

## **MEMORANDUM**

To: Erin Lucero, Colorado Department of Transportation

From: Andrew Knudtsen and Tim Morzel, Economic & Planning Systems

Subject: Frisco Site Public Partnership Feasibility Analysis; 153079

Date: February 21, 2017

*The Economics of Land Use*



### **Introduction**

This memorandum presents an initial evaluation of the feasibility of developing workforce housing in the Town of Frisco through a public partnership between the Town and the Colorado Department of Transportation (CDOT). Economic & Planning Systems (EPS) was retained by the CDOT to conduct an evaluation of employee housing options within three distinct markets in which CDOT has maintenance facilities. EPS summarized this analysis in a larger more detailed report that was completed in the fourth quarter of 2016.

In Summit County, the primary housing directive was to monitor the County's progress with the Lake Hill project and consider providing an unsolicited proposal to the County, after greater clarity was provided about the land plan, infrastructure financing plan, and partnership parameters. While this continues to remain a viable option, this project is expected to require a significant amount of upfront infrastructure costs that will need to be funded by the County, or a consortium of partners. As a result, the option to partner and construct new workforce housing on this site may not be possible for a number of years.

Recently, CDOT has been moving residents residing in trailers on a site in downtown Frisco to alternative locations, thus providing the opportunity to either sell the site or partner with the Town of Frisco to provide a more permanent housing solution for both CDOT and the Town. This memorandum provides an initial evaluation of the amount of housing that could be supported on the site (based on current zoning, massing and design parameters, and parking requirements) and an

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analysis of cost and revenues associated with the construction of new housing. In addition, this analysis evaluates a potential partnership between the CDOT and the Town that would involve shared development costs, shared revenues, and a provision of an equal number of units for each entity.

## Background

CDOT currently owns a 24,500 square foot parcel tract of land located in downtown Frisco, Summit County, Colorado, specifically located at 619 Granite Street. The street bounds the property on the south, between 6<sup>th</sup> and 7<sup>th</sup> Avenue's, as shown in **Figure 1**. The property was acquired by CDOT in 1974 and has primarily been used as a mobile home park to provide affordable housing for CDOT employees.

**Figure 1**  
**Frisco Site (619 Granite Street)**



Based on an appraisal completed by CDOT in the fourth quarter of 2015, the property was valued at \$1.82 million. This appraisal methodology is based on the highest and best use for the property that can essentially be described as that use which at the time of the appraisal, which develops the site's potential to the greatest degree and is a likely and reasonable use to which the property may be put. Because of the physical and locational characteristics of the subject and surrounding uses, and the current demand for resort lodging in the area, a multi-family residential project is considered the highest and best use of the site. This appraisal is included in its entirety in the **Appendix** of this memorandum.

## Development Program and Design

In order to inform an initial discussion regarding the potential development of the CDOT owned Frisco site, EPS and Matrix Design Group have developed a site specific massing model that responds to the need for additional workforce housing and respects existing zoning, design, and parking requirements in the town. These requirements as well as a number of others are summarized below:

### **Zoning**

The site is located in the Central Core (CC) and Galena-Granite Overlay Districts. The CC district allows for a wide range of permitted uses that include restaurants, offices, retail, and residential development. The Galena-Granite Street Overlay requirements are intended to promote and enhance important neighborhood qualities by requiring base standards and providing incentives to achieve desired attributes. The standards relate to the scale, mass, architecture and overall design character of development.

### **Parking Requirements**

The existing zoning requires a minimum parking ratio of 1 space per bedroom for residential uses, and 1 space per 350 square feet for office and retail uses.

### **Size and Setbacks**

The minimum lot area in this zone is 3,500 square feet and the site has a required setback of 5 feet.

### **Building Height**

The maximum building height in this zone is 40 feet with a pitched roof and 35 feet with a flat roof. There are height incentives that may be utilized that increase the maximum height to 45 feet for a pitched roof and 40 feet for a flat roof. There is also a first floor minimum height of 10 feet and a second floor minimum height of 9 feet.

### **Maximum Density**

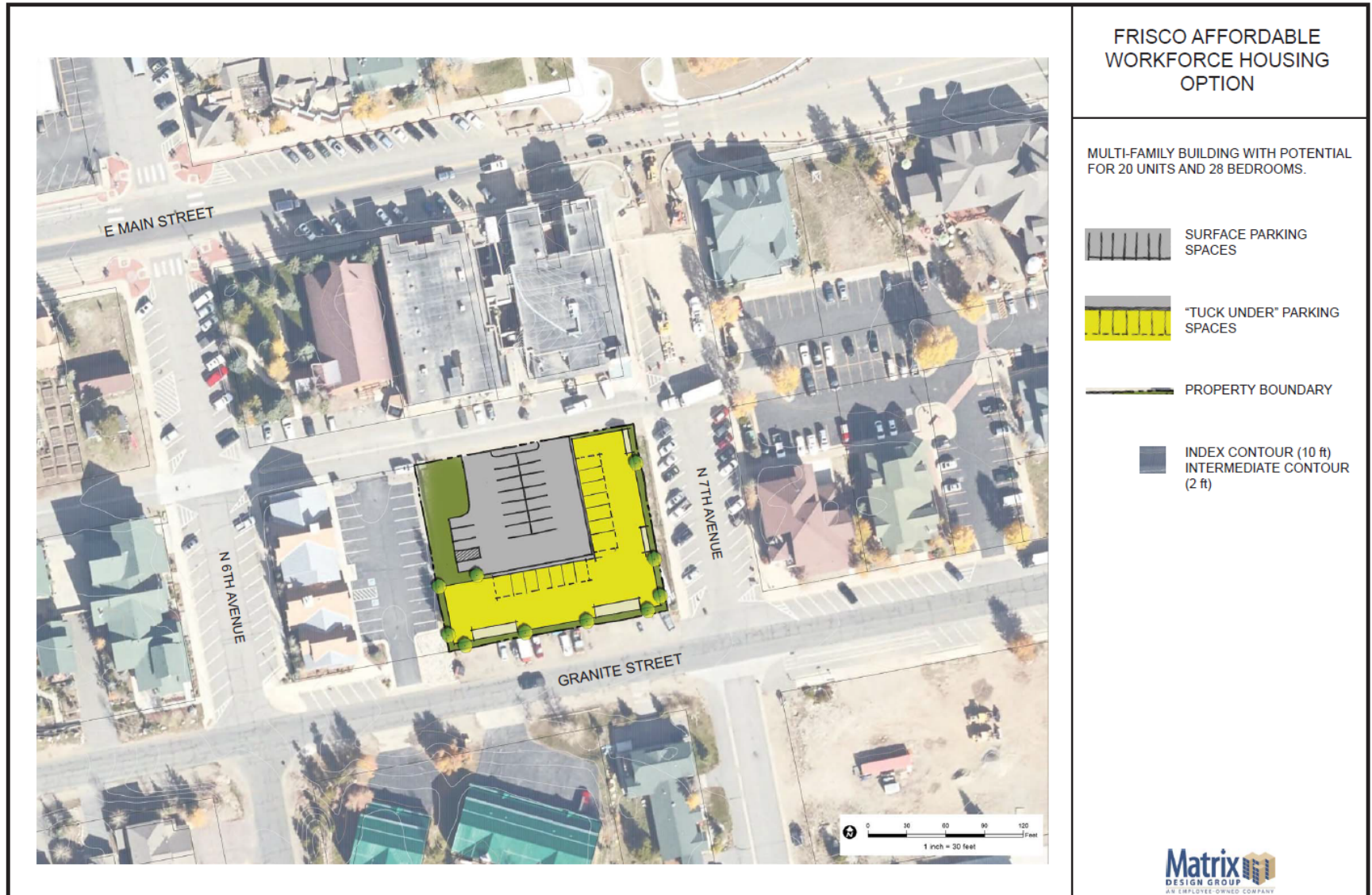
The maximum residential density in this zone is 16 units per developable acre. Based on the size of the property (24,500 square feet), a maximum of 9 units are allowable. However, the Town allows two bonus units for each additional affordable unit. Assuming that the exclusive use will be affordable housing, density as a land use consideration has minimal impact.

Based on the requirements outlined above and the bonuses associated with affordable housing, the maximum developable density is in the range of 40 to 45 residential units per acre. On this site, which is 0.56 acres, the maximum number of units is 22 to 25 units. However, due to limiting factors associated with parking requirements and a snow storage area as well as housing goals outlined by the Town of Frisco and CDOT, this analysis contemplates a total of 20 units on the site. A potential partnership could provide 10 units to each entity.

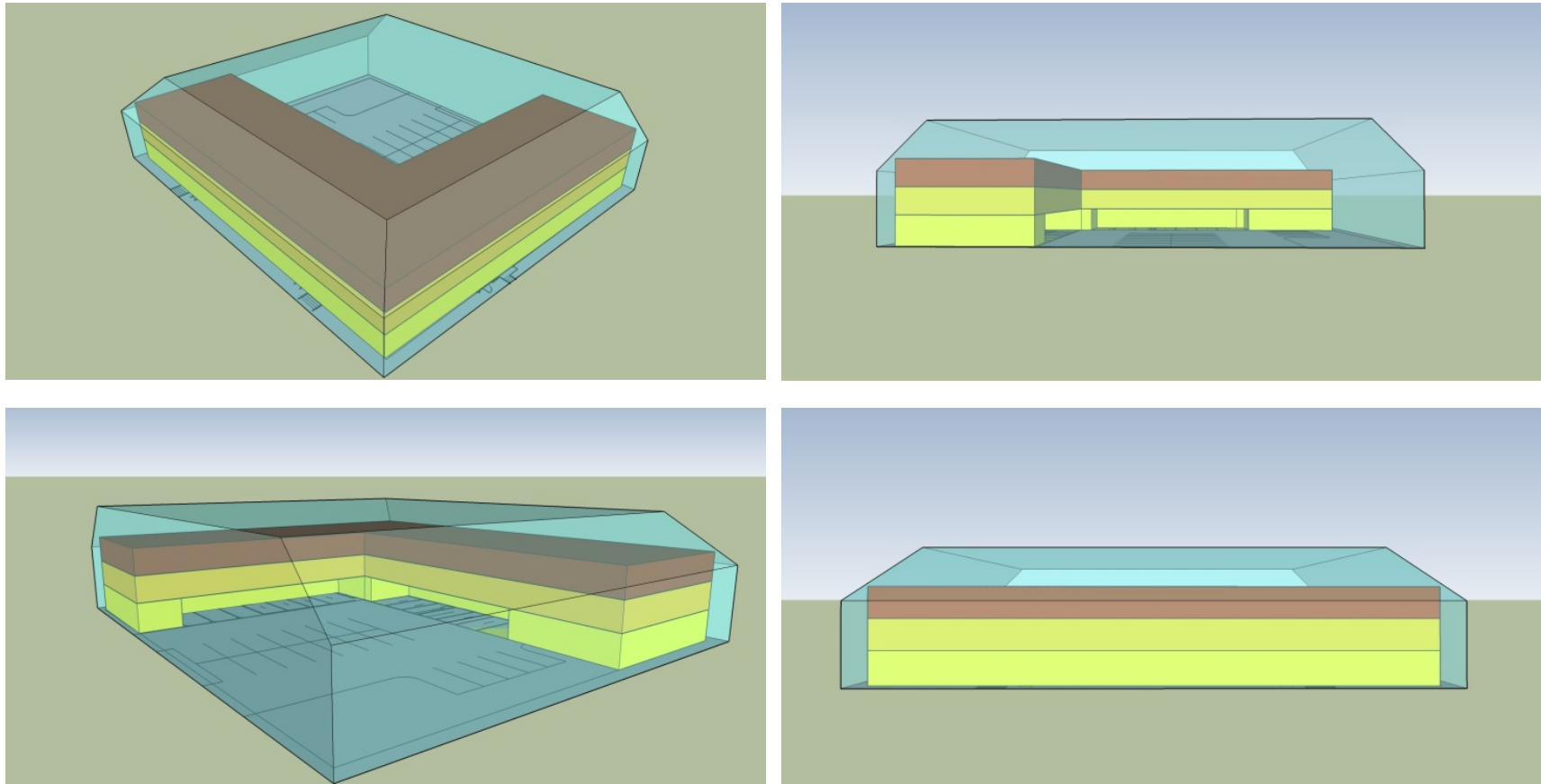
The current design is contemplated as a 3-story multifamily building with 20 residential units and a potential for 28 bedrooms, as shown in **Figure 2**. For the purposes of this analysis, it is assumed that the program would include twelve 1-bedroom units and eight 2-bedroom units. The design also includes 32 parking spaces, which reflects a required parking ratio of 1-space per bedroom (28 spaces) and one guest space per every 5 units (4 spaces). The design conforms to existing zoning and design guidelines, as illustrated in the massing diagrams presented in **Figure 3**.

The general design is based on an "L" shaped building that fronts the intersection of Granite Street and North 7<sup>th</sup> Avenue. The parking for the building is provided through tuck under and surface parking on the northwest side of the building. In addition, the site plan includes an undedicated area that provides sufficient space for snow storage during the winter months.

Figure 2  
Frisco Affordable Workforce Housing Option



**Figure 3**  
**Massing Diagrams**



## Sources and Uses of Funds

### Construction Cost

The 20-unit residential building illustrated in **Figure 2** is estimated to cost approximately \$6.79 million, as shown in **Table 1**. Hard construction costs are estimated at \$3.3 million. This estimate is based on an assumption of an average unit size of 1,000 square feet at a cost of \$150 per square foot. In addition, these costs include 14 covered parking spaces at an average size of 9 feet by 19 feet or 171 square feet.

Infrastructure and site work costs are estimated at roughly \$740,000, which includes the following costs:

- Grading, Demolition and Erosion Control
- Parking Lot paving/stripping
- Curb & Gutter along Granite Street
- Water service connection and hydrants
- Sanitary Sewer service connection
- Storm Drainage Pond
- Landscape
- Dry Utilities
- General Condition Items

Soft costs are estimated at approximately \$930,000 or 23 percent of the total of hard construction costs and infrastructure and site work costs. These soft costs include bid and construction contingency costs, design soft costs, consulting and legal fees, and project permits and other entitlements. Due to the fact that this is a public project providing housing for state and municipal employees, there may be the opportunity to waive a number of the permitting and entitlement fees to reduce total project costs. At this time, the fees are included to project costs.

**Table 1**  
**Construction Cost Estimate**

Description	Amount	% of Total
<b>Uses of Funds</b>		
Land Cost	\$1,820,000	26.8%
Hard Construction Costs	\$3,300,000	48.6%
Infrastructure and Sitework	\$739,424	10.9%
Soft Construction Costs	<u>\$929,068</u>	<u>13.7%</u>
<b>Subtotal</b>	<b>\$6,788,492</b>	<b>100.0%</b>

Source: Matrix Design Group; Economic & Planning Systems

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## Sources of Funds

The project has a total estimated cost of approximately \$6.79 million. Of this cost, it is assumed that CDOT will provide the land as its primary form of project contribution. It is also assumed that the Town of Frisco will match the value of CDOT's land contribution in the form of project equity. Due to the financing assumptions, including a debt coverage ratio of 1.15, which caps project leverage, there is an additional equity requirement of \$650,000. It is assumed that the Town and CDOT split the additional equity contribution evenly at \$325,000 each. Project sources and uses as well as the additional equity contributions for the Town and CDOT are shown in **Table 2**.

**Table 2**  
**Source of Funds**

Description	Amount	% of Total
<b>Source of Funds</b>		
CDOT Land Contribution	\$1,820,000	26.8%
Frisco Land Match	\$1,820,000	26.8%
CDOT Additional Equity	\$325,000	4.8%
Frisco Additional Equity	\$325,000	4.8%
Debt Financing	<u>\$2,498,492</u>	<u>36.8%</u>
<b>Subtotal</b>	<b>\$6,788,492</b>	<b>100.0%</b>
<b>Total Equity Contribution</b>		
CDOT	\$2,145,000	50.0%
Town of Frisco	<u>\$2,145,000</u>	<u>50.0%</u>
<b>Subtotal</b>	<b>\$4,290,000</b>	<b>100.0%</b>

Source: Matrix Design Group; Economic & Planning Systems

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## Financial Feasibility

Following the construction of the project, it is anticipated that CDOT and the City would hire a private firm to operate and manage the 20-apartment units. The cost for property management reflects 25 percent of gross revenues. The cost is consistent with industry standards and provides a third party entity, trained in managing tenants and real estate, which will buffer both the Town and CDOT from dealing with day-to-day management issues.

After deductions for debt service and operating expenses, CDOT and the Town would split remaining revenue evenly. For the purposes of this analysis, two scenarios are provided to test feasibility. Both of the scenarios assume rents that are affordable to the resident household and translate to roughly 30 percent of household annual income. The two scenarios test different assumptions regarding targeted income levels. The different affordability targets in turn impact the financial loan terms achievable by the project as well as the financial returns realized by CDOT and the Town.



## Rental and Income Assumptions

The first scenario (Scenario I) assumes that monthly rental rates for all of the units included in the project will be set at 80 percent of the area median income (AMI) in Summit County. This translates to rental rates of \$1,233 per month for 1-bedroom units and \$1,479 per month for 2-bedroom units, as shown in **Table 3**. Based on the survey of CDOT employees that EPS completed in 2016, rental rates between \$1,250 and \$1,750 per month are affordable for roughly 71 percent of CDOT employees. Approximately 19 percent can afford to pay more per month and 10 percent can only afford a monthly rental rate that is less than \$1,250 per month.

The second scenario (Scenario II) assumes a range in affordability levels for the project that break the inventory in to thirds, assuming that 1/3 of the units are affordable for households earning 120 percent of AMI, 1/3 of the units are affordable for households earning 100 percent of AMI, and 1/3 of the households are affordable for households earning 80 percent of AMI.

**Table 3**  
**Income and Rent Assumptions**

Description	AMI Level				
	120.0%	100.0%	80.0%	50.0%	30.0%
<b>Summit County AMI</b>					
1.5 Persons	\$73,950	\$61,625	\$49,300	\$30,900	\$18,550
3.0 Persons	\$88,725	\$73,938	\$59,150	\$37,050	\$22,250
<b>Corresponding Monthly Rent</b>					
1-Bed Unit	\$1,849	\$1,541	\$1,233	\$773	\$464
2-Bed Unit	\$2,218	\$1,848	\$1,479	\$926	\$556

Source: U.S. Dept. of Housing and Urban Development (HUD); Economic & Planning Systems

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## Loan Terms

The income and rent assumptions assumed in the feasibility scenarios not only impact affordability, but also the loan terms achievable by the project. The loan-to-value ratio of 75 percent and minimum debt coverage ratio of 1.15 used in the analysis are standard requirements imposed by lending institutions. These terms for both scenarios, limit the total debt available to approximately \$2.5 million. The interest rate is a constant for the two scenarios and reflects a rate of 6 percent in keeping with current interest rates.

The most significant difference relates to the amortization period. Due to the increased revenue represented in Scenario II, the time required to retire the debt is shortened by nine years (16 years versus 25 years). The shorter amortization period allows the partnership to own the housing asset outright and recapitalize the property sooner than in Scenario I. Recapitalization will provide the partnership the ability to invest and improve the asset and/or use the proceeds to fund other housing projects. With either approach, the shorter time period puts the partners in a better position. While Scenario II provides CDOT and the Town with a stronger financial position, the advantage of Scenario I is that it provides superior affordability levels.

It is important to recognize that the project will generate surplus revenue after retirement of the debt. Depending on the amortization period selected, the project will generate approximately \$422,000 annually in Year 26 (Scenario I) and \$422,300 in Year 17 (Scenario II), as shown in **Table 4**.

**Table 4**  
**Achievable Loan Terms**

Description	Scenario I	Scenario II
Loan Amount	\$2,498,492	\$2,498,492
Term (years)	25	16
Interest Rate	6.0%	6.0%
Required Loan to Value	75.0%	75.0%
Minimum Debt Coverage Ratio	1.15	1.15
Annual Debt Service	\$247,231	\$247,231
Projected Ann. Revenue Upon Retirement	\$421,960	\$422,344

Source: Economic & Planning Systems

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## Project Returns

Based on the construction, financing, and affordability assumptions delineated in this feasibility analysis, the unlevered project return under Scenario I affordability targets is 3.92 percent. With debt financing, the Town and CDOT would each achieve a return on equity of 3.32 percent. Project returns increase slightly under Scenario II affordability targets to 5.22 percent, and with debt financing, the Town and CDOT would each achieve a return on equity of 5.07 percent, as shown in **Table 5**. The cash flows and resulting returns for Scenario I and Scenario II are summarized **Table 6** and **Table 7**, respectively.

**Table 5**  
**Project Return Summary**

Description	Scenario I - All 80% AM			Scenario II - 80%/100%/120% AMI		
	Project [1]	CDOT	Frisco	Project [1]	CDOT	Frisco
Equity Contribution / Total Cost	\$6,788,492	\$2,145,000	\$2,145,000	\$6,788,492	\$2,145,000	\$2,145,000
Total Revenues (40 years)	\$15,340,889	\$5,227,334	\$5,227,334	\$19,176,111	\$7,610,207	\$7,610,207
<b>Net Value</b>	<b>\$22,129,380</b>	<b>\$7,372,334</b>	<b>\$7,372,334</b>	<b>\$25,964,602</b>	<b>\$9,755,207</b>	<b>\$9,755,207</b>
<b>Internal Rate of Return (IRR)</b>	<b>3.92%</b>	<b>3.32%</b>	<b>3.32%</b>	<b>5.22%</b>	<b>5.07%</b>	<b>5.07%</b>

[1] Unleveraged

Source: Economic & Planning Systems

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**Table 6**  
**Operating Proforma: Scenario I: All Units at 80% of AMI**

Description	Amount	Factor	Esc.	Year 0	Year 1	Year 2	Year 3	Year 4	Year 5	Year 10	Year 20	Year 30	Year 40
<b>CONSTRUCTION COST</b>													
<b>Cost Item</b>													
Land Cost				\$ (1,820,000)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Hard Construction Costs				\$ (3,300,000)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Soft Construction Costs				\$ (929,068)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Infrastructure and Sitework				\$ (739,424)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
<b>Subtotal</b>				<b>\$ (6,788,492)</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>
<b>OPERATING CASH FLOWS</b>													
<b>Operating Revenue (120% of AMI)</b>													
CDOT: 1-Bed	0.0	\$1,849	2.5%	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
CDOT: 2-Bed	0.0	\$2,218	2.5%	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Frisco: 1-Bed	0.0	\$1,849	2.5%	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Frisco: 2-Bed	0.0	\$2,218	2.5%	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
<b>Subtotal</b>	<b>0.0</b>			<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>
<b>Operating Revenue (100% of AMI)</b>													
CDOT: 1-Bed	0.0	\$1,541	2.5%	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
CDOT: 2-Bed	0.0	\$1,848	2.5%	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Frisco: 1-Bed	0.0	\$1,541	2.5%	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Frisco: 2-Bed	0.0	\$1,848	2.5%	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
<b>Subtotal</b>	<b>0.0</b>			<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>
<b>Operating Revenue (80% of AMI)</b>													
CDOT: 1-Bed	6.0	\$1,233	2.5%	\$ -	\$ 88,740	\$ 90,959	\$ 93,232	\$ 95,563	\$ 97,952	\$ 110,824	\$ 141,864	\$ 181,598	\$ 232,461
CDOT: 2-Bed	4.0	\$1,479	2.5%	\$ -	\$ 70,980	\$ 72,755	\$ 74,573	\$ 76,438	\$ 78,349	\$ 88,644	\$ 113,472	\$ 145,254	\$ 185,937
Frisco: 1-Bed	6.0	\$1,233	2.5%	\$ -	\$ 88,740	\$ 90,959	\$ 93,232	\$ 95,563	\$ 97,952	\$ 110,824	\$ 141,864	\$ 181,598	\$ 232,461
Frisco: 2-Bed	4.0	\$1,479	2.5%	\$ -	\$ 70,980	\$ 72,755	\$ 74,573	\$ 76,438	\$ 78,349	\$ 88,644	\$ 113,472	\$ 145,254	\$ 185,937
<b>Subtotal</b>	<b>20.0</b>			<b>\$ -</b>	<b>\$ 319,440</b>	<b>\$ 327,426</b>	<b>\$ 335,612</b>	<b>\$ 344,002</b>	<b>\$ 352,602</b>	<b>\$ 398,937</b>	<b>\$ 510,673</b>	<b>\$ 653,704</b>	<b>\$ 836,797</b>
<b>Potential Gross Revenue (PGR)</b>													
Less: Vacancy			5.0% of PGR	\$ -	\$ 319,440	\$ 327,426	\$ 335,612	\$ 344,002	\$ 352,602	\$ 398,937	\$ 510,673	\$ 653,704	\$ 836,797
<b>Effective Gross Revenue (EGR)</b>													
Less: Operating Expenditures			25.0% of EGR	\$ -	\$ 303,468	\$ 311,055	\$ 318,831	\$ 326,802	\$ 334,972	\$ 378,990	\$ 485,139	\$ 621,019	\$ 794,957
<b>Net Operating Income (NOI)</b>													
				\$ -	\$ 227,601	\$ 233,291	\$ 239,123	\$ 245,101	\$ 251,229	\$ 284,242	\$ 363,854	\$ 465,764	\$ 596,218
<b>Project Financing</b>													
Loan Amount				\$ 2,498,492	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Annual Payments				\$ -	\$ (195,449)	\$ (195,449)	\$ (195,449)	\$ (195,449)	\$ (195,449)	\$ (195,449)	\$ (195,449)	\$ (195,449)	\$ (195,449)
Debt Coverage Ratio (DCR)					1.16	1.19	1.22	1.25	1.29	1.45	1.86		
<b>UNLEVERAGED FINANCIAL METRICS</b>													
<b>Project Cash Flows</b>													
Project Cash Flows				\$ (6,788,492)	\$ 227,601	\$ 233,291	\$ 239,123	\$ 245,101	\$ 251,229	\$ 284,242	\$ 363,854	\$ 465,764	\$ 596,218
Cumulative Revenue [1]					\$ 227,601	\$ 460,892	\$ 700,015	\$ 945,117	\$ 1,196,346	\$ 2,549,901	\$ 5,813,990	\$ 9,992,299	\$ 15,340,889
<b>Internal Rate of Return (40 Years)</b>													
Return on Cost (ROC)				3.92%									
				3.35%									
<b>LEVERAGED FINANCIAL METRICS</b>													
<b>CDOT</b>													
<b>Project Cash Flows</b>													
Project Cash Flows				\$ (2,145,000)	\$ 16,076	\$ 18,921	\$ 21,837	\$ 24,826	\$ 27,890	\$ 44,397	\$ 84,203	\$ 232,882	\$ 298,109
Cumulative Revenue [1]					\$ 16,076	\$ 34,997	\$ 56,834	\$ 81,661	\$ 109,551	\$ 297,706	\$ 952,507	\$ 2,553,040	\$ 5,227,334
<b>Internal Rate of Return (40 Years)</b>													
				3.32%									
<b>TOWN OF FRISCO</b>													
<b>Project Cash Flows</b>													
Project Cash Flows				\$ (2,145,000)	\$ 16,076	\$ 18,921	\$ 21,837	\$ 24,826	\$ 27,890	\$ 44,397	\$ 84,203	\$ 232,882	\$ 298,109
Cumulative Revenue [1]					\$ 16,076	\$ 34,997	\$ 56,834	\$ 81,661	\$ 109,551	\$ 297,706	\$ 952,507	\$ 2,553,040	\$ 5,227,334
<b>Internal Rate of Return (40 Years)</b>													
				3.32%									

[1] Cumulative revenues do not include initial cash outlays or equity contributions and are shown in nominal terms.

Source: Economic & Planning Systems

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**Table 7**  
**Operating Proforma: Scenario II: 1/3 of units at 120% AMI, 1/3 of units at 100% AMI, 1/3 of units at 80% AMI**

Description	Amount	Factor	Esc.	Year 0	Year 1	Year 2	Year 3	Year 4	Year 5	Year 10	Year 20	Year 30	Year 40
<b>CONSTRUCTION COST</b>													
<b>Cost Item</b>													
Land Cost	\$ (1,820,000)			\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Hard Construction Costs	\$ (3,300,000)			\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Soft Construction Costs	\$ (929,068)			\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Infrastructure and Sitework	\$ (739,424)			\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
<b>Subtotal</b>	<b>\$ (6,788,492)</b>			<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>
<b>OPERATING CASH FLOWS</b>													
<b>Operating Revenue (120% of AMI)</b>													
CDOT: 1-Bed	2.0	\$1,849	2.5%	\$ -	\$ 44,370	\$ 45,479	\$ 46,616	\$ 47,782	\$ 48,976	\$ 55,412	\$ 70,932	\$ 90,799	\$ 116,231
CDOT: 2-Bed	1.3	\$2,218	2.5%	\$ -	\$ 35,490	\$ 36,377	\$ 37,287	\$ 38,219	\$ 39,174	\$ 44,322	\$ 56,736	\$ 72,627	\$ 92,969
Frisco: 1-Bed	2.0	\$1,849	2.5%	\$ -	\$ 44,370	\$ 45,479	\$ 46,616	\$ 47,782	\$ 48,976	\$ 55,412	\$ 70,932	\$ 90,799	\$ 116,231
Frisco: 2-Bed	1.3	\$2,218	2.5%	\$ -	\$ 35,490	\$ 36,377	\$ 37,287	\$ 38,219	\$ 39,174	\$ 44,322	\$ 56,736	\$ 72,627	\$ 92,969
<b>Subtotal</b>	<b>6.7</b>			<b>\$ -</b>	<b>\$ 159,720</b>	<b>\$ 163,713</b>	<b>\$ 167,806</b>	<b>\$ 172,001</b>	<b>\$ 176,301</b>	<b>\$ 199,468</b>	<b>\$ 255,336</b>	<b>\$ 326,852</b>	<b>\$ 418,398</b>
<b>Operating Revenue (100% of AMI)</b>													
CDOT: 1-Bed	2.0	\$1,541	2.5%	\$ -	\$ 36,975	\$ 37,899	\$ 38,847	\$ 39,818	\$ 40,813	\$ 46,177	\$ 59,110	\$ 75,666	\$ 96,859
CDOT: 2-Bed	1.3	\$1,848	2.5%	\$ -	\$ 29,575	\$ 30,314	\$ 31,072	\$ 31,849	\$ 32,645	\$ 36,935	\$ 47,280	\$ 60,522	\$ 77,474
Frisco: 1-Bed	2.0	\$1,541	2.5%	\$ -	\$ 36,975	\$ 37,899	\$ 38,847	\$ 39,818	\$ 40,813	\$ 46,177	\$ 59,110	\$ 75,666	\$ 96,859
Frisco: 2-Bed	1.3	\$1,848	2.5%	\$ -	\$ 29,575	\$ 30,314	\$ 31,072	\$ 31,849	\$ 32,645	\$ 36,935	\$ 47,280	\$ 60,522	\$ 77,474
<b>Subtotal</b>	<b>6.7</b>			<b>\$ -</b>	<b>\$ 133,100</b>	<b>\$ 136,428</b>	<b>\$ 139,838</b>	<b>\$ 143,334</b>	<b>\$ 146,917</b>	<b>\$ 166,224</b>	<b>\$ 212,780</b>	<b>\$ 272,377</b>	<b>\$ 348,665</b>
<b>Operating Revenue (80% of AMI)</b>													
CDOT: 1-Bed	2.0	\$1,233	2.5%	\$ -	\$ 29,580	\$ 30,320	\$ 31,077	\$ 31,854	\$ 32,651	\$ 36,941	\$ 47,288	\$ 60,533	\$ 77,487
CDOT: 2-Bed	1.3	\$1,479	2.5%	\$ -	\$ 23,660	\$ 24,252	\$ 24,858	\$ 25,479	\$ 26,116	\$ 29,548	\$ 37,824	\$ 48,418	\$ 61,979
Frisco: 1-Bed	2.0	\$1,233	2.5%	\$ -	\$ 29,580	\$ 30,320	\$ 31,077	\$ 31,854	\$ 32,651	\$ 36,941	\$ 47,288	\$ 60,533	\$ 77,487
Frisco: 2-Bed	1.3	\$1,479	2.5%	\$ -	\$ 23,660	\$ 24,252	\$ 24,858	\$ 25,479	\$ 26,116	\$ 29,548	\$ 37,824	\$ 48,418	\$ 61,979
<b>Subtotal</b>	<b>6.7</b>			<b>\$ -</b>	<b>\$ 106,480</b>	<b>\$ 109,142</b>	<b>\$ 111,871</b>	<b>\$ 114,667</b>	<b>\$ 117,534</b>	<b>\$ 132,979</b>	<b>\$ 170,224</b>	<b>\$ 217,901</b>	<b>\$ 278,932</b>
<b>Potential Gross Revenue (PGR)</b>													
Less: Vacancy			5.0% of PGR	\$ -	\$ 399,300	\$ 409,283	\$ 419,515	\$ 430,002	\$ 440,752	\$ 498,671	\$ 638,341	\$ 817,130	\$ 1,045,996
<b>Effective Gross Revenue (EGR)</b>				<b>\$ -</b>	<b>\$ (19,965)</b>	<b>\$ (20,464)</b>	<b>\$ (20,976)</b>	<b>\$ (21,500)</b>	<b>\$ (22,038)</b>	<b>\$ (24,934)</b>	<b>\$ (31,917)</b>	<b>\$ (40,857)</b>	<b>\$ (52,300)</b>
<b>Less: Operating Expenditures</b>													
Less: Operating Expenditures			25.0% of EGR	\$ -	\$ 379,335	\$ 388,818	\$ 398,539	\$ 408,502	\$ 418,715	\$ 473,737	\$ 606,424	\$ 776,274	\$ 993,696
<b>Net Operating Income (NOI)</b>				<b>\$ -</b>	<b>\$ (84,834)</b>	<b>\$ (97,205)</b>	<b>\$ (99,635)</b>	<b>\$ (102,126)</b>	<b>\$ (104,679)</b>	<b>\$ (118,434)</b>	<b>\$ (151,606)</b>	<b>\$ (194,068)</b>	<b>\$ (248,424)</b>
				<b>\$ -</b>	<b>\$ 284,501</b>	<b>\$ 291,614</b>	<b>\$ 298,904</b>	<b>\$ 306,377</b>	<b>\$ 314,036</b>	<b>\$ 355,303</b>	<b>\$ 454,818</b>	<b>\$ 582,205</b>	<b>\$ 745,272</b>
<b>Project Financing</b>													
Loan Amount				\$ 2,498,492	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Annual Payments				\$ -	\$ (247,231)	\$ (247,231)	\$ (247,231)	\$ (247,231)	\$ (247,231)	\$ (247,231)	\$ -	\$ -	\$ -
Debt Coverage Ratio (DCR)					1.15	1.18	1.21	1.24	1.27	1.44			
<b>UNLEVERAGED FINANCIAL METRICS</b>													
<b>Project Cash Flows</b>													
Cumulative Revenue [1]				\$ (6,788,492)	\$ 284,501	\$ 291,614	\$ 298,904	\$ 306,377	\$ 314,036	\$ 355,303	\$ 454,818	\$ 582,205	\$ 745,272
					\$ 284,501	\$ 576,115	\$ 875,019	\$ 1,181,396	\$ 1,495,432	\$ 3,187,376	\$ 7,267,487	\$ 12,490,374	\$ 19,176,111
Internal Rate of Return (40 Years)				5.22%									
Return on Cost (ROC)				4.19%									
<b>LEVERAGED FINANCIAL METRICS</b>													
<b>CDOT</b>													
<b>Project Cash Flows</b>													
Cumulative Revenue [1]				\$ (2,145,000)	\$ 18,635	\$ 22,191	\$ 25,837	\$ 29,573	\$ 33,403	\$ 54,036	\$ 227,409	\$ 291,103	\$ 372,636
					\$ 17,748	\$ 37,876	\$ 60,194	\$ 84,524	\$ 110,696	\$ 263,931	\$ 836,278	\$ 1,588,769	\$ 2,180,123
Internal Rate of Return (40 Years)				5.07%									
<b>TOWN OF FRISCO</b>													
<b>Project Cash Flows</b>													
Cumulative Revenue [1]				\$ (2,145,000)	\$ 18,635	\$ 22,191	\$ 25,837	\$ 29,573	\$ 33,403	\$ 54,036	\$ 227,409	\$ 291,103	\$ 372,636
					\$ 18,635	\$ 40,826	\$ 66,663	\$ 96,236	\$ 129,638	\$ 357,533	\$ 1,655,895	\$ 4,267,338	\$ 7,610,207
Internal Rate of Return (40 Years)				5.07%									

[1] Cumulative revenues do not include initial cash outlays or equity contributions and are shown in nominal terms.

Source: Economic & Planning Systems

H:\153079-CDOT Employee Housing Options Consultant Model\153079-Frisco Model-02-13-2017\Jam Pro Form-2

## **Public Partnership Formation and Next Steps**

The development program, design, and financial analysis presented in this memorandum simply provide an initial analysis of the feasibility, both from a design perspective and a financial one. The assumptions and conclusions presented here are intended to provide CDOT and the Town of Frisco with the necessary information to define a guiding program and vision for the site. Following the refinement of this vision, a more formal definition of the project will need to be presented to the CDOT Transportation Commission and the Frisco Town Council. Pending the preliminary approval from these two governing bodies, CDOT and the Town will need to outline a common set of procedures that allow the project vision to be implemented. The following section provides a set of guidelines for the next step

### **1. Summary of Conceptual Development Program and General Vision**

This document presents the vision for the site, informed by specific factors such as density, yield, affordability, zoning compliance, massing parameters, parking requirements, and initial assumptions regarding project funding and returns. These assumptions are subject to review by both CDOT and the Town and are expected to be revised following comments from senior staff at CDOT and the Town.

Following the finalization of a vision for the site, the plan is expected to be presented to the CDOT Transportation Commission and the Frisco Town Council. Each of these governing bodies will need to approve the Conceptual Development Program and General Vision for the site. The purpose of this approval is to verify that each entity is interested in the partnership; however, the approvals are not binding. It confirms the degree of interest and commitment from the elected and appointed officials and provides direction to the staff of each agency to enter into an Exclusive Negotiation Agreement (ENA) and invest the necessary time to refine the terms of the partnership. It is expected that the project be presented to each board at a later date for binding approvals.

### **2. Exclusive Negotiation Agreement (ENA)**

The ENA will establish the terms and conditions for exclusive negotiations, clarify the parties' respective roles and responsibilities, set out tasks for staff to complete, and provide a general overview of the financial commitments. The parameters for the ENA include:

- A. CDOT and the Town shall entertain no other development proposals for the land in question during the period of the ENA. The ENA shall serve as proof of control of land for acquiring letters of financial commitment by a developer.
- B. CDOT shall provide an appraisal for the fair market value of the site by a professional appraiser. Due to the fact that an appraisal of the property has already been completed, this step may only require an update.
- C. The Town of Frisco Staff, with direct involvement from CDOT staff, will lead an RFP process to secure a design-build team during the ENA period. The purpose is to identify an architect and builder who are qualified to design and construct the project. CDOT would be jointly involved in all decision making. Because Town procurement processes may be simpler than those of CDOT, it is recommended that the Town take the lead.

- D. Following the selection of the design-build team, the Town and CDOT will review conceptual designs followed by a refined design and corresponding cost estimate. The cost estimate will include all hard and soft costs as well as a financing plan. The financing plan is expected to follow the terms presented in this evaluation, but may differ if the developer can provide an innovative approach that provides better terms at an equal or lesser degree of risk for the Town and CDOT.
- E. CDOT and Town staff may request an extension of the exclusive negotiation period. The CDOT Transportation Commission and Frisco Town Council will determine whether sufficient progress has been made toward fulfillment of the above requirements in its consideration of extension.

### **3. Term Sheet**

CDOT staff and Town staff will negotiate a Term Sheet that outlines the major business terms of the project including the financial contribution of CDOT and the Town as well as the returns to CDOT and the Town.

The Term Sheet will be predicated on cost estimates provided by the selected design-build team. Following the completion of the Draft Term Sheet, CDOT staff will forward a recommendation to the Commission for approval and Town staff will forward a recommendation to the Council for approval. The Term Sheet entered into between both entities is non-binding and does not constitute a contract.

Elements of the Term Sheet should include a detailed delineation of Source and Uses, a leveraged and unleveraged project-specific financial pro forma analysis including all project development and construction costs and a 10-year operating cash flow. The Term Sheet should include a refined set of terms for CDOT and Town regarding contributions in the forms of land lease or land sale, direct equity investment, terms of financial participation, degree of risk relative to other partnership members, and the long-term projected revenues to CDOT and the Town.

### **4. Development Agreement**

Following the non-binding approval of the Term Sheet, CDOT and the Town will draft a development agreement. The development agreement is a legally binding document that incorporates the agreed to business terms and the responsibilities of both parties and shall contain, but not be limited to, the following elements:

1. Identification of the parties to the agreement, including prohibition against change, transfer, or assignment of ownership, management, and/or control of the development.
2. Requirement that the Project must secure all necessary permits and approvals from appropriate local agencies.
3. The terms and conditions for the use of the site, including:
  - a. Financial contribution
  - b. Distribution of proceeds
  - c. Delineation of risk by each party

- d. Role of Design-Build Team relative to CDOT and the Town
  - e. Responsibility and provision of equity
  - f. Responsibility and provision of debt
  - g. Financial statement of developer.
  - h. Hold harmless and indemnity clauses.
4. The scope of the development of the site including:
- a. Schedule for submission of concept, schematic, construction, grading and landscaping plans and drawings.
  - b. Schedule for CDOT and Town review, and approval of plans and drawings. The staff review will include but not be limited to:
    - i. Design of site and improvements.
    - ii. Commitments to affordability by each entity
    - iii. Relationship to the urban design of the community both form and scale.
    - iv. Architectural design and visual continuity.
    - v. Type and quality of building materials.
    - vi. Energy considerations.
    - vii. Structure location, height, and lot coverage.
    - viii. Parking requirements and design.
    - ix. Streetscape and landscaping.
    - x. Vehicular entrance and exit.
  - c. Schedule of performance.
  - d. Insurance requirements.
  - e. Adherence to antidiscrimination, environmental and all other applicable local, state, and Federal laws.
5. Failure of either party to perform, including defaults, remedies, and termination by either party.



## Appendix





FRISCO AFFORDABLE HOUSING		Matrix Landplan	Comments
<b>HARD COSTS:</b>		<b>Total</b>	
<b>SUBJECT INFRASTRUCTURE</b>			
Grading, Demo and Erosion Control (assumes 2-ft over entire site) <sup>1</sup>		\$ 24,651	Assumes 0.8-acres of disturbance, balanced site
Parking Lot paving/stripping, C&G		\$ 23,000	Assumes \$30/SF + \$20/lf for curb & gutter
Curb & Gutter along Granite Street		\$ 8,944	Assumes \$20/LF plus asphalt patching
Water service connection <sup>4</sup> and hydrants		\$ 12,500	Assumes connection to existing main in adjacent street + 1 FH
Sanitary Sewer service connection <sup>3,4</sup>		\$ 5,000	Assumes connection to existing main in adjacent street
Storm Drainage Pond (WQ only) <sup>3</sup>		\$ 57,500	Assume WQ only due to small site, discharge to existing system
Landscape - assume perimeter of site (\$8.00/sf)		\$ 27,878	Assume 10% of site
Building Costs (1,000 sf average @ \$150/sf) <sup>4</sup>		\$ 3,300,000	12 1-br, 8 2-br units total, assumes 10% for hallways, etc.
Construction Fees (3% of Hardcosts)		\$ 106,184	
Construction Survey (0.75% of Hardcost)		\$ 26,546	
Dry Utilities (\$4,000 per home)		\$ 80,000	
	<b>Subtotal</b>	<b>\$ 3,672,204</b>	
	General Conditions Items (10%)	\$ 367,220	
	<b>Hard Cost Subtotal:</b>	<b>\$ 4,039,424</b>	
<b>SOFT COSTS:</b>			
<b>Construction Soft Costs</b>			
Bid and Const Contingency:	15.00%	\$ 605,914	
	<b>Construction Soft Costs Subtotal:</b>	<b>\$ 605,914</b>	
<b>Design Soft Costs</b>			
Design Soft Costs:	8.00%	\$ 323,154	
<b>TOTALS:</b>			
<b>Project Total</b>			
	<b>Project Totals</b>	<b>\$ 4,968,492</b>	
<b>GRAND TOTAL:</b>		<b>\$ 4,968,492</b>	
	Units	20.00	
	\$ / Unit	\$ 248,425	
Notes:			
1. Does not include over-ex for roadways or homes as geotechnical engineering information not available			
2. It is assumed that the utilities downstream are adequately sized and no off-site improvements are required.			
3. Home construction prices assume \$150/sf and 1,000 sf units			
4. Building Permit Fees, Water Tap Fee, Sanitary Sewer Tap fees are all not included above.			
5. Includes 32 parking spaces (2 HC), 28 residential and 4 visitor			
Date 2/10/2017			
Prepared by: PDC			

# **SUMMARY APPRAISAL REPORT**

Vacant Land  
Legally Described as  
Lots 18, 19, 20, 21, 22, 23, 24 Block 12  
Town of Frisco  
Frisco, Colorado

## **PREPARED FOR:**

Mr. Tim Woodmansee  
Region 3 Right-of Way Manager  
Colorado Department of Transportation  
Region 3, Right of Way  
222 South Sixth Street  
Grand Junction, CO 81501

## **PREPARED BY:**

Mitchell John Olson, Certified General Appraiser #CG01319933  
Colorado Department of Transportation  
2000 S. Holly Street  
Denver, Colorado 80206

LOCATION: 619 Granite St., Frisco, Colorado  
OWNER: Colorado Department of Transportation  
  
APPRAISER: John Olson  
DATE OF VALUATION: September 1, 2015  
DATE OF REPORT: October 13, 2015

Version 12/2005



Region 1  
2000 S. Holly Street  
Denver, Colorado 80206

October 13, 2015

Mr. Tim Woodmansee  
Region 3 Right-of Way Manager  
Colorado Department of Transportation  
222 South Sixth Street  
Grand Junction, CO 81501

RE: 619 Granite St., Frisco, Colorado

Dear Mr. Woodmansee:

The following summary appraisal report for the referenced property has an effective date of appraisal and valuation as of September 1, 2015. The purpose of this appraisal is to estimate the reasonable market value of the property as if vacant, which will be used as the basis of a sale or exchange of the property. The development of the appraisal is contained in the attached summary appraisal report which sets forth my conclusions, supporting data, and reasoning.

The property was improved and used as a mobile home park on the date of value, and continues that use as of the date of the report. The subject is valued as if vacant land, unencumbered by any leases that may exist and available for development at its highest and best use. This is an appraisal assignment and a hypothetical condition.

The report which follows sets forth a summary of the data and analyses utilized in arriving at my concluded opinion of value. After analyzing all available information, it is my opinion that the reasonable market value estimate for the subject as of September 1, 2015, was

ONE MILLION EIGHT HUNDRED TWENTY THOUSAND DOLLARS  
(\$1,820,000)

The following extraordinary and hypothetical conditions were used:

- I have made an extraordinary assumption that the existing mobile home park can be developed with a 23 unit residential development. If the property cannot be developed to with a similar use and density as described in this report, the hypothetical as if vacant value presented herein may need to be revised.
- I have provided a hypothetical opinion of value for the subject site assuming it is vacant and available for development. This is contrary to the existing condition as a mobile home park.

The value is subject to certain definitions, assumptions and limiting conditions, and certification of appraiser set forth in the appraisal report.

Respectfully submitted,



Mitchell John Olson  
Colorado Certified General Appraiser #CG01319933

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## Executive Summary

Subject Property Data	
Name of Owner	Colorado Department of Transportation (CDOT)
Property Address	619 Granite St.
Project Location	Frisco, Colorado
Inspection Date	September 1, 2015
Property Interest Appraised:	Fee simple, as if vacant and unencumbered by existing mobile home leases
Effective Appraisal/Value Date:	September 1, 2015
Date of Appraisal Report:	October 13, 2015
Subject Parcel Land/Site Area:	24,500 sf (0.56 acres), based on Town of Frisco Plat. No survey provided
Owner Improvements	None: land valued as if vacant. 12 existing water and a sewer tap or taps run with the land and their value is added to the vacant land value.
Subject Use History:	The property was acquired by CDOT in 1974 and has been used to house CDOT employees in the mobile homes sited there. At the time of sale there were 12 mobile homes.
Owner or Tenant Occupancy:	Tenants currently occupy mobile homes on the property; however, the property is valued as if vacant and available for development to its highest and best use.
Subject 5-Year Sales History:	No sales in past five years
Zoning:	CC (Central Core) – Granite Street Overlay
Highest/Best Use:	Residential development I have assumed a 23 unit residential project could be developed at the subject site.
Reasonable Market Value Estimate as of September 1, 2015:	\$1,820,000 (\$74.28/SF land area)

## Certification of Appraiser

Property: 619 Granite Street, Frisco, Colorado  
Owner: Colorado Department of Transportation

I certify that, to the best of my knowledge and belief:

- I have personally inspected the subject and comparable sales, examined sales instruments of record and confirmed the sales transactions with the buyer, seller and/or agent. The photographs in this appraisal report reasonably represent the subject and comparable sales.
- my analyses, opinions, and conclusions were developed, and this report has been prepared in conformity and consistent with appropriate State laws, regulations, policies and procedures applicable to appraisal of right-of-way; and the Uniform Standards of Professional Appraisal Practice (USPAP).
- statements of fact contained in this report are true and correct. The reported analyses, opinions, and conclusions are limited only by the reported assumptions and limiting conditions and are my personal, impartial, and unbiased professional analyses, opinions, and conclusions.
- I have no present or prospective interest in the property that is the subject of this report and no personal interest with respect to the parties involved.
- I have no bias with respect to the property that is the subject of this report or to the parties involved with this assignment.
- my engagement in this assignment was not contingent upon developing or reporting predetermined results.
- my compensation for completing this assignment is not contingent upon the development or reporting of a predetermined value or direction in value that favors the cause of the client, the amount of the value opinion, the attainment of a stipulated result, or the occurrence of a subsequent event directly related to the intended use of this appraisal.
- I acknowledge that this appraisal report and all maps, data, summaries, charts and other exhibits collected or prepared under this agreement shall become the property of CDOT without restriction or limitation on their use.
- no one provided significant real property appraisal assistance to the person signing this report.
- I inspected the property on September 1, 2015 and subsequent dates.
- the effective date of appraisal and valuation is as of September 1, 2015. The date of the appraisal report is October 13, 2015.



- I have performed no other services for the subject property over the past three years.
- based upon my independent appraisal and the exercise of my professional judgment, my value estimate for the property as of September 1, 2015, was

ONE MILLION EIGHT HUNDRED TWENTY THOUSAND DOLLARS  
(\$1,820,000)



Mitchell John Olson  
Colorado Certified General Appraiser #CG01319933

## Subject Property Photographs



Southeastern corner of subject looking northwest from the intersection of S. 7<sup>th</sup> Avenue and Granite Street



Northern border of subject looking west from intersection of Alley at S. South 7<sup>th</sup> Avenue



Southern Border of subject looking east on Granite Street toward South 7<sup>th</sup> Avenue



Interior of site on south side of Alley – looking southwest from Alley and 7<sup>th</sup> Avenue

# **PART 1 – SCOPE OF WORK**

## **Identity of the Client and Intended Users**

This appraisal report has been prepared for the client, CDOT. Intended users of this appraisal report include but are not limited to CDOT, its representatives, attorneys and assigns.

## **Intended Use of the Appraisal**

The purpose of this appraisal is to provide an estimate for the reasonable market value of the property as if vacant. The estimated value will be used as the basis of a sale or exchange of the property to the town of Frisco or their designated developer.

## **Real Property Interest Appraised**

The real property interest of the subject parcel is valued as if vacant land in fee simple title. The property is appraised “as if free and clear” of all liens, bond assessments, and indebtedness, and unencumbered by any existing leases but subject to existing easements, covenants, deed restrictions, and rights-of-way of record.

## **Effective Date of Appraisal**

The effective date of appraisal and reasonable market value opinion for the subject is as of September 1, 2015.

## **Date of Appraisal Report**

The date of the appraisal report is October 13, 2015.

## **Date of Property Inspection**

The subject property was inspected on September 1, 2015 and subsequent dates.

## **Assumptions and Limiting Conditions**

The certification of the appraiser is subject to the following conditions, and to such other specific and limiting conditions set forth in the report.

## **Extraordinary Assumption**

I have made an extraordinary assumption that the existing mobile home park can be developed with a 23 unit residential development. If the property cannot be developed to with a similar use and density as described in this report, the hypothetical as if vacant value presented herein may need to be revised.

## **Hypothetical Condition**

The property is currently improved and used as a mobile home park. It is valued as if vacant land, unencumbered by any leases that may exist and available for development at its highest and best use. This is an appraisal assignment.

## **General Assumptions and Limiting Conditions**

1. The sketches and maps in this report are included to assist the reader in visualizing the property and are not necessarily to scale. Various photographs are included for the same purpose. Site plans are not surveys unless prepared by a separate surveyor.
2. This is a Summary Appraisal Report, which is intended to comply with the reporting requirements set forth in Standards Rule 2 of USPAP.
3. No responsibility is assumed for legal or title considerations. Title to the property is assumed to be good and marketable unless otherwise stated in this report. The property is appraised "as if free and clear" of liens and encumbrances, but subject to existing easements, covenants, deed restrictions, and rights-of-way of record.
4. Opinions, estimates, data, and statistics furnished by others in the course of studies relating to this report are considered reliable.
5. This appraisal has a date of value of September 1, 2015.
6. The appraiser is competent to complete this assignment.
7. This report is as of the date set out and is not intended to reflect subsequent fluctuations in market conditions, up or down.
8. It is assumed there are no hidden or unapparent conditions of the property, subsoil, or structures that render it more or less valuable. No responsibility is assumed for such conditions or arranging for engineering studies that may be required to discover them.
9. It is assumed the subject property complies with all applicable zoning and use regulations and restrictions, unless non-conformity has been stated, defined, and considered in this appraisal report.
10. It is assumed the use of land and improvements is within the boundaries or property lines of the property described and there is no encroachment or trespass unless otherwise stated in this report.
11. Unless otherwise stated in this report, the existence of hazardous substances, including without limitation asbestos, polychlorinated biphenyl, petroleum leakage, or agricultural chemicals, which may or may not be present on the property, was not called to the attention of nor did the appraiser become aware of such during the appraiser's inspection of the subject property. The appraiser has no knowledge of the existence of such materials on or in the property unless otherwise stated. The appraiser, however, is not qualified to test for such substances. The presence of such hazardous substances may affect the value of the subject property. The value opinion developed herein is predicated on the assumption that no such hazardous substances exist on or in the property or in such proximity thereto, which would cause a loss in value. No responsibility is assumed for any such hazardous substances, or for any expertise or knowledge required to discover them.

## **Purpose of the Appraisal**

The purpose of this appraisal is to provide an estimate of the reasonable market value for the property as if vacant on the appraisal date, or September 1, 2015. The estimated value will be used as the basis of a sale or exchange of the property to the town of Frisco or their designated developer. Real property appraisal development and reporting is subject to the Uniform Standards of Professional Appraisal Practice (USPAP).

## **Data Search Parameters and Analysis Approaches**

I physically inspected and photographed the property. I did not inspect the individual mobile homes since the subject is being appraised as if vacant. Social, governmental, and environmental factors were investigated on a national, regional and local basis to judge their effects on the current market value of the subject. Data research consisted of an extensive search of relevant sales and current listings, comparing and relating them to the subject property. Specific reliance for real estate sales data was made on local MLS data, Summit County Assessor's records and local property sales databases.

I confirmed the sales with buyer, seller or agent in each transaction, unless otherwise noted and examined recorded deeds and other documents believed to have relevancy to the analysis. I verified zoning with local maps and Town of Frisco Planning Department. I have limited analysis to sales of vacant lands (or lands purchased as vacant) in the Town of Frisco to minimize required adjustments.

The property is valued as if vacant land, an assignment condition. The Sales Comparison Approach is generally the only appropriate and relevant appraisal method for this type property and it is the only one applied, providing an accurate estimation of reasonable market value.

## **Summary of Appraisal Problems**

The subject was acquired by CDOT in 1974 and has been used since then as a mobile home park providing affordable and centrally located housing for CDOT workers in this expensive mountain resort area. The land is now proposed for sale or exchange to the Town of Frisco ("Frisco") or its designated developer.

Because the subject property is a CDOT property and has stand-alone value, CDOT is obligated to offer a right of first refusal at FMV to any governmental agency that might be interested. CDOT may be able to entertain an exchange with a private party if no governmental agency (Frisco or Summit County) exercises its right of first refusal. If no local agency offers to purchase the subject property, CDOT will endeavor to sell the property through a sealed bid process.

The reasonable market value concluded to in this report will provide the basis of negotiations for the transaction between CDOT and Frisco. The valuation date directed as an assignment condition is September 1, 2015.

The value of the subject depends on consideration of its highest and best use. As it is valued as vacant land, sales comparison approach is the best indicator of value.

## Definitions

Following are definitions of significant terms used in this appraisal report. Sources and authorities for the following definitions are shown as text-notes.

“Reasonable market value” means the fair, actual, cash market value of the property. It is the price the property could have been sold for on the open market under the usual and ordinary circumstances, that is, under those circumstances where the owner was willing to sell and the purchaser was willing to buy, but neither was under an obligation to do so.” (CJI-Civ. 4th, 36:3). “The definition of reasonable market value does not call for the value estimate to be linked to a specific exposure time...This is a jurisdictional exception to USPAP Standards Rule 1-2 and Standards Rule 2-2” (UASFLA, Interagency Land Acquisition Conference, Washington, D.C., 2000, p. 78).

Easement. “An easement can generally be described as an interest in land of another entitling the owner of that interest to a limited use of the land in which it exists, or a right to preclude specified uses in the easement area by others. An easement is an interest less than the fee estate, with the landowner retaining full dominion over the realty subject only to the easement; the landowner may make any use of the realty that does not interfere with the easement holder’s reasonable use of the easement and is not specifically excluded by the terms of the easement.” (Interagency Land Acquisition Conference, Uniform Appraisal Standards for Federal Land Acquisitions, Washington, D.C., 2000, p.63)

Fee Simple Title. “A title that signifies ownership of all the rights in a parcel of real property, subject only to the limitations of the four powers of government.” (Appraisal Institute, The Dictionary of Real Estate Appraisal, Fourth Edition, Chicago, 2002, p. 135)

## **PART 2 – FACTUAL DATA**

### **Identification of Subject Parcel**

The subject of this appraisal is a 24,500 square foot tract of land situated in downtown Frisco, Summit County, Colorado. Granite Street bounds the property on the south, between 6<sup>th</sup> and 7<sup>th</sup> Avenue's. The property is owned by State of Colorado Department of Transportation (CDOT) and is legally described as follows:

Lots 18, 19, 20, 21, 22, 23, 24 Block 12  
Town of Frisco

### **State, Regional and Neighborhood Data**

#### **State and Regional Data**

Since the anticipated reader is likely familiar with state and regional conditions, brief comments on this data are included in addenda for the benefit of any uninformed reader.

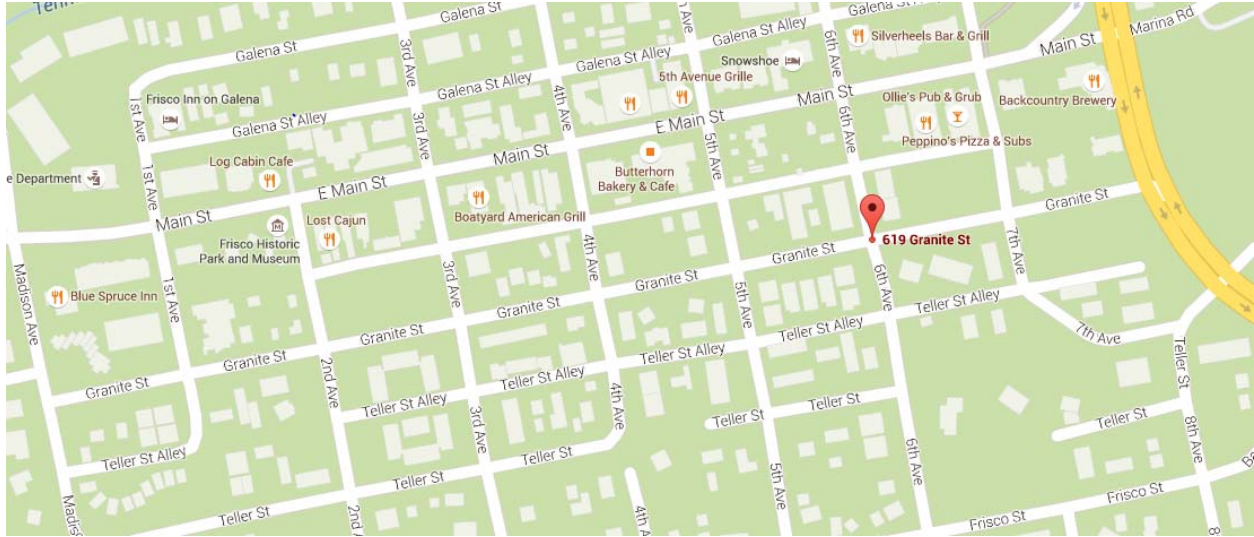
#### **Neighborhood Data**

Frisco is a former mining town, now a mountain resort community. Frisco's proximity to the Front Range and easy access from I-70 makes the nearby ski areas, parks and opens spaces a popular tourist destination. Less than half of Frisco home-owners are full-time residents, the remainder are second-home owners and retirees. The population swells to 25,000 during peak tourist season, lured by its proximity to Breckenridge Ski Resort, Dillon Reservoir, and recreational opportunities associated with thousands of acres of National Forest.

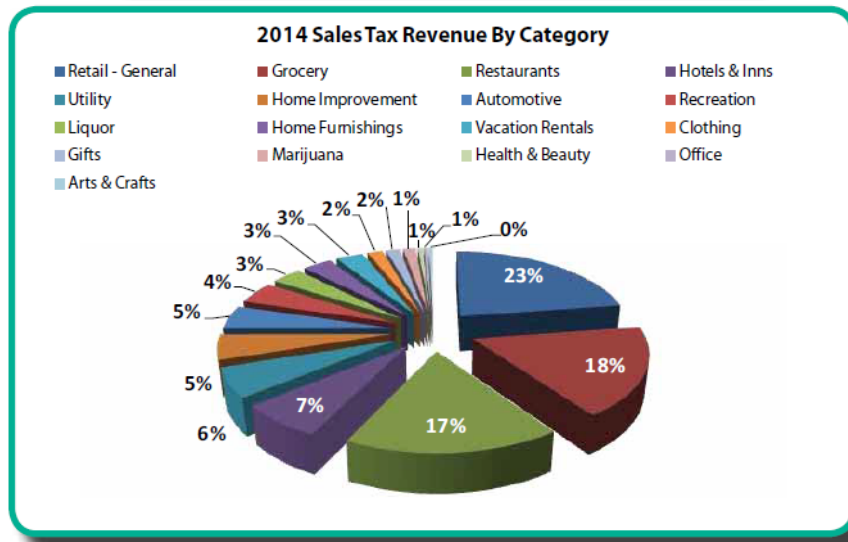
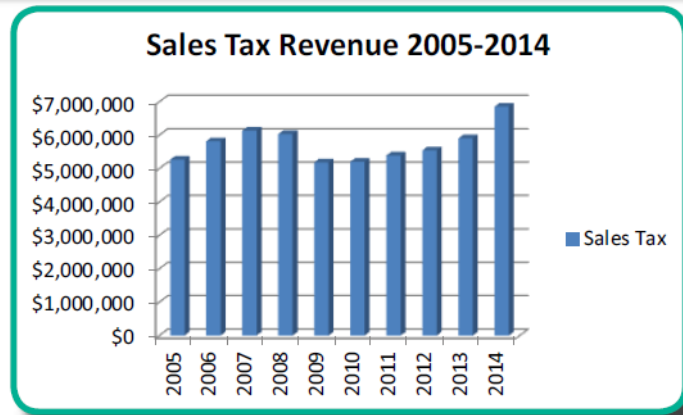
Frisco's main commercial areas consist of chains and service industries concentrated off I-70 along Summit Boulevard, and restaurants, shops, and other attractions on Main Street between 1<sup>st</sup> and 8<sup>th</sup> Streets. The subject is located near Main Street.



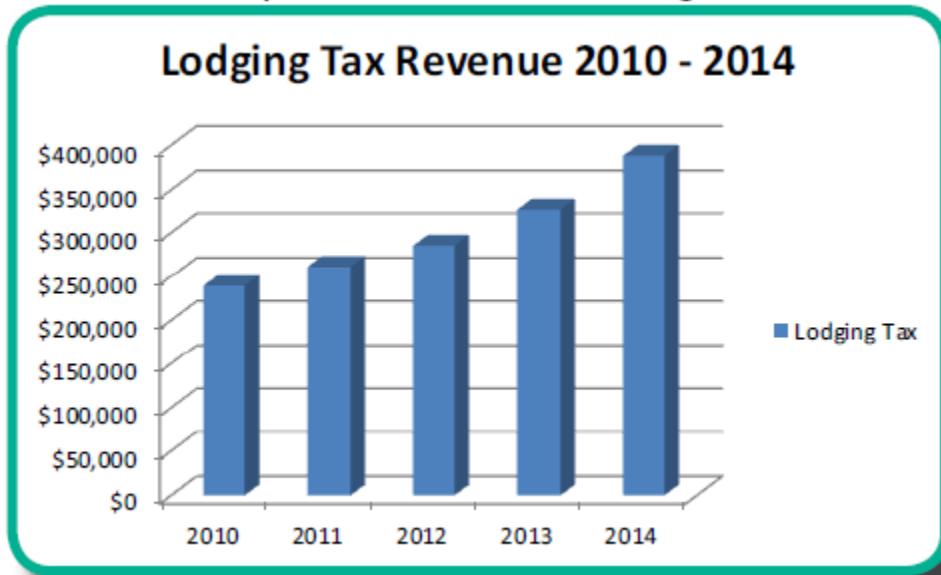
Main Street marks the center of the historic downtown area of Frisco, marked by restaurants, offices and retail shops directed at the large tourist market. The streets flanking Main St. are improved with some commercial properties and offices, but are predominately multifamily residential. The subject's immediate neighborhood can be defined as the downtown area bordered by Galena Street on the north, Teller Street on the south, Summit Boulevard on the east and 1<sup>st</sup> Avenue on the west.



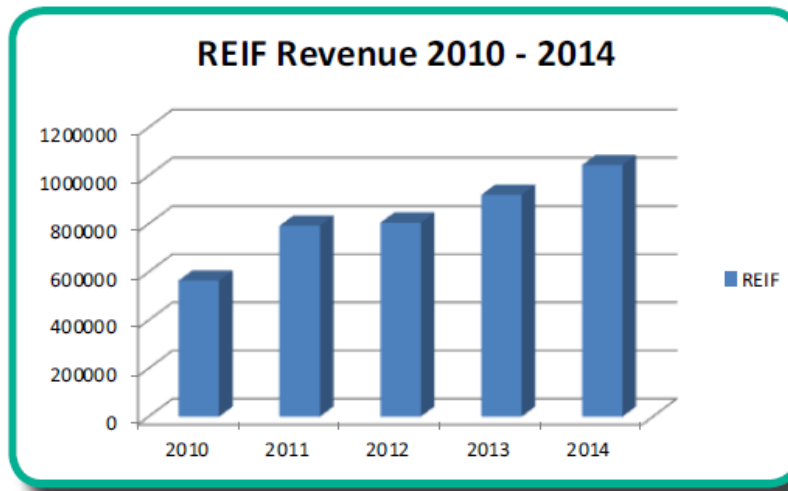
**Sales Tax.** 2014 sales tax revenues surpassed 2007 levels and sales tax revenues have increased since 2009. The trend is continuing in 2015. The tables below are from the Town of Frisco's 2014 Community Scorecard for the year ending 12/31/2014.



Lodging taxes were established in 2004 and are based on rate of 2.35% of room revenue. Lodging taxes have increased every year since 2010.



A 1% Real Estate Investment Fee is applied to all transfers of real estate within the Town and it has gradually increased since 2009.



## Community Development

According to the 2014 Community Score Card, Planning Division processed 305 planning applications in 2014, a 15% increase over 2013. The 2014 applications resulted in 157 building permits, 91 mechanical permits, and 56 plumbing permits, with a total valuation of \$31,211,363, or a 37% increase over 2013. In addition, 73 certificates of occupancy and 24 new single family residence permits were issued in 2014.

A large completion in 2014 was the Whole Foods, the adjacent retail strip, and the Rio Mexican food restaurant.

As of September 2015 a new Kaiser medical office building is under construction near the Whole Foods. A new Natural Grocers and Starbucks is under construction at the southeast corner of Ten Mile Road and Summit Boulevard. The Town Centre condo project is being completed in 2015.

According to the 2013 Community Score Card, in 2013 the Planning Division processed 265 planning applications, a 2.2% decrease from 2012. Out of those 265 permits, 99 were requests for banner permits and signs. The Building Division issued 169 building permits, an increase of 6.5% from 2012. Total valuation of construction projects undertaken in 2013 was estimated to be \$22,823,830, a 50% increase from 2013.

A large 2013 project was the Condos Off Main. In late 2011, Frisco sold its property at 120 South 4<sup>th</sup> Avenue for redevelopment to help boost the local economy. Originally constructed as a bank, the Town purchased the Nurses building property in the early 1990s and rented it to several non-profits throughout the years. After the sale, the property owner was granted approval to build a mixed use building consisting of market and deed restricted units, as well as commercial space.

In addition to the sales and listings considered in the land valuation section, several commercial Sales and Listings are summarized in the table below.

Summary of Nearby Listings and Sales - Not Used as Comparables						
No.	Property Name	Property Address	Gross Land Area Sq. Ft.	Gross Acres	Listing or Sales Price	Sales Price Sq. Ft.
1	Proposed Watermarke Condos - Listing	1200 Dillon Dam Road and 105 - 145 Beaver Lodge Road	169,013	3.88	\$6,500,000	\$38.46
2	311 Frisco Street	311 Frisco Street	10,498	0.24	\$232,500	\$22.15
3	Natural Grocers and Starbucks Site Sale	970 - 984 N. Ten Mile Dive	101,800	2.34	\$2,300,000	\$22.59
4	Lot E Mount Royal - Listing	731 Granite Street	5,663	0.13	\$449,000	\$79.29
	Low		5,663	0.13	\$232,500	\$22.15
	Average		71,743	1.65	\$2,370,375	\$40.62
	High		169,013	3.88	\$6,500,000	\$79.29
Subject	619 Granite Street	619 Granite Street	24,500	0.56		

Listing #4 is in close proximity to the subject on the eastern end of town and fronting Granite Street.

In the table below are several active listings in the downtown Frisco Area.

Summary of Active Commercial Listings In Frisco						
No.	Property Name	Property Address	GBA	MLS	Listing or Sales Price	Sales Price Sq. Ft.
1	Bears Den Commercial Condo	117 S 6th Ave	1,160	S393651	\$245,000	\$211.21
2	Bears Den Commercial Condo	117 S 6th Ave	1,000	S393650	\$212,000	\$212.00
3	Beaver Plaza Condos	60 E Main Street	2,027	S392281	\$435,000	\$214.60
4	Golden Annies Plaza	601 E. Main Street	7,781	S393166	\$2,300,000	\$295.59
5	NWC of Main and N. Third	101 Third Ave	875	S391953	\$289,000	\$330.29
6	NWC of Main and N. Third	101 Third Ave	390	S391984	\$195,500	\$501.28
7	Olde Main Street Condo	211 E. Main	1,062	S388805	\$450,000	\$423.73
8	Frisco Mountain Center - Lower Level Unit	610 E. Main St	4,848	S369090	\$499,000	\$102.93
9	Blue Spruce Inn (As Land \$143.48/SF .32 Ac)	20 E. Main St	8,214	S392696	\$2,000,000	\$243.49
	Low		390		\$195,500	\$102.93
	Average		3,040		\$736,167	\$281.68
	High		8,214		\$2,300,000	\$501.28

The Bear's Den Commercial Condos are in close proximity to the subject and have an asking price near \$212/SF. All of the other commercial condominiums are located along Main Street and have generally higher asking prices between \$243.49/SF and \$501.28/SF, the exception is listing #8 which is a garden level unit at \$102.93/SF.

Listing #9 is on a .32 acre site and listed for approximately \$143.48/SF. The site is located on the far west side of Main Street across the street from Town Hall.

### Single Family and Multi Family Residential Market Statistics

The information presented below is from the 2014 Annual Slifer Report and the 6 month report for 2015.

Town of Frisco Sale Statistics from the 2014 Annual Slifer Report												
Condomenium / Townhome												
Year	Sales Volume	Number of Sales	Average Days on Market	Average Sale Price	Change from Prior	High Sale Price	Change from Prior	Low Sale Price	Change from Prior	Median Sale Price	Change from Prior	Total Sales over \$1mm
2010	\$33,104,305	84	225	\$394,099		\$882,500		\$131,250		\$351,250		0
2011	\$36,388,000	94	240	\$387,106	-1.77%	\$880,000	-0.28%	\$126,000	-4.00%	\$337,500	-3.91%	0
2012	\$45,631,143	122	221	\$374,026	-3.38%	\$840,000	-4.55%	\$125,000	-0.79%	\$359,000	6.37%	0
2013	\$41,357,603	112	163	\$369,264	-1.27%	\$854,000	1.67%	\$130,000	4.00%	\$349,000	-2.79%	0
2014	\$59,857,410	140	164	\$427,553	15.79%	\$1,100,000	28.81%	\$157,000	20.77%	\$405,000	16.05%	1
6 Months 2015	\$22,713,280	56	167	\$405,594	-5.14%	\$965,499	-12.23%	\$173,000	10.19%	\$361,500	-10.74%	0
Change over Past 5.5 Years				\$11,495	2.92%	\$82,999	9.40%	\$41,750	31.81%	\$10,250	2.92%	0

The average price of a condo unit increased 15.79% in 2014 from the prior year, which reversed a trend from 2011 to 2013 of slightly lower average sales price from the prior year between negative 1.27% and negative 3.38%. The median sales price increase 16.05% in 2014. Total sales volume

peaked in 2014 at 140 units and 2015 sales are on pace with 2013 levels. The average days on market has been less than 6 months since 2013.

The table below details sales price per square foot of living area since 2011.

<b>Town of Frisco Sale Statistics from the 2014 Annual Slifer Report</b>						
<b>Condomenium / Townhome - Sales Price Per Square Foot</b>						
Year	Average Sale Price	Change from Prior	High Sale Price	Change from Prior	Low Sale Price	Change from Prior
2011	\$306		\$465		\$171	
2012	\$294	-3.92%	\$449	-3.44%	\$166	-2.92%
2013	\$298	1.36%	\$512	14.03%	\$188	13.25%
2014	\$332	11.41%	\$488	-4.69%	\$206	9.57%
6 Months 2015	\$323	-2.71%	\$519	6.35%	\$211	2.43%
Change Since 2011	\$17	5.56%	\$54	11.61%	\$40	23.39%

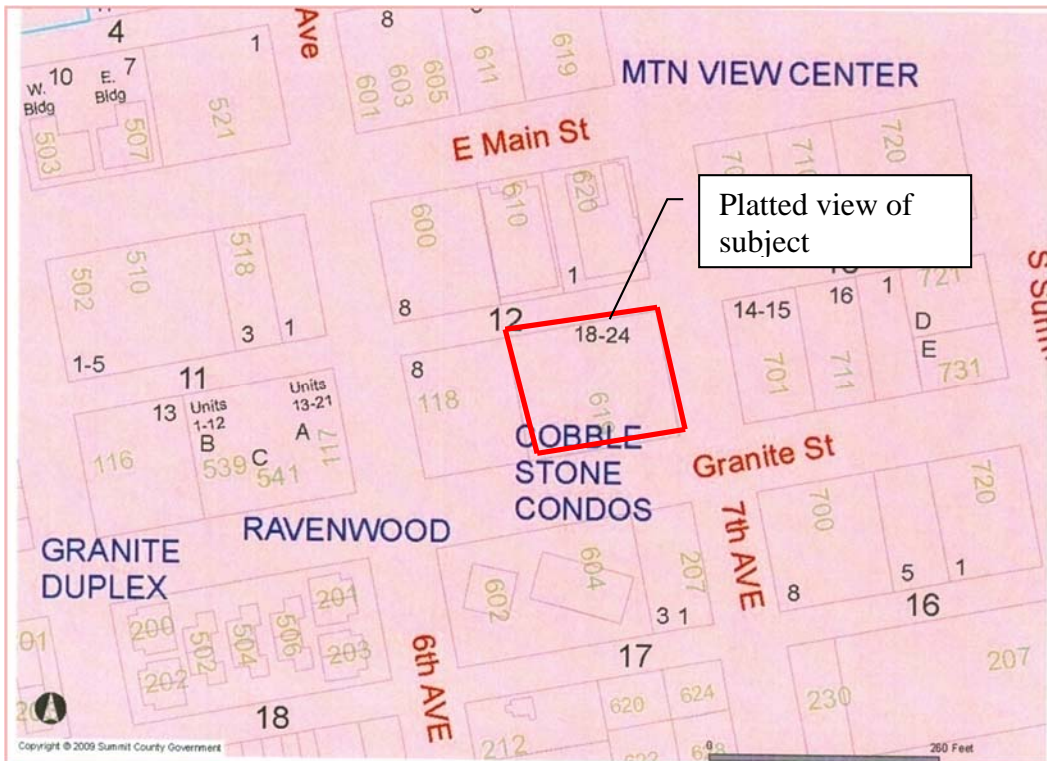
The low sale price per square foot has increased annually since 2012 and approximately 23.39% since 2011. The average sales price per square foot increased 11.41% in 2014 and 5.56% since 2011.

The average sales price for a residential condo unit is approximately \$323/SF while the average list price of commercial condo units in the Frisco area is approximately \$282/SF which is influenced upward due to a large number of properties on Main Street.

## Property Data

The subject of this appraisal is a 24,500 sf tract of land situated in downtown Frisco, Summit County, Colorado. Granite Street bounds the property on the south, between South 6<sup>th</sup> and 7<sup>th</sup> Avenue. The property is owned by State of Colorado Department of Transportation (CDOT). It is addressed as 619 Granite Street and is legally described as follows:

### Lots 18, 19, 20, 21, 22, 23, 24 Block 12 Town of Frisco



## History of Ownership

The property is titled to State Department of Highways, Division of Highways, State of Colorado (aka CDOT), which acquired the subject on August 13, 1974 from John T. & Martha Nix for \$61,250 via Warranty Deed recorded at 143099.

The deed identifies the land as Lots 18-24 “Book 12 Town of Frisco” while assessor’s records identify it as Lots 18-24 “Block 12 Frisco Town Subdivision”. This report uses the assessor’s description as most recent. The land has been used as a mobile home park to provide affordable and centrally located housing for CDOT workers in this expensive mountain resort area.

### County Records

County assessor records identify the property as Schedule 4008024 containing 0.58 acres. No survey has been provided; however, based on Town of Frisco plat attached to deed, the size of the lot is 175' x 140' or 24,500 sf (0.56 acres). This report uses the platted 24,500 sf.

### Property Taxes

The subject is tax-exempt as a state-owned entity. If privately owned, the vacant land would be assessed at 29% of market value. The town of Frisco has the second lowest property tax rate in Summit County at 0.798%.

Municipality	Property Tax Rate
Blue River	12.314
Breckenridge	5.070
Dillon	3.351
Montezuma	3.188
<b>Frisco</b>	<b>0.798</b>
Silverthorne	None

The estimated 2014 tax rate is 49.428. This equates to an effective tax rate of about 1.43% per dollar of actual value (.29% x 4.9428%) (i.e., \$14,300 per million dollars).

### Topography, Size and Shape

The property is level and generally rectangular, with platted dimensions of 175' x 140', 0.56 acres or 24,500 sf.

### Present Use

The parcel currently houses several mobile homes. (However, this report values it as if vacant and available for development, as an assignment condition.)

### Access and Frontage

The site has 175 feet of frontage along South 7<sup>th</sup> Avenue to the east, and 140 feet frontage along Granite Street to the south.

### Floodplain

The property is in not in the flood zone (FEMA Zone X - Map Panel 0802450001C).



## **Easements, Encroachments, and Restrictive Covenants**

No title policy was provided, and no easements are noted on the deed or town plat. I am not aware of any significant easements that would detrimentally affect the value of the subject. Should adverse easements be discovered via a current professional survey, the estimated value could be rendered invalid.

## **Utilities**

All utilities are available and installed, including town water and sewer, Qwest phone, Xcel Gas, Xcel Electric and cable TV. The subject has 12 water taps and 1 water meter. There are also 12 sewer taps installed which also run with the land. The 2015 Cost for a Sewer Tap is \$7,500 per Tap or EQR. The cost is good through the end of 2015 and will increase to \$10,000 per tap in 2016. All water tap fees are calculated by the Administration Department. One (1) Capital EQR (tap) in 2015 equals \$4,176.00. A single-family residence is "tapped" at 1 EQR. The Department requires a full set of plans to calculate the tap fee.

## **Potential Environmental Hazards and Soils**

I was not provided with an environmental survey. No obvious environmental issues were noted during inspection, nor did I see any significant evidence of unstable soils. However, I am not an expert in this area, and determinations of this type should be made by a qualified professional.

## **Zoning**

The subject is located in the CC (Central Core) and the Galena-Granite Overlay Districts. The purpose of the CC district is to "promote the development of Frisco's Main Street commercial district for retail, restaurant, service, commercial, recreational, institutional and residential uses; and to enhance the visual character, scale and vitality of the central core." (Frisco Zoning Code Sec. 180-17 A)

There is a wide range of permitted uses for this designation, including restaurants, offices, retail, and residential dwelling unit. Conditional uses include condominium hotels and time-share units.

The Galena-Granite Street Overlay requirements relate to the scale, mass, architecture and overall design character of the neighborhoods, adding specific criteria to "protect and promote" a general small mountain town neighborhood quality. These requirements can be generally summarized by the Town's desire to hold on to some of the historic charm of the old town, with smaller and more historic looking buildings, bonuses for landscaping, building below full density, etc.

A copy of the Frisco Zoning Map Applicable to the subject is displayed below. The properties on the south side of Granite Street are zoned Residential Neighborhood. The properties on the north side of the Alley south of Main Street and the south side of the Alley north of Main Street are in the Main Street Overlay District. **The Watertower project** southeast off the subject at the southeast corner of S. 7<sup>th</sup> Avenue and Granite Street is zoned mixed use.



- Frisco Town Boundary
- Road Not Constructed
- Denver Water Property
- Parcels
- National Forest

**Overlay Districts**

- Granite St. & Galena St. Overlay District
- Historic Overlay District
- Main St. Overlay District
- Summit Blvd. Corridor Overlay District

**Zoning**

- AC - Accommodations
- CC - Central Core
- CO - Commercial-Oriented
- CT - Contractor Trades
- MU - Mixed Use
- OS - Open Space

Note: Residential Overlay District: all RH, RL, RM, RN & RS zoned lots

- PF - Public Facilities
- PR - Parks & Recreation
- RS - Residential Single Family
- RN - Residential Neighborhood
- RL -Residential Low Density
- RM - Residential Moderate Density
- RH - Residential High Density

## **Parking**

CC zoning requires a minimum parking ratio of 1 space per bedroom for residential uses, and 1 space per 350 sf office and retail uses.

## **Size and Setbacks**

The minimum lot area in this zone category is 3,500 sf. The Granite Alley Setback is 5' and the Granite Street and S. 7<sup>th</sup> Avenue setback is 5'. The site setback is 5'.

## **Building Height**

40 feet maximum with pitched roof, or 35 feet high with flat roof. If height incentives are utilized, in no instance shall the maximum height exceed 45 ft. (pitched) or 40 ft. (flat roof). First floor ceiling height is a minimum of 10' and second floor a minimum of 9 ft.

## **Maximum Density/Building Coverage**

Sixteen units per developable acre is maximum residential density. Commercial density is more ambiguous, as Frisco Planning prefers to let the architects and developers submit a plan and then work with planning to finalize within the setback requirements.

Due to the limited amount of commercial product in the Town Centre and Condo Off Main projects, I have not considered commercial as a component of the mixed use.

The subject has a gross land area of 24,500 square feet or .56244 acres which would permit 8.999 or 9 units rounded.

In addition to the 9 legal units, additional units may be added for affordable housing, based on one affordable unit for every two bonus units. The affordable unit size must not be more than 15% smaller than the largest market bonus unit. The first floor must have a minimum height of 10'.

The most recently approved development in the town of Frisco was the Town Centre Condo project which had a gross land area of 17,498 SF or .4017 acres and 18 total units for a density of 45 units per acre. Parking requirements have increased slightly with the new zoning code.

The Condo Off Main project resulted in 23 units on a .5424 acre site or a density of 42.41 units per acre. Parking requirement have increased.

A project which is in the planning process at 317 Granite Street will result in approximately 15 units on a .32 acre site. The parking requirement are similar to the current zoning standards and the density is 27.65 units per acre.

Overall the density is a combination of the site's land area, width, depth, and most importantly unit size.

I have assumed the subject site would be purchased by a prudent developer which would attempt to maximize the total number of units at the subject site. Therefore, I have assumed density of 41 units per acre or 23 total units which would consist of 9 typical units, and 7 affordable bonus and 7 market bonus units.

## **PART 3 – ANALYSIS AND VALUATION**

### **Highest and Best Use**

Highest and best use is may be described as that use which at the time of the appraisal most develops the site’s potential and is the most likely and reasonable use to which the property may be put. It is the most profitable and competitive use of a property. The Appraisal Institute in The Dictionary of Real Estate Appraisal, Fourth Edition, Chicago, 2002, p. 135, defines highest and best use as:

“The reasonably probable and legal use of vacant land or an improved property, which is physically possible, appropriately supported, financially feasible, and that results in the highest land value. The four criteria the highest and best use must meet are legal permissibility, physical possibility, financial feasibility, and maximum productivity.”

Typically, the subject site is considered as if the subject ownership is vacant land or a vacant site or land that can be made vacant by demolishing any existing improvements, and is then considered as improved (“as is”) or as an improved property.

In this analysis, the subject site is considered as if vacant land, which is the appraisal assignment.

### **Highest and Best Use as Though Vacant**

#### **Legal Permissibility**

As discussed earlier, the subject is zoned CC (Central Core) and is overlaid by the Galena-Granite Overlay District. A wide range of commercial and multi-family residential uses are permitted, although the Overlay District limits the general scale and mass of any development. The CC zone permits residential uses above the ground floor, suggesting a potential for commercial use on the main level with residential units above. The town of Frisco has a stated intent to expand commercial uses onto Granite Street and to support affordable housing with bonus density incentives. Therefore, the legally permissible uses include residential and commercial or a mixed use.

### **Physical Possibility**

The subject is a 24,500 sf parcel located in the heart of downtown Frisco, one block off Main St. and about 2 blocks from Summit Blvd. The site is rectangular and level. The subject is bounded by Granite St. on the south and 7<sup>th</sup> St. on the east, a church parking lot to its west and alley backing Main St. commercial properties to the north. Residential neighborhoods spread south from Granite St.

Based on topography, access, location and available utilities, the subject is capable of supporting almost all the legally permissible uses. The subject has historically been used for residential (multi-family) purposes and could continue to be used in this way. The general character of downtown Frisco has changed and the number of vacant or under-improved lots has declined due to redevelopment with mixed use projects. The properties in the core area are being developed with multi-story attached residential projects and the properties south of Granite Street are being developed with lower density attached and detached residential product. The subject's use as a trailer park is ill-suited for the prime location. The parcel's physical characteristics and location lend support for commercial, residential, or mixed use development.

### **Financial Feasibility**

The subject is located one half block south of Main Street, the main pedestrian and vehicular retail corridor in downtown Frisco. Commercial development is primarily located on the north and south side of Main Street west of Summit Boulevard. Other commercial uses on the streets flanking Main Street include a church, fitness outlets, and professional offices.

Granite Street is being developed with mixed use residential product. The only proposed commercial product in the area is east of 7<sup>th</sup> Avenue in the existing Mount Royal Planned Unit Development or **the Watertower Development** on the south side of Granite Street. These projects have been vacant and undeveloped since 2007 and support limited commercial development off the Main Street Corridor.

Restaurant uses might be possible, but in a mountain resort town dependent on casual tourism, a restaurant use depends on visibility and pedestrian access. Commercial and office uses are the best alternatives for a potential ground floor non-residential or parking use.

Only a limited amount of commercial space was included in the Town Centre condo project which is under construction. The commercial faces the alley and 4<sup>th</sup> Street. The subject is further removed from the central core area and there is minimal demand for commercial product on the east side of the Downtown Central Core as support by vacant land available in the area.

The risk associated with commercial property is high and not sufficient to offset the relatively low risk associated with residential product. Therefore, the most financially feasible use of the subject site is considered to be attached multi-family residential.

**Maximum Productivity**

Based on my prior analysis, the subject site could accommodate up to 23 residential units, with 9 typical units, 7 bonus market units, and 7 bonus affordable units.

**Conclusion**

Because of the physical and locational characteristics of the subject and surrounding uses, and the current demand for resort lodging in the area, a multi-family residential project is considered the highest and best use of the site.

## **Appraisal Valuation Methodology**

The land is valued as if vacant and unencumbered by any existing improvements or leases, as a condition of the assignment.

The Sales Comparison Approach is the only reliable approach for vacant land valuation and is used to value the subject property. The Sales Comparison Approach is the process in which a market value estimate is derived by analyzing the market for similar properties and comparing these properties to the subject. The underlying premise to this approach is that the market value of a property is directly related to the price paid for competitive properties.

I have analyzed the subject property on a price per square foot of land area.

### **Land/Site Valuation**

I have reviewed Summit County Assessor records for all commercial vacant land sales in Frisco since 2011, as well as sales of improved properties purchased for redevelopment (as if vacant).

#### **Detailed Land Sale Abstracts are displayed in the Addenda**

There have been a number of sales on streets near Main Street in the past few years. The sales selected are helpful in determining a value for the subject due to their proximity to the subject, similar zoning, intended use, size and relatively recent sale dates. The sales used in this analysis are summarized on the following page.

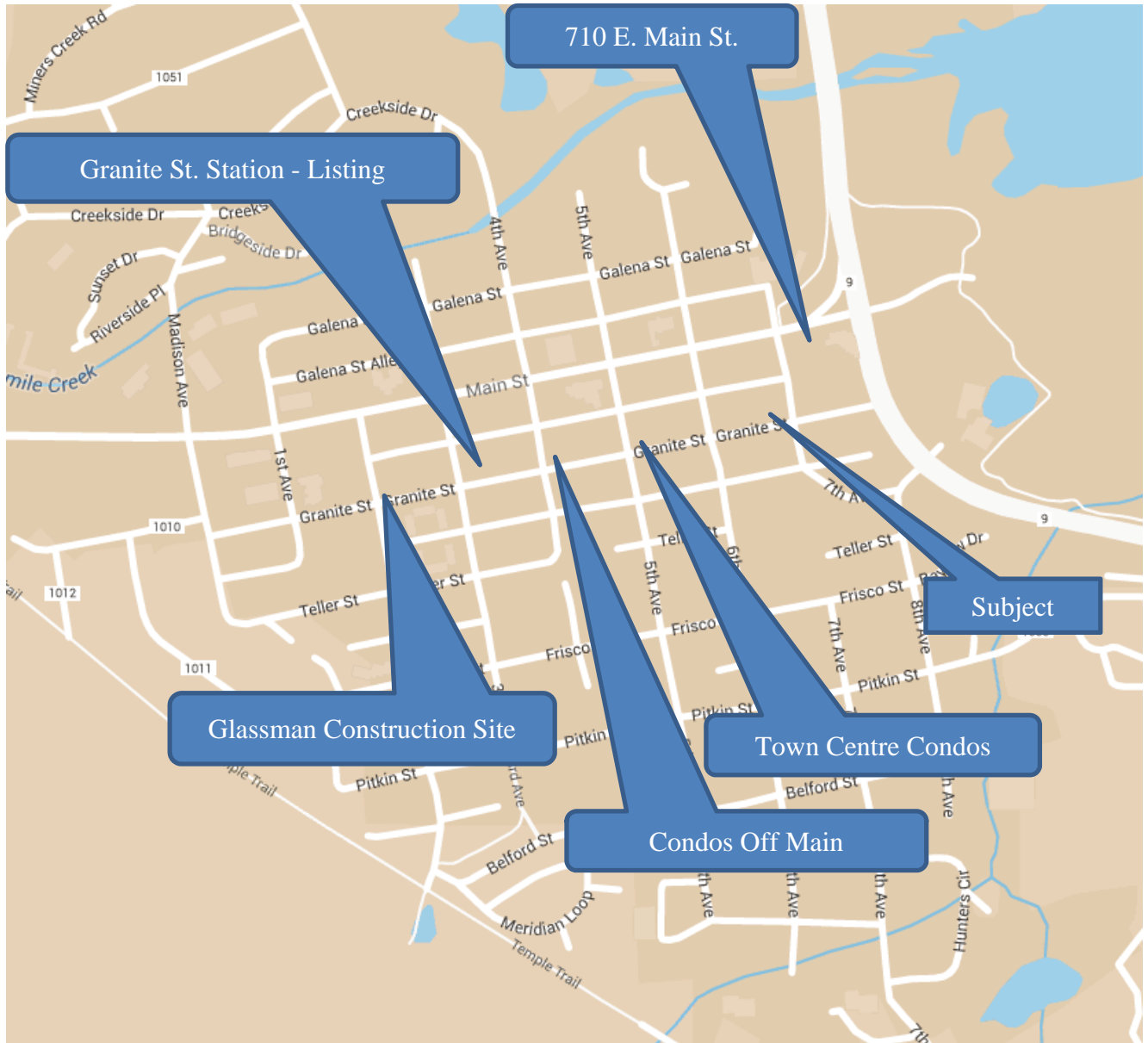
Detailed abstracts with photos, maps, and other pertinent data are presented in the Addenda.

**Summary of Comparable Land Sales and Listings -Town of Frisco**

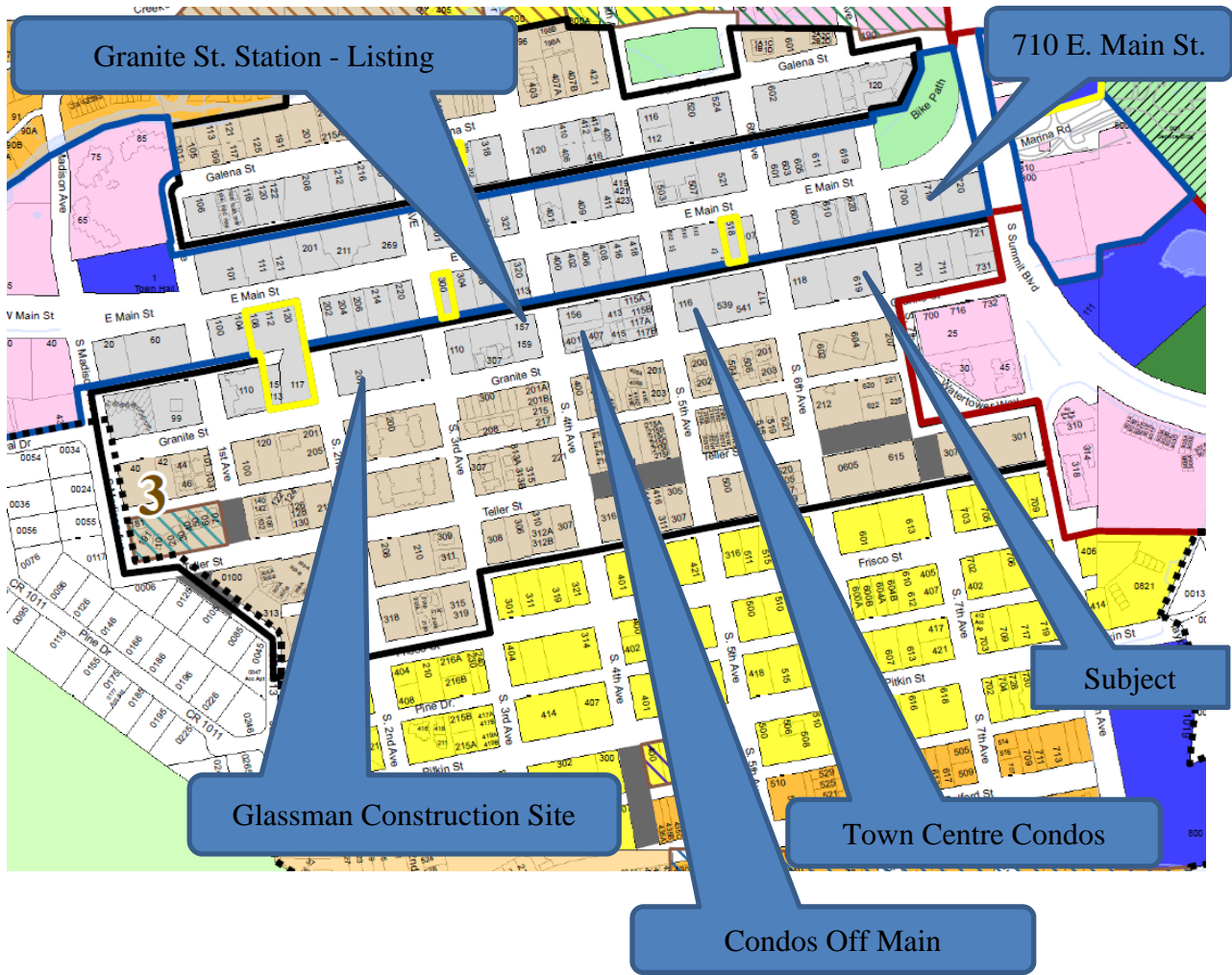
No.	Property Name	Property Address	Gross Land Area Sq. Ft.	Gross Acres	Listing or Sales Price	Sale Date	Sales Price Sq. Ft.
1	Town Centre Condos	116 and 118 S. 5th Avenue	17,498	0.40	\$750,000	April 30, 2014	\$42.86
2	Condos Off Main	156 S. 4th Ave, and 401, 407, and 415 Granite Street	23,625	0.54	\$1,099,000	October 26, 2011	\$46.52
3	Glassman Companies Site	207 Granite Street	20,909	0.48	\$1,310,000	June 24, 2014	\$62.65
4	710 E Main Street Land Sale	710 E. Main Street	10,454	0.24	\$425,000	June 7, 2011	\$40.65
5	Proposed Granite Street Station Condomeniums Site - Listing	317 Granite Street	13,939	0.32	\$1,600,000	January 1, 2020	\$114.78
		Low	10,454	0.24	\$425,000		\$40.65
		Average	17,285	0.40	\$1,036,800		\$61.49
		High	23,625	0.54	\$1,600,000		\$114.78
Subject	619 Granite Street	619 Granite Street	24,500	0.56			



# Land Sales Map



## Land Sales Zoning Map



All of the properties are located in the town of Frisco's Commercial Core Zoning District and Granite / Galena Street Overlay District.

The sales, listing, and the subject have similar zoning with the exception of 710 E. Main Street which requires at least 50% of the lower level fronting Main Street is required to be commercial space.

The sales which occurred prior 2015 had slightly lower parking requirements. The listing currently in the planning process and is subject to the current parking standards.

**Land Sale 1 is the Town Center Condominium** site located approximately two blocks west of the subject on the north side of Granite Street and the east side of South 5<sup>th</sup> Avenue. I have assumed the property had one water and sewer tap and applied a downward adjustment based on an approximately of \$10,000 for the combined water and sewer tap. The property sold in April 2014 but was under contract approximately one year earlier. A 15% market conditions adjustment is applied. The location is closer to the downtown core and a slight downward adjustment is applied. The sale has a land area of .40 acres which is slightly smaller than the subject; however not sufficient to warrant an adjustment. The site has gently sloping topography and a slight upward adjustment is applied for increased development costs. The site has access to one street only and a slight upward adjustment is applied since the subject site has several potential access points. The property was developed under less restrictive zoning criteria and a slight downward adjustment is applied for zoning. The property was developed to a density of 44.81 units per acre which is similar to the subject estimated density at 40.89 units per acre based on a highest and best use of 23 units. Overall land sale one supports a value above \$47.38/SF.

**Land Sale 2 is the Condos Off Main site** located approximately three blocks west of the subject on the north side of Granite Street and the east side of 4<sup>th</sup> Avenue. I have assumed the property had one water and sewer tap and applied a downward adjustment based on an approximately cost of \$10,000 for the combined water and sewer tap. The property sold in October 2011 from the town of Frisco. A 25% market conditions adjustment is applied. The location is closer to the downtown core and a slight downward adjustment is applied. The sale has a land area of .54 acres which is slightly smaller than the subject; however not sufficient to warrant an adjustment. The site has gently sloping topography and a slight upward adjustment is applied for increased development costs. The site has access to two streets and the alley; similar to the subject which has several potential access points. The property was developed under less restrictive zoning criteria and a slight downward adjustment is applied for zoning. The property was developed to a density of 42.41 units per acre which is similar to the subject estimated density at 40.89 units per acre based on a highest and best use of 23 units. Overall land sale two supports a value similar to \$56.54/SF.

**Land Sale 3 is a recent purchase by Glassman Companies, LLC** a local developer, located approximately four blocks west of the subject on the north side of Granite Street and the east side of South 2nd Avenue. The property was vacant at sale. The property sold in June 2014. A 10% market conditions adjustment is applied. The location is closer to the downtown core and a slight downward adjustment is applied. The sale has a land area of .48 acres which is slightly smaller than the subject; however not sufficient to warrant an adjustment. The site has level topography which is similar to the subject. The site has access to two streets and the alley; similar to the subject which has several potential access points. The property is located in the same zoning district as the subject and no zoning adjustment is applied. The property has not been taken through the entitlement process; however it is reasonable to assume, the site could be developed to a similar density as sales 1, 2, and listing 5. Overall land sale three supports a value below to \$68.92/SF.

**Land Sale 4** is shown for comparison purposes only and sets the lower end of value due primarily to its location on the south side of Main Street which requires commercial development on the lower level. Upward adjustments are applied for access since direct vehicular access to the property is from the alley only. Upward adjustment are required for zoning since potential residential area is reduced by commercial area requirements. Overall, land sale four supports a value above \$50.82/SF for the subject.

**Listing Number 5** is a slightly smaller property on a sloping site at the NWC of 4<sup>th</sup> Street and Granite Street west of the Town Centre Condominium project. I have assumed the property has four water and sewer taps and applied a downward adjustment based on an estimated cost of \$10,000 per EQR for the combined water and sewer taps. The site is currently being taken through the entitlement process for a proposed 15 unit development with a 46.88 DUA similar to the subject's estimated density at 40.89 units per acre based on a highest and best use of 23 units.

A -25% condition of sale adjustment of is applied to the Asking Price of \$114.78/SF. The condition of sale adjustment captures the comparable's listing status and the entitlement process completed to date for the site. Overall the listing supports a potential value for the subject below \$83.61/SF.

### **Comparison and Adjustments**

I have valued the property using the four most recent, proximal, similar land sales in Frisco; and also considered one active listing. The comparables provide a measurement of buyers' reaction to development lands in the area, and can assist in valuation of the subject at its concluded highest and best use.

They range from 0.24 to .54 acres in size, are all in close proximity to downtown Frisco and Main Street, and have similar CC zoning.

The Appraisal Institute has two broad categories covering adjustments – Transactional and Property, which are discussed below.

**Transactional Adjustments** are applied in a specific sequence:

Property rights conveyed – the subject is valued in fee simple, and each of the comparables conveyed fee simple ownership. Adjustments are applied for existing water and sewer tap fees which were transferred with the properties. No additional adjustments are required for property rights conveyed as the sales are considered equal to the subject in these respects.

Financing terms – account for the impact on value produced by favorable financing. All sales are based on cash or cash equivalency basis, so no requirements are required.

Conditions of sale adjustments reflect motivations of buyer and seller and account for any influence on the parties which may have impacted sales price (undue influence, foreclosure, etc.). No condition of sale adjustments are required. Sales #2, was sold by the city to a local developer and the sales price reflected market rates at the time of the transaction. The town required near term development of Sale #2 at a time when overall market conditions were not favorable since

the area was recovering from the recession. Overall, no condition of sale adjustment is applied to Sale #2. The remaining sales were not impacted by atypical conditions of sale. Listing Number 5 is adjusted downward -25% since there is typically a spread between asking price and the actual sales price. Listing 5 was placed on the market in the last three months and is going through the entitlement process. The contributory value of the entitlement process to date is captured in the -25% adjustment.

Expenditures immediately after purchase. Sales 1, 2, and listing number 5 all had improvements which required demolition after purchase for redevelopment. The subject is a vacant site with several mobile homes which would require minimal demolition costs.

Market conditions. This adjustment is for value changes in area property between the sale dates of the comparables and September 1, 2015, the effective date of the report.

To provide support for the market condition adjustment, I analyzed market data related to the sales price per square foot of Condominium and Townhome properties in Frisco between 2011 and 2015. The table below details sales price per square foot of living area since 2011.

Town of Frisco Sale Statistics from the 2014 Annual Slifer Report						
Condomenium / Townhome - Sales Price Per Square Foot						
Year	Average Sale Price	Change from Prior	High Sale Price	Change from Prior	Low Sale Price	Change from Prior
2011	\$306		\$465		\$171	
2012	\$294	-3.92%	\$449	-3.44%	\$166	-2.92%
2013	\$298	1.36%	\$512	14.03%	\$188	13.25%
2014	\$332	11.41%	\$488	-4.69%	\$206	9.57%
6 Months 2015	\$323	-2.71%	\$519	6.35%	\$211	2.43%
Change Since 2011	\$17	5.56%	\$54	11.61%	\$40	23.39%

The low sale price per square foot has increased annually since 2012 and approximately 23.39% since 2011. The average sales price per square foot increased 11.41% in 2014 and 5.56% since 2011.

All the sales took place between June 2011 and June 2014 and Comparable Number 5 is an active listing. While growth and activity continued up to mid-2007, economic conditions collapsed thereafter. The market began to recover in 2008 however the recovery did not really begin until after 2010. I have applied a 25% market condition adjustment to the 2011 sales, a 10% adjustment to the June 2014 sale, and a 15% market condition adjustment to the April 2014 sale which was placed under contract approximately one year prior.

**Property Adjustments** are made in no specific order and include items such as size, location, physical characteristics, economic characteristics, use/zoning and non-realty components of value. I considered the following differences between the subject and the sales:

Location. The subject and all sales are within a six block radius in downtown Frisco. Sale 1 is on Main Street, with superior visibility and commercial *retail* potential, requiring downward adjustment. Sale 4 is proximal, but inferior to the subject for commercial or mixed use.

Size adjustments account for the difference in size among properties considered. The subject comprises 24,500 sf (0.56 acres) while comparable sales range from 0.24 to 0.54 acres. Typically, the per-unit price drops as size increases (when all else is equal), but a difference attributed specifically to size is not observed in these small sales. The overall utility of the site decreases as the size decreases due to setback and other requirements having a larger impact on smaller sites. Overall no size adjustment is applied.

Topography adjustments are required since the subject has a limited amount of slope which does not increase development costs. Sites with gently sloping topography require more excavation or retaining walls which increase development costs. Comparables one, two, and five have gently sloping topography and are adjusted slightly upward.

Access adjustments are required since the subject property has significantly frontage and potential access to Granite Street, the Alley, and South 7<sup>th</sup> Avenue.

Zoning. The subject and all sales are zoned CC under Town of Frisco zoning. This is a fairly flexible zoning designation, based on the available uses described earlier. I have concluded that under this zone district, multifamily residential development is the highest and best use of the subject.

Maximum residential density is 16 units per acre, assuming open space and parking requirements are met, and all share the same density requirements. The subject site is 24,500 sf or 0.56 acres, zoning permits base density of 9 residential units can be constructed on the site. This figure is highly fluid, since addition of affordable units can add significantly to the density. Overall, I have assumed an additional 7 bonus market units and 7 bonus affordable units can be added for a total of 23 units.

Utilities accounts for availability and adequacy of public utilities, road and services. All comparables and the subject have access to public utilities. All front public downtown roads and have utilities at or near the lot line. No adjustments are required for utilities.

Comparables with existing taps were adjusted previously in the Property Rights Conveyed transactional adjustment. The contributory value of the subject's existing taps is added to the vacant land value.

Density adjustment are not required and any adjustment for density is captured in the zoning adjustment made previously.

Property adjustments are made “Quantitatively” or “Qualitatively”:

- Quantitative adjustments are made for factors that can be accurately measured in the market, using dollar or percentage figures. All transactional adjustments are based on quantifiable factors such as the cost of taps, demolition costs, and overall changes in the sales price per square foot of condominium properties in the Frisco area.
- Qualitative are made when there are differences between the subject and the comparables that typically result in value differences, but there is limited supporting data to support precise adjustments. The qualitative adjustment process is part of the value reconciliation and is essential to develop a point value for the subject property. Qualitative adjustments are applied based on slightly upward or significantly downward, upward or downward, and significantly upward or significantly downward comparisons.

The following Grid summarizes the differences considered to arrive at a value for the subject based on the Price per SF of Land.

**Land Sales Adjustment Chart - Multi Family**

Property	Subject	Sale 1	Sale 2	Sale 3	Sale 4	Listing 5
Name		Town Centre Condos	Condos Off Main	Glassman Companies Site	710 E Main Street Land Sale	Proposed Granite Street Station Condomeniums Site - Listing
Location	NWC of 7th and Granite Street	116 and 118 S. 5th Avenue	156 S. 4th Ave, and 401, 407, and 415 Granite Street	114.80	710 E. Main Street	317 Granite Street
Date of Sale	N/A	30-Apr-14	26-Oct-11	24-Jun-14	7-Jun-11	1-Jan-20
Land Size Acres	0.56	0.40	0.54	0.48	0.24	0.32
Sales Price		\$750,000	\$1,099,000	\$1,310,000	\$425,000	\$1,600,000
<b>Sales Price Per Acre</b>		<b>\$1,867,065</b>	<b>\$2,026,347</b>	<b>\$2,729,167</b>	<b>\$1,770,833</b>	<b>\$5,000,000</b>
Unadjusted Sales Price Per Square Foot		\$42.86	\$46.52	\$62.65	\$40.65	\$114.78
<b>Transactional Adjustments</b>						
Property Rights Conveyed	Fee Simple	Fee Simple	Fee Simple	Fee Simple	Fee Simple	Fee Simple
Property Rights Conveyed Adjustment - (Comparable Tap Fee Adjustments)		-0.54%	-0.49%	0.00%	0.00%	-0.80%
<b>Price Adjusted For Property Rights Conveyed</b>		\$42.63	\$46.29	\$62.65	\$40.65	\$113.87
Conditions of Sale		Typical	Typical	Typical	Typical	Listing
<b>Conditions of Sale Adjustment</b>		0.00%	0.00%	0.00%	0.00%	-25.00%
<b>Price Adjusted for Condition of Sale</b>		\$42.63	\$46.29	\$62.65	\$40.65	\$85.40
Demolition or other Costs		-\$25,000	-\$25,000	\$0	\$0	-\$25,000
<b>Expenditures After Purchase Adjustment</b>		-3.35%	-2.29%	0.00%	0.00%	-2.10%
<b>Price Adjusted for Expenditures after Purchase</b>		\$41.20	\$45.23	\$62.65	\$40.65	\$83.61
Date of Value/Comparable Sale	9/1/2015	4/30/2014	10/26/2011	6/24/2014	6/7/2011	Active Listing
<b>Market Conditions Adjustment</b>		15.00%	25.00%	10.00%	25.00%	0.00%
<b>Price Adjusted For Market Conditions</b>		<b>\$47.38</b>	<b>\$56.54</b>	<b>\$68.92</b>	<b>\$50.82</b>	<b>\$83.61</b>
<b>Property Characteristic Adjustments</b>						
Location	Off East Main St	Superior	Superior	Superior	Superior	Superior
Location Adjustment		Slight Downward	Slight Downward	Slight Downward	Similar	Slight Downward
Size (Acres)	0.56	0.40	0.54	0.48	0.24	0.32
Size Adjustment		Similar	Similar	Similar	Similar	Similar
Topography	Level	Gently Sloping	Gently Sloping	Level	Level	Gently Sloping
Topography Adjustment		Slight Upward	Slight Upward	Similar	Similar	Slight Upward
Access	Granite Street and Alley	Off 5th Avenue - common drive into covered parking area.	From S. 4th Avenue and Granite Street	2nd Avenue and Granite Street	From Alley - pedestrian from Main Street only	Below grade parking with access off alley to garage
Access Adjustment		Slight Upward	Similar	Similar	Slight Upward	Slight Upward
Zoning	CC	CC - Prior Parking Standards	CC - Prior Parking Standards	CC	CC- Main Street Requires Commercial	CC
Zoning Adjustment		Slight Downward	Slight Downward	Similar	Upward	Similar
Density Units Per Acre	40.89	44.81	42.41	16.67	N/A	46.88
Other Adjustment	HBU @ 23 Units	Similar	Similar	Similar	Similar	Downward
<b>Total Property Characteristics Adjustments</b>		<b>Upward</b>	<b>Similar</b>	<b>Slight Downward</b>	<b>Upward</b>	<b>Downward</b>
<b>Indicated Value</b>		<b>Above \$47.38/SF</b>	<b>Similar to \$56.54</b>	<b>Below \$68.92/SF</b>	<b>Above \$50.82/SF</b>	<b>Below \$83.61/SF</b>



## Reconciliation of Land Value

While all the sales are similar in zoning, Sales two and three are the most similar in size and configuration and support an adjusted range in value between \$58.58/SF and \$68.92/SF of gross land area. I was requested to provide a range of values and have selected a range between \$58.00/SF and \$68.00/SF as detailed below.

<b>Indicated Range of Potential Values</b>			
Price Per Square Foot	\$58	\$65	\$68
Total Value Rounded	\$1,420,000	\$1,590,000	\$1,670,000
Per Unit at 23 Units	\$61,739	\$69,130	\$72,609

## Water/Sewer Taps.

The subject has 12 water taps and 1 water meter. There are also 12 sewer taps installed which also run with the land. The 2015 Cost for a Sewer Tap is \$7,500 per Tap or EQR. The cost is good through the end of 2015 and will increase to \$10,000 per tap in 2016. All water tap fees are calculated by the Administration Department. One (1) Capital EQR (tap) in 2015 equals \$4,176.00. A single-family residence is “tapped” at 1 EQR. The Department requires a full set of plans to calculate the tap fee.

The total 2015 cost for the 1 EQR is detailed in the table below. The Water EQR will increase 3.0% in 2016 and the Sewer Tap EQR will increase to \$10,000.

<b>Summary of Water and Sewer Tap Costs</b>		
Year	2015	2016
Sewer EQR	\$ 7,500	\$ 10,000
Water EQR	\$ 4,176	\$ 4,301
Total EQR	\$ 11,676	\$ 14,301
Total Units	\$ 12	\$ 12
Total Contributory Value	\$ 140,112	\$ 171,615

These non-transferable taps would cost a developer approximately \$140,112 in 2015 and \$171,615 in 2016. Any potential development of the site will occur after 2015. Therefore an additional \$170,000 is added to the land value for the existing taps.

Some might argue that a buyer wouldn't pay for the presence of these taps on a dollar-for-dollar basis. However, since their cost is so specific, the taps being non-transferable and running with the land itself, a direct adjustment for their presence has been made in this appraisal.

Their presence certainly adds value to the lot and a developer would have to incur at least this cost, plus time and trouble, to develop the land. Nine residential units would be permitted, with additional density allowed with affordable units constructed, which all recent developments have taken advantage of. This report concludes that they add value directly proportionate to their cost. (At the very least, they represent a strong negotiable item, with a value in this range.)

An upwards adjustment of **\$170,000** to the concluded land value reflects value differential associated with 12 water and sewer taps.

## Reconciliation and Summary

The appraisal estimated the reasonable market value of a 24,500 SF lot in Frisco, Colorado, as if vacant and ready for development, an assignment condition. The value is intended to be used as the basis of a sale or exchange of the property, which is currently used as a mobile home park for CDOT workers. Four proximal sales and one listing were considered, all with similar zoning and highest & best use.

Value indications ranged from \$1,450,000 to \$1,670,000, depending on various price per square foot of land area considered, as summarized below:

<b>Indicated Range of Potential Values</b>			
Price Per Square Foot	\$59	\$65	\$68
Total Value Rounded	\$1,450,000	\$1,590,000	\$1,670,000
Per Unit at 23 Units	\$63,043	\$69,130	\$72,609

I have concluded to a value for the subject at the upper end of the range or approximately \$65.00/SF. Most weight is given to Sale 3 which is the most recent sale. Condominium values have increased over the past few years and the recent project have had sell-out periods of less than one year which supports demand for affordable and market units in the area. The town has a limited amount of buildable area and the subject site is one of the best remaining infill sites in town.

I have concluded mid-range at a value for the vacant subject of \$1,650,000. The contributory value of the 12 existing water and sewer taps which run with the land is added.

Land value	\$1,650,000
Water/sewer taps (12)	+ 170,000
	<b>\$1,820,000</b>
	<b>(\$72.04/sf)</b>

After analyzing all available information, it is my opinion that the reasonable market value of the subject land, as if vacant and available for development as of September 1, 2015 is

ONE MILLION EIGHT HUNDRED TWENTY THOUSAND DOLLARS  
(\$1,820,000)

Please note that this report is subject to the Assumptions and Limiting Conditions cited in the text.

## **PART 4 – EXHIBITS AND ADDENDA**

### **Zoning Regulations**

## ZONING

**§ 180-17. Central Core District. [Amended 11-06-90, Ord. 90-11; 09-05-95, Ord. 95-08; 07-02-96, Ord. 96-13; 08-06-96, Ord. 96-14; 04-01-97, Ord. 97-07; 12-16-97, Ord. 97-24; 04-14-98, Ord. 98-07; 03-07-00, Ord. 00-04; 01-02-01, Ord. 00-10; 01-24-06, Ord. 06-03; 02-12-08, Ord. 07-14; 02-12-08, Ord. 08-03; 11-11-08, Ord. 08-15; 04-14-09, Ord. 09-08; 08-11-09, Ord. 09-13; Ord. 14-01, 02-11-14]**

In the CC Central Core District, the following regulations apply:

- A. Purpose: To promote the development of Frisco's Main Street commercial district for retail, restaurant, service, commercial, recreational, institutional and residential uses, and to enhance the visual character, scale and vitality of the central core.
- B. Permitted uses.
  - 1. Arts and entertainment centers
  - 2. Community centers
  - 3. Fast food Restaurants
  - 4. Financial Services
  - 5. Home offices
  - 6. Hotels and Motels
  - 7. Light retail
  - 8. Medical offices
  - 9. Offices
  - 10. Personal services
  - 11. Public buildings and uses
  - 12. For properties with frontage along Main Street: Residential dwelling units located above ground floor nonresidential uses. Nonresidential uses shall consist of fifty (50) percent or greater of the ground floor area and must be fronting Main Street.
  - 13. For properties located on the Main Street North (Galena Alley) and South (Granite Alley) alleys, and on Galena and Granite Streets: Residential dwelling units
  - 14. Restaurants

## ZONING

15. One (1) accessory housing unit per principal commercial unit, above ground floor nonresidential development
16. Parks
17. Sexually oriented businesses
18. Cabin Housing on Galena and Granite Streets, as set forth in Section 180-18.8

### C. Conditional uses.

1. Condominium hotels
2. Churches
3. Fractional share units
4. Home occupations
5. Light manufacturing
6. Transit oriented facilities and uses

### D. Dimensional requirements.

1. Minimum lot area: three thousand five hundred (3,500) square feet.
2. Minimum lot frontage: none.
3. Setback requirements: for properties on Main Street:
  - a. Front yard: three (3) feet
  - b. Side yard: none
  - c. Rear yard: none
4. Setback requirements for properties on Main Street South Alley (Granite Alley), Main Street North Alley (Galena Alley), Granite Street and Galena Street:
  - a. Front yard: five (5) feet
  - b. Side yard: five (5) feet

## ZONING

- c. Rear yard: five (5) feet
- d. Alley facing yard: three (3) feet
- e. Exception: For one or two residential units, including accessory units, on Galena Street, setback requirements are:
  - i. Front yard: 20 feet
  - ii. Side yard: 10 feet
  - iii. Rear yard: 10 feet
- 5. Setback requirements for the third floor of street-facing wall facades: Ten (10) feet from the property line.
- 6. Lot coverage requirements for one or two units (residential) on Galena Street shall not exceed fifty-five (55) percent of the total lot area.
- 7. Parking: For properties with frontage along Main Street, on-site parking shall be located at the rear of the property.
- 8. Maximum building height: Forty (40) feet with a pitched roof or thirty-five (35) feet with a flat roof.
  - a. First floor ceiling height shall be a minimum of ten (10) feet
  - b. For properties on Galena Street, the first twenty feet in from the front property line (along Galena Street) shall have a maximum height of twenty-five (25) feet and a pitched roof.
- 9. Maximum density (residential uses only): sixteen (16) units per developable acre.
  - a. Accessory Housing Unit Exemption: Any accessory housing unit meeting the town's requirements may be exempted from the density calculation as long as the unit is deed-restricted for rent to persons earning a maximum of 80% of the area median income, at a rate established by the Summit County Combined Housing Authority for that income level, and pursuant to other criteria as established from time to time by the Town or the Summit County Combined Housing Authority.
  - b. Affordable Housing Exemption: A density bonus over the maximum allowable density is available. A density bonus is an increase in the allowable number of dwelling units over the maximum density, provided that:

## ZONING

- i. a minimum of 50% of the total number of bonus units is provided as affordable housing.; or
  - ii. for each bonus dwelling unit allowed, at least two affordable housing units are provided on property outside of the subject property, but within the Town of Frisco or within one (1) mile of any corporate limit of the Town of Frisco.
- E. Development standards: All development is subject to the goals and standards of the applicable overlay district as set forth in §180.18.1 - §180.18.7.



## ZONING

### **§ 180-18.3 Granite Street and Galena Street Overlay District. [Added Ord. 97-07, 04-01-97; Replaced Ord. 99-01, 02-16-99; Amended Ord. 14-01, 02-11-14]**

#### A. PURPOSE

The purpose of the Granite and Galena Street Overlay District is to promote and enhance important neighborhood qualities by requiring base standards and providing incentives to achieve desired attributes. The standards relate to the scale, mass, architecture and overall design character of development.

#### B. APPLICABILITY

The provisions of this Section shall apply to the development of any property within the Overlay Zone as indicated on the Town of Frisco Zoning District Map.

#### C. GOALS

The goal of this overlay district is to require new projects to meet basic design standards that will ensure future developments which are compatible with the desired character of the neighborhoods. Coupled with these basic standards are incentives to encourage certain architectural elements that will further preserve and strengthen the architectural and neighborhood character of the area. These standards and incentives are aimed at preserving and enhancing the area. One of the overriding goals of the community is to allow for a variety of design, with an eclectic effect, while still protecting the character of the neighborhood. Sketches have been incorporated to better illustrate the standards.

#### D. CHARACTER

Market demand and growth patterns throughout the Town of Frisco have changed over time, as with most of the mountain communities in this area. In 1881, the Original Townsite (25' x 140' lots) was laid out. Historic development occurred in these areas, and this overlay encompasses a portion of the Original Townsite.

Land use patterns in this neighborhood are part of what establish the identity of this area. Although the land use mix comprises both residential and commercial uses, that blend seems to enhance the attractiveness of this area. Most of the structures in this area face the street front, although not all of them access from the street or have driveways. The alleys between the streets allow for a secondary point of access and for vehicles to be parked in the rear rather than on the street front. There are a number of older homes on Galena Street, which tend to be small in mass, scale and square footage. The Town's Historic Park and Museum is along Granite Street, and the buildings are a blend of Pioneer Log, Vernacular Wood Frame and Rustic styles. All of these styles tend to utilize wood materials, have pitched roofs, and small paned windows.

There are a variety of naturally occurring elements which shape the look of the neighborhood and add amenities. Ten Mile Creek is located behind (to the North) Galena Street. The views of numerous mountain peaks (such as Mount Royal, Peak One and Buffalo Mountain) can be seen from Granite and Galena Streets.

# ZONING

## E. DEVELOPMENT GOALS AND STANDARDS

The following mandatory standards shall be met by all development within the overlay zone district established by this Section 180-18.3. Failure of any proposed development to meet the following mandatory standards shall constitute grounds for denying a final plan or site plan, as the case may be. The following goals are aspirational only. However, the degree to which a proposed development meets these goals may be considered by the Planning Commission and Town Council.

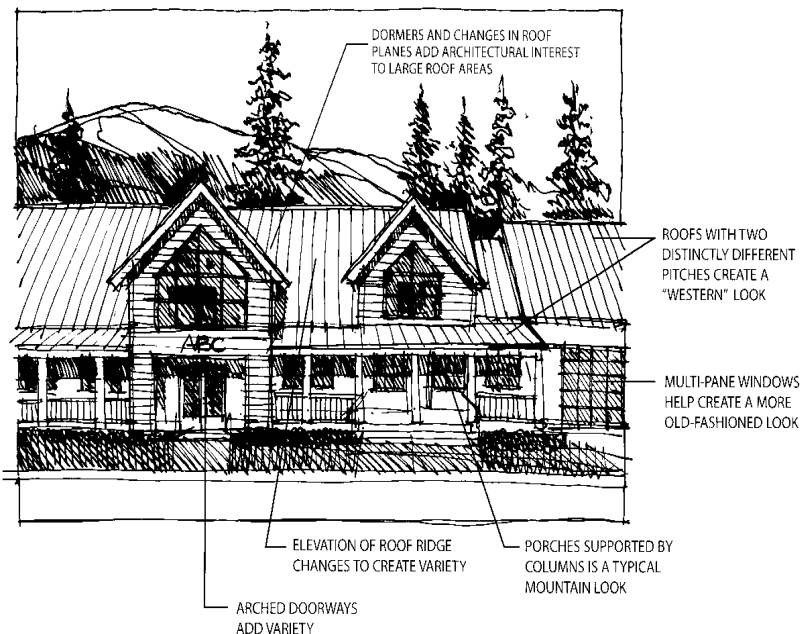
*GOAL #1: Structures should be compatible with existing neighborhood structures, their surroundings and with Frisco's "Small Mountain Town" character whenever possible. The existing landforms and historic structures (As noted in the 1991 Historic Resource Inventory for the Town) on a site should be preserved onsite whenever possible and reinforced by development rather than destroyed or replaced by it.*

*It should not be inferred that buildings must look like the existing structures within the neighborhood to be compatible. Compatibility can be achieved through proper consideration of scale, design, proportions, site planning, landscaping, materials and colors, and compliance with the standards contained herein.*

### Standard #1. 1.

Buildings shall be designed in a manner that is architecturally fitting with Frisco's small mountain town character and:

- Provides significant variation in all the wall planes.
- Provides significant variation in all the roof lines and roof forms .
- Provides projecting elements (e.g. turrets, bay windows, decks, etc.).



### Standard # 1.2.

Buildings shall be designed to provide deep (at least 24 inches) eaves and overhangs, and other building elements that provide shelter from natural elements and provide visual relief, including the use of porches and patios to add interest along street yards. When a substantial number and variety of building elements are utilized the eaves may be less than 24 inches deep in some locations.

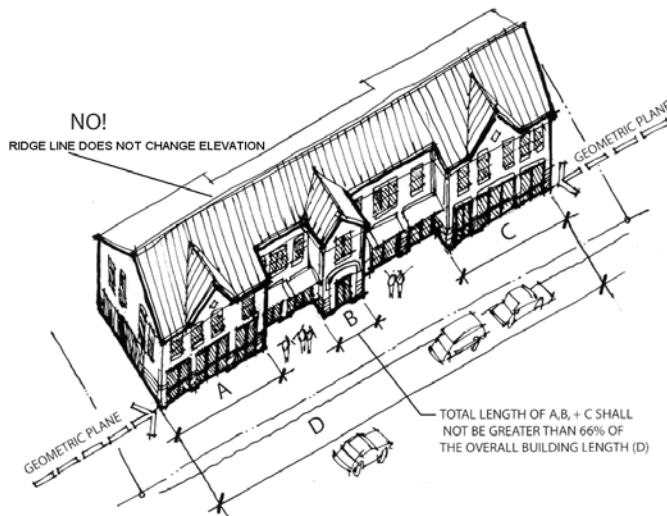
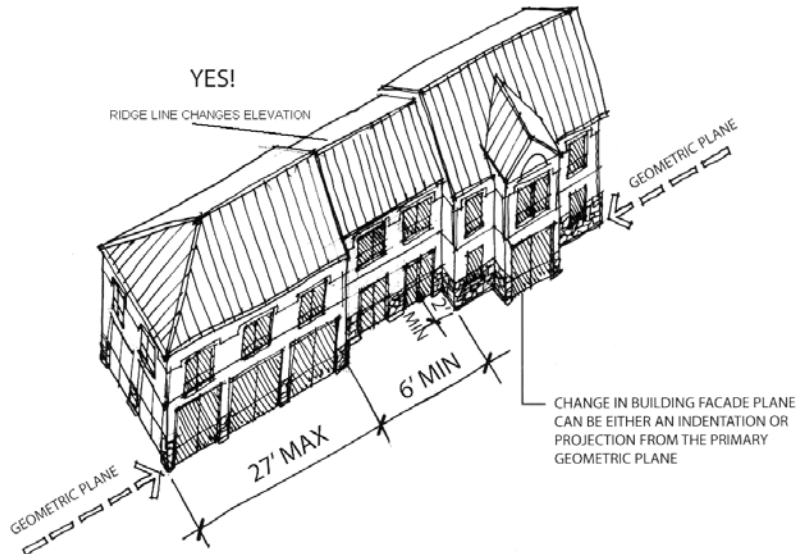
# ZONING

**GOAL #2:** *In general, buildings should be designed in a manner that provides elements that relieve the feeling of mass and provides for the graduation of mass as one moves back from the front of a lot, with the smaller elements located near the street, and the larger elements located further away from the street.*

## Standard # 2.1.

Building façades and roof facia/eaves shall not exceed 27 feet in length along the same geometric plane, at which time the wall facade shall be broken up by a change in the plane by a minimum of 2 feet in depth for a distance of not less than 6 feet, and the corresponding roof facia/eave shall either be indented or projected from the primary geometric plane by a minimum of 2 feet. All building facades with a total length of 33 feet or less are exempt from this provision.

For buildings that exceed 54 feet in length the change in wall relief shall be increased to a minimum of 4 feet in depth. Upon approval by the Planning Commission the dimension of 27 feet for the length of a building wall façade which necessitates a building façade break and roof facia/eave change may be extended as much as five (5) feet for a total of not more than 32 feet along the same geometric plane, upon a finding that the design furthers the intent of this section.



## Standard # 2.2.

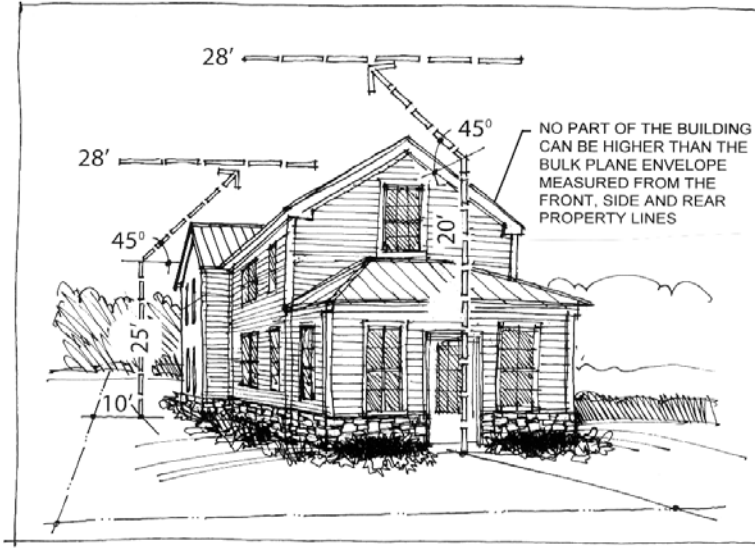
No building facade or roof facia/eave shall have more than 66% of the length of the wall or roof line along the same geometric plane, with the exception that buildings of less than 33 feet in width or length may have that wall and roof facia/eave located on one geometric plane.

## Standard # 2.3.

The bulk of the building shall be restricted on any site lying within the underlying RH zoning district through the use of a bulk plane envelope.

## ZONING

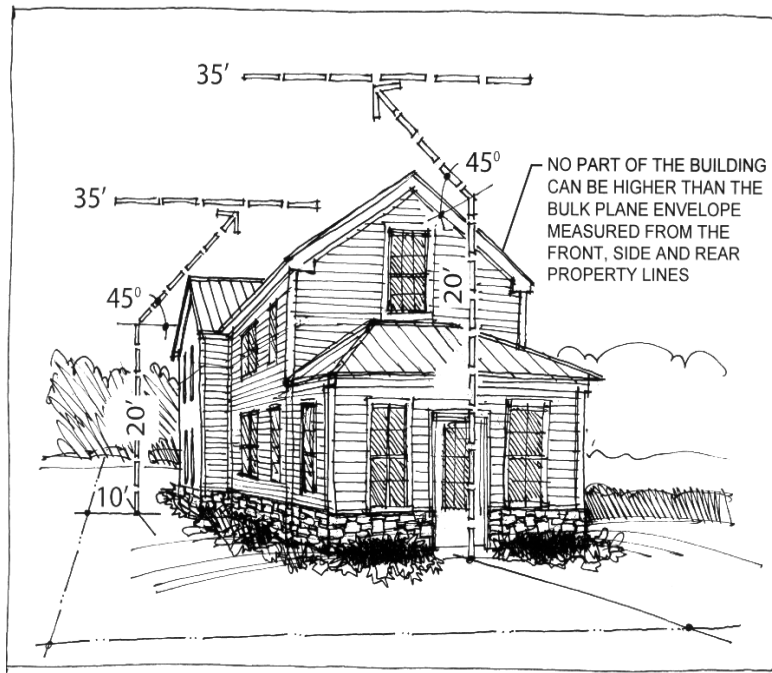
### FOR BUILDINGS 28' OR LESS



-The bulk plane envelope for buildings that do not exceed 28 feet in height shall start from a point 20 feet above the existing grade measured 20 feet in from the street front property line, and from a point 24 feet above the existing grade measured in 10 feet from the side and rear property lines, and extends at a forty-five (45) degree angle upward, and directly away from the property lines to a point where the envelope intersects with the height (28'), at which point the bulk plane envelope and the maximum allowed height shall be the same.

Building forms may deviate from this standard and project beyond the bulk plane if they receive Planning Commission approval, meet the building height of 28 feet, and provide substantial architectural relief.

### FOR BUILDINGS OVER 28'



-The bulk plane envelope for buildings that exceed 28 feet in height shall start from a point 20 feet above the existing grade measured 20 feet in from the street front property line, and 10 feet from a side property line, and from a point 24 feet above the existing grade measured in 10 feet from the rear property line, and extends at a forty-five (45) degree angle upward, and directly away from the property lines to a point where the envelope intersects with the maximum allowed height for the property (35'), at which point the bulk plane envelope and the maximum allowed height shall be the same. Building forms may deviate from this standard and project beyond

the bulk plane if they receive Planning Commission approval, meet the building height, and provide substantial architectural relief.

Where a conflict exists between the allowed height along a front yard, and a side or rear yard, the more restrictive measurement shall govern.

## ZONING

### Standard # 2.4.

The bulk of the building shall be restricted on all street and side yard facades, on any site located within the underlying CC zoning district through the use of a bulk plane envelope.

- The bulk plane envelope for buildings that do not exceed 28 feet in height shall start from a point 24 feet above the existing grade measured on the street property line(s) and side yard property line(s), and shall extend upward at a 45 degree angle toward the rear and opposite sides of the property until it intersects with the height (28'), at which point the bulk plane envelope and the maximum allowed height shall be the same. Building forms may deviate from this standard and project beyond the bulk plane if they receive Planning Commission approval, meet the building height, and provide substantial architectural relief.
- The bulk plane envelope for buildings that exceed 28 feet in height shall start from a point 24 feet above the existing grade measured on the street property line(s) and side yard property line(s), and shall extend upward at a 45 degree angle toward the rear and opposite sides of the property until it intersects with the maximum allowed height (35' for a flat roof or 40' for a pitched roof), at which point the bulk plane envelope and the maximum allowed height shall be the same. Building forms may deviate from this standard and project beyond the bulk plane if they receive Planning Commission approval, meet the building height, and provide substantial architectural relief.

**GOAL #3:** *Buildings should be constructed of materials that are compatible, or complementary to the existing historic, and/or contributing buildings in the area, and should contain a mixture or combination of natural materials, such as utilizing wood as the primary building material and stone, brick or other similar materials as accents or base material.*

### Standard #3.1.

Buildings materials shall be predominantly natural, including, but not limited to wood siding, wood shakes, logs, stone, brick or other similar materials. Other materials that imitate natural materials such as Masonite or other materials are also acceptable only if their texture, shape, and size are similar to the natural materials they are simulating, and are not obviously artificial materials.

### Standard #3.2.

While not acceptable as the primary exterior materials for the majority of the building, stucco or steel are acceptable materials when used as an accent, or when used in combination with other acceptable materials. Where metal is utilized it shall have a matte finish



## ZONING

or a finish proven to fade and not be reflective. Untreated or unpainted galvanized sheet metal is prohibited. Concrete block shall not be allowed as the primary or extensive exterior finish, and when used as an accent shall be a split block, or other similarly shaped, textured, and colored materials that are found to be compatible with the building, and the goals of this chapter.

### Standard #3.3.

Aluminum, steel, mirrored or reflective glass and plastic exterior sidings which do not simulate natural materials (as noted in 3.1) shall not be permitted.

### Standard #3.4.

The same or similar building materials shall be used on main structures and any accessory structures located on the same site, unless an alternative design can be provided that will complement the project and which meets the remaining standards.

### Standard #3.5.

A material board, including samples of all proposed exterior building and roofing materials shall be submitted and reviewed as a component of all applications.

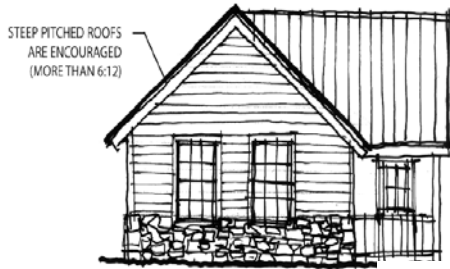
### Standard #3.6.

Additions, which are substantially less than the square footage of the existing building, may be allowed to complement the existing structure, even if the building does not presently meet the guidelines, and blend with the existing structure rather than providing a different building façade, style, materials or color.

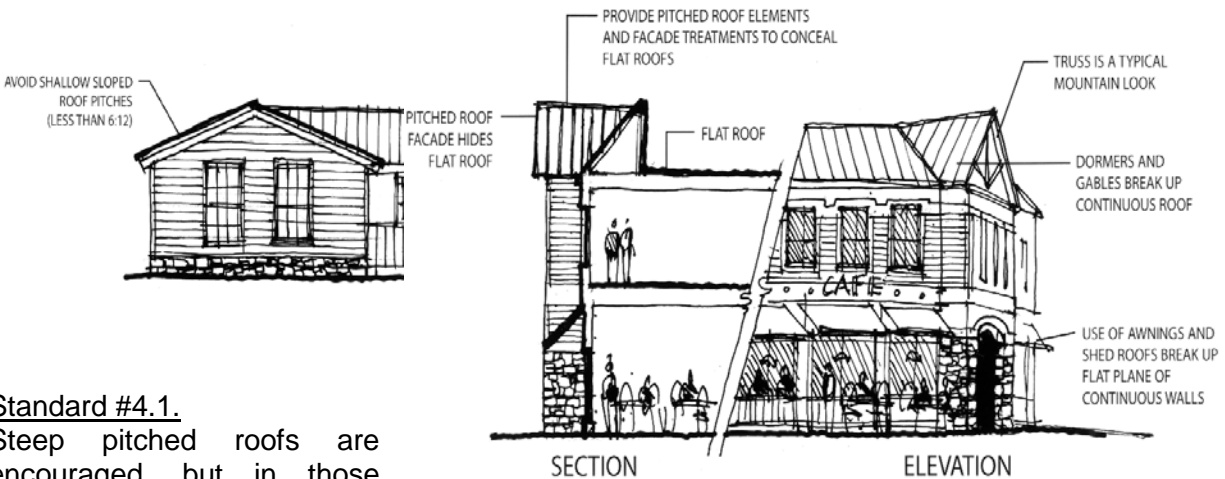
# ZONING

## Standard #3.7.

The use of mirrored or reflective glass shall be prohibited. Clear glass shall be used for windows. Tinted, colored or opaque glass may be approved on a case by case basis when shown by the applicant to be compatible with the purpose of these regulations.

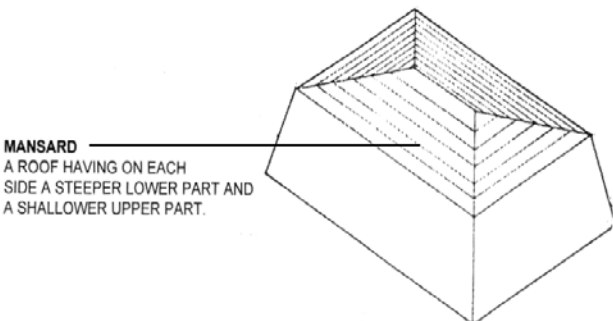


*GOAL # 4: Roof elements, including materials and colors, should be of a design that is compatible with, or complementary to the historic or contributing roofs found in the neighborhood, and should provide pitched (sloped) roof elements, or facades with pitched element, which can be seen from public rights of ways and places.*



## Standard #4.1.

Steep pitched roofs are encouraged, but in those instances where flat roof construction is proposed it shall be augmented with pitched roof elements, including but not limited to: peaked or sloped facade elements or parapets facing all street sides. Pitched roof elements shall vary by a minimum of two (2) feet, up or down and are encouraged to change in relationship to changes that occur in the wall plane as required in Standard #2.1, #2.2 and elsewhere in the overlay district. Mansard roofs are not appropriate and shall not be allowed.



## Standard # 4.2.

Where pitched roofs are utilized, the use of dormers (shed, peaked, etc.) shall be used to help break up large expanses of roof, to enhance the usability of attic spaces, and to add architectural interest to the roofscape. Ridge lines shall change elevation by no less than two feet for every 27 feet of length, with the exception that buildings of 33 feet or less in length, as noted in section 2.1 are exempt from this provision (please reference sketches by Goal #2). Architectural

elements which intersect with the ridge line may qualify as ridge line changes upon a finding that the design furthers the intent of this section.

## ZONING

### Standard # 4.3.

Roof lines shall be designed in a manner where they do not substantially deposit snow onto required parking areas, sidewalks, trash storage areas, stairways, decks, balconies or entryways.

### Standard # 4.4.

If metal roofs are used they shall be surfaced with a low-gloss finish or capable of weathering to a dull finish in order to not be reflective.

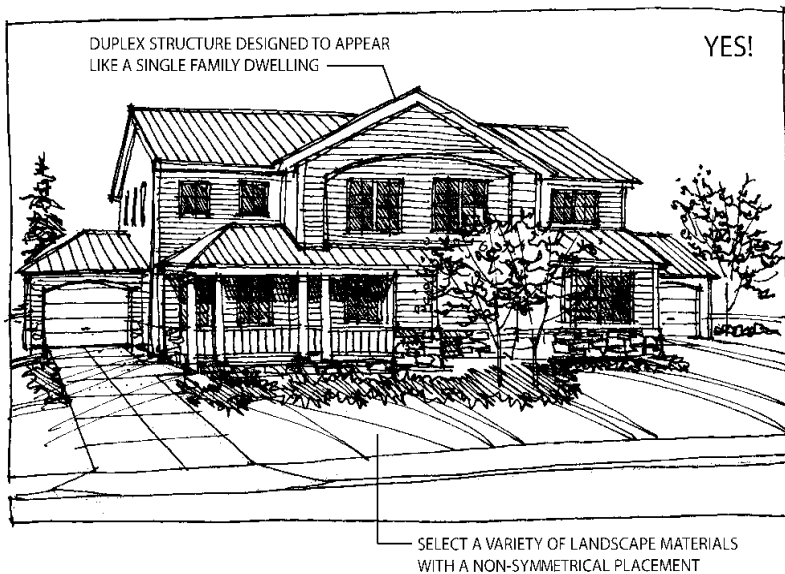
### Standard # 4.5.

Metal roofs shall have a standing seam or be of a design that provides relief to the roof surface. Asphalt and fiberglass shingles shall be permitted provided that they are of heavy material to provide substantial relief and shadow, and are of a design and color to be compatible with the building. Spanish/Mission style roofs and other similar roof materials are prohibited. Historic buildings, as noted in the Town's 1991 Historic Resource Inventory, may be permitted to utilize rolled asphalt roofing materials.

### Standard # 4.6.

Bright colored roofs, which exceed a chroma of 4 on the Munsell Color chart shall not be allowed.

*GOAL #5: Development should create a variety of designs while still being compatible with the desired character of the neighborhood.*



### Standard # 5.1.

Duplex structures shall be designed to look like a single family structure to the extent architecturally feasible, and shall not be designed in a manner that results in each half of the structure appearing substantially similar or mirror image in design.

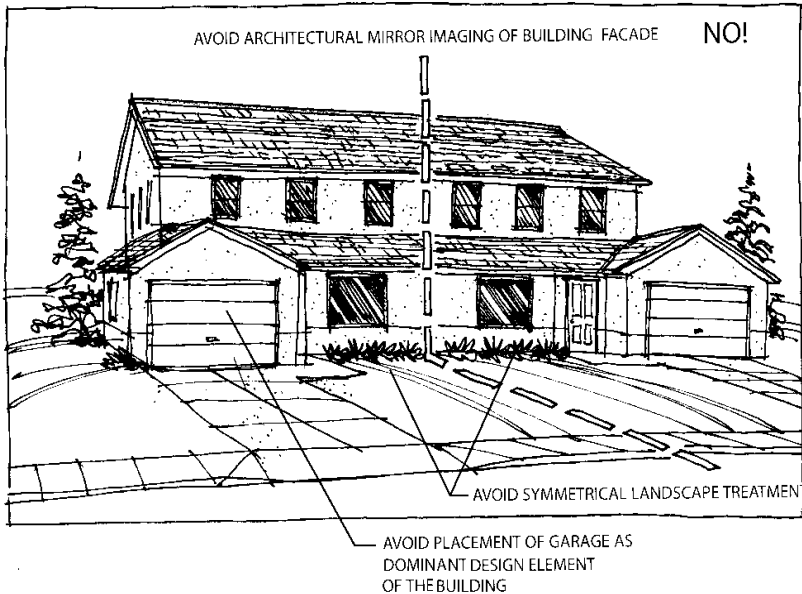


## ZONING

### Standard # 5.2.

Building designs that duplicate, or are substantially similar in design to existing or proposed structures within the Overlay Zone shall not be allowed, with the exception that accessory structures on the same lot or parcel as the primary structure may be similar in design as the primary structure. In those instances where a proposed building contains a multiple of identical units, the building design shall provide architectural relief from the duplication of units by

providing a variety in windows, decks, balconies, or exterior facade composition (As noted in section 1.2).



*GOAL # 6: Building colors should be used that are compatible with the existing neighborhood characteristics, and that do not conflict with the goals of the community to provide a "small mountain town" feel. Exterior wall colors should be compatible with the site and surrounding buildings. Natural colors (earth tones found within the Frisco area) and stains on wood should be utilized. Darker colors are recommended for roofs.*

### Standard # 6.1.

No color may be used as the primary color of the building that exceeds a chroma of 4 on the Munsell Color chart.

### Standard # 6.2.

Colors that exceed a chroma of 4, but that do not exceed a chroma of 8 on the Munsell Color chart may be used only as accents and then sparingly, such as upon trim or railing, and in no instance shall luminescent, fluorescent, or reflective colors be utilized on any exterior portion of the building.

### Standard # 6.3.

The same, or similar colors shall be used on the main structure and on any accessory structures upon the site, unless an alternative scheme can be provided that will complement the primary structure.

### Standard # 6.4.

A color board shall be submitted and reviewed showing all proposed primary and accent colors and intensities proposed for the building and how each will be utilized.

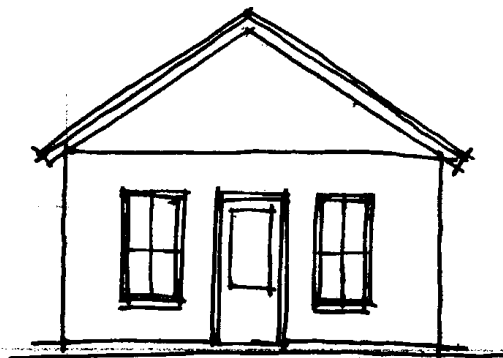
## ZONING

### VI. DEVELOPMENT INCENTIVES.

The Town shall allow the following modifications to the requirements of the Granite/Galena Street Overlay District in order to promote better design and encourage the preservation of historic resources within this critical area of the community.

- A. To promote the preservation of historic resources within Frisco, the town shall waive the rear yard (alley) bulk plane descent requirements within the Granite and Galena Street Overlay District and allow the maximum height of 40 feet to be maintained to the rear property line in those instances where the project substantially meets the following standards, as determined by the Planning Commission.
1. The property contains a historic structure or structures as designated within the Frisco Historic Overlay District; and
  2. All significant historic structures are maintained on-site and renovated in a manner that preserves them in a state similar to what they looked like historically. This may include the installation of a foundation in those instances where one does not presently exist, and those improvements necessary to bring the building up to current building and electrical code standards related to life safety issues; and
  3. Any additions or new buildings placed on-site shall meet the following standards:
    - a. The proportions of window and door openings are similar to historic buildings within the Granite and Galena Overlay District.
    - b. The perceived width of nearby historic buildings is maintained in new construction.
    - c. The proposed new building or addition shall appear to be similar in width and scale within the neighborhood and its historic context, as perceived from public ways.

ORIGINAL  
BUILDING



## ZONING

YES!

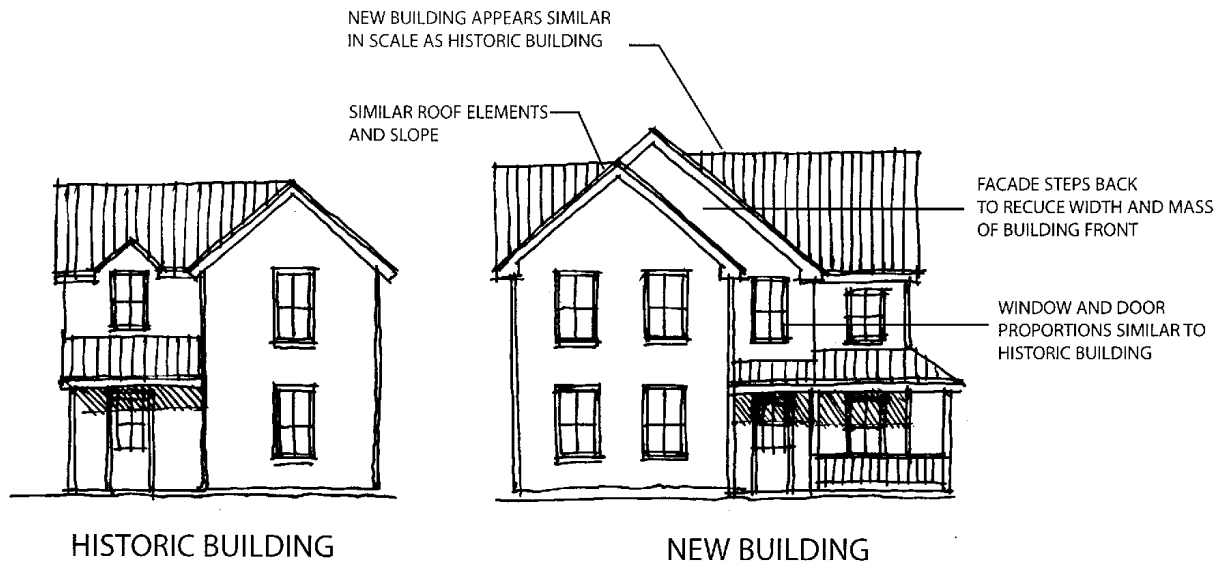


NO!



- d. New buildings and additions shall be designed to be similar in mass with the historic character of the area in which they are located.
- e. New buildings and additions shall be designed so they do not noticeably change the character of the area as seen from a distance.
- f. The perceived building scale established by historic structures shall be respected within the relevant character area. An abrupt change in scale within the district is inappropriate, especially where a new, larger structure would directly abut smaller historic buildings.

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### G. DECISIONS AND FINDINGS

No development located within the Granite Street/Galena Street Overlay zone shall be approved by the Town unless the project is in substantial compliance with the specific standards and regulations of the Town, and after review of the project, and findings are made to that effect.

ZONING

**§ 180-23. Parking and Loading Regulations. [Amended 01-03-84, Ord. 84-01; 08-19-86, Ord. 86-07; 02-06-92, Ord. 92-03; 08-16-95, Ord. 95-07; 06-01-99, Ord. 99-08; 07-11-00, Ord. 00-11; 03-05-02, Ord. 02-02, 03-18-03, Ord. 03-05; 02-10-04, Ord. 04-01; 01-11-05, Ord. 04-23; 06-13-06, Ord. 06-19; 08-08-06, Ord. 06-26; 02-13-07, Ord. 07-04; 10-09-07, Ord. 07-17; Ord. 09-19, 11-10-09; Ord. 14-01, 02-11-14]**

A. Applicability.

These regulations are applicable to all new Development and the expansion of existing Development, and all commercial vehicles parked in residential areas within the Town of Frisco that create parking and loading demand. All such structures shall provide parking on the premises according to the following requirements. Parking, loading and driveway facilities shall comply with the Town of Frisco Minimum Street Design Criteria as referenced in Chapter 155.

B. Purpose.

The intent of these regulations is to require that parking and loading spaces be provided relative to the impacts created by proposed new developments, while promoting a pedestrian oriented commercial and downtown area.

C. On premise parking requirements.

1. Parking Requirements. The following minimums for permitted uses. Minimum must be compiled with in all zone districts except the Central Core District (CC) and those properties within the Mixed Use District (MU) that front on West Main Street. On premise parking requirements for the Central Core District and those properties in the Mixed Use District that front on West Main Street are found under sub-paragraph (2) of this subsection C. Conditional uses may require additional parking. Multiple uses will be assessed parking requirements per use by staff and an aggregate number will be generated.

Use		Parking Space Requirements	
Accommodations:	Accessory	Per Lock-off	1.0
		Boarding, rooming, lodging tourist home, Bed & Breakfast	Each bedroom
	Each Residential Employee unit		2.0
	Hotel, motel inn		Each bedroom
		Each Resident Employee unit	2.0
		To provide for nonresident employees-per 2,500 GFA	1.0
Commercial:	Car Wash	Stacking spaces per washing bay	5.0
		Plus 500 square feet of GFA or portion thereof	1.0

## ZONING

	Commercial Businesses with drive-up windows	Stacking spaces per window	5.0
	Gas station	Per pump	1.0
	Medical offices	Per 350 square feet of GFA	1.0
		plus per exam room	1.0
	Office	Per 350 square feet of GFA or portion thereof	1.0
	Retail	Per 350 square feet of GFA area or portion thereof	1.0
	Service station, auto repair	For every service bay	4.0
	Warehousing, wholesale business and Contractor Trades	Per 750 square feet of GFA	1.0
Education:	Day Care*	For every employee at maximum staff level	1.0
	*Adequate drop-off/pick-up space, equivalent to one (1) parking/stacking space per every ten (10) children (based on center's regulated capacity)		
	Elementary, Jr. High	For every classroom	2.0
	High school/college	For every 4 students (capacity)	1.0
Food/entertainment	Arcades, dance halls, gymnasiums, skating rinks and other similar functions	Per 200 Square feet of GFA	1.0
	Auditoriums, theaters, conference facilities, and similar functions	For every 4 seats	1.0
	Bowling alley	Per lane	2.5
	Fast food restaurants	Per 150 square feet of GFA (non-seating area)	1.0
		Plus Per 250 square feet of GFA (seating area)	1.0
		Stacking spaces per drive-up window	5.0
	Restaurants, bars and taverns	Per 250 square feet of GFA	1.0
Miscellaneous:	Church	Per every 4 seats	1.0

ZONING

	Hospital	Per every 3 beds	1.0
		Plus for every employee at maximum staff level	1.0
	Museum, art gallery, library	Per 400 square feet of GFA	1.0
		Plus per every 2 employees at maximum staff level	1.0
	Nursing home	Per 3 beds	1.0
	For any Non-residential change in use	<p>A parking reduction may be allowed such that the "new" use is not assessed by the parking use requirements. In order to qualify for such reduction, the change in use must meet one of the following criteria:</p> <ol style="list-style-type: none"> <li>1. Based on the Town's Parking Study for the Central Core area of Town, that the change in use will not substantially limit the amount of parking space availability on-street in that location and at that time of day.</li> <li>2. That enough on premise parking is provided for the commercial project area in that it is designed to serve two or more distinctly different land uses at a reduced ratio, as indicated by a study to substantiate different peak uses, which must be provided by a traffic engineer or other qualified professional, and approved by the Town.</li> </ol> <p>In all cases, the existing parking space requirements must be maintained.</p>	
Other	As determined by the Planning Commission. The Planning Commission shall be guided by the comparison with the parking requirements for similar uses which are listed.		
Residential:	Accessory	Per accessory unit:	1.0
		Per Lock-Off:	1.0
	Duplex	Per Bedroom:	1.0
		Minimum Per Unit:	2.0
		Maximum per Unit	4.0
	Single Family	Per Bedroom:	1.0
		Minimum Per Unit:	2.0
		Maximum Per Unit:	4.0
	Multi Family (3+ Units)*	Studio	1.0
		Per Bedroom:	1.0
		Maximum per Unit	4.0
	* Plus additional spaces for visitors: One (1) space for every five (5) units including caretaker units.		
	Deed Restricted Units	Studio	1.0

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	(Affordable Units)	Per Bedroom	1.0
		Maximum per Unit	2.0

2. Minimum Parking Requirements for the Central Core District (CC) and properties within the Mixed Use District that front on West Main. The following minimums for permitted uses must be complied with. Conditional uses may require additional parking. Multiple uses will be assessed parking requirements per use by staff and an aggregate number will be generated.

Use		Parking Space Requirements
Retail*	Per 450 square feet of GFA or portion thereof	1.0
Office	Per 450 square feet of GFA or portion thereof	1.0
	If not located on the ground floor	0.0
Medical Office	Per 450 square feet of GFA or portion thereof	1.0
Restaurants, Bars and Taverns*	Per 350 square feet of seating area	0.0
	Per 450 square feet of non-seating area	0.0
Accommodations – hotel, motel, inn	Each resident employee unit	1.0
	Each bedroom	1.0
Residential Uses	Studio and Accessory Unit	1.0
	Per bedroom	1.0
	Maximum per Unit	4.0
	For Multifamily, 3 plus units, add'l parking for visitors is required	1 parking space for every 5 units

\* Any change in the use from retail, restaurant, bar or tavern GFA approved by the town using the parking provisions contained herein to other uses (permitted or conditional) must provide parking spaces in the amounts and locations required by the chapter.

For purposes of calculating the minimum parking requirements for any property located within the Central Core District or the Mixed Use District when a property fronts on West Main Street, if any proposed use is not noted under this subparagraph (2), the parking requirements as provided subparagraph (1) of this section shall apply.



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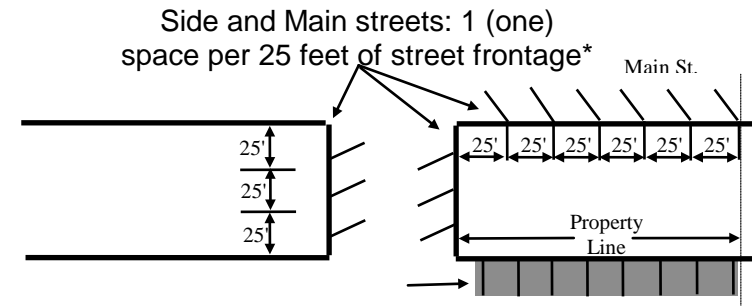
3. On-Street Parking Credits. Parking requirements for non-overnight uses may be reduced within the Central Core District (CC), the Mixed Use District for properties that front on West Main Street, and any other property fronting Main Street, including West Main Street and East Main Street, in recognition of adjacent on-street and alley parking. In addition, the parking requirements for non-overnight uses may be reduced for properties within the Mixed Use District that front on Granite Street. The reduction in parking requirements for such properties that front on Granite Street shall not apply to any property that fronts along the alley way or other streets in the vicinity of Granite Street. Credits for nearby parking within rights-of-way shall be granted based on the following:

### Credit or Parking Reduction

1 parking space reduction

### Criteria

For every 25 feet of linear frontage abutting a public right-of-way on which legal on-street parking exists within 300 feet of the property



4. Multi-use Shared Parking Provisions. Within the AC, AO, CC and MU zoning districts, parking reductions for multi-use developments may be allowed of up to twenty (20) percent of the required parking upon approval (with or without conditions) by the Planning Commission according to the following criteria:
- The proposed parking for both uses shall be on-site; and
  - The parking is provided in areas designed to serve two (2) or more distinctly different land uses; and
  - The reduction in parking is justified using industry standards such as those established by the Urban Land Institute, the Institute of Transportation Engineers or other acceptable standards.
5. Understructure Parking Facility Provisions. For purposes of this provision, understructure parking shall mean that the parking will be located in a Parking Facility which is substantially underground or substantially below the average existing grade or located at grade under a structure. All understructure parking must meet the following criteria:

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- a. That above grade parking for the project be significantly screened from adjacent public rights-of-way; and,
- b. That the understructure Parking Facility is significantly screened from any public rights-of-way; and,
- c. That vehicular access to and from the understructure Parking Facility is not provided from Main Street or Summit Boulevard, unless no other access point exists.

Technical specifications for underground parking structures are found in the Town of Frisco Minimum Street Design Criteria, as referenced in Chapter 155.

6. Accessible Parking Space Requirements. All facilities, commercial and multifamily (with seven attached units or more) projects shall provide accessible parking according to the following requirements or Federal ADA requirements, whichever is greater. In addition, a minimum of one (1) required accessible space must be designated for accessible vans. One van accessible space is required for every eight (8) required accessible spaces:

Total Parking Spaces Accessible Spaces Required

1 to 25 - 1

26 to 50 - 2

51 to 75 - 3

76 to 100 - 4

101 to 150 - 5

151 to 200 - 6

201 to 300 - 7

301 to 400 - 8

401 to 500 - 9

501 to 1000 - 2% of total

1001 and over - 20 plus 1 for each 100 over 1000

- a. All required accessible parking spaces shall not count towards any required visitor parking space requirements.
7. A nonconforming use or structure that is nonconforming due to inadequacies in its provision of onsite parking may be expanded, changed, or altered in accordance with the provisions of this Section, provided that parking is provided for the expansion in accordance with the current parking standards.

### D. Off-Site Parking Allowances.

1. Overnight uses shall provide parking on premise. Up to one-hundred percent (100%) of required non overnight parking, excluding required accessible spaces, in the Central Core (CC) and West Main (MU) Districts may be met off-site if approved by the Planning Commission pursuant to the following criteria:
  - a. The property is located within three (300) hundred feet (using the shortest distance between two points) of off-site private parking developed per subsection D.2.

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- b. The public health, safety, or welfare would not be adversely affected or more than normal impacts on the neighborhood created by locating the required parking off the property.
- c. The off-site parking is easily accessible from the property.

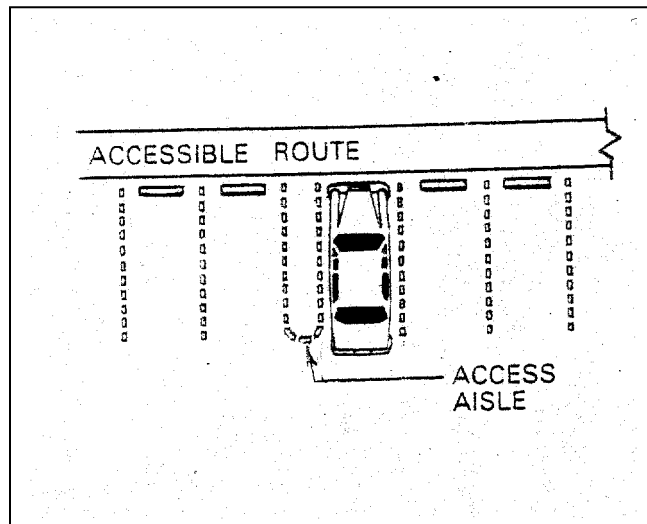
### 2. Private Parking Facilities.

Required non-overnight parking may be provided in off-site private parking facilities or lots if the title to the land for off-site parking is deed restricted, in whole or in part, and made subject to an exclusive perpetual easement for parking purposes in favor of the owner(s) of the developing/remodeled property for use of the required number of parking spaces. Proof of ownership of the off-site parking spaces must be provided at the time of development application, subdivision or resubdivision application, business license application or renewal, and/or building permit, whichever is sooner.

The off-site parking must be existing and complete prior to a Final Certificate of Occupancy being issued for the developing/remodeled property and the off-site parking must be noted on a recorded plat as dedicated to the developing/remodeled property for required parking.

### E. Parking Standards and Criteria.

1. Dimensions. Except as noted in subsection (c), parking stall dimensions shall be designed to conform to the following minimums:
  - a. Parking Facilities. Nine by eighteen and five-tenths (9 x 18.5) feet (including stacked spaces) with the exception of parallel parking spaces which shall be eight by twenty-five (8 x 25) feet. Covered parking spaces and parking structures shall have a minimum vertical clearance of at least eight (8) feet in height.
  - b. Accessible Spaces. Eight by eighteen and five-tenths (8 x 18.5) feet plus a minimum accessibility aisle area of five (5) feet for each space. All accessible spaces designated for accessible van must have a minimum aisle width of eight (8) feet. Two adjacent accessible spaces may share the same accessibility aisle. All

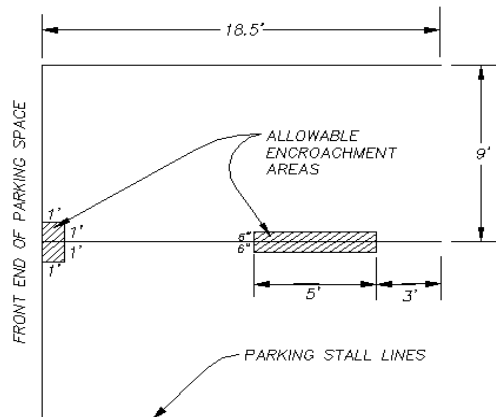


accessible spaces must be designated by a sign showing the symbol of accessibility (a wheelchair). Accessible spaces designated for accessible vans shall have an additional sign with the words "Van Accessible"

## ZONING

mounted below the symbol of accessibility. All accessible signs shall not be obscured by a parked vehicle. Each sign shall be no smaller than one (1) foot by one (1) foot and shall be located at the end of the space. Accessible spaces shall be located on the shortest accessible route of travel from adjacent parking to an accessible building entrance or to an accessible pedestrian entrance of a parking facility.

- c. **Parking Space Encroachments.** Encroachment into parking area stalls with vertical elements (e.g. structural columns, light fixtures) is allowed in accordance with the following provisions:
- i. The centerline of the vertical element shall be placed on the adjacent parking space line along the 18.5' dimension.
  - ii. Encroachment at the front end of the parking space is allowed, but shall be limited to one foot of encroachment from the head of the space and 1 foot of encroachment into the head of the adjacent parking space. No stall shall have more than one of this type of encroachment.
  - iii. Encroachments along the 18.5' dimension also is allowed between 3 feet and 8 feet from the opening of the parking space and shall not encroach more than 6 inches into any one stall. Only one vertical element shall be allowed for this type of encroachment. No stall shall have more than one of this type of encroachment.
  - iv. Nothing in this subsection (c) shall be construed to allow for an encroachment into or adjacent to any accessibility aisle for accessible parking spaces.



# ZONING

2. Aisle Widths. Parking lot aisles shall meet the following minimum requirements, upon approval of the Public Works Director.

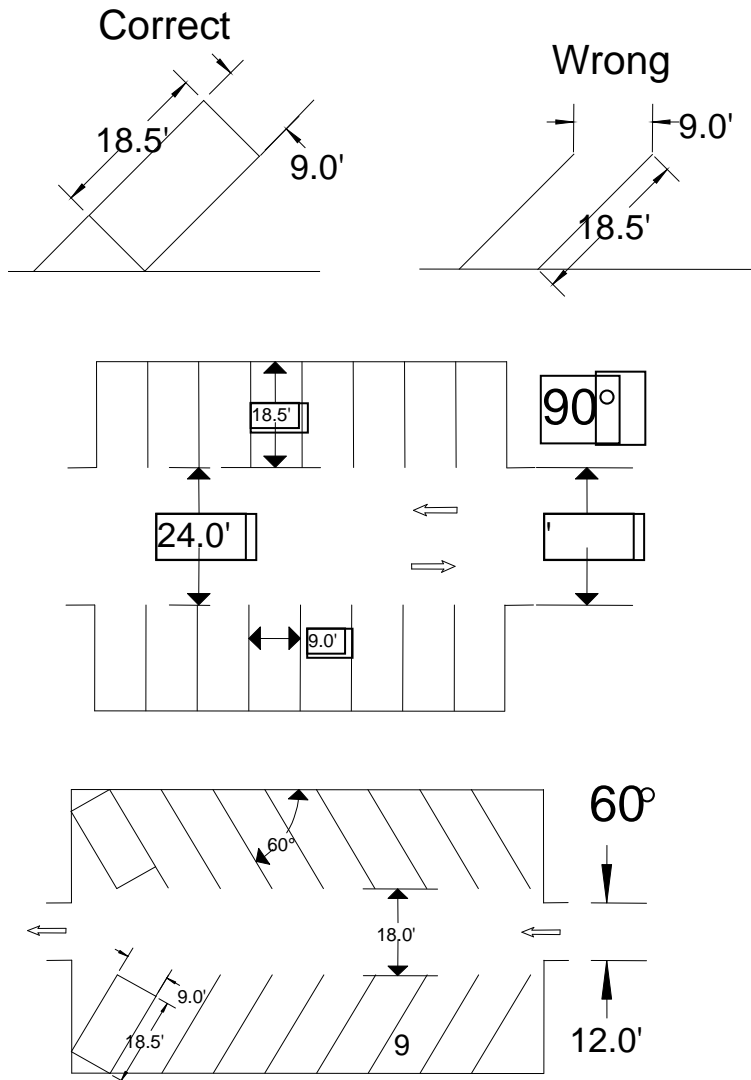
Type	Aisle
90 degree parking	24 feet (two-way)
90 degree parking	20 feet (one-way, parking on one side of aisle)
60 degree parking	18 feet (one-way)
45 degree parking	12 feet (one-way)

All two-way aisles for multi-family and commercial uses shall be 24 feet wide.

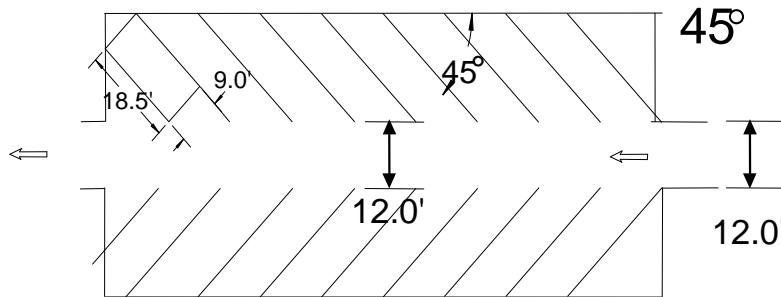
3. Design.

- a. Parking areas shall be designed to be in conformance with the following diagrams and in conformance with the Town of Frisco's Minimum Street Design and Access Criteria, as referenced in Chapter 155:

## How to Measure Parking



## ZONING



- b. A backup space shall be provided for the end space in dead end lots. Said backup space shall be sized to allow for a safe backing movement, and provide a minimum depth of 5 feet for the width of the aisle. Backup space shall be considered part of the parking lot.
  - c. All parking areas shall provide landscaping or other appropriate screening to reduce the visual impact of the parking from any public street as provided in the landscape requirements for the Town of Frisco in Section 180-20.1.H, Landscaping and Revegetation Requirements.
  - d. Parking areas shall be graded for proper drainage with surface water diverted in such a way as to keep the parking area free from accumulated water or ice. Drainage improvements shall be designed in compliance with Section 180-20E, Drainage Plans, of the Frisco Town Code.
  - e. All required parking spaces shall have adequate access to a street or alley.
  - f. Residential driveways must be a minimum of 9 feet wide x 18.5 feet long.
  - g. All parking areas required for commercial uses or for multifamily projects containing 3 or more residential units shall be surfaced concrete or asphalt material and shall be built in accordance with the Town of Frisco Minimum Street Design and Access Criteria as referenced in Chapter 155. Responsibility for maintenance of the lot shall rest with the property owner.
4. Tandem Parking.
- a. For non-residential uses, stacked (tandem) parking spaces shall not qualify for required parking spaces.
  - b. Single family residential units and duplex units are exempt from the tandem parking space restrictions of subsection 1 above.
  - c. For multi-family residential projects, two spaces stacked (tandem) spaces may be permitted if Planning Commission finds that the layout of the parking is functional and, at a minimum, finds two (2) out of the following four (4) criteria are met:

## ZONING

- i. That some of the spaces could be used as potential visitor parking space; and/or,
  - ii. That, given the layout and design of the building, adequate storage space is provided for the residents so that it is not anticipated the parking space(s) will be needed predominately for storage; and/or,
  - iii. That the architecture of the building façade which faces or accesses the parking spaces avoids a canyon effect, such that movement is provided in the building design; and/or,
  - iv. That an adequate turning radius area is provided with the parking layout to allow for turning and backing into or out of the tandem parking spaces.
5. Residential Parking Restriction: Operable licensed commercial vehicles may be parked on-site in residential areas as long as they are parked in designated and approved parking spaces, and provided that the spaces are wide and long enough to accommodate the commercial vehicles and not impede the access of other vehicles to any other designated and approved parking space on the property.

### F. Snow Storage Areas.

Snow Storage for all uncovered parking areas and drives shall be provided for all single family, duplex, multi-family and commercial developments in the following manner:

1. Amount Required. Snow storage shall be provided on premises in the amount of one hundred (100) square feet for every three hundred and fifty (350) square feet of paved surface area.

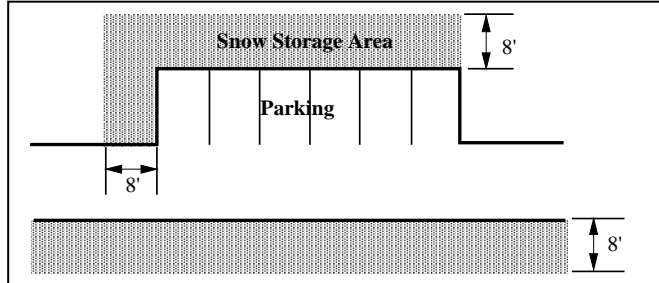
Exceptions. The Town of Frisco wishes to encourage design solutions that allow for the efficient use of land within the Town. It is in the best interests of the community to promote the use of alternative energy sources and the use of more reliable technologies and the Town finds that solar technologies are more reliable than similar, non-solar technologies.

- a. A 50% reduction in the required snow storage area shall be permitted by the Planning Commission if an adequate snow melt system is constructed for any parking area. Snow storage meeting the town's requirements must still be provided for any driveway. The snow melt system shall include all functional design aspects including on-site drainage, and shall be approved by the Frisco Public Works Department as to the location of the snow melt equipment in relation to public rights of way and facilities and the provision of adequate capacity for the system. All snow melt boilers and similar equipment shall be located within a structure.
- b. A 70% reduction in the required snow storage area shall be permitted by the Planning Commission if solar technology is used for the snow melt system constructed for any parking area. Snow storage meeting the town's requirements must still be provided for any driveway. The snow melt system shall include all functional design aspects including on-site drainage, and shall be approved by the

## ZONING

Frisco Public Works Department as to the location of the snow melt equipment in relation to public rights of way and facilities and the provision of adequate capacity for the system. All snow melt boilers and similar equipment shall be located within a structure. The solar panels must be incorporated into the building design and must meet all applicable dimensional requirements such as building height.

2. Location. All snow storage areas shall be located lengthwise adjacent to the applicable paved area in order to facilitate snow removal. Required snow storage areas may not be placed on any public right-of-way or on adjacent private property.



3. Minimum Width. The dimension of snow storage areas must be adequate to serve the snow storage purpose and any snow storage area provided shall be a minimum of 8 feet in width.
4. Drainage Areas. Snow storage areas may be located within drainage facilities if approved by the Town Engineer using the drainage requirements found in Section 180-20.
5. Shared Uses. Snow storage areas may not be combined with other uses, such as but not limited to trails and trail/pedestrian easements, and parking areas (except as noted in drainage areas above). Snow storage areas may be combined with required landscaping if the landscaping is designed to be compatible with large amounts of snow.

### G. On Premises Loading Requirements.

On premises service and loading facilities shall be provided according to the following schedule for commercial uses. All such service and loading facilities shall be located so that no vehicle loading or unloading merchandise shall be parked in front of any property or block traffic in any street or public right-of-way including alleys, and must meet the following:

1. On premises loading areas must have a minimum dimension of fifteen by thirty (15 x 30) feet. Where loading areas are covered; a minimum height of fifteen (15) feet is required. Where semi-trailer trucks typically unload, the minimum loading area size shall be 15 feet by 60 feet by 15 feet high. No portion of a loading vehicle may protrude into a public right-of-way; and



## ZONING

2. On premises loading areas shall be required for each structure according to the following schedule, unless it can be demonstrated to the satisfaction of the Town that sufficient loading is available from an adjacent alley or other suitable area, which alley or area is shown not to impede vehicular traffic or pedestrian use when used for loading purposes:

### Commercial Uses:

0-12,000 square feet GFA - 0

12,000 - 40,000 square feet GFA - 1

For each additional 40,000 square foot GFA, or increment thereof - 2

### H. Maintenance Standards.

1. All required parking improvements, including but not limited to, parking spaces, aisles, driveways, and curb and gutter shall be maintained in good repair.
2. The minimum required number of parking spaces shall be maintained and not reduced in number, unless there is a change of use or amendment to these regulations which allows for such reduction.
3. Required parking spaces shall not be used as snow storage areas, except on a temporary basis, not to exceed 48 hours for any one snow fall event.

**Land Sale Abstracts**

**Land Sale Number 1**

Town Centre Condos

Aerial Photo



Map



Description of Aerial:	Property is located at the NEC of S. 5th Avenue and Granite Street
Date of Inspection:	8/27/2015
Inspecting Appraiser	John Olson

The property is located at the northeast corner of Granite and 5th Avenue. The Bears Den Condos are located directly east in a three building complex

Location/Address:	116 and 118 S. 5th Avenue
Tax Schedule No.:	2097-3524-05-004
Legal Description:	LOT 13,14,15,16,17 BLOCK 11 FRISCO TOWN SUB

**Sale Information**

Grantor:	Cynthia and Daniel Eilts - 970-468-5187 - Mansontown Mines, LTD		
Grantee:	Town Center LTD - Larry Feldman - 303-906-5353 - larryf7@comcast.net		
Sale Confirmed with/Date:	John Olson confirmed with County Records on 9/23/2015 - emailed Larry Feldman Purchaser 9/23/2015 - larryf7@comcast.net 303-906-5353		
Appraiser Confirming:	John Olson confirmed with County Records on 9/23/2015		
Recordation/Sale Deed:	5/6/2014 - Reception Number 1054579 and 1054580 - Property had been through the Entitlement Process which began in November 2013 - Planning File Number 211.13.DA/CU/SD		
Property Rights Conveyed:	Fee Simple with Single Family Residence and Several Sheds which were subsequently Demolished		
Conditions of Sale:	Deed of Trust Recorded on May 6, 2014 at reception number 1054581 - Firstbank - \$525,000 note From Town Centre LTD and Lawrence Feldman at an interest rate of 4.5% due November 1, 2014 (6 months)		
Financing Source and Terms:	Cash	Date of Sale:	4/30/2014
Post Sale Expense:	None	Selling Price:	\$750,000
Project Influence:	None	Price Per Acre Gross	\$1,867,065
Price Per Unit	\$41,667	Price Per Square Foot Gross	\$42.86

**Physical Characteristics – Legal Aspects**

Gross Land Area Acres:	0.4017	Access:	Off 5th Avenue - common drive into covered parking area.
Gross Land Area Square Feet	17,498	Restrictive Easements:	Prior Zoning
Shape:	Rectangular	Utilities:	All to site - (1 EQR at \$3,936 and 1 sewer tap)
Topography:	Gently Sloping	Zoning:	CC - Prior Parking Standards
Drainage/Flood Plain:	Not Applicable	Platted:	Developer took through entitlement process prior to closing - November 5, 2013
Stage of Development:	Not Entitled	Area Development:	Downtown Frisco
Number of Units	18	Density units per Acre	44.80955937
Use at time of sale:	Residence		
Highest and Best Use:	Multifamily Residential		

**Remarks:**

The property will have two Buildings with a central drive entering off S. 5th Avenue. The commercial unit will be located at the northwest corner on the Alley and S. 5th Avenue. 40' high in three stories with a gross building area of 37,214 SF including 1 commercial unit on the ground floor and basement at 2,426 SF.  
 18 Residential Units with 40 Parking Spaces (37 interior and three exterior carport visitor spaces)  
 6 dwelling units are permitted and purchaser applied for additional 12 bonus units with 6 being affordable and 6 being market  
 Property was under contract for approximately one year prior to close, purchaser took through entitlement process prior to purchase  
 Property was improved with single family residence prior to sale and two out buildings.  
 Property included one water and sewer tap.

Water tap fees are to be paid at the issuance of a building permit. The property presently has one EQR (water tap) assigned to it. For 2013, water tap fees are \$3936.00 per EQR. Nineteen residential units will be charged is \$74,784.00. The commercial space will be charged \$8659.20. Relative to the commercial component of the proposal, if a restaurant type of use is constructed, the water tap fee may change, based upon seats within the establishment. The applicant will need to provide the Water Department with the seating count for a restaurant type of use before we are able to calculate the water tap fee for this commercial use if that is the case.

MDA 1

- 18 total residential dwelling units:
  - 1 two-story/ground level and second level unit (±1,990 sq.ft.)
  - 3 second level market rate units (± 3,449 sq.ft.)
  - 6 second level deed-restricted affordable units (± 6,535 sq.ft.)
  - 8 third level market rate units (±11,219 sq.ft.)

The total building area of the individual units is 23,193 SF including 1,990 SF of commercial in a ground level and basement unit. The residential area is 21,203 SF.

Aerial from MDA



Proto of Commercial Component located at SEC of the Alley and S. 5th Avenue. Listed for lease Coldwell Banker Colorado Rockies Real Estate - 303-906-5353. Marketing Company for RiversEdge - Tate Santee tatesanteee@me.com or Larry Feldman larryf7@comcast.net

MDA 3

Land Use Information Chart:

Total square footage:	17,500 sq.ft. (0.402 acres)
Total lot coverage:	15,285 sq.ft. (87%)
Paved surface coverage:	165 sq.ft. (1%)
Open space:	2,018 sq.ft. (12%)
Total number of units:	18 residential units (45 bedrooms), 1 commercial unit
Total number of lots:	1 lot
Height of all structures:	40 ft.

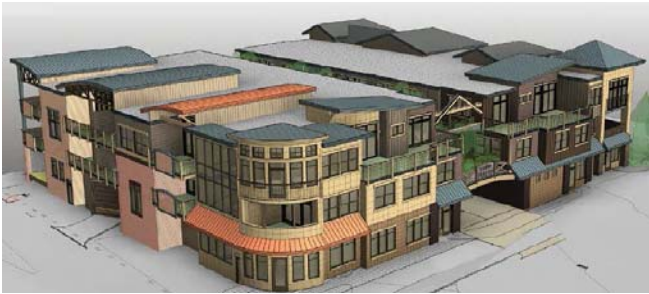
Details from the approved development application are displayed above.

MDA 4

Density:	44.7 units per acre
Parking spaces provided:	40 spaces
Total snow storage:	86 sq.ft.
Non-residential floor area:	2,426 sq.ft.

Details from the approved development application are displayed above.

Artists Rendition of Project looking southeast from Main St



Entrance to project will be off S. 5th Ave - commercial is located at corner of Alley and S. 5th Ave

Other



View of drive on east side of S. 5th Avenue.

Photo of New Development



View of site looking northeast from corner of Granite and 5th Ave

Street Scene Photo



View of site looking north from southeast corner of Granite and S. 5th Avenue

Land Sale Number 1

Town Centre Condos

Photo of Site



View of site looking south - Town of Breckenridge Park on north side of Alley

Photo of Site

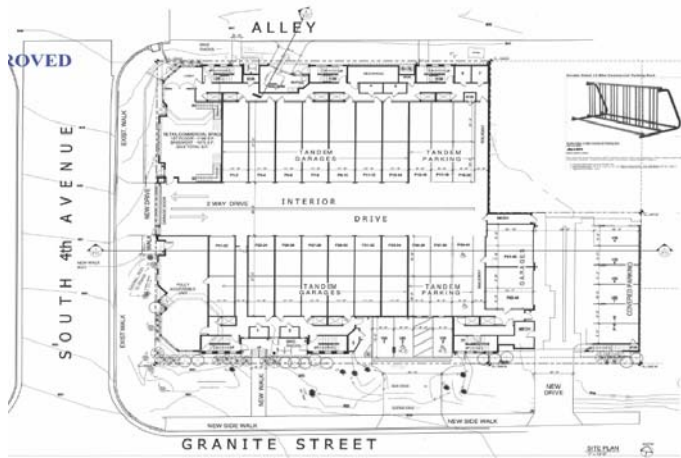


View of northern elevation of Town Center Condos facing Alley

**Land Sale Number 2**

**Condos Off Main**

Aerial Photo



Map



Description of Aerial:

Property is located at the NEC of 4th Avenue and Granite Street

Date of Inspection:

8/27/2015

Inspecting Appraiser

John Olson

The complex is located at the northeast corner of 4th Avenue and Granite Street and south of the Alley.

Location/Address:

156 S. 4th Ave, and 401, 407, and 415 Granite Street

Tax Schedule No.:

Legal Description:

Building 1, 2, 3, and 4 are be located at 156 S. 4th Ave, 401, 407, and 415 Granite Street Respectively

**Sale Information**

Grantor:	Town of Frisco		
Grantee:	Larry Feldman - 303-906-5353 - Condos Off Main LTD		
Sale Confirmed with/Date:	John Olson confirmed with County Records on 9/23/2015 - emailed Larry Feldman Purchaser 9/23/2015 - larryf7@comcast.net 303-906-5353		
Appraiser Confirming:	John Olson confirmed with County Records on 9/23/2015		
Recordation/Sale Deed:	Reception Number 1001879 recorded on September 4, 2012.		
Property Rights Conveyed:	Property was approved taken through the entitlement process after purchase - May 2, 2013 Frisco Planning Agenda Item File No: 64-13-MDA		
Conditions of Sale:	The town approved the sale on September 29, 2011. The buyer was required to develop the property in the immediate future. The property was formerly a bank building known as the Nurses Building.		
Financing Source and Terms:	Cash	Date of Sale:	10/26/2011
Post Sale Expense:	None	Selling Price:	\$1,099,000
Project Influence:	None	Price Per Acre Gross	\$2,026,347
Price Per Unit	\$32,609	Price Per Square Foot Gross	\$46.52

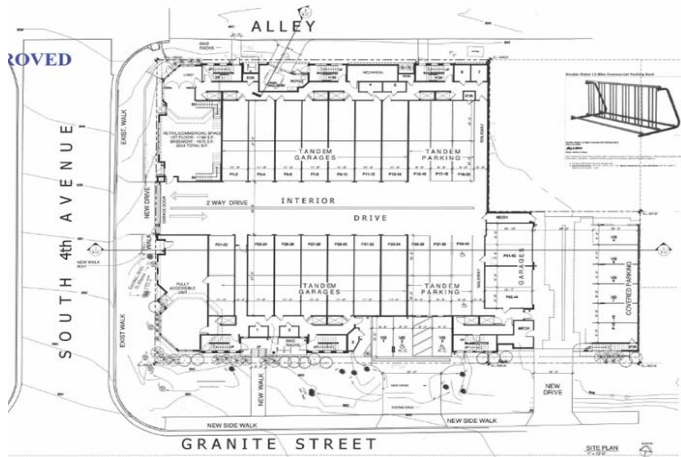
**Physical Characteristics – Legal Aspects**

Gross Land Area Acres:	0.542355372	Access:	From S. 4th Avenue and Granite Street
Gross Land Area Square Feet	23,625	Restrictive Easements:	Prior Zoning
Shape:	Rectangular	Utilities:	All to site - at least 1 water and 1 sewer tap
Topography:	Gently Sloping	Zoning:	CC - Prior Parking Standards
Drainage/Flood Plain:	Not In	Platted:	Purchaser took through entitlement process
Stage of Development:	Not Entitled	Area Development:	Condos to the east - Main street to the north
Number of Units	23	Density units per Acre	42.40761905
Use at time of sale:	Vacant commercial building		
Highest and Best Use:	Mixed use development		

**Remarks:**

23 residential units over a ground floor parking garage and approximately 2,243 SF of commercial space at 120 4th Avenue - Approved July 19, 2013  
 Approved by Town Council on August 28, 2012  
 There is a private garage and a private elevator that takes you right inside the unit  
 Project consists of 7 affordable units, 6 Bonus Units, and 23 Total Units. The One Bedroom Affordable unit will have a 616 SF of Living Area.  
 The property and the vacant building were listed for sale in 2011. Former mayor and Realtor Bernie Zurbruggen brought the sale to Feldman's attention. Market Rate Condos in the new development are value at approximately \$450,000 and deed restricted units are priced at about \$270,000  
 Property was improved with single family residence prior to sale and two out buildings.  
 Property included one water and sewer tap.  
 Employee Condo Unit 8, Building 1, sold for \$278,800 with a 1,013 SF Condo with 0 SF Parking Garage (2 stalls) 2 bedroom 2 Ba - Reception 1071559 12/3/2014

Site Plan



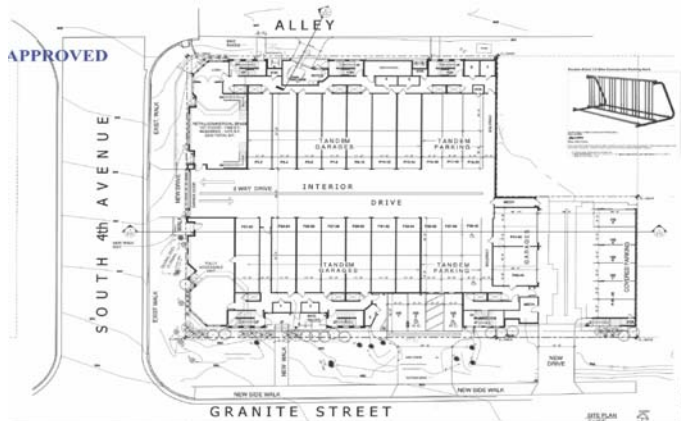
2nd Floor Floor Plan



The development is located at the NEC of South 4th Ave and Granite Street

The 2nd Story will have 13 Units - Affordable units 7,8,9,10 and 11 front the alley and 16 and 17 front Granite Street - 7 Total Affordable Units

Site Plan From MDA



Third Floor Floor Plan



The units have tandem parking garages, which are approximately 11' wide and 37' long. Exterior walk up units with stairs on the alley and Galena Street. The retail space will be located at the NWC of the project with 1,168 SF of first floor and 1,075 SF of basement space

The Third Story or Upper Floor will have 10 Units - All Market

MDA

MDA



Land Use Information Chart:

Total square footage:	23,625 sf (.54 acres)
Total lot coverage:	21,622 sf (91.5%)
Paved surface coverage:	944 sf (4%)
Open space:	1,180 sf (5%)
Total number of units:	
Residential	23 units
Commercial	1 unit
Total number of lots:	1
Height of all structures:	35 feet & 40 feet
Density:	44.4 units per acre
Parking spaces provided:	53 spaces
Total snow storage:	459 sf
Non-residential floor area:	2,234 sf

Building 1 off the alley will have 6 affordable units - all two bedroom between 1054 SF (interior units) and 1063 SF eastern end unit and 1,128 SF western end unit. Building 2 will have two affordable interior units and two market end units. Building three and four 2 and 1 market end units respectively.

Land Sale Number 2

Condos Off Main

Photo



View of site looking southeast from Alley and S. 4th Avenue - entrance to garage is located on east side of S. 4th Avenue

Photo



View of site looking northeast from corner of S. 4th Ave and Granite St

Photo



Alley view looking west at northern elevation of building

Photo



Southern elevation of building and view of site looking northeast over Granite Street from Corner of 4th and Granite St.

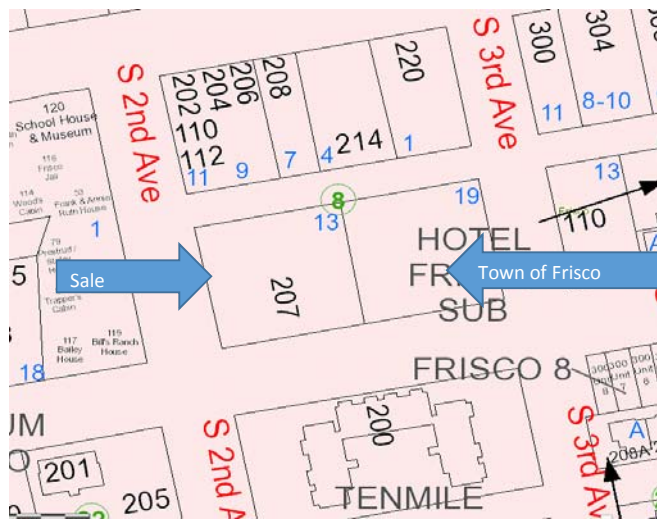


Glassman Companies Site

Aerial Photo



Map



Description of Aerial:	Site is detailed as 207 at the northeast corner of Granite Street and S. 2nd Avenue
Date of Inspection:	8/27/2015
Inspecting Appraiser	John Olson

Property is located at the northeast corner of 2nd Avenue and Granite Street. The lot is directly adjacent to a lot owned by the town of Frisco

Location/Address:	207 Granite Street
Tax Schedule No.:	2097-3523-29-005
Legal Description:	LOT:13 BLK:8 LOT 13,14,15,16,17,18 BLOCK 8 FRISCO TOWN SUB

**Sale Information**

Grantor:	South Boston Investments LLC - Linda Sebalk		
Grantee:	Glassman Companies, LLC - C/O Nathan Glassman - 1111 Forget Me Not Lane Dillon, CO 80435-8467 - 970-368-2420 - glassmancompanies@gmail.com		
Sale Confirmed with/Date:	John Olson confirmed with County Records on 9/23/2015 - emailed Mr. Glassman on 9/23/2015		
Appraiser Confirming:	John Olson confirmed with County Records on 9/23/2015		
Recordation/Sale Deed:	Reception Number 1057665 - 6/24/2014 2/24/2011 - Document Number 961441		
Property Rights Conveyed:	Fee Simple		
Conditions of Sale:	Property was financed by the Seller with a \$960,000 note payable in annual installments of \$320,000 beginning July 1, 2015. In addition, quarterly interest payments of \$9,600 are payable in year one, \$6,400 in year two, and \$3,200 in year three.		
Financing Source and Terms:	Cash	Date of Sale:	6/24/2014
Post Sale Expense:	None	Selling Price:	\$1,310,000
Project Influence:	None	Price Per Acre Gross	\$2,729,167
Price Per Unit	\$93,750	Price Per Square Foot Gross	\$62.65

**Physical Characteristics – Legal Aspects**

Gross Land Area Acres:	0.48	Access:	2nd Avenue and Granite Street
Gross Land Area Square Feet	20,909	Restrictive Easements:	Zoning
Shape:	Rectangular	Utilities:	To Site - assume vacant at sale no taps
Topography:	Level	Zoning:	CC
Drainage/Flood Plain:	Not In	Platted:	Not Platted
Stage of Development:	No Entitled	Area Development:	Vacant land and Town of Frisco Land
Number of Units	8	Density units per Acre	16.66666667
Use at time of sale:	Vacant Land		
Highest and Best Use:	Mixed Use Development		

**Remarks:**

Nathan Glassman - Glassman Companies - developed the Ridgeview Court complex consisting of five town home at 213 Frisco Street. The Total Density Developed above is based on 16 units per acre and does not include any bonus units  
Property is directly west of town owned property on Lots 19 - 24 Block 8 which is a similar size 20,909 square feet

Map



Site is located at northeast corner of Granite Street and S. 2nd Avenue shown with star above. Property directly east is owned by Town of Frisco

Photo Number 2



View of site looking look northeast from corner of 2nd Avenue and Granite Street

Photo Number 3



View of site looking north from Granite Street



View of site looking northeast from Granite Street

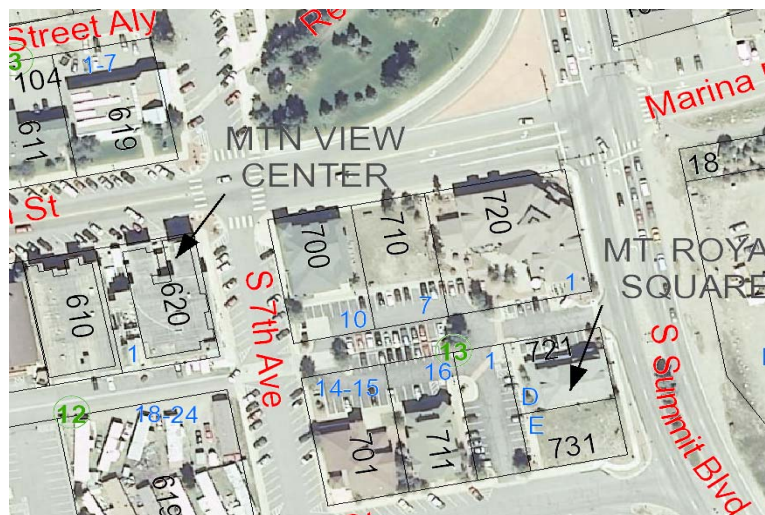
**Land Sale Number 4**

710 E Main Street Land Sale

Aerial Photo



Map



Description of Aerial:	Interior lot on south side of Main Street
Date of Inspection:	8/27/2015
Inspecting Appraiser	John Olson

The site is located on the south side of Main Street midway between 7th Avenue on the West and Summit Boulevard on the east.

Location/Address:	710 E. Main Street
Tax Schedule No.:	2097-3524-18-002
Legal Description:	LOT 7,8,9 BLOCK 13 FRISCO TOWN SUB

**Sale Information**

Grantor:	Hearthstone Fund Incorporated		
Grantee:	Indian Paintbrush Breck, LLC - Elaine Bellin - Manager - Listing is for 970-390-2619 Number and Offers to Build to Suit		
Sale Confirmed with/Date:	John Olson confirmed with County Records on 9/23/2015		
Appraiser Confirming:	John Olson confirmed with County Records on 9/23/2015		
Recordation/Sale Deed:	Reception Number 975122 recorded September 12, 2011. Deed was signed September 6, 2011.		
Property Rights Conveyed:	Fee Simple		
Conditions of Sale:	Property was foreclosed on in February 23, 2011 - Reception Number 960567 - Original loan amount \$550,000 Recorded 862845 on 7/31/2007 - Prior sale on July 31, 2007 for \$749,000 seller financing at 5%		
Financing Source and Terms:	Cash	Date of Sale:	6/7/2011
Post Sale Expense:	None	Selling Price:	\$425,000
Project Influence:	None	Price Per Acre Gross	\$1,770,833
Price Per Unit	N/A	Price Per Square Foot Gross	\$40.65

**Physical Characteristics – Legal Aspects**

Gross Land Area Acres:	0.24	Access:	From Alley - pedestrian from Main Street only
Gross Land Area Square Feet	10,454	Restrictive Easements:	Zoning
Shape:	Rectangular	Utilities:	To Site
Topography:	Level	Zoning:	CC- Main Street Requires Commercial
Drainage/Flood Plain:	Not In	Platted:	Not Platted
Stage of Development:	Not In Planning Stage	Area Development:	Commercial
Number of Units	N/A	Density units per Acre	N/A
Use at time of sale:	Vacant Land		
Highest and Best Use:	Mixed use Commercial Development		

**Remarks:**

Main Street frontage to permit development of 6,000 square feet of two story office/retail in Frisco's Main Street Overlay District. Parking provided behind lot. All utilities to site. Rare opportunity to develop in much desired Frisco.

Loopnet Listing Number 14547981

Property included one water and sewer tap.

Suzanne Allen Guerra Slifer Smith and Frampton Real Estate

Allen Guerra Incorporated - 970-453-7002 - 1915 Airport Road, Suite 105, Breckenridge CO 80424

Photo Number 1



Sign advertising build to suite on site 970-390-2619

Photo Number 2



View of northern portion of site fronting south side of Main Street

Photo Number 3



View of northern portion of site fronting south side of Main Street



View of northern portion of site fronting south side of Main Street

Photo Number 5

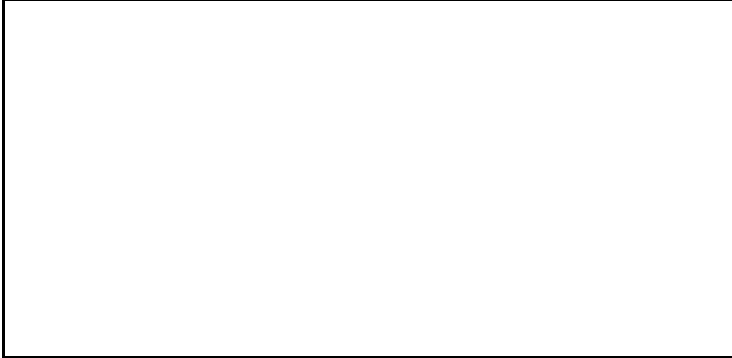
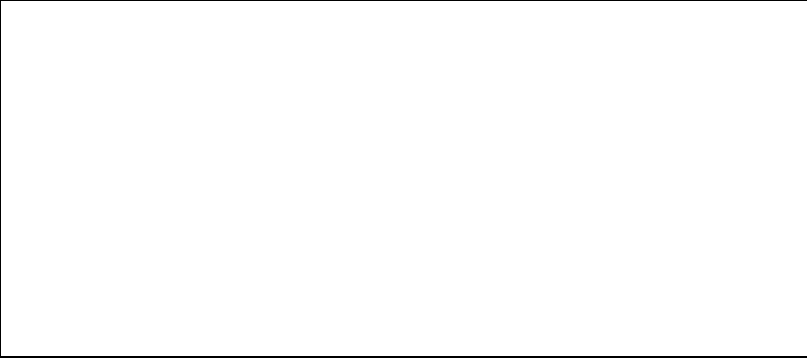


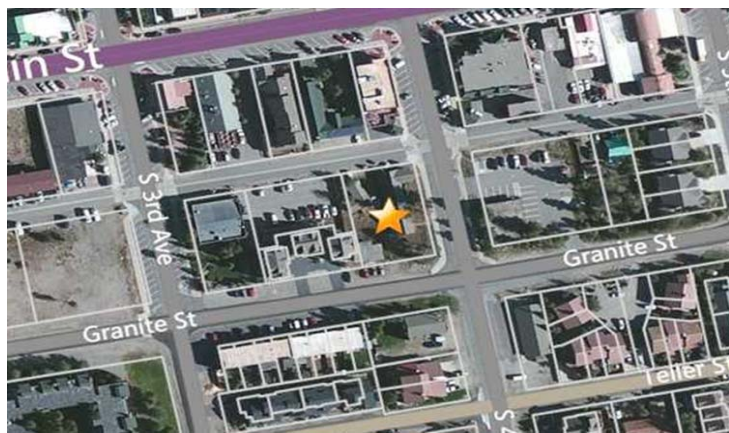
Photo Number 6



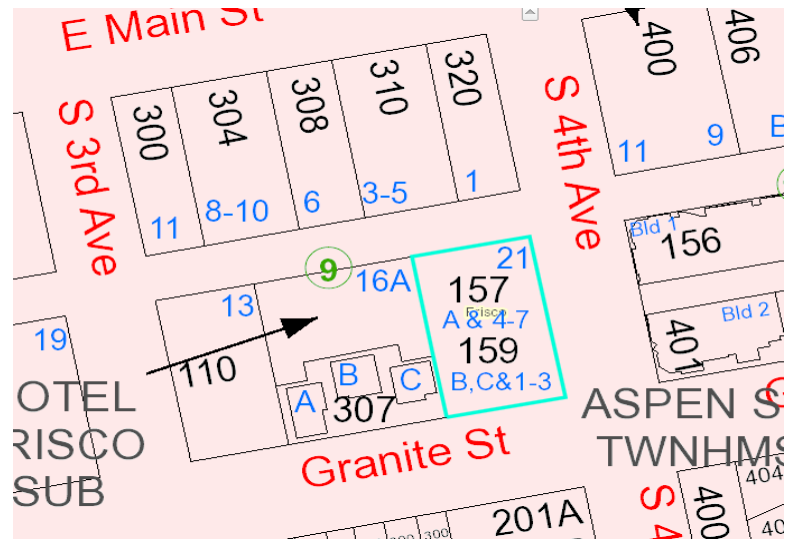
**Land Listing Number 5**

Proposed Granite Street Station Condomeniums Site - Listing

Aerial Photo



Map



Description of Aerial:	Property is located at the northwest corner of Granite Street and S. 4th Ave
Date of Inspection:	8/27/2015
Inspecting Appraiser:	John Olson

The property is located at the northwest corner of S. 4th Avenue and Granite Street. The site is currently improved with

Location/Address:	317 Granite Street
Tax Schedule No.:	2097-3523-27-007
Legal Description:	LOT 21,22,23,24 BLOCK 9 FRISCO TOWN SUB

**Sale Information**

Grantor:	E2MH LLC - Lousville NC - Michael Caistor - Architecural Innovators - mcaistor@gmail.com 303-567-0100		
Grantee:	Listing - S370567		
Sale Confirmed with/Date:	John Olson confirmed with County Records on 9/23/2015 - emailed Listing Agent Butch Elich on 9/23/2015		
Appraiser Confirming:	John Olson confirmed with County Records on 9/23/2015		
Recordation/Sale Deed:	Prior Sale - Grantor James and Linda Lee		
Property Rights Conveyed:	Property is improved with three smaller residential structures constructed prior to 1957 with a total of eight bedrooms and four baths.		
Conditions of Sale:	Property is currently listed with Butch Elich in Breckenridge. The list price is \$1,600,000 - ther prior sale in 2007 was for \$1,295,000 - Butch@elich.com 970-389-4005 - Remax Properties of the Summit - MLS# S370567		
Financing Source and Terms:	\$800,000 Note recorded on October 22, 2008 due 10/1/2009 to First Bank of Summit County	Date of Sale:	1/1/2020
Post Sale Expense:	None	Selling Price:	\$1,600,000
Project Influence:	None	Price Per Acre Gross	\$5,000,000
Price Per Unit	\$50,000	Price Per Square Foot Gross	\$114.78

**Physical Characteristics – Legal Aspects**

Gross Land Area Acres:	0.32	Access:	Below grade parking with access off alley to garage
Gross Land Area Square Feet	13,939	Restrictive Easements:	Zoning
Shape:	Rectangular	Utilities:	To Site - assume 4 SFR Water and Sewer Taps in Asking Price
Topography:	Gently Sloping	Zoning:	CC
Drainage/Flood Plain:	Not Applicable	Platted:	In Process
Stage of Development:	In Entitlement Process	Area Development:	Residential
Number of Units	15	Density units per Acre	46.875
Use at time of sale:	Older existing residential properties		
Highest and Best Use:	Mixed use residential development		

**Remarks:**

Site sold for \$1,295,000 as recorded at reception number 851370 on March 30, 2007 - \$92.90/SF.  
 Property is in the planning process for a 15 unit multi-family (10 market rent units consisting of 9 2bd and 1 3 bd unit) and 5 deed restricted affordable units (three 2bd and two 1bd units) - 4 story structure - 40' in height  
 Property currently has a 2,283 SF unit with 4 bedrooms and two baths - duplex, a 828 SF 3 bd 1 bath house, and a 828 SF 1 bedroom 1 bath unit. It is Assumed the property has four single family equivalent residential sewer and water taps.  
 32 car parking garage with 18 tandem stalls. Additional parking from 5 on-site exterior spaces and 4 street spaces  
 3 stories over garage level (main floor 4 market units, 2 deed restricted units) 2nd floor 4 market and 2 affordable, third floor 2 market and 1 affordable  
 At the time of sale (2007) the property was approved for a ten unit (9 market and 1 affordable) development - thus the sales price was approximately \$129,500 per unit in 2007  
 Former project name was Latitude 39 - Planning File 133-07-DA/SD  
 There are 29 bedrooms and 32 total parking spaces - thus 3 guest spaces or 1 for every 5 units on top of 1 per bedroom

Aerial Photo from Application



Assessors Parcel Map



Photo Number 3



View of site looking northeast from Granite Street

Photo Number 5



View of site looking northeast from corner of Granite Street and S. 4th Avenue

Photo Number 6



Eastern elevation of existing improvements at northeast corner of site adjacent to alley viewed looking northwest over S. 4th Avenue.



View looking southwest from corner of Alley and S. 4th Avenue - small blue house and blue house behind cars are on site

**Appraiser Qualifications and License**

## **Appraiser Qualifications**

### **Mitchell John Olson**

State of Colorado Certified General Appraiser #CG01319933 (exp 12/31/2016)

#### **Review Appraiser, Colorado Department of Transportation, December 2014 – present**

Review Appraisals in the Region 6 ROW Appraisal Unit, including scheduling, contracting, and ensuring all submitted appraisals and reviews are completed in compliance with regulations. Performs full range of appraisal and appraisal review services; defends and justifies appraisals and reviews in contested condemnation actions; consults with Region staff and Attorney General's office providing expertise and guidance on issues related to property valuation and appraising; coordinates with various disciplines on issues relating to environmental, survey, relocation, design, property management, access and legislation; works with all local public agencies to ensure compliance with state and federal acquisition and appraisal guidelines.

#### **Senior Appraiser, Integra Realty Resources, January 2011 – November 2014**

Various types of appraisals including residential, commercial, rural and agricultural properties throughout the state of Colorado. Prepared several self-contained appraisals for automobile dealerships, retail strip centers, NNN leased buildings, restaurants, office, and industrial buildings in Grand Junction, Edwards, Colorado Springs and Denver metro areas. Clientele included commercial bank, real estate investment trusts, city and county of Denver, and other investors.

#### **Commercial Appraiser, National Valuation Consultants Inc., January 2006 – December 2010**

Various types of appraisals including office, vacant land, industrial, retail, and special use properties throughout the state of Colorado and nation.

#### **Education**

Completed all requirements for Certified General Appraisal license at University of Denver and received Masters in Real Estate and Construction Management.

Graduated from University of Northern Colorado with BSBA in Accounting

Qualified as expert witness before, State of Colorado Board of Assessment Appeals



**STATE OF COLORADO**  
Department of Regulatory Agencies  
Division of Real Estate

Active  
Cert Gen Appraiser

PRINTED ON SECURE PAPER

1319933

Number

Jan 1 2014

Issue Date

Dec 31 2016

Expires

MITCHELL JOHN OLSON  
WHEAT RIDGE, CO 80033



Program Administrator



Licensee Signature