

# **East Vail Parcel**

## **Draft Term Sheet Discussion**

Housing Department  
George Ruther, Housing Director  
Town of Vail  
March 19, 2019

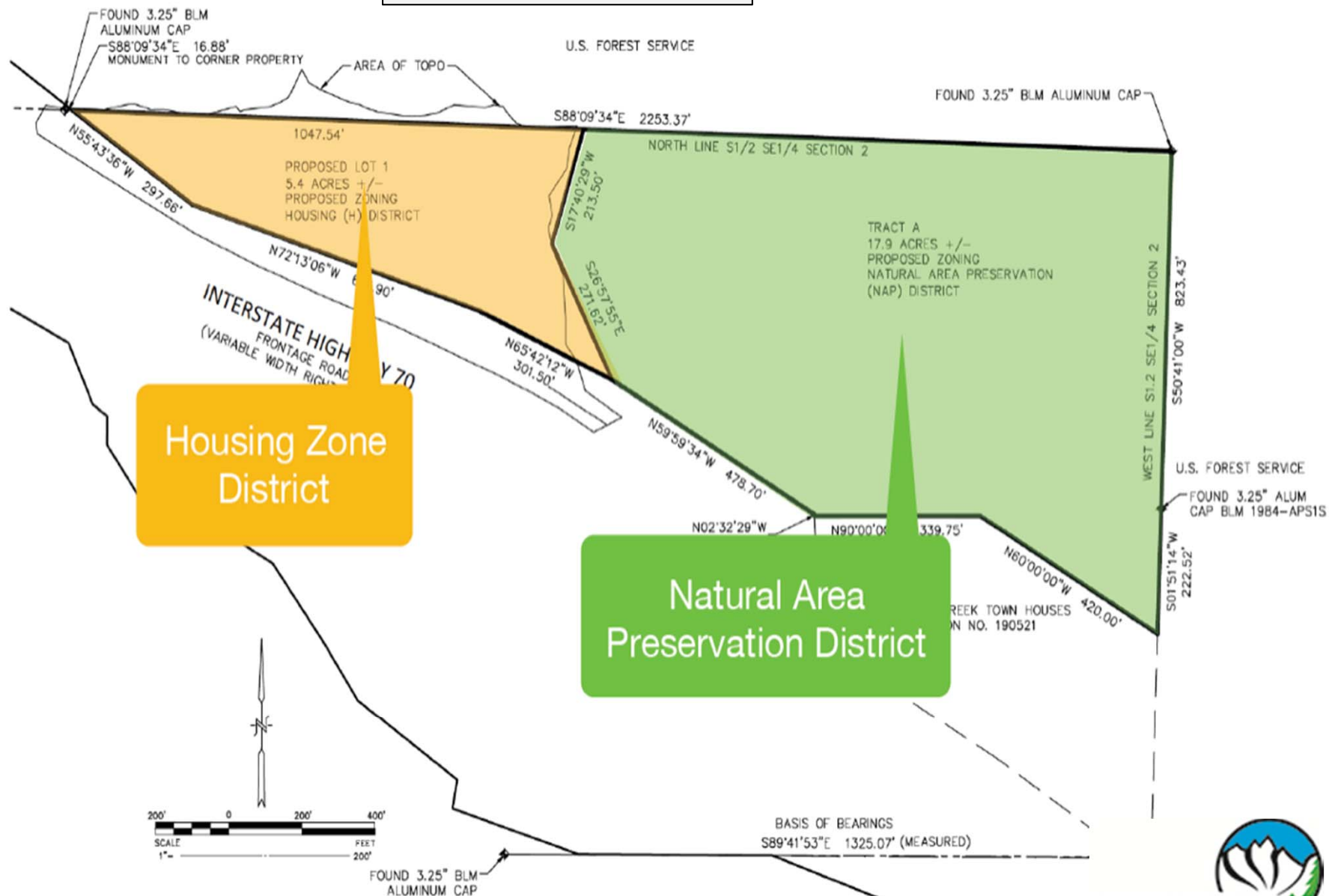


# Meeting Objectives

## TWO OBJECTIVES:

- 1) Host a meeting to receive public input on the draft terms
- 2) Provide direction to the Town Attorney/Town Manager

## EAST VAIL PARCEL MAP



TOWN OF VAIL

# Adopted Housing Policy Statements

**#1 Housing IS Infrastructure** – Deed-restricted homes are critical infrastructure in Vail

**#2 Housing Partners** – We use public/private partnerships to increase the supply of deed-restricted homes

**#3 Private Sector Importance** – We foster a proactive and solutions-oriented environment that promotes private sector investment to create deed-restricted homes

**#4 Leverage Financial Strength** – We will use our financial strength and acumen to acquire deed-restrictions

**#10 Funding is Policy** – The Vail Town Council will fund housing opportunities and solutions



# Housing District (H)

Dwelling units (**not employee housing units**) subject to the following criteria to be evaluated by the PEC:

A. Dwelling units are created solely for the purpose of **subsidizing employee housing** on the property,

B. Dwelling units are not the primary use of the property. The GRFA for dwelling units shall not exceed **thirty percent (30%) of the total GRFA constructed** on the property,

C. Dwelling units are only created in conjunction with employee housing,

D. **Dwelling units are compatible** with the proposed uses and buildings on the site and are compatible with buildings and uses on adjacent properties.

# **Summary of Draft Terms**

- ***Town of Vail purchases the entire +/- 23 acre East Vail Parcel from Triumph Development for \$4M.***
- ***Triumph Development signs a 10-Year Ground Lease with an obligation to purchase the +/- 5.4 acre Housing Parcel from the Town of Vail for \$2.5M.***
- ***On or before the end of Year 10, the Town of Vail recovers \$2.5M.***
- ***Town of Vail acquires up to 45 resident-occupied deed-restrictions on 30% of the total GRFA of the development.***
- ***The Town of Vail retains ownership of the +/- 17.9 acre NAP Parcel.***
- ***Total net investment of \$1.5M yielding at least 40 deed-restricted homes (30%)***

Plan Approval by the PEC

Vail Resorts sells 23 acres to Triumph

Triumph sells 23 acres to Town for \$4M  
(Housing Parcel & Open Space Parcel) and  
signs 10-year lease

Triumph develops +/- 135 homes

Town acquires deed  
restrictions

Year 10 –  
Triumph pays  
Town \$2.5M for  
Housing Parcel

Initial Investment  
\$4M

–  
Housing Parcel  
Repayment  
\$2.5M

=  
Total Net  
Investment  
\$1.5M

Year 10

# Action Requested of Vail Town Council

## QUESTION:

Is it in the best interest of the Town of Vail to acquire deed-restrictions, on the 30% free-market development potential to create a 100% deed-restricted development on the East Vail Parcel, if approved?

## POSSIBLE OUTCOME DIRECTIVES:

**“YES”**– Direct the Town Manager and Town Attorney to prepare a pre-development agreement containing terms agreeable to the Vail Town Council

**“NO”**– Direct the Town Manager to inform Triumph Development of the Town’s desire to not participate in the acquisition of deed-restrictions