



TOWN OF
BRECKENRIDGE

Town Council Work Session
Tuesday, June 26, 2018, 3:00 PM
Council Chambers
150 Ski Hill Road
Breckenridge, Colorado

Estimated times: The times indicated are intended only as a guide. They are at the discretion of the Mayor, depending on the length of the discussion, and are subject to change.

I. PLANNING COMMISSION DECISIONS (3:00-3:05 pm)

Planning Commission Decisions, June 19, 2018

II. LEGISLATIVE REVIEW (3:05-4:05 pm)

Thaemert Development Agreement (Second Reading)
Special Events Ordinance Amendment (Second Reading)
BGV Development Agreement (First Reading)
TDR Ordinance (First Reading)

III. MANAGERS REPORT (4:05-4:50 pm)

Public Projects Update
Parking and Transportation Update
Housing and Childcare Update
Committee Reports
Financials

IV. OTHER (4:50-5:00 pm)

Underground Utility Master Plan

V. PLANNING MATTERS (5:00-5:30 pm)

Grocery Store Market Study

VI. EXECUTIVE SESSION (5:30 pm)



Memo

To: Breckenridge Town Council Members
From: Peter Grosshuesch, Director of Community Development
Date: June 20, 2018
Subject: Planning Commission Decisions of the June 19, 2018 Meeting

DECISIONS FROM THE PLANNING COMMISSION MEETING, JUNE 20, 2018:

CLASS A APPLICATIONS: None

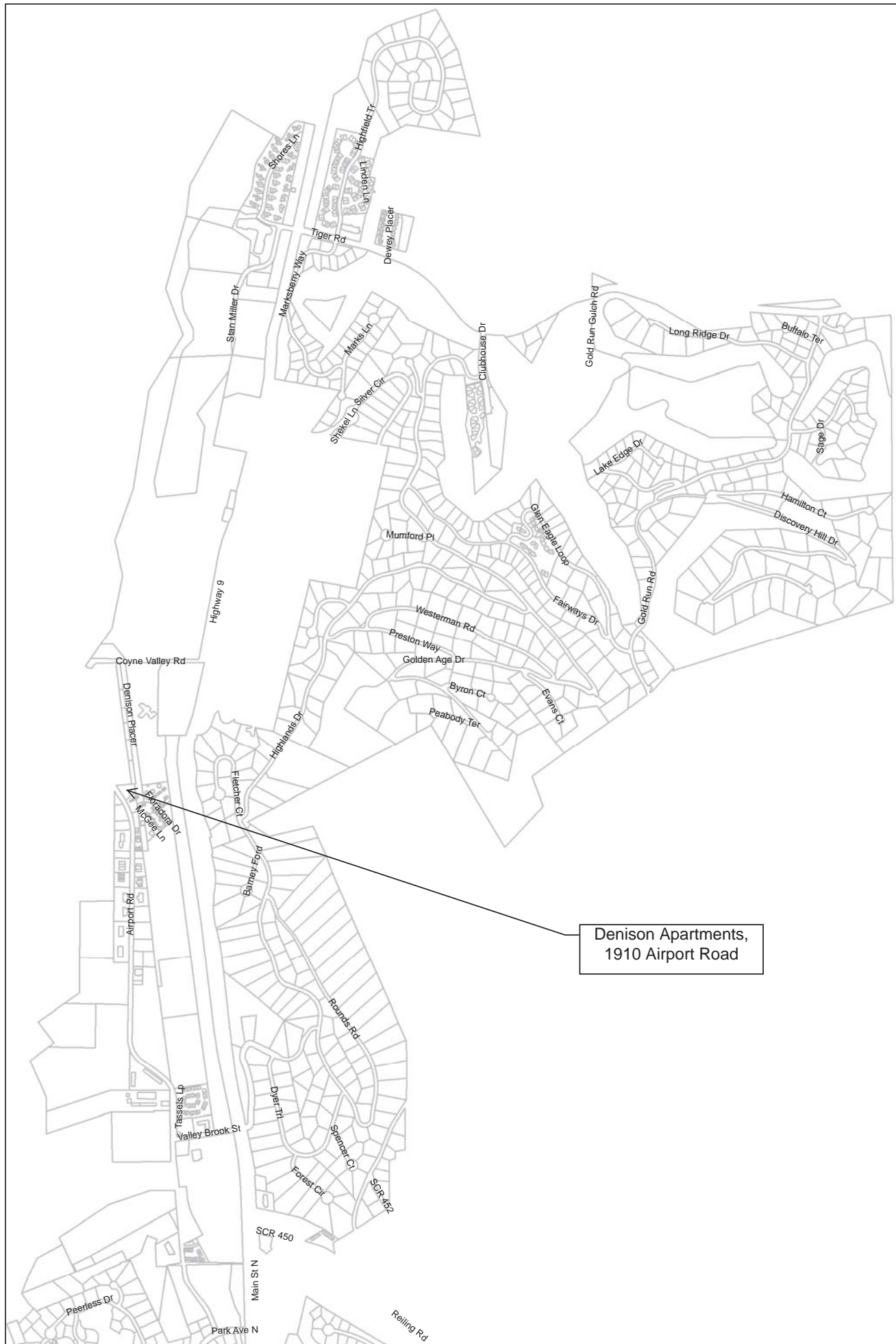
CLASS B APPLICATIONS: None

CLASS C APPLICATIONS: None

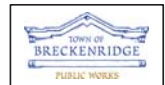
TOWN PROJECT HEARINGS: None

OTHER:

Resolution No. 1, Series 2018 – The Planning Commission adopted a resolution amending Rule 5.1 and Rule 29 of the “Town of Breckenridge Planning Commission Rules of Procedure (Jan 2011 Edition),” regarding the date, time, and place of regular meetings and continuance of hearings, respectively.



Denison Apartments,
1910 Airport Road



Breckenridge North



PLANNING COMMISSION MEETING

The meeting was called to order at 5:30 p.m. by Chair Mathews-Leidal.

ROLL CALL

Christie Mathews-Leidal	Jim Lamb	Ron Schuman
Mike Giller	Steve Gerard	
Dan Schroder	Gretchen Dudney	

APPROVAL OF MINUTES

With no changes, the June 4, 2018 Planning Commission Minutes were approved.

APPROVAL OF AGENDA

With no changes, the June 19, 2018 Planning Commission Agenda was approved.

PUBLIC COMMENT ON HISTORIC PRESERVATION ISSUES:

- No comments.

PRELIMINARY HEARINGS:

1. Denison Apartments (CK), PL-2018-0206, 1910 Airport Road

Mr. Kulick presented a proposal to construct two apartment buildings with 16 one bedroom and 16 two bedroom apartments, totaling 26,632 sq. ft. The buildings are sited on 1.2742 acres and will feature 16 deed restricted employee apartments and 16 market rate apartments that have a short-term rental restriction.

Applicant is Kenny Thaemert, and the architect is Mike Shultz.

Ms. Leidal disclosed she was involved in a previous application with a previous applicant at this parcel. The commission had no concerns.

Commission Questions / Comments:

Mr. Schuman: Can you talk about snow stack? (Mr. Kulick: There is adequate snow storage which equates to 27% of the paved surface area.)

Ms. Leidal: I believe there are public snow storage areas that are adjacent to the parking areas. Can you double-check that before the next hearing? (Mr. Kulick: Yes.) And I wanted to ask about the separation of the parking area from Denison Placer Road. (Mr. Shultz: It's about 12 feet on one side and 8 feet on the other).

Mr. Schuman: What's the short term rental restriction? (Mr. Thaemert: No less than 3 months.) Will the transit shelter be part of the development agreement? (Chris: I believe the Town will place the easement on the property prior to the land transfer.)

Ms. Leidal: The staff report says the parking lot is 9 feet north of the property line. (Mr. Kulick: The parking is covered in terms of site buffering.) (Ms. Puester: When separation less than 5 feet we are looking at negative points for site buffering.)

Mr. Giller: Can you speak more to the architectural guidelines in terms of contemporary look? (Mr. Kulick: The design standards are not mandatory and recommend a "Breckenridge Vernacular" design that feature gabled roof pitches and board and batten or lapped siding. Mr. Kulick showed a color rendering of the building.

Ms. Dudney: The design is similar to other structures on Continental court.

Mr. Schroder: I agree with Gretchen, it's similar.

Mr. Giller: What else would we see on Block 11 that's similar? (Mr. Kulick: That would be up to the discretion of a future applicant.)

Ms. Dudney: What else is left that is part of the Block 11 plan? (Ms. Puester: There's a little over 18 acres

left to develop, all town owned.)
Mr. Lamb: I think it's dangerous to speculate and we should focus on what's in front of us. (Mr. Truckey: I wanted to remind that the last proposal on this site was very contemporary as well and the commission was comfortable with it.) (Mr. Kulick: We felt that we should note the design standards in the staff report and point analysis so there was a precedent cited for not meeting those standards.)

Mr. Thaemert Presented:

To touch on some of those items; we feel the site is a transition zone. The previous design for this site was contemporary and the commission was positive toward it; that's why we did it that way. There are some natural materials on the building although not substantial. We increased the landscaping in a subsequent revision. I appreciate your consideration.

Ms. Dudney: You'd like to see the -2 points removed for more landscaping in the future? (Mr. Thaemert: Yes)

The hearing was opened to public comment: No comments and the public hearing was closed.

Mr. Schroder: In Steamboat Springs there are a number of buildings that are brightly colored. I was concerned about this project heading this way. I thought we were deviating a great deal but when I got to the colors in the packet I was positively refreshed.

Mr. Lamb: There are a lot of non-natural materials but it is consistent with the neighborhood look. This would never fly in the Historic district but it fits perfectly out there. It's nice to see some differences. I'm glad the building height is as it is, because the area becomes a lake in the spring. The trees, I always like more vegetation. I think extending the internal sidewalks to the bus stop is a great idea. I think the point analysis is spot on.

Ms. Dudney: The positive points under Policy 24/R for Council Goals are warranted because workforce housing is so important. We need the housing. I think it's a great project and I like the contemporary look. Many single family homes are moving to this look as well.

Mr. Schuman: The -2 points are warranted under 22/R. I do support the staff recommendation concerning the walkways. The preliminary point analysis I support. I don't necessarily agree that more landscaping is better. I do think this is a good use of the Town Council goals for more workforce housing.

Mr. Giller: Number one yes, a small hit for small trees. 2, 3 Agree. 4, it's a good project.

Mr. Schroder: Trees yes, walkways I like the comment about waiting to see where residents are walking. The West edge of the south building would need a walk around. The point analysis is good and I concur that it's a nice project and fits in the district that it's in. I think it's adding flavor to our town.

Mr. Gerard: I agree with -2 points for landscaping. I think you need to connect the walkways to the external sidewalks because the tenants will create trails. I agree with the point analysis. I think the building looks a lot like the iron works building and it's continuing a look that's already there. Gretchen's observations are correct and the look of homes is going toward a more contemporary look. Meets the need and looks good.

Ms. Leidal: Good looking project. I agree with point analysis. I also agree to connect the sidewalks to the street. Good project and looking forward to seeing the final.

OTHER MATTERS:

1. Resolution Amending the Planning Commission Rules of Procedure

Ms. Puester reviewed the resolution, regarding two changes: The first is regarding Rule 5.1 regarding the date, time and place of the meeting. This allows the Planning Commission to reschedule a meeting with one vote versus doing two separate motions. The second change is to Rule 29, Continuance of a Hearing, in order to clarify what "good cause for continuance" means. It also allows to continue the hearing prior to the

meeting date.

Ms. Leidal: I think the changes are good and make sense.

Opened for public comment: No comments.

Mr. Giller made a motion to approve Resolution 1, Series 2018, a Resolution Amending the Planning Commission Rules of Procedure. Seconded by Mr. Gerard. The motion carried unanimously.

2. Town Council Summary

Ms. Puester: At the Block 11 Work Session Council gave direction to remove the community center and replace it with micro units in the plans. The open staircase that staff and some Commissioners had concerns about was given a head nod to remain open.

Ms. Dudney: What's the school that's mentioned for McCain? (Mr. Truckey: We are doing a land swap with the school district where they receive a parcel on McCain as a potential school site and the Town receives land just north of Upper Blue Elementary.)

Mr. Schuman: What kind of micro units on Block 11?

Mr. Giller: What's the size of a micro unit? (Ms. Puester: They are working on the plans now, likely 350-400 square feet.)

Mr. Gerard: I recall the architect saying they would get at least 8 more micro units. (Mr. Grosshuesch: There's code issues with enclosing the hallways they are still working on.)

Ms. Dudney: Is a micro unit smaller than a studio? (Ms. Puester: Yes.) Aren't they doing micro units in Frisco? (Ms. Puester: Yes but they are not deed restricted.)

ADJOURNMENT:

The meeting was adjourned at 6:24 pm.

Christie Mathews-Leidal, Chair



Memo

To: Breckenridge Town Council Members
From: Laurie Best-Community Development Department
Date: 6/19/2018 (for 6/26/2018 meeting)
Subject: AN ORDINANCE APPROVING A DEVELOPMENT AGREEMENT WITH
M.K. DEVELOPMENT CORPORATION, A COLORADO CORPORATION
M.K. Development Agreement-Second Reading

This Development Agreement is scheduled for second reading and public hearing on June 26th. There have been some changes to the Agreement based on Council comments from the first reading on June 5th. These changes are shown in the redlined version that is included in your packet. The substantive changes are:

- Clarification regarding the type and number of deed restricted units, specifically:
 - 16 units will be subject to a restrictive housing covenant that caps the monthly rental rate (not greater than 85% of the AMI) and requires 30 hours per week Summit County employment, and
 - all 32 units will be subject to a restrictive housing covenant that prohibits any rental, occupancy, or lease for a term less than three consecutive months, and
 - all 32 units will be subject to a restrictive housing covenant that prohibits the conversion of the apartments to condominiums or other forms of real estate ownership for individual sale
- Modification to Paragraph 9 regarding fee waivers, specifically only the 16 employee/rent restricted units are eligible for waiver of Town fees, the Developer will pay all fees associated with the other 16 units
- New Paragraph 6 requiring an easement for a bus shelter, specifically prior to the issuance of a Certificate of Occupancy the Developer shall execute and deliver an easement for a bus shelter
- Modification to Paragraph 10 in regard to the Town's First Right of Refusal, specifically to enable the Town to subordinate its First Right of Refusal to a Master Tenant, at the sole discretion of the Town

With these changes, staff believes the Agreement is ready for your consideration. The key elements of the Agreement are listed below:

The Town will:

- not assess any negative points for up to 24,000 sf of density (15,300 sf allowed)
- not assess any negative points for up to 27,000 sf of mass (15,828 sf allowed)
- measure the building height from finished grade rather than existing grade (prior to fill)
- waive permit fees for 16 rent and employee restricted

- contribute approximately 21,889 sf of Town-owned land to the project (this represents approximately 39% of the project area)
- provide the density (TDRs) to cover the density overage of 8,700 sf for the deed restricted units
- allow fill and site work to occur prior to issuance of the building permit subject to approval by the Town Engineer (the applicant will need to obtain an engineer report/grading plan to demonstrate that the finished floor elevation will be above the high water elevation-approx. 9,380)
- convey Town-owned property (approximately 21,889 sf) to the Developer

In return, the Developer agrees to:

- build and deed restrict 32 apartments
 - 16 will be rent restricted to 85% AMI and occupancy will be restricted to local employees
 - all 32 will be restricted to no short term rental (less than months)
 - all 32 will be restricted from condo conversion
- comply with other elements of the development code
- provide an easement for a bus shelter
- execute a First Right of Refusal Agreement whereby the Town can acquire the project when/if the Developer sells the property

Recommendation: Staff supports the Development Agreement as presented and recommends approval of the Ordinance on second reading. The project will result in a minimum of 16 new apartments that will be rent and employment restricted. These units will be developed by the private sector and not the Town. It should also be noted that the Developer intends to execute a master lease with a local employer and it is likely that 100% of the units will actually house local employees. We will be available to discuss the project and answer questions on June 26th.

1 ***FOR WORKSESSION/SECOND READING – JUNE 26***

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3 **MARKED TO SHOW CHANGES FROM FIRST READING**

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5 COUNCIL BILL NO. 14

7 Series 2018

9 AN ORDINANCE APPROVING A DEVELOPMENT AGREEMENT WITH
10 M. K. DEVELOPMENT CORPORATION, A COLORADO CORPORATION

12 BE IT ORDAINED BY THE TOWN COUNCIL OF THE TOWN OF BRECKENRIDGE,
13 COLORADO:

15 Section 1. Findings. The Town Council of the Town of Breckenridge finds and
16 determines as follows:

18 A. The Developer owns or controls Lot 2B, Block 10, Breckenridge Airport Subdivision,
19 Town of Breckenridge, County of Summit and State of Colorado; also known as 1910 Airport
20 Road, Breckenridge, Colorado 80424 (the “**Developer’s Property**”).

22 B. The Town owns Lot 1, Denison Placer Subdivision, Town of Breckenridge, County of
23 Summit and State of Colorado; also known as 1930 Airport Road, Breckenridge,
Colorado 80424 (the “**Town’s Property**”).

24 C. The Town’s Property is located immediately adjacent to the Developer’s Property.

26 D. The Developer proposes to develop a total of thirty two (32) rental apartments on a
27 site that consists of both the Developer’s Property and the Town’s Property (the “**Development
Parcel**”).

28 E. The Developer’s proposed thirty two (32) rental apartments are to be located in two (s)
29 buildings of three (3) stories each.

31 F. The total density and mass of the Developer’s proposed development exceeds the
32 allowed density and mass under the Town’s land use regulations. Also, the height of the
33 Developer’s proposed development is taller than is allowed under the Town’s land use
regulations.

34 G. Without a development agreement the Developer’s proposed development is not
35 possible because of the density, mass, and proposed height of the proposed apartment buildings.

36 H. Pursuant to Chapter 9 of Title 9 of the Breckenridge Town Code the Town Council
37 has the authority to enter into a development agreement.

38 I. As the commitments encouraged to be made in connection with an application for a
39 development agreement pursuant to Section 9-9-4 of the Breckenridge Town Code, the

1 Developer has agreed to impose significant rental and occupancy restrictions on the apartments
2 to be located within the proposed development, all as more fully set forth in the proposed
3 Development Agreement (the “**Development Agreement**”).

4 J. Subject to the requirements of the proposed Development Agreement, the Town has
5 agreed to convey the Town Property to the Developer for use in the construction of the
6 Developer’s proposed development.

7 K. The Town Council finds and determines that there is a substantial public benefit that
8 will accrue from the construction of the Developer’s proposed housing project as provided in ~~the~~
9 ~~proposed Development~~this Agreement, namely, that the private sector (and not the Town) will
10 construct ~~a minimum of sixteen (16)~~thirty two (32) rental apartments that: ~~(i) are perpetually~~
11 ~~committed to being rented at a monthly rental rate not greater than eighty five percent (85%) of~~
12 ~~the Area Median Income (AMI); and (ii) are further restricted in perpetuity to being occupied~~as
13 ~~to use and occupancy as required by persons actually employed in Summit County~~the Town. The
14 Developer’s proposal will result in the construction of at least twice the number of restricted
15 beds that could have been accommodated had the Town developed the Town Property as it had
16 contemplated. ~~Further, under the proposed Development Agreement it is reasonably possible that~~
17 ~~the total number of perpetually rent and occupancy restricted apartments may increase to a total~~
18 ~~of thirty two (32) apartments.~~ Finally, the construction of the restricted apartments by the
19 Developer will relieve the Town of the substantial financial and administrative burdens of
20 constructing the affordable, restricted rental apartments that are agreed to be constructed by the
21 Developer as described in ~~the proposed Development~~this Agreement.

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22 L. The Town Council has: (i) received a completed application and all required
23 submittals for a development agreement; (ii) reviewed the proposed Development Agreement;
24 (iii) conducted a preliminary discussion of the application and the proposed Development
25 Agreement; (iv) determined that the proposed Development Agreement need not be referred to
26 the Breckenridge Planning Commission for its review and recommendation; and (v) further
27 determined that it should commence proceedings for the approval of the proposed Development
28 Agreement.

29 M. The approval of the proposed Development Agreement is warranted in light of all
30 relevant circumstances.

31 N. The procedures to be used to review and approve a development agreement are
32 provided in Chapter 9 of Title 9 of the Breckenridge Town Code. The requirements of such
33 Chapter have substantially been met or waived in connection with the approval of the proposed
34 Development Agreement and the adoption of this ordinance.

35 O. Section 15.3 of the Breckenridge Town Charter provides that the Town Council may
36 lawfully authorize the conveyance of Town-owned real property by ordinance.

37 Section 2. Approval of Development Agreement. The Development Agreement between
38 the Town and M. K. Development Corporation, a Colorado corporation (Exhibit “A” hereto), is
39 approved, and the Town Manager is authorized, empowered, and directed to execute such
40 agreement for and on behalf of the Town of Breckenridge.

1
2 Section 3. Notice of Approval. The Development Agreement shall contain a notice in the
3 form provided in Section 9-9-13 of the Breckenridge Town Code. In addition, a notice in
4 compliance with the requirements of Section 9-9-13 of the Breckenridge Town Code shall be
5 published by the Town Clerk one time in a newspaper of general circulation in the Town within
6 fourteen days after the adoption of this ordinance. Such notice shall satisfy the requirement of
7 Section 24-68-103, C.R.S.
8

9 Section 4. Authority to Convey Town Property. At such time as the Town Attorney
10 determines it is appropriate to do so, the Mayor, the Town Manager, or the Assistant Town
11 Manager shall have the power and authority to execute and deliver a deed conveying the Town
12 Property to M. K. Development Corporation, a Colorado corporation. The deed shall acceptable
13 in form and substance to the Town Attorney.
14

15 Section 5. Police Power Finding. The Town Council finds, determines, and declares that
16 this ordinance is necessary and proper to provide for the safety, preserve the health, promote the
17 prosperity, and improve the order, comfort and convenience of the Town of Breckenridge and
18 the inhabitants thereof.
19

20 Section 6. Authority. The Town Council finds, determines, and declares that it has the
21 power to adopt this ordinance pursuant to the authority granted to home rule municipalities by
22 Article XX of the Colorado Constitution and the powers contained in the Breckenridge Town
23 Charter.
24

25 Section 7. Effective Date. This ordinance shall be published and become effective as
26 provided by Section 5.9 of the Breckenridge Town Charter.
27

28 INTRODUCED, READ ON FIRST READING, APPROVED AND ORDERED
29 PUBLISHED IN FULL this ___ day of _____, 2018. A Public Hearing shall be held at the
30 regular meeting of the Town Council of the Town of Breckenridge, Colorado on the ___ day of
31 ____, 2018, at 7:00 P.M., or as soon thereafter as possible in the Municipal Building of the
32 Town.
33

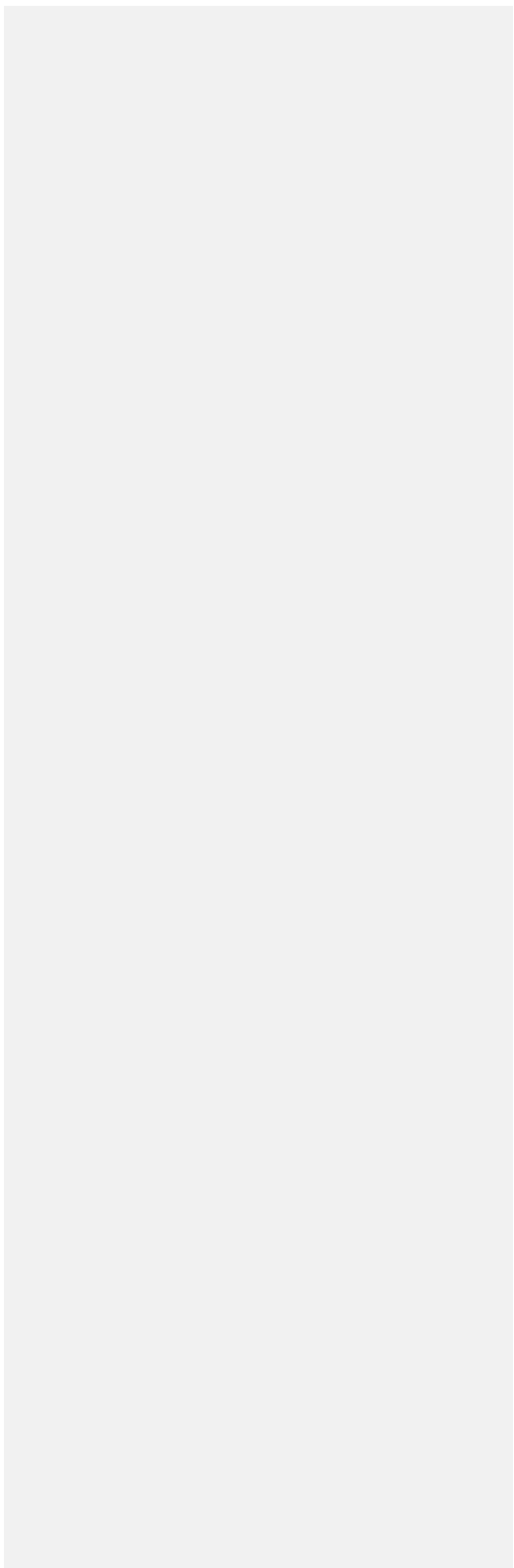
34 TOWN OF BRECKENRIDGE

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37 By: _____
38 Eric S. Mamula, Mayor
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1 ATTEST:

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Helen Cospolich, CMC,
Town Clerk



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2 APPROVAL OF THIS DEVELOPMENT AGREEMENT CONSTITUTES A VESTED
3 PROPERTY RIGHT PURSUANT TO ARTICLE 68 OF TITLE 24, COLORADO
4 REVISED STATUTES, AS AMENDED
5

6 **REDLINED TO SHOW CHANGES TO MAY 23, 2018 DRAFT**
7

8 **DEVELOPMENT AGREEMENT**
9

10 This Development Agreement (“**Agreement**”) is dated _____,
11 2018 and is between the TOWN OF BRECKENRIDGE, a municipal corporation of the State of
12 Colorado (the “**Town**”) and M.-K. DEVELOPMENT CORPORATION, a Colorado corporation
13 (the “**Developer**”).
14

15 Recitals
16

17 A. The Developer owns or controls Lot 2B, Block 10, Breckenridge Airport Subdivision,
18 Town of Breckenridge, County of Summit and State of Colorado; also known as 1910 Airport
19 Road, Breckenridge, Colorado 80424 (the “**Developer’s Property**”).

20 B. The Town owns Lot 1, Denison Placer Subdivision, Town of Breckenridge, County of
21 Summit and State of Colorado; also known as _____, 1930 Airport Road,
22 Breckenridge, Colorado 80424 (the “**Town’s Property**”).

23 C. The Town’s Property is located immediately adjacent to the Developer’s Property.

24 D. The Developer proposes to develop a total of thirty two (32) rental apartments on a
25 site that consists of both the Developer’s Property and the Town’s Property (the “**Development**
26 **Parcel**”).

27 E. The Developer’s proposed thirty two (32) rental apartments are to be located in two (2)
28 buildings of three (3) stories each.

29 F. The total density and mass of the Developer’s proposed development exceeds the
30 allowed density and mass under the Town’s land use regulations. Also, the height of the
31 Developer’s proposed development is taller than is allowed under the Town’s land use
32 regulations.

33 G. Without a development agreement the Developer’s proposed development is not
34 possible because of the density, mass, and proposed height of the proposed apartment buildings.

35 H. Pursuant to Chapter 9 of Title 9 of the Breckenridge Town Code the Town Council
36 has the authority to enter into a development agreement.

37 I. As the commitments encouraged to be made in connection with an application for a
38 development agreement pursuant to Section 9-9-4 of the Breckenridge Town Code, the

DEVELOPMENT AGREEMENT

Page 1

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1 Developer has agreed to impose significant rental and occupancy restrictions on the apartments
2 to be located within the proposed development, all as more fully set forth in this Agreement.
3 Additionally, the Developer has agreed to grant an easement to the Town, at a site mutually
4 acceptable to the Town and Developer, to allow the Town to erect a bus shelter on the site of the
5 proposed development.

6 J. Subject to the requirements of this Agreement, the Town has agreed to convey the
7 Town Property to the Developer for use in the construction of the Developer's proposed
8 development.

9 K. The Town Council finds and determines that there is a substantial public benefit that
10 will accrue from the construction of the Developer's proposed housing project as provided in this
11 Agreement, namely, that the private sector (and not the Town) will construct ~~a minimum of~~
12 ~~sixteen (16) thirty two (32)~~ rental apartments that: ~~(i) are perpetually committed to being rented~~
13 ~~at a monthly rental rate not greater than eighty five percent (85%) of the Area Median Income~~
14 ~~(AMI); and (ii) are further restricted in perpetuity to being occupied as to use and occupancy as~~
15 ~~required by persons actually employed in Summit County, the Town.~~ The Developer's proposal
16 will result in the construction of at least twice the number of restricted beds that could have been
17 accommodated had the Town developed the Town Property as it had contemplated. ~~Further,~~
18 ~~under this Agreement it is reasonably possible that the total number of perpetually rent and~~
19 ~~occupancy restricted apartments may increase to a total of thirty two (32) apartments.~~ Finally, the
20 construction of the restricted apartments by the Developer will relieve the Town of the
21 substantial financial and administrative burdens of constructing the affordable, restricted rental
22 apartments that are agreed to be constructed by the Developer as described in this Agreement.

23 L. The Town Council has received a completed application and all required submittals
24 for a development agreement; had a preliminary discussion of the application and this
25 Agreement; determined that it should commence proceedings for the approval of this Agreement;
26 and, in accordance with the procedures set forth in Section 9-9-10(C) of the Breckenridge Town
27 Code, has approved this Agreement by non-emergency ordinance.

28 Agreement

29
30 1. Subject to the Developer's compliance with all of the requirements and provisions of
31 this Agreement, as well as the Developer's compliance with all other applicable requirements of
32 the Town's ordinances, rules, and regulations, the Town's Planning Commission is hereby
33 authorized to accept, review, and approve a Class A Development Permit for the construction of
34 the Developer's proposed apartment housing project as more specifically described forth herein.

35 2. In connection with its review of the Developer's Class A Development Permit
36 application as described in Section 1, the Planning Commission shall not assess any negative
37 points under the following sections of the Town of Breckenridge "Development Code"¹: (a)
38 Section 9-1-19-3R, "Policy 3 (Relative) Density/Intensity," provided that the total density of the
39 Developer's project shall not exceed 24,000 square feet without the prior approval of the Town

¹ Chapter 1 of Title 9 of the Breckenridge Town Code

1 Council; (b) Section 9-1-19-4R, "Policy 4 (Relative) Mass," provided that the total mass of the
2 Developer's project shall not exceed 27,000 square feet (including storage and circulation)
3 without the prior approval of the Town Council; and (c) Section 9-1-19-6R, "Policy 6 (Relative)
4 Building Height," provided that the maximum height of the Developer's project as measured
5 pursuant to the Development Code shall not exceed thirty five (35) feet measured from finished
6 grade without the prior approval of the Town Council.

7 3. Further, if the Developer's project fully complies with the requirements of Section 2 of
8 this Agreement, the Planning Commission shall determine the Developer's Class A Development
9 Permit application also complies with the following Absolute Policies of the Town of
10 Breckenridge Development Code: (a) Section 9-1-19-3A, "Policy 3 (Absolute
11 Density/Intensity"; (b) Section 9-1-19-4A, "Policy 4 (Absolute) Mass"; and (c) Section 9-1-19-
12 ~~6R6A~~, "Policy 6 (~~Relative~~Absolute) Building Height."

13 4. Upon: (a) final approval of a Class A Development Permit for the construction of the
14 Developer's proposed housing project as more fully described herein in form and substance
15 acceptable to the Developer; and (b) the passage of any time periods within which any
16 referendums, appeals, or other challenges to such approvals must be brought, without any such
17 referendums, appeals or other challenges having been filed, commenced or asserted, the
18 following shall occur: (i) the Town and the Developer shall enter into a contract for the
19 conveyance of the Town's Parcel to the Developer at no cost to either party; provided, however,
20 the deed of conveyance will require that such real property be used only in connection with the
21 construction of the Developer's proposed housing project as more fully set forth herein, and if
22 such covenant is breached, the Town's Property shall immediately be reconveyed to the Town by
23 the Developer. Such reconveyance obligation shall be specifically enforceable against the
24 Developer.

25 5. Prior to the issuance of a Certificate of Occupancy for any apartment in the
26 Developer's approved housing project the Developer shall execute, acknowledge, and deliver to
27 the Town, in a form acceptable to the Town Attorney in his discretion:

28 (i) a restrictive housing covenant encumbering not less than sixteen (16) of the
29 apartments in the Developer's housing project. Such covenant shall provide that:

30 (a) throughout the term of the covenant the encumbered apartments
31 shall be rented to qualified tenants at a monthly rental rate not
32 greater than eighty five percent (85%) of the Area Median Income
33 (AMI) for Breckenridge, Colorado (or if not available, for the Area
34 Median Income for Summit County, Colorado) most recently
35 available immediately prior to such apartment being rented, and

36 (b) a "qualified tenant" must be a person not less than eighteen
37 (18) years of age who is actually employed in Summit County,
38 Colorado at least thirty (30) hours per week on an annual basis
39 during the entirety of the period of his or her occupancy of the
40 apartment;

1 (ii) a second restrictive covenant prohibiting any of the apartments in the Developer's
2 housing project from being rented, leased, or otherwise occupied for a term of less than
3 three (3) consecutive months (i.e., no "short term rental" of any of the apartments in the
4 Developer's housing project); and

5 (iii) a third restrictive housing covenant prohibiting the conversion of any of the
6 apartments in the Developer's housing project to condominiums, or other form of real
7 estate ownership capable of being individually sold, without the prior written approval of
8 the Town Council.

9 ~~5.~~ All of the required restrictive covenants shall not be subordinate to any prior lien
10 or encumbrance of any kind, except the lien of the general property taxes for the year in
11 which the covenants are executed. Each of the three restrictive housing covenants shall
12 provide that it is the intent of such document to create a "consensual lien" within the
13 meaning of Section 38-38-303, C.R.S., sufficient to afford the Town with the right to
14 redeem the Development Parcel from the foreclosure of any mortgage, deed of trust, or
15 other lien or encumbrance in the manner provided by applicable state law.

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16 6. In addition to the requirements of Section 5 of this Agreement, prior to the issuance of
17 a Certificate of Occupancy for any apartment in the Developer's approved housing project the
18 Developer shall execute, acknowledge, and deliver to the Town an easement to allow the Town
19 to construct a bus shelter on the Development Parcel. The location of the easement shall be
20 mutually acceptable to both the Town and the Developer. The form of the easement shall be
21 acceptable to the Town Attorney.

22 ~~6-7.~~ It shall not be a default under the restrictive covenants described in Section 5 of this
23 Agreement, or under this Agreement itself, if the Developer enters into a "~~master lease~~Master
24 Lease" of all of the thirty two (32) apartments in its housing project to a single ~~master~~
25 ~~tenant~~Master Tenant ("Master Tenant") for a term of not less than five (5) years; ("Master
26 Lease"); provided, however, that such ~~master lease~~Master Lease shall require: (i) the ~~master~~
27 ~~tenant~~Master Tenant to rent ~~each~~sixteen (16) of the thirty two (32) apartments at a monthly rental
28 not greater than eighty five percent (85%) of the Area Median Income (AMI) for Breckenridge,
29 Colorado (or if not available, for the Area Median Income for Summit County, Colorado) most
30 recently available immediately prior to such apartment being rented; and (ii) each
31 ~~tenant~~subtenant of the ~~thirty two (32)~~sixteen (16) apartments shall be actually employed in
32 Summit County, Colorado at least thirty (30) hours per week on an annual basis during the
33 entirety of the period of his or her occupancy of the apartment. The Master Lease shall also
34 prohibit any of the thirty two (32) apartments from being subleased for a term of less than three
35 (3) consecutive months (i.e., no "short term rental" of any of the thirty two (32) apartments). At
36 any time that the thirty two (32) apartments are not subject to a ~~master lease~~Master Lease as
37 provided in this Section 6, the provisions of the restrictive covenants described in Section 5 shall
38 apply and shall control the rental and occupancy of all of the encumbered apartments in the
39 Developer's housing project described in such covenants.

Field Code Changed

40 ~~7-8.~~ Prior to the issuance of a building permit for the construction of the Developer's
41 approved housing project as described herein the Town shall execute appropriate documentation

Field Code Changed

1 transferring not more than 5.27 SFE(s) of density to the site of the Developer's project, at no cost
2 to the Developer; provided that such density shall be used only in connection with the
3 construction of the Developer's approved housing project.

4 ~~8-9.~~ The Town agrees to waive all Town building, development, affordable housing
5 impact, and permitting fees of any type associated with the construction of the ~~Developer's~~
6 ~~proposed apartment housing project, sixteen (16) (or more) of the Developer's rental units in the~~
7 ~~Developer's proposed apartment housing project that will be encumbered under the restrictive~~
8 ~~housing covenant described in Section 5(i) of this Agreement, including, but not limited to water~~
9 ~~plant investment fees (PIFs). Developer will pay all Town building, development, affordable~~
10 ~~housing impact, and permitting fees of any type associated with all of the remaining rental units~~
11 ~~in the Developer's apartment housing project, including, but not limited to water plant~~
12 ~~investment fees (PIFs).~~ The Town also agrees that the infrastructure and site work, including
13 deep utilities, grading, construction of storm water management systems, and mass excavation
14 may commence prior to issuance of the building permit subject to approval by the Town
15 Engineer.

16 9-10. Concurrently with the conveyance of the Town's Property to the Developer, the
17 Town and the Developer shall enter into a Right of First Refusal agreement providing that: (i) if,
18 at any time, the Developer shall receive an offer for the purchase of the Development Parcel, or
19 any portion thereof, which the Developer intends to accept, the Developer agrees not to accept
20 such offer or make any contract of sale with respect to said property without first giving the
21 Town the right to acquire such property upon the same terms and conditions contained in such
22 offer of purchase; (ii) the Developer shall give to the Town written notice of the terms and
23 conditions of such offer, together with a copy of the offer; (iii) if the Town fails to enter into a
24 contract with the Developer upon the same terms and conditions as those proposed to the
25 Developer by the party making the offer within thirty (30) calendar days after its receipt of such
26 notice then the Developer shall have the right, and shall be at liberty, to sell said property to the
27 party making the offer; and (iv) if, for any reason, said property is not sold to such party, notice
28 of any subsequent offer received by the Developer shall be given to the Town upon the same
29 terms and conditions for acceptance or rejection as hereinabove provided. The Town's Right of
30 First Refusal agreement shall not be subordinate to any other Right of First Refusal agreement
31 with respect to the Developer's rental housing project; provided, however, that the Town may, in
32 its discretion, agree that its Right of First Refusal agreement shall be subordinate to a Right of
33 First Refusal agreement between the Developer and a Master Tenant. As to any Right of First
34 Refusal agreement that the Town agrees is superior to the Town's Right of First Refusal
35 Agreement, if the Master Tenant fails to purchase the Developer's housing project pursuant to a
36 Right of First Refusal Agreement then the Town's Right of First Refusal Agreement shall apply.
37 The form of the Right of First Refusal Agreement shall be subject to the reasonable approval of
38 both the Town and the Developer.

39 ~~10-11.~~ For the reasons set forth above, the Town Council of the Town of Breckenridge
40 finds, determines, and declares that the conveyance of the Town Property to the Developer for
41 use in the construction of the Developer's proposed apartment housing project as more fully set
42 forth herein will provide a public benefit and further a public purpose within the meaning of
43 Article 11, Section 2 of the Colorado Constitution. The Town Council further finds, determines,

DEVELOPMENT AGREEMENT

1 and declares that the Town of Breckenridge will receive adequate consideration in return for its
2 conveyance of the Town Property to the Developer for use in the construction of the Developer's
3 proposed housing project.

4 ~~11.12.~~ Except as provided in Section 24-68-105, C.R.S. and except as specifically
5 provided for herein, the execution of this Agreement shall not preclude the current or future
6 application of municipal, state or federal ordinances, laws, rules or regulations to the
7 Development Parcel (collectively, "laws"), including, but not limited to, building, fire, plumbing,
8 engineering, electrical and mechanical codes, and the Town's Development Code, Subdivision
9 Standards and other land use laws, as the same may be in effect from time to time throughout the
10 term of this Agreement. Any development of the real property which is the subject of this
11 Agreement shall be done in compliance with the then current laws of the Town.

12 ~~12.13.~~ Nothing in this Agreement shall preclude or otherwise limit the lawful authority of
13 the Town to adopt or amend any Town law, including, but not limited to the Town's: (i)
14 Development Code, (ii) Land Use Guidelines, (iii) Master Plan/Comprehensive Plan, and (iv)
15 Subdivision Standards.

16 ~~13.14.~~ This Agreement shall run with the land and shall be binding upon and inure to the
17 benefit of the Town and the Developer, its successors and permitted assigns.

18 ~~14.15.~~ Prior to any action against the Town for breach of this Agreement, the Developer
19 shall give the Town a sixty (60) day written notice of any claim by the Developer of a breach or
20 default by the Town, and the Town shall have the opportunity to cure such alleged default within
21 such time period.

22 ~~15.16.~~ The Town shall not be responsible for and the Developer shall not have any
23 remedy against the Town if development of the Development Parcel is prevented or delayed for
24 reasons beyond the control of the Town.

25 ~~16.17.~~ Actual development of the Development Parcel shall require the issuance of such
26 other and further permits and approvals by the Town as may be required from time to time by
27 applicable Town ordinances.

28 ~~17.18.~~ No official or employee of the Town shall be personally responsible for any actual
29 or alleged breach of this Agreement by the Town.

30 ~~18.19.~~ The Developer agrees to indemnify and hold the Town, its officers, employees,
31 insurers, and self-insurance pool, harmless from and against all liability, claims, and demands, on
32 account of injury, loss, or damage, including without limitation claims arising from bodily
33 injury, personal injury, sickness, disease, death, property loss or damage, or any other loss of any
34 kind whatsoever, which arise out of or are in any manner connected with such benefits under this
35 Agreement, if such injury, loss, or damage is caused in whole or in part by, or is claimed to be
36 caused in whole or in part by, the negligent or wrongful intentional act or omission of the
37 Developer, any subcontractor of the Developer, or any employee, representative, or agent of the
38 Developer or of any subcontractor of the Developer, or which arise out of any worker's

DEVELOPMENT AGREEMENT

1 compensation claim of any employee of the Developer, or of any employee of any subcontractor
2 of the Developer; except to the extent such liability, claim or demand arises through the
3 negligent or intentional act or omission of the Town, its officers, employees, or agents. The
4 Developer agrees to investigate, handle, respond to, and to provide defense for and defend
5 against, any such liability, claims, or demands to which the Developer's indemnification
6 obligations hereunder apply, at the sole expense of the Developer. The Developer also agrees to
7 bear all other costs and expenses related thereto, including court costs and attorney's fees. The
8 Developer's indemnity obligation under this Section ~~18~~19 shall survive the expiration or
9 termination of this Agreement and shall be fully enforceable thereafter, subject to any applicable
10 statute of limitation.

11 ~~19~~20. If any provision of this Agreement shall be invalid, illegal or unenforceable, it
12 shall not affect or impair the validity, legality or enforceability of the remaining provisions of the
13 Agreement.

14 ~~20~~21. This Agreement constitutes a vested property right pursuant to Article 68 of Title
15 24, Colorado Revised Statutes, as amended.

16 ~~21~~22. Within fourteen (14) days following the final adoption of the ordinance approving
17 this Development Agreement, the Town Clerk shall cause to be published one time in a
18 newspaper of general circulation within the Town a notice satisfying the requirements of Section
19 9-9-13 of the Development Code. The costs of publication of such notice shall be paid by the
20 Developer.

21 ~~22~~23. No waiver of any provision of this Agreement shall be deemed or constitute a
22 waiver of any other provision, nor shall it be deemed to constitute a continuing waiver unless
23 expressly provided for by a written amendment to this Agreement signed by the Town and the
24 Developer; nor shall the waiver of any default under this Agreement be deemed a waiver of any
25 subsequent default or defaults of the same type. The Town's failure to exercise any right under
26 this Agreement shall not constitute the approval of any wrongful act by the Developer or the
27 acceptance of any improvements.

28 ~~23~~24. This Agreement shall be recorded in the office of the Clerk and Recorder of
29 Summit County, Colorado. The cost of recording this Agreement shall be paid by the Developer.

30 ~~24~~25. Nothing contained in this Agreement shall constitute a waiver of the Town's
31 sovereign immunity under any applicable state or federal law.

32 ~~25~~26. Personal jurisdiction and venue for any civil action commenced by either party to
33 this Agreement shall be deemed to be proper only if such action is commenced in District Court
34 of Summit County, Colorado. The Developer expressly waives its right to bring such action in or
35 to remove such action to any other court, whether state or federal.

36 ~~26~~27. Any notice required or permitted hereunder shall be in writing and shall be
37 sufficient if personally delivered or mailed by certified mail, return receipt requested, addressed
38 as follows:

DEVELOPMENT AGREEMENT

1 If To The Town: Rick G. Holman, Town Manager
2 Town of Breckenridge
3 P.O. Box 168
4 Breckenridge, CO 80424
5

6
7 With A Copy (which
8 shall not constitute
9 notice to the Town) to: Timothy H. Berry, Esq.
10 Town Attorney
11 P.O. Box 2
12 Leadville, CO 80461
13

14 If To The Developer: M.-K. Development Corporation
15 Attn.: Kenneth P. Thaemert
16 P.O. Box 1877
17 Breckenridge, CO 80424
18

19 Notices mailed in accordance with the provisions of this Section ~~26~~²⁷ shall be deemed to have
20 been given upon delivery. Notices personally delivered shall be deemed to have been given upon
21 delivery. Nothing herein shall prohibit the giving of notice in the manner provided for in the
22 Colorado Rules of Civil Procedure for service of civil process.
23

24 27-28. This Agreement shall be interpreted in accordance with the laws of the State of
25 Colorado without regard to its conflict of laws rules that might require it to be interpreted in
26 accordance with the laws of any state other than the State of Colorado.

27 29. The Developer may not assign or transfer its rights under this Agreement without the
28 prior, written approval of the Town, which approval may be granted, withheld, or conditionally
29 approved in the Town's sole and absolute discretion.

30 28-30. This Agreement constitutes the entire agreement and understanding between the
31 parties relating to the subject matter of this Agreement and supersedes any prior agreement or
32 understanding relating to such subject matter.

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33
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38 [SIGNATURE ~~AND ACKNOWLEDGMENT~~ PAGES FOLLOW]
39

DEVELOPMENT AGREEMENT

Page 8

TOWN OF BRECKENRIDGE

By: _____
Rick G. Holman, Town Manager

ATTEST:

Helen Cospolich, CMC,
Town Clerk

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STATE OF COLORADO)
) ss.
COUNTY OF SUMMIT)

The foregoing instrument was acknowledged before me this ____ day of _____, 2018 by Rick G. Holman, Town Manager, and Helen Cospolich, CMC, Town Clerk, of the Town of Breckenridge, a Colorado municipal corporation.

WITNESS my hand and official seal.

My commission expires: _____.

Notary Public

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DEVELOPER:

M.-K. DEVELOPMENT CORPORATION, a Colorado corporation

By: _____
President

ATTEST:

Its Secretary

STATE OF COLORADO)
) ss.
COUNTY OF SUMMIT)

The foregoing instrument was acknowledged before me this ___ day of _____, 2018, by _____, as President, and _____, as Secretary. of M.-K. Development Corporation, a Colorado corporation.

WITNESS my hand and official seal.
My commission expires: _____.

Notary Public

1800-505\Development Agreement_4(06-19-18)(redlined vs. May 23, 2018)

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Memo

To: Breckenridge Town Council Members
From: Shannon Haynes, Assistant Town Manager
Date: 6/20/2018
Subject: Special Events Ordinance Changes

The second reading of the revised Special Events Ordinance is scheduled for your meeting on June 26th. There is one additional change to the ordinance from first reading.

Language has been added to allow an application, submitted after the established deadline, without good cause, to be denied.

I will be happy to discuss this matter with you on Tuesday.

1 **FOR WORKSESSION/SECOND READING – JUNE**
2 **26TH**

3
4 Additions To The Current Breckenridge Town Code Are
5 Indicated By **Bold + Double Underline**; Deletions By ~~Strikeout~~

6
7 COUNCIL BILL NO. ____

8
9 Series 2018

10
11 AN ORDINANCE AMENDING CHAPTER 13 OF TITLE 4 OF THE BRECKENRIDGE
12 TOWN CODE CONCERNING SPECIAL EVENTS

13
14 BE IT ORDAINED BY THE TOWN COUNCIL OF THE TOWN OF BRECKENRIDGE,
15 COLORADO:

16
17 Section 1. Section 4-13-6 of the Breckenridge Town Code is amended to read as follows:

18
19 4-13-6: EXCEPTIONS:

20
21 The requirements of this chapter shall not apply to:

- 22
23 A. An indoor special event of any kind;
24 ~~B. A special event held by the town;~~
25 ~~C. B.~~ An event held at Carter Park, Kingdom Park, or the town’s multipurpose
26 fields contracted through the recreation department and constituting
27 “normal or regular” use of those town facilities; or
28 ~~D. C.~~ An event protected by either the first amendment to the United States
29 constitution or by the Colorado constitution; provided, however, that a
30 person staging, holding, presenting, or conducting such an event shall
31 submit an application and obtain a permit pursuant to this chapter, but
32 there shall be no fee required and the deadline for submission of an
33 application as provided in subsection 4-13-7B of this chapter does not
34 apply to such an application. The town manager may also modify any
35 other requirement of this chapter with respect to such an application if
36 necessary to comply with applicable law.

37
38 Section 2. Section 4-13-7(B) of the Breckenridge Town Code is amended to read as
39 follows:

- 40
41 B. An application for a special event permit shall be filed with the town manager
42 ~~not less than forty five (45) days nor more than three hundred sixty five (365)~~

1 days before the special event is proposed to begin **within the timeframe**
2 **specified in the administrative rules and regulations promulgated by the**
3 **town manager pursuant to Section 4-13-26.** The town manager may waive the
4 minimum ~~forty five (45) day~~ filing period and accept an application filed within a
5 shorter time period if, after due consideration of the date, time, place, and nature
6 of the special event, the anticipated number of participants, and the town services
7 required in connection with the special event, the town manager determines that
8 sufficient time exists for the proper investigation and review of the application;
9 that the waiver will not present a hazard to public health, safety or welfare; and
10 that the waiver will not create a substantial burden on the town's staff or financial
11 resources. **Applications received after the established deadline may be subject**
12 **to denial or a late fee.**

13 Section 3. Section 4-13-9(B) of the Breckenridge Town Code is amended to read as
14 follows:
15

16 B. Within thirty (30) days of receipt of a completed application those town
17 departments and other referral agencies described in subsection A of this section
18 shall provide the town manager with comments concerning the application. If an
19 application is accepted by the town manager less than ~~forty five~~ **ninety (45~~90~~)**
20 days before the proposed special event is to be held, the town departments and
21 other referral agencies shall use their best efforts to provide the town manager
22 with their comments in a timely manner so that the town manager will have the
23 comments before making a decision on the application.
24

25 Section 4. Section 4-3-11 of the Breckenridge Town Code is amended by the addition of
26 a new Section F, which shall read as follows:
27

28 **F. Notwithstanding chapter 2 of title 8 of this code, a permit issued under this**
29 **chapter may authorize the permittee to display signage in connection with the**
30 **holding of the special event for which the permit is issued.**
31

32 Section 5. Section 4-13-16 of the Breckenridge Town Code is amended to read as
33 follows:
34

35 4-13-16: NOTICE OF DECISION:
36

37 The town manager shall notify the applicant of the town manager's decision on
38 the application within three (3) business days of rendering the decision. Notice
39 shall be given by e-mailing a copy of the town manager's decision to the applicant
40 ~~by regular mail, postage prepaid,~~ at the **electronic mail** address shown in the
41 application. Notice is deemed to have been properly given upon the **e-mailing of**
42 **the town manager's decision.**
43

1 Section 6. Except as specifically amended by this ordinance, the Breckenridge Town Code,
 2 and the various secondary codes adopted by reference therein, shall continue in full force and
 3 effect.

4 Section 7. The Town Council finds, determines, and declares that this ordinance is necessary
 5 and proper to provide for the safety, preserve the health, promote the prosperity, and improve the
 6 order, comfort and convenience of the Town of Breckenridge and the inhabitants thereof.
 7

8 Section 8. The Town Council hereby finds, determines and declares that it has the power
 9 to adopt this ordinance pursuant to the authority granted to home rule municipalities by Article
 10 XX of the Colorado Constitution and the powers contained in the Breckenridge Town Charter.

11 Section 9. This ordinance shall be published and become effective as provided by Section
 12 5.9 of the Breckenridge Town Charter.
 13

14 INTRODUCED, READ ON FIRST READING, APPROVED AND ORDERED
 15 PUBLISHED IN FULL this ____ day of _____, 2018. A Public Hearing shall be held at the
 16 regular meeting of the Town Council of the Town of Breckenridge, Colorado on the ____ day of
 17 _____, 2018, at 7:00 P.M., or as soon thereafter as possible in the Municipal Building of the
 18 Town.
 19

20 TOWN OF BRECKENRIDGE, a Colorado
 21 municipal corporation
 22
 23

24
 25 By: _____
 26 Eric s. Mamula, Mayor
 27

28 ATTEST:

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 32 _____
 33 Helen Cospolich, CMC,
 34 Town Clerk
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500-272\2018\ Special Events Ordinance Amendment (05-01-18)



Memo

To: Breckenridge Town Council Members
From: Chris Kulick, AICP, Planner III
Date: 6/26/2018
Subject: East Peak 8 Parcel (1599 Ski Hill Road) - Lionheart BGV Ventures Hotel Development Agreement Request

The Town Council received a new Development Agreement request for the property located at 1599 Ski Hill Road, known as the Breckenridge Ski Resort Administration Property which is the last development parcel in the Peak 7 & 8 Master Plan. This proposal, although substantially similar to the previous Development Agreement request, proposes several added community benefits.

The density for this request is proposed to be transferred to the property from the Vail Resorts owned Gondola Lots instead of the Town and County's TDR program.

Proposal Summary

The proposal is to construct a wholly-owned for sale condominium project (110,000 square feet) as well as a four star, flagged luxury hotel containing approximately 150 rooms, common area and associated amenities. With the proposed Development Agreement from the applicant attached, the applicant, Lionheart BGV Ventures, is requesting:

- Transfer of up to 58 Residential SFEs (69,600 sq. ft. for condo or 80,040 sq. ft. of hotel, depending on specific use) and 2 Commercial SFEs (2,000 sq. ft. Commercial) from the density included under the Gondola Lots Master Plan. This square footage would be in addition to the existing entitled density on the site of 71.6 Residential SFEs, 8.8 Commercial SFEs and 3.9 Guest Services SFEs, bringing it to an estimated total of 176,202 sq. ft., excluding additional Guest Services square footage and parking garage.
- Commence infrastructure improvements including demolition of the current administration building, relocation of deep utilities, construction of storm water management systems, and mass excavation during the spring and summer of 2019 prior to the issuance of a building permit.
- Allow one or more temporary structures accommodating Owner's administration functions necessary or appropriate for the operation of the Breckenridge Ski Resort to be placed in locations acceptable to Owner, Developer and Town on the Sale Parcel or elsewhere within the Property as determined by Owner and Developer and maintained in such locations until the proposed Guest Services Spaces are completed and ready for occupancy by Owner
- Establish building height regulations that are in accordance with the Master Plan:

The proposed community benefits for the above requests is listed below. Items identified in **bold** are additional proposed community benefits from the previous request.

- \$125,000 toward the continued preservation of Cucumber Gulch or other public benefits as determined by the Town Council.

- Provide employee housing restrictions on 20,000 square feet of existing residential units, which is in excess of but will include the amount of such employee housing required under the Town's Development Code for the Proposed Development.
- Provide approximately 1,500 square feet of space in the Proposed Development for the Breckenridge Outdoor Education Center ("BOEC") to use for lockers, storage and other similar uses.
- Establish with the Town an environmental improvement fund dedicated to drainage and similar improvements to protect the Town's Cucumber Gulch property with a fee of \$2.00 per paid room night to be added to the amount paid for hotel room rentals for a period of 10 years from the date a certificate of occupancy is issued for the hotel component of the Proposed Development.
- Limit the height of the Proposed Development to a maximum height equal to the elevation of the existing east gable of One Ski Hill Place.
- Abandon the right of access to the Sale Parcel from Saw Mill Run Road upon issuance of the final certificate of occupancy for the Proposed Development.
- Master lease the entire Barton Landing Apartments project pursuant to the terms of the Lease previously entered into with Barton Creek Development, LLC, subject to actual completion of such project by Barton Creek Development, LLC.
- Purchase additional shuttles for the BMMA if vehicular traffic exceeds 1,600 trips per day from the development for any single calendar month in the first five years after a certificate of occupancy is issued.

At this point in time the Council's options will be to: approve the proposed agreement, deny the proposed agreement, or refer it to the Planning Commission for their review (essentially this would be a fit test to see if the amount of density requested actually fits on the site).

Previous Fit Test

On January 16, 2018 the Planning Commission held a work session, to conduct a "Fit Test" for the previous Development Agreement request. At the work session the Commission answered questions on several items and the general consensus was the project had a reasonable chance at passing a point analysis. Since this work session, the applicants have revised several elements of the project with the current application to address concerns of the Planning Commission and adjacent neighbors. Based on the applicant's overall positive response to the concerns staff does not recommend this application be referred to the Planning Commission for a "fit test".

Previous Council Review

As noted above this is a new Development Agreement application from the previous request. However, in an effort to show how this application is addressing previous concerns, we have included the Council's list of questions and the applicant's responses (*in italics*) from the February 27th Council meeting. In addition to the Council's questions and applicant's answers to the questions, Staff has provided comments below in **Bold** on how the current application addresses these questions.

Is it possible to get TDRs off of the Gondola Lots for the project?

- *Lionheart/BGV Ventures discussed this possibility with Vail Resorts. At this point in time, Vail Resorts desires to retain the density currently existing on the gondola lots. — In this request, the applicants propose 60 SFEs of additional density, all of which would be transferred from the Gondola Lots Master Plan area.*

- Have you had any discussions with the neighbors on Sawmill Run Rd.?
 - *We have had multiple conversations and exchanged various emails with the neighbors. A meeting is scheduled with several neighbors on 2/24/18. We will be ready to address this topic in the council meeting on 2/27/18. – There have been several public open houses related to the project and negotiations with the neighbors.*
- Can you guarantee the height of the first level (podium)?
 - *Current approximate floor to floor height of the first level is estimated at 18 feet. This is less than half of the height to the roof garden separating buildings 1 and 2 on Grand Colorado. This height measurement is an estimate at this point and will be finalized with our planning commission submittal. The rendering of this level and the break between the buildings can be seen in the attached file. – The applicants have stated the building concept has not changed with this application.*

Staff still has questions related to how the development will appear from Ski Hill Road, as viewed from the north. Staff is concerned the podium may appear more prominent from that location since the grade is lower on that side. Additionally there appears to be a minimal break in the middle of the two main modules. Staff suggests the break be widened to improve the view corridor in that area and make the structure appear as two separate structures. Staff also notes a height of 18' is considered 1.5 stories per Town Code.

- Assurance of a guest shuttle program.
 - *The property will be serviced by the BMMA shuttle program which services One Ski Hill Place, Grand Colorado on Peak 8, Grand Lodge on Peak 7 and Crystal Peak Lodge. – The shuttle service commitment has not changed with this application. Further, the applicants have agreed to purchase additional shuttles for the BMMA if vehicular traffic exceeds 1,600 trips per day from the development for any single calendar month in the first five years after a certificate of occupancy is issued.*
- Provide actual parking numbers.
 - *As proposed, parking will be provided per code (Master Plan) and will include 38 additional flex spaces. The flex spaces will be utilized for commercial and employee parking. No change in parking is proposed with this application.*
- Address the sediment from the 60" pipe.
 - **The applicants have agreed to Establish with the Town an environmental improvement fund dedicated to drainage and similar improvements to protect the Town's Cucumber Gulch property with a fee of \$2.00 per paid room night to be added to the amount paid for hotel room rentals for a period of 10 years from the date a certificate of occupancy is issued for the hotel component of the Proposed Development.**
- Commit to a greater buffer from the Four O'clock Subdivision.
 - *Site buffer has been returned to original proposal of 30 feet at the closest point of the property line. In the attached file titled: Neighbor Tree Buffer, you can see the tree buffer for each neighboring house as well as the distance to each house.*

Staff appreciates the applicant's efforts to improve buffer with the adjacent neighborhoods. However, we would like to see the buildings pulled completely out of the treed area to preserve

all of the existing trees in that area and achieve maximum buffer. - **The applicants have stated the building concept has not changed with this application.**

- Supply a realistic benchmark of hotel staff.
 - **Staffing estimates provided by the applicant have not changed with this application.**
- Provide ownership clean up (i.e. show joint BGV/ Lionheart ownership)
 - *Lionheart/BGV provided a PSA (Purchase and Sale Agreement) amendment to the town staff on 2/15/18. This amendment updated the PSA Purchaser to be in the name of Lionheart BGV Ventures LLC.*
- Be prepared to explain the traffic study.
 - *Updated traffic study and detailed responses to Dale Stein's (Town Engineer) questions provided to the town on 2/15/18. In addition, Curtis Rowe, VP from Kimley Horn & Associates will attend the meetings on 2/27/18 to answer any questions. – An updated traffic study was not part of this application. The only significant circulation change with this application is the elimination of access from Sawmill Run Road.*

Additional Staff Comments

Development Agreement: As of the packet deadline, the applicants and staff are still fine tuning some specific language in the Development Agreement for clarification. All anticipated changes have been verbally agreed upon between the applicants and staff, and will not affect the request or community benefit of the Development Agreement.

Architectural Compatibility: Staff understands the architectural images are preliminary in nature and do not reflect the final architectural character. However, we think it is important to acknowledge there are existing design standards in the Peak 7 & 8 Master Plan that call for a “rustic mountain lodge style” and the use of authentic stone foundations, chimneys and other accent elements, large sheltering roof forms large shaded windows and lap or board and batten siding.

Staff and the applicants will be happy to answer any additional questions pertaining to the proposed Development Agreement at the meeting.

LAW OFFICES
WEST BROWN HUNTLEY PC

100 SOUTH RIDGE STREET, SUITE 204
 POST OFFICE BOX 588
 BRECKENRIDGE, COLORADO 80424
 (970) 453-2901
 WWW.BRECKLAW.COM

FELICE F. HUNTLEY
 ROBERT N. GREGORY
 MEREDITH A. QUINLIVAN
 CARIME A. LEE

STEPHEN C. WEST
 Of Counsel
 JILL D. BLOCK
 Paralegal

June 13, 2018

Rick Holman, Town Manager
 Town of Breckenridge
rickh@townofbreckenridge.com

Peter Grosshuesch, Director
 Department of Community Development
 Town of Breckenridge
peter@townofbreckenridge.com

Re: Development Agreement proposed by Lionheart BGV Ventures, LLC authorizing both an amendment of the Peaks 7 & 8 Master Plan and a development permit based on such amendment

Dear Rick and Peter

In connection with an application to be filed by Lionheart BGV Ventures, LLC (“Applicant”) for an amendment of the Amended Peaks 7 & 8 Master Plan approved by Development Permit PL-2015-0444 on January 12, 2016 (“Master Plan”) as it relates to the area of the Master Plan located east of One Ski Hill Place and representing the remainder of the developable area of Planning Area B, Peak 8 Base (“Property”), the Applicant is requesting that the Town Council approve the attached Development Agreement (“Agreement”). The Agreement would authorize the Town’s Planning Commission, first, to approve an amendment to the Master Plan and, second, to approve a development permit for the Applicant’s proposed project for the Property, neither of which could be approved if various provisions the Town Code were applied to the applications for the proposed amendment and development permit.

The key substantive request from Town Council in the Agreement is the authorization of the transfer to the Property of up to 58 SFEs of density (including up to 2 SFEs of commercial density) by Vail Summit Resorts, Inc. from the density available on the Gondola Lots. The proposed Agreement also includes other less significant authorizations, including the initiation of improvements prior to issuance of a building permit. In terms of the additional commitments encouraged to be made in Section 9-9-4 of the Town Code to the Town in connection with any request for a development agreement, the proposed Agreement contains 8 significant items set forth in Recital J of the Agreement and more fully committed to in Sections 1. (A) through (H) of the proposed Agreement.

Although this is a new application, it is the Applicant's hope that the fit test review previously performed at Town Council's request by Planning Commission, in connection with the prior application for a development permit originally filed in early December of last year, will be sufficient to confirm that the additional SFEs potentially can fit on the Property. Of course, whether the additional density fits on the Property must be determined through the applications for the master plan amendment and a development permit for the improvements in accordance with the terms and conditions of the Master Plan and Development Code, as determined by the Planning Commission and ultimately the Town Council.

The Applicant respectfully requests that this letter be considered as the formal application for consideration of the proposed Agreement. Because no application for a development permit has yet been filed in connection with the proposed Agreement, a separate application fee has been included with this letter in the amount of \$19,565, which is the amount required for a Class A development permit for the project to be proposed if the Agreement is approved, as provided for in Section 9-9-8 of the Town Code. The remainder of the submittal requirements set forth in Section 9-9-9 of the Town Code are complied with as follows: Subsection A is satisfied by the simultaneous delivery to the Town Attorney of a commitment for title insurance showing ownership of the Property to be in the name of Vail Summit Resorts, Inc.; Subsections B and C have been previously satisfied by the submission to the Department of Community Development of a letter dated November 3, 2017 from Vail Summit Resorts, Inc., the owner of the Property, authorizing the Applicant to file applications with respect to the development of the Property, including this application; Subsections D and E are satisfied by this letter and the attached Agreement; and Subsection F is satisfied with the submittal of the proposed Agreement itself. If any additional information or documentation is needed, please do not hesitate to let the Applicant or me know.

The Applicant looks forward to working with the Town on approval of this proposed Agreement.

Respectfully,



Stephen C. West

c: Timothy H. Berry, Esq. (tberrylaw3@gmail.com w/ enc.)
 Julia Puester (juliap@townofbreckenridge.com w/ enc.)
 Chris Kulick (chrisk@townofbreckenridge.com w/ enc.)

APPROVAL OF THIS DEVELOPMENT AGREEMENT CONSTITUTES A VESTED
PROPERTY RIGHT PURSUANT TO ARTICLE 68 OF TITLE 24, COLORADO REVISED
STATUTES, AS AMENDED

DEVELOPMENT AGREEMENT

This Development Agreement (“Agreement”) is made as of the ____ day of _____, 2018 (the “Effective Date, which shall be the date when the ordinance approving this Agreement becomes effective) between the TOWN OF BRECKENRIDGE, a municipal corporation of the State of Colorado, (the “Town”) and LIONHEART BGV VENTURES, LLC, a Colorado limited liability company, (the “Developer”).

Recitals

A. Vail Summit Resorts, Inc. (“Owner”) is the owner of the Remainder of Tract C, Peak 8 Subdivision according to the Third Resubdivision Plat of The Remainder of Tract C, Peak 8 Subdivision Filing No. 1 recorded September 19, 2016 at Reception No. 1121860, Summit County, Colorado (the “Property”).

B. The Property is subject to the Amendment to Amended Peaks 7 & 8 Master Plan approved by Development Permit PL-2015-0444 on January 12, 2016, the Notice of Approval of Master Plan for which Amendment was recorded August 30, 2016 at Reception No. 1120265 of the Summit County, Colorado records (the “Master Plan”).

C. Lionheart BGV Ventures, LLC, a Colorado limited liability company, (“Developer”) is an affiliate of Lionheart Capital, LLC.

D. Owner and Lionheart Capital, LLC have entered into an agreement for the potential sale of the portion of the Property located to the east of One Ski Hill Place and representing the remainder of the developable area of Planning Area B, Peak 8 Base of the Master Plan (the “Sale Parcel”) for Developer to develop a hotel, condominiums, commercial facilities, amenities and space for Owner’s use (the “Proposed Development”). On February 6, 2018 the agreement was assigned by Lionheart Capital, LLC to Developer.

E. As owner of the Property, Owner has the right to authorize and has provided to the Town written authorization for the Developer to propose an amendment to the Master Plan, to request a density transfer to the Sale Parcel, to request Town approval for the gross density recommended by the Town’s Land Use Guidelines (“Guidelines”) to be exceed as provided for in Subsection 9-1-19-39A:I.(2) of the Breckenridge Town Code, and to enter into agreements with the Town concerning such amendment to the Master Plan, such a density transfer, such

1 density in excess of that recommended by the Guidelines, and such other matters as the Town and
 2 the Developer may agree is appropriate.

3
 4 F. Pursuant to Chapter 9 of the Breckenridge Town Code the Town Council has the
 5 authority to enter into a development agreement. Further, in connection with a master plan
 6 amendment, there is no process in the Town's Development Code for approval of density in
 7 excess of that recommended by the Guidelines and a transfer of density to support such excess
 8 density, and, therefore, a development agreement provides a means for such an approval and
 9 transfer.

10 G. In order for Developer to develop the Sale Parcel in a manner that will include a
 11 four star, flagged, luxury hotel containing approximately 150 rooms and approximately 110,000
 12 square feet of condominiums, with the amenities and commercial services required for such a
 13 project, up to an additional 58 SFEs of density, which may include up to 2.0 SFEs of commercial
 14 density, will be required and an amendment to the Master Plan and authorization to acquire and
 15 transfer such additional SFEs will be required.

16 H. Because there is no provision in the Breckenridge Town Code allowing site work
 17 to begin prior to issuance of a building permit, in order to facilitate the beginning of vertical
 18 construction of Developer's proposed project in the spring of 2020, the Town is prepared to
 19 authorize its Department of Community Development ("Department") to grant permission for the
 20 commencement of infrastructure improvements, including, but not limited to, demolition of
 21 Owner's administration office building and ski patrol locker building located on the Sale Parcel
 22 ("Administration Facilities"), construction of storm water management facilities, relocation of
 23 utilities, and site excavation prior to issuance of a building permit, but subject to receipt of
 24 assurances of completion deemed satisfactory by the Department.

25 I. In order to accommodate Owner's administration functions necessary or
 26 appropriate for the operation of the Breckenridge Ski Resort, which currently occur in the
 27 Administration Facilities, the Town acknowledges and understands that one or more temporary
 28 structures will need to be placed in locations to the Owner and Developer on the Sale Parcel or
 29 elsewhere within the Property as determined by Owner and Developer and maintained in such
 30 locations until the proposed Guest Services (as defined in the Master Plan) spaces to be included
 31 in Developer's proposed development on the Sale Parcel (the "Guest Services Spaces") are
 32 completed and ready for occupancy by Owner and a temporary permit will need to be issued. The
 33 permit referenced in this paragraph must be reviewed and approved by the Town's Planning
 34 Commission and Town Council as provided for in subparagraph 1(a)(iv) below.

35 J. As the commitments encouraged to be made in connection with an application for
 36 a development agreement in accordance with Section 9-9-4 of the Breckenridge Town Code,
 37 Developer has proposed the following: (1) a payment to the Town of \$125,000 to be applied
 38 toward the Town's improvements to and maintenance of its Cucumber Gulch property or as
 39 otherwise directed by the Town Council; (2) to provide employee housing restrictions on 20,000

1 square feet of existing residential units, which is in excess of but will include the amount of such
 2 employee housing required under the Town’s Development Code for the Proposed Development;
 3 (3) to provide approximately 1,500 square feet of space in the Proposed Development for the
 4 Breckenridge Outdoor Education Center (“BOEC”) to use for lockers, storage and other similar
 5 uses; (4) to establish with the Town an environmental improvement fund dedicated to drainage
 6 and similar improvements to protect the Town’s Cucumber Gulch property with a fee of \$2.00
 7 per paid room night to be added to the amount paid for hotel room rentals for a period of 10 years
 8 from the date a certificate of occupancy is issued for the hotel component of the Proposed
 9 Development; (5) to limit the height of the Proposed Development to a maximum height equal to
 10 the elevation of the existing east gable of One Ski Hill Place, as shown on the Building Elevations
 11 exhibit attached hereto; (6) to abandon the right of access to the Sale Parcel from Saw Mill Run
 12 Road upon issuance of the final certificate of occupancy for the Proposed Development; (7) to
 13 master lease the entire Barton Landing Apartments project pursuant to the terms of the Lease
 14 previously entered into with Barton Creek Development, LLC, subject to actual completion of
 15 such project by Barton Creek Development, LLC; and (8) to acquire for Breckenridge Mountain
 16 Master Association (BMMA”) for use in its shuttle service for the Peaks 7 and 8 base areas, at
 17 the end of the first year and each year thereafter during the first 5 years after the final certificate
 18 of occupancy has been issued for the Proposed Development, 1 van for every 100 trips in excess
 19 of an average of 1,600 trips per day in and out of the guest and employee garage of the proposed
 20 development during any single calendar month in each of such first 5 years.

21 K. The Town Council has received a completed application and all required submittals
 22 for a development agreement, had a preliminary discussion of the application and this Agreement,
 23 determined that it should commence proceedings for the approval of this Agreement and, in
 24 accordance with the procedures set forth in Subsection 9-9-10:C of the Breckenridge Town Code,
 25 has approved this Agreement by non-emergency ordinance.

26 Agreement

27 1. Upon:

28 (a) final approval of all of the following by the Town:

- 29 (i) such permits or approvals necessary for the transfer of density consisting of up to
 30 58 SFEs, including up to two (2) commercial SFEs, to the Sale Parcel by Owner
 31 from the density included under the Gondola Lots Master Plan;
 32
 33 (ii) a Class A development permit amending the Master Plan to allow for such
 34 transferred density in addition to the 71.6 residential SFEs and 9.0 commercial
 35 SFEs remaining available for the Sale Parcel under the Master Plan and with a
 36 maximum height, as measured to the sheathing of the peak of the roof in
 37 accordance with the Town’s standard building height measurement procedure,
 38 equal to the elevation of the existing peak of the east gable of One Ski Hill Place,
 39 as shown on the Building Elevations exhibit attached hereto (the “Master Plan
 40
 41

1 Amendment”);

- 2
- 3 (iii) a Class A development permit acceptable to Developer consistent with the Master
4 Plan Amendment and allowing for the development of the Sale Parcel to
5 accommodate: a four star, flagged, luxury hotel containing approximately 150
6 rooms; approximately 110,000 square feet of residential condominiums;
7 approximately 11,000 square feet of commercial; and approximately 10,300
8 square feet of Guest Services and Support Facilities (as defined in the Master
9 Plan) space for acquisition and use by Owner (the “Permit”);
- 10
- 11 (iv) such permit as may be required by the Town to allow one or more temporary
12 structures accommodating Owner’s administration functions necessary or
13 appropriate for the operation of the Breckenridge Ski Resort to be placed in
14 locations acceptable to Owner and Developer on the Sale Parcel or elsewhere
15 within the Property as determined by Owner and Developer and maintained in
16 such locations until the proposed Guest Services Spaces are completed and ready
17 for occupancy by Owner, and
- 18
- 19 (v) a Class B subdivision permit approving the subdivision of the Property to create
20 the Sale Parcel;

21 and

22

23

24 (b) the passage of any time periods within which any referendums, appeals or other
25 challenges to such approvals must be brought, without any such referendums, appeals or other
26 challenges having been filed, commenced or asserted, or, if filed, commenced or asserted, after
27 any such appeal, referendum or challenge is resolved with affirmation that the Development
28 Agreement is effective,

29 then Developer shall:

- 30
- 31
- 32 (A) pay \$125,000 to the Town to be applied to the improvement and maintenance of
33 the Town’s Cucumber Gulch property or as otherwise directed by the Town
34 Council;
- 35
- 36 (B) prior to the issuance of a building permit for the development of the Sale Parcel as
37 contemplated by this Agreement, cause Owner, subject to (1) Owner’s satisfaction
38 that any existing approvals associated with the property covered by the Gondola
39 Lots Master Plan and/or Development Permit PL-2016-0003 will remain fully
40 effective except for a reduction of the density by the amount of density transferred
41 and (2) Developer’s satisfaction of all conditions to Owner’s transfer of density to
42 the Sale Parcel under any agreement relating thereto, to enter into a density
43 transfer covenant with the Town to transfer from the property covered by the

1 Gondola Lots Master Plan the density required to support the total residential and
 2 commercial density authorized by the Permit minus the residential density of 71.6
 3 SFEs and the commercial density of 9.0 SFEs remaining available for the Sale
 4 Parcel under the Master Plan.;

- 5
- 6 (C) prior to the issuance of any certificate of occupancy for the Proposed
 7 Development, provide standard form Town employee housing covenants
 8 restricting the use of 20,000 square feet of previously unrestricted residential units
 9 as employee housing, provided that such portion of the 20,000 total square
 10 footage as is applied by Developer in connection with the allocation of up to 10
 11 positive points under Subsection 9-1-19-24R of the Town's Development Code
 12 will be included as part of and not in addition to such 20,000 square feet;
 13
- 14 (D) prior to issuance of a certificate of occupancy for the portion of the Proposed
 15 Development that includes the approximately 1,500 square feet of space for the
 16 BOEC, enter into a lease providing for a term of at least fifty (50) years and rent
 17 of \$1.00 per year and otherwise mutually acceptable to Developer and the BOEC;
 18
- 19 (E) prior to the issuance of any certificate of occupancy for the Proposed
 20 Development, establish with the Town an environmental improvement fund
 21 dedicated to drainage and similar improvements to protect the Town's Cucumber
 22 Gulch property funded by a fee of \$2.00 per paid room night to be added to the
 23 amount paid for rentals of the hotel rooms in the Proposed Development, and only
 24 those hotel rooms, for a period of ten (10) years from the date a certificate of
 25 occupancy is issued for the hotel component of the Proposed Development;
 26
- 27 (F) upon issuance of the final certificate of occupancy for the Proposed Development,
 28 to provide such document as is reasonably acceptable to the Town to provide for
 29 the abandonment of any right of access to the Sale Parcel from Saw Mill Run
 30 Road;
 31
- 32 (G) upon and subject to completion of the Barton Landing Apartments, either to cause
 33 Peak 8 Properties, LLC, an affiliate of Developer, to comply with the terms of the
 34 Lease previously entered into by said Peak 8 Properties with Barton Creek
 35 Development, LLC for such Apartments or to assume the rights and obligations
 36 under such Lease from Peak 8 Properties, LLC; and
 37
- 38 (H) prior to issuance of the final certificate of occupancy for the proposed
 39 development on the Sale Parcel, enter into such agreement as the Town
 40 reasonably may require to provide for the following: At the end of the first year
 41 after issuance of a final certificate of occupancy for the Proposed Development
 42 and every year thereafter for the first 5 years after issuance of such final
 43 certificate of occupancy, the Developer will provide a trip report to the Town.

1 Trips will be defined as the number of trips into the garage plus the number of trip
 2 out of the garage on a daily basis. If during any single calendar month of each of
 3 such 5 years the number of trips exceeds an average of 1,600 trips per day, for
 4 every 100 trips in excess of 1600 the Developer will acquire and transfer 1
 5 additional shuttle van to the BMMA.

6 2. Pursuant to Subsection 9-1-19:39.I.(2) of the Development Code, the Town's
 7 Planning Commission is hereby authorized to review and approve, within 1 year of the Effective
 8 Date and subject to compliance with all other applicable development policies of the Town, both
 9 an application for the Master Plan Amendment and an application for the Permit allowing for the
 10 additional density and other terms and conditions provided for in this Agreement.

11 3. Subject to the Department's receipt of adequate assurances of or security for
 12 completion of the authorized infrastructure improvements or return of the Sale Parcel generally to
 13 the condition it was in before the commencement of any work, the Department, after final approval
 14 of the Master Plan Amendment and the Permit, is hereby authorized to permit the demolition of
 15 Administration Facilities and the excavation for and construction of infrastructure improvements,
 16 including, but not limited to, construction of storm water management facilities, relocation of
 17 utilities, and site excavation, after issuance of the Permit but before issuance of a building permit.

18 4. Except as provided in Section 24-68-105, C.R.S. and except as specifically
 19 provided for herein, the execution of this Agreement shall not preclude the current or future
 20 application of municipal, state or federal ordinances, laws, rules or regulations to the Property
 21 (collectively, "laws"), including, but not limited to, building, fire, plumbing, engineering, electrical
 22 and mechanical codes, and the Town's Development Code, Subdivision Standards and other land
 23 use laws, as the same may be in effect from time to time throughout the term of this Agreement.
 24 Except to the extent the Town otherwise specifically agrees, any development of the Sale Parcel
 25 which is the subject of this Agreement, the Master Plan Amendment and the Permit shall be done
 26 in compliance with the then-current laws of the Town.

27 5. Nothing in this Agreement shall preclude or otherwise limit the lawful authority of
 28 the Town to adopt or amend any Town law, including, but not limited to the Town's: (i)
 29 Development Code, (ii) Master Plan, (iii) Land Use Guidelines and (iv) Subdivision Standards.

30 6. Prior to any action against the Town for breach of this Agreement, Developer shall
 31 give the Town a sixty (60) day written notice of any claim by the Developer of a breach or default
 32 by the Town, and the Town shall have the opportunity to cure such alleged default within such
 33 time period.

34 7. The Town shall not be responsible for and the Developer shall have no remedy
 35 against the Town if the development of the Sale Parcel is prevented or delayed for reasons beyond
 36 the control of the Town.

1 8. Actual development of the Sale Parcel shall require the issuance of such other and
2 further permits and approvals by the Town as may be required from time to time by applicable
3 Town ordinances.

4 9. No official or employee of the Town shall be personally responsible for any actual
5 or alleged breach of this Agreement by the Town.

6 10. Developer with respect to its interests or benefits provided for in paragraphs 1, 2,
7 and 3 agrees to indemnify and hold the Town, its officers, employees, insurers, and self-insurance
8 pool, harmless from and against all liability, claims, and demands, on account of injury, loss, or
9 damage, including without limitation claims arising from bodily injury, personal injury, sickness,
10 disease, death, property loss or damage, or any other loss of any kind whatsoever, which arise out
11 of or are in any manner connected with such benefits under this Agreement, if such injury, loss, or
12 damage is caused in whole or in part by, or is claimed to be caused in whole or in part by, the
13 negligence or wrongful intentional act or omission of Developer; any subcontractor of Developer,
14 or any officer, employee, representative, or agent of Developer or of any subcontractor of
15 Developer, or which arise out of any worker's compensation claim of any employee of Developer,
16 or of any employee of any subcontractor of Developer; except to the extent such liability, claim or
17 demand arises through the negligence or intentional act or omission of Town, its officers,
18 employees, or agents. Developer agrees to investigate, handle, respond to, and to provide defense
19 for and defend against, any such liability, claims, or demands at the sole expense of the Developer.
20 Developer also agrees to bear all other costs and expenses related thereto, including court costs
21 and attorney's fees.

22 11. If any provision of this Agreement shall be invalid, illegal or unenforceable, it shall
23 not affect or impair the validity, legality or enforceability of the remaining provisions of the
24 Agreement.

25 12. This Agreement constitutes a vested property right pursuant to Article 68 of Title
26 24, Colorado Revised Statutes, as amended.

27 13. No waiver of any provision of this Agreement shall be deemed or constitute a
28 waiver of any other provision, nor shall it be deemed to constitute a continuing waiver unless
29 expressly provided for by a written amendment to this Agreement signed by both Town and
30 Developer; nor shall the waiver of any default under this Agreement be deemed a waiver of any
31 subsequent default or defaults of the same type. The Town's failure to exercise any right under
32 this Agreement shall not constitute the approval of any wrongful act by the Developer or the
33 acceptance of any improvements.

34 14. This Agreement shall be binding upon and inure to the benefit of Town and
35 Developer, and their successors and assigns.

36 15. If and only if Developer has acquired title to the Sale Parcel, this Agreement shall
37 be recorded in the office of the Clerk and Recorder of Summit County, Colorado promptly after

1 Developer has acquired title to the Sale Parcel and all documents required to be recorded in
 2 connection with such acquisition of title have been recorded, and, thereafter, shall run with title to
 3 the Property.

4 16. Nothing contained in this Agreement shall constitute a waiver of the Town's
 5 sovereign immunity under any applicable state or federal law.

6 17. Personal jurisdiction and venue for any civil action commenced by either party to
 7 this Agreement shall be deemed to be proper only if such action is commenced in District Court
 8 of Summit County, Colorado. The Developer and Town expressly waive their right to bring such
 9 action in or to remove such action to any other court, whether state or federal.

10 18. Any notice required or permitted hereunder shall be in writing and shall be
 11 sufficient if personally delivered or mailed by certified mail, return receipt requested, addressed
 12 as follows:

13
 14 If to the Town: Rick Holman, Town Manager
 15 Town of Breckenridge
 16 P.O. Box 168
 17 Breckenridge, CO 80424

18 With a copy (which
 19 shall not constitute
 20 notice to the Town) to: Timothy H. Berry, Esq.
 21 Town Attorney
 22 P.O. Box 2
 23 Leadville, CO 80461

24
 25 If to the Developer: Graham Frank
 26 Lionheart BGV Ventures, LLC
 27 100 S. Main Street
 28 P.O. Box 6879
 29 Breckenridge, CO 80424

30 With a copy (which
 31 shall not constitute
 32 notice) to: Jessica Wasserstrom
 33 Lionheart Capital, LLC
 34 4218 NE 2nd Avenue, 2nd Floor
 35 Miami, FL 33137

36 With a copy (which
 37 shall not constitute
 38 notice) to: John L. Palmquist, Esq.
 39 GC Legal Strategies
 40 2520 S. St. Paul Street

Denver, CO 80210

With a copy (which shall not constitute notice) to:

Vail Resorts Management Company
390 Interlocken Crescent
Broomfield, CO 80021
Attn: Legal Department

Notices mailed in accordance with the provisions of this paragraph shall be deemed to have been given upon delivery. Notices personally delivered shall be deemed to have been given upon delivery. Nothing herein shall prohibit the giving of notice in the manner provided for in the Colorado Rules of Civil Procedure for service of civil process.

19. This Agreement constitutes the entire agreement and understanding between the parties relating to the subject matter of this Agreement and supersedes any prior agreement or understanding relating to such subject matter.

20. This Agreement shall be interpreted in accordance with the laws of the State of Colorado.

IN WITNESS WHEREOF, the Town and the Developer have executed this Agreement as of the date first above set forth.

[SEPARATE SIGNATURE PAGES TO FOLLOW]

TOWN OF BRECKENRIDGE

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Attest:

Helen Cospolich, CMC, Town Clerk

By: _____
Rick G. Holman, Manager

STATE OF COLORADO)
) ss.
COUNTY OF SUMMIT)

The foregoing was acknowledged before me this _____ day of _____,
201___ by Rick G. Holman as Town Manager and Helen Cospolich, CMC, as Town Clerk of the
Town of Breckenridge.

Witness my hand and official seal.
My commission expires: _____

Notary Public

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LIONHEART BGV VENTURES, LLC
a Colorado limited liability company

By: _____
_____, Manager

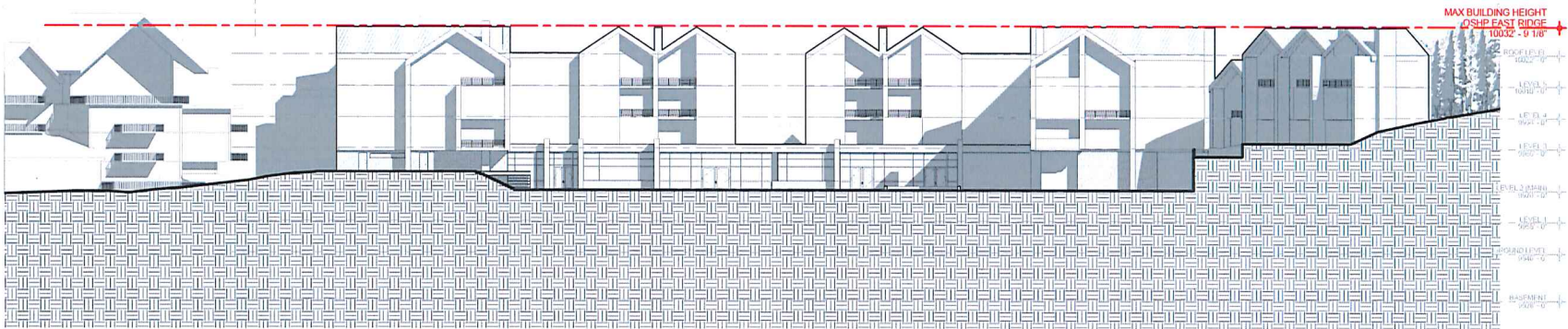
STATE OF COLORADO)
) ss.
COUNTY OF SUMMIT)

The foregoing was acknowledged before me this _____ day of _____,
201__ by _____ as the Manager of Lionheart BGV Ventures, LLC, a Colorado
limited liability company.

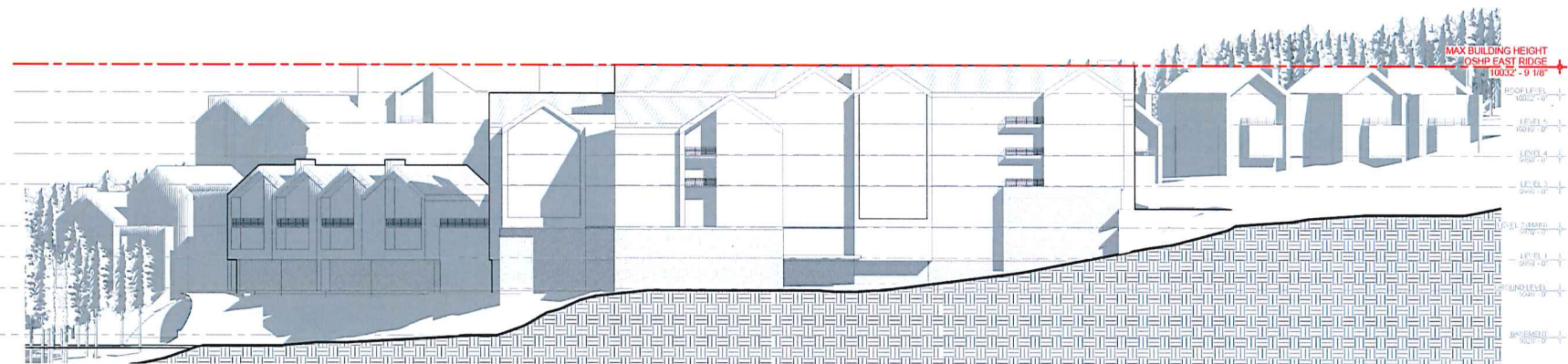
Witness my hand and official seal.
My commission expires: _____

Notary Public

ONE SKI HILL PLACE EAST PEAK 8 SUBMITTAL



1 SOUTH ELEVATION - TOBDR
A3.1 SCALE: 1" = 20'-0"



2 WEST ELEVATION - TOBDR
A3.1 SCALE: 1" = 20'-0"



rowland+broughton

architecture / urban design / interior design

234 e. hughes ave. 1830 lake st. ste. 200
aspen, co 81611 denver, co 80202
970.544.3000 o 303.509.1373 e
970.544.3473 f 303.509.1373 f

Consultants:

Instances and Revisions:

NOT FOR CONSTRUCTION

EAST PEAK 8

EAST PEAK 8
SKI HILL RD.
BRECKENRIDGE, CO 80424

PROJECT NO:
21729.00

SHEET TITLE:
BUILDING
ELEVATIONS

SCALE: 1" = 20'-0"

A3.1

45

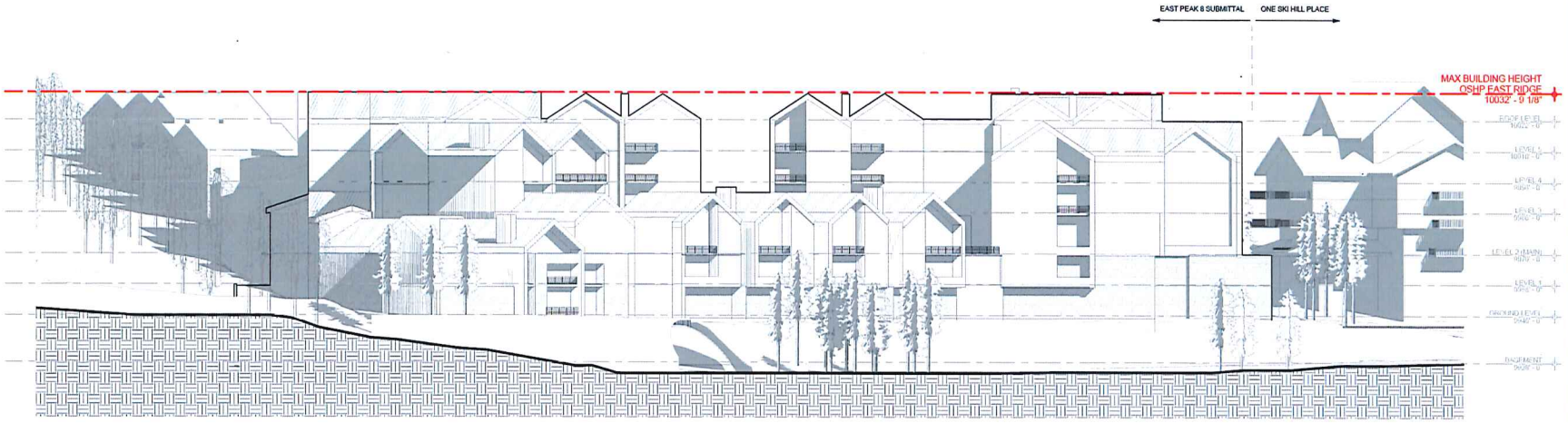


rowland+broughton
architecture / urban design / interior design

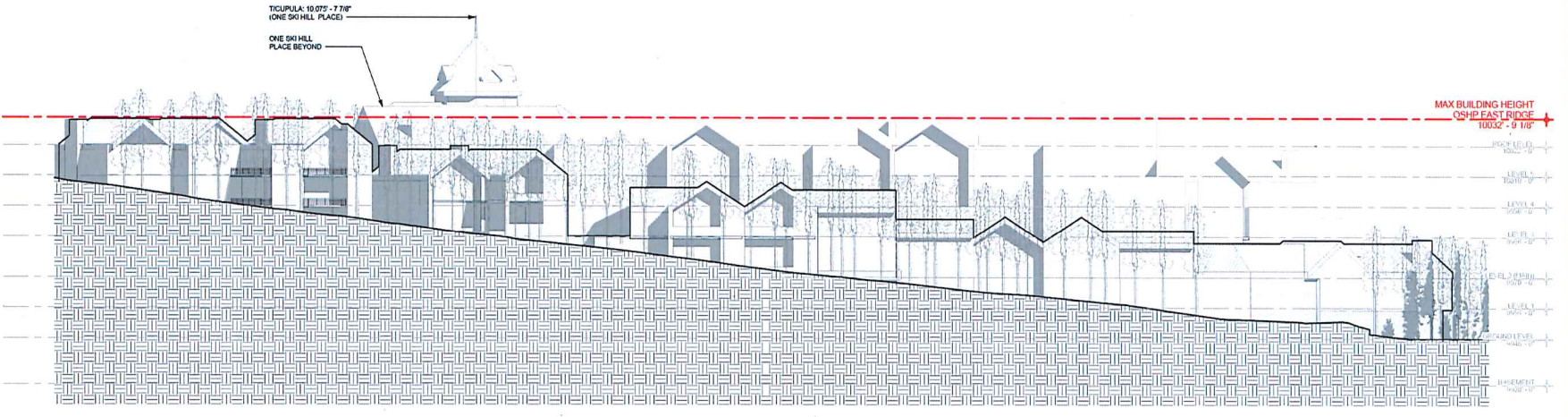
234 e. hughes ave. 1830 lake st. ste. 200
aspen, co 81611 denver, co 80202
970.544.8606 o 303.508.1373 e
970.544.3473 f 303.508.1375 i

Consultants:

Issuances and Revisions:



1 NORTH ELEVATION - TOBDR
SCALE: 1" = 20'-0"



2 EAST ELEVATION
SCALE: 1" = 20'-0"

NOT FOR CONSTRUCTION

EAST PEAK 8

EAST PEAK 8
SKI HILL RD
BRECKENRIDGE, CO 80424

PROJECT NO:
21729 00

SHEET TITLE:
BUILDING
ELEVATIONS

SCALE: 1" = 20'-0"

A3.2

46

1 **FOR WORKSESSION/FIRST READING – JUNE 26**

2
3 COUNCIL BILL NO. ____

4
5 Series 2018

6
7 AN ORDINANCE APPROVING A DEVELOPMENT AGREEMENT WITH
8 LIONHEART BGV VENTURES, LLC, A COLORADO LIMITED LIABILITY COMPANY

9
10 BE IT ORDAINED BY THE TOWN COUNCIL OF THE TOWN OF BRECKENRIDGE,
11 COLORADO:

12
13 Section 1. Findings. The Town Council of the Town of Breckenridge finds and
14 determines as follows:

15
16 A. Vail Summit Resorts, Inc. (“Owner”) is the owner of the Remainder of Tract C,
17 Peak 8 Subdivision according to the Third Resubdivision Plat of The Remainder of Tract C, Peak
18 8 Subdivision Filing No. 1 recorded September 19, 2016 at Reception No. 1121860, Summit
19 County, Colorado (the “Property”).

20
21 B. The Property is subject to the Amendment to Amended Peaks 7 & 8 Master Plan
22 approved by Development Permit PL-2015-0444 on January 12, 2016, the Notice of Approval of
23 Master Plan for which Amendment was recorded August 30, 2016 at Reception No. 1120265 of
24 the Summit County, Colorado records (the “Master Plan”).

25
26 C. Lionheart BGV Ventures, LLC, a Colorado limited liability company,
27 (“Developer”) is an affiliate of Lionheart Capital, LLC.

28
29 D. Owner and Lionheart Capital, LLC have entered into an agreement for the potential
30 sale of the portion of the Property located to the east of One Ski Hill Place and representing the
31 remainder of the developable area of Planning Area B, Peak 8 Base of the Master Plan (the “Sale
32 Parcel”) for Developer to develop a hotel, condominiums, commercial facilities, amenities and
33 space for Owner’s use (the “Proposed Development”). On February 6, 2018 the agreement was
34 assigned by Lionheart Capital, LLC to Developer.

35
36 E. As owner of the Property, Owner has the right to authorize and has provided to the
37 Town written authorization for the Developer to propose an amendment to the Master Plan, to
38 request a density transfer to the Sale Parcel, to request Town approval for the gross density
39 recommended by the Town’s Land Use Guidelines (“Guidelines”) to be exceeded as provided for
40 in Subsection 9-1-19-39A:I.(2) of the Breckenridge Town Code, and to enter into agreements
41 with the Town concerning such amendment to the Master Plan, such a density transfer, such
42 density in excess of that recommended by the Guidelines, and such other matters as the Town and
43 the Developer may agree is appropriate.

44
45 F. Pursuant to Chapter 9 of Title 9 of the Breckenridge Town Code the Town Council
has the authority to enter into a development agreement. Further, in connection with a master

1 plan amendment, there is no process in the Town’s Development Code for approval of density in
2 excess of that recommended by the Guidelines and a transfer of density to support such excess
3 density, and, therefore, a development agreement provides a means for such an approval and
4 transfer.

5 G. In order for Developer to develop the Sale Parcel in a manner that will include a
6 four star, flagged, luxury hotel containing approximately 150 rooms and approximately 110,000
7 square feet of condominiums, with the amenities and commercial services required for such a
8 project, up to an additional 58 SFEs of density, which may include up to 2.0 SFEs of commercial
9 density, will be required and an amendment to the Master Plan and authorization to acquire and
10 transfer such additional SFEs will be required.

11 H. Because there is no provision in the Breckenridge Town Code allowing site work
12 to begin prior to issuance of a building permit, in order to facilitate the beginning of vertical
13 construction of Developer’s proposed project in the spring of 2020, the Town is prepared to
14 authorize its Department of Community Development (“Department”) to grant permission for the
15 commencement of infrastructure improvements, including, but not limited to, demolition of
16 Owner’s administration office building and ski patrol locker building located on the Sale Parcel
17 (“Administration Facilities”), construction of storm water management facilities, relocation of
18 utilities, and site excavation prior to issuance of a building permit, but subject to receipt of
19 assurances of completion deemed satisfactory by the Department.

20 I. In order to accommodate Owner’s administration functions necessary or
21 appropriate for the operation of the Breckenridge Ski Resort, which currently occur in the
22 Administration Facilities, the Town acknowledges and understands that one or more temporary
23 structures will need to be placed in locations acceptable to the Owner, Developer, and the Town
24 on the Sale Parcel or elsewhere within the Property as determined by Owner, Developer, and the
25 Town and maintained in such locations until the proposed Guest Services (as defined in the
26 Master Plan) spaces to be included in Developer’s proposed development on the Sale Parcel (the
27 “Guest Services Spaces”) are completed and ready for occupancy by Owner and a temporary
28 permit will need to be issued. Such permit must be reviewed and approved by the Town’s
29 Planning Commission and Town Council as provided for in subparagraph 1(a)(v) of the proposed
30 Development Agreement, and nothing in the Agreement requires the Planning Commission or
31 Town Council to approve such a permit if the permit application does not meet the applicable
32 requirements of the Town’s Development Code.

33 J. The commitments encouraged to be made in connection with an application for a
34 development agreement in accordance with Section 9-9-4 of the Breckenridge Town Code,
35 Developer are set forth in the Agreement.

36 K. The Town Council has received a completed application and all required submittals
37 for a development agreement, had a preliminary discussion of the application and this Agreement,
38 determined that it should commence proceedings for the approval of this Agreement and, in
39 accordance with the procedures set forth in Subsection 9-9-10:C of the Breckenridge Town Code,
40 has approved this Agreement by non-emergency ordinance.

1 L. A proposed development agreement between the Town and the Owner addressing
2 the topics described above has been prepared, a copy of which is marked **Exhibit “A”**, attached
3 hereto and incorporated herein by reference (“Development Agreement”).

4 M. The Town Council had a preliminary discussion of the development agreement
5 application, and the proposed Development Agreement, as required by Section 9-9-10(A) of the
6 Breckenridge Town Code.

7 N. The Town Council determined that request for a development agreement need
8 not be referred to the Breckenridge Planning Commission for its review and recommendation.

9 O. The Town Council has reviewed the Development Agreement.

10 P. The approval of the Development Agreement is warranted in light of all relevant
11 circumstances.

12 Q. The procedures to be used to review and approve a development agreement are
13 provided in Chapter 9 of Title 9 of the Breckenridge Town Code. The requirements of such
14 Chapter have substantially been met or waived in connection with the approval of the
15 Development Agreement and the adoption of this ordinance.

16 Section 2. Approval of Development Agreement. The Development Agreement between
17 the Town and Lionheart BGV Ventures, LLC, a Colorado limited liability company (**Exhibit**
18 **“A”** hereto) is approved, and the Town Manager is authorized, empowered, and directed to
19 execute such agreement for and on behalf of the Town of Breckenridge.

20
21 Section 3. Notice of Approval. The Development Agreement must contain a notice in the
22 form provided in Section 9-9-13 of the Breckenridge Town Code. In addition, a notice in
23 compliance with the requirements of Section 9-9-13 of the Breckenridge Town Code must be
24 published by the Town Clerk one time in a newspaper of general circulation in the Town within
25 fourteen days after the adoption of this ordinance. Such notice shall satisfy the requirement of
26 Section 24-68-103, C.R.S.

27
28 Section 4. Inapplicable Code Provision. Because the Development Agreement involves
29 constitutionally protected property rights, the Town Council finds, determines, and declares that
30 Section 1-16-15 of the Breckenridge Town Code does not apply to the Development Agreement.
31 If Section 1-16-15 of the Breckenridge Town Code is ever determined to apply to the
32 Development Agreement, the Town Council irrevocably waives any right it might have to seek
33 to void the Development Agreement based upon such determination.

34
35 Section 5. Police Power Finding. The Town Council finds, determines, and declares that
36 this ordinance is necessary and proper to provide for the safety, preserve the health, promote the
37 prosperity, and improve the order, comfort and convenience of the Town of Breckenridge and
38 the inhabitants thereof.

39
40 Section 6. Authority. The Town Council finds, determines, and declares that it has the
41 power to adopt this ordinance pursuant to the authority granted to home rule municipalities by

1 Article XX of the Colorado Constitution and the powers contained in the Breckenridge Town
2 Charter.

3
4 Section 7. Effective Date. This ordinance shall be published and become effective as
5 provided by Section 5.9 of the Breckenridge Town Charter.

6
7 INTRODUCED, READ ON FIRST READING, APPROVED AND ORDERED
8 PUBLISHED IN FULL this ____ day of _____, 2018. A Public Hearing shall be held at the
9 regular meeting of the Town Council of the Town of Breckenridge, Colorado on the ____ day of
10 _____, 2018, at 7:00 P.M., or as soon thereafter as possible in the Municipal Building of the
11 Town.

12
13 TOWN OF BRECKENRIDGE

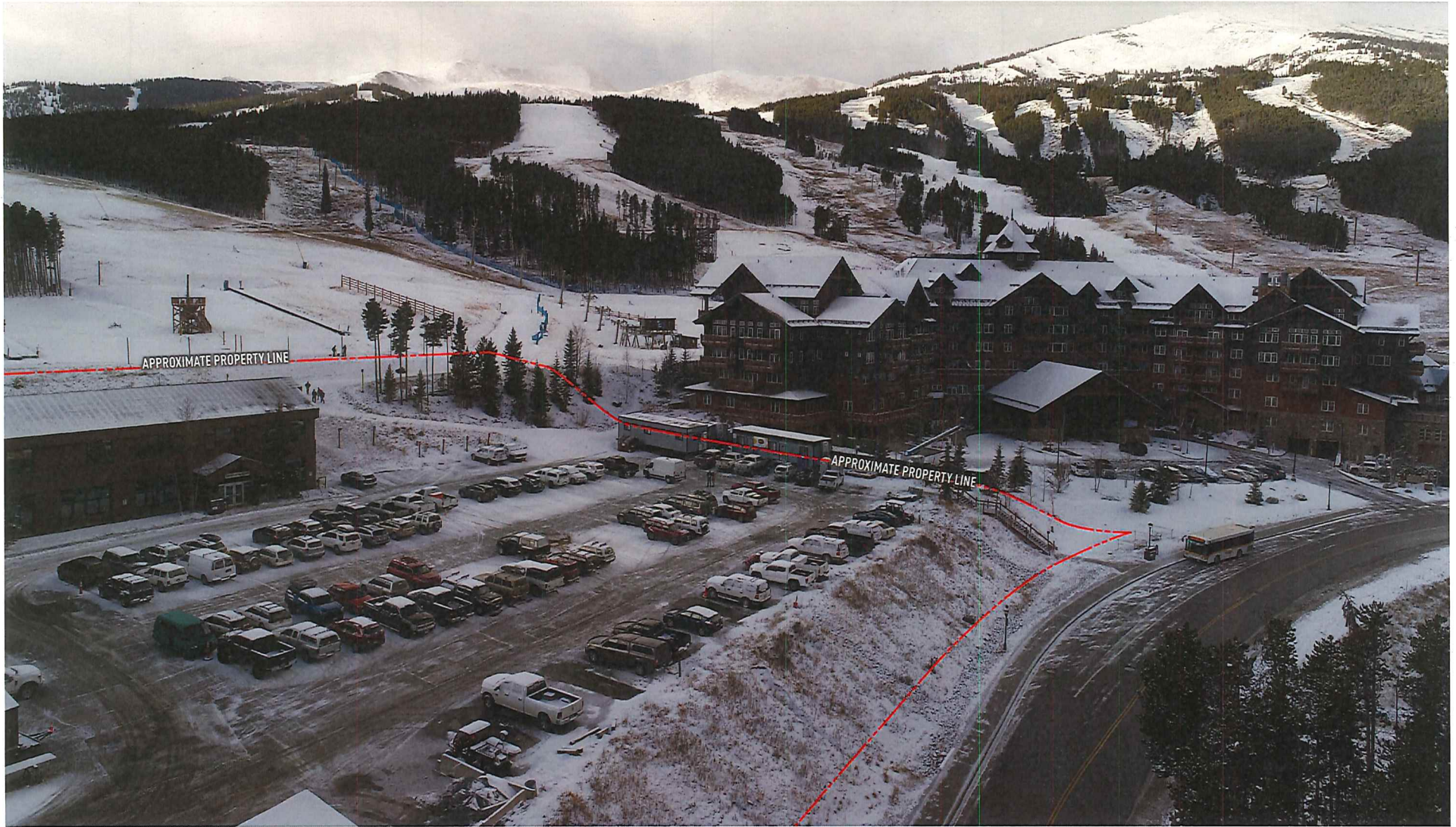
14
15
16 By: _____
17 Eric S. Mamula, Mayor

18
19 ATTEST:

20
21
22
23 _____
24 Helen Cospolich, CMC,
25 Town Clerk



NOTE: PLANS ARE PRELIMINARY IN NATURE AND MAY NOT REPRESENT THE FINAL DESIGN OR CONFIGURATION OF THE PROJECT



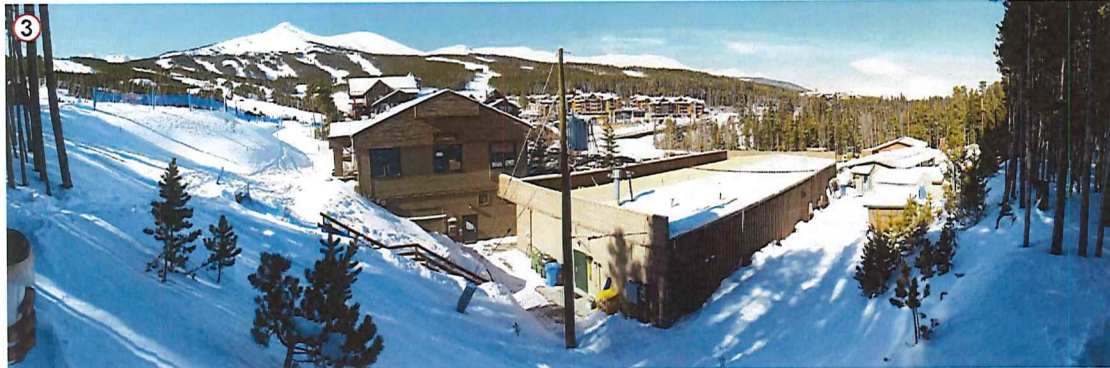
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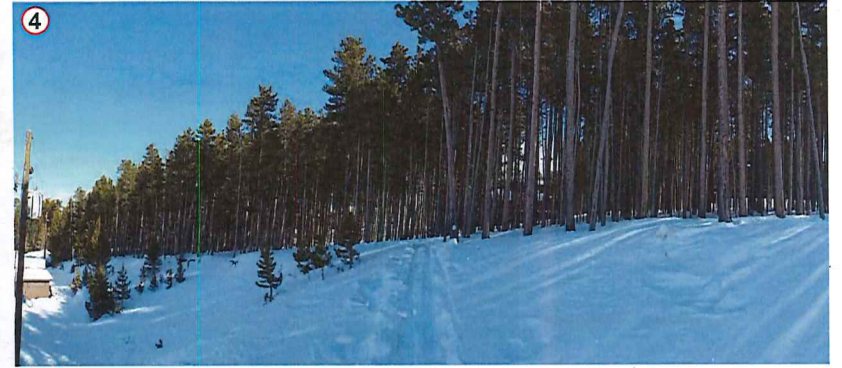
VIEW WEST, ALONG NORTHERN PROPERTY LINE



VIEW NORTH OF SOUTHERN PROPERTY LINE AND EXISTING SKI ACCESS



NORTH WESTERLY VIEW OF EXISTING ON-SITE BUILDINGS



VIEW NORTH, ALONG EASTERN TREE BUFFER



NOTE: IMAGES ARE ARTISTS INTERPRETATION, PRELIMINARY IN NATURE AND MAY NOT REPRESENT THE FINAL DESIGN

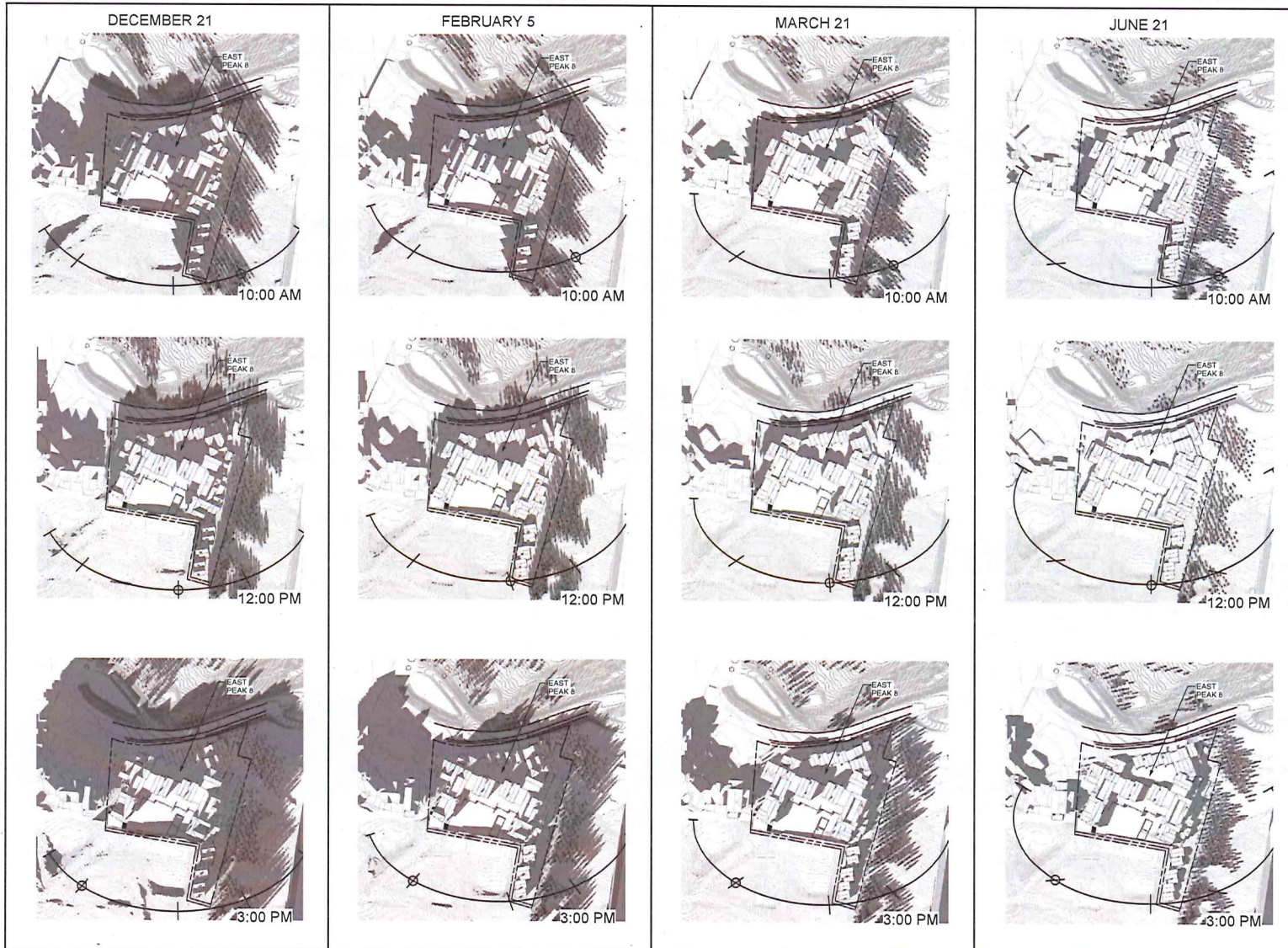


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SOLAR STUDY DIAGRAMS

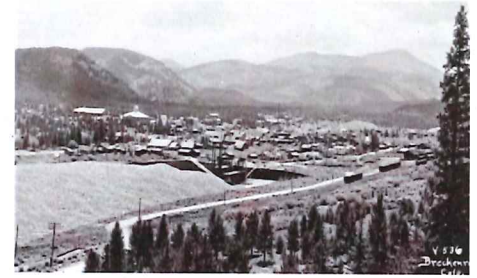
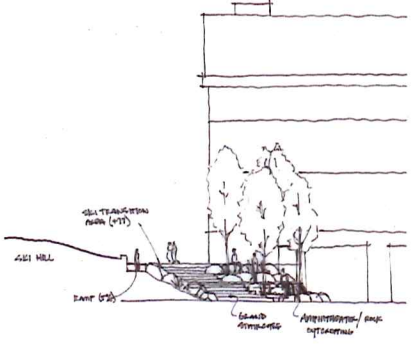
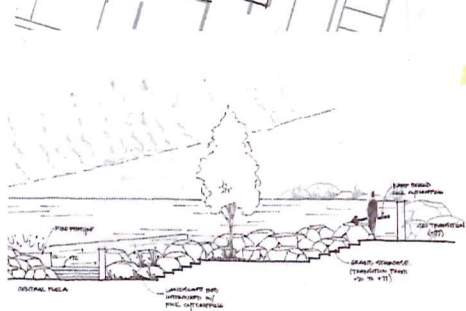
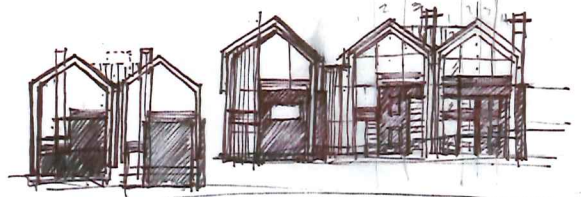
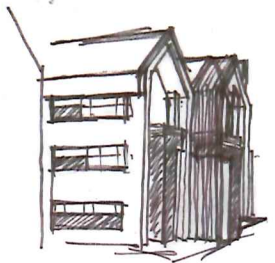
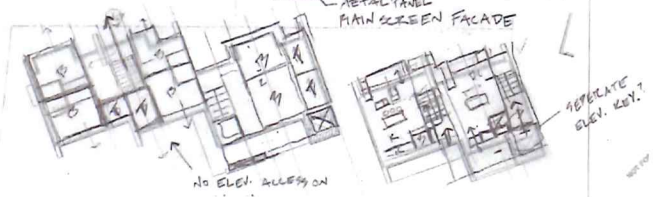
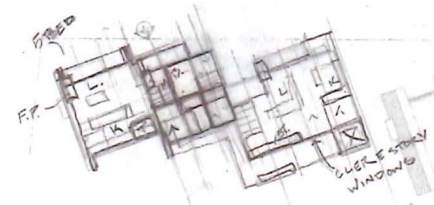


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- SCREEN ELEMENT
• History / Theme for LIFE
• Study different types
evolut





- PROPOSED OPTION:**
- 150 HOTEL KEYS
 - 50 CONDOMINIUMS

SKI SLOPE VIEW : PROPOSED



- USE BY RIGHT OPTION:**
- 304 HOTEL KEYS

SKI SLOPE VIEW : USE BY RIGHT OPTION

NOTE: IMAGES ARE ARTISTS INTERPRETATION, PRELIMINARY IN NATURE AND MAY NOT REPRESENT THE FINAL DESIGN

Breckenridge Town Council Members,

Our names are Mike and Yun Hui Kehoe and we have owned our property at 1091 High Point, Breckenridge since 2011. We also own a rental property at 141 Blue Rock Drive in Blue River (former 2nd home). We are writing this letter to let you know that we support the East Peak 8 Hotel Development application. Breckenridge needs a full service upscale hotel option. We believe that the proposed BGV/Lionheart development would be a great addition to the town and provide numerous economic benefits to Breckenridge.

Without this type of hotel, we are worried that Breckenridge will not be considered a leading mountain town when compared to other Colorado options. We understand that this reputable developer has met the requirements for employee housing, will work to manage traffic concerns, has agreed to height limitations, and will work with the town and the local neighbors to build the right kind of project.

For these reasons, We believe that the town should reconsider approval of the East Peak 8 application as submitted and allow this great hotel development to move forward at the base of Peak 8. This type of project is needed and will continue to provide tourists with a great vacation experience into the future.

Thank you for the consideration and your dedication to maintaining Breckenridge as a world class destination resort and town!

Sincerely,

Mike and Yun Hui Kehoe
Kehoeone@gmail.com

From: Naomi Quispe [<mailto:NSQuispe@pcl.com>] **On Behalf Of** Shaun Yancey
Sent: Monday, May 21, 2018 5:04 PM
To: Holman, Rick
Subject: East Peak 8 Hotel Development

May 21, 2018

Rick Holman
Town Hall
150 Ski Hill Road
PO Box 168
Breckenridge, CO 80424

Breckenridge Town Council Members,

My name is Shaun Yancey and I have owned my property at 86 Preston Way address for 8 years. I am writing to express my support for the East Peak 8 Hotel Development application. Although Breckenridge is an amazing town with many great options for tourist, owners, and guest to enjoy, it completely lacks a full service upscale hotel option. I have regularly host some executive retreats at my home and wished we had an upscale hotel option for added guests. As designed and presented I believe the proposed BGV/Lionheart development fill this void in the town while providing more community benefits than any approved project in recent history. I feel that this hotel would be a great amenity for the town from which many guests would benefit and enjoy.

I feel that without the approval of the right development applications, progress in Breckenridge will come to a halt, and our amazing town will fall behind other competing mountain towns. I would like Breckenridge to stay atop the rating as one of the best ski town destination on earth.

For these reasons, I believe that the town should reconsider approval of the East Peak 8 application as submitted and allow a truly amazing hotel development to move forward at the base of Peak 8. Many people will enjoy this amenity and it will allow families to make many memories into the future.

Thank you for the consideration and your dedication to maintaining our wonderful community,

Sincerely,

Shaun P. Yancey

From: Eli Yoder [<mailto:eyoder@BreckenridgeGrandVacations.com>]
Sent: Thursday, June 07, 2018 3:28 PM
To: Holman, Rick
Subject: Peak 8 Hotel Project

Hi Rick,

I am writing to share my support for the proposed hotel project on peak 8. On Monday I attended the open house about the project at the community center and now fully believe that this project will help our community in multiple ways. As a homeowner in Breckenridge it concerns me that Breckenridge does not have the same upscale hotel options thatvail and aspen do thus making us not as desirable to some potential guests of our town. This proposed project will fill a much needed void and provide a suitable lodging experience for very high end customers. Furthermore, as an employee of Breckenridge Grand Vacations for almost seven years, I have benefited from the continual growth of this amazing company and hope to continue to grow my career here as opposed to having to leave the county to find my next job.

Thank you for allowing me to express my thoughts on this proposed project. Please feel free to forward along to council or anyone else that you see fit.

Have a great day!



Eli Yoder, ARP, NPCA

Assistant General Manager

75 Snowflake Drive, P.O. Box 6879, Breckenridge, CO 80424

Phone: 970-547-8712

Fax: 970-453-4503

www.breckenridgegrandvacations.com

Our Family Commitment, Always Grand Vacations!



Slifer Smith

& Frampton

Real Estate

LIVE
LOCAL.

June 12, 2018

Dear Mr. Holman,

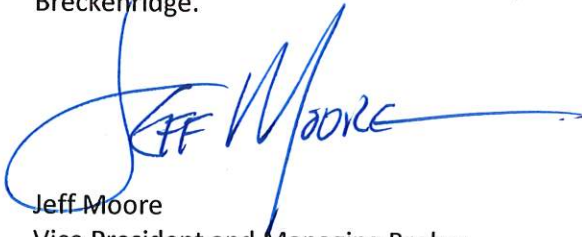
I am writing this letter in support of Breckenridge Grand Vacations (BGV) and their proposal for a new luxury 4 star hotel at the base of Peak 8.

BGV has been a proven developer with a very solid track record over the years. Aside from their construction and development expertise, BGV is by far one of the most philanthropic organizations in Summit County which consistently gives back to its local community and employs countless locals with an award winning culture of service and giving.

As Vice President of Slifer Smith & Frampton Real Estate, myself and many of the brokers were intimately involved with the evolution of Peaks 7 and 8 with Vail Resorts Development Company in terms of the original master planning as well as the design, construction and sales of Crystal Peak Lodge and One Ski Hill Place.

Given my history with this premier slope side location, I feel it is imperative to deliver on the final element of the master plan which is the branded luxury hotel component. There is certainly a need in the community for this type of luxury lodging option. The high end destination visitors will support a luxury 4 star hotel concept in this iconic ski-in/ski-out location which in turn will equate to revenue for the town and local businesses.

Thank you for your consideration and please feel free to contact me if you have any further questions or thoughts as it relates to my support of BGV and their proposed completion of the Base of Peak 8 here in Breckenridge.



Jeff Moore

Vice President and Managing Broker

Slifer Smith & Frampton Real Estate

970-547-6000 – jeffmoore@slifersummit.com

Slifer Smith
& Frampton
Real Estate

June 11, 2018

Dear Mr. Holman,

I would like to take this opportunity to express my support for the new hotel being proposed by Breckenridge Grand Vacations on Peak 8.

I believe BGV's track record and positive reputation of giving back to the community culturally, environmentally and philanthropically is well-earned and appreciated. This group has a stellar reputation amongst our Slifer Smith & Frampton brokers and I know many support them in this new venture.

Being in the position as President and Employing Broker for Slifer Smith & Frampton in both Summit and Eagle counties, I have learned the power and need for a luxury 4-star branded property in our resort communities. Given our history in sales with the The Westin Riverfront Resort & Spa, Beaver Creek, the Park Hyatt Beaver Creek, the Ritz-Carlton Bachelor Gulch and Vail and our latest sales, Four Seasons Vail, I have seen the positive impacts these developments have created for the resorts.

It is a very loyal clientele that follows these brands, and I truly believe you will see a new demographic in the Breckenridge community by allowing the addition of a 4-star hotel. It's typically very affluent, community oriented, philanthropic and they are stewards of the community they love and where they choose to vacation.

With it's incredible setting, ski area, historic town and accessibility, I believe there is a pent-up demand for a new luxury consumer who will want to call Breckenridge home, especially if there is the addition of a well-known luxury hotel brand in the community.

Thank you so much for your time and consideration and please do not hesitate to contact me should you have any questions or want to discuss further. If you should need any real estate related information we are always happy to assist.

Sincerely,



John Pfeiffer
President and Employing Broker
Slifer Smith & Frampton Real Estate
970-333-1352 | johnp@slifer.net

From: David Nicoli [<mailto:dnicoli333@icloud.com>]
Sent: Wednesday, June 13, 2018 4:08 PM
To: Holman, Rick
Subject: Letter in support of East Peak 8 Development Proposal

Dear Breckenridge Town Council:

As a homeowner in Breckenridge, I write this letter in support the East Peak 8 Development proposal put forth by BGV. I think they have put together a very attractive and reasonable proposal that will benefit our wonderful community.

I think this proposal hits some important marks. First, it does not increase approved density, which I think is critical. Second, BGV is a local company with a good reputation for giving back to the community. I would much prefer that they—they being the many BGV employees who live here in Breckenridge or the surrounding area—develop this property because they will have to live with the results and therefore will be much more attentive to community needs and concerns than some out of state developer. Third, the additional workforce housing they will commit to is so very much needed in this community. Fourth, they have included enhanced facilities for our wonderful BOEC in their proposal which are much needed and will make the BOEC even more effective in pursuing its important mission. Finally, the BGV proposal is much more modest than what we Breckenridge citizens could face were a developer other than BGV come in who by rights could build a hotel with over 300 rooms that would not necessarily take account of the needs and preferences of our community as BGV has done.

I know that development in our wonderful community can sometimes be controversial and contentious. But I don't think that needs to be the case here. BGV has listened to our community, understands our concerns because they are part of our community, and has put forth a thoughtful and generous proposal that will make Breckenridge an even greater place to live and visit than it already is.

I hope these comments help the council in their deliberations on this project.

Respectfully submitted,

David P. Nicoli
25 The South Road
Breckenridge CO 80424



P.O. Box 1636 | 251 W. 4th Street | Silverthorne, CO 80498
P 970-262-3888 | F 970-513-1167 | www.SummitFIRC.org

June 13, 2018

To the Breckenridge Town Council

As a Breckenridge resident, the President of the Board of the FIRC, and a mentor at Colorado Mountain College, I am writing about the proposed East Peak 8 Hotel/Condo development. While I share everyone's concerns about Breckenridge's growth, and how to best manage that growth, to me the prior Town Council decisions regarding this project don't seem to be in the best overall interest of our community. Breckenridge lacks a full-service upscale lodging option. Our Town's ability to keep up with competing resort towns that offer such a lodging option will likely become further impaired as we strive to cultivate our visitors.

Breckenridge Grand Vacations (BGV) is an amazing company in numerous respects. As you are likely aware, BGV was recently named the #1 Top Workplace in the State of Colorado by the Denver Post. BGV has demonstrated a solid track record of well-planned and responsible development over the course of several decades. BGV more than generously supports our social service infrastructure via its and its employees' charitable giving and volunteer programs. I firmly believe BGV has thoroughly addressed the Town Council's concerns regarding density, traffic and other opportunities to enhance the general public benefit associated with this project. Further, BGV's workforce housing plans substantially exceed the requirements necessary to move forward with this project. It seems to me that if we want to work toward a genuine strategy of managing our community's growth to the greatest extent possible, we ought to reward socially responsible developers and encourage them to add more jobs and more housing, while discouraging those who haven't been as socially responsible.

In my leadership role at the FIRC, I see firsthand the impact of jobs that don't pay a sustainable wage. I see families regularly struggle to balance our high costs of child care, health care and housing. We need more employers who recognize that struggle and demonstrate their willingness to do something about it.

I urge you to support the East Peak 8 Hotel/Condo development. Doing so will allow BGV, a developer that has clearly chosen to be an integral part of our inevitable growth solution, continue to enhance our great Town of Breckenridge, further enriching the lives of many who will continue to vacation in our town and equally as important, further enrich the lives of many within our local workforce dedicated to serving our valued residents and guests.

Thank you for your consideration.

Don Dankner
Breckenridge

From: Gordon Herwig [<mailto:gherwig@ltgc.com>]
Sent: Wednesday, June 13, 2018 9:51 AM
To: Holman, Rick
Subject: East Peak 8 Hotel

To: Breckenridge Town Council

Re: East Peak 8 Hotel/Condo Development - BGV/Lionheart Ventures LLC

We are writing in favor of the proposed Peak 8 Hotel. We are long term Breckenridge locals and businesspeople. My wife, DeeAnna Herwig, and I operate Land Title. We have worked with BGV for the past eight years and have found them to be an excellent corporate citizen. They are known for using local vendors whenever possible, including us, and we know they gift at least half a million to local charities every year.

That said, we are in favor of the hotel project for the following reasons:

It would complete the build-out of Peak 8 in a responsible manner. We understand that BGV has agreed to a voluntary height restriction and will transfer 58 SFE's to the building site from the Gondola site. They have also agreed to financially help to preserve Cucumber Gulch, and will help mitigate traffic issues. The footprint appears to be minimally invasive for a luxury hotel.

We applaud the inclusion of employee housing in the proposal. My father-in-law, George Beardsley, helped start the employee housing programs in both Breckenridge and Aspen. Employee housing ensures that we remain a viable community where locals live, as well as play and work. The program is near and dear to us. We have been watching BGV support this program for years. We know that their proposal will add 32 deed restricted units to Breckenridge as well as additional housing in Dillon.

The ski industry is a mature industry. In order to compete for additional visits, Breckenridge needs a luxury venue. Breckenridge has been left behind by Aspen, Vail, and our Utah competition in this respect. Our competition all have luxury hotels slopeside. We are not an advocates for growth at any cost, but I am in favor of building venues that will help improve the skier experience. We believe the Peak 8 Hotel will help us compete in a shrinking marketplace for high-end dollars.

We strongly support the Hotel proposal as it currently stands. We feel that BGV will be a flexible and responsible partner for the town on this project.

Gordon & DeeAnna Herwig

From: Roger Lemmon [<mailto:rogerdlemmon@gmail.com>]
Sent: Wednesday, June 13, 2018 9:30 PM
To: Holman, Rick
Subject: Peak 8 Hotel/Condo Project - BGV/Lionheart

Dear Rick,

I first visited Breckenridge in the early 90's and instantly fell in love with the town. My family and I love to ski, bike, hike, shop, and eat. We found out about Breckenridge Grand Vacations and bought time shares at Grand Timber Lodge. We later purchased at Grand Lodge Peak 7 and of course Grand Colorado Peak 8. We live in Colorado Springs but we visit the town of Breckenridge at least a dozen times a year.

On a professional note, I'm a registered professional engineer. I have been the principal designer on several projects in TOB, including the Police Station, restaurant remodels, and the Stables parking structure. I have done some work with BGV and I currently serve on the owner association boards of the three properties previously mentioned. From this association, I gained a great deal of respect for Mike Dudick and Nick Dolan. It is obvious to me that Mike Dudick and the Milliesor family have done many great things for TOB

I've been interested in the Peak 8 Hotel Project and I've followed the progress in the local newspaper and from BGV presentations. Having been involved in the architectural engineering design business for over 30 years, I can honestly say that it appears that Mike and Nick have done an incredible job in meeting and surpassing local requirements/standards. Because I own timeshares with BGV, I frequently invite friends and business associates to accompany our family on ski trips or bike rides. Often times there are no condos available through BGV so my guests end up staying in hotels that are a long ways away from slope side. This is an inconvenience that causes some embarrassment to me. The question always arises, why doesn't Breck have a really nice hotel next the ski runs?

I want to express my support for this project. It looks like a "win/win" situation for TOB, Vail Resorts and the locals. My wife mentioned that it's the tourism that supports Main Street vendors not the locals. I'm certain the local shops and restaurants would benefit greatly from this project.

Regards,

Roger Lemmon, PE; along with my 12 grand kids, 4 kids and their spouses, my beautiful wife and all our relatives, friends and associates.

Daniel S. Ramirez

06/04/2018

130 Atlantic Lode Rd

Breckenridge Co. 80424

Breckenridge Town Council:

I am a resident of Breckenridge and a father of 3 children, and I am writing this letter to express my full support for the **East Peak 8 development Proposal (Finish8)**.

Family members and locals like me would benefit greatly with this project, here are a few reasons why:

- Finish the base of peak 8 in the right way, this would bring more people and money to the town and increase employment opportunities.
- Increased economy, this impact small and medium local business and employees.
- Employee Workforce Housing, and we know this is the Biggest issue here in Breckenridge.
- Breckenridge Outdoor Education Center (BOEC) Facilities Benefit.
- Professional Advancement Opportunities, this is always great for local that want to grow in this town and with this there is no need to search opportunities out of the county or the state.
- A very well-Known Developer,

As an employee of BGV I cannot be more grateful with this awesome company that teach us every day that we are a family not only another employee or just a number, they give us grown opportunities, education, also they empower us to go and help our community with what ever we can this means not only with donations but with voluntary time, I am a proud employee and a Breckenridge resident.

This project will benefit home owners, business owner, employees, visitors, and also the Town of Breckenridge and everyone on our community, so please move forward on the decision and I hope you pick the East Peak 8 development Proposal (Finish8).

Thanks



Daniel S. Ramirez

Senior Corporate Engineering Services Technician

Breck Inn/Beaver Run/Lincoln West/Connect Breck

11078 N Highway 9, P.O. Box 568, Breckenridge, CO 80424

Phone: 970-423-4219

Fax: 970-547-1080

Cell: 970-485-0117

Email: dramirez@breckqv.com

www.breckenridgegrandvacations.com

Our Family Commitment, Always Grand Vacations!

Our Family of Resorts



GRAND COLORADO
ON PEAK EIGHT

Dear Breckenridge Town Council,

This is a letter of support for the Breckenridge Grand Vacations East Peak 8 development proposal. I have been very successful professionally due to the continued growth and development of BGV and the company's continued investment in the community.

Eight years ago, I began working at Grand Timber Lodge as a Front Desk Agent. The following six years, I was promoted several times, with my most recent promotion being General Manager of Grand Lodge on Peak 7. This success story is not unique to me. Breckenridge Grand Vacations invest and develops their employees and gives them opportunities to grow their careers. As BGV grows and develops, we would be sure to see more of these success stories.

My personal experience and success is just a portion of why I support the proposal by BGV. This company is invested in the community. BGV evaluates any negative impacts or community concerns and does the due diligence of researching and implementing solutions. They hold themselves accountable to ensure they are doing things the right way with community's best interest in mind. This proposal is very thoughtful and includes many solutions to concerns that have been expressed. Specifically, creating a solution for the limited housing available in Summit County is very important to me and this project contributes to the need.

I want to strongly encourage the Breckenridge Town Council to allow the development of East Peak 8 to be the proposal presented by Breckenridge Grand Vacations. I believe that this proposal has the best interest of the community, its residents, as well as the future work force.

Thank you for your time and consideration,



Joanni Linton

Grand Lodge on Peak 7

General Manager

P.O. Box 6879 Breckenridge, CO 80424

Toll Free: 888.783.8883, ext. 3737

Fax: 970-547-8733

Email: Jlinton@GLP7.com

www.grandlodgeonpeak7.com

Our Family Commitment, Always Grand Vacations!

From: <tmh789@gmail.com>
Date: June 15, 2018 at 3:56:25 PM MDT
To: <rickh@townofbreckenridge.com>
Subject: East Peak Hotel

Dear Breckenridge Town Council Members,

As a Breckenridge resident for 28 years, I am sending you this letter to urge you to support the East Peak Hotel.

I have owned my home at 110 North High St for 20 years and I am raising 2 children here in our cherished town.

I love our town and embrace responsible and strategic growth.

As a local business owner, I value the character of our town and unique one of a kind experiences Breckenridge offers.

It's obvious to all of us that Breckenridge has been in serious need of a full service luxury hotel for years.

I have heard from countless visitors their frustration and disappointment in trying to identify a well appointed hotel with the services they are accustomed to finding in other ski towns.

Many of these guests do not return to Breckenridge and move on to other ski resorts like Park City, Telluride, and Aspen, to name a few.

Completing the Peak 8 Base Area Development is critical to the overall Pk7&8 master plan and a base area experience that makes us all proud.

I believe the proposed BGV/Lionheart development as designed and presented fills this gap that Breckenridge today falls short on.

There are countless positives this hotel will bring to our town and it will fill a void that keeps us competitive with other ski towns.

I also believe the proposed development has done an outstanding job addressing community needs and providing meaningful benefits.

We know we need to invest in more infrastructure in Breckenridge to sustain the growth we have experienced. Tax dollars from the hotel will deliver significant revenue for the town to use to address critical issues.

Your approval of conscientious development applications like the East Peak Hotel is imperative to allowing Breckenridge to progress and continue to enjoy a strong market share of ski town tourism.

I believe in you all and your ability to see the strong merits of this submitted development application. I know I speak for many town residents that we are counting on you to approve this amazing hotel development.

I appreciate your dedication and commitment to our beautiful town and for your consideration to the timeliness of this critical stepping stone for our community.

Warm regards,

Tricia McCaffrey Hyon
110 North High Street
Breckenridge, Co
80424

From: Carol Gutter [<mailto:carol@realestateofthesummit.com>]
Sent: Saturday, June 16, 2018 3:59 PM
To: Holman, Rick
Subject: BGV Lionheart Development.

Dear Breckenridge Town Council Members,

As a Breckenridge resident for 21 years, I am sending you this letter to urge you to support the East Peak Hotel. I have owned my property at 0314 Coronet Drive for 11 years. I love our town and embrace responsible and strategic growth. As a local business person, I value the character of our town and unique one of a kind experiences Breckenridge offers. It's obvious to all of us that Breckenridge has been in serious need of a full service luxury hotel for years.

I have heard from countless visitors their frustration and disappointment in trying to identify a well appointed hotel with the services they are accustomed to finding in other ski towns. Many of these guests do not return to Breckenridge and move on to other ski resorts like Park City, Telluride, and Aspen to name a few. Completing the Peak 8 Base Area Development is critical to the overall Pk7&8 master plan and a base area experience that makes us all proud. I believe the proposed BGV/Lionheart development as designed and presented fills this gap that Breckenridge today falls short on. There are countless positives this hotel will bring to our town and it will fill a void that keeps us competitive with other ski towns. I also believe the proposed development has done an outstanding job addressing community needs and providing meaningful benefits.

We know we need to invest in more infrastructure in Breckenridge to sustain the growth we have experienced. Tax dollars from the hotel will deliver significant revenue for the town to use to address critical issues. Your approval of conscientious development applications like the East Peak Hotel is imperative to allowing Breckenridge to progress and continue to enjoy a strong market share of ski town tourism.

I believe in you all and your ability to see the strong merits of this submitted development application. I know I speak for many town residents that we are counting on you to approve this amazing hotel development. I appreciate your dedication and commitment to our beautiful town and for your consideration to the timeliness of this critical stepping stone for our community.

Warm regards,

Carol Gutter

Carol Gutter, CRS GRI
Real Estate of the Summit, Inc.
Box 4690
620 Village Road
Breckenridge, CO 80424
[970 453 1450](tel:9704531450) office
[970 390 7133](tel:9703907133) cell
[970 453 5737](tel:9704535737) residence
[970 453 5916](tel:9704535916) fax
Carol@RealEstateoftheSummit.com
www.realestateofthesummit.com





COLDWELL BANKER MOUNTAIN PROPERTIES
P.O. BOX 1598
BRECKENRIDGE, CO 80424

OFFICE (970) 453-0401
www.coloradomountainsrealestate.com

Dear Town of Breckenridge Town Council,

I am writing you as the Broker/Owner of Coldwell Banker Mountain Properties located at 137 South Main Street to express my support for the proposed East Peak Hotel. Coldwell Banker has operated in the Town of Breckenridge continuously for over 30 years. Our long history of success (and survival) in Breckenridge gives us the credibility to comment on such a project.

East Peak Hotel will attract nightly stay visitors seeking a luxury experience. These affluent guests will frequent our best restaurants, our unique shops and buy luxury real estate, all of which drives our local economy.

The Breckenridge Town Council has always strived to “raise the bar” as to how our guests experience our Town. I encourage you to take yet another step to provide our visitors with a luxury slope side option for accommodations as they enjoy our great community.

Please endorse East Peak Hotel.

Sincerely,

A handwritten signature in blue ink, appearing to read 'Dennis R Saffell', written over a light blue horizontal line.

Dennis R Saffell, ALC

Broker/Owner

MOUNTAIN PRIDE CLEANING & RESTORATION, INC.

Breckenridge Town Council

RE: Peak 8 Development

To whom it may concern,

My name is Mark Rusciollelli and I am the owner of Mountain Pride Cleaning & Restoration. I am writing to you in support of the proposed development of Peak 8 by Breckenridge Grand Vacations.

Mountain Pride has been affiliated with BGV for the last 30 years as their preferred carpet cleaning, upholstery, fire & water restoration company. We have started from the beginning when BGV was only a small company with just a few properties and increased with them as they grew to the successful company they are now, which has increased our success as a small privately owned local business.

The original proposal included density from open space, but now that the request is using the gondola area (lot) and not back country area it is even more attractive to our community so that we are preserving our wilderness.

As a supporter of the BOEC, which a facility is included in the proposal, I find that giving the project to a developer that doesn't know Breckenridge and our community very concerning. Also giving up much needed funds to preserving the Cucumber Gulch area with ongoing environmental improvements through fees to BGV guests per nightly stays.

Other benefits to granting BGV's proposal:

Workforce housing to include deed restricted units in both Breckenridge & Dillon

Professional Advancement opportunities within our community

BGV is a known and respected developer

Voluntary height restrictions to project (unlike an outside developer who could build a large property without the concerns for the needs and wants of our community)

Increased tax dollars: Lodging Tax, Real Estate Transfer Tax

Fulfills unmet need for quality lodging product in the town of Breckenridge

Just to name a few areas. I hope the Town Council will consider the proposal and grant Breckenridge Grand Vacations the peak 8 development.

Sincerely

Mark Rusciollelli



24 HOUR EMERGENCY SERVICE: (970) 453-1012

Toll-Free: 1-866-903-9763 • Fax (970) 453-6431 • Post Office Box 266 • Breckenridge, CO 80424

www.mtnpridecleaning.com • info@mtnpridecleaning.com

From: Paula Stanton [<mailto:stanton@colorado.net>]
Sent: Saturday, June 16, 2018 5:17 PM
To: Holman, Rick
Subject: Peak 8 Breckenridge Ski Area Base Development

Rick, Thanks for the opportunity to share my opinion of the merit of moving forward with the Development Team that has been assembled proposing to undertake the Hotel Development at the Peak 8 Base, under the guidance of Mike Dudick. I feel that this Plan, as "guided" by the input of our Planning Commission, represents a very professional, balanced, intelligent and Community spirited use of such a centric site. To me, it would appear the process has been very proactive and that all Parties have been thoughtful and aware in formulating an end product that truly represents the best interests of our Town.

As with any Developer/Business Entity, it is important to have a clear development plan and objective, while recognizing the overall impact, positive and negative, to the vitality and vibrancy of our Community. I feel that based on the past merits of undertakings of various components of this Development Team, we can feel comfortable moving forward with what appears to be a very viable and positive completion to the current Peak 8 Base balance. Our revenue base alone stands to benefit tremendously. Again, thanks for allowing me the time to comment. Best, Paula

Paula Stanton
GRI, CRS, CNE (Certified Negotiation Expert), RRS (Resort & Recreation Specialist), eCertified Member, CO Real Estate Commission 1993-1999
Realtor of the Year, 1994 and 2004
stanton@colorado.net
Cell: 970.485.0592 Bus: (970) 453-0550
LIV Sotheby's International Realty
101 S. Main Street | P.O. Box 2619
Breckenridge CO 80424



From: Phillips Armstrong <phillipsarmstrong@gmail.com>
Date: June 18, 2018 at 3:37:37 PM MDT
To: <rickh@townofbreckenridge.com>
Subject: Letter of Support

Good Afternoon Rick,

I wanted to take just a brief moment and express my full and sincere support of the Breckenridge Grand Vacations hotel project. As a new business owner in Breckenridge I have not had the years of exposure that most others have to this community, however from what little I have seen I can say that I feel strongly about the prospect of a new high end lodging option in town. Our new dining option caters heavily to the type of clientele that this property will attract, and as such, I am in full support of the project.

Further, I've been lucky enough to have met most of the executive team from BGV and will say that as a company, they seem like the ideal partner for the community. With all of their philanthropic efforts, the notion of giving back, and the local roots, I would say it would seem foolish to leave this project to chance with another developer. From what I know of the trade offs, the town seems to benefit quite well by allowing this project to move forward and I would hate to see us leave some of those benefits on the table.

With the growing popularity of our market, and the need for more high end lodging options, it seems like a perfect fit and encourage council to vote in favor of the development.

If you have any additional questions or concerns please do contact me at this address.

Best,



Phillips Armstrong, Founder
DESTINATION HOSPITALITY

[Aurum Food & Wine Steamboat](#) • [Aurum Food & Wine Breckenridge](#) • [Table 79 Foodbar](#)

[c] 303-378-7207

[o] 970-879-9500

[a] 811 Yampa St., Steamboat Springs CO 80487

6/10/18

Robert W. Catalano

Email: rob@riddengear.com

Direct: 970-390-4166

To Whom It May Concern,

As a local business owner, resident and former employee of Breckenridge Grand Vacations I endorse the proposed hotel project at the base of Peak 8. The opportunity to develop this parcel with a known developer highlighted with an established track record of giving back to the community is an obvious choice.

There are many winners on this deal; BOEC, residents and guests utilizing Cucumber Gulch, workforce housing, perpetual lodging taxes (on 4-star hotel rates), and trickle down spending in all of our local businesses.

Upon review of the plan and the self-imposed concessions it is my opinion that all the boxes have been checked and this project should advance.

Best Regards,

Robert W. Catalano

Ridden, LLC, Owner

From: Stu Van Anderson [<mailto:stu@propertyinbreck.com>]

Sent: Sunday, June 17, 2018 10:24 AM

To: Holman, Rick

Subject: East Peak Hotel

Importance: High

Hello fellow Breckenridge Citizens, Business Owners and Town Council Members.

I am 100% in favor of the East Peak Hotel and development. For more reasons than I can mention, some of which I am sure you would not like. Others maybe you would, I do not know.

However, please take my simple request into consideration.

Stu

Stu Van Anderson

Branch Manager, Real Estate Broker

Direct: 970-485-1214

Email: stu@propertyinbreck.com

www.firstbreckenridgerealestate.com



Coldwell Banker Mountain Properties
P.O. Box 1598, 137 South Main Street
Breckenridge, Colorado, 80424



**GLOBAL
LUXURY**



From: Renee Imamura [<mailto:renee@buyinsummitcounty.com>]
Sent: Tuesday, June 19, 2018 4:09 PM
To: Holman, Rick
Cc: Renee@slifersummit.com
Subject: East Peak Hotel

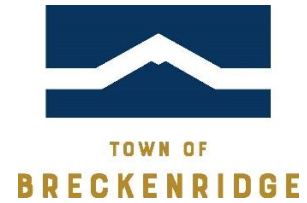
Hi Rick and the Town of Breckenridge,
I wanted to email you all and let you know that I am in support of the East Peak Hotel on Peak 8. The town of Breckenridge can definitely use a Luxury Hotel.
Thank you for your consideration with this project.

Sincerely,
Renee

 Renee Imamura | Broker Associate
Slifer Smith & Frampton Real Estate
970.393.2308 | renee@slifersummit.com
www.buyinsummit.com



Please Note: We will never email you wire instructions, please call me if you are asked to wire money.



Memo

To: Breckenridge Town Council Members
From: Mark Truckey, Assistant Director of Community Development
Date: 6/20/2018
Subject: Resolution Amending the TDR Ratio for Affordable Housing

At the June 5 Council work session, the Council agreed to amend the ratio for Transfer of Development Rights (TDRs) for affordable housing projects. The new ratio will require that one unit of density owned by the Town be transferred/extinguished for every two units of affordable housing constructed (1:2 ratio). Attached is the first reading ordinance that will amend the Development Code provisions regarding the ratio.

1 ***FOR WORKSESSION/FIRST READING – JUNE 26***

2
3 Additions To The Current Breckenridge Town Code Are
4 Indicated By **Bold + Double Underline**; Deletions By ~~Strikeout~~

5
6 COUNCIL BILL NO. ____

7
8 Series 2018

9
10 AN ORDINANCE AMENDING POLICY 3 (ABSOLUTE)(“DENSITY/INTENSITY”) OF
11 SECTION 9-1-19 OF THE BRECKENRIDGE TOWN CODE, KNOWN AS THE
12 “BRECKENRIDGE DEVELOPMENT CODE,” CONCERNING THE AMOUNT OF
13 DENSITY TO BE TRANSFERRED BY THE TOWN IN CONNECTION WITH THE
14 DEVELOPMENT OF AN ATTAINABLE WORKFORCE HOUSING PROJECT; AND
15 MAKING A CONFORMING AMENDMENT TO THE BRECKENRIDGE TOWN CODE

16
17 BE IT ORDAINED BY THE TOWN COUNCIL OF THE TOWN OF BRECKENRIDGE,
18 COLORADO:

19
20 Section 1. Section 9-1-5 of the Breckenridge Town Code is amended by the addition of
21 the following definition:
22

**ATTAINABLE WORKFORCE
HOUSING PROJECT:**

**Has the meaning provided in Section 9-1-
14 of this Code.**

23
24 Section 2. Section (E)(1) of Policy 3(Absolute)(“Density/Intensity”) of Section 9-1-19 of
25 the Breckenridge Town Code is amended to read in its entirety as follows:

26
27 E. Density for Attainable Workforce Housing Projects

28
29 (1) When new attainable workforce housing projects are developed within the
30 corporate limits of the Town, the Town government shall transfer density it owns
31 to the attainable workforce housing project at a ~~1:4~~ **1:2** ratio (i.e., transfer one
32 development right for every ~~four~~ **two** attainable workforce housing project units
33 permitted to be built).
34

35 Section 3. Except as specifically amended hereby, the Breckenridge Town Code, and the
36 various secondary codes adopted by reference therein, shall continue in full force and effect.
37

38 Section 4. The Town Council hereby finds, determines and declares that this ordinance is
39 necessary and proper to provide for the safety, preserve the health, promote the prosperity, and
40 improve the order, comfort and convenience of the Town of Breckenridge and the inhabitants
41 thereof.
42

1 Section 5. The Town Council hereby finds, determines and declares that it has the power
 2 to adopt this ordinance pursuant to: (i) the Local Government Land Use Control Enabling Act,
 3 Article 20 of Title 29, C.R.S.; (ii) Part 3 of Article 23 of Title 31, C.R.S. (concerning municipal
 4 zoning powers); (iii) Section 31-15-103, C.R.S. (concerning municipal police powers); (iv)
 5 Section 31-15-401, C.R.S.(concerning municipal police powers); (v) the authority granted to
 6 home rule municipalities by Article XX of the Colorado Constitution; and (vi) the powers
 7 contained in the Breckenridge Town Charter.

8
 9 Section 6. This ordinance shall be published and become effective as provided by Section
 10 5.9 of the Breckenridge Town Charter.

11
 12 INTRODUCTION, READ ON FIRST READING, APPROVED AND ORDERED PUBLISHED
 13 IN FULL this ____ day of _____, 2018. A Public Hearing shall be held at the regular meeting of
 14 the Town Council of the Town of Breckenridge, Colorado on the ____ day of _____, 2018, at 7:00
 15 P.M., or as soon thereafter as possible in the Municipal Building of the Town.

16
 17 TOWN OF BRECKENRIDGE, a Colorado
 18 municipal corporation
 19
 20

21
 22 By: _____
 23 Eric S. Mamula, Mayor
 24

25 ATTEST:

26
 27
 28
 29 _____
 30 Helen Cospolich, CMC,
 31 Town Clerk
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 47



Memo

To: Breckenridge Town Council Members
 From: Shannon Smith, Capital Projects Manager
 Date: 6/21/2018
 Subject: Public Projects Update

River Park

Schedule: Construction of the River Park project continues as the building contractor, Hyder Construction, mobilizes this week for the construction of the restroom/pavilion structure. Hyder is scheduled to complete the restrooms in August, while the installation of playground equipment, landscaping, and concrete sidewalks is scheduled to be completed by October.

The Phase 1 improvements are scheduled to be completed in fall 2018, while Phase 2 is schedule for summer 2020 (pending a GOCO grant). Construction is expected to have minimal impacts to vehicle and pedestrian traffic. The pedestrian bridge across the Blue River has been completed and is currently open to rec path and trail users.

Budget:

Project Funding	2017	2018	2019	2020	Total
CIP Funds		1,050,000	0	245,000	1,295,000
Open Space Funds	240,000	210,000	0	105,000	555,000
GOCO Grant		350,000	0	350,000	700,000
Total Budget	240,000	1,610,000	0	700,000	2,550,000

Ski Hill Wall

Schedule: The Ski Hill Wall project has been bid and awarded to Columbine Hills Concrete. The project includes the demolition of the lower stone retaining wall along Ski Hill Road, and its replacement with a concrete retaining wall. Work will also include the removal and replacement of the sidewalk and handrail above the retaining wall.

Construction work is scheduled to begin August 13th and will be completed in late October. During construction, traffic will be reduced to single-lane traffic (controlled by temporary traffic lights) 24 hours a day, seven days a week. The lane closure is necessary for the duration of the project in order to provide space for workers and equipment to access & construct the retaining wall, as well as providing a temporary route for pedestrians through the construction zone.

Budget:

Project Funding	2018	Total
CIP Budget	500,000	500,000
Total Budget		500,000

Sawmill Creek Culvert Repair

Schedule: The Sawmill Creek Culvert, which crosses under Park Avenue and daylight into the Blue River below Ski Hill Rd, will be repaired by pouring a new concrete bottom in the culvert. Beginning the week of July 9th, the contractor will be on site to begin diverting the water in the creek upstream at the Four O'clock Rd crossing. Staff is conducting outreach to property owners adjacent to the Sawmill Creek to alert them of the diversion and dewatering operation. The culvert repair work is anticipated to be completed by October 1.

Budget:

Project Funding	2017	2018	Total
CIP Budget	150,000	300,000	450,000
Previous Spending Authority		150,000	150,000
Total Budget			600,000

North Water Treatment Plant

A project summary report prepared by the consultant team is attached to this memo.

Broadband

Staff and Councilmember Gary Gallagher met with Foresite Group on June 13th for an afternoon session intended to update our group on the current status of the project and next steps. In addition to Foresite, other partner groups were present to explain how they fit into the project plans. We are still set to present a comprehensive plan to Council in August, at which time staff will request a "go / no-go" decision. As Council is aware, we sent out an email blast on June 20th to inform citizens about our project and to ask them to take our brief online survey.

CIP projects with no updates:

- Kingdom Park Shade Structure (updated 5-22-18)
- Asphalt Overlay (updated 5-8-18)
- Rec Center Renovation and Tennis Center Construction (updated 5-8-18)
- Ski Hill Road Reconstruction by Alpine Metro District (updated 5-8-18)
- Broadband Update (updated 5-8-18)
- Golf Clubhouse Remodel (updated 4-24-18)
- Turf Installation on Outdoor Ice Sheet (updated 4-24-18)
- Warrior's Mark Paving and Turnaround
- Ball Field LED Lights
- Indoor Ice Rink Lights
- Blue River Habitat and Landscaping (updated 11-28-17)
- Pool Area Lights and Window Replacement (updated 9-26-17)
- Morning Star Culvert Repair (updated 8-8-17)
- Outdoor Ice Rink Bleacher Heating (updated 4-25-17)

Town of Breckenridge North Water Treatment Plant

Prepared by M. Petters/HDR Engineering, Inc.



Administration Building Wall Formwork 5/30/2018

MAY 2018

Contractor:
Moltz Construction, Inc.

Designer:
HDR Engineering, Inc.
Tetra Tech

Award Date:
December 8, 2017

Notice to Proceed:
December 15, 2017

Notice to Mobilize:
March 21, 2018

Substantial Completion Date:
August 6, 2020

Original Duration: 869 Days

Days Added by CO: 0

Time Percent Complete: 8.2 %

Cost Percent Complete: 8.6 %

Guaranteed Maximum Price:
\$42,000,000

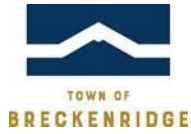
Change Order Total: \$ (0)

Current Contract Value: \$42,000,000

Invoiced to Date: \$ 3,592,468

Cost Growth: 0%

Schedule Growth: 0 Days



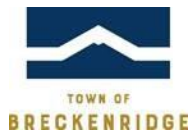
Schedule and Budget Status

Moltz Construction, Inc. (MCI) has completed work for 8.6 % of the project value within 8.2% of the available contract time. Their current schedule update shows them completing the contract on time.

No Change Orders have been issued to date for the project. There have been 3 Work Change Directives, 14 Change Proposal Requests, and 14 Field Orders initiated on the project.

Near-term milestones that MCI is working on include completing the vibro-replacement at the Clearwell and Residuals Building and the foundation of the Administration Building.

Stan Miller Inc. is laying the raw water pipeline along the north side of Swan Mountain Road toward the Raw Water Pump Station. A full road closure is scheduled for June 12, 2018 to lay the raw water piping under the road.



Accomplishments/Highlights

Stan Miller Inc. (SMI) completed the Raw Water Pipe Line between Gateway Drive and Shores Lane within the required CDOT time frame. The pipe is laid north across Gateway Drive to the west end casing under State Highway 9 and the pipe has been inserted into the casing to the east side. To the south the pipe is laid to Station 176 +00 (southwest of the Building Center) where the SMI's contract with MCI ends. Approximately 5547 LF of 16" pipe has been laid.

At the Treatment Building (WTP) MCI has started installation and formwork for encasement for the Backwash Waste Process Piping.

At the Water Plant Site MCI has laid the 8 inch Potable Water Plant Water Supply to within 15 LF of the connection to the Town of Breckenridge existing distribution system. They also started laying pipe for Water Service Line A to the Water Treatment Plant and Water Service Line B to the Clearwell.

At the Raw Water Pump Station all the trees were removed that were necessary for construction. The access into the site has been cut in and a tracking pad installed.

At the Administration Building MCI has completed the footings and has one more wall placement to complete the foundation. The under the slab sanitary sewer is complete.

At the Clear Well and Finished Water Pump Station Malcolm has completed 109 stone columns, 120 columns are required.

At the Water Treatment Plant Site MCI has constructed the new Stan Miller Road alignment west of the site and diverted public traffic onto it. The surface is road base and paving will be later.

Claco (A SMI subcontractor) has excavated the launch pit for the bore under the 72 inch Sanitary Sewer Pipe on the east side of State Highway 9 approximately at Station 46 + 50.

SMI has started laying raw water piping east of the Wastewater Treatment Plant toward the Raw Water Pump Station.

Construction Accomplishments and Milestones

Town of Breckenridge

Second Water Treatment Plant

05/03/2018- Administration Building Formwork



05/07/2018- Waterline A



Town of Breckenridge

Second Water Treatment Plant

05/09/2018- Water Plant Vibro-Replacement



05/10/2018- New Alignment Stan Miller Road



Town Of Breckenridge
Second Water Treatment Plant

05/16/2018- Backfill Raw Water Pipe Line



05/21/2018- Standard penetration test Drilling



Town of Breckenridge
Second Water Treatment Plant

05/23/2018- Bike Path Paving



05/26/2018- Removing K-Rail at Swan Mountain Bridge



Town of Breckenridge
Second Water Treatment Plant

05/29/2018- Seeding and Mulching



05/29/2018- Placing Concrete



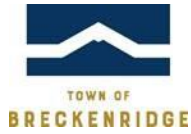
Town Of Breckenridge
Second Water Treatment Plant

05/30/2018- Excavating Bore Launch Pit, 72 inch
Sanitary Sewer

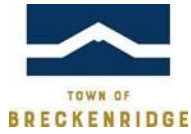


05/31/2018- Backwash Waste Piping Encasement





Upcoming Activities/Milestones	Planned Date
Vibro Replacement will be completed at the Clearwell and the Residuals Building.	06/15/2018
Stan Miller Inc. South Crew will mobilize to East side of Highway 9 to Station 46 + 70 (north of the Church of the Agape Outpost entrance) and lay pipe southward.	Ongoing
MCI will complete the formwork, place and tie steel reinforcing, and cast concrete for the Administration Building foundation. Triangle Electric will work on the under slab conduit. MCI will backfill within the foundation and prepare for and place the building's slab on grade.	06/28/2018
Stan Miller North crew will cross Swan Mountain Road and continue south. Full Road closure planned.	06/12/2018
Clayco will complete the bore under the 72 inch sanitary sewer including installation of the raw water piping in the casing.	06/30/2018
At the Raw Water Pump Station MCI will form and place the Basin slab on grade. They will begin work on the foundation walls.	06/30/2018



At the Treatment Plant MCI will continue laying and encasing under the slab on grade process pipe. They will importing and compacting structural fill for the building slab on grade subgrade. Triangle Electric will build the MCC ductbank.	Ongoing
The new alignment of Stan Miller Drive will paved with asphalt.	06/30/2018
MCI will set Sanitary Sewer Manhole A. From the Administration Building they will lay 6 inch SS piping to Manhole A.	06/18/2018

Memo



To: Breckenridge Town Council Members
From: Shannon Haynes, Assistant Town Manager
Date: 6/20/2018
Subject: Breck Forward Update

Below is a brief update on Parking and Transportation projects. Staff will add new projects to this list as they are developed and discussed with Council.

Active Projects - New Updates

Sidewalk Master Plan Implementation (Work Session 6-26-18)

Schedule: The 2018 Sidewalk Master Plan project is currently under construction and has been partially completed. New sidewalk and storm sewer improvements have been constructed on Boreas Pass Road, between French Street and State Highway 9. Additionally, the new sidewalk on Watson Avenue (near the Transit Station) is being constructed and will be completed this week. The contractor is also currently completing a small section of sidewalk repair and additional street light installation on French Street (between Main Street and SH 9). With the exception of street light installation, construction is scheduled to be completed by June 22nd. The street lights on Boreas Pass Road and French Street are backordered and will likely not arrive for installation until August.



Sidewalk, curb ramps, asphalt, and storm sewer inlets were constructed between French Street and State Highway 9.

Budget:

Project Funding	2018	Total
CIP Budget	300,000	300,000
Total Budget		300,000

River Walk Pedestrian Improvements (Work Session 6-26-18)

Schedule: This project includes replacement and repair to the existing River Walk pathways between Park Avenue and Ski Hill Rd. This year’s work is beginning with the pathway around the Dredge Pond. Town crews have been working to build a boulder wall on the south end of the pond to stabilize the pathway, which is needed prior to asphalt replacement. The existing lights will be repaired with new lenses and bulbs to provide better lighting. Staff is evaluating the feasibility of adding additional lighting around the pond.



Budget:

Project Funding	2018	2019	2020	2021	Total
CIP Budget	137,500	137,500	137,500	137,500	550,000
Total Budget					550,000

No updates:

- Riverwalk Garage (Work Session 4-10-18)
- Bus Storage Expansion
- Dynamic Parking Wayfinding (Work Session 5-22-18)
- Village Road and Park Ave Roundabout
- Transit Enhancements (Work Session 10-24-17)
- Transit Stop Shelters (Work Session 9-26-17)
- Purple B Route Improvements (Work Session 11-28-17)
- Riverwalk Pedestrian Improvements (Work session 5-22-18)

**Monthly Continuous Traffic Counts
Highway 9 at Tiger Road (average vehicles per day)**

Year	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
2000	18552	19946	21120	16241	13566	18146	21944	21200	18898	16496	16656	17524
2001	19832	20985	21906	16237	14523	17639		19941	17875	16150	16610	20272
2002	20789	21729	22454	16137	14536	17957	22030	20763	18125	15505	16223	19895
2003	20478	20373	20468	15362	13761	18156	20179	19480	16843	14964	14829	18654
2004	19416	19455	20094	14881	13235	16055	23816	22623	20655	16435	11737	19643
2005	18989	20995	21210	15207	13908	18387	21607	19988	17201	14418	14704	16870
2006		20998	21722	16262	14383	18215	21499	19876	17816	14343	16474	17318
2007	17702	17620	18759	14050	12673	15470	13028	9779	18771	16492	17633	19734
2008	20905	20794	21778	16242	14218	17918	21285	20247	18055	15894	15800	19566
2009	21034	20678	20526	15689	13641	17657	21077	19819	17562	14586	15975	19679
2010	21080	20612	21125	15130	13030	17052	21181	19662	18019	14514	15010	19458
2011	19904	19013	19970	14963	12362	17049	20609	20745	18187	15322	15089	20645
2012	21020	20867	21856	14988	13970	18252	21689	21020	18465	15317	14911	16463
2013	19202	21802	21597	15304	14226	18639	23409	22113	18964	16174	17346	20515
2014	22074	21741	22695	17203	N/A	N/A	N/A	N/A	N/A	N/A	N/A	21545
2015	22254	24105	22746	16768	<i>14626</i>	19975	24189	22612	20612	17216	16072	18628*
2016	20067*	20166*	19771*	15583*	15315	20234	24369	22538	21058	17606	17498	20596
2017	22314	22238	22640	16863	15739	20133	23872	22365	20694	17736	17914	22213
2018	24454	23112	23764	17638	16681							

**Monthly Continuous Traffic Counts
I-70 at the Eisenhower Tunnel (average vehicles per day)**

Year	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
2000	26311	27344	29585	23790	22623	28890	34840	32865	29387	23826	24850	27863
2001	27747	28808	32235	25266	22715	29563	34934	35338	30381	24001	24734	29349
2002	29563	28507	34381	23745	24295	29583	34312	34276	29080	24297	25850	30733
2003	30515	29678	30080	23692	23310	28697	34480	34626	28275	25402	23901	28080
2004	29581	29721	31659	23033	23692	29074	34750	32923	29318	25051	24285	29443
2005	29958	30682	32556	24356	23788	29814	35338	31250	29237	24462	25584	29328
2006	31119	30359	32761	26032	24338	30936	36815			24582	27326	28711
2007	30030	30456	34680	26392	25131	31977	36773	35458	<i>32091</i>	<i>26406</i>	27450	28981
2008	30490	31051	33767	25552	24075	30106	34393	33931	30514	26128	25246	30291
2009	31207	30598	31513	24229	<i>25178</i>	30527	36524	34592	30100	23840	25033	28208
2010	30647	29370	31080	24923	23405	30054	36345	33935	31620	25277	24842	29439
2011	30551	29087	31283	24751	22461	29959	36267	34146	30564	24895	24859	28988
2012	29311	29427	31834	22818	23773	32314	35654	34063	30548	24185	24807	28795
2013	30137	30768	32686	22701	24741	32488	36374	34761	29042	24621	26213	29948
2014	31302	31679	34292	26364	24912	32647	36368	<i>35719</i>	31408	26046	26225	30428
2015	33343	32400	36265	N/A	25786	33757	39558	<i>37097</i>	34109	27954	26529	31102
2016	35197	33382	35297	27084	27611	36027	41151	<i>38756</i>	36072	29803	27977	32046
2017	33269	36718	39162	31483	NA	40217	44022	39719	35614	30216	29087	32690
2018	36771	36596	38333	29045	29940							

Blue River Traffic Counts - Average Daily Incoming (northbound)

Year	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
2016						3178	3823	3380	3257	2442	2301	2642
2017	2547	2650	2842	2219		3138	3816	3439	3145	2254	2420	2902
2018	2966	2561	2995	2259	2389							



April 2, 2018

TO: Breckenridge Town Council

CC: Rick Holman, Shannon Haynes, James Phelps, Jennifer Pullen

FROM: Fred Williamson – Public Works

RE: Free Ride Ridership Numbers – March 2018

March ridership is up 9% or 13,152 passengers vs. March of 2017. Year to date is slightly up compared to 2017. The 2018 service plan is identical to that of 2017.

The large increase in the Brown route can be attributed to the direct connection to Beaver Run from the Station and to Warriors Mark.

	2017		2018		Month		YTD	
	Mar Mthly	Mar YTD	Mar Mthly	Mar YTD	#'s	%	#'s	%
Black	4,418	15,084	4,877	12,995	459	10.4%	-2,089	-13.8%
Brown	39,127	127,598	51,982	159,142	12,855	32.9%	31,544	24.7%
Trolley	6,121	18,306	7,465	20,903	1,344	22.0%	2,597	14.2%
Purple	16,359	54,513	17,565	50,356	1,206	7.4%	-4,157	-7.6%
Yellow	75,378	239,545	72,099	223,162	-3,279	-4.4%	16,383	-6.8%
Shuttle Lots	1,026	3,373	1,593	5,447	567	55.3%	2,074	61.5%
Special Event	0	4,398		6,322	0		1,924	43.7%
TOTAL	142,429	462,817	155,581	478,327	13,152	9.2%	15,510	3.4%



Memo

To: Breckenridge Town Council Members
From: Laurie Best-Community Development Department
Date: 6/20/2018 (for 6/26/2018)
Subject: Lincoln Park at Wellington Neighborhood Phase 4 Pricing

In late 2017, the developer of Wellington Neighborhood/Lincoln Park requested the Town approve an increase to their sale prices for the final two Phases of Lincoln Park. This request was considered by Council during your January 17th worksession, and at that time the Council authorized a 3.62% price increase for the 13 units in Phase 3. The Council also indicated that final pricing for the last 9 units in Lincoln Park (Phase 4) could be considered at a later date, specifically after the release of 2018 AMI which was anticipated in March or April of 2018.

Since January all 13 of the Phase 3 units have sold, construction of Phase 4 has begun, the 2018 AMI index was released in March, and the developer has submitted their specific pricing request for Phase 4. The new prices represent an increase that varies based on the unit type/AMI target from only \$1,300 for the lowest priced unit up to \$73,000 for higher AMI unit. The developer is planning their launch for the 9 Phase 4 units later in June. The development/construction should be completed in the spring of 2019 at which time the neighborhood will be fully built out.

It should be noted that these requests for price increases are unusual. The pricing formula for Wellington Neighborhood/Lincoln Park and the AMI targets were established in annexation agreements originally negotiated between the Town and the developer in 1999. The initial agreement included the basic formulas and obligations, and there have been five amendments negotiated since 1999. In 2014 the pricing formula was modified to more closely match the formula that was promoted by the Housing Authority at that time. That pricing formula approved in 2014 utilizes the local AMI as published by HUD and specified interest rates (5-6.5%) to calculate the maximum permissible/affordable sale price. The pricing formula that was in effect from 1999 through 2014 used the same basic formula but allowed the developer to use the then current prevailing interest rates which varied from 7% in 2000 down to 3.5% by 2012. In 2014 the prevailing rates were 3.5-4% and there was concern about using historically low interest rates to set prices, so the formula was revised to require the developer use specified rates that were higher than the prevailing rates. The goal was to ensure the prices would stay affordable to the initial AMI target even as interest rates increased over time.

Unfortunately, and unexpectedly, since that annexation agreement and pricing formula was negotiated in 2014, the AMI published by HUD has declined and as of 2018 it is still not back to 2014 levels. It should be noted that the 2014 formula did include an AMI floor so the developer was protected and did not have to decrease pricing when it dropped, but they have been unable to increase prices since 2014. During this same time, construction costs have increased approximately 20% and other indexes such as CPI and local wage data would indicate that incomes/wages has probably increased even though AMI has declined. As the Council is aware, AMI is not an ideal measure of local employee income and especially of the change over time, it can be erratic, HUD can change the methodology, and it appears to be 4-5 years delayed in regard to actual local conditions. Unfortunately, there are no other indexes available to measure employee household income so in general we have continued to rely on AMI for pricing but are moving away from AMI for calculating appreciation.

Lincoln Park Phase 4 pricing and Model Home pricing (10 units)							
Unit Type	Size	Number of units in Phase 4	AMI target	Max price pursuant to formula	2017 price approved by TC	Phase 4 request	\$/sf w/o garage w/ garage (estimates)
2 bed duplex FIR	1008	1	100%	\$317,879	\$348,583	\$349,900	\$347 w/o \$381 w
3 bed duplex WILLOW	1287	1	100%	\$356,581	\$364,545	\$400,900	\$311 w/o \$342 w
3 bed small SFD HL/ASPEN	1274	2	100%	\$433,942	\$429,876	\$459,000	\$360 w/o \$396 w
3 bed SFD Oak	1469	2	100%	\$433,942	\$446,083	\$476,900	\$324 w/o \$356 w
3 bed SFD CW	1494	1	120%	\$449,675	\$446,083	\$499,613	\$334 w/o \$328 w
3 bed SFD Hawthorne	1544	2	120%	\$449,675	\$446,083	\$519,000	\$336 w/o \$369 w
MODEL UNIT 3 bed SFD OAK	1460	1	120%	\$449,675		\$499,613	\$343 w/o \$376 w

Enclosed in your packet is a memo from the developer. Staff has completed a preliminary review of the proposed Phase 4 pricing and we will review this pricing with the Housing Committee at their meeting on June 26th and also with the Council during your worksession. Staff believes that the developers proposed prices are reasonable given cost increases and strong demand. The prices also appear to be somewhat comparable to our Blue 52 pricing which for lower AMI (90% AMI) units ranges from \$305/sf to \$313/sf, and for the more comparable units (110-125% AMI) range from \$334/sf to \$374/sf which includes single and double garages.

We support the Phase 4 proposed pricing and will prepare and present specific comps on the 26th. We look forward to your comments. In the event the Council agrees to these prices we will work with the Town Attorney to prepare an amendment to the annexation agreement that will formalize the change to the formula currently in effect.

Memorandum

To: Mayor Eric Mamula and
the Breckenridge Town Council
From: David O’Neil & Courtney Kenady
Re: AMI Anomaly & Lincoln Park Phase 4 Pricing
Date: June 1, 2018

It’s been nearly 20 years since we started the Wellington Neighborhood. As a public/private partnership, we have worked together to create a great neighborhood and along the way survived a series of economic tumults, including the worst recession since the Great Depression. Our collective effort has – by virtue of locals who call Wellington and Lincoln Park home – created a neighborhood that has become the heart and soul of the community.

This Council knows well that developing workforce housing comes with its challenges. The latest --- a booming economy with high demand for construction materials and near zero unemployment --- has put huge pressure on the cost of labor and materials. In the original Annexation Agreement, entered into almost 20 years ago, these booms and busts were anticipated by indexing prices and home appreciation to the Area Median Income (“AMI”), which as Council also knows is an index the U.S. Department of Housing and Urban Development generates for thousands of cities and counties across the country. Unfortunately, at least with respect to Summit County, this index is failing to meet its intended purposed. For example, **in 2016 while construction costs were up 12% the AMI actually went down 10%!** With thin margins, this wrecks havoc on basic workforce housing economics. The following chart compares CPI, AMI and Lincoln Park square foot pricing.

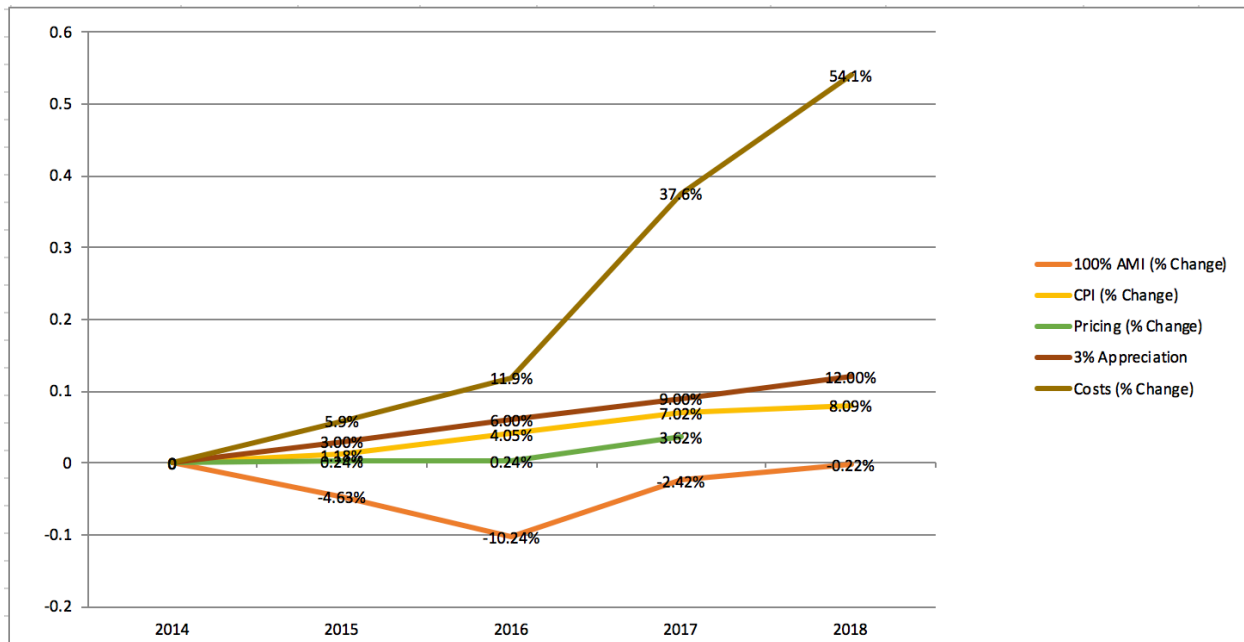


Chart 1

One example of the impact of this AMI statistical anomaly is shown by comparing the prices of the Town’s Blue 52 project and Wellington/Lincoln Park. **The Blue 52 project, which was conceived, and pricing indexed within the last few years – thus more accurately reflecting current economic conditions – is selling at higher per square foot prices than Lincoln Park.** In the chart below, Blue 52 townhomes are highlighted in blue and Lincoln Park duplexes and single-family homes are highlighted in green. Overall, after adjusting for garages and HOA fees, the Blue 52 sf prices for Townhomes average \$330psf while the Lincoln Park sf prices for duplexes and single-family homes averages \$290 psf.

	Model		Bed	Bath	sqft	Phase 3 Current Pricing	Price / SF	Adjusted Pricing (1)	Adjusted Price / SF
Small 2 bedroom									
BLUE52	SKY	Townhome	2	1.5	924	\$ 255,000	\$ 275.97	\$ 255,000	\$276
BLUE52	POWDER	Townhome	2	1.5	969	\$ 296,000	\$ 305.47	\$ 296,000	\$305
LP	Fir 2 bdrm	Duplex	2	2	1008	\$ 348,583	\$ 345.82	\$ 326,933	\$324
Small 3 bedroom									
BLUE52	OXFORD	Townhome	2	1.5	1097	\$ 378,000	\$ 344.58	\$ 363,000	\$331
BLUE52	MOONSTONE	Townhome	2	1.5	1134	\$ 415,000	\$ 365.96	\$ 400,000	\$353
LP	Willow 3 bdrm	Duplex	3	2	1287	\$ 364,545	\$ 283.25	\$ 336,895	\$262
Med-Large 3 bedroom									
LP	Aspen II 100%	Single Family	3	2	1250	\$ 429,876	\$ 343.90	\$ 402,226	\$322
LP	Honey Locust 100%	Single Family	3	2	1274	\$ 429,876	\$ 337.42	\$ 402,226	\$316
BLUE52	MOONSTONE	Townhome	3	2	1334	\$ 500,000	\$ 374.81	\$ 470,000	\$352
BLUE52	COBALT	Townhome	3	2	1334	\$ 515,000	\$ 386.06	\$ 485,000	\$364
LP	Oak 100%	Single Family	3	2	1469	\$ 429,876	\$ 292.63	\$ 394,026	\$268
LP	CW/Jun 120%	Single Family	3	2	1494	\$ 446,083	\$ 298.58	\$ 410,233	\$275
LP	Haw III 120%	Single Family	3	2	1544	\$ 446,083	\$ 288.91	\$ 410,233	\$266
Blue represents Blue52									
Green represents Lincoln Park									
(1) Pricing adjusts (Lower B52 pricing for garages -\$15,000 for 1 car, -\$30,000 for 2 car), and buying power of HOA dues									

Chart 2

In order to restore the Lincoln Park work force housing economics, we would propose a modest increase to the final Phase 4 prices, which increase would affect the remaining 9 restricted units. Below is a chart detailing Lincoln Park’s original 2015 pricing, the proposed Phase 4 price increase and the resulting annual % increase.

	2015 Pricing	Final Price 2018	Annual % Increase
2 bdrm duplex 100%	\$ 303,900	\$ 349,900	3.78%
3 bdrm duplex 100%	\$ 340,900	\$ 400,900	4.40%
3 bdrm Small SFR 100%	\$ 412,900	\$ 459,000	2.79%
3 bdrm Med SFR 100%	\$ 412,900	\$ 476,900	3.88%
3 bdrm Large SFR 120%	\$ 429,900	\$ 499,613	4.05%
3 bdrm Larger SFR 120% Haw	\$ 429,900	\$ 519,000	5.18%

Chart 3

If Council approves this increase, the Blue 52 project will still be selling at higher per square foot prices than Lincoln Park. Again, in the chart below, Blue 52 townhomes are highlighted in blue and Lincoln Park duplexes and single-family homes are highlighted in green. Overall, the Blue 52 sf adjusted prices for Townhomes still averages \$330psf while the Lincoln Park sf prices for duplexes and single-family homes, after the proposed price increase, averages \$318psf.

Model	Bed	Bath	sqft	Phase 4 Proposed Pricing	Price / SF	Adjusted Pricing (1)	Adjusted Price / SF
Small 2 bedroom							
BLUES2 SKY Townhome	2	1.5	924	\$ 255,000	\$ 275.97	\$ 255,000	\$276
BLUES2 POWDER Townhome	2	1.5	969	\$ 296,000	\$ 305.47	\$ 296,000	\$305
LP Fir 2 bdrm Duplex	2	2	1008	\$ 349,900	\$ 347.12	\$ 328,250	\$326
Small 3 bedroom							
BLUES2 OXFORD Townhome	2	1.5	1097	\$ 378,000	\$ 344.58	\$ 363,000	\$331
BLUES2 MOONSTONE Townhome	2	1.5	1134	\$ 415,000	\$ 365.96	\$ 400,000	\$353
LP Willow 3 bdrm Duplex	3	2	1287	\$ 400,900	\$ 311.50	\$ 373,250	\$290
Med-Large 3 bedroom							
LP Aspen II 100% Single Family	3	2	1250	\$ 459,000	\$ 367.20	\$ 431,350	\$345
LP Honey Locust 100% Single Family	3	2	1274	\$ 459,000	\$ 360.28	\$ 431,350	\$339
BLUES2 MOONSTONE Townhome	3	2	1334	\$ 500,000	\$ 374.81	\$ 470,000	\$352
BLUES2 COBALT Townhome	3	2	1334	\$ 515,000	\$ 386.06	\$ 485,000	\$364
LP Oak 100% Single Family	3	2	1469	\$ 476,900	\$ 324.64	\$ 441,050	\$300
LP CW/Jun 120% Single Family	3	2	1494	\$ 499,613	\$ 334.41	\$ 463,763	\$310
LP Haw III 120% Single Family	3	2	1544	\$ 519,000	\$ 336.14	\$ 483,150	\$313
Blue represents Blue52							
Green represents Lincoln Park							
1) Pricing adjusts (Lower B52 pricing for garages -\$15,000 for 1 car, -\$30,000 for 2 car), and buying power of HOA dues							

Chart 4

Mayor Eric Mamula
and the Breckenridge Town Council
June 1, 2018
Page 4

So, we would request Council to consider addressing the AMI anomaly, restoring the Lincoln Park basic workforce housing economics and do so by approving the Phase 4 price increases on the remaining 9 restricted units as set forth in Chart 3 above.

Thank you for your consideration. We look forward to your feedback and working together to successfully complete this public/private partnership and these two great neighborhoods – Wellington and Lincoln Park.



Memo

To: Breckenridge Town Council Members
From: Rick Holman, Town Manager
Date: 6/20/2018
Subject: Committee Reports

BRECKENRIDGE EVENTS COMMITTEE	June 6, 2018	Shannon Haynes
--------------------------------------	---------------------	-----------------------

Attending: Dick Carlton, Erin Gigliello, Shannon Haynes, Lindsey Whitney, Chase Banachowski, Saam Golgoon, Ken Miller, Sandy Metzger, Lea Dreux, Katie L'Estrange, Tamara Park, Bruce Horii, Dave Feller, Sarah Wetmore, Rob Prescott,

- I) Dick Carleton called the meeting to order at 9am.
 - a) No comments on minutes from May 2nd, 2018.
- II) **Events**
 - a) **REVIEW: Sidewalk Sale April 6-8th**
 - Rob Prescott review; overall, he felt organization and engagement with event has improved.
 - Prescott looking to make event more of a draw. BEC suggestion to reach out to producers of Silverthorne Outlet Extravaganza. Suggestion to change name to something more 'marquee'.
 - b) **REVIEW: International Pow Wow**
 - Largest International Tradeshow for US inbound travel: BTO a \$25k sponsor+ Mile Hi entertainment sponsor + booth partner w CTO. Hosted IPW Post Fam Memorial Day weekend. 20ppl trade & media.
 - Able to very successfully leverage Breckenridge's exposure for relatively small sponsorship.
 - Overall benefit - new international inbound travel for CO in next 3 to 5yrs.
 - Thanks to Beaver Run as a supporting partner as well as the Residence Inn and The Lodge at Breckenridge.
 - Side Note: Lucy Kay has been appointed to CTO Board of Directors CADMO seat. Lucy will also Chair the CTO International Committee per request of CTO Executive Director, Cathy Ritter.
 - c) **REVIEW: Wave**
 - BCA review; combination of programming and media attention contributed the strong attendance and overall success.
 - Live TV spot opening morning on 9 News.
 - Significant impact to vehicle traffic on Main Street from flow of pedestrians.
 - Brought in officer to evaluate concerns around safety and potential for diminished guest experience.
 - Officer didn't feel it was necessary to implement traffic control. Consideration for future years.
 - Positive feedback around buzz generated by installation leading up to event. Motivated by technical scheduling demands but result was pre-event marketing.
 - Seesaw Installation = pure joy. Created dialogue between strangers. Great fit with Breckenridge Brand!
 - Intercept survey report will provide more accurate picture of true impact to town
 - Strong positive feedback around relationship with Public Works whose support is invaluable to BCA efforts.

d) ISSC

- 2019 dates have been released: Comp. Jan. 21-25, sculptures displayed through Jan 30th. Tiger Dredge Lot.
 - New EU GDPR regulations presenting some challenge to getting emailed invitations out to teams.

e) Dew Tour 2019

- BSR announced 2018 Dew Dates of Dec.13th-16th. Intown activation is expected to stay the same as previous years.
 - BSR is still pressing producers on how event could evolve moving forward.

f) Breck Pride 2019

- Sandy is in process of developing RFP. Dates discussion postponed until after outside producers have been flushed out.
 - For BTO to step up involvement, event would need to fit within strategic frame work of Spring, Summer, Fall.

g) Breck Epic/Iron Man

- Town in discussion phase with Ironman; exploring all options to make sure event would be a good fit for Breckenridge.
- Discussion around outside events and need for commitment to dates further out– affects permitting of other events.

h) Spartan

- Hurricane Event Sat. Aug 11th: Minimal impact – approx. 100pl helping facilitate obstacle load in. Ultra-Beast and Beast events Aug 18th. Sprint event Aug 19th. Site visit in two weeks to lay out final course design.
- Discussion around long-term vision for event.
 - Event doesn't currently align with BSR summer 'Epic Discovery' initiatives.
 - BSR looking at marketing promotional piece for model moving forward – Using this year as a test case. Outcome will impact discussion for multi-year contract.
- Side Note: Appreciation expressed for effort put forth by Public Works to accommodate summer event parking needs.

i) Summer Weather Summit 2019 -Targeting June 2019

- Summer Weather Summit Focus Group- meeting in Breckenridge June 28th-July 1st to discuss/plan 2019 event.
 - Confirmed attendance of all three national networks & will pull in front range meteorologists.

j) Harley Owners - Potential group June 2019

- HOG (Harley Owners Group): Approx. 750-1000ppl, last weekend June 2019. Strong demographic. Positive feedback from Steamboat – hosted HOG last year. Group is also considering Glenwood.
- Town component: looking for street party atmosphere and possible concert.
 - Discussion around alternative use space. Suggestion of Riverwalk or Washington Street.
- Hog Fest event is willing to shift dates to align with HOG.
- Some concerns around noise and motorized vehicles in River Walk.
- Sandy will reach out to Steamboat regarding noise concerns.

III) General Updates and Discussions

a) SEPA Process Discussion

- The first reading of the Ordinance was at TC 6/6/18. No recommendation of change to the Rules & Regulations.
 - The Rules & Regulations will be posted for two weeks as required and made effective the same date as ordinance.
 - If the ordinance passes 2nd reading on the 26th it will become effective on August 1st.
- The Town and BTO will annually review fees collected in SEPA process. Fees must be used to cover SEPA costs.
- SEPA Committee Meetings have moved to first Tuesday of the month to better align with BEC meetings.
- As a standing agenda item the group will discuss communication plan for new permitting process.
- Lea will work with Tamara Park to distribute information around new permitting process.

b) Balanced Economy Discussion

- BTO Annual Meeting 6/14 Speakeasy Theatre: 8am breakfast, 8:30am meeting.
 - 10:30am Expectations Survey Meeting; first public rollout of findings.

- Presenter from InterVISTAS; Marketing management balance long term view for the Town in next ten years – project in tandem with Town’s Vision 2040 capacity analysis.
- Events will be large component on marketing and management side of project.

c) Discussion around future Chairmanship of BEC.

- Dick Carlton has been appointed to Town Council and will be stepping off BEC. Erin Gigliello is the appointed TC rep.
- Chair Discussion: Critical to how committee goes forward. Looking for someone in a neutral position with history in town. The chair has to be able to work with everyone at the table.
 - Precludes Event Producers, Town Staff, BTO Staff, and individuals with an inherent conflict of interest.
- The original BEC “Purpose Statement” will be used as a baseline for developing a Chair description.
 - Once frame work is agreed upon, it will be sent out to committee members to use as parameters around recommendations. (Lucy Kay & Sarah W.)
 - Recommendations emailed to Sarah by an established deadline, and then vetted by the BEC Chair Nominating Sub Committee of Dick Carleton, Shannon Haynes, Lucy Kay, Erin Gigliello, and Linsey Whitney.
 - Dick Carleton will stay on as BEC Chair for next meeting, Wednesday July 11th.

IV) Task Force Updates

a) Emergency Action Plan Task Force

- No new developments to report on.

b) Sustainable Event Task Force

- On hold until town position is filled – targeting June 25th.

I) Review Agenda Items for next BEC Meeting (June 11th, 2018)

a) EVENTS

- Breck Pride 2019 -Standing Agenda Item
- Dew Tour 2018 -Standing Agenda Item
- Spartan -Standing Agenda Item
- Breck Epic/Iron Man -Standing Agenda Item
- Weather Summit Summer 2019 -Standing Agenda Item
- ISSC – Standing Agenda Item
- HOG – Standing Agenda Item

b) General Updates/Discussion

- BEC Chair
- SEPA Process Discussion – Communication Plan for new permitting process
- Balanced Economy Discussion – Standing Agenda Item.

Committees*	Representative	Report Status
CAST	Mayor Mamula/ Erin Gigliello	No Meeting/Report
CDOT	Rick Holman	No Meeting/Report
CML	Rick Holman	No Meeting/Report
I-70 Coalition	Rick Holman	No Meeting/Report
Mayors, Managers & Commissioners	Mayor Mamula/ Rick Holman	No Meeting/Report
Liquor and Marijuana Licensing Authority	Helen Cospolich	No Meeting/Report
Summit Stage Advisory Board	James Phelps	No Meeting/Report
Police Advisory Committee	Chief Jim Baird	No Meeting/Report
CMC Advisory Committee	Rick Holman	No Meeting/Report
Recreation Advisory Committee	Jenise Jensen/Scott Reid	No Meeting/Report
Workforce Housing Committee	Laurie Best	No Meeting/Report
Child Care Advisory Committee	Jennifer McAtamney	<i>Included as a separate agenda item</i>
Breckenridge Events Committee	Shannon Haynes	Included
Transit Advisory Committee	Shannon Haynes	No Meeting/Report
Communications	Haley Littleton	No Meeting/Report

Note: Reports provided by the Mayor and Council Members are listed in the Council agenda.



TOWN OF
BRECKENRIDGE

May 31, 2018 Financial Reports

Department of Finance



*It is estimated nearly 500 moose live and move through
the Summit County region.*

Executive Summary

May 31, 2018

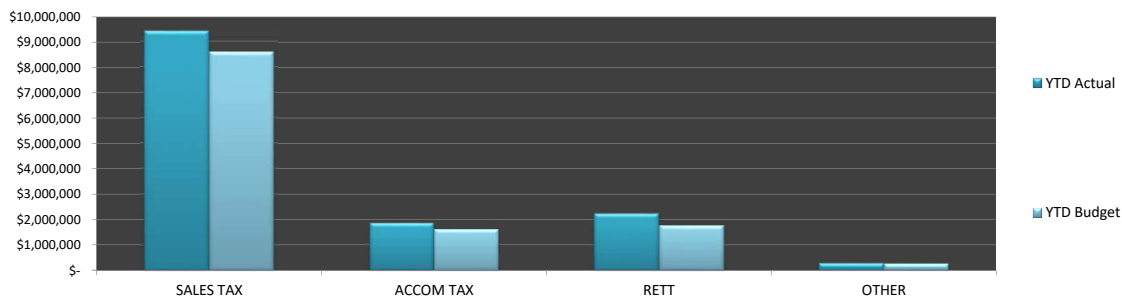
This report covers the first 5 months of 2018. May is largely reflective of April tax collections. Prior year figures are preliminary and unaudited. 2017 year-end figures will change as year-end entries are finalized.

We are approximately \$1.5M over 2018 budgeted revenues in the Excise fund. This is largely due to sales tax being \$822k over budget and \$930k ahead of prior year.

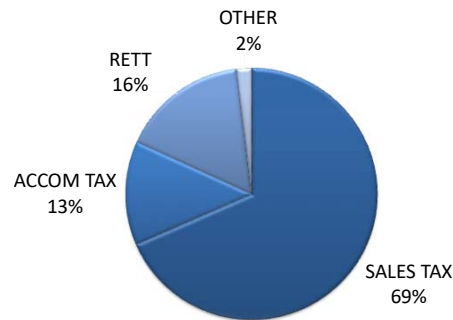
See the Tax Basics section of these financial reports for more detail on the sales, accommodations, and real estate transfer taxes.

Expenditures are holding the line, with the General Fund tracking only slightly above YTD budgeted expense amount, due to early year timing in relation to the monthly budget (see General Fund Expenditures Summary for details).

Excise YTD Actual vs. Budget - by Source



YTD Actual Revenues - Excise



	YTD Actual	YTD Budget	% of Budget	Annual Budget	Prior YTD Actual	Prior Annual Actual
SALES TAX	\$ 9,413,125	\$ 8,591,327	110%	\$ 21,764,800	\$ 8,483,188	\$ 21,567,073
ACCOMMODATIONS TAX	1,835,507	1,594,362	115%	2,996,900	1,586,393	3,068,530
REAL ESTATE TRANSFER	2,231,415	1,763,418	127%	5,000,000	2,397,843	6,239,221
OTHER*	270,395	264,379	102%	775,130	259,968	791,882
TOTAL	\$ 13,750,443	\$ 12,213,486	113%	\$ 30,536,830	\$ 12,727,393	\$ 31,666,706

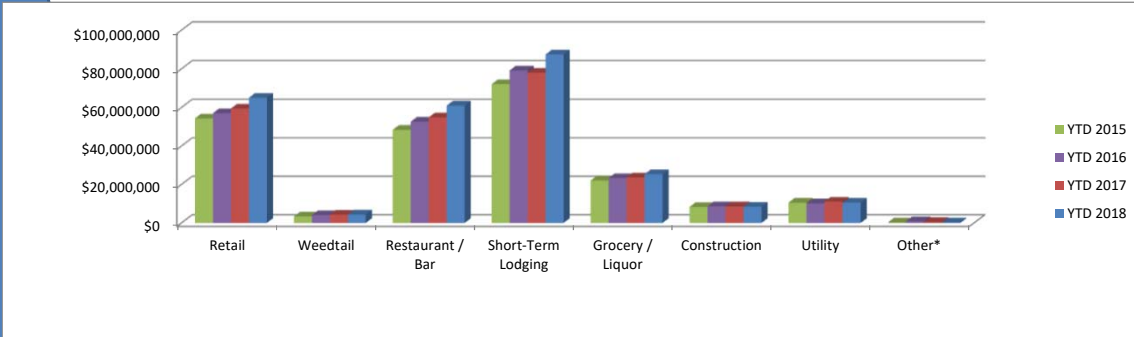
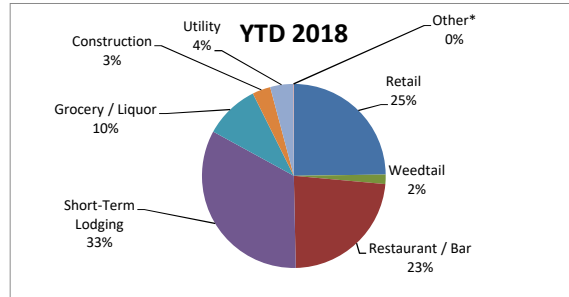
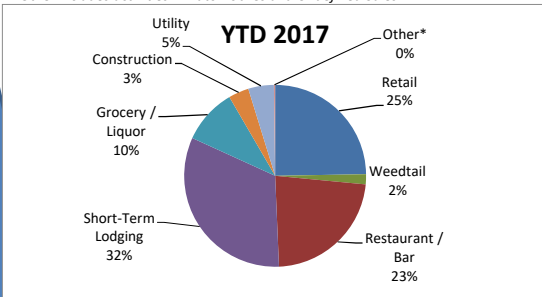
* Other includes Franchise Fees (Telephone, Public Service and Cable), Cigarette Tax, and Investment Income

The Tax Basics

Net Taxable Sales by Industry-YTD

Description	YTD 2015	YTD 2016	YTD 2017	2017		2017/2018 \$ Change	2017/2018 % Change	2018 % of Total
				% of Total	YTD 2018			
Retail	\$54,339,722	\$57,065,505	\$59,461,616	24.73%	\$65,035,775	\$5,574,158	9.37%	24.78%
Weedtail	\$3,352,008	\$4,043,766	\$4,323,937	1.80%	\$4,340,399	\$16,462	0.38%	1.65%
Restaurant / Bar	\$48,442,929	\$52,662,291	\$54,875,876	22.82%	\$60,970,591	\$6,094,715	11.11%	23.24%
Short-Term Lodging	\$72,075,904	\$79,170,053	\$78,015,389	32.45%	\$87,444,020	\$9,428,631	12.09%	33.32%
Grocery / Liquor	\$22,029,114	\$23,320,815	\$23,649,452	9.84%	\$25,341,584	\$1,692,132	7.16%	9.66%
Construction	\$8,300,600	\$8,620,020	\$8,586,036	3.57%	\$8,386,612	(\$199,424)	-2.32%	3.20%
Utility	\$10,532,472	\$10,190,203	\$11,030,390	4.59%	\$10,563,662	(\$466,728)	-4.23%	4.03%
Other*	\$231,448	\$873,919	\$497,421	0.21%	\$324,649	(\$172,772)	-34.73%	0.12%
Total	\$219,304,197	\$235,946,572	\$240,440,118	100.00%	\$262,407,293	\$21,967,175	9.14%	100.00%

* Other includes activities in Automobiles and Undefined Sales.



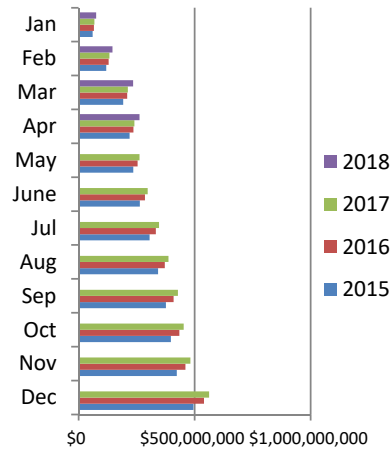
New Items of Note:

- For the year, net taxable sales are currently ahead of 2017 by 9.14%. However, April net taxable sales are currently behind April 2017 by 4.04%. This could be related to a lower snow fall month, and the timing of Easter falling on April 1st.
- For April 2018, Retail and Construction sales sectors were up over April 2017.
- For April 2018, Grocery/Liquor, Weedtail, Restaurant/Bar & Short Term Lodging sales sectors experienced declines from April 2017. This is being attributed to lower sales reported over prior year.
- Disposable Bags distributed experienced a decrease of 21.35% over prior year. The decrease is being attributed to a lower sales month for the Grocery/Liquor sales sector.

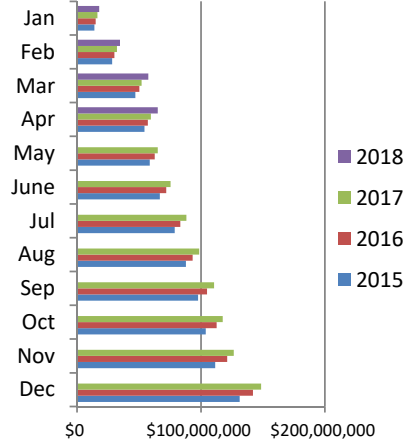
Continuing Items of Note:

- For the Construction sector in January 2015, a large one-time return was filed in relation to a single project. This was an anomaly that would not be expected to repeat in future years. In January of 2016, there was a large one time assessment impacting the sector.
- As previously noted, the decline in the Utility sector is largely related to the recent decrease in gas and electric billings. This is also due to warming temperatures.
- In 2014, a new category was added to the Sales by Sector pages for the Weedtail sector. The category encompasses all legal marijuana sales, regardless of medical or recreational designation
- A section on Disposable Bag Fees was added in 2014.
- Taxes collected from the customer by the vendor are remitted to the Town on the 20th of the following month.
- Quarterly taxes are reported in the last month of the period. For example, taxes collected in the first quarter of the year (January – March), are include on the report for the period of March.
- Net Taxable Sales are continually updated as late tax returns are submitted to the Town of Breckenridge. Therefore, you may notice slight changes in prior months, in addition to the reporting for the current month.
- "Other" sales relate to returns that have yet to be classified. Much of this category will be reclassified to other sectors as more information becomes available.

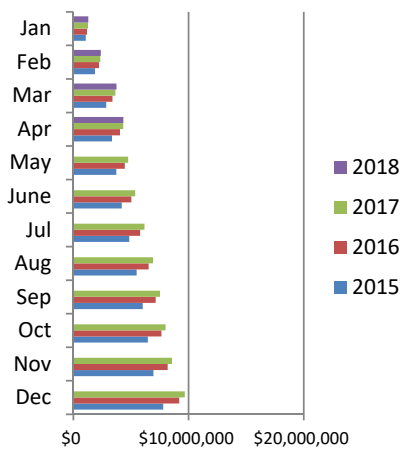
Net Taxable Sales by Sector - Town of Breckenridge Tax Base



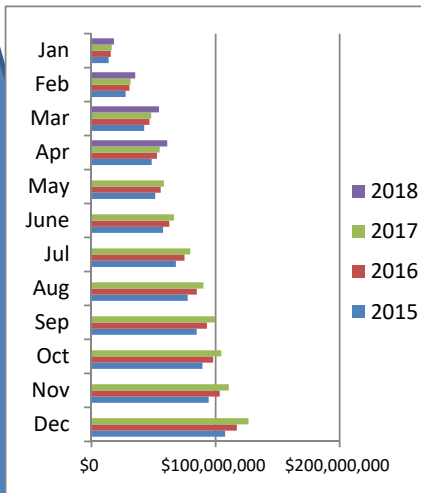
Total Net Taxable Sales					% change
	2015	2016	2017	2018	from PY
Jan	\$60,033,563	\$65,585,350	\$67,746,899	\$75,521,069	11.48%
Feb	\$58,741,575	\$63,824,598	\$64,759,984	\$70,059,927	8.18%
Mar	\$73,118,590	\$79,667,088	\$79,311,988	\$89,362,254	12.67%
Apr	\$27,410,469	\$26,869,536	\$28,621,247	\$27,464,042	-4.04%
May	\$15,658,620	\$17,807,725	\$21,489,268	\$0	n/a
Jun	\$28,739,345	\$31,662,174	\$35,760,407	\$0	n/a
Jul	\$42,074,407	\$46,932,211	\$48,461,533	\$0	n/a
Aug	\$36,563,530	\$39,073,049	\$40,967,067	\$0	n/a
Sep	\$33,499,160	\$37,536,264	\$40,423,832	\$0	n/a
Oct	\$21,554,275	\$24,724,775	\$24,909,456	\$0	n/a
Nov	\$25,412,714	\$26,735,499	\$28,806,622	\$0	n/a
Dec	\$71,683,867	\$79,717,606	\$80,625,033	\$0	n/a
Total	\$494,490,114	\$540,135,875	\$561,883,336	\$262,407,293	



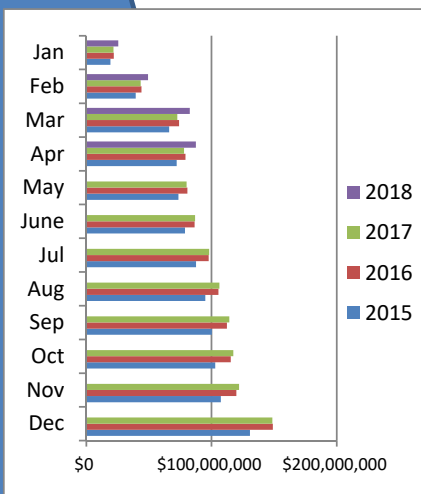
Retail					% change
	2015	2016	2017	2018	from PY
Jan	\$13,998,522	\$14,933,038	\$16,394,664	\$17,760,676	8.33%
Feb	\$14,240,511	\$15,152,255	\$15,695,872	\$16,902,522	7.69%
Mar	\$18,818,841	\$20,122,324	\$19,909,240	\$22,810,513	14.57%
Apr	\$7,281,848	\$6,857,887	\$7,461,841	\$7,562,064	1.34%
May	\$4,302,676	\$5,521,353	\$5,550,000	\$0	n/a
Jun	\$8,090,642	\$9,286,221	\$10,428,300	\$0	n/a
Jul	\$11,980,701	\$11,452,735	\$12,718,292	\$0	n/a
Aug	\$9,097,833	\$9,931,109	\$10,336,810	\$0	n/a
Sep	\$9,796,917	\$11,524,136	\$11,968,444	\$0	n/a
Oct	\$6,160,275	\$7,779,902	\$7,020,804	\$0	n/a
Nov	\$7,634,586	\$8,523,532	\$8,898,522	\$0	n/a
Dec	\$19,733,859	\$20,856,785	\$22,062,924	\$0	n/a
Total	\$131,137,212	\$141,941,277	\$148,445,713	\$65,035,775	



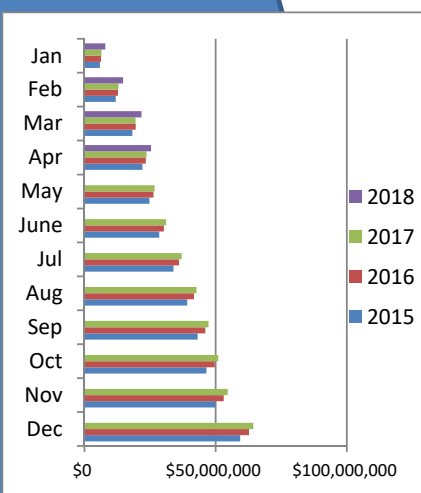
Weedtail					% change
	2015	2016	2017	2018	from PY
Jan	\$1,069,983	\$1,181,014	\$1,263,370	\$1,299,492	2.86%
Feb	\$809,146	\$1,045,184	\$1,076,236	\$1,077,296	0.10%
Mar	\$976,179	\$1,170,045	\$1,300,844	\$1,360,559	4.59%
Apr	\$496,701	\$647,524	\$683,486	\$603,052	-11.77%
May	\$376,877	\$424,305	\$436,712	\$0	n/a
Jun	\$463,026	\$561,981	\$608,808	\$0	n/a
Jul	\$659,118	\$768,474	\$798,038	\$0	n/a
Aug	\$638,780	\$731,985	\$756,690	\$0	n/a
Sep	\$524,591	\$607,308	\$596,781	\$0	n/a
Oct	\$453,781	\$499,149	\$484,253	\$0	n/a
Nov	\$476,602	\$542,237	\$554,576	\$0	n/a
Dec	\$846,691	\$1,013,140	\$1,112,445	\$0	n/a
Total	\$7,791,474	\$9,192,345	\$9,672,241	\$4,340,399	



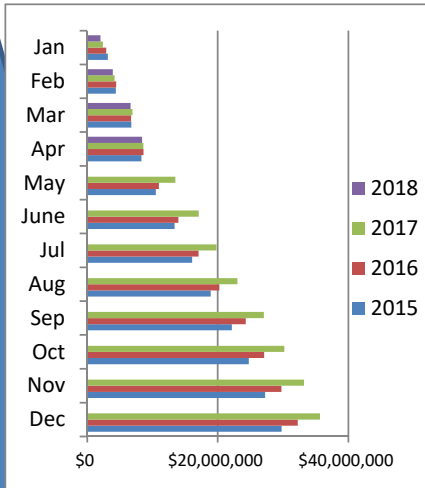
Restaurant / Bar					% change
	2015	2016	2017	2018 from PY	
Jan	\$13,757,283	\$15,420,296	\$16,276,306	\$18,068,488	11.01%
Feb	\$13,618,840	\$15,065,159	\$15,181,858	\$17,063,798	12.40%
Mar	\$15,042,121	\$16,112,662	\$16,595,811	\$19,183,234	15.59%
Apr	\$6,024,685	\$6,064,174	\$6,821,901	\$6,655,072	-2.45%
May	\$2,805,424	\$3,001,520	\$3,448,281	\$0	n/a
Jun	\$6,313,126	\$6,963,372	\$8,089,688	\$0	n/a
Jul	\$10,367,272	\$12,231,535	\$13,124,240	\$0	n/a
Aug	\$9,608,649	\$9,947,952	\$10,631,602	\$0	n/a
Sep	\$7,153,442	\$8,109,315	\$9,211,502	\$0	n/a
Oct	\$4,605,454	\$5,123,843	\$5,227,314	\$0	n/a
Nov	\$5,119,695	\$5,290,140	\$6,000,732	\$0	n/a
Dec	\$13,248,488	\$13,796,003	\$15,895,058	\$0	n/a
Total	\$107,664,478	\$117,125,970	\$126,504,293	\$60,970,591	



Short-Term Lodging					% change
	2015	2016	2017	2018 from PY	
Jan	\$19,192,527	\$21,935,475	\$21,587,930	\$25,510,316	18.17%
Feb	\$20,152,677	\$22,070,711	\$21,765,719	\$23,740,976	9.08%
Mar	\$26,780,608	\$30,028,520	\$29,335,189	\$33,294,931	13.50%
Apr	\$5,950,092	\$5,135,347	\$5,326,551	\$4,897,798	-8.05%
May	\$1,386,810	\$1,452,045	\$2,008,110	\$0	n/a
Jun	\$5,255,015	\$5,833,385	\$6,806,480	\$0	n/a
Jul	\$8,916,990	\$11,269,330	\$11,177,230	\$0	n/a
Aug	\$7,399,007	\$7,751,976	\$8,260,479	\$0	n/a
Sep	\$5,223,977	\$6,772,116	\$7,898,210	\$0	n/a
Oct	\$2,709,619	\$3,068,724	\$3,202,857	\$0	n/a
Nov	\$4,453,152	\$4,452,572	\$4,639,060	\$0	n/a
Dec	\$23,256,807	\$29,200,658	\$26,545,264	\$0	n/a
Total	\$130,677,280	\$148,970,858	\$148,553,078	\$87,444,020	



Grocery / Liquor					% change
	2015	2016	2017	2018 from PY	
Jan	\$5,825,759	\$6,250,584	\$6,450,303	\$7,922,442	22.82%
Feb	\$6,069,614	\$6,449,794	\$6,475,853	\$6,724,274	3.84%
Mar	\$6,296,838	\$6,769,678	\$6,527,831	\$7,034,396	7.76%
Apr	\$3,836,903	\$3,850,758	\$4,195,465	\$3,660,472	-12.75%
May	\$2,724,433	\$2,928,950	\$3,063,908	\$0	n/a
Jun	\$3,735,382	\$3,960,786	\$4,342,262	\$0	n/a
Jul	\$5,388,915	\$5,839,136	\$5,923,764	\$0	n/a
Aug	\$5,231,601	\$5,625,836	\$5,715,123	\$0	n/a
Sep	\$3,997,242	\$4,322,032	\$4,525,953	\$0	n/a
Oct	\$3,344,571	\$3,623,882	\$3,724,937	\$0	n/a
Nov	\$3,375,304	\$3,409,252	\$3,608,668	\$0	n/a
Dec	\$9,500,929	\$9,661,918	\$9,752,150	\$0	n/a
Total	\$59,327,490	\$62,692,608	\$64,306,218	\$25,341,584	

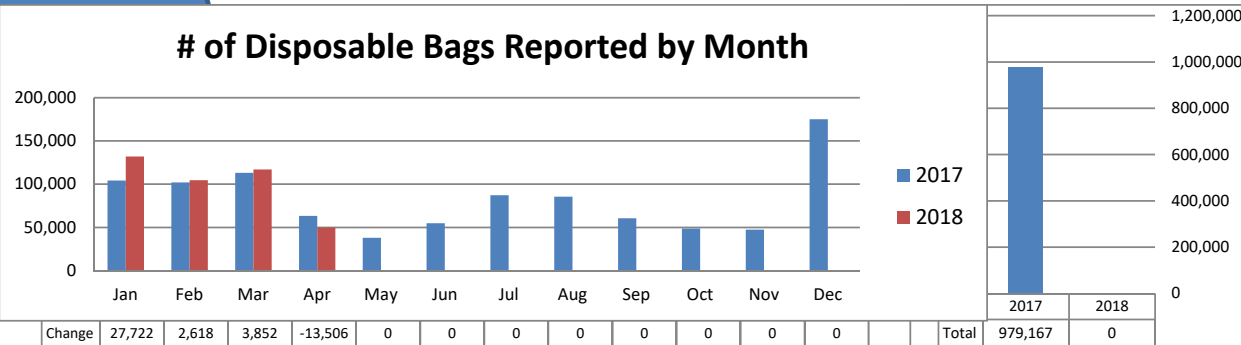


Construction					
	2015	2016	2017	% change 2018 from PY	
Jan	\$3,142,768	\$2,913,379	\$2,398,824	\$2,029,554	-15.39%
Feb	\$1,232,799	\$1,520,592	\$1,769,306	\$1,876,473	6.06%
Mar	\$2,385,327	\$2,262,792	\$2,765,004	\$2,723,039	-1.52%
Apr	\$1,539,706	\$1,923,258	\$1,652,902	\$1,757,545	6.33%
May	\$2,193,144	\$2,353,384	\$4,919,462	\$0	n/a
Jun	\$2,870,200	\$2,974,258	\$3,564,860	\$0	n/a
Jul	\$2,698,078	\$3,091,802	\$2,732,756	\$0	n/a
Aug	\$2,841,883	\$3,187,750	\$3,191,971	\$0	n/a
Sep	\$3,248,244	\$4,049,856	\$4,061,746	\$0	n/a
Oct	\$2,604,251	\$2,823,165	\$3,121,078	\$0	n/a
Nov	\$2,500,314	\$2,649,520	\$3,024,568	\$0	n/a
Dec	\$2,508,730	\$2,484,830	\$2,449,283	\$0	n/a
Total	\$29,765,442	\$32,234,586	\$35,651,760	\$8,386,612	

Disposable Bag Fees

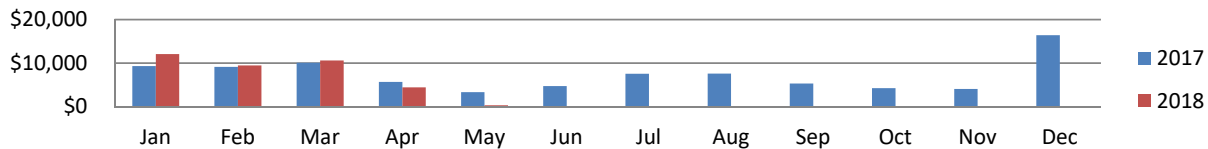
The Town adopted an ordinance April 9, 2013 (effective October 15, 2013) to discourage the use of disposable bags, achieving a goal of the SustainableBreck Plan. The \$.10 fee applies to most plastic and paper bags given out at retail and grocery stores in Breckenridge. The program is intended to encourage the use of reusable bags and discourage the use of disposable bags, thereby furthering the Town's sustainability efforts. Revenues from the fee are used to provide public information about the program and promote the use of reusable bags.

of Disposable Bags Reported by Month



Bag Fees Remitted by Month

Net of Retained Percentage*



*Retailers are permitted to retain 50% of the fee (up to a maximum of \$1000/month through October 31, 2014; changing to a maximum of \$100/month beginning November 1, 2014) in order to offset expenses incurred related to the program. The retained percent may be used by the retail store to provide educational information to customers; provide required signage; train staff; alter infrastructure; fee administration; develop/display informational signage; encourage the use of reusable bags or promote recycling of disposable bags; and improve infrastructure to increase disposable bag recycling.

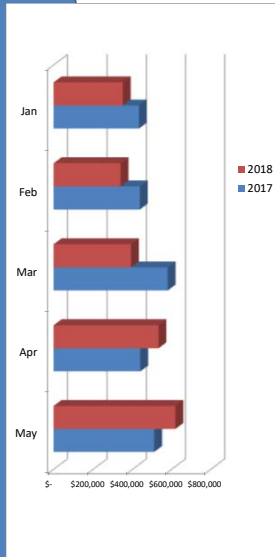
Real Estate Transfer Tax

New Items of Note:

- Revenue for the month of May was ahead of prior year by 21.25%, and ahead of the monthly budget by \$246,932.
- Year to date, revenue is behind prior year by 6.94%, and has surpassed budget by \$467,996.
- Single Family Home sales accounted for the majority of the sales (32.58%), with Timeshares sales in the second position of highest sales (27.49%) subject to the tax. Condominium sales were in third position with sales (23.25%) in sales level for the year.
- May 2018 churn was 2.39% below May 2017.

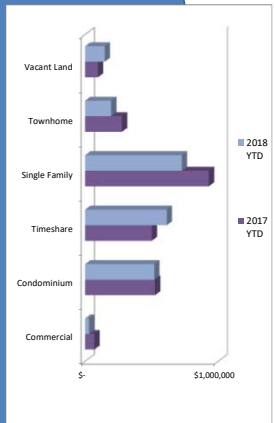
Continuing Items of Note:

- 2018 Real Estate Transfer Tax budget is based upon the monthly distribution for 2016.



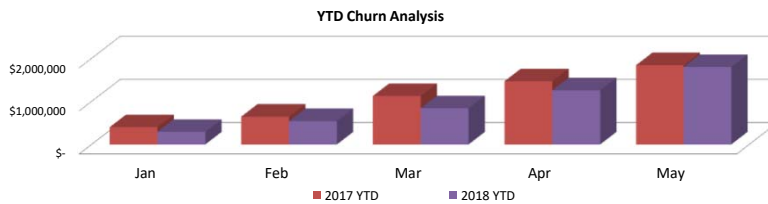
Total RETT						
	2016	2017	2018	% change	2018 budget	+/- Budget
Jan	\$293,839	\$432,417	\$350,102	-19.04%	\$280,375	\$69,726
Feb	\$338,604	\$436,538	\$338,813	-22.39%	\$323,089	\$15,724
Mar	\$407,901	\$579,302	\$391,670	-32.39%	\$389,211	\$2,458
Apr	\$418,228	\$439,375	\$532,220	21.13%	\$399,065	\$133,155
May	\$389,525	\$510,213	\$618,610	21.25%	\$371,678	\$246,932
Jun	\$351,831	\$533,957	\$211,936	-60.31%	\$335,711	-\$123,775
Jul	\$363,545	\$533,735	\$0	n/a	\$346,888	n/a
Aug	\$593,429	\$564,623	\$0	n/a	\$566,238	n/a
Sep	\$551,616	\$478,875	\$0	n/a	\$526,341	n/a
Oct	\$515,748	\$730,352	\$0	n/a	\$492,116	n/a
Nov	\$579,565	\$550,457	\$0	n/a	\$553,010	n/a
Dec	\$436,266	\$400,236	\$0	n/a	\$416,277	n/a
Total	\$5,240,098	\$6,190,080	\$2,443,351		\$5,000,000	

* June #'s are as of 06/18/2018



by Category					
Description	2017 YTD	2018 YTD	\$ change	% change	% of Total
Commercial	\$ 69,145	\$ 29,448	(39,697)	-57.41%	1.32%
Condominium	525,096	518,814	(6,281)	-1.20%	23.25%
Timeshare	501,341	613,393	112,052	22.35%	27.49%
Single Family	929,851	727,059	(202,792)	-21.81%	32.58%
Townhome	276,491	195,739	(80,752)	-29.21%	8.77%
Vacant Land	95,920	146,962	51,042	53.21%	6.59%
Total	\$ 2,397,843	\$ 2,231,415	(166,428)	-6.94%	100.00%

* YTD as of May 31st

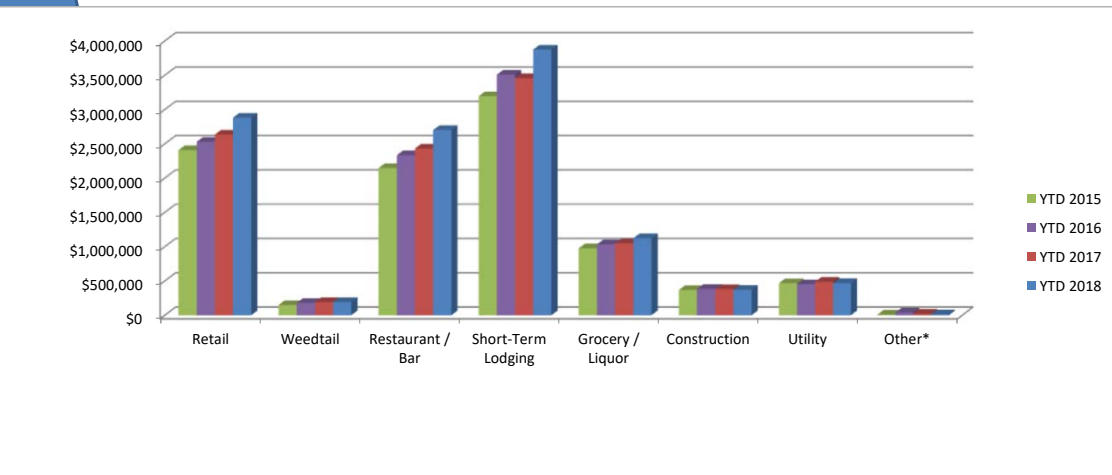
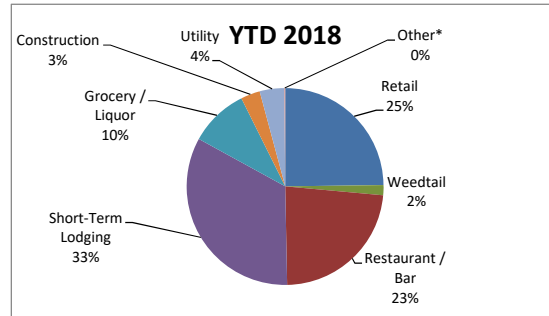
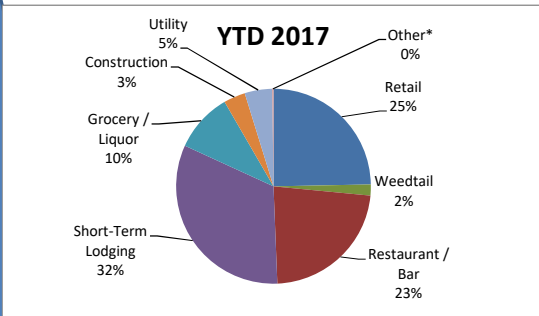


TAXES DUE - SALES, ACCOMMODATIONS, AND MARIJUANA TAXES

Tax Due by Industry-YTD

Description	YTD 2015	YTD 2016	YTD 2017	2017		2017/2018		2018
				% of Total	YTD 2018	\$ Change	% Change	
Retail	\$2,407,250	\$2,528,002	\$2,634,150	24.73%	\$2,881,085	\$246,935	9.37%	24.78%
Weedtail	\$148,494	\$179,139	\$191,550	1.80%	\$192,280	\$729	0.38%	1.65%
Restaurant / Bar	\$2,146,022	\$2,332,939	\$2,431,001	22.82%	\$2,700,997	\$269,996	11.11%	23.24%
Short-Term Lodging	\$3,192,963	\$3,507,233	\$3,456,082	32.45%	\$3,873,770	\$417,688	12.09%	33.32%
Grocery / Liquor	\$975,890	\$1,033,112	\$1,047,671	9.84%	\$1,122,632	\$74,961	7.16%	9.66%
Construction	\$367,717	\$381,867	\$380,361	3.57%	\$371,527	(\$8,835)	-2.32%	3.20%
Utility	\$466,588	\$451,426	\$488,646	4.59%	\$467,970	(\$20,676)	-4.23%	4.03%
Other*	\$10,253	\$38,715	\$22,036	0.21%	\$14,382	(\$7,654)	-34.73%	0.12%
Total	\$9,715,176	\$10,452,433	\$10,651,497	100.00%	\$11,624,643	\$973,146	9.14%	100.00%

* Other includes activities in Automobiles and Undefined Sales.



Items of Note:

- The general sales tax rate includes the 2.5% Town sales tax + 1.93% County sales tax distributed to the Town.
- The Short -Term Lodging sector includes an additional 3.4% accommodation tax.
- Weedtail includes an additional 5% marijuana tax (recreational and medical). The 1.5% distribution from the State is also included in this category. While the State distribution is only due on recreational sales, the majority of weedtail sales are recreational and the distribution has been applied to the entire sector.
- Report assumptions include: applying tax specific to a sector to the entire sector, as well as assuming the same tax base across the State, County, and Town taxes due. As a result, the numbers indicated above are a rough picture of taxes due to the Town and not an exact representation. Additionally, the data is representative of taxes due to the Town and not necessarily taxes collected year to date.

Other Information

March & April 2017 vs. 2018 Comparison

March				
		Mar-17	Mar-18	Variance
RETAIL	\$	19,909,240	\$ 22,810,513	114.57%
WEEDTAIL	\$	1,300,844	\$ 1,360,559	104.59%
RESTAURANT/BAR	\$	16,595,811	\$ 19,183,234	115.59%
SHORT TERM LODGING	\$	29,335,189	\$ 33,294,931	113.50%
GROCERY/LIQUOR/CONVE	\$	6,527,831	\$ 7,034,396	107.76%
CONSTRUCTION	\$	2,765,004	\$ 2,723,039	98.48%
UTILITIES	\$	2,778,501	\$ 2,780,215	100.06%
UNDEFINED	\$	99,568	\$ 175,367	176.13%
TOTAL	\$	79,311,988	\$ 89,362,254	112.67%

April				
		Apr-17	Apr-18	Variance
RETAIL	\$	7,461,841	\$ 7,562,064	101.34%
WEEDTAIL	\$	683,486	\$ 603,052	88.23%
RESTAURANT/BAR	\$	6,821,901	\$ 6,655,072	97.55%
SHORT TERM LODGING	\$	5,326,551	\$ 4,897,798	91.95%
GROCERY/LIQUOR/CONVE	\$	4,195,465	\$ 3,660,472	87.25%
CONSTRUCTION	\$	1,652,902	\$ 1,757,545	106.33%
UTILITIES	\$	2,393,282	\$ 2,276,155	95.11%
UNDEFINED	\$	85,819	\$ 51,884	60.46%
TOTAL	\$	28,621,247	\$ 27,464,042	95.96%

Cumulative March & April 2017 vs. 2018				
		2017	2018	Variance
RETAIL	\$	27,371,080.80	\$ 30,372,577.60	110.97%
WEEDTAIL	\$	1,984,330.40	\$ 1,963,611.20	98.96%
RESTAURANT/BAR	\$	23,417,711.60	\$ 25,838,305.20	110.34%
SHORT TERM LODGING	\$	34,661,739.60	\$ 38,192,728.40	110.19%
GROCERY/LIQUOR/CONVE	\$	10,723,296.40	\$ 10,694,868.80	99.73%
CONSTRUCTION	\$	4,417,906.40	\$ 4,480,584.40	101.42%
UTILITIES	\$	5,171,783.20	\$ 5,056,369.60	97.77%
UNDEFINED	\$	185,386.80	\$ 227,251.20	122.58%
TOTAL	\$	107,933,235.20	\$ 116,826,296.40	108.24%

Other Information:

- As previously discussed due to the timing of Easter, April net taxable sales are currently behind April 2017 by 4.04%. In 2018, Easter was on April 1st and in 2017, April 16th.
- When combined, March and April 2018 remain 8.24% above March and April 2017. However, when you look at the months separately, March 2018 was 12.67% above March of 2017, while April 2018 was 4.04% below April 2017.



General Fund Revenues Summary

May 31, 2018

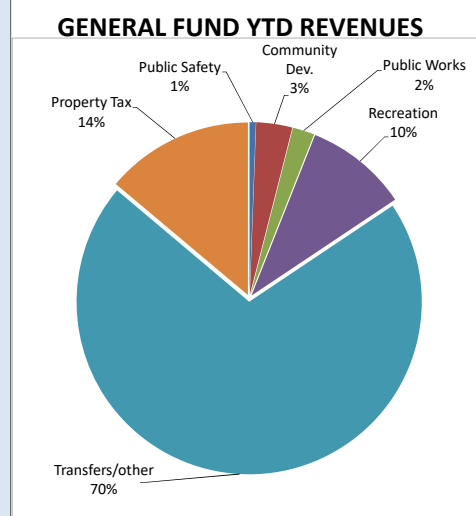
These next two pages report on 2018 year-to-date financials for the General Fund. This area contains most "Government Services," such as public works, police, community development, planning, recreation, facilities, and administrative functions.

General Fund Revenue: At the end of May, the Town's General Fund was at 97.9% of YTD budget (\$13.8M actual vs. \$14.1M budgeted).

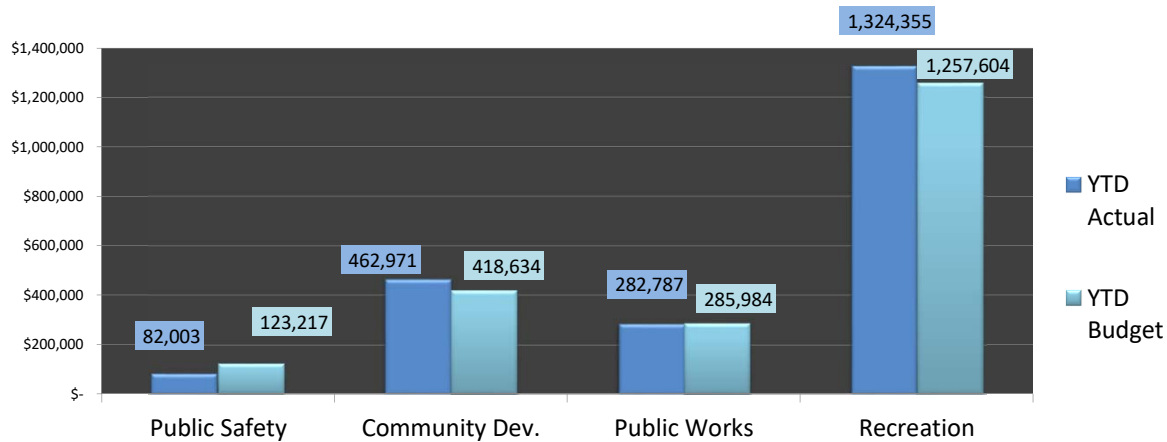
Property Tax collections are under budget due to the timing of Summit County collections.

Recreation revenue is up over budget, mostly in pass/admissions related revenue. This may be attributed to the completion of the Recreation Center remodel.

Public Works revenue is down due to the timing of Highway User Tax funds that are received from the State of Colorado.



Gen. Fund YTD Revenue Act vs. Bud - by Program



General Fund Expenditures Summary

May 31, 2018

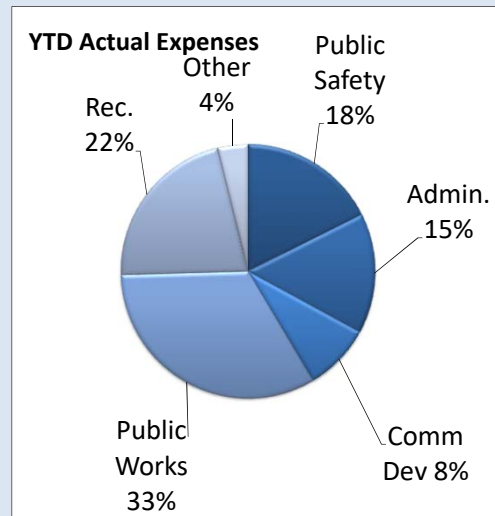
The General Fund as of May 31, 2018 was at 99.47% of budgeted expense (\$8.1M actual vs. \$8.2M budgeted). The below graphs represent the cost of providing the services contained in this fund (Public Safety, Recreation, Public Works, Community Development, and Administration).

Variance Explanations:

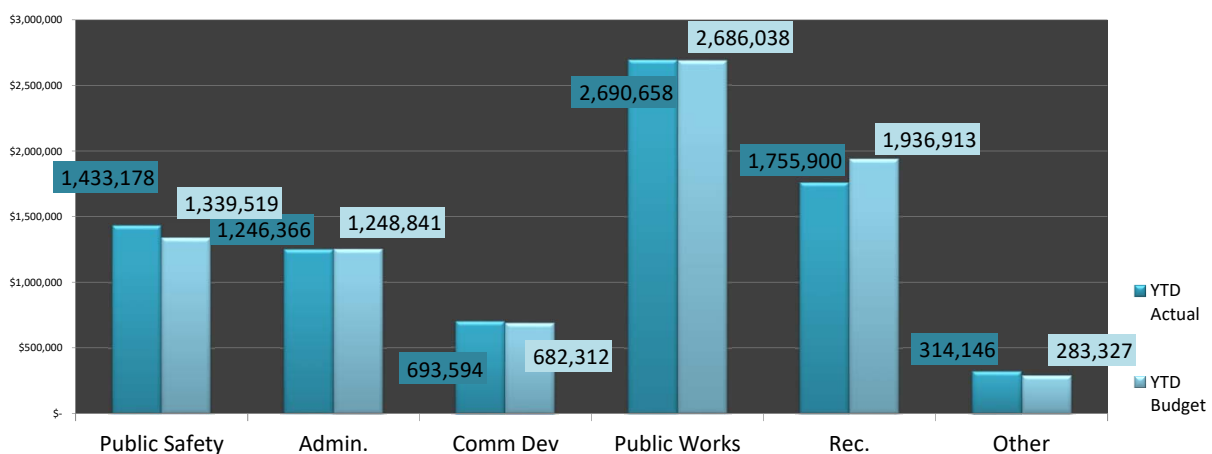
Public Safety is over budget due to the timing of payment to Summit County Communications for 2018. This variance will even out later in the year when the expenditure catches up with the timing of the monthly budget.

Recreation is under budget due to wage savings.

"Other" expenses are over budget due to an unbudgeted solar panel purchase.



Gen. Fund YTD Expenditures Act. vs. Bud. - by Program



ALL FUNDS REPORT

May 31, 2018

The YTD breakdown of the revenue/expenses variances is as follows:

Governmental Funds:

General Fund:

- Revenue:
 - Under budget by \$300K. Please see General Fund Revenue page for more detail.
- Expense:
 - Under budget by \$100k. See General Fund Expense page of this report for more details.

Excise Fund:

- Revenue:
 - Ahead of budget by \$1.5M - see Executive Summary or Tax Basics for more information.

Capital Fund:

- Revenue:
 - The Combined Statement does not include transfers (appx. \$4.7M). Revenue is down due to the timing of McCain rent revenue payments.
- Expense:
 - Under budget due to the timing of projects. The annual budget is assigned to January, although projects will occur throughout the year.

Special Revenue Funds:

- Revenue:
 - Revenue is up from budget due to the timing of sales of Blue 52 units. This will most likely even out later in 2018.
- Expense:
 - Parking & Transportation Fund is under YTD budget due to the timing of capital projects.

Enterprise Funds:

Utility:

- Revenue:
 - The fund is under budget due to the 2017 receipt of new water plant debt proceeds budgeted in 2018. This variance will continue throughout the year.
- Expense:
 - Under budget due to timing of new water plant related expenses.

Golf:

- Expense:
 - Over budget due to the timing of budgeted building improvements.

Internal Service Funds:

- Revenue:
 - Over budgeted due to insurance recoveries. This revenue also has related expenses.
- Expense:
 - Under budget due to the timing equipment purchases in the Garage Fund and IT Fund. This should even out with budget later in the year.

Fund Descriptions:

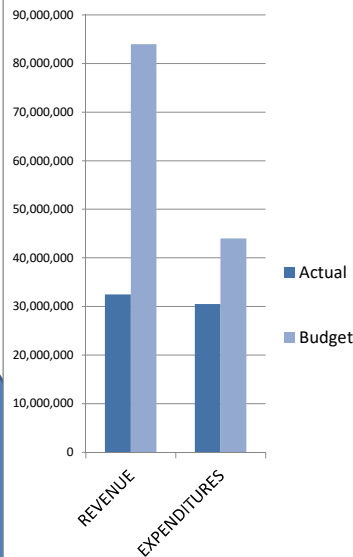
General Governmental - General, Excise, Capital, Special Projects, Child Care, Marijuana

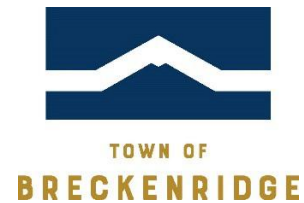
Special Revenue Funds - Marketing, Affordable Housing, Open Space, Conservation Trust, and Parking and Transportation

Enterprise Funds: Golf, Utility, Cemetery

Internal Service Funds - Garage, Information Technology (IT), and Facilities

YTD Actual Revenues and Expenditures vs. Budget





Memo

To: Breckenridge Town Council Members
From: Mark Johnston, Assistant Public Works Director
Date: 6/18/2018
Subject: Undergrounding of Xcel Energy Overhead Power Lines

XCEL assesses a 1% excise tax on all electrical bills paid inside the Town limits. The money from this tax goes into an account kept by XCEL to be used for burying overhead power lines and improve aesthetics of the Town. This money is used for electric lines only. In addition, Town Council has supplemented these funds with additional CIP allocations. The current fund balance for this program is as follows:

2018 CIP Fund Balance	\$421,943
2019 CIP	\$200,000
Xcel Account	\$958,198
Fund available for a 2019 Project	\$1,580,141

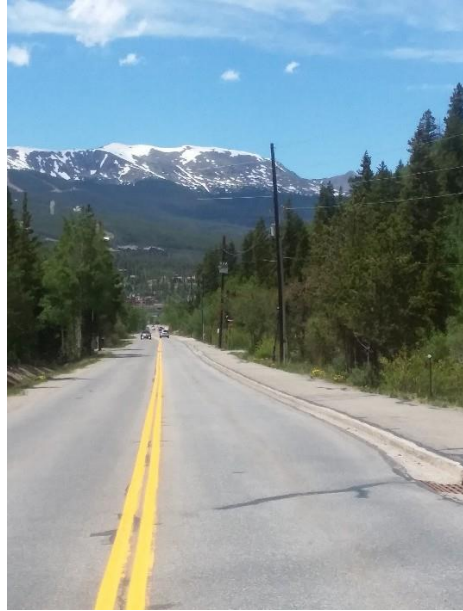
The majority of Xcel power lines in the Town limits have already been undergrounded. Staff and representatives from Xcel energy have recently met to discuss a 2019 undergrounding project. The remaining seven overhead power line locations were evaluated (see pictures and of these areas at the end of the memo). The group noted potential power outages, aesthetics, and land use when developing a 2019 project. At this time, staff is recommending to begin burying the power lines on McCain that parallel Highway 9. Although this job has not been designed yet, Xcel feels that a significant portion of these lines can be buried with the available funds. The project would start on the south end of the property and work north.

Staff will be available for any questions.

#1. 4 O'Clock Road



#2. Boreas Pass Road



#3. Broken Lance Road



#4. Four O'Clock Run Road



#5. Tiger Road

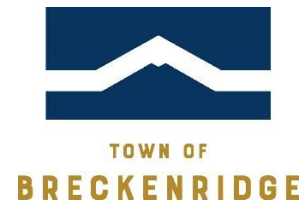


#6. North Airport Road



#7. Hwy 9 at Coyne Valley Road





Memo

To: Breckenridge Town Council Members
From: Mark Truckey, Assistant Director of Community Development
Date: 6/20/2018
Subject: Grocery Store Market Study

At the Council's direction, staff contracted with THK Associates to perform a market study to determine the amount of square footage of grocery store space that the retail market in Breckenridge could support. THK has completed their market study, which is attached for the Council's review.

The market study includes a fair amount of background data and methodically analyzes local and visitor population to determine the amount of square footage that could be absorbed by the market in 2018, 2023, and 2028. The study also includes a recommendation for additional square footage (sq. ft.) from the consultants. The market demand is noted on p. 53 of the Study and THK's recommendation is on p. 59. These findings include:

- The current grocery store demand in Breckenridge is about 147,000 sq. ft. There is currently about 58,000 sq. ft. of grocery store space between City Market and the Breck Market. Thus, there is demand for up to 89,000 sq. ft. more grocery space. This number increases by another 24,000 sq. ft. by the year 2028.
- THK recommends that the Town could absorb another 50,000 sq. ft. grocery store.

Peter Elzi from THK Associates will be in attendance at Tuesday's Council meeting to go over the findings of the study with Council and answer any questions the Council may have.

GROCERY STORE MARKET ANALYSIS



THE TOWN OF BRECKENRIDGE

DRAFT

**PREPARED FOR:
THE TOWN OF BRECKENRIDGE**



Economic & Market Research / Land & Development Planning
Landscape Architecture / Community Planning & Design
Golf Feasibility Analysis

GROCERY STORE MARKET ANALYSIS



**PREPARED FOR:
THE TOWN OF BRECKENRIDGE**

JUNE 26, 2018

PREPARED BY:



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Economic & Market Research / Land & Development Planning
Landscape Architecture / Community Planning & Design
Golf Feasibility Analysis

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I. INTRODUCTION

I. Introduction

The purpose of this market analysis has been to determine the market potentials for grocery store and related shopping center space development within the Town of Breckenridge, Colorado. Research includes a projection of retail-use demand in Breckenridge and the surrounding area, analysis of existing and proposed retail space and estimates on under or over supply.

The study has examined potentials for retail uses, focusing on the potential market demand for a grocery anchored strip center. In order to determine demand for additional grocery and related retail space, THK has undertaken the following research:

- Prepared an economic base analysis of the Summit County market and the Breckenridge area.
- Profiled the Summit County area by population, household, employment, major employers, income and age characteristics, single-family and multi-family housing permit data and other relevant housing statistics.
- Interviewed key persons related to the economic development of and researched recent publications related to the Town of Breckenridge and the surrounding environs.
- Determined area/town borders from which a majority of the retail demand at the Town of Breckenridge is projected to derive from.
- Examined historical sales tax revenues and other retail related characteristics for Summit County and the Town of Breckenridge.
- Examined national and regional supermarket store characteristics and trends.
- Examined retail expenditures by store type for households in the Town of Breckenridge to determine the current amount of supportable square footage and required household support/demand by store type.
- Inventoried retail/commercial locations and grocer related space by square footage in the Town of Breckenridge.
- Determined total retail square footage in the Town of Breckenridge by specific store.
- Profiled grocery stores for the Town of Breckenridge and for the Town of Frisco by location, surrounding area and square footage.
- Determined total supportable square feet of demand and net required square feet of demand for each retail store type in the Town of Breckenridge over the 2018 to 2028 time period.
- Determined absorption levels for retail/commercial and grocery store space in the Town of Breckenridge and recommended store types related to a grocery anchored retail development.

II. AREA DESCRIPTION

II. Area Description

The Town of Breckenridge is located at the base of the Tenmile Range along Route 9 in Summit County approximately 2.7 miles south of Dillon Reservoir and 57 miles west of Denver. Immediately north of the Town of Breckenridge is the Town of Frisco (3.7 miles to the northwest). Additional towns nearby include Keystone, Dillon, Silverthorne and Copper. The nearest airport is the Leadville-Lake County Airport which is 23 miles southwest of Breckenridge. Denver International Airport is located 76 miles to the northeast of Breckenridge.

The historical mountain Town of Breckenridge experienced its first inhabitants during the Pikes Peak Gold Rush in the 1800s. The Town of Breckenridge was incorporated in the late 1800s. The ski mountain was officially opened in 1961 with its first year attracting approximately 17,000 skiers.

The Town of Breckenridge attracts a large tourism base annually with a variety of attractions. The main street includes an abundance of retail options with many clothing stores, sporting gear stores, unique art galleries and stores, specialty souvenir stores and a vibrant night life with its many restaurants and bars. In the winter months, main attractions include skiing, snowshoeing, and dog sledding. In the warmer months, the area has great trails for hiking and mountain biking, rivers for fly fishing, golf and on mountain adventure activities. Throughout the year the Town of Breckenridge is the host of many different festivals including International Festival of Arts in the summer, Breckenridge Oktoberfest in the fall, Dew Tour at the mountain and the Ullr Festival in the winter and Spring Fever in the spring. Along with the normal attractions to the historical Town of Breckenridge, the festivals attract additional visitors.

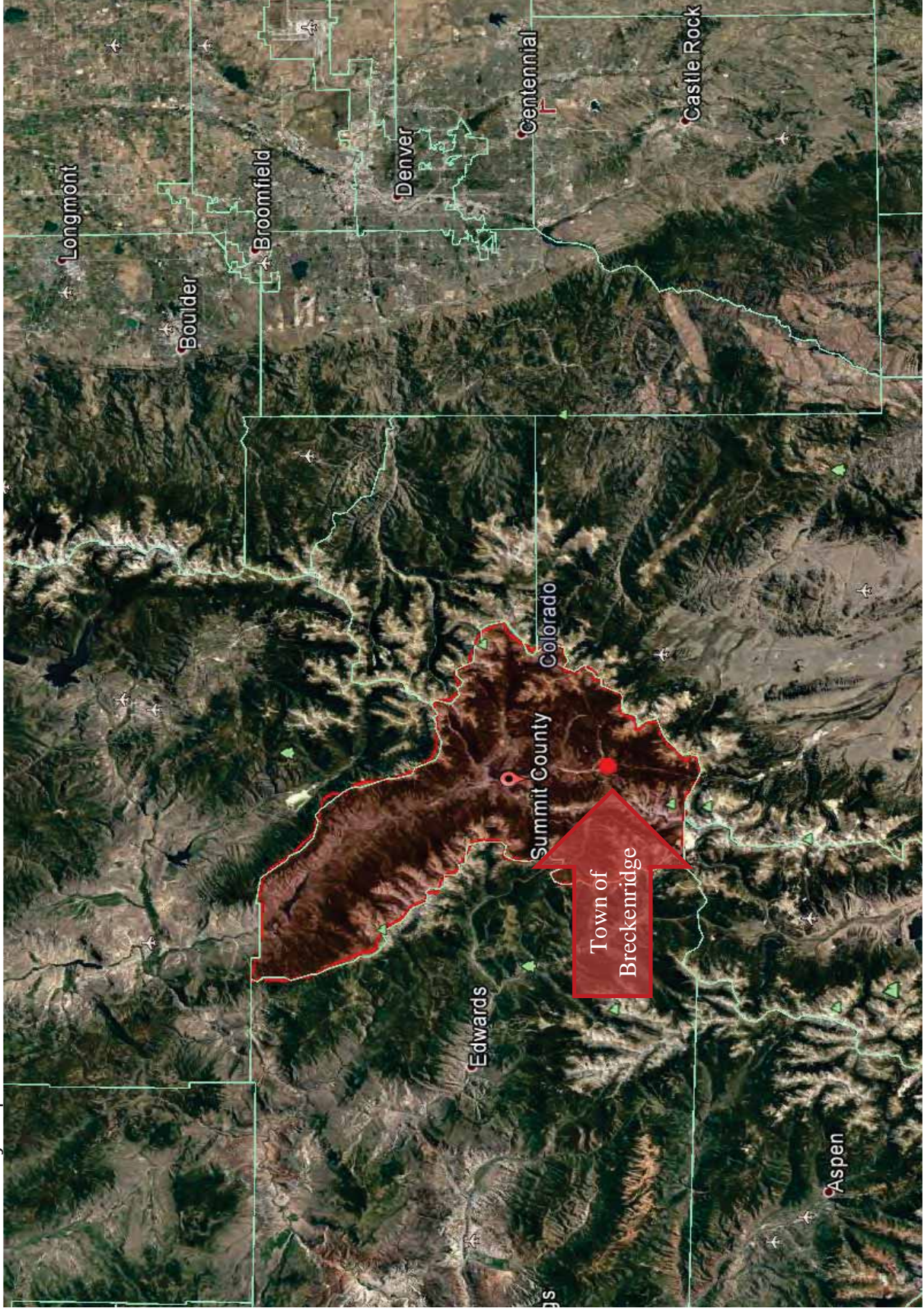
At present, the Town of Breckenridge has a population of 5,016 residents living in 2,052 households. Between 2000 and 2018, the percentage rate of growth for the Town of Breckenridge population was 1.3% annually on average.

Currently, the Summit County has an employment base of 31,256 and population of 30,818 resulting in a 1.014 employment participation ratio or 101.4% employment. This is due to the seasonal employees at the resorts and at the mountain. They are not counted as full time residents while the ski mountain in Breckenridge is the largest employer in Summit County. The ski mountain has between 1,000 and 5,000 employees accounting for approximately 3% to 16% of the employees in Summit County.

The six grocery stores in the Town of Breckenridge's immediate environs. These grocery stores are profiles in the grocer and retail analysis presented later in the report.

AREA DESCRIPTION

1. Summit County Map



2. Town of Breckenridge Map



III. ECONOMIC BASE ANALYSIS

III. Economic Base Analysis

A. HISTORICAL EMPLOYMENT GROWTH

Employment trends are prime indicators of the economic growth of an area. Increases in employment generate growth for most sectors of the local economy and dictate the rate at which it will expand. This section looks at the area's various historical employment figures and projects their course over the next decade. Table III-1 on the next page shows historical employment growth by year in the Summit County market area. First adopted in 1997, the Standard Industrial Classification (SIC) index was replaced in 2001 by the North American Industry Classification System (NAICS). The new system allows the government an improved method of tracking economic statistics by focusing on emerging economic activities which can better reflect the changing economy. Since the institution of NAICS in 2001, the Summit County market area has experienced growth in almost every employment sector. Over the last ten years only construction, information and management of companies and enterprises have seen declines in employment. Employment by industry is tracked for the Summit County market in Table III-2.

Table III-1 illustrates that in the Nine-County market area total employment has grown from 8,079 in 1980 to 31,256 in 2018 – an annual increase of 610 jobs on average. Over the last decade, the Summit County market area added 465 jobs on an annual basis. Table III-2 clarifies that the majority of jobs in the Summit County market are found in Accommodation and Food Services, Retail Trade and Real Estate and Rental and Leasing. Table III-2 shows that in the past three years, these industries have added an annual average of 209 jobs, 87 jobs, and 50 jobs, respectively. This size of these aforementioned industries is visually represented on Summit County Market Employment Breakdown Chart.

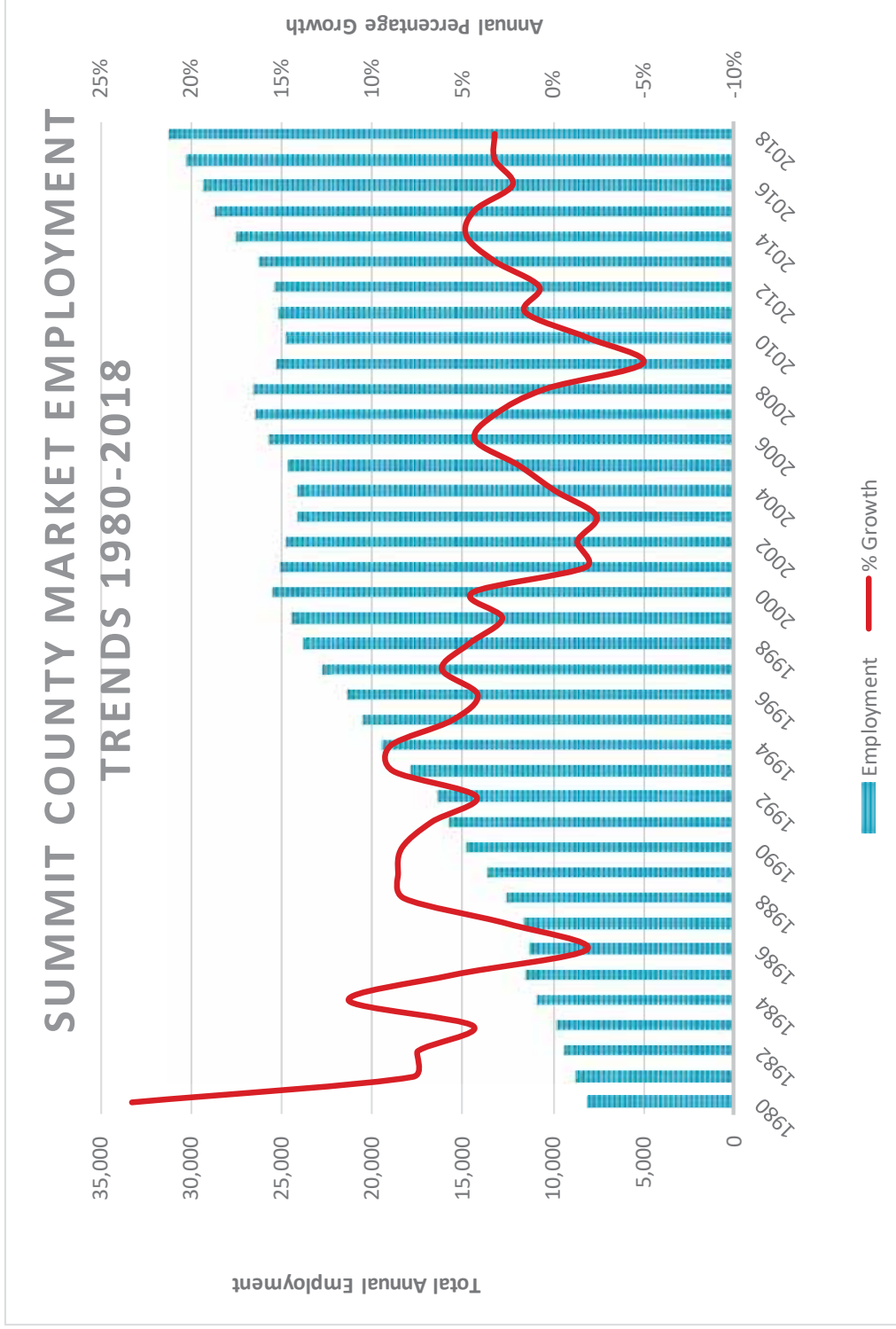
ECONOMIC BASE ANALYSIS

Table III-1: Summit County Market Area Employment Trends, 1980-2018

Year	Total Employment	Annual Change	
		Numerical	Percent
1980	8,079	709	23.3%
1981	8,708	629	7.8%
1982	9,363	655	7.5%
1983	9,779	416	4.4%
1984	10,888	1,109	11.3%
1985	11,493	605	5.6%
1986	11,278	-215	-1.9%
1987	11,559	281	2.5%
1988	12,513	954	8.3%
1989	13,589	1,076	8.6%
1990	14,727	1,138	8.4%
1991	15,720	993	6.7%
1992	16,389	669	4.3%
1993	17,844	1,455	8.9%
1994	19,452	1,608	9.0%
1995	20,538	1,086	5.6%
1996	21,398	860	4.2%
1997	22,720	1,322	6.2%
1998	23,778	1,058	4.7%
1999	24,450	671	2.8%
2000	25,546	1,096	4.5%
2001	25,087	-459	-1.8%
2002	24,754	-333	-1.3%
2003	24,161	-593	-2.4%
2004	24,141	-20	-0.1%
2005	24,608	467	1.9%
2006	25,677	1,069	4.3%
2007	26,503	825	3.2%
2008	26,610	108	0.4%
2009	25,288	-1,323	-5.0%
2010	24,808	-479	-1.9%
2011	25,194	385	1.6%
2012	25,390	196	0.8%
2013	26,212	822	3.2%
2014	27,475	1,263	4.8%
2015	28,672	1,197	4.4%
2016	29,318	646	2.3%
2017	30,271	953	3.3%
2018	31,256	984	3.3%
Annual Change			
1980-2018		610	3.6%
2008-2018		465	1.6%
2013-2018		1,009	3.6%
2015-2018		861	2.9%

Source: Bureau of Economic Analysis, and THK Associates, Inc.

ECONOMIC BASE ANALYSIS



ECONOMIC BASE ANALYSIS

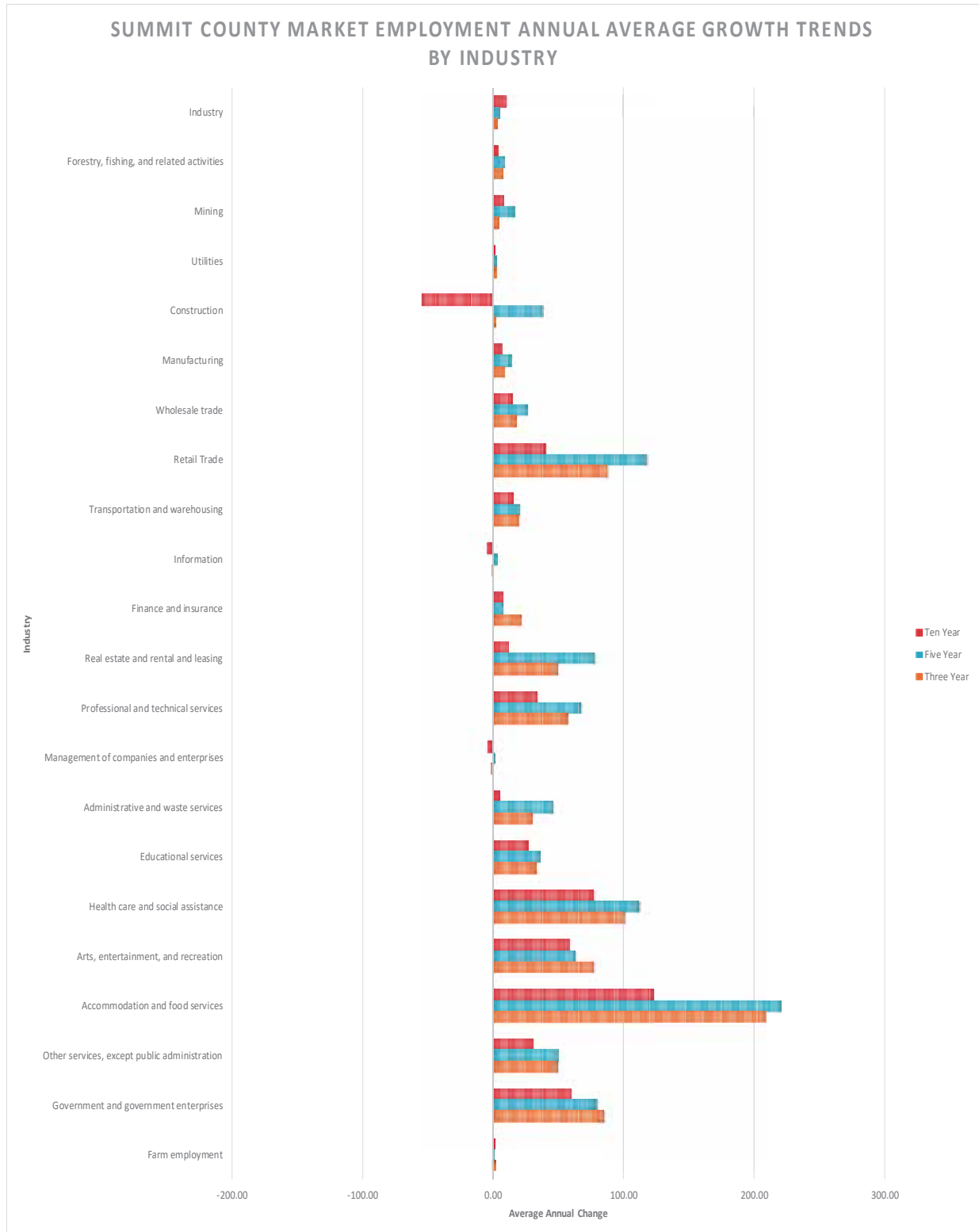
Table III-2. Summit County Market Employment by Industry 1970-2018

Industry (By Place of Work)	1970	1980	1985	1990	1991	1992	1993	1994	1995	1996	1997	1998	1999	2000
	991	8,040	11,454	14,692	15,688	16,357	17,805	19,412	20,497	21,355	22,673	23,731	24,402	25,497
Agricultural Services, Forestry, & Fisheries	0	41	66	80	84	99	111	124	161	150	193	219	224	219
Mining, Oil & Gas	8	9	58	65	75	73	64	78	80	84	87	89	92	94
Construction	142	893	1,128	821	971	1,059	1,270	1,393	1,814	1,906	2,174	2,529	2,776	2,827
Manufacturing	13	44	105	168	187	208	203	239	241	254	274	299	302	304
Transportation & Utilities	50	123	231	370	440	405	431	462	484	497	560	588	555	616
Wholesale Trade	23	47	55	177	173	173	185	193	196	227	248	303	292	303
Retail Trade	162	2,248	2,617	3,953	4,193	4,324	4,695	5,085	5,492	5,652	5,726	5,813	5,929	5,929
Finance, Insurance, Real Estate	178	1,100	1,940	1,844	1,634	1,690	1,898	2,131	2,285	2,389	2,867	3,091	3,201	3,482
Services	222	2,813	4,448	6,143	6,781	7,096	7,660	8,134	8,483	8,794	8,972	9,199	9,346	9,786
Government	193	722	806	1,071	1,156	1,230	1,288	1,373	1,465	1,557	1,646	1,683	1,804	1,939
Farm	37	39	39	35	32	32	39	40	41	43	47	47	48	49
Total Employment	1,028	8,079	11,493	14,727	15,720	16,389	17,844	19,452	20,538	21,398	22,720	23,778	24,450	25,546

Sector	Industry Code	Average Annual Change																		
		2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	
Total Non-Farm		25,034	24,701	17,970	24,091	24,558	25,627	26,449	26,555	25,234	24,753	25,140	25,331	26,149	27,416	28,611	29,256	30,207	31,189	
(By Place of Work)																				
Forestry, fishing, and related activities	11	226	223	217	217	221	231	239	239	228	223	227	229	236	247	258	264	272	280	
Mining	21	90	84	88	87	92	107	157	160	165	160	119	150	160	220	230	235	239	244	
Utilities	22	35	30	40	30	35	40	50	55	50	50	55	45	53	60	57	65	62	65	
Construction	23	2,857	2,596	2,442	2,311	2,465	2,654	2,616	2,599	2,094	1,847	1,765	1,748	1,824	1,896	2,009	2,094	2,035	2,015	
Manufacturing	31	33	169	157	150	162	160	160	160	152	158	138	145	160	192	205	225	220	231	
Wholesale trade	42	128	118	113	122	121	120	145	143	135	176	123	191	158	234	236	185	264	289	
Retail Trade	44	45	3157	3,073	3,106	3,063	3,177	3,240	3,240	2,994	2,929	2,832	2,919	3,057	3,234	3,384	3,416	3,552	3,645	
Transportation and warehousing	48	49	383	361	320	323	322	366	392	373	355	337	371	425	429	469	473	504	529	
Information	51	337	243	268	269	277	251	267	276	230	226	224	202	218	205	235	255	236	232	
Finance and insurance	52	618	649	671	679	701	671	789	805	853	809	877	821	843	810	816	798	858	881	
Real estate and rental and leasing	53	2,694	2,664	2,672	2,626	2,556	2,659	2,771	2,870	2,764	2,731	2,782	2,550	2,596	2,701	2,836	2,945	2,943	2,965	
Professional and technical services	54	1,227	1,208	1,279	1,340	1,337	1,388	1,467	1,464	1,393	1,413	1,406	1,418	1,468	1,593	1,633	1,672	1,736	1,805	
Management of companies and enterprises	55	37	48	36	65	61	72	80	97	117	101	69	65	54	56	66	71	63	60	
Administrative and waste services	56	1,121	1,099	1,156	1,219	1,247	1,282	1,357	1,389	1,225	1,137	1,130	1,190	1,214	1,251	1,333	1,444	1,413	1,443	
Educational services	61	112	135	150	165	156	171	193	217	241	262	286	268	307	359	387	394	439	486	
Health care and social assistance	62	651	676	704	721	749	870	972	1,123	1,073	1,137	1,184	1,251	1,332	1,467	1,588	1,624	1,752	1,890	
Arts, entertainment, and recreation	71	1,227	1,324	1,324	1,283	1,262	1,334	1,380	1,409	1,484	1,542	1,705	1,684	1,680	1,764	1,829	1,897	1,995	2,015	
Accommodation and food services	81	946	1,016	1,011	1,026	1,096	1,118	1,195	1,193	1,088	1,133	1,149	1,164	1,251	1,298	1,352	1,440	1,500	1,550	
Other services, except public administration	90	2,847	2,144	2,165	2,173	2,202	2,251	2,254	2,372	2,455	2,511	2,502	2,575	2,575	2,618	2,718	2,756	2,874	2,971	
Government and government enterprises	92	53	53	53	50	50	50	54	55	54	55	54	59	63	59	61	62	64	67	
Farm, employment	--	39	39	35	32	32	39	40	41	43	47	47	48	49	47	47	47	47	47	
Total Employment	25,087	24,754	18,023	24,141	24,608	25,677	26,503	26,610	25,288	24,808	25,194	25,390	26,212	26,212	27,475	28,672	29,318	30,271	31,256	

Sources: Bureau of Economic Analysis and THK Associates, Inc.

ECONOMIC BASE ANALYSIS



B. PROJECTED EMPLOYMENT GROWTH AND MAJOR EMPLOYERS

As shown in Table III-3, the Summit County market area is projected to add, on average, approximately 922 jobs per year for the next ten years. This growth will likely be fueled by Accommodation and Food Services, Healthcare and Social Assistance and Retail Trade. These sectors are expected to add 212 jobs, 122 jobs, and 86 jobs, respectively, on average each year over the next decade.

Table III-4 entitled: Largest Employers in Summit County area, 2016 includes Breckenridge Ski Resort, Copper Mountain Ski Resort and Keystone Ski Resort at the top of the list. These top three employers consist of 18.5% to 64.5% of employment on this list of Summit County's top 17 employers.

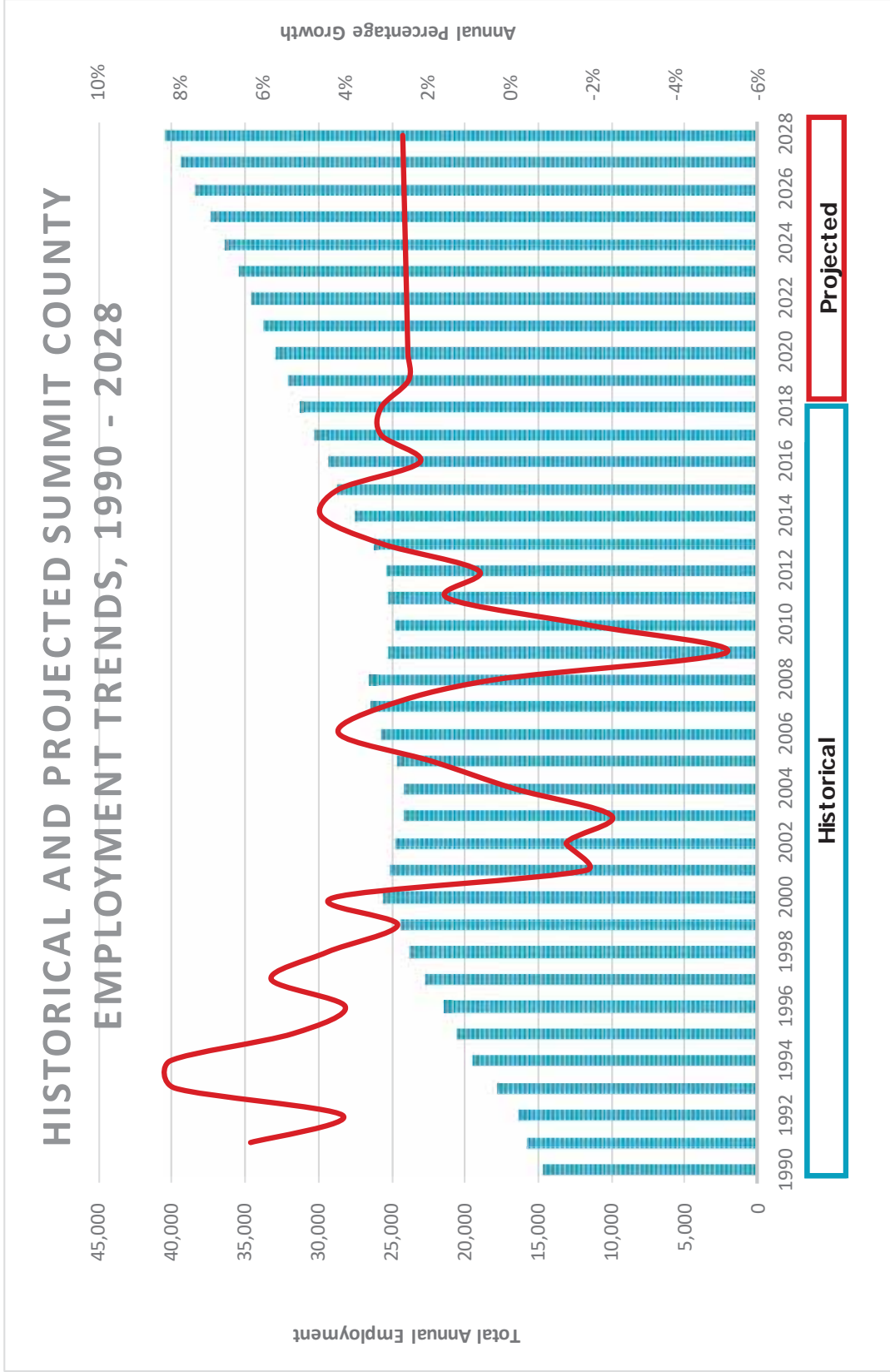
ECONOMIC BASE ANALYSIS

Table III-3: Summit County Employment Projections 2018-2028

Industry	Annual Rate of Change	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028	Average Annual Change	
													2018	2028
Total Non Farm (By Place of Work)	2.7%	31,189	31,984	32,804	33,650	34,523	35,425	36,356	37,318	38,311	39,337	40,398	921	
Forestry, fishing, and related activities	2.5%	280	287	294	301	308	315	323	331	339	347	355	7	
Mining	3.2%	244	253	262	272	282	292	303	314	325	337	350	11	
Utilities	3.8%	65	67	70	72	75	77	80	83	86	89	92	3	
Construction	0.1%	2,015	2,017	2,018	2,020	2,022	2,023	2,025	2,027	2,029	2,030	2,032	2	
Manufacturing	3.6%	231	239	247	256	264	274	283	293	303	313	324	9	
Wholesale trade	6.5%	289	307	326	346	368	391	415	441	469	498	529	24	
Retail Trade	2.3%	3,645	3,723	3,804	3,885	3,969	4,054	4,141	4,230	4,321	4,414	4,509	86	
Transportation and warehousing	3.7%	529	547	566	586	607	628	650	673	696	720	746	22	
Information	-0.4%	232	231	231	230	229	228	228	227	226	225	225	-1	
Finance and insurance	2.5%	881	903	925	948	972	996	1,021	1,046	1,072	1,099	1,126	25	
Real estate and rental and leasing	1.5%	2,985	3,028	3,073	3,118	3,164	3,211	3,258	3,306	3,354	3,404	3,454	47	
Professional and technical services	3.1%	1,805	1,857	1,911	1,967	2,024	2,083	2,143	2,205	2,269	2,335	2,403	60	
Management of companies and enterprises	-2.4%	60	59	57	56	55	53	52	51	50	49	48	-1	
Administrative and waste services	1.9%	1,443	1,469	1,497	1,524	1,553	1,581	1,611	1,641	1,671	1,702	1,734	29	
Educational services	7.4%	486	521	559	599	642	689	738	791	848	909	975	49	
Health care and social assistance	5.4%	1,890	1,987	2,088	2,195	2,308	2,426	2,550	2,680	2,818	2,962	3,114	122	
Arts, entertainment, and recreation	3.7%	1,995	2,063	2,134	2,207	2,283	2,361	2,442	2,526	2,612	2,702	2,795	80	
Accommodation and food services	2.6%	7,644	7,833	8,028	8,227	8,431	8,640	8,855	9,075	9,300	9,531	9,768	212	
Other services, except public administration	3.2%	1,500	1,546	1,592	1,640	1,690	1,741	1,794	1,848	1,904	1,961	2,021	52	
Government and government enterprises	2.6%	2,971	3,045	3,121	3,199	3,279	3,360	3,444	3,530	3,618	3,708	3,800	83	
Farm employment	2.0%	67	68	69	70	71	72	73	75	76	77	78	1	
Total employment	2.7%	31,256	32,051	32,872	33,720	34,594	35,497	36,429	37,392	38,387	39,414	40,476		
Job growth/(losses)		984	796	821	847	875	903	932	963	995	1,027	1,062	922	
Job growth rate		3.3%	2.5%	2.6%	2.6%	2.6%	2.6%	2.6%	2.6%	2.7%	2.7%	2.7%	2.7%	

Source: BEA, BLS, and THK Associates, Inc.

ECONOMIC BASE ANALYSIS



ECONOMIC BASE ANALYSIS

Table III-4: Largest Employers in Summit County Market Area, 2016

Employer	Industry	Employees
1 Breckenridge Ski Resort	Hospitality/Entertainment	1,000 - 4,999
2 Copper Mountain Ski Resort	Hospitality/Entertainment	1,000 - 4,999
3 Keystone Resort	Hospitality/Entertainment	1,000 - 4,999
4 Everist Materials, LLC	Construction Materials	500 - 999
5 Summit School District	Education	498 - 498
6 Village at Breckenridge	Hospitality	436 - 436
7 Beaver Run Resort & Conference	Hospitality	250 - 499
8 Town of Breckenridge	Government	250 - 499
9 St. Anthony Summit Medical Center	Healthcare	100 - 249
10 Grand Timber Lodge	Hospitality	100 - 249
11 Town of Silverthorne	Government	100 - 249
12 Arapahoe Basin Ski Area	Hospitality/Entertainment	100 - 249
13 Target	Retail	100 - 249
14 City Market	Grocery Store	100 - 249
15 Whole Foods	Grocery Store	100 - 249
16 Lowes	Construction Materials	100 - 249
17 Walmart	Retail/Grocery Store	100 - 249
Top 20 Employers Total Employment		5,834 - 20,169

Source: Summit County and THK Associates, Inc.

ECONOMIC BASE ANALYSIS

C. INCOME LEVELS IN SUMMIT COUNTY

The Summit County continues to see rising incomes as shown in Table III-5. Summit County experienced a slight drop in average income per person between 2009 and 2012 which followed the national trend at the onset of the Great Recession. Since 2013, Summit County has seen a year over year increase in income which is projected to continue on through 2018.

Table III-5: Per Capita Personal Income in Summit County 1990-2017

Year	Summit County		United States	
	Income	Annual Change	Income	Annual Change
1990	\$21,791	--	\$19,591	--
1991	\$22,979	5.5%	\$19,985	2.0%
1992	\$24,263	5.6%	\$21,060	5.4%
1993	\$24,670	1.7%	\$21,698	3.0%
1994	\$26,286	6.6%	\$22,538	3.9%
1995	\$27,288	3.8%	\$23,568	4.6%
1996	\$28,493	4.4%	\$24,728	4.9%
1997	\$29,530	3.6%	\$25,950	4.9%
1998	\$32,768	11.0%	\$27,510	6.0%
1999	\$33,451	2.1%	\$28,627	4.1%
2000	\$35,960	7.5%	\$30,602	6.9%
2001	\$36,678	2.0%	\$31,540	3.1%
2002	\$36,138	-1.5%	\$31,815	0.9%
2003	\$35,468	-1.9%	\$32,692	2.8%
2004	\$37,714	6.3%	\$34,316	5.0%
2005	\$39,641	5.1%	\$35,904	4.6%
2006	\$45,336	14.4%	\$38,144	6.2%
2007	\$46,969	3.6%	\$39,821	4.4%
2008	\$47,202	0.5%	\$41,082	3.2%
2009	\$41,320	-12.5%	\$39,376	-4.2%
2010	\$41,827	1.2%	\$40,277	2.3%
2011	\$45,001	7.6%	\$42,453	5.4%
2012	\$46,583	3.5%	\$44,282	4.3%
2013	\$49,510	6.3%	\$44,493	0.5%
2014	\$53,351	7.8%	\$46,494	4.5%
2015	\$56,680	6.2%	\$48,451	4.2%
2016	\$58,386	3.0%	\$49,246	1.6%
2017	\$61,592	5.5%	\$50,973	3.5%
2018 Est	\$64,521	4.8%	\$52,263	2.5%
1990-2017	\$1,474	3.9%	\$1,162	3.6%
2008-2017	\$1,599	3.0%	\$1,099	2.4%
2013-2017	\$3,020	5.6%	\$1,620	3.5%

Source: U.S. Dept. of Commerce, Bureau of Economic Analysis, & THK Associates, Inc.

ECONOMIC BASE ANALYSIS

A. HISTORICAL POPULATION AND HOUSEHOLD GROWTH TRENDS

Population and household growth drive the demand for residential real estate development. As shown in Table III-6, Summit County has increased in population and households since 1980 to 30,818 and 12,937, respectively. The City of Breckenridge increased from 811 people in 1980 to 5,016 in 2018 or by 110 people on average annually. The City of Breckenridge increased by 46 households during this time from 286 to 1,946. The Town of Frisco also experienced increases in population and households, increasing from 1,228 people and 493 households in 1980 to 3,213 people and 1,546 households in 2018 or by 50 people and 28 households on average annually. In Summit County, population growth has increased by an annual average of 404 people and 212 households since 2000 and 353 people and 148 households since 2010.

Table III-6: Estimates of Population and Households in Summit County and Town of Breckenridge, 1980-2018

Year	Town of Breckenridge		Town of Frisco		Summit County Total	
	Pop	HH	Pop	HH	Pop	HH
1980	811	286	1,228	493	6,360	2,365
1990	1,642	646	1,642	746	12,880	5,371
2000	2,946	1,081	2,510	1,053	23,547	9,120
2010	4,537	1,946	2,697	1,298	27,994	11,754
2018	5,016	2,052	3,213	1,546	30,818	12,937
(1980-2018):						
Numerical	110	46	50	28	640	280
Percent	4.9%	5.3%	2.6%	3.1%	4.2%	4.6%
Percent of Summit County Total	17.2%	16.6%	7.8%	9.9%	100.0%	100.0%
(1990-2018):						
Numerical	120	50	60	29	640	270
Percent	4.1%	4.2%	2.4%	2.6%	3.2%	3.2%
Percent of Summit County Total	18.8%	18.6%	9.4%	10.6%	100.0%	100.0%
(2000-2018):						
Numerical	115	54	39	27	404	212
Percent	3.0%	3.6%	1.4%	2.2%	1.5%	2.0%
Percent of Summit County Total	28.5%	25.4%	9.7%	12.9%	100.0%	100.0%
(2010-2018)						
Numerical	60	13	65	31	353	148
Percent	1.3%	0.7%	2.2%	2.2%	1.2%	1.2%
Percent of Summit County Total	16.9%	9.0%	18.3%	21.0%	100.0%	100.0%

Source: Bureau of Census and THK Associates, Inc.

B. SUMMIT COUNTY RESIDENTIAL CONSTRUCTION TRENDS

Below, Table III-7 compares data among the 2000 and 2010 U.S. Census regarding total housing units in Summit County market areas. The table also includes an estimate for the housing stock in 2018. The total housing units are separated into total occupied housing units and of those housing units which are occupied by renters. There is also a breakdown based on unit type.

Total housing units in the Summit County submarket increased from 14,803 to 21,738 during the 2000 to 2018 time frame, while simultaneously owner occupied units dropped from 62% to 60% over that same time period. About 55% of the housing market in Summit County was made up of single-family residences in 2000 and 41% of housing was multi-family. In 2018, it is estimated that 64% of the housing stock was single-family and 34% are multi-family.

Table III-8 displays the seasonal units in the Summit County market as well as the Town of Breckenridge. Summit County had 24,201 total housing units in 2000 of which 54.7% or 13,235 were seasonal units. In 2018, the total housing units increased to approximately 31,531 of which 52.1% or 16,415 are seasonal units. Summit County experienced an annual average increase of 149 seasonal units between 2010 and 2018. The Town of Breckenridge experienced an increase from 4,270 total housing units in 2000 to 7,715 in 2018. The seasonal units were 68.1% or 2,906 of the total housing units in 2000 and increased to 5,016 seasonal units or 65.1% of the total housing units in 2018. The Town of Breckenridge experienced an annual average growth of 71 new seasonal units between 2010 and 2018.

ECONOMIC BASE ANALYSIS

Table III-7: Total Housing Units and Type in Summit County, 2000 & 2010 US Census, 2018 Estimate

		2000 US Census		2010 US Census		2018 Estimate	
	Summit County	% of Total	Summit County	% of Total	Summit County	% of Total	Summit County
Total # of Housing Units	24,201		29,842		30,571		
Occupied Units	9,120	38%	11,754	39%	12,937	42%	
Owner Occupied	5,382	59%	8,283	70%	8,699	67%	
Renter Occupied	3,738	41%	3,471	30%	4,238	33%	
			Total # of Housing Units		Total # of Housing Units		
			Occupied Units		Occupied Units		
			Owner Occupied		Owner Occupied		
			Renter Occupied		Renter Occupied		
Unit Type Breakdown			Unit Type Breakdown		Unit Type Breakdown		
Single-Family	5,018	55%	Single-Family	6,693	Single-Family	8,288	64%
Multi-Family	3,780	41%	Multi-Family	4,379	Multi-Family	4,406	34%
Miscellaneous*	322	4%	Miscellaneous*	348	Miscellaneous*	244	2%
1 Unit - Detached	3,921	43%	1 Unit - Detached	5,734	1 Unit - Detached	6,638	51%
1 Unit - Attached	1,097	12%	1 Unit - Attached	959	1 Unit - Attached	1,650	13%
2	364	4%	2	360	2	242	2%
3-4 Units	448	5%	3-4 Units	806	3-4 Units	599	5%
5-9 Units	896	10%	5-9 Units	723	5-9 Units	1,181	9%
10-19 Units	1,034	11%	10-19 Units	1,330	10-19 Units	1,245	10%
20+ Units	1,038	11%	20+ Units	1,152	20+ Units	1,138	9%
Mobile Homes	322	4%	Mobile Homes	157	Mobile Homes	162	1%
Boat, RV, Van, etc.	0	0%	Boat, RV, Van, etc.	348	Boat, RV, Van, etc.	244	2%

*Miscellaneous housing includes mobile homes, RV's, vans, boats, etc.

Source: US Census Bureau and THK Associates, Inc.

ECONOMIC BASE ANALYSIS

Table III-8: Seasonal Housing Unit Trends in the Town of Breckenridge and Summit County, 1980-2018

	1990-2018		2000-2018		2010-2018	
	Numerical	Percent	Numerical	Percent	Numerical	Percent
Breckenridge, CO						
Population	1,642	5.016	2,946	4.1%	4,537	3.0%
Households	646	2,052	1,081	4.2%	1,946	3.6%
Total Housing Units	3,425	7,603	4,270	2.9%	6,911	3.3%
Breckenridge Seasonal Units	94	2.7%	114	3.0%	71	1.5%
Seasonal as % of Total Housing Units	67.8%	65.1%	68.1%	63.5%	65.1%	65.1%
Summit County, CO						
Population	12,880	30,818	23,547	3.2%	27,994	1.5%
Households	5,371	12,937	9,120	3.2%	11,754	2.0%
Total Housing Units	21,724	31,531	24,201	1.3%	29,842	1.5%
Summit County Seasonal Units	162	1.2%	177	1.2%	149	0.9%
Seasonal as % of Total Housing Units	54.7%	52.1%	54.7%	51.0%	52.1%	52.1%

Source: U.S. Bureau of the Census and THK Associates, Inc.

C. RESIDENTIAL CONSTRUCTION TRENDS

Table III-9 summarizes the quantity of single-family and multi-family permits by year in Summit County and then Table III-10 distinguishes permits specifically in the Town of Breckenridge. Figures for overall permits are not complete as some of the towns within Summit County have not fully reported the permits issued for single family and multi-family units. The available permit data indicates that the larger portion of permits issued are for single family permits since 1980. In more recent years, trends have continued with the majority of the permits issued being designated towards single family units.

ECONOMIC BASE ANALYSIS

Table III-9: Residential Building Permits Issued by Type and Tenure in the Summit County Market Area, 1980-2017

Year	Single Family Units	Percent of Total	Multi-Family Units	Percent of Total	Total	Percent of Total
1980	418	31.2%	921	68.8%	1,339	100.0%
1981	634	48.5%	674	51.5%	1,308	100.0%
1982	190	27.7%	497	72.3%	687	100.0%
1983	236	51.6%	221	48.4%	457	100.0%
1984	163	29.3%	393	70.7%	556	100.0%
1985	86	59.7%	58	40.3%	144	100.0%
1986	85	45.2%	103	54.8%	188	100.0%
1987	83	87.4%	12	12.6%	95	100.0%
1988	79	69.9%	34	30.1%	113	100.0%
1989	115	74.2%	40	25.8%	155	100.0%
1990	168	67.7%	80	32.3%	248	100.0%
1991	158	79.8%	40	20.2%	198	100.0%
1992	295	99.0%	3	1.0%	298	100.0%
1993	355	80.0%	89	20.0%	444	100.0%
1994	558	64.7%	304	35.3%	862	100.0%
1995	488	51.5%	459	48.5%	947	100.0%
1996	489	38.5%	781	61.5%	1,270	100.0%
1997	531	57.3%	396	42.7%	927	100.0%
1998	520	44.8%	642	55.2%	1,162	100.0%
1999	309	63.3%	179	36.7%	488	100.0%
2000	388	48.6%	411	51.4%	799	100.0%
2001	319	66.9%	158	33.1%	477	100.0%
2002	311	78.5%	85	21.5%	396	100.0%
2003	265	65.1%	142	34.9%	407	100.0%
2004	302	91.5%	28	8.5%	330	100.0%
2005	374	78.9%	100	21.1%	474	100.0%
2006	361	81.1%	84	18.9%	445	100.0%
2007	325	70.7%	135	29.3%	460	100.0%
2008	198	55.8%	157	44.2%	355	100.0%
2009	65	83.3%	13	16.7%	78	100.0%
2010	98	83.8%	19	16.2%	117	100.0%
2011	87	84.5%	16	15.5%	103	100.0%
2012	74	100.0%	0	0.0%	74	100.0%
2013	101	100.0%	0	0.0%	101	100.0%
2014	171	82.6%	36	17.4%	207	100.0%
2015	45	88.2%	6	11.8%	51	100.0%
2016	82	100.0%	0	0.0%	82	100.0%
2017	77	88.5%	10	11.5%	87	100.0%
37-Year Average 1980-2017	253	56.7%	193	43.3%	446	100.0%
10-Year Average 2008-2017	100	79.5%	26	20.5%	126	100.0%
5-Year Average 2013-2017	95	90.2%	10	9.8%	106	100.0%
3-Year Average 2015-2017	68	92.7%	5	7.3%	73	100.0%

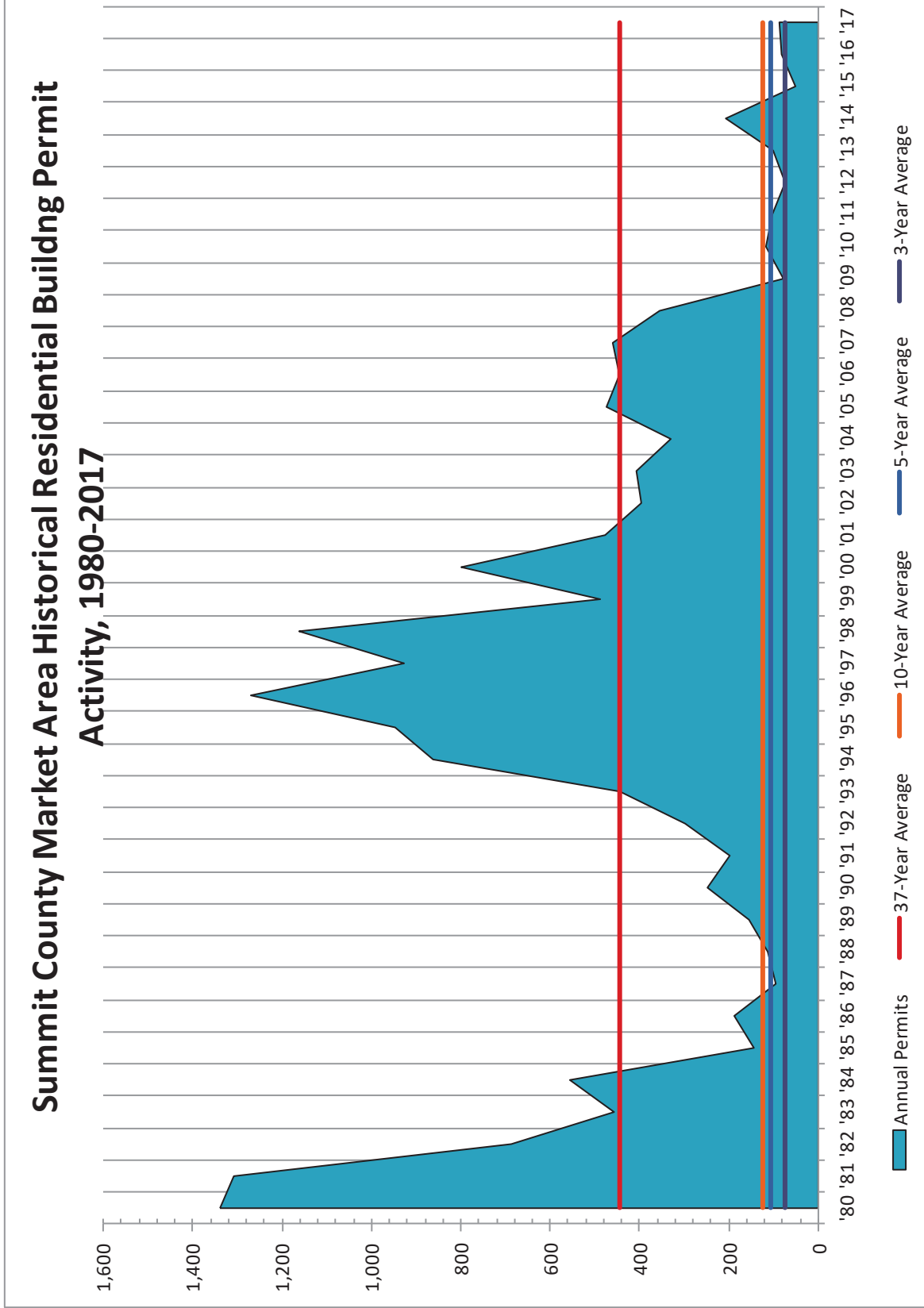
Source: U.S. Department of Commerce C-40 Reports and THK Associates, Inc.

ECONOMIC BASE ANALYSIS

Table III-10: Residential Building Permits Issued by Type and Tenure in the Town of Breckenridge, 1980-2017

Year	Town of Breckenridge					
	Single Family		Multi-Family		Total	Percent of Total
	Units	Percent of Total	Units	Percent of Total		
1980	201	100.0%	0	0.0%	201	100.0%
1981	220	100.0%	0	0.0%	220	100.0%
1982	40	69.0%	18	31.0%	58	100.0%
1983	15	48.4%	16	51.6%	31	100.0%
1984	16	41.0%	23	59.0%	39	100.0%
1985	18	64.3%	10	35.7%	28	100.0%
1986	12	37.5%	20	62.5%	32	100.0%
1987	8	100.0%	0	0.0%	8	100.0%
1988	9	100.0%	0	0.0%	9	100.0%
1989	13	100.0%	0	0.0%	13	100.0%
1990	14	25.0%	42	75.0%	56	100.0%
1991	15	57.7%	11	42.3%	26	100.0%
1992	33	100.0%	0	0.0%	33	100.0%
1993	48	92.3%	4	7.7%	52	100.0%
1994	0	0%	0	0%	0	0%
1995	0	0%	0	0%	0	0%
1996	0	0%	0	0%	0	0%
1997	48	28.6%	120	71.4%	168	100.0%
1998	58	46.0%	68	54.0%	126	100.0%
1999	83	34.0%	161	66.0%	244	100.0%
2000	132	42.7%	177	57.3%	309	100.0%
2001	98	45.6%	117	54.4%	215	100.0%
2002	67	95.7%	3	4.3%	70	100.0%
2003	82	44.1%	104	55.9%	186	100.0%
2004	119	83.2%	24	16.8%	143	100.0%
2005	147	74.6%	50	25.4%	197	100.0%
2006	138	85.2%	24	14.8%	162	100.0%
2007	113	71.1%	46	28.9%	159	100.0%
2008	66	36.3%	116	63.7%	182	100.0%
2009	16	100.0%	0	0.0%	16	100.0%
2010	25	86.2%	4	13.8%	29	100.0%
2011	46	74.2%	16	25.8%	62	100.0%
2012	41	100.0%	0	0.0%	41	100.0%
2013	55	100.0%	0	0.0%	55	100.0%
2014	66	100.0%	0	0.0%	66	100.0%
2015	0	0%	0	0%	0	0%
2016	59	64.8%	32	35.2%	91	100.0%
2017	58	44.3%	73	55.7%	131	100.0%
37-Year Average 1980-2017	57	63.0%	34	37.0%	91	100.0%
10-Year Average 2008-2017	43	64.2%	24	35.8%	67	100.0%
5-Year Average 2013-2017	48	69.4%	21	30.6%	69	100.0%
3-Year Average 2015-2017	39	52.7%	35	47.3%	74	100.0%

Source: U.S. Department of Commerce C-40 Reports and THK Associates, Inc.



D. POPULATION AND HOUSEHOLD GROWTH PROJECTIONS

Population, household, and employment data for Summit County is compared below in Table III-11. In 1980, the total population of the study area was 6,360 and employment was 8,079 for an employment participation rate of 1.270, meaning that 127% of the population was employed. In the Summit County area the employment ratio can be greater than 100% due to the seasonal employment for the ski resorts and hotels. By 1990, the area's resident employment had increased to 14,727, while the population had increased to 12,880 for an employment participation rate of 1.143. Employment and population continued to increase after 1990, but the employment participation ratio had decreased in 2010 to 0.886 which could have been a result of the recession. The current employment participation ratio is estimated at 1.014.

Furthermore, Table III-11 projects population growth for Summit County based on the anticipated employment growth. With a projected 2028 resident employment of 40,476 the estimated 2028 population for Summit County will be 39,510 based on an anticipated employment participation rate of 1.024. Based on this estimated population growth, Summit County should see approximately 16,587 households in 2028. The area's permanent population is projected to grow by 869 persons, 922 employees, and 365 households on average annually from 2018 to 2028.

ECONOMIC BASE ANALYSIS

Table III-11: Projected Permanent Population and Households in the Summit County Market Area, 2018-2028

Year	Total Employment	Employment Participation Ratio		Permanent January 1, Population	Annual Population Change	Population in Group Quarters	Permanent Population		Annual Household Change	
		Ratio	Ratio				Population In Households	Population Per Household		
1980	8,079	1.270	1.270	6,360	---	2,416	3,944	1.667	2,365	--
1990	14,727	1.143	1.143	12,880	650	2,726	10,154	1.890	5,371	300
2000	25,546	1.085	1.085	23,547	1,070	3,076	20,471	2.245	9,120	370
2010	24,808	0.886	0.886	27,994	440	3,471	24,523	2.086	11,754	260
2018	31,256	1.014	1.014	30,818	353	3,818	27,000	2.087	12,937	148
2019	32,051	1.015	1.015	31,570	752	3,864	27,706	2.091	13,253	316
2020	32,872	1.016	1.016	32,350	780	3,910	28,440	2.094	13,581	328
2021	33,720	1.017	1.017	33,150	800	3,957	29,193	2.098	13,917	336
2022	34,594	1.018	1.018	33,970	820	4,005	29,965	2.101	14,261	344
2023	35,497	1.019	1.019	34,830	860	4,053	30,777	2.105	14,623	362
2024	36,429	1.020	1.020	35,700	870	4,101	31,599	2.108	14,987	365
2025	37,392	1.021	1.021	36,610	910	4,151	32,459	2.112	15,370	382
2026	38,387	1.022	1.022	37,550	940	4,200	33,350	2.115	15,765	395
2027	39,414	1.023	1.023	38,510	960	4,251	34,259	2.119	16,167	403
2028	40,476	1.024	1.024	39,510	1,000	4,302	35,208	2.123	16,587	420
Average Annual Change (2018-2028)										
Numerical:				869		48	821		365	
Percent:				2.5%		1.2%	2.7%		2.5%	

Average Annual Change (2018-2028)

Numerical:

Percent:

Source: Dept of Commerce, Bureau of the Census and THK Associates, Inc.

E. BRECKENRIDGE VISITOR SUMMARY

Table III-12 demonstrates the daily visitors through a breakdown of daily traffic counts entering and leaving the Town of Breckenridge from the north and south ends. Currently, there are 13,000 cars using Route 9 on the north and south end of the Town of Breckenridge twice a day for a total of 26,000 trips per day. There is an estimated 3 persons per car resulting in 39,000 people traveling in and out of the town each day which leads to a total annual count of 14,235,000 people by traffic count entering and leaving the Town of Breckenridge in 2018. The annual day visitors takes this annual traffic count and adjusts it for the permanent population traffic counts, seasonal visitor traffic counts, annualized skier visits and lodging. The annual number of day visitors for 2018 is estimated at 2,447,069 or 6,704 daily visitors of the 39,000 people using Route 9 to enter the Town of Breckenridge from the north and south on a daily basis. THK estimates that the number of daily visitors will grow to 3,234,340 day visitors annually or 8,861 daily visitors by 2028.

Breckenridge and neighboring communities serve not only out of state and seasonal visitors, but also accommodate the Front Range population for skiing, overnight stays, outdoor recreation and day visits to the area. Visitors are the major source of retail and related demand in the Town of Breckenridge. The projected growth in skier visits, lodging and day visitors has be increased by modest growth rates of 1.8% (skier and lodging) and 2.8% (day visitors). These growth rates could be higher in years to come as the Front Range and Colorado population increases.

In a recent publication by Denver Water (see appendix) on the sustainability of water sources, it states "Colorado's population is expected to nearly double by 2050." This type of growth will generate significant demand for recreational activities and increased economic activity in communities like Breckenridge, resulting in increased demand for retail goods and services. One of the challenges to capitalizing on these opportunities is highway capacity and travel times. While THK's projections are conservative, they are realistic given current transportation infrastructure and capacity.

ECONOMIC BASE ANALYSIS

Table III-12: Breckenridge PTA Visitor Summary

Year	Traffic Count	Daily Person Count	Annual Visits by Traffic Count	Annual Permanent		Annual Seasonal		Lodging	Annual Day Visitors	Daily Visitors
				Population Traffic Counts	Population Traffic Counts	Population Traffic Counts	Population Traffic Counts			
2018	13,000	39,000	14,235,000	3,744,900	4,066,009	1,689,020	2,288,003	2,447,069	6,704	
2019	13,260	39,780	14,519,700	3,773,094	4,177,395	1,719,422	2,329,187	2,520,602	6,906	
2020	13,525	40,576	14,810,094	3,801,500	4,291,833	1,750,371	2,371,112	2,595,277	7,110	
2021	13,796	41,387	15,106,296	3,830,120	4,409,406	1,781,878	2,413,792	2,671,099	7,318	
2022	14,072	42,215	15,408,422	3,858,956	4,530,200	1,813,952	2,457,240	2,748,074	7,529	
2023	14,353	43,059	15,716,590	3,888,008	4,654,303	1,846,603	2,501,470	2,826,205	7,743	
2024	14,640	43,920	16,030,922	3,917,280	4,781,806	1,879,842	2,546,497	2,905,497	7,960	
2025	14,933	44,799	16,351,540	3,946,771	4,912,802	1,913,679	2,592,334	2,985,954	8,181	
2026	15,232	45,695	16,678,571	3,976,485	5,047,386	1,948,125	2,638,996	3,067,579	8,404	
2027	15,536	46,609	17,012,143	4,006,422	5,185,657	1,983,192	2,686,498	3,150,374	8,631	
2028	15,847	47,541	17,352,386	4,036,585	5,327,716	2,018,889	2,734,855	3,234,340	8,861	

Source: THK Associates, Inc.

IV. GROCER AND RETAIL MARKET ANALYSIS

IV. Grocer and Retail Market Analysis

A. RETAIL MARKET CHARACTERISTICS

As the employment base in the Breckenridge environs expands, a corresponding increase in population growth will result. Increased population and household growth will have positive impacts on the demand for retail and for additional retail space.

The retail demand will come from the Town of Breckenridge as shown in Figure 3. THK has profiled current population levels in the Summit County area and the Town of Breckenridge.

In 1990, the Town of Breckenridge had 1,642 residents living in 646 households. Since then, the town has increased by an average of 120 persons and 50 households annually. During this same time period seasonal housing has increased from 2,323 to 4,951 or by an annual average of 94 seasonal households per year. Since 2010, there has been an annual population and household growth of approximately 60 persons, 13 households and 71 seasonal households. Currently, the town has 5,016 persons living in 2,052 households with 4,951 seasonal households. By the year 2028, the primary trade area is expected to have 5,762 persons living in 2,363 households with 5,803 seasonal households, with an annual population growth of 75 persons, 31 households and 85 seasonal households. The results are shown below in Tables IV-1 and IV-2.

These growth potentials would indicate that by 2028 Breckenridge could be at the maximum number of units currently allowed under the existing "growth cap."

The Town of Breckenridge has been used as the Primary Trade Area to estimate retail demand. This area was chosen for a number of reasons: data on retail sales exists for the Town of Breckenridge; retail sales data exists for unincorporated Summit County but not for specific areas; and retail square footage data is available for the Town of Breckenridge but not specific areas of unincorporated Summit County. Using the Town of Breckenridge as the base allows for a consistent comparison of data.

There are additional population and households in areas adjacent to the Town of Breckenridge. For example, including the areas between the southern end of Lake Dillon and the Blue River area with the Town of Breckenridge's population of 5,016 would produce a population base of approximately 8,890 persons. The household base in this area is approximately 3,725 which includes the 2,052 households in the Town of Breckenridge. The additional population and household base has been accounted for in "secondary support."

GROCEER AND RETAIL MARKET ANALYSIS

Table IV-1: Population and Household Trends in the Summit County and the Town of Breckenridge, 1990-2018

	Annual Average					
	1990-2018		2000-2018		2010-2018	
	Numerical	%	Numerical	%	Numerical	%
Summit County						
Population	12,880	23,547	27,994	30,818	641	3.2%
Households	5,371	9,120	11,754	12,937	270	3.2%
Seasonal Households	11,892	13,235	15,222	16,415	162	1.2%
Town of Breckenridge						
Population	1,642	2,946	4,537	5,016	120	4.1%
Households	646	1,081	1,946	2,052	50	4.2%
Seasonal Households	2,323	2,906	4,387	4,951	94	2.7%
Town of Breckenridge as a Percent of the Summit County MSA						
Population	12.7%	12.5%	16.2%	16.3%	18.8%	28.5%
Households	12.0%	11.9%	16.6%	15.9%	18.6%	25.4%
Seasonal Households	19.5%	22.0%	28.8%	30.2%	58.1%	64.3%

Source: U.S. Bureau of the Census and THK Associates, Inc.

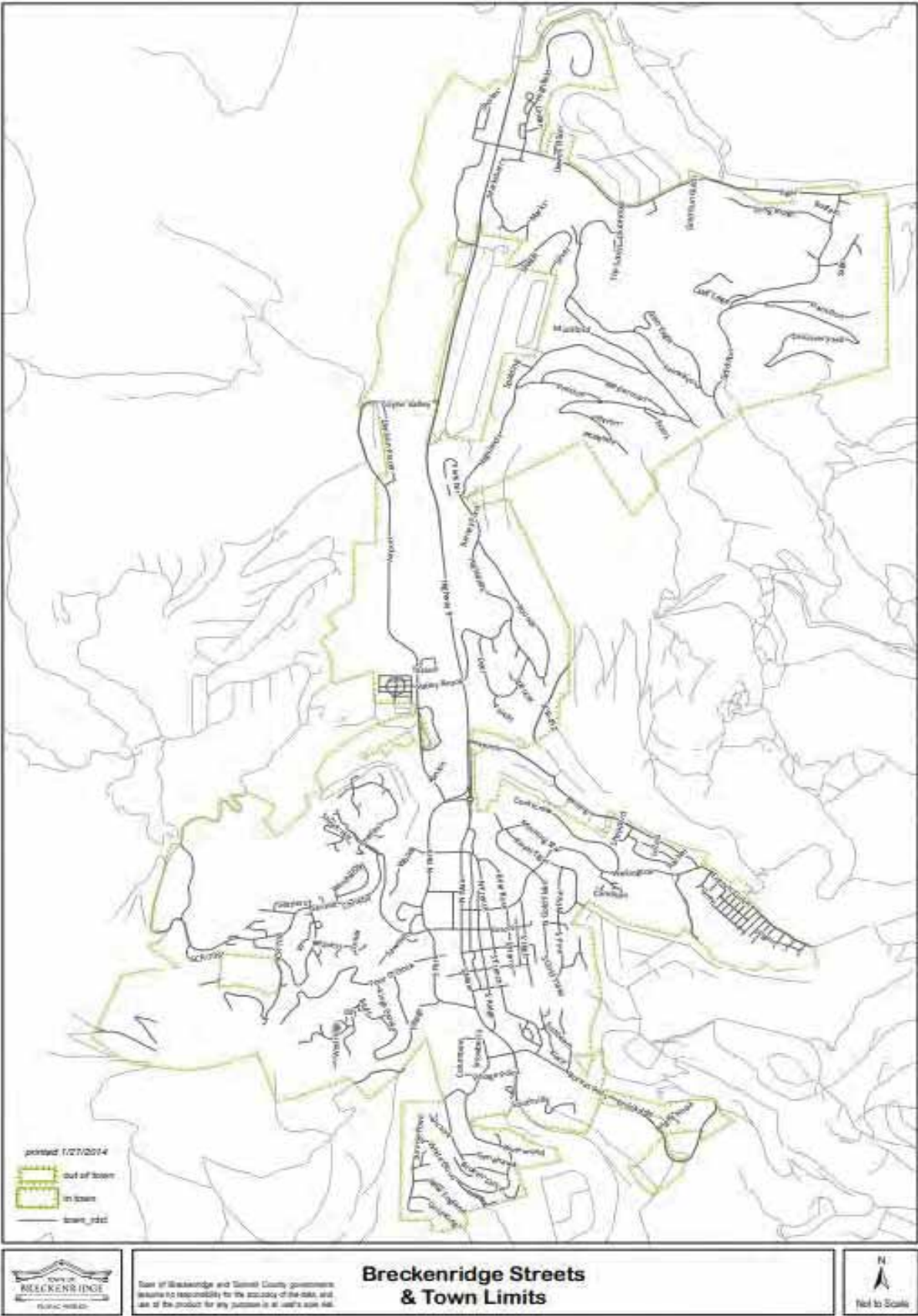
Table IV-2: Population and Household Trends in the Summit County and the Town of Breckenridge, 2018-2028

	Annual Average				
	2018-2023		2018-2028		
	Numerical	%	Numerical	%	
Summit County					
Population	30,818	34,830	39,510	802	2.5%
Households	12,937	14,623	16,587	337	2.5%
Seasonal Households	16,415	17,325	18,287	182	1.1%
Town of Breckenridge					
Population	5,016	5,380	5,762	73	1.4%
Households	2,052	2,195	2,363	29	1.4%
Seasonal Households	4,951	5,360	5,803	82	1.6%
Town of Breckenridge as a Percent of the Summit County MSA					
Population	16.3%	15.4%	14.6%	9.1%	8.6%
Households	15.9%	15.0%	14.2%	8.5%	8.5%
Seasonal Households	30.2%			44.9%	45.5%

Source: U.S. Bureau of the Census, Sitewise, & THK Associates, Inc.

GROCEER AND RETAIL MARKET ANALYSIS

3. Town of Breckenridge



GROCER AND RETAIL MARKET ANALYSIS

B. SALES TAX REVENUES

Table IV-3 shows the retail sales tax revenues for Summit County, the Town of Breckenridge and the Town of Frisco over the 2014 to 2017 time period; 2017 has been calculated through the current budgets and past comprehensive annual financial reports available. On average, retail sales tax revenues for Summit County have grown by an annual average of \$256,756 over the 2014 to 2017 time period, while this figure is approximately \$2,660,981 for the Town of Breckenridge and \$536,862 for the Town of Frisco. The Town of Breckenridge has a population of approximately 16.3% of the population that Summit County does; however the Town of Breckenridge has achieved approximately \$17.6 million more in sales tax revenue in 2017.

GROCEER AND RETAIL MARKET ANALYSIS

Table IV-3: Total Retail Sales Tax Revenues for Summit County, the Town of Breckenridge and the Town of Frisco, 2014-2017

Summit County				Town of Breckenridge				Town of Frisco			
Year	Retail Sales Tax Revenues	Percent Change	Year	Retail Sales Tax Revenues	Percent Change	Year	Retail Sales Tax Revenues	Percent Change	Year	Retail Sales Tax Revenues	Percent Change
2014	\$1,763,273	-	2014	\$12,147,087	-	2014	\$6,002,076	-	2014	\$6,002,076	-
2015	\$1,840,997	4.4%	2015	\$14,605,614	20.2%	2015	\$6,599,721	10.0%	2015	\$6,599,721	10.0%
2016	\$2,162,380	17.5%	2016	\$17,084,442	17.0%	2016	\$7,309,761	10.8%	2016	\$7,309,761	10.8%
2017	\$2,533,542	17.2%	2017	\$20,130,030	17.8%	2017	\$7,612,662	4.1%	2017	\$7,612,662	4.1%
2014-2017			2014-2017			2014-2017			2014-2017		
Average Annual Change	\$256,756		Average Annual Change	\$2,660,981		Average Annual Change	\$536,862		Average Annual Change	\$536,862	

*2017 is based on the budgets available and historic sales tax data in comprehensive annual financial reports

Source: Summit County, Town of Breckenridge, Town of Frisco and THK Associates, Inc.

GROCER AND RETAIL MARKET ANALYSIS

C. RETAIL SQUARE FEET PER PERSON

As shown in Table IV-4, the Town of Breckenridge currently has a total of 946,500 square feet of retail space. This does not include any businesses involved in insurance or investment services. The town has approximately 188.7 square feet of retail space per resident, based on a current 2018 population of approximately 5,016 people and 2,052 households. This figure is higher than normal due to the secondary support or the tourism that the Town of Breckenridge experiences. The median income of residents in the Town of Breckenridge is slightly higher than the surrounding areas found in Summit County.

Table IV-4: Summary of Retail Space per Person in the Town of Breckenridge Environs, 2018

Parcel	Median Income	Retail Rentable Sq. Ft.	Population	Households	Retail Sq. Ft. Per Capita
Town of Breckenridge	\$74,981	946,500	5,016	2,052	188.7

*2018 median income, population and household figures are based on projected 2017 projections

Source: Sitewise and THK Associates, Inc.

GROCER AND RETAIL MARKET ANALYSIS

D. RETAIL AND GROCER INVENTORY

Table IV-5 on the following page shows a current inventory of grocery store establishments in the Town of Breckenridge and in the Town of Frisco. In total, there is approximately 57,800 square feet of existing grocery store space in the Town of Breckenridge and 105,443 square feet of grocery store space in the Town of Frisco totaling 163,243 in the Town of Breckenridge and surrounding area. The average store size is 28,900 square feet in the Town of Breckenridge and 26,361 square feet in the Town of Frisco. Following the inventory is a map of the grocery stores in relation to the Town of Breckenridge as well as individual profiles of each grocery store.

Following the descriptions of the grocery stores is an inventory of all of the retail stores in the Town of Breckenridge. Currently, there are 353 retail stores in the Town of Breckenridge. It is important to note that in the inventory some stores may fall under a couple of categories. This has been accounted for in the overall square footage estimated per store type.

GROCER AND RETAIL MARKET ANALYSIS

Table IV-5: Representative Grocery Stores in the Town of Breckenridge Surrounding Environs, 2018

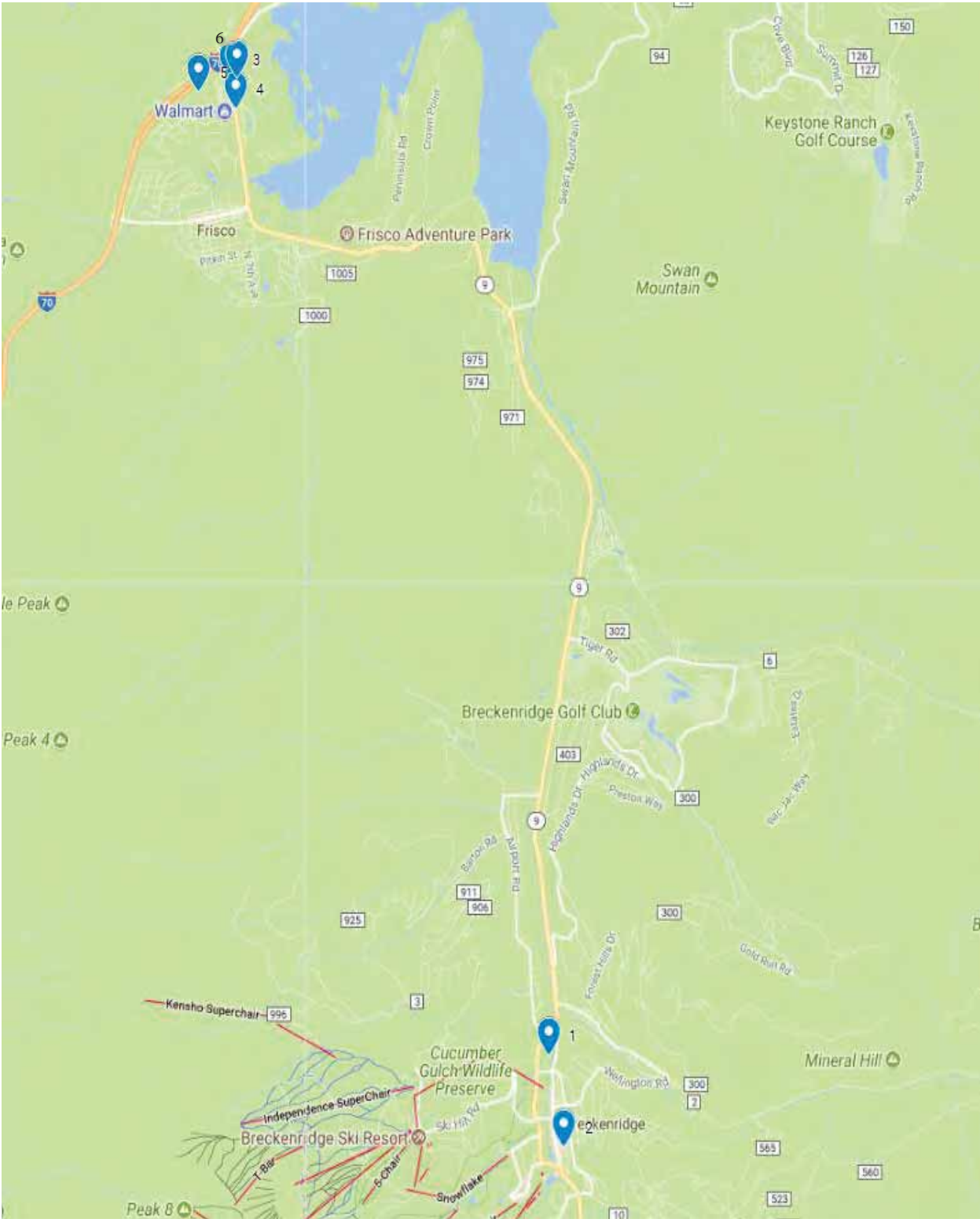
Number	Grocery Store	Address/Owner	Town	Parcel #	Size (Sq.Ft.)	
Town of Breckenridge						
1	City Market Breckenridge	400 North Park Avenue Ofpers Partners LLC	Breckenridge	2211-3120-05-008	47,000	
2	Breck Market & Liquors	305 South Ridge Street Cohn Enterprises LTD	Breckenridge	2211-3134-40-001	10,800	
					Average	28,900
					Total	57,800
Town of Frisco						
3	Safeway	1008 North Summit Boulevard Safeway Stores 46 Inc	Frisco	2097-2620-10-002	46,899	
4	Walmart	840 North Summit Boulevard Wal Mart Realty Company	Frisco	2097-2630-07-001	10,680	
5	Whole Foods	261 Lusher Court Brynn Grey X LLC	Frisco	2097-2620-28-006	32,423	
6	Natural Grocers	970 North 10 Mile Drive Palm Springs Shadows LP	Frisco	2097-2620-08-010	15,441	
					Average	26,361
					Total	105,443

*inventory does not include specialty food stores

Source: Summit County Assessor and THK Associates, Inc.

GROCEER AND RETAIL MARKET ANALYSIS

4. Representative Grocery Stores in the Breckenridge Environs Map



GROCER AND RETAIL MARKET ANALYSIS

Grocery Stores in the Town of Breckenridge Environs

- 1. City Market Breckenridge



GROCER AND RETAIL MARKET ANALYSIS

City Market is the largest grocery store in the Town of Breckenridge currently. It is 47,000 square feet of the total 79,391 square feet in the building and located in a strip mall on the north end of town on North Park Avenue. Currently, the surrounding retail space is occupied by a Loaf N Jug, UPS store, City Liquors, Alpine Sports North, Laser Graphics, Petal and Bean, Soups On, dry cleaner, Allied Chiropractic and Massage parlor, Windy City Pizza and Pub, AMR Ski and Board Shop and Wells Fargo bank. The retail center has a large parking lot with some surrounding open land. City Market currently has excellent access and visibility.

2. Breck Market and Liquors



The Breck Market and Liquors is the second largest grocery store in the Town of Breckenridge and is located closer to the center of the town. This grocery and liquor store combination is walking distance to a large number of the hotels and rental condominiums. The store is attached to the United States Post Office as well as a small restaurant on the north and is located on South Ridge Street. The grocery store is 10,800 square feet of the Breck Market and Liquors 14,000 square feet. The Breck market and Liquors 14,000 square feet is part of the total building's 28,076 square feet. It has excellent access and good visibility.

GROCER AND RETAIL MARKET ANALYSIS

3. Safeway



The Safeway in Frisco is located on the northern end of Frisco on North Summit Boulevard. It shares a parking lot with a Valero gas station and is attached to a strip mall containing multiple retail establishments. It has excellent access and visibility from North Summit Boulevard as it is one of the first large grocery stores available after exiting from Interstate 70. The Safeway is 46,899 square feet in size.

GROCER AND RETAIL MARKET ANALYSIS

4. Walmart



The Walmart in Frisco is located at the south end of the retail center on North Summit Boulevard near Interstate 70. The entire Walmart building totals 74,964 square feet, but the grocery section is estimated at 10,680 square feet as the Walmart provides several different types of retail. The retail center it is attached to has an abundance of retail stores as well as some auto shops to the south east. Access and visibility are excellent from North Summit Boulevard. The Walmart offers several other types of retail along with grocery section.

GROCER AND RETAIL MARKET ANALYSIS

5. Whole Foods



The Whole Foods is located in Frisco on Lusher Court and has excellent visibility from Interstate 70. It is attached to Basecamp Wine and Spirits and Epic Mountain Gear. Across the parking lot is a Rio Grande Mexican restaurant, a brewery and another retail strip. New attached residential development is also taking place across the parking lot from Whole Foods. This grocery store is 32,423 square feet.

GROCER AND RETAIL MARKET ANALYSIS

6. Natural Grocers



The Natural Grocers is the newest grocery store in the town of Frisco with 15,441 square feet. It is on the east side of North Summit Boulevard and has excellent visibility and access. This grocery store is immediately off of Interstate 70 and shares a parking lot with a Starbucks, Which Wich and medical office. There are several condominium buildings located behind this grocery store to the east.

GROCER AND RETAIL MARKET ANALYSIS

Town of Breckenridge Retail Inventory

Number	Name	Type
1	Studio 333	Art
2	Dynamite Tattoo & Piercing	Art
3	Arts Alive!	Art
4	Russian Gifts	Art
5	Baltman Art Gallery	Art
6	Glass Art Company	Art
7	Blue River Fine Art Gallery	Art
8	Don Lo Mercantile	Art
9	Nature's Own	Art
10	Timeless Collections	Art
11	JK Studios	Art
12	HotShop Metal & Glass	Art
13	Ceramic Studio	Art
14	Quandry Antiques	Art
15	Tin Shop	Art
16	Fuqua Livery Stable	Art
17	Cabin Fever	Art
18	Breck Gallery	Art
19	Old Masonic Hall	Art
20	Gay Soles Gallery	Art
21	Magical Scraps Boutique & Studio	Art
22	Wandering Daisy	Art
23	Handcrafted Jewelry/Glassware and Gifts	Art
24	Godspeed Tattoo	Art
25	Art on a Whim Galleries	Art
26	Get Hi Gallery	Art
27	Ready, Paint, Fire	Art
28	Airport Road Auto Repair	Automotive
29	Old Man Berkins	Books, Periodicals, Music
30	Avalanch Thrift & Treasure	Clothing
31	Faith & Flair Boutique	Clothing
32	Outsider	Clothing
33	Bear Claw Trading Co.	Clothing
34	Diamond Tees	Clothing
35	Sunlogic	Clothing
36	Lf Is Good	Clothing
37	Breck Hat Co.	Clothing
38	Shirt and Emie's	Clothing

39	Mountain Angler	Clothing
40	Paragonia	Clothing
41	Marmot	Clothing
42	Colorado Concept	Clothing
43	Vintage	Clothing
44	Main Street Outlet	Clothing
45	Breck Kids Toys	Clothing
46	Mountain Vibe	Clothing
47	Paragonia	Clothing
48	129 South Active Wear	Clothing
49	Valley Girl Boutique	Clothing
50	Mountain Goat Clothing	Clothing
51	Beloved Boutique	Clothing
52	Mountain Style	Clothing
53	Artic Attitude	Clothing
54	Columbia	Clothing
55	Shop on Main Street	Clothing
56	Mountain Tees	Clothing
57	Sunlogic	Clothing
58	Shirt off my back	Clothing
59	Moxie Clothing	Clothing
60	Arabella Boutique	Clothing
61	Eyes on Breck	Clothing
62	Fun vs Awesome	Clothing
63	Cowboy's & Daisies	Clothing
64	Big City blues	Clothing
65	Loving Colls	Clothing
66	Kaleidoscope	Clothing
67	Magical Scraps Boutique & Studio	Clothing
68	The North Face	Clothing
69	Joy of Sox	Clothing
70	High Altitude Custom Tee's	Clothing
71	Captain's Treasures and Tees	Clothing
72	Mountain Multi-Vision & Sound	Clothing
73	The Clothing Cooperative	Clothing
74	Holly's Pizzazz Boutique	Clothing
75	Summit Shirt Co.	Clothing
76	Thrift Shop	Clothing
77	Cleaners	Dry Cleaner/Coin Laundry
78	Breck Laundromat	Dry Cleaner/Coin Laundry

79	Photo Shop	Electronics/Televisions/Audio/Cameras
80	Petal and Bean	Florist
81	Petal and Bean	Florist
82	Woodland	Florist
83	Sinclair Gas/Convenience Store	Grocery/Convenience
84	7-11 Convenience/Gas	Grocery/Convenience
85	Loaf N Jug	Grocery/Convenience
86	City Market	Grocery/Convenience
87	Breckenridge Markt & Liquor	Grocery/Convenience
88	Local Market & Liquor	Grocery/Convenience
89	Gregory Door & Window	Hardware/Building Materials
90	Armstrong Concrete	Hardware/Building Materials
91	Dunlap Glass	Hardware/Building Materials
92	Strategic Fencing & Walls	Hardware/Building Materials
93	Benjamin Moore	Hardware/Building Materials
94	Rocky Mountain Hot Tub Service	Home Furnishings/Accessories
95	Affordable Mountain Hot Tubs	Home Furnishings/Accessories
96	Fire Place (Wood Stove Shop)	Home Furnishings/Accessories
97	Creative Cabinetry	Home Furnishings/Accessories
98	Fire on Demand (Outdoor Fireplaces)	Home Furnishings/Accessories
99	All Flooring Design	Home Furnishings/Accessories
100	Distinctive Woodwork	Home Furnishings/Accessories
101	Lodge Pole Interiors	Home Furnishings/Accessories
102	Marigolds	Home Furnishings/Accessories
103	Cabin Fever	Home Furnishings/Accessories
104	Interiors By Design	Home Furnishings/Accessories
105	The Christmas Store	Home Furnishings/Accessories
106	Finley Jones & Harris	Home Furnishings/Accessories
107	Martyn Plumbing & Heating	Home Furnishings/Accessories
108	Innovative Energy Solar & Wind Systems	Household Appliances
109	Wills Fargo Bank	Insurance/Investment Services
110	First Bank	Insurance/Investment Services
111	Edward Jones	Insurance/Investment Services
112	Arrow Insurance	Insurance/Investment Services
113	S&H Hill Mortgage	Insurance/Investment Services
114	Great West Bank	Insurance/Investment Services
115	City Wide Bank	Insurance/Investment Services
116	US Bank	Insurance/Investment Services
117	Alpine Bank	Insurance/Investment Services
118	Breckenridge Jewelers	Jewelry, Luggage and Leather Goods

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Town of Breckenridge Retail Inventory

119	Tru North Jewelry Design	Jewelry, Luggage and Leather Goods	159 Shirt and Emie's	Office Supplies/Stationary/Gifts	199 Breck Acupuncture & Massage	Personal Care
120	Breckenridge Charm Shop	Jewelry, Luggage and Leather Goods	160 Colorado Concept	Office Supplies/Stationary/Gifts	200 Salon MI	Personal Care
121	Breckenridge Jewelers	Jewelry, Luggage and Leather Goods	161 Main Street Outlet	Office Supplies/Stationary/Gifts	201 Live Fit	Personal Care
122	Frizze Jewelry	Jewelry, Luggage and Leather Goods	162 Breck Kids Toys	Office Supplies/Stationary/Gifts	202 Vida-Flow Medical Spa	Personal Care
123	Jewels on Main	Jewelry, Luggage and Leather Goods	163 Mountain Vibe	Office Supplies/Stationary/Gifts	203 Kut & Clip Barber and Beauty	Personal Care
124	Overland Sheepskin Co.	Jewelry, Luggage and Leather Goods	164 Skimmy Winter	Office Supplies/Stationary/Gifts	204 Breck Mt. Massage	Personal Care
125	Ruby Jane Jewelry	Jewelry, Luggage and Leather Goods	165 Peak-A-Boo Toys	Office Supplies/Stationary/Gifts	205 Broken Compass Brewing	Restaurant
126	Belvedere and Horn Leather Goods	Jewelry, Luggage and Leather Goods	166 Mountain Style	Office Supplies/Stationary/Gifts	206 Breck mtdge Distillery	Restaurant
127	Mathieu's Watches/Jewelry	Jewelry, Luggage and Leather Goods	167 Randall Barn	Office Supplies/Stationary/Gifts	207 Windy City Pizza & Pub	Restaurant
128	Wandering Daisy	Jewelry, Luggage and Leather Goods	168 Ten Mile Threads	Office Supplies/Stationary/Gifts	208 Mi Casa Mexican Restaurant and Cantina	Restaurant
129	Handcrafted Jewelry/Glassware and Gifts	Jewelry, Luggage and Leather Goods	169 Space Cowboy	Office Supplies/Stationary/Gifts	209 Park Avenue Pub	Restaurant
130	JM Jewelry	Jewelry, Luggage and Leather Goods	170 Shirt off my Back	Office Supplies/Stationary/Gifts	210 Bol.D Kitchen & Bar	Restaurant
131	American Liquors	Liquor/Wine	171 Creatures Great and Small	Office Supplies/Stationary/Gifts	211 Caamano	Restaurant
132	City Liquors	Liquor/Wine	172 Get Real Bazaar	Office Supplies/Stationary/Gifts	212 Quandary Grille	Restaurant
133	Summit Wine and Liquor	Liquor/Wine	173 Global Candle Gallery	Office Supplies/Stationary/Gifts	213 Sauce on the Maggie	Restaurant
134	Continental Divide Winery	Liquor/Wine	174 Post Office	Office Supplies/Stationary/Gifts	214 The Maggie	Restaurant
135	Absinth Bar	Liquor/Wine	175 Captain's Treasures and Tees	Office Supplies/Stationary/Gifts	215 Breck Brewery and Pub	Restaurant
136	Ridge Street Wine	Liquor/Wine	176 Two Wild Sisters	Office Supplies/Stationary/Gifts	216 Blue Moose	Restaurant
137	Wine Bar (Cheese and Chocolate)	Liquor/Wine	177 Woodland	Office Supplies/Stationary/Gifts	217 Liquid Lounge	Restaurant
138	Breckenridge Markt & Liquor	Liquor/Wine	178 Alinaire Healthcare	Personal Care	218 Belle V. Wine/Cafe	Restaurant
139	Local Market & Liquor	Liquor/Wine	179 CrossFit Breckenridge	Personal Care	219 Cecilia's	Restaurant
140	Dancing Pines Distillery	Liquor/Wine	180 Massage	Personal Care	220 Burke Riley's Irish Pub	Restaurant
141	Animal Lover's Pet Supply	Miscellaneous	181 Simply Massage	Personal Care	221 Plante Pizzeria	Restaurant
142	Organix (Cannibus)	Miscellaneous	182 Mountain Sun Tanning	Personal Care	222 H.D. Tavern	Restaurant
143	Green Dragon Colorado Breck mtdge (Cannibus)	Miscellaneous	183 Alpine Spa/Salon	Personal Care	223 Empire Burger	Restaurant
144	Alpenglow (Cannibus)	Miscellaneous	184 Fresh Soap Company	Personal Care	224 Peak of Asia Vietnamese	Restaurant
145	Oxygen Bar	Miscellaneous	185 Bliss Massage	Personal Care	225 Mountain Fly Fishing Bar and Grill	Restaurant
146	Vapor Toke Smoke Shop	Miscellaneous	186 Love and Lacquers Nails	Personal Care	226 Brooklyn's Tavern	Restaurant
147	Slope side Cigars	Miscellaneous	187 Roots Hair studio	Personal Care	227 South Ridge Sea Food Grill	Restaurant
148	Breck Gold Hemp	Miscellaneous	188 Line Beaute Skin Care	Personal Care	228 La Franciscan Bakery	Restaurant
149	Yoyo Loco	Miscellaneous	189 Ocean Massage Center	Personal Care	229 Lost Cajun	Restaurant
150	Frames, Games and Things Unnamed	Miscellaneous	190 Sol Impression Massages	Personal Care	230 Luigi's Pizzeria	Restaurant
151	Petal and Bean	Office Supplies/Stationary/Gifts	191 Chopping Block Hair Salon	Personal Care	231 Ollie's Pub and Grill	Restaurant
152	The UPS Store	Office Supplies/Stationary/Gifts	192 Meta Yoga	Personal Care	232 The Dredge Steakhouse	Restaurant
153	Laser Graphics Printing and Copies	Office Supplies/Stationary/Gifts	193 Blue Sage Spa	Personal Care	233 Swiss Haven	Restaurant
154	Petal and Bean	Office Supplies/Stationary/Gifts	194 Radiant Mt. Massage	Personal Care	234 Blue Stag	Restaurant
155	Hub Breck	Office Supplies/Stationary/Gifts	195 Adams Studio South	Personal Care	235 Kenosha Steakhouse	Restaurant
156	Bear Claw Trading Co.	Office Supplies/Stationary/Gifts	196 Olivine Salon	Personal Care	236 Rita's Specialty Taco Bar	Restaurant
157	Diamond Tees	Office Supplies/Stationary/Gifts	197 Harmony Wellness	Personal Care	237 C.B. Potts	Restaurant
158	Fresh Soap Company	Office Supplies/Stationary/Gifts	198 Pure O2/Oxygen Spa	Personal Care	238 Relish	Restaurant

GROCER AND RETAIL MARKET ANALYSIS

Town of Breckenridge Retail Inventory

239 Modis	Restaurant	279 The Cheese Shop of Breckenridge	Specialty Food	319 Breck Cycling Lab	Sports
240 Eric's Pizzeria	Restaurant	280 Coffee Depot	Specialty Food	320 Charter Sports Rentals	Sports
241 Columbine Café	Restaurant	281 Stir Pan Creamery	Specialty Food	321 Mountain Sports Outlet	Sports
242 Motherload	Restaurant	282 Cool River Coffee Houe	Specialty Food	322 Breckenridge Sports Maggie Ski and Snowboard Rentals	Sports
243 Duggan's Deli	Restaurant	283 Crepes A La Carte	Specialty Food	323 Breckenridge Sports	Sports
244 Briar Rose	Restaurant	284 Starbucks	Specialty Food	324 Christy Sports Ki and Snowboard Rentals	Sports
245 Fatty's Pizzeria	Restaurant	285 The Crown	Specialty Food	325 Breeze Sports	Sports
246 Moe's BBQ	Restaurant	286 Breck Distillery Taste Room	Specialty Food	326 Avalanch Sports	Sports
247 Angel's Hollow	Restaurant	287 Clint's Bakery and Coffee House	Specialty Food	327 Ridden	Sports
248 Hearth Stone	Restaurant	288 Peak-A-Boo Toys	Specialty Food	328 Ousider	Sports
249 Twist Cuisine	Restaurant	289 Cuppa Joe	Specialty Food	329 Surefoot	Sports
250 Fiesta Jalisco	Restaurant	290 Rocky Mountain Underground	Specialty Food	330 Breck Bike Guide	Sports
251 Embeb	Restaurant	291 Oh Fudge	Specialty Food	331 Main Street Sports	Sports
252 Le Petit Paris	Restaurant	292 Cookie Shop	Specialty Food	332 Mountain Angler	Sports
253 Flip Side Burgers	Restaurant	293 Apres	Specialty Food	333 Patagonia	Sports
254 Michael's Italian	Restaurant	294 Fuzziwig's	Specialty Food	334 Marmot	Sports
255 Legend Steak/Italian	Restaurant	295 Beef Jerky Outlet	Specialty Food	335 Patagonia	Sports
256 Aurum Food & Wine	Restaurant	296 Cabin Coffee	Specialty Food	336 Breck Sports	Sports
257 Twist Creative Cuisine	Restaurant	297 Rocky M Chocolate	Specialty Food	337 Pup's Glide Shop	Sports
258 Rock Ridge	Restaurant	298 Wine Bar (Cheese and Chocolate)	Specialty Food	338 Colorado Ski/ Snowboard Rentals	Sports
259 Salt Creek	Restaurant	299 Olive Fusion	Specialty Food	339 Mt. Outfitters	Sports
260 Napper Tandy's	Restaurant	300 Spice & Tea	Specialty Food	340 Columbia	Sports
261 Giampietro Pizzeria	Restaurant	301 Mom's Bakery	Specialty Food	341 Slope Style	Sports
262 Gold Pan Saloon	Restaurant	302 Breck Tap House	Specialty Food	342 Rocky Mountain Underground	Sports
263 Thai Bistro	Restaurant	303 Daylight Donuts	Specialty Food	343 Annie's Alpine Kids	Sports
264 Extreme Pizza	Restaurant	304 Snow Venture Ski & Snowboard Vacations	Sports	344 Underground Breck	Sports
265 Artisan Global Kitchen	Restaurant	305 Ski Butlers	Sports	345 The North Face	Sports
266 Canteen Tap House	Restaurant	306 Motobreck (4 wheelers)	Sports	346 A Racer's Edge	Sports
267 Doma	Restaurant	307 Kingdom Sports	Sports	347 Cranology	Sports
268 Kova Café	Restaurant	308 Alpine Sports (Bike and Ski Rentals)	Sports	348 Breck Outfitters (Orvis)	Sports
269 Blue River Bistro	Restaurant	309 Alpine Sports North	Sports	349 Carvers	Sports
270 Subway	Restaurant	310 AMR Ski & Board Shop	Sports	350 Christy's Sports	Sports
271 Northside Pizza	Restaurant	311 Peak Ski & Bike Downtown Breckenridge	Sports	351 Vertical Runner	Sports
272 Fox's Den	Restaurant	312 Lone Start Sports	Sports	352 Avalanche Sports	Sports
273 Mountain Goat Clothing	Shoes	313 Base Mountain Sports Breckenridge	Sports	353 Elevation Ski Rental	Sports
274 Beloved Boutique	Shoes	314 Blue River Sports	Sports		
275 Overland Sheepskin Co.	Shoes	315 Broadcast Ride Shop	Sports		
276 Good Outlet	Shoes	316 Mountain Wave	Sports		
277 The Mug Shot Café	Specialty Food	317 Powder Tools (Christy Sports)	Sports		
278 Soups On Soup and Bread	Specialty Food	318 Christy Sports	Sports		

GROCER AND RETAIL MARKET ANALYSIS

E. TOWN OF BRECKENRIDGE EXPENDITURE PATTERNS

Table IV-6 demonstrates a breakdown of household expenditures by category of retail establishments based upon the typical budget of trade area households in 2018. The current median household income of residents in the Town of Breckenridge is approximately \$74,981 (this number is slightly higher than Summit County's median income).

The portion of household income available for retail expenditures in Table IV-6 is determined by subtracting payments for federal taxes which is 22% of the total gross income. The remaining disposable income includes savings, housing, insurance, medical expenses, recreation and transportation from total income. These payments total approximately 50.5% of the total disposable income, or \$29,542. The remaining 49.5% of income or \$29,943 per household is projected to be distributed among all the various store categories as shown below, based on the 2018 United States tax and expenditures statement. It is, for example, projected that the typical household in the Town of Breckenridge will spend 21.6% or \$6,261 of disposable income available groceries annually.

GROCEER AND RETAIL MARKET ANALYSIS

**Table IV-6: Estimated Household Expenditure Patterns
in the Town of Breckenridge, 2018**

	Median Household	
	Amount	Percent
<i>Median Gross Income</i>	\$74,981	
Taxes	\$16,496	22.0% of Gross
<i>Disposable Income</i>	\$58,485	78.0% of Gross
Housing	\$10,710	18.3% of Disposable
Transportation	\$9,358	16.0%
Savings / Pensions	\$3,802	6.5%
Medical / Insurance	\$4,386	7.5%
Education	\$1,287	2.2%
<i>Total Available for Retail</i>	\$28,943	49.5% of Disposable
<u><i>Store Type</i></u>		
<i>Hardware and Building Materials</i>	\$1,244	
Building Material and Garden Equipment	\$1,244	4.3% of Retail
<i>Food Stores</i>	\$7,525	
Grocery/Convenience	\$6,261	21.6%
Specialty Food Stores	\$1,264	4.4%
<i>Automotive</i>	\$1,244	
Tire, Battery and Accessory	\$1,244	4.3%
<i>Apparel and Accessory</i>	\$2,672	
Men's Clothing	\$581	2.0%
Women's Clothing	\$929	3.2%
Children's Clothing	\$622	2.1%
Shoes	\$292	1.0%
Jewelry, Luggage and Leather Goods	\$249	0.9%
<i>Furniture and Equipment</i>	\$3,110	
Home Furnishings & Accessories	\$1,824	6.3%
Household Appliances	\$415	1.4%
Radio, Television, Stereo, Computer, Wireless	\$663	2.3%
Art/Design Services	\$207	0.7%
<i>Eating and Drinking Places</i>	\$4,561	
Restaurant	\$4,561	15.8%
<i>Drug and Proprietary</i>	\$1,659	
Drug / Cosmetics	\$1,659	5.7%
<i>Other Retail and Personal Services</i>	\$6,928	
Liquor / Wine & Spirits	\$1,659	5.7%
Sporting Goods	\$829	2.9%
Books, Periodicals, Music	\$663	2.3%
Office Supplies, Stationary, and Gifts	\$829	2.9%
Hobby & Specialty	\$249	0.9%
Florist	\$166	0.6%
Miscellaneous Retail	\$1,037	3.6%
Personal Care Products & Services	\$829	2.9%
Dry Cleaner / Coin Laundry	\$182	0.6%
Insurance and Investment Services	\$484	1.7%
<i>Total Retail</i>	\$28,943	100.0%

Source: U.S. Department of Labor, Bureau of Labor Statistics and THK Associates, Inc.

GROCER AND RETAIL MARKET ANALYSIS

F. RETAIL CHARACTERISTICS BY STORE TYPE

Table IV-7 shows characteristics of selected store types found in neighborhood retail shopping centers. This information is later synthesized with the Town of Breckenridge analysis to make site-specific demand projections. The table shows the operating characteristics of the major type of retail establishments that would be suitable tenants for a neighborhood shopping center. By comparing these performance characteristics with the expenditure patterns in the primary trade area for the subject site, the total dollar volume support and square footage support that will be generated for each retail use can be estimated.

The first column of Table IV-7 shows the average sales per square foot that the median store achieves which is data that derives from the Urban Land Institute's *Dollars and Cents of Shopping Centers*. The second column illustrates the median store size in square footage. Multiplying the first two columns determines the minimum expenditure support required to support each of the retail store types, which is then used in conjunction with median household expenditure to determine the required number of households needed to support each retail store type.

The fifth column in Table IV-7 shows that 3,442 households are required to support a typical grocery/convenience store in the Town of Breckenridge. The households figure is based on dividing the annual sales of \$21,552,883 for a grocery/convenience store in the Town of Breckenridge by the median household expenditure of approximately \$6,261. Furthermore, the minimum number of households required to support a furniture store and a restaurant are drastically different at approximately 1,600 households and 305 households, respectively. The threshold household support is used later in this section with actual household growth to determine growth in demand for each store type. The individual store type demand is then compared to current inventory to determine any demand gaps along with the capture rate that the subject site is projected to achieve.

GRO CER AND RETAIL MARKET ANALYSIS

Table IV-7: Characteristics of Selected Store Types Found in the Town of Breckenridge, 2018

<i>Store Type</i>	Sales Per Square Foot GLA	Median Store Size (Sq. Ft.)	Minimum Expenditure Support	Median Household Expenditure	Threshold Household Support
<i>Home Improvements</i>					
Building Material and Garden Equipment	\$388.65	12,000	\$4,663,800	\$1,244	3,749
<i>Food Stores</i>					
Grocery/Convenience	\$455.24	47,344	\$21,552,883	\$6,261	3,442
Specialty Food Stores	\$455.24	3,000	\$1,365,720	\$1,264	1,081
<i>Automotive</i>					
Tire, Battery and Accessory	\$386.92	4,032	\$1,560,061	\$1,244	1,254
<i>Apparel and Accessory</i>					
Clothing	\$314.90	3,051	\$960,760	\$581	1,655
Shoes	\$344.36	2,716	\$935,282	\$292	3,204
Jewelry, Luggage and Leather Goods	\$298.59	1,735	\$518,054	\$249	2,082
<i>Furniture and Equipment</i>					
Home Furnishings & Accessories	\$317.88	9,186	\$2,920,046	\$1,824	1,600
Household Appliances	\$414.66	3,853	\$1,597,685	\$415	3,853
Radio, Television, Stereo, Computer, Wireless	\$412.60	3,104	\$1,280,710	\$663	1,930
Art/Design Services	\$200.00	3,200	\$640,000	\$207	3,087
<i>Eating and Drinking Places</i>					
Restaurant	\$328.48	4,238	\$1,392,098	\$4,561	305
<i>Drug and Proprietary</i>					
Drug / Cosmetics	\$429.07	10,990	\$4,715,479	\$1,659	2,843
<i>Other Retail and Personal Services</i>					
Liquor / Wine & Spirits	\$396.27	3,074	\$1,218,134	\$1,659	734
Sporting Goods	\$220.87	6,417	\$1,417,323	\$829	1,709
Books, Periodicals, Music	\$220.42	13,262	\$2,923,210	\$663	4,406
Office Supplies, Stationary, and Gifts	\$171.65	11,716	\$2,011,069	\$829	2,425
Hobby & Specialty	\$199.45	3,208	\$639,836	\$249	2,572
Florist	\$264.55	1,628	\$430,687	\$166	2,597
Miscellaneous Retail	\$323.32	2,491	\$805,390	\$1,037	777
Personal Care Products & Services	\$293.82	1,245	\$365,806	\$829	441
Dry Cleaner / Coin Laundry	\$172.42	1,653	\$285,010	\$182	1,562
Insurance and Investment Services	\$262.55	1,460	\$383,323	\$484	791
<i>Total Retail</i>				\$28,943	

Source: Urban Land Institute Dollars and Sense of Shopping Centers, Bureau of Labor Statistics; and THK Associates, Inc.

GROCER AND RETAIL MARKET ANALYSIS

G. ESTIMATES FOR RETAIL SPACE DEMAND BY STORE TYPE

Secondary support for the Town of Breckenridge ranges between 0%-1000% depending on the retail store type. The secondary support determines any additional demand that will occur from households located outside of the Town of Breckenridge. For example, 250.0% of grocery store demand in the Town of Breckenridge is projected to occur from secondary support or households outside of the Town of Breckenridge. This was calculated by using the 2,052 households in the Town of Breckenridge and the annual equivalent of 2,228 seasonal units (4,951 seasonal units at 45% occupancy) or 4,280 total equivalent households at an average annual expenditure for grocery/specialty food of \$7,843 and \$1,480 for liquor resulting in a potential for \$40 million in sales. If 75% of this demand were captured in Breckenridge, \$30,000,000 would be realized. In 2016 there were \$62.3 million in taxable grocery store/liquor store sales. At a 4% annual increase, 2018 sales will be approximately \$68 million or 2.26 times the residual demand. After allowing for non-taxable sales, we have estimated 250% of secondary support for grocery and 350% in specialty food. The 2016 restaurant/bar sales in Breckenridge were \$116.6 million or 6.7 times the \$17.4 million indicated demand (4,280 x \$4,070) in 2018. We applied a conservative 500% of secondary support estimate for restaurants. Less detail was available for other specific store types.

Currently, as shown in Table IV-8 and with adjustments for secondary support for purchasers that live outside of the trade area, there is approximately \$419.5 million dollars available for annual retail expenditures within the Town of Breckenridge, which will support approximately 1,286,519 square feet of retail space. Based on household growth and secondary support over the next ten years, retail expenditures are expected to grow to nearly \$487.5 million by 2028, which will support approximately 1,495,110 square feet of retail space. Regarding grocery demand, there is currently a demand for approximately 147,174 square feet of grocery store retail space, with this demand growing to approximately 158,409 square feet by 2023 and 171,037 square feet by 2028.

GROCEER AND RETAIL MARKET ANALYSIS

Table IV-8: Estimated Retail Sales and Square Footage Support in the Town of Breckenridge 2018-2028

Store Type	Estimated Annual Household Support	Percent Support From Secondary Trade Area	Annual Sales per Square Foot	2018 Support		2023 Support		2028 Support	
				Dollars (MM)	Square Feet	Dollars (MM)	Square Feet	Dollars (MM)	Square Feet
Households				4,280		4,607		4,974	
Hardware and Building Materials									
Building Material and Garden Equipment	\$1,244	50.0%	\$388.65	\$10.6	27,400	\$11.5	29,492	\$12.4	31,842
Food Stores									
Grocery/Convenience	\$6,261	250.0%	\$455.24	\$67.0	147,174	\$72.1	158,409	\$77.9	171,037
Specialty Food Stores	\$1,264	350.0%	\$455.24	\$18.9	41,591	\$20.4	44,766	\$22.0	48,334
Automotive									
Tire, Battery and Accessory	\$1,244	50.0%	\$386.92	\$10.6	27,522	\$11.5	29,623	\$12.4	31,985
Apparel and Accessory									
Clothing	\$581	1000.0%	\$314.90	\$24.8	78,906	\$26.7	84,930	\$28.9	91,700
Shoes	\$292	1000.0%	\$344.36	\$12.5	36,284	\$13.4	39,054	\$14.5	42,167
Jewelry, Luggage and Leather Goods	\$249	1000.0%	\$298.59	\$10.6	35,664	\$11.5	38,387	\$12.4	41,447
Furniture and Equipment									
Home Furnishings & Accessories	\$1,824	350.0%	\$317.88	\$27.3	85,983	\$29.4	92,547	\$31.8	99,924
Household Appliances	\$415	0.0%	\$414.66	\$1.8	4,280	\$1.9	4,607	\$2.1	4,974
Radio, Television, Stereo, Computer, W	\$663	0.0%	\$412.60	\$2.8	6,883	\$3.1	7,408	\$3.3	7,998
Art/Design Services	\$207	350.0%	\$200.00	\$3.1	15,530	\$3.3	16,715	\$3.6	18,048
Eating and Drinking Places									
Restaurant	\$4,561	500.0%	\$328.48	\$97.6	297,173	\$105.1	319,859	\$113.4	345,356
Drug and Proprietary									
Drug / Cosmetics	\$1,659	5.0%	\$429.07	\$7.5	17,417	\$8.0	18,746	\$8.7	20,240
Other Retail and Personal Services									
Liquor / Wine & Spirits	\$1,659	500.0%	\$396.27	\$35.5	89,577	\$38.2	96,415	\$41.3	104,100
Sporting Goods	\$829	500.0%	\$220.87	\$17.7	80,356	\$19.1	86,490	\$20.6	93,385
Books, Periodicals, Music	\$663	50.0%	\$220.42	\$5.7	25,766	\$6.1	27,733	\$6.6	29,944
Office Supplies, Stationary, and Gifts	\$829	500.0%	\$171.65	\$17.7	103,398	\$19.1	111,291	\$20.6	120,162
Hobby & Specialty	\$249	500.0%	\$199.45	\$5.3	26,696	\$5.7	28,734	\$6.2	31,024
Florist	\$166	50.0%	\$264.55	\$1.4	5,367	\$1.5	5,777	\$1.7	6,237
Miscellaneous Retail	\$1,037	500.0%	\$323.32	\$22.2	68,617	\$23.9	73,855	\$25.8	79,743
Personal Care Products & Services	\$829	500.0%	\$293.82	\$17.7	60,405	\$19.1	65,016	\$20.6	70,199
Dry Cleaner / Coin Laundry	\$182	0.0%	\$172.42	\$0.8	4,529	\$0.8	4,875	\$0.9	5,264
Insurance and Investment Services	\$484	0.0%	\$0.00	\$0.0	0	\$0.0	0	\$0.0	0
Total Retail	\$27,392	--	\$304.75	\$419.5	1,286,519	\$451.5	1,384,730	\$487.5	1,495,110

* Weighted averages for the combination of miscellaneous retail, miscellaneous personal services, personal cared products & services, etc.

Source: U.S. Department of Labor, Bureau of Labor Statistics; Siterwise and THK Associates, Inc.

GROCER AND RETAIL MARKET ANALYSIS

H. EXISTING RETAIL ESTABLISHMENTS

Table IV-9 lists the retail establishments that currently exist within the Town of Breckenridge. THK identified a total of 344 stores, excluding insurance and investment services, containing approximately 946,500 square feet of retail space. Several stores in the Town of Breckenridge have been counted in more than one category as they have several types of retail. This has been accounted for in determining the square footages used for each store type as well as the overall square footage in the area. The breakdown of the 344 store categories is covered in Table IV-9.

GROCER AND RETAIL MARKET ANALYSIS

Table IV-9: Existing Retail by Store Type in the Town of Breckenridge, 2018

<i>Store Type</i>	<i>Estimated Number of Stores</i>	<i>Average sizes</i>	<i>Total Sq Ft</i>
<i>Hardware and Building Materials</i>			
Building Material and Garden Equipment	5	5,000	25,000
<i>Food Stores</i>			
Grocery/Convenience	6	11,300	67,800
Specialty Food Stores	27	2,000	54,000
<i>Automotive</i>			
Tire, Battery and Accessory	1	5,200	5,200
<i>Apparel and Accessory</i>			
Clothing	47	2,500	117,500
Shoes	4	1,500	6,000
Jewelry, Luggage and Leather Goods	13	1,500	19,500
<i>Furniture and Equipment</i>			
Home Furnishings & Accessories	13	5,500	71,500
Household Appliances	2	4,000	8,000
Radio, Television, Stereo, Computer, Wireless	1	2,500	2,500
Art/Design Services	27	1,000	27,000
<i>Eating and Drinking Places</i>			
Restaurant	68	2,500	170,000
<i>Drug and Proprietary</i>			
Drug / Cosmetics	0	1,500	-
<i>Other Retail and Personal Services</i>			
Liquor / Wine & Spirits	10	5,000	50,000
Sporting Goods	50	3,000	150,000
Books, Periodicals, Music	1	1,000	1,000
Office Supplies, Stationary, and Gifts	27	2,500	67,500
Hobby & Specialty	0	2,500	-
Florist	3	2,000	6,000
Miscellaneous Retail	10	4,000	40,000
Personal Care Products & Services	27	2,000	54,000
Dry Cleaner / Coin Laundry	2	2,000	4,000
Insurance and Investment Services	N/A	N/A	N/A
Total Occupied Retail Space	344		946,500

*Some stores are included in multiple store categories

** Square footage does not include Insurance and Investment Services space

Source: Summit County Assessor and THK Associates, Inc.

GROCER AND RETAIL MARKET ANALYSIS

I. ADDITIONAL RETAIL SQUARE FOOTAGE REQUIRED WITHIN THE TOWN OF BRECKENRIDGE

As shown in Table IV-10, the town currently has the ability to support 1,286,519 square feet of retail space. Based upon projected household growth over the next ten years the demand is and will continue to be undersupplied as more retail space is required, and the trade area will require additional retail space. The supportable retail square footage is projected to grow to 1,384,730 square feet by 2023 and 1,495,110 square feet by 2028 in order to keep pace with the growing population, tourism and retail demand.

At present, there is a significant pent up demand in certain store types, such as grocery stores, auto related, restaurants, drug stores, liquor stores and office, stationary and gift stores in the Town of Breckenridge. The majority of the demand comes from the strong secondary support that the Town of Breckenridge experiences each year from visitors from outside of the Town of Breckenridge.

GROCEER AND RETAIL MARKET ANALYSIS

Table IV-10: Retail Development Potentials in the Town of Breckenridge, 2018-2028

Store Type	2018		2023		2028	
	Sq. Ft. Requirements	Sq. Ft. Requirements in Breckenridge	Sq. Ft. Requirements	Sq. Ft. Requirements in Breckenridge	Sq. Ft. Requirements	Sq. Ft. Requirements in Breckenridge
Hardware and Building Materials	27,400	27,400	29,492	29,492	31,842	31,842
Building Material and Garden Equipment						
Food Stores	147,174	147,174	158,409	158,409	171,037	171,037
Grocery/Convenience	41,591	41,591	44,766	44,766	48,334	48,334
Specialty Food Stores						
Automotive	27,522	27,522	29,623	29,623	31,985	31,985
Tire, Battery and Accessory						
Apparel and Accessory	78,906	78,906	84,930	84,930	91,700	91,700
Clothing	36,284	36,284	39,054	39,054	42,167	42,167
Shoes	35,664	35,664	38,387	38,387	41,447	41,447
Jewelry, Luggage and Leather Goods						
Furniture and Equipment	85,983	85,983	92,547	92,547	99,924	99,924
Home Furnishings & Accessories	4,280	4,280	4,607	4,607	4,974	4,974
Household Appliances	6,883	6,883	7,408	7,408	7,998	7,998
Radio, Television, Stereo, Computer, Wire	15,530	15,530	16,715	16,715	18,048	18,048
Art/Design Services						
Eating and Drinking Places	297,173	297,173	319,859	319,859	345,356	345,356
Restaurant						
Drug and Proprietary	17,417	17,417	18,746	18,746	20,240	20,240
Drug / Cosmetics						
Other Retail and Personal Services	89,577	89,577	96,415	96,415	104,100	104,100
Liquor / Wine & Spirits	80,356	80,356	86,490	86,490	93,385	93,385
Sporting Goods	25,766	25,766	27,733	27,733	29,944	29,944
Books, Periodicals, Music	103,398	103,398	111,291	111,291	120,162	120,162
Office Supplies, Stationary, and Gifts	26,696	26,696	28,734	28,734	31,024	31,024
Hobby & Specialty	5,367	5,367	5,777	5,777	6,237	6,237
Florist	68,617	68,617	73,855	73,855	79,743	79,743
Miscellaneous Retail	60,405	60,405	65,016	65,016	70,199	70,199
Personal Care Products & Services	4,529	4,529	4,875	4,875	5,264	5,264
Dry Cleaner / Coin Laundry	0	0	0	0	0	0
Insurance and Investment Services						
TOTAL RETAIL	1,286,519	1,286,519	1,384,730	1,384,730	1,495,110	1,495,110

Source: THK Associates, Inc.

GROCER AND RETAIL MARKET ANALYSIS

J. RECOMMENDED ADDITIONAL RETAIL SPACE IN THE TOWN OF BRECKENRIDGE

Based on these findings, THK recommends that the following store types and square footages are supportable. The recommendations are based off of demand for year 2023. By the time a site would be identified, planned, approved designed permitted and built this is likely a two year time frame or into 2020. By positioning for year 2023 there is room to allow for business to expand into their space.

The largest grocery store in the area is City Market at 47,000 square feet. Grocers do not appear to be delivering their large 70,000 to 80,000 square foot stores in this market, therefore we have suggested a 50,000 square foot store which matches the profile of the area.

Table IV-11: Recommended Additional Retail Space in the Town of Breckenridge

Store Type	Recommended Size (Sq. Ft.)
Hardware/Building Materials	5,000
Grocery/Convenience*	50,000
Auto Related	15,000
Restaurant	30,000
Drug	10,000
Liquore	12,000
Office/Stationary/Gift	25,000
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Total Retail Potential	147,000
Coverage Ratio	22%
Land Area	
Square Feet	668,182
Acres	15.3

*assumes a realistic 50,000 square foot maximum store size based on representative grocery stores in the area.

Source: THK Associates Inc.

APPENDIX

End of Report

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