

**New Castle Planning and Zoning Commission Special Meeting  
Wednesday, February 7, 2018, 7:00p.m., Town Hall**

**Call to Order**

Commission Chair Chuck Apostolik called the meeting to order at 7:02 p.m.

**Roll Call**

Present    Chair Chuck Apostolik  
              Commissioner Copeland  
              Commissioner Riddile  
              Commissioner Urnise

Absent     Commissioner Ruggles

Also present at the meeting were Town Attorney Haley Carmer, Town Planner Tim Cain, Deputy Town Clerk Mindy Andis, Building Inspector Dave Reynolds, Public Works Director John Wenzel and members of the public.

**Meeting Notice**

Deputy Town Clerk Mindy Andis verified that her office gave notice of the meeting in accordance with Resolution TC-2018-1.

**Conflicts of Interest**

Commissioner Urnise said that the civil engineering company working on the Lakota Ridge Senior Apartments had employed him at the beginning of the project. He said he had subsequently left that company and had not been involved with the new proposed design, therefore had no financial gain.

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

There were no citizen comments.

**Public Hearing**

PUD Amendment

Purpose: PUD Amendment for Lakota Ridge Senior Apartments

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

Common Address: 705 Castle Valley Blvd., New Castle

Applicant: Lakota Ridge Senior Apartments, LLP

Landowner: Lakota Ridge Senior Apartments, LLP

B. Resolution PZ-2018-01 Recommending Approval of Lakota Ridge Senior Apartments, LLP's Major PUD Development Plan Amendment

Chair Apostolik opened the Public Hearing at 7:04p.m.

Town Planner Tim Cain said that Lakota Canyon Ranch (LCR) had a Design Review Committee (DRC) that reviewed every new house or commercial structure built in LCR. A homeowner/contractor must submit building plans to the DRC. The DRC sends a letter of approval to the homeowner/contractor, and that letter is required as part of the submission of building plans to the New Castle Building & Planning Department. Community Resources & Housing Development Corp (CRHDC) was not required to meet all the guidelines of the LCR Design Review Committee because the property was not annexed into the LCR Home Owner's Association (HOA).

Prior to hearings and meetings with the Planning & Zoning (P&Z) Commission and Town Council, CRDHC met with LCR DRC. DRC requested that CRDHC not use stucco; to use earth tone colors except beige, and they asked that the roofline be broken up, which CRHDC agreed to do. DRC also preferred stone cladding on the lower base of the buildings. CRHDC had eliminated the stucco, agreed not to use beige and changed the rooflines. Planner Cain noted that as of January 31, 2018 the elevations do not appear to have any break in the rooflines. He also stated that CRHDC would be unable to install the stone cladding because of the cost.

Planner Cain said that CRHDC had submitted architectural drawings before the (P&Z) and Town Council. The drawings depicted private open-air balconies for each living unit. CRHDC had cost overruns that were not expected. They were severely underfunded so CRHDC eliminated the balconies and radiant heating among other alterations. For example, a concrete sidewalk was partially eliminated because it was located near a steep hillside. However, a railing or wall could have been utilized. This would be another additional expense not anticipated by CRHDC.

The municipal code and building codes had very specific regulations when a project has a substantial change in plans. Staff had selected portions of 17.100.110-amendments applicable to municipal code requirements.

*1. Municipal Code chapter 17.100.110- Amendments.*

- *No approved PUD plan shall be altered unless approved by formal amendment. There are three types of formal amendments: administrative, minor, and major.*

*A. Administrative amendments are de minimus alterations to the approved plan. Administrative amendments may be approved in writing by the town administrator. Administrative amendments include, but are not limited to:*

*1. Minor alterations to approved architectural plans*

*B. Minor amendments are alterations to an approved PUD development plan that require increased review and scrutiny. Minor amendments may be approved by resolution of the planning commission following a noticed public hearing. The planning commission may condition such approval as necessary to ensure that the development will be*

*compatible with current community standards, infrastructure, and regulations.*

- C. *Major amendments to a PUD must be approved in accordance with the procedures applicable to the approval of a final PUD development plan application as set forth in Section 17.100.080. During the review of any proposed major amendment to the PUD, the town may require such new conditions of approval as are necessary to ensure that the development will be compatible with current community standards, infrastructure, and regulations.*

At any time during the course of a review of an administrative or minor amendment, the Town Administrator may require a hearing before the P&Z. Because there were substantial changes to building plans, the Town Administrator elevated the PUD Amendment to the Planning & Zoning Commission.

(A) There were several representations regarding the design of the six (6) buildings quoted by CRHDC personnel during the public process of P&Z hearings and Town Council meetings. A couple included the following statements:

- CRHDC presented a slide show to the community, P&Z & Town Council remarking, "We are working to make sure the development incorporates the main design aspects of the Lakota Canyon Ranch Design Guidelines and Covenants. We are working to ensure this is a development all residents of New Castle will be proud of. The design will incorporate some of the same upscale design features that your homes incorporate in LCR."
- In an email dated April 22, 2016 from Carly Johansson Director of Real Estate for CRHDC to Graham Riddle P&Z Commissioner, Sonnie Black LCR HOA President & Town of New Castle with copies to JV DeSousa CRHDC Architect, Tim Cain Town Planner & Tom Baker Town Administrator, Ms. Johansson wrote "The units include private outdoor space (balconies)" and "Although we will not be subject to the Design Guidelines or Covenants of the HOA we will still be developing as closely as possible to these guidelines."

In order for CRHDC to fund the senior apartments, CRHDC had asked the town council to waive certain fees. In addition, council allowed a different method of Equivalent Residential Unit (EQR) calculations for the single bedroom apartments, which furthered reduced the water and sewer expenses.

Lakota Ridge Senior Apartments Final Site Specific Development Plan was approved by Town Council on August 2, 2016 and included the following fee waivers:

• Building permit fee	\$12,941.95	Amount waived = \$12,941.95
• Plan review fee	\$8,412.27	Amount waived = \$8,412.27
• Water & Sewer tap fees	\$508,400.00	Amount waived = \$85,600.00
• Water rights dedication fee	\$313,200.00	Amount waived = \$271,000.00
• Recreation fee	\$25,00.00	Amount waived = \$12,500.00

Total building permit fees minus water meters	\$867,954.22
Total building permit fees with waivers	\$390,454.22
Total CRHDC savings	\$477,500.00

Planner Cain said that staff recognized that CRHDC was substantially underfunded by approximately \$200,000.00, causing them to propose elimination of the balconies and radiant heating to reduce overall construction costs. Unfortunately, the buildings were no longer compatible with the surrounding LCR neighborhood.

When a project had a substantial alteration in building plans, it is required that the new plans be submitted to the Building & Planning Dept. Building plans were submitted digitally in November 2017, however, the building Inspector could not perform an adequate analysis without paper copies. At that time, paper copies were requested and CRHDC was informed that by continuing to build they were proceeding at their own risk. The plans were finally submitted on Tuesday, January 30, 2018.

Planner Cain said that P&Z appeared to have at least four options. They were:

1. Approve the building alterations (without balconies).
2. Require CRHDC to design architectural features that are acceptable to P&Z.
3. Require CRHDC to build the senior apartments according to the original plans.
4. See the building Inspector's report dated February 1, 2018 for additional recommendations.

Town Building Inspector Dave Reynolds said it had come to attention of the building department that significant exterior and interior changes had been designed for the Lakota Ridge Senior Apartments project. Staff met in person and by phone on multiple occasions with the project owners and architect in an effort to understand the full nature of the proposed changes. Staff was provided with updated elevation views of the project on January 22, 2018, and a complete set of updated drawings on January 30, 2018. Staff was also provided with a single 8.5" x 11" conceptual elevation drawing in late December, along with an electronic set of revised drawings. Based on the extensive nature of the proposed changes to the approved PUD, it was necessary for staff to bring the matter before P&Z and town council in the form of a PUD Amendment Application.

It was the objective of the staff review and report to present P&Z and town council with a full understanding of the proposed changes to the Lakota Ridge Senior Apartments project. Staff would provide P&Z and town council with an understanding of the conditions under which the original PUD was presented and approved, as well as provide staff conclusions and staff recommendations as they relate to the proposed changes to the project.

The initial understanding that changes were being made to the project occurred in late November when it was discovered by staff the balconies had been removed from the contractor's scope of work. It was the owner's original position that the proposed changes to the buildings did not warrant town review or approval. In subsequent meetings with the owner, staff requested revised drawings and advised

the owners that such changes absolutely required review and approval. Staff met with the project architect, project managers, and project owner's representative to discuss possible avenues to mitigate the proposed changes.

The following lists represent staff's current understanding of the proposed changes to the interior and exterior of the project:

**Exterior:**

- ❖ All exterior balconies and railings had been removed.
- ❖ All exterior balcony doors had been changed to windows.
- ❖ Heavy Timber Framing which supported the exterior balcony systems had been removed.
- ❖ All units had been redesigned to use two (2) "Hotel Type" wall mounted heating and cooling units which were prominently noticeable under all bedroom and living room windows from most all exterior views.
- ❖ All proposed HVAC louvered exterior intake grills were designed to be Mill Finished Aluminum Color.
- ❖ Due to the loss of protection from weather provided by the removed balconies, small shed style roofs had been added above certain exterior ground level doors.
- ❖ Certain exterior walkways had been modified to change areas that were designed with decorative pavers to standard concrete.
- ❖ Areas of solid surface walkways in the courtyard area had been changed to a compacted stone material.

**Interior:**

- ❖ Heating of each unit had been changed from Natural Gas Radiant Floor Heat to individual electric wall units, two (2) per dwelling unit.

Staff requested that consideration be given to finding a solution to "break up the mass" once the balconies were removed. The most recent plans received January 22, 2018 showed no visible evidence that additional features were added per discussions and requests.

Staff requested that consideration be given to finding a solution to mask, or better hide, the HVAC exterior grills / louvers, no visible evidence was noticed that there had been any attempt to minimize the visual effects of the exposed HVAC louvers. New plans submitted January 22, 2018 show that the HVAC face grills were to be Mill Finished Aluminum Color.

Planner Cain said that all representations of the applicant that were made in writing

via documents submitted to the town or verbal agreements made at public hearings before the P&Z or town council shall be considered part of the application, and were binding on the applicant.

The following are examples of representations made by the owners during the project presentation at the original approval phase. The quotes provided indicate the original representations of certain project elements that were now part of the PUD Amendment Application, that CRHDC was seeking change:

"Although this project will not be located in Lakota Canyon Ranch subdivision we are working to make sure that the development incorporates the main design aspects of the Lakota Canyon Ranch Design Guidelines and the Covenants. We are working to assure this is a development all residents of New Castle will be proud of. The design will incorporate some of the same upscale design features that your homes incorporate."

"The units include private outdoor space..."

"Although we will not be subject to the Design Guidelines or Covenants of the HOA we still will be developing as closely as possible to these guidelines."

"Town Planner Tim Cain reported that there had been no public opposition to the development, however; the Lakota Canyon Ranch Design Review Board felt that the subject property should comply with their concerns regarding the exterior of the proposed structures."

During the original PUD approval process the town agreed to help financially underwrite the project in the form of requested fee concessions and favorable land sale pricing and terms. It is estimated the town concessions related to the building department, water department, & water rights dedication fees total \$477,500.00. Additional savings to the owners were realized in the form of favorable land pricing given by the town in order to provide the land that this project is on.

In conclusion, the original representations for the project, although not legally governed by Lakota HOA Standards, were represented to be that of a project that would substantially match the feel of Lakota neighborhood standards, it was under those representations that the project was approved.

The original representation to the town, public, and potential end users of the project was that the project would have individual outdoor private spaces (balconies /decks), it was under those representations that the project was approved.

The original representation of the project was the units would be provided with In-Floor radiant gas heat in each unit; it was under those representations that this project was approved.

The town invested a large amount of time, energy, and financial support to assist in making the project, as originally represented, a reality.

Town staff has worked to provide the owners with possible suggested solutions that might be used to help mitigate the appearance of the removal of the balconies and the addition of visible HVAC Units. The owner had chosen to present little in the way of alternative methods to help mitigate the appearance of the requested changes.

Cost overruns for the project are cited as the cause for the proposed changes, the large cost overruns were discovered relatively shortly after the initial PUD Approval, yet the application for the proposed changes were not submitted to the town for consideration until recently. The owners had been notified by the town that the changes warranted review and approval, and that all further progress on the job site would be at the owner's sole risk.

It seemed unreasonable that changing from In Floor Radiant Gas Heat to individual electric HVAC wall mounted units would have a lasting savings on the project. While the initial installation cost of the Hotel Style wall units would be a significant savings to the constructions costs of the project, it seemed reasonable to conclude that the ongoing utility costs maybe significantly higher, and a potential burden on the occupants.

It was not clear at the time of the report if the changes to the heating system meet the requirements of the town adopted 2009 International Energy Code.

The following recommendations and suggestions are based on the original representation for the project and the needs of residents along the Castle Valley corridor for a project the residents could be proud of. There should also be consideration of the needs of the future residents of the project that the units have the features necessary for a comfortable home, as well as the needs of the town to assure that the town funds already spent was utilized as represented. The following recommendations can be considered as individual or in combination as needed:

1. Complete the project as originally represented and approved.
2. Complete the project with the return of the balconies/decks, timbers, and all exterior features as originally represented. Allow the exterior visible HVAC Units if it can be shown that the exterior HVAC louvers can be masked to better blend with the exterior structure and siding. Note the return of the balconies/decks and the deck railing system would mask the appearance of 50% of the HVAC units.
3. Add the balconies/decks back to the project, but allow for a less expensive construction design. The original balconies/decks were built with a concrete floor system which adds significant cost to each deck. It was possible to construct less expensive decks on the project, which as viewed from the street would have a very similar look as the original balconies/decks. Allow the exterior visible HVAC Units if it can be shown that the exterior HVAC louvers can be masked to better blend with the exterior structure and siding. Note the return of the balconies/decks and the balconies/deck railing system would mask the appearance of 50% of the HVAC units.

4. Allow for the removal of the exterior balconies/decks, but add additional approved architectural features to better break up the mass of the buildings. Such features might include decorative gable end beams, decorative wood corbels, decorative wood out-lookers, stone siding, decorative band boards, decorative corner boards, shingle style gable end siding, better color variation between individual buildings, better color variation between segments of each building, corrugated rusty metal roofing as required in Lakota, Eyebrow Roofs with corrugated rusty metal roofing over windows.

5. If consideration is given to the approval of the application, require the owners to demonstrate to the satisfaction of P&Z and town council how they had incorporated the same upscale design features that are required in Lakota, and how they would assure all residents of New Castle that this would be a project that all residents would be proud of as represented in their initial presentations.

6. Request an accounting of the estimated cost savings to the project based on the proposed changes and had the owners demonstrate the proposed changes are the only viable source of savings. Can other elements of the construction be adjusted for savings? Can certain units in the building be completed in future phases in order to create the immediate savings needed to complete the approved exterior look? Have the owners approached their lenders to try to resolve their financial short comings? Have the owners adjusted their projected profit and income streams to adjust for their cost overruns?

CRHDC Architect JV DeSousa and Executive Director of CRHDC Al Gold gave a brief slideshow presentation depicting the changes made to the project.

Mr. Gold said twelve (12) years ago CRHDC built the Castle Valley Senior Housing project. The project had twenty four (24) units and had been operated very well with good management. The project had been an asset to the New Castle community.

Four (4) years ago the town approached CRHDC about building additional senior housing. CRHDC started looking for land and struck a deal to purchase town-owned land for the project. The town had been very supportive and partnering with CRHDC to make the project happen.

Mr. Gold said that at the time there was a waiting list of about four hundred (400) seniors waiting to get into an apartment.

CRHDC had applied to Colorado Housing Finance Authority (CHFA) for equity in order to build the project. CRDHC was awarded CHFA credits in order to sell the tax credits to investors for equity for the money to build the project.

Initially, Mr. Gold said that the project was not underfunded; they had funding for what was budgeted. There were circumstances that affected the budget. Fires, floods and tariffs on lumber contributed on the cost increase. CRHDC had to find ways to cut costs on the on the project and stay within budget.

Mr. Gold said that CRHDC did have to remove the balconies/decks, but it would not affect how the project was being built or how it would look and it would fit very well



into the New Castle community. The intent of the project was to provide housing for seniors.

Mr. DeSousa said CRHDC was the owner of property, but only a minority owner, as it was primarily owned by the tax credit purchasers. Wells Fargo was the primary land and building owner for period of fifteen (15) years. The project cannot borrow more money or equity, and the equity came from a third for-profit party and from non-profit CRHDC. CRHDC had no for-profit motivator. The debt was capped at what could be charged for rent. Therefore, there was very limited debt service available for the project. The debt will be paid for by the tenants who live there.. Incurring additional debt to pay for additional capital improvements made the project less affordable.

Mr. DeSousa said there was much of the project that had not changed as stated in the PUD documents. He said the scale and the massing of the buildings was the same. All of the buildings were two (2) stories except for building four (4), which was three (3) stories. There had been some change to the architecture character. The position of the buildings on the site and the scale of the buildings was the same, and window openings on the buildings replaced the balcony/decks.

The buildings were always anticipated to step and be cut into the hillside to take advantage of the terrain, which would mitigate the scale of the structures. That made the structures close in scale to the residential family dwellings in the area.

In late May of 2017, the construction costs were delivered to CRHDC, and they were \$1.5 million dollars higher than the cost estimated 14 months earlier. In June 2017 the project undertook a Value Engineering exercise to remove the \$1.5 million dollar cost increase. The bulk of the change, approximately \$850,000.00, was made on revisions on the project that were invisible to the community such as soils reconditioning.

In June of 2017, the general contractor contract was hired.

In July 2017, the project financing was secured, enabling CRHDC to apply for a building permit. The funding actually came from the tax credit, which paid for the building permit.

In the middle of August 2017, the revisions were finalized. The balcony/decks were removed from the project. By removing the balcony/decks reduced the project cost by \$200,000.00. The limited design package made the project affordable.

The grill from the Packaged Terminal Air Conditioning unit below the window made the window look like a large window unit more so than a hotel/motel heating unit that protruded out from the wall.

Bob Dubois, Lakota Canyon Ranch resident and member of the design review committee, said if you looked at the building covered in Tyvek, the holes under the windows do not fit the same size window. He said there were no air conditioning units in the community that looked like that.

Mr. DeSousa said the drawing was very accurate and the jam trim size does change in dimension so it could be wrapped and look exactly like it does on the plans.

Mr. DeSousa said the lower level units that face Castle Valley Boulevard had small roof over the entry door instead of a balcony/deck. The roof would allow for adequate natural light in those units.

On November 14, 2017, CRHDC received the final construction cost and the project was within budget. On November 21, 2017, Mr. DeSousa met with Building Inspector Reynolds and Planner Cain to review the changes for the first time.

Mr. DeSousa said that CRHDC acknowledged there were changes made to the project in response to their budgetary challenges. There were significant construction cost increases over the past year. Unfortunately, it was not a project that could raise the rent to pay for more capital improvements. The funding (capitalization) was fixed in 2016 when they applied to CHFA, and the tax credits were able to be sold.

Mr. DeSousa said that CRHDC was informed by staff that the changes were significant enough to merit an amendment to the PUD. He also believed the architectural characteristics of the project were still intact. The balcony/decks were removed and the heating systems changed. The radiant in-floor heat provided even heat that was excellent for seniors, but it was a luxury and a high cost item. CRHDC had to make up a large budget shortfall and had to make significant changes.

Mr. DeSousa said that when CRHDC met with some of the seniors in New Castle's community in 2013, one of the requests was to have private outdoor space. CRHDC primary commitment was to bring 50 affordable senior housing units to New Castle.

Leslie Means, manager at New Castle Senior Housing said she worked seven (7) days a week answering phone calls from seniors who were in desperate need of housing.

Tobie Thurman with the Center for Independence, a non-profit organization serving Pitkin, Eagle and Garfield Counties. Ms. Thurman represented clients who were seniors with disabilities. Ms. Thurman asked Mr. DeSousa what the accessibility for seniors with low mobility was to the multi-level buildings.

Mr. DeSousa said there was an elevator and every unit was a type B. There were three (3) units that will be fully accessible type A units and every unit had been designed dimensionally to be easily converted fully into type A and C unit A117.1 project. All the kitchens will start out with a 36-inch countertop but can be modified as well as all the fixtures with adequate spacing for the ADA requirements.

Town Public Works Director John Wenzel said the project is one that everyone wanted, especially the town. The town had contributed significantly financially to the project with dedication of land and reduction of fees. Mr. Wenzel's concern was to not set a standard. If the town allowed a developer to change the project after it had been presented to the community, P&Z and council, it would set a precedent for future development. He said that CRHDC had made the changes without a

public process. Every developer hereafter would point to the project and want the same treatment, effectively preventing the town from holding the developer accountable.

Mr. Gold said, the project was a tax credit project and it was not possible to go back and ask for more credit because the tax credits were locked in and would change the structure of the tax credits. For the Division of Housing to fund the project, they required the local municipality to also participate in the project.

Patrick Stuckey, Lakota Canyon Ranch resident and former town councilor, said he was very disappointed in CRHDC, in that they did not have the foresight of \$1.5 million shortfall on the construction. He said it was a significant amount of money that was not made up of cost increases. He said the town liked and approved the project based on the original design that was presented to P&Z and to council. There is a need for the New Castle seniors. The town gave almost \$500,000.00 for the project. Mr. Stuckey said there needed to be some kind of mitigation to help break up the mass of two (2) and three (3) stories. If the mass was not broken up, it will look like a motel. Mr. Stuckey agreed with Public Works Director Wenzel, and said that other developers were held to the standards, and CRHDC needed to be held to the standards as well. Otherwise, they would be short-changing the Town of New Castle, the citizens and seniors who will be living there.

Robin King, resident living in senior housing in Glenwood Springs. Ms. King said that she felt a balcony/deck was not a big deal. She said there were times she had no hot water or heat. Ms. King said she wanted to be in a safe place with heat and hot water.

Steve Craven, Castle Valley Ranch Developer. Mr. Craven said he had seen projects come and make promises, then not fulfill the promises, and those projects turned out to be eyesores. He said Castle Valley Boulevard was the primary road to CVR and LCR. What happened on the Boulevard will affect the people of the New Castle community for many years to come. He felt that it was up to the town to make sure that what happened on the Boulevard was up to standards. Mr. Craven challenged CRHDC to mitigate the changes that were needed.

Mr. Stuckey asked if all of the foundations were complete and if CRHDC could complete some of the buildings with balcony/decks and then find a way to fund the completion of rest of buildings.

Mr. Gold said that under the tax credit requirements, there had to be a certain number of units complete by a certain date. If they were not completed in time, there would be major penalties. They must have eight (8) units completed by August, 2018.

Mark McDonald, resident of LCR. Mr. McDonald said he was taken aback that the project had proceeded to the point where it is at now without proper approvals. He asked how they allowed the project get to the point of taking out the balcony/decks and installing space for the air conditioning units without coming back to the town for approval for the changes.

Mr. Craven asked how the project was \$1.5 million over budget.

Mr. DeSousa said the general contractor was surprised when the costs came back.

Mr. Craven asked if there was a firm bid.

Mr. DeSousa said no. In order to submit for a tax credit you had to submit a certified estimate of construction cost. There were significant market changes in the state of Colorado over the year.

Merle Means, Castle Valley Ranch resident. Mr. Means said there was a three (3) percent over-run put into the budget package.

Cory Nelson, 38483 County Rd. 241. Mr. Nielson asked if the entire infrastructure was complete in regards to water and sewer, or if CRHDC would be asking the town for more assistance.

Mr. DeSousa said everything was fine, although there was a "T" connection point at Blackhawk Dr. that was not aligned the way it was anticipated. That resulted in a different configuration on how the water main was extended up Castle Valley Boulevard.

Chair Apostolik closed the Public Hearing at 8:23p.m.

Commissioner Riddile asked how the tenants would be selected.

Ms. Means said tenants would be selected based on a first come first serve basis. There was also a formula for certain incomes below 60 percent of area medium income. Eight (8) units will be subsidized by Garfield County Housing Authority and rest of units will need to meet CHFA's funding requirement.

Commissioner Riddile asked will there be smoking allowed inside the units.

Ms. Means said no. Smoking would be allowed 30 feet from the property and in designated smoking areas.

Commissioner Riddile said CRHDC knew in May 2017 that there would be \$1.5 million dollar overrun, and he asked when CRHDC notified the Town of New Castle of the overrun.

Mr. DeSousa said CRHDC did not notify the town.

Commissioner Riddile said he found that very insulting because the Town of New Castle was a partner in the project and learned about the issue November 29, 2017. Ground was broken around June 27, 2017. CRHDC knew about the cost overrun prior to breaking ground, and did not tell their partner, the town, the problem. CRHDC continued construction in July, August, and September, and the town building inspector discovered that CRHDC was not following the approved plans. At that time, CRHDC did not have any interest in providing any mitigation to the town.

Commissioner Riddile said he suggested putting the balcony/decks back in, using less expensive construction design. He also suggested that the heating and cooling units be designed so they did not stick out.

Chair Apostolik asked if the interior of the unit could be changed to include a closet to house the heating and cooling unit and duct. The contract with the general contractor was signed in July. There were five (5) months before CRHDC came to the town to discuss what was going on with the cost overruns.

Inspector Reynolds said there was some discussion with the building department and CRHDC about the cost overruns. Once it was discovered that the balcony/decks were not going to be there, the question was asked if there was going to be new plans submitted in October 2018. The answer from CRHDC was that it was a visual item and therefore no, and it was not the town's business. Mr. Reynolds pursued it further and Mr. DeSousa cooperated and explained CRHDC was holding off until all the final costs came in because they didn't know what all the changes would be.

Commissioner Copeland asked how much was going to be saved by not using radiant heat.

Mr. DeSousa said about \$400,000.00.

Commissioner Copeland was in agreement with putting the balcony/decks back in.

Chair Apostolik was in agreement with putting the balcony/decks back in. He said there was an original intent given to the town, and the town had provided almost \$500,000.00 in fee reductions to the developer. Chair Apostolik said he was appalled that CRHDC used senior citizens as leverage to get their way. He said the idea of that was disgusting. Chair Apostolik recommended they figure out a way to put the balcony/decks back in.

Assistant Town Attorney Carmer said the commission could

- 1) approve the application and allow applicant to construct the buildings according to the revised plans that compose the application.
- 2) Approve the Application provided that application satisfy certain conditions recommended by the commission and approved by council, including, but not limited to, those explained in the building inspector's report; or
- 3) Deny the application and require applicant to construct the buildings according to the original plan.

Chair Apostolik asked Mr. DeSousa how long it would take to come back with numbers for adding back in the balcony/decks and heating and cooling units. He reminded CRHDC that they had brought this upon themselves and the commission was trying to work through the problem.

Mr. DeSousa suggested scheduling a meeting or workshop in two week with the commission, citizens from LCR, community and the general contractor to discuss design solutions together.

Inspector Reynolds said this had been attempted by having meetings to consider other changes so it did not have to come back to P&Z and council. There has been many suggestions offered and but CRHDC had not taken advantage of and did not put anything back.

Chair Apostolik asked Attorney Carmer if after the workshop it turns out it will not be a major PUD amendment would there need to be another public hearing.

Attorney Carmer said the application was already submitted and open, so the applicant would need to withdraw the application.

Planner Cain said he would schedule a workshop.

**Motion: Chair Apostolik made a motion to table the resolution until the commission had a workshop with the developer. Commissioner Riddle seconded the motion and it passed unanimously.**

**Items for next Planning and Zoning Agenda**

There were no items.

**Commission Comments and Reports**

There were no comments or reports.

**Staff Reports**

There were no reports

**Review Minutes from Previous Meeting**

**Motion: Commissioner Urnise made a motion to approve the January 24, 2018, meeting minutes as submitted. Chair Apostolik seconded the motion and it passed unanimously.**

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

The meeting adjourned at 9:12 p.m.

Respectfully Submitted,



*Mindy Andis*  
Deputy Town Clerk Mindy Andis, CMC

*Chuck Apostolik*  
Planning and Zoning Commission Chair  
Chuck Apostolik