenues from permits, fees, licenses, fines, etc. -- per capita of \$187.

| New Residents/Employees     | Eastern Corridor Planning Area |
|-----------------------------|--------------------------------|
| Residents                   | 973                            |
| Retail Employees            | 175                            |
| Office/Industrial Employees | 695                            |
| <b>Total</b>                | <b>1,843</b>                   |

Resident/employee estimates based on:

|                        |     |                    |
|------------------------|-----|--------------------|
| Single Family Detached | 3.0 | household size     |
| Townhome               | 2.3 | household size     |
| Apartments             | 1.8 | household size     |
| Retail                 | 400 | Sq Ft per Employee |
| Office/Industrial      | 300 | Sq Ft per Employee |

| Net Surplus/Deficit         | Eastern Corridor Planning Area |                             |                             |
|-----------------------------|--------------------------------|-----------------------------|-----------------------------|
|                             | Product Type                   | Added Residents / Employees | Added Annual Service Costs* |
| Residents                   | 973                            | \$715,044                   |                             |
| Retail Employees            | 58                             | \$42,860                    |                             |
| Office/Industrial Employees | 232                            | \$170,214                   |                             |
|                             | <b>Total Service Costs</b>     | <b>\$928,118</b>            |                             |
|                             | <b>Total Revenues</b>          | <b>\$975,979</b>            |                             |
|                             | <b>Total Surplus/Deficit</b>   | <b>\$47,861</b>             |                             |
|                             | <b>% Surplus/Deficit</b>       | <b>5%</b>                   |                             |

\*based on 2015-2016 general fund expenditures per capita of \$735.

Note: Service cost impacts of employees estimated at 1/3 of residents.

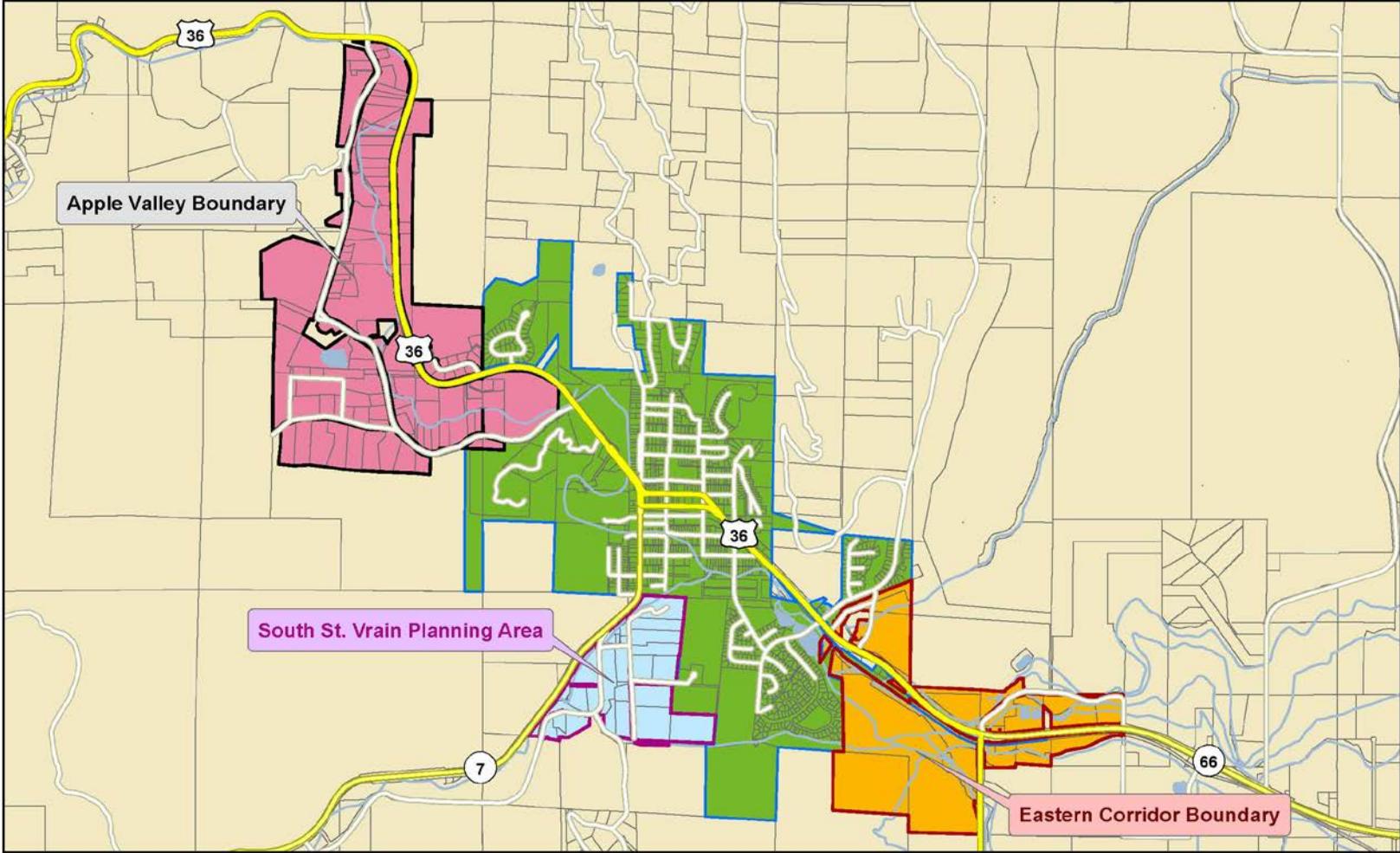


## PRIMARY PLANNING AREA MASTER PLAN



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# Discussion



## PRIMARY PLANNING AREA MASTER PLAN



# Next Steps

1. Complete draft final Lyons Primary Planning Area Master Plan document
2. Present contents of the LPPA Master Plan to PCDC and BOT
3. Publish and notice dates of public hearings to consider LPPA Master Plan
4. Complete and submit required documentation to plan funding source (State of CO)
5. Commence implementation of the LPPA Master Plan's actionable items
  - a. property acquisitions
  - b. consider pending future annexations
  - c. engage property owners (investors) interested in advancing the plan
  - d. align existing Town plans and regulations
  - e. review existing agreements



## PRIMARY PLANNING AREA MASTER PLAN

