



HOUSING DEPARTMENT

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To: Frisco Town Council

May 23, 2022

From: Summit County Housing Department

Subject: Lake Hill Workforce Housing Project

Recognizing that it has been some time since our two entities have had the opportunity to discuss the Lake Hill workforce housing project, we felt that providing a project background, current status, potential costs and next steps associated with the proposed development would be beneficial to all interested parties. This memo has been updated to reflect progress made since it was initially provided to the Town of Frisco in September, 2021.

Background:

In Summer 2000, the Town of Frisco began investigating purchasing the Lake Hill property for workforce housing purposes. From Summer of 2000 until October 13, 2011 the Town made efforts to purchase the property. However, on October 13, 2011, the Town asked the County to take the lead on the effort to acquire Lake Hill. After several more years and an actual "Act of Congress" the County was able to acquire the property in February 2016. The site is 44.81 acres and located between the Dillon Dam Rd and I-70, east of the Town of Frisco. The intended use of the parcel was always to facilitate development of workforce housing. The County, with Frisco as a partner, has engaged with a broad spectrum of consultants to evaluate the feasibility of the parcel for affordable housing. Major studies to date include:

- Frisco Water Infrastructure Improvements 2015-Leonard Rice Engineers, Inc
- Lake Hill Master Plan 2017-Norris Design
- Site Impact Study 2019-2021- EPS (The Site Impact Study also includes several sub-studies)
 - Tetra Tech, Inc.: Water and Wastewater Service Alternatives Analysis
 - Revised Buildout Study for the Frisco Sanitation District
 - Fox-Tuttle Transportation: Traffic Impact Study.
 - Economic & Planning Systems (EPS): Lake Hill Property Fiscal Impact & Cost of Services Analysis

All of this analysis and investigation was conducted to ensure that the development is mindful of the potential impacts the development may have to the local (immediate) community and Summit County generally.

As you all know the need for more workforce housing continues to grow. In the most recent Housing Needs Assessment the Ten Mile Basin was estimated to be short 1,035 units under 120% AMI by 2023 and Countywide the shortage was estimated to be 3,066 units under 120% AMI by 2023. Since the Covid-19 pandemic all evidence indicates the housing situation has become significantly worse.

Based on the studies identified above the following information about Lake Hill has been determined:

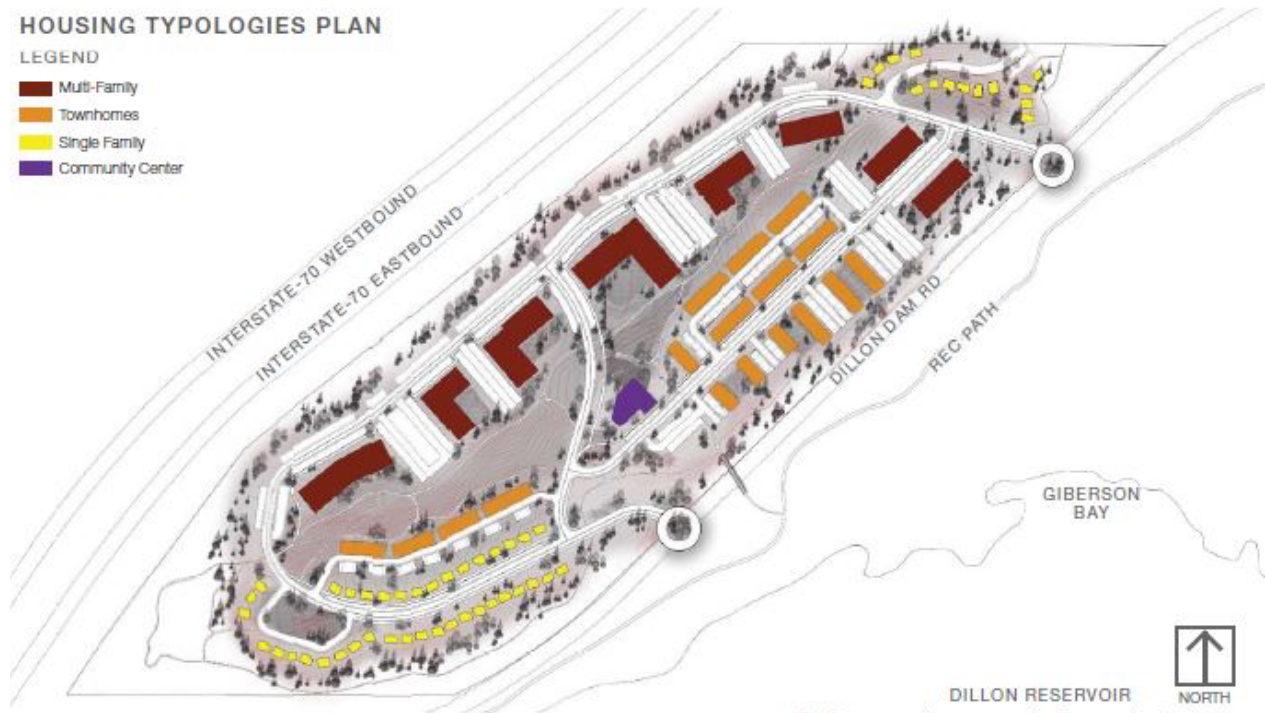
Conceptual Plan: The Lake Hill Master Plan identified the development as accommodating 436 units. The 436 are broken down into 300 multifamily units, 85 townhome units and 51 single-family/duplex units. The master plan also identified the development potentially accommodating a community center, green belt, and open space as identified in the Housing Typologies Plan below.

DEVELOPMENT AREA	ACRES	UNITS
Homes	16.9	
Multi-Family	7.6	300
Townhomes	4.6	85
Single Family/Duplex	4.7	51
Right-of-Way (Roads, On-Street Parking, Sidewalk, Infrastructure)	6.5	
TOTAL DEVELOPMENT AREA	23.4	
COMMUNITY FACILITIES AND OPEN SPACE	ACRES	UNITS
Community Center	1	
Green Belt	5.5	
Open Space/Buffers	14.9	
TOTAL COMMUNITY FACILITIES AND OPEN SPACE	21.4	
TOTAL	44.8	436

HOUSING TYPOLOGIES PLAN

LEGEND

- Multi-Family
- Townhomes
- Single Family
- Community Center

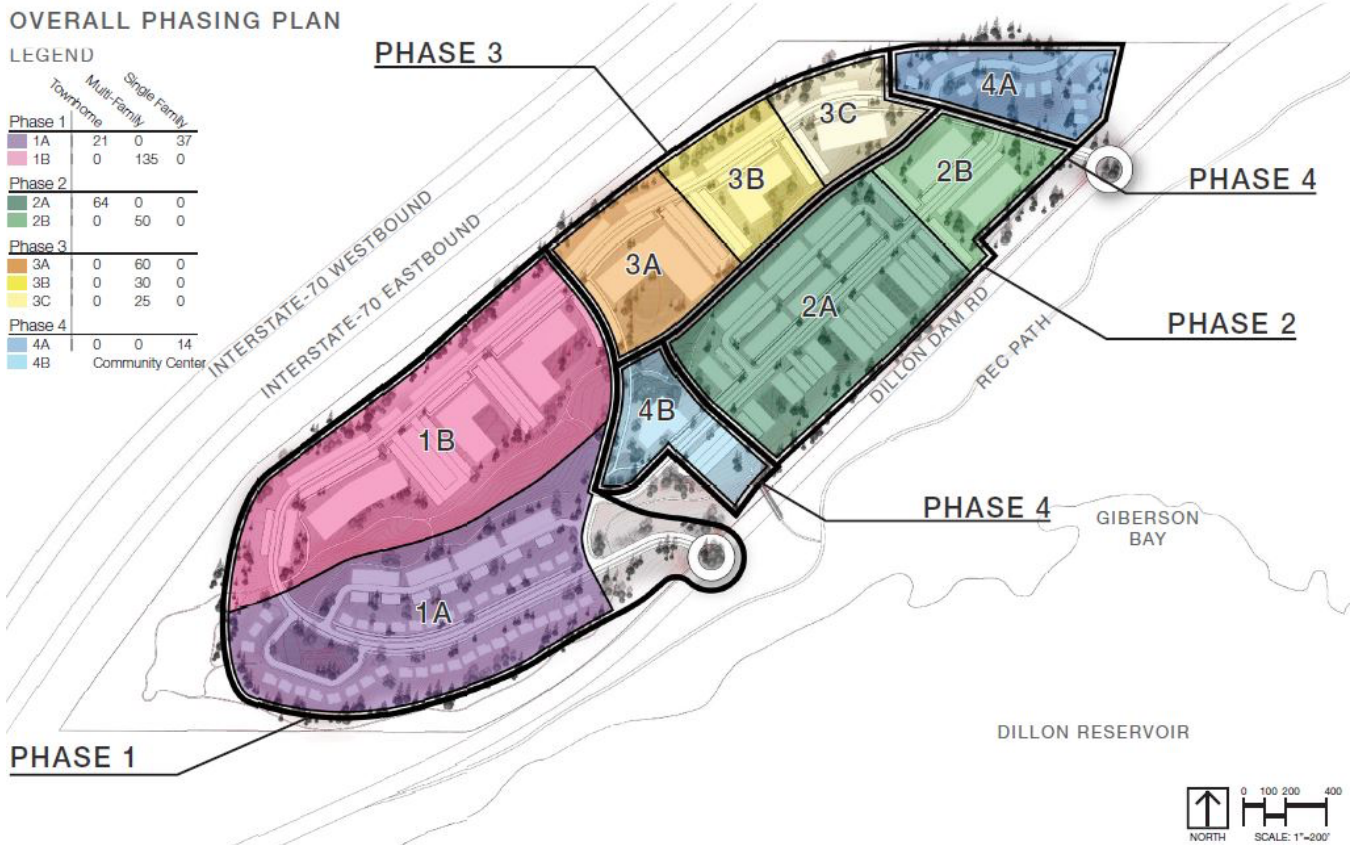


Phasing: Phasing for Lake Hill was identified in the Master Plan. As seen in the graphic below, phasing was broken into four primary phases with several subphases for each phase. Phases are grouped into separate areas of the site based on the proposed roadway infrastructure.

OVERALL PHASING PLAN

LEGEND

	Townhome	Multi-Family	Single Family
Phase 1			
1A	21	0	37
1B	0	135	0
Phase 2			
2A	64	0	0
2B	0	50	0
Phase 3			
3A	0	60	0
3B	0	30	0
3C	0	25	0
Phase 4			
4A	0	0	14
4B			Community Center



Rezoning Process and Timeline:

Per Summit County Code Section 3504.02 (“Code”) the Lake Hill project would be classified as a major development project. In addition to the normal rezoning requirements, major development projects are required to prepare an Impact Study to analyze the proportional and cumulative demand for services and facilities that would result from the development project and estimate any initial ongoing costs of providing the services and facilities. Due to this requirement the County hired EPS to prepare an Impact study which is currently wrapping up. The County submitted its rezoning application in November, 2021 and is in the midst of the rezoning process. We have engaged Norris Design to assist with that effort and we conducted a community meeting in January, 2022 along with several planning commission and BOCC meetings in February and March.

Infrastructure Requirements:

The Impact Study identified the infrastructure demands from Lake Hill. These impacts are broken down into Sanitary Sewer, Water, and Roadways. Other Impacts that were also studied in the full impact study include transit, bike and pedestrian path impacts, fiscal impacts, and school district impacts. Because those impacts were more limited in nature they have not been included below. However, the County hopes to bring the full Impact Study to a future joint meeting between the BOCC and Town Council in the near future.

Sanitary Sewer:

Tetra Tech recommended that the Frisco Sanitation District (FSD) is the best option to provide sewer

service to Lake Hill from an engineering feasibility and cost perspective. The County and Frisco Sanitation District worked together to complete a capacity study for the Wastewater Treatment Plant in 2020. This study included analysis of the facility and upgrades needed to serve the ultimate buildout of the District's service area including the Town of Frisco, nearby unincorporated Summit County areas, and the Lake Hill property. The study estimated that an additional 1,319 EQRs of capacity are needed to serve the buildout of the sanitation district. 450 of the 1319 additional EQR's are associated with the proposed Lake Hill development and 869 EQR's are needed regardless of the proposed Lake Hill development. Because the FSD Board would need to approve service by an Inclusion process into the District, the Lake Hill Development would be responsible for the collection system upgrades, flow equalization, a new pump station, and a portion (or all of) a treatment plant expansion required to service the Lake Hill Development. The total cost to expand the Sanitation plant to serve the additional 1,319 EQRs was estimated at \$8.0 million. Since Lake Hill is 450 EQRs (as defined by the Frisco Sanitation District) of the 1,319 EQRs needed for buildout, the pro rata share of the Wastewater Treatment Plant expansion cost for Lake Hill is 36.9% of the \$8.0 million upgrade cost or \$2.95 million.

FSD has indicated, however, that they do not have the financial resources to make the \$8.0 million investment needed to serve Lake Hill. If Lake Hill can pay only the \$2.95 million pro rata share, other funding will need to be identified for the remaining \$5.05 million. The County has agreed in principle to cover the cost of FSD plant expansion if or when capacity triggers are met. The County and FSD have also discussed the possibility of federal grant and recovery funding related to the COVID-19 pandemic or IIJA or future state and federal grant sources. The County and FSD have also discussed a reimbursement process so that, as other development outside the District service area connects to the new capacity, the County and/or FSD can recoup that cost. The total cost to connect to FSD could be approximately \$13.7 million with the full treatment plant upgrade.

Water: Because of its location adjacent to the Town of Frisco, Tetra Tech identified the Town of Frisco as the best option to provide water service to Lake Hill from an engineering feasibility and cost perspective. Based on Tetra Tech conversations with Town staff, it was identified that well, pipeline and pump station infrastructure would be needed for the project. In addition, a supplemental storage tank may be needed for an upper pressure zone in the project. However, no treatment upgrades would be needed.

The costs for the pipe, well, a new pump station and a potential new storage tank are estimated to be \$4.4 million. Including the \$3.3 million in tap fees the total would be \$7.7 million. For the purposes of this calculation the Tap fees are calculated at the out of town rate (1.5x the in town rate) because the project is not expected to be annexed into Town.

Broken out by the project phase, the Tap Fees are shown below:

Tap Fee Calculation per Phase			
Phase	Tap Fee	# of units	Total Tap Fee
1a	\$7,619	58	\$441,921
1b	\$7,619	135	\$1,028,608
2a	\$7,619	64	\$487,636
2b	\$7,619	50	\$380,966
3a	\$7,619	60	\$457,159
3b	\$7,619	30	\$228,580
3c	\$7,619	25	\$190,483
4a	\$7,619	14	\$106,670
Total EQR at Buildout		436	
Total Tap Fees Paid by Buildout			\$3,322,024
A single-family residence is "tapped" at one (1.5) EQR as this project is located outside of Town. The Department requires a full set of plans to calculate the tap fee.			

Summit County understands that providing water for such a large project is a significant request from the Town of Frisco. The County is willing to bring water rights to the project from the County water bank associated with the Clinton Reservoir and is open to negotiation on these water rights and tap fees.

Roadways:

Fox Tuttle completed a Traffic Impact Study as part of the required Impact Study. Per the Fox Tuttle study the key findings from the Traffic Impact Study are:

- The project trips will have little impact on the traffic operations at the nearby evaluated study intersections. These intersections include:
 - 1. Dillon Dam Road at N. Ten Mile Drive (side-street stop-controlled)
 - 2. Dillon Dam Road at Beaver Lodge Road (side-street stop-controlled)
 - Dillon Dam Road at Prospect Point Drive (side-street stop-controlled)
 - Dillon Dam Road at Lake View Terrace (side-street stop-controlled)
 - Dillon Dam Road at La Bonte Street (roundabout)
 - US Highway 6 at Dillon Dam Road
- The existing roadway network and study intersections can serve the estimated site-generated traffic volumes in the short-term and long-term given the number of homes proposed.

Recommendations from the Traffic Impact Study are to:

- Monitor the intersection of Dillon Dam Road and N. Ten Mile Drive to determine the need to signalize or make changes in traffic operations to facilitate turning from N. Ten Mile Drive.
- Monitor the CDOT 203 interchange project as the interchange study evaluated and recommended traffic control and intersection capacity improvements to the SH 9 at Dillon Dam Road intersection. It is expected that those capacity improvements will reduce the queues along Dillon Dam Road and the likelihood of those queues impacting the N. Ten Mile Drive intersection.

Overall there are no immediate off-site costs associated with roadway improvements associated with the project. However, if the intersections that have been identified to monitored see their level of service decrease, there may be future off-site costs associated with roadway improvements.

Cost Estimates:

Staff, working with EPS and Norris Design, has been able to develop some rough off-site and on-site costs.

Off-Site Costs

As seen in Table 1 below the total estimated off-site costs associated with the Lake Hill development range between \$17.3-\$22.35 million. The range is related to the unknowns surrounding the Frisco Sanitation District and whether the development would be responsible for the full cost for a sanitation plant expansion.

Table 1

Off-Site Costs	One-Time Cost
Connect to Town of Frisco Water	\$7,700,000
Connect to Frisco Sanitation District	8,700,000
Bicycle and Pedestrian Path Extension	750,000
Transit Stops and Service	150,000 plus \$200,000-\$250,000/yr. operating cost
Total	\$17,300,000
Potential additional Frisco Sanitation District Cost	\$5,050,000
Total	\$22,350,000

Source: Summit County Budget; Economic & Planning Systems

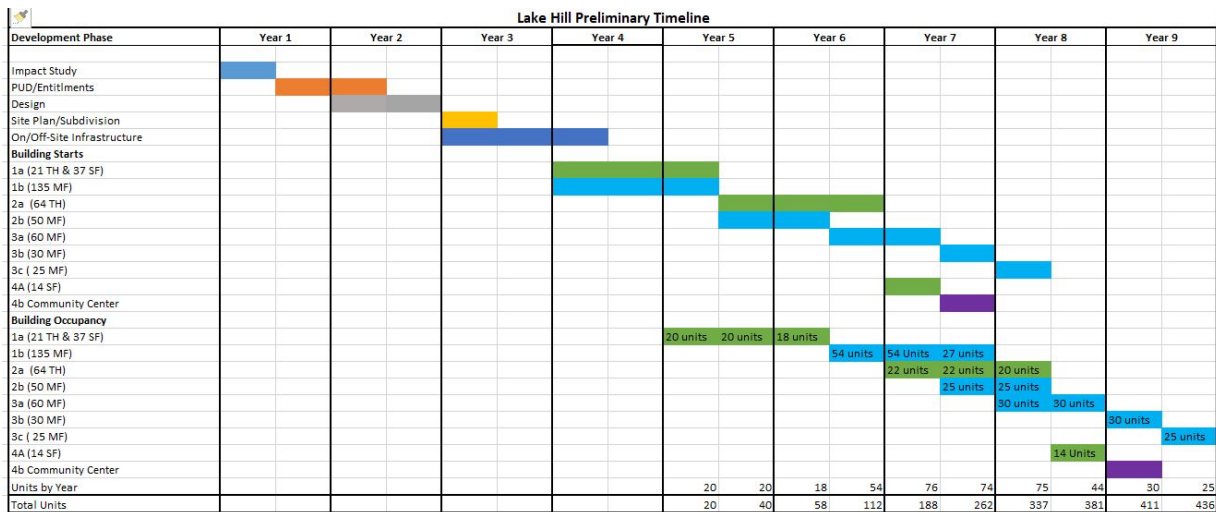
On-Site Infrastructure Costs

Potential On-Site infrastructure costs are challenging to calculate for a project this large given its preliminary stage and without having the associated civil and building plans. However, at the time of the Master Plan, Norris Design provided cost estimates for the on-site infrastructure. Staff has taken these infrastructure cost estimates and escalated them to 2021 prices. You can see the estimated infrastructure costs in Table 2 are \$13.4 million. These on-site infrastructure costs do not include the vertical construction costs that are associated the units or potential costs associated with a community building or a playground.

Table 2

Unit Type	# of Units	Cost Per Unit	Totals
Mobilization	436		\$1,351,620
Roads	436		\$4,031,637
Drainage	436		\$1,396,629
Water System	436		\$2,219,575
Sanitary Sewer	436		\$1,677,533
Xcel (Electric & Gas)	436		\$1,854,882
Site Finishes (Street Lights & Rec Path)	436		\$905,873
		Totals	\$13,437,749

Timeline: County staff recently developed a potential timeline for the project. As seen below it is expected that at a minimum it will be five years before the first units are complete at Lake Hill and nine years before all 436 units are complete.



Summary: The County has been greatly appreciative of the Town's support of the project to date and the County hopes to solidify this relationship going forward with the Town's support of the upcoming rezoning efforts for the site, and a commitment to provide water for the project.