



Memorandum

To: Vail Town Council

From: George Ruther, Housing Director
Matt Mire, Town Attorney

Date: June 7, 2022

Subject: Resolution No. 29, Series of 2022, Authorization to Purchase Pitkin Creek Condominium, Unit 12 - L, 4061 Bighorn Road, Vail, Colorado

1. SUMMARY

The purpose of this memorandum is to present the terms for consideration to purchase Pitkin Creek Condominium, Unit 12 - L. A real estate contract to purchase the home has been accepted by the seller, subject to authorization to appropriate funds by the Vail Town Council.

2. BACKGROUND

The availability of housing for its employees remains an ongoing need for the Town of Vail municipal government. As the fourth largest employer in Vail, the Town of Vail too is challenged by the need for housing for its workforce. As the FTE count for the Town grows so does its need to support housing for the employees. Over the years the Town has taken a wide range of approaches to addressing its employee housing needs, including "buying down" homes for purchase by Town of Vail employees.

The Pitkin Creek home is different from other homes recently purchased by the Town of Vail in that it is a larger-sized home. Given its size, the home is best suited for a small or growing family. The home is a +/- 1,146 square foot, furnished, two bedroom with loft/two bathroom, end unit with convenient access to recreation and to free Town of Vail public transit. It is located immediately adjacent to the East Vail Market. The home includes surface parking for two vehicles. Monthly association dues are approximately \$579 and include electric heat, water, waste disposal and recycling, snow removal, common area maintenance, and common area insurance. The home is under contract for sale at \$975,000, subject to Vail Town Council authorization to fund the purchase. List price was \$1,200,000. A similar home in the Pitkin Creek Condominium development recently closed for \$1,100,000.

Town of Vail files indicate the property was developed in the early 1980's. A previous deed-restriction on the property has since expired. The home has been remodeled and updated from its original condition. An initial inspection of the property has been completed with no apparent issues. The property is being offered for sale "as is".

If acquired, the home would be offered for resale to a Town of Vail employee, subject to the terms of a deed-restriction at a price of \$625,000. If not purchased by a Town of Vail employee

the home would be offered for sale through a lottery sales process to a qualified resident for \$675,000.

3. RECOMMENDATIONS

A proposal for purchase has been prepared with participation and collaboration with several Town of Vail Departments, including administration, finance, public works, human resources and housing. The proposal for purchase recommends the following:

- 1) Authorize the appropriations of funds necessary to acquire the home for \$975,000, plus closing costs.
- 4) Record a primary residence deed-restriction and a Town of Vail first option of purchase on the home.
- 5) Funding for the initial purchase would likely come from the Town's capital fund (TBD). However, if sold to a qualifying community resident, the funds would likely come the Vail InDEED fund.
- 6) Closing will occur on or about June 16, 2022.
- 7) Total amount requested is \$975,000, plus closing costs.

4. NEXT STEPS

If authorized, the Town staff will proceed forward with the next steps outlined in the contract for purchase of the residential property. Closing and possession is presently set for June 16, 2022.

5. ACTION REQUESTED

Does the Vail Town Council authorize the appropriation of the funds necessary to facilitate the Town's purchase of Pitkin Creek Condominium, Unit 12-L, 4061 Bighorn Road, Vail, Colorado, consistent with the recommendation outlined herein?

6. EXHIBITS

Exhibit A Contract to Buy and Sell Real Estate