

**Minutes of the Ouray Planning Commission
February 12, 2019**

CALL TO ORDER

Chairman Jeff Skoloda called the meeting to order at 4:00 p.m.

ROLL CALL

Planning Commissioners present for roll call were Chairman Jeff Skoloda, Vice Chair Tamara Gulde, Commissioner J. Gary Dunn, and Commissioner Tom Tyler.

Present on behalf of the City of Ouray staff were Community Development Coordinator Chris Hawkins and Deputy Clerk/Treasurer Beverly Martensen.

APPROVAL OF MINUTES

Vice Chair Gulde moved and Commissioner Dunn seconded the motion to approve the minutes of the February 12th Regular Planning Commission meeting. A vote was taken and the motion passed unanimously.

CITIZENS COMMUNICATIONS

John Nixon stated he believes that the construction on the roof of the Citizens State Bank is greater than what was proposed in the Citizens State Bank PUD. Chris Hawkins stated there has been another complaint and there will probably a work session and follow up with update regarding the project.

PUBLIC HEARING

1. Twin Peaks Preliminary PUD

Applicant: Hinkson Hein Holdings, LLC

Address: 125 Third Ave and TBD 1st Street

Legal Description: Blk. 2, Lots 1-24, City of Ouray; Lots 1A-6A of the Shodeen Replat (West ½ of Blk. 3, Lots 1-12) (“Property”)

Description: Preliminary PUD for the development and redevelopment of the Property to add 94 hotel rooms to the 54 existing rooms (148 total hotel rooms); expand and improve the existing restaurant; provide conferencing facilities; reconstruct the main lobby building; improve and expand the hotel pool amenity area; and other improvements. PUD variations include but are not limited to variations for increased building size, increased building height, decreased setbacks, and elimination of parking area buffering for parking planned on an alley.

Hawkins restated and discussed the conditions of the Twin Peaks Sketch PUD which had been approved by City Council.

Chairman Skoloda expressed concerns about the City’s limited sewer capacity and how any problems building a new wastewater plant would affect this PUD agreement.

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Vice Chair Gulde asked if water capacity should be a condition of the PUD.

Applicant Craig Hinkson and Ryan Hein presented a number of to-scale renderings produced by DHM showing the visual impact of the building planned for the north site. John Nixon spoke regarding the roof height, stating they have reduced the roof pitch from 5:12 to 4:12 reducing the height of the building by approximately 3'.

Chairman Skoloda expressed concerns about the City's limited sewer capacity and how any problems building a new wastewater plant would affect this PUD agreement.

Vice Chair Gulde asked if water capacity should be a condition of the PUD.

Commissioner Dunn asked why signage was still shown on City right of way. Applicant Hinkson stated their intent is to buy the additional land if needed. Commissioner Dunn asked about the source of water for the proposed water feature. Ryan Hein stated that the source of water would be the reclaimed water from the hotel operation.

Chairman Skoloda stated the location of the sign needs to be clarified as it is not apparent.

Chairman Skoloda opened the hearing for public comment.

Eric Fagrelus, 145 4th Avenue – Spoke in opposition to the north site development. He disputed the accuracy of the renderings and visual impact of project. He does not feel this site can realistically absorb this project. He does not feel the proposed handling of gray water is realistic. He fears that Ouray's water system cannot handle this development. He expressed concerns regarding the traffic impact. He wants City code followed and enforced.

Chairman Skoloda closed the hearing to public comment.

The Planning Commission presented comments and questions for the applicant.

Commissioner Tyler stated his support of lowering of the building height. He expressed concerns regarding water and sewer capacity.

Chairman Skoloda reminded the commissioners that gray water is something the Planning Commission asked the applicant to explore.

Chairman Skoloda also reminded the Commission that the engineers have stated that there is adequate water and sewer capacity. He stated the improvements on the south

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site are acceptable, but he does have concern regarding the impact of the improvements on the north site.

Commissioner Dunn stated that he feels the development of lodging is in keeping with the R-2 zoning. He also stated he feels strongly about not having the sign and water feature in City right of way.

Commissioner Dunn asked what the width of the building on north site would be. Applicant responded it is 70'. Dunn pointed out that looking at the site plan dimensions, it is clear there is about 30' on either side of the building to right of way.

Applicant Ryan Hein stated that there are 64 units, not the 94 units originally stated. Hein also described the handling of trash and laundry on the north site, both which would occur within the building.

Commissioner Tyler expressed his concerns regarding water and sewer capacity and asked about the feasibility of dividing the project into two PUDs. Hawkins stated that if there were a life, health and safety issue in the City, the project could be stopped at the building permit stage. He also emphasized the importance of a detailed PUD agreement, which leaves the City in a position to decide in the best interest of the City.

The commission discussed that there could be language allowing the improvements to the south site to begin, with conditions for the north site.

The Commissioners agreed that they wanted to see feasibility of north site contained completely on the property, removal of improvements from the City right of way, language ensuring that adequate water and sewer resources are verified, and verification of the accuracy of the north site visual renderings presented.

Commissioner Skoloda moved and Vice Chair Gulde seconded the motion to approve the Preliminary PUD for the Twin Peaks PUD with the findings and conditions set forth in the staff memo of record and the addition of conditions stated and recorded by staff during this meeting (stated below).

A vote was taken and the motion passed unanimously.

Findings

- 1) The proposed PUD is in general conformity with the City Community Plan because, without limitation, (A) it helps develop and maintain a strong and diversified economy that is consistent with the Ouray Community Plan; (B) it helps develop a more diversified year-round economy with the addition of conferencing facilities; (C) it improves the health of the tourism industry by expanding lodging opportunities, replacing aging hotel rooms with new rooms, and creating a premier tourist destination through improved amenities, services and experience; and (D) the

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redevelopment plans for growth and redevelopment that maintains the high quality, small town character of Ouray without impacting the overall scenic beauty, environmental health or impacting cultural assets.

- 2) The proposed PUD is consistent with the PUD Objective because it encourages innovative development with a significantly improved hot springs amenity area, the redevelopment of the lobby building, and the provision of desired hotel units through the redevelopment of an aged hotel project.
- 3) The PUD complies with the Colorado Planned Unit Development Act of 1972 because, without limitation, (A) it provides for integrated planning for several lots in the city with innovative development that benefits the entire community through clustered development, parking in garages, more open space, and economic benefit to the entire community; and (B) the PUD agreement will address the key legal requirements of the Colorado PUD Act.
- 4) The proposed PUD has a minimum of 1 unit or lot.

Conditions

- 1) Prior to the Final PUD meeting before the Planning Commission, the Applicant shall submit (A) revised plans to address the Fire Department referral comments; (B) remove the encroachments from the surrounding rights-of-way that are not approved by the City Council; and (C) show the proposed replat of the Property to remove the Building A encroachment from the Third Avenue Right-of-Way.
- 2) Prior to the Final PUD meeting before the Planning Commission, the Applicant shall submit (A) final floorplans and elevations for the proposed buildings; (B) draft plats for the North Site and South Site; (C) revised drainage calculations and engineered utility and grading and drainage plans; (D) revised title commitments for the North Site and South Site; (D) revise the plans to show the building site coverage and total site coverage for both sites; (E) require the removal of the water feature on the South Site; and (E) other plans and information as required by City staff to ensure a detailed review of the Final PUD pursuant to the requirements of the Ouray Land Use Code.
- 3) Prior to the Final PUD meeting before the Planning Commission, the PUD agreement shall be revised to require the Applicant to pay for the proportional cost of, and not object to the formation of a Local Improvement District for the hotel district in the area.
- 4) Prior to the Final PUD meeting before the Planning Commission, the City Attorney will review the following to ensure there are no geothermal impacts:
 - a) Verify if the current Owners of the Twin Peak Lodge are predecessors to Madura's lease of the 35 gallons per minute of the Manganese Mine Spring.
 - b) Verify if the current Owners of the Twin Peaks Lodge own the share of the Radium Ditch 222 water or a separate decree that would allow for the continued use of the Crystal Court Spring.
 - c) Verify how the use of the Crystal Court Springs by Twin Peaks Lodge potentially affect the lease of the Manganese Mine Spring under the agreements associated with OX-2 and OX-6 Wells.
- 5) Any Final PUD shall also have concurrent applications to (1) replat the North Site and South Site to vacate interior lot lines and tie the Property to the PUD; (2) site specific development plan, vested property rights for longer development time

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- period, phasing, etc.; (3) conditional use permit for jeep, ATV, UTV and other tourist rentals; and (4) right-of-way vacation for the City Council approved encroachment(s).
- 6) The plans shall be revised to show facilities for a freestanding hotel at the North Site.
 - 7) The sign and water feature should be located within the South Site.
 - 8) The vested property rights and phased development sections of the PUD Agreement will be crafted to ensure the City has adequate water and sewer resources.
 - 9) The architect shall confirm the accuracy of the visual renderings.

2. Ride-N Adventures ATV and UTV Conditional Use Permit

Applicant: Ride-N Adventures, LLC – Shane Littlefield

Address: 834 Main Street

Legal Description: Block 8, Lots 13-16, City of Ouray

Description: Conditional use permit for an ATV, UTV, dirt bike rentals and tours business

Hawkins reminded the commission that this item was continued from December to January and then to this meeting to allow the applicant time to respond. Applicant has agreed to remove tires skirting the trailer and to contain oil and fuel and change hours to 7:30 am to 7:30 pm, Monday through Sunday.

Chairman Skoloda opened the hearing to public comment.

There was none.

Chairman Skoloda closed the hearing to public comment.

The Planning Commission reviewed the conditions of the Conditional Use Permit and agreed they want to add language preventing dirt bikes from leaving the property before 9:00 a.m. and also language stating the responsibility of the applicant in educating renters regarding back country etiquette. The commissioners also agreed they wanted greater clarification in condition 2 identifying the enclosure for the washing operation.

Vice Chair Gulde moved and Commissioner Tyler seconded the motion to approve a resolution approving a conditional use permit for an ATV, UTV and dirt bike rental business including conditions set forth by the Planning Commission and recorded by staff (stated below). A vote was taken and the motion passed unanimously.

Conditions

- 1) The hours of operation shall be from 7:30 am to 7:30 pm Monday through Sunday.
- 2) The Applicant shall provide a concrete pad and completely fenced maintenance and vehicle washing area (6' high solid fence) with gate (s) to ensure oils and fluids do

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- not soak into the earth and overspray is confined to the Property. The size of the concrete pad will be determined with Town staff.
- 3) Washing machines shall not use any soaps or solvents.
 - 4) No hazardous materials may be stored on the site, including motor oils or other vehicle fluids unless kept within an enclosed storage building or box.
 - 5) No fuel storage shall occur on the site, with fuels storage provided in service vehicle beds in accordance with any State or Federal laws.
 - 6) No batteries shall be stored on the Property unless kept within an enclosed storage building or box.
 - 7) All rental vehicles shall be stored on the Property and not be parked in the surrounding streets or alley.
 - 8) The alley shall not be blocked at any time except for when trailers are being backed onto the Property.
 - 9) No ATV, UTV or Off Highway Vehicle (“OHV”) rentals will be allowed to drive from the Property to a trailhead or backcountry road. All ATV, UTV and OHV rentals will be towed by trailer by the Applicant to a trailhead.
 - 10) No rentals will be allowed to occur on a road or trail when a closure has been issued by governmental entity.
 - 11) Dirt bikes can only operate on City streets if licensed and permitted in accordance with applicable laws. No vehicles shall leave the Property until after 9 a.m. unless the vehicles are trailered to a trailhead.
 - 12) The Property shall be maintained in a clean and orderly condition with gravel used to minimize mud onto the surrounding streets and alleys.
 - 13) The storage of new or used tires on the site is prohibited unless kept in an enclosed storage building or box.
 - 14) The Applicant shall remove the tires from under the building and install wood trellis or similar skirting.
 - 15) The Applicant will not wash vehicles so that spray goes onto surrounding properties to the west. The washing of vehicles in windy conditions that cause overspray onto surrounding properties is prohibited.
 - 16) The Applicant shall remove all improvements, trash, debris and materials from the Property when the use ceases.
 - 17) The conditional use permit shall be valid until September 29, 2023 unless it is revoked as provided for herein.
 - 18) If the terms of a conditional use permit are violated by the Applicant, upon a referral from City Staff, Planning Commission shall hold a public hearing on the alleged violation(s) and may either amend the conditions or revoke the conditional use permit approval. The public hearing shall be held in conformity with the conditional use permit public hearing provisions of the Municipal Code.
 - 19) All renters shall be fully informed of stay on the trail etiquette and the impact of tires on the tundra.
 - 20) The applicant is encouraged to complete improvements to make more of a bricks and mortar business.

DISCUSSION

Community Plan Update

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Hawkins gave information on upcoming Community Plan Update meeting dates and topics.

ADJOURNMENT

At 5:28 p.m. Commissioner Tyler moved and Commissioner Dunn seconded the motion to adjourn. A vote was taken and the motion passed unanimously.