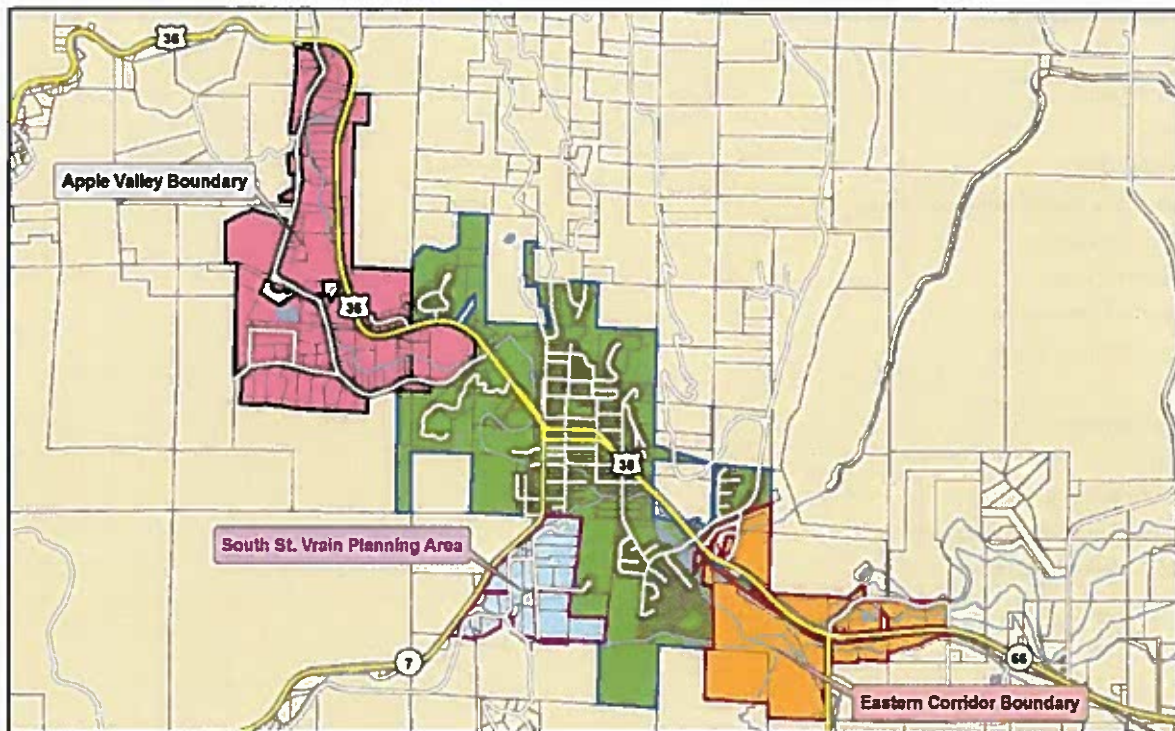


Lyons Primary Planning Area Master Plan

18 November 2016 – Draft Report



PRIMARY PLANNING AREA MASTER PLAN



Project Planning Partners

Property Owners Within and Adjacent to the Primary Planning Area

Lyons Residents and Outlying Stakeholders

Town of Lyons Staff

Lyons Boards and Commissions

- Board of Trustees

- Housing Recovery Task Force

- Planning and Community Development Commission

- Sustainable Futures Commission

- Utilities and Engineering Board

- Economic Development Commission

- Parks, Recreation and Culture Board

- Others, as needed

Lyons Area Chamber of Commerce

St. Vrain Creek Coalition

Boulder County Land Use Department

City of Longmont Redevelopment & Revitalization Division

State of Colorado Department of Local Affairs

Section 1:

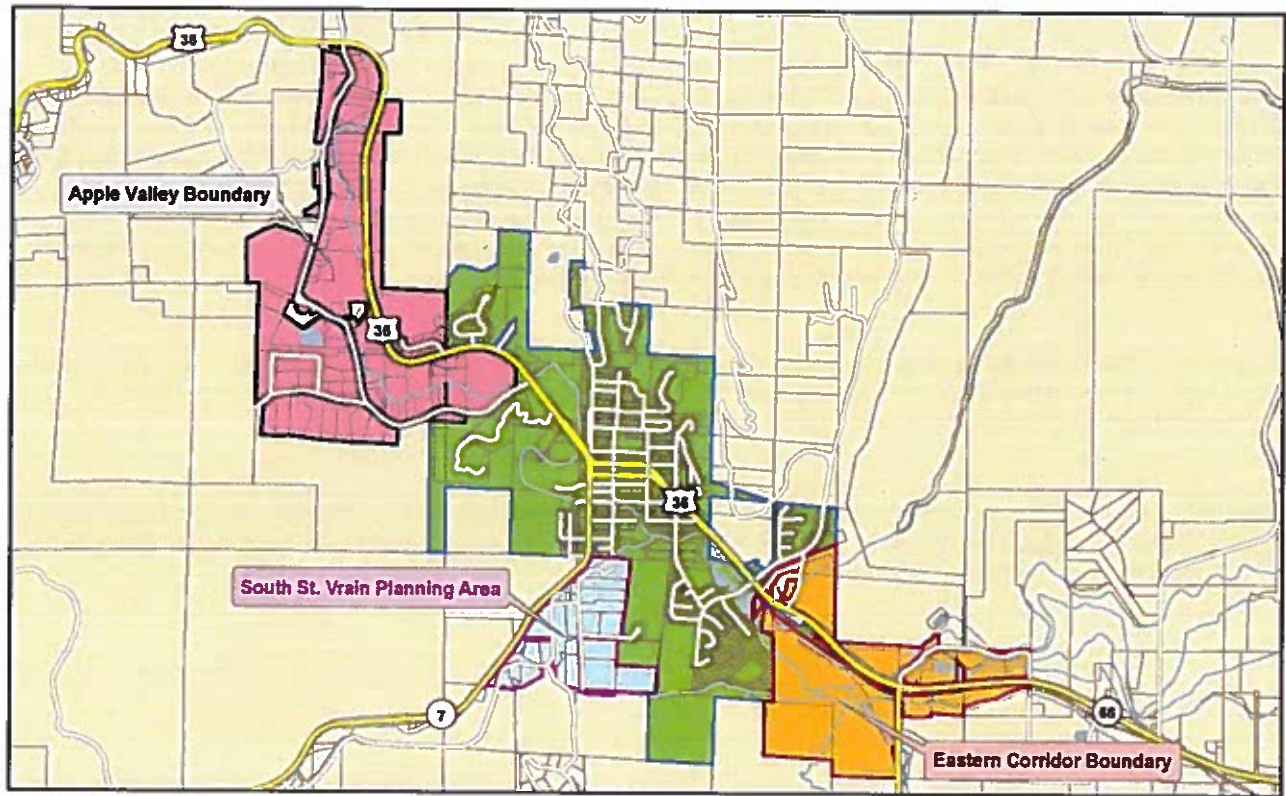
Introduction

During the first quarter of 2016, Ricker|Cunningham (RC), Real Estate Economists and Community Strategists, together with the Land and Transportation Planning Division of Kimley-Horn (collectively the “Consultant Team”), were retained by the Town of Lyons (the “Town”) to assist with preparation of the 2016 Lyons Primary Planning Area Master Plan (the “Plan” and “Master Plan”). The Lyons Primary Planning Area (“LPPA”, “Lyons PPA”, and “Study Area”) is made up of numerous parcels located adjacent to the town boundaries in Boulder County (the “County”). The original planning area was established through an Intergovernmental Agreement (“IGA”) between the Town and County in 2002, and subsequently amended, with its final boundary reflected in Figure 1-1. While the LPPA contains more than 800 acres, this effort specifically focused on three distinct “subareas” within the larger planning area including –the Eastern Corridor, Western Corridor (referred to herein as South St. Vrain) and Apple Valley, the boundaries of which are also reflected in Figure 1-1.

The LPPA may be defined as that area where the municipality (town) would consider expansion. The IGA serves as a shared agreement between two jurisdictions (Town and County) about where development is appropriate. The Master Plan will offer policy direction, and inform the prioritization of capital improvements in the Study Area.

Establishing a vision for this future growth area surrounding the town boundaries was identified as a key initiative in the Lyons Comprehensive Plan (the “Comprehensive Plan”), the community’s plan adopted by the Planning and Community Development Commission (the Commission) on 22 March, 2010, and ratified by the Board of Trustees (the BOT) on 5 April 2010.

Figure 1-1: Lyons Primary Planning Area



What is a Master Plan?



A community master plan, sometimes referred to as a master plan, or land use plan, is a policy document intended to communicate the collective intentions of a community with regard to land use, amenities, capital improvements, and services. Its geographic area of focus is within its municipal boundaries, as well as parcels located outside those boundaries with the potential of being annexed in the future. Audiences for this information include appointed and elected public officials, Town staff, developers, residents, business owners, and others invested in its sound growth and development.

The preparation of comprehensive community plans is a requirement set out in the state statute in Colorado. A complementary document addressing related matters for parcels located within its extraterritorial area, or urban growth boundary, has been required since 1987. This document is referred to as a three-mile plan.

Since both plans are deemed policy documents, additional resources are required to protect and advance the expressed objectives of each one. These generally include multi-jurisdictional agreements, often referred to as intergovernmental agreements, as well as regulations and standards for development, frequently embodied in its municipal code. Presented below is a definition for Primary Planning Area Master Plans, three-mile plans and intergovernmental agreements, as presented in the Colorado State Statute (taken verbatim).

Statutory Documents

The Colorado Revised Statute (C.R.S. or the "Law") authorizes cities and counties to prepare comprehensive plans as a long-range guiding document to achieve their vision and goals. In 1987, the state legislature amended the annexation law limiting municipal annexations to no more than three miles beyond the current territorial boundary in any given year. This restriction ultimately led to the requirement that municipalities prepare and adopt a three-mile plan prior to any annexation. A definition of these planning tools is provided below, along with an explanation of Intergovernmental Agreements (IGAs). The latter is provided due to the fact that the Town of Lyons uses an IGA with Boulder County as their planning tool for properties within their extraterritorial area (referred to herein as the "LPPA.")

Comprehensive Plan

Cities, towns and counties are authorized to prepare Comprehensive Plans as a long-range guiding document for a community to achieve their vision and goals. The Primary Planning Area Master Plan (or master plan) provides the framework for regulatory tools like zoning, subdivision regulations, annexations, and other policies. A Comprehensive Plan promotes the community's vision, goals, objectives, and policies; establishes a process for orderly growth and development; addresses both current and long-term needs; and, provides for a balance between the natural and built environment. (see C.R.S. 30-28-106 and 31-23-206).

Three-Mile Plan

In 1987, the state legislature made changes to annexation law limiting municipal annexations to no more than three miles beyond the current municipal boundary in any given year. Further, municipalities in Colorado are required to prepare and adopt a three-mile plan prior to annexing property into their territorial boundaries per C.R.S. 31-12-105 et. seq. The three-mile plan is a long-range plan that outlines where municipalities intend to annex property and describes how they will ensure the adequate provision of services within the newly annexed territory and the remainder of the existing municipality.

Intergovernmental Agreements (IGA)

An IGA is any agreement that involves, or is made, between two or more governments in cooperation to solve problems of mutual concern. Intergovernmental agreements can be made between or among a broad range of governmental or quasi-governmental entities, such as two or more counties, two or more municipalities, a municipality and a special Subarea, and so forth. Governments use IGAs for cooperative planning, development review, resource sharing, joint planning commissions, building inspection services, and more.

History of Agreements with Boulder County

- 2002 Lyons Planning Area Comprehensive Planning Area Development Plan IGA
- 2005 Amendment to the Original IGA for the Lyons Planning Area (LPA)
- 2011 Amendment to the Original IGA for the Lyons Planning Area
- 2012 Lyons Planning Area Comprehensive Development Plan IGA
- 2012 Lyons CEMEX Area Comprehensive Development Plan IGA
- 2012 Town of Lyons Resolution 2012 – 22, Approving the Proposed Acquisition by Boulder County of Certain Property within the Lyons Planning Area for Open Space and / or Conservation Purposes in Accordance with Section 5.1 of the Lyons Planning Area Comprehensive

Development Plan IGA

Plan Purpose

The purpose of this effort, preparation of the 2016 Lyons Primary Planning Area ("LPPA", "Lyons PPA", and "Study Area") Master Plan, is to understand conditions that will influence investment, as well as to identify and illustrate the type and location of desired improvements (public and private), within its boundaries.

Preparation of this Master Plan will:

- serve to advance several goals related to land use and growth within the community and its larger planning area, identified in the 2010 Lyons Comprehensive Plan update;
- provide direction regarding an approach for replacing residential units lost or significantly damaged during the 2013 flood;
- offer strategies to grow the local economy, a key objective of the 2010 Comprehensive Plan; and
- inform future amendments to the existing IGA with Boulder County and 2010 Comprehensive Plan.
- Whereas few specifics regarding feasible and desired uses within the LPPA have been documented, before properties in the LPPA can be considered for incorporation (annexation) into the Town, appointed and elected officials need to be provided with these details in accordance with the Town of Lyons 2010 Comprehensive Plan, Lyons-Boulder County Intergovernmental Agreement ("IGA"), Lyons Recovery Action Plan, Lyons Municipal Code, and other such documents.
- The 2016 Lyons Primary Planning Area Master Plan will not replace recommendations included in the 2010 Comprehensive Plan, but rather advance and supplement them, specifically related to recommendations regarding future investment in the LPPA.

Whereas few specifics regarding feasible and desired uses within the LPPA are provided for in either the Comprehensive Plan or IGA with Boulder County, the PCDC and BOT directed that a master plan for the planning area be prepared, so that they had an understanding of preferred and priority improvements. They recognized that before properties in the LPPA could be considered for incorporation (annexation) into the Town, there needed to be a shared appreciation of conditions that will influence future investment, along with the location of desired improvements (public and private), within its boundaries.

The purpose of this Lyons Primary Planning Area master planning initiative was to establish a vision for growth and development in the Study

Area, that is acceptable to both parties to the IGA and their constituents; and, to articulate that vision and any supporting directives, at a level of detail sufficient to inform future land use and annexation requests and decisions. Its timing was largely based on growing development pressure throughout Boulder County, and the significant loss of housing units within the town boundaries following the flood of 2013. Members of the Commission and BOT recognized the need for a shared understanding of conditions that will influence future investment, and a collective vision regarding the location of desired improvements (public and private) within its boundaries, prior (if possible) to receiving development requests by private interests that may or may not be familiar with the community, its history, and aspirations.

Note that this 2016 Lyons Primary Planning Area Master Plan will not replace recommendations presented in the 2010 Comprehensive Plan, but rather advance and supplement them, specifically related to recommendations regarding future investment in the LPPA.

Compliance with State and Local Requirements



This Lyons Primary Planning Area Master Plan has been prepared in accordance with relevant sections of the Colorado Revised Statute. In addition to complying with state laws, it has been prepared in accordance with local regulations, as well. According to Town Charter of Lyons, a Home Rule Municipal Corporation, and Section 11-4. Functions of Planning and Zoning Commission of the Municipal Code, “(a) The Planning and Zoning Commission shall prepare and adopt, and may amend from time to time, the master plan for the physical development of the Town. No such master plan, or any amendment thereto, shall become effective until approved by the Town Board. (b) The Planning and Zoning Commission shall hold the initial hearings relative to proposed subdivision plats, proposed re-zonings, and such other matters as are established by ordinance, and shall make recommendations thereon to the Board. (c) Except as otherwise provided by Charter or by ordinance, the Planning and Zoning Commission shall have the powers, perform the functions, and follow the procedures, as set forth in the State statutes.”

Consistency with Other Plans

Town of Lyons 2010 Comprehensive Plan

As reflected in the following excerpts (taken verbatim), advancing a vision for growth in the LPPA was identified as a key initiative in the Lyons Comprehensive Plan (the “Comprehensive Plan”), the community’s master plan adopted by the Planning and Community Development Commission (the “Commission” and “PCDC”) on 22 March, 2010, and ratified by the Board of Trustees (the BOT) on 5 April 2010.

Guiding principles expressed in the Comprehensive Plan which the planning process for the LPPA will advance include the following.

Chart Our Future

- Clearly articulate the Town's interests in expanding the Lyons' Planning Area (the "LPA")* by proactively engaging with private and government stakeholders to make collaborative land use decisions.
- Improve and maintain our relationships with neighboring municipal and county governments to effectively address LPA and regional issues.
- The LPA was the original growth area for the Town described in the first Intergovernmental Agreement between Boulder County and the Town of Lyons, adopted in 2002. The LPPA is the current growth area for the Town which includes properties in the LPA, as well as additional parcels added during subsequent amendments to the IGA.
- Balance the demands of trying to achieve environmental and economic sustainability with community character and historical preservation and the rights of property owners.

Economic Sustainability

- Provide enough revenue for Town government to provide the quantity, type and quality of services desired by residents and businesses.
- Promote a business-friendly environment that encourages commercial and job growth according to community members' vision and desires.
- Transition from a residential-development based economy to a commercial-based, localized economy.
- Reduce retail leakage and attract Front Range day-trip tourists to support the local economy.
- Provide cost-efficient management of:
 - Tax dollars and
 - Town-owned assets (equipment, real property, life systems and real estate).

Quality of Life, Social Well-Being, Sustainability

- Support the public and private provision of cultural, educational, social and healthcare services.
- Provide for transparency and clarity in Town decision-making and management of Town assets.
- Sustain Lyons' key characteristics, as defined by residents' vision and desires:
 - Small-town atmosphere,

- Support of the arts, education and historical preservation,
- Cultural diversity,
- Parks, trails and recreational opportunities and
- Holistic approach to sustaining the natural beauty and resources of Lyons and the surrounding area.

Environmental Sustainability

- Consider the net environmental costs and benefits of Town of Lyons government activities and decisions.
- Facilitate residents' and businesses' efforts to provide a net environmental benefit from their activities and operations through incentivization, recognition and education.
- Follow the general principles in the Boulder County Sustainable Communities Initiative.
- Follow the general principles in the Boulder County Sustainable Energy Plan (to which the Town of Lyons is signatory).

ECONOMIC DEVELOPMENT GOAL 1: Create an environment in which local businesses can prosper.

Economic Development Objective 1.1: Create space for local businesses.

Economic Development Strategy 1.1.1: Renegotiate the Intergovernmental Agreement (the "IGA") with Boulder County to include the expanded Lyons' Planning Area as set forth in this plan.

Past Efforts

Reports and analyses prepared prior to this assignment, many of which served as a foundation for this effort, include those listed below.

Lyons Recovery Action Plan
Lyons 2010 Comprehensive Plan
Lyons Municipal Code
Lyons Environmental Sustainability Action Plan
Lyons Area Urban Renewal Plan
Sustainable River Corridor Action Plan
St. Vrain Creek Watershed Master Plan

Lyons Drainage Master Plan

Active studies and plans include this Lyons Primary Planning Area Master Plan, along with the Sanitary Sewer System Expansion Feasibility Study. The findings from both efforts are informing the other.

Community and Stakeholder Affordable Housing Goals

The desire to expand and diversify the community's inventory of affordable and attainable housing units was expressed long before adoption of the 2010 Comprehensive Plan Update and studies completed following the flood of 2013 regarding essential elements of a comprehensive flood recovery initiative. Early versions, and subsequent amendments, of the IGA between the Town and County, highlighted the importance of collaborative efforts to advance development of affordable housing.

An effort conducted in parallel to this LPPA master planning project involved several BOT-appointed stakeholders charged with articulating establishing a framework for advancing affordable housing goals in the community. The results of that effort are summarized here in the context of a mission statement; and, proposed guidelines addressing development targets, developer incentives, and appropriate locations for new development.

Mission Statement

The Town of Lyons considers affordable housing to be an important aspect of the community, as important as trails, parks, open space, libraries, and other aspects of the community.

Guidelines

No. 1 – All new residential developments in the town will be required to build 20% of their total units as deed-restricted permanently affordable for residents who make 60% or less of Area Median Income (AMI).

No. 2 – The Town will provide incentives to developers who elect to build additional permanently affordable units beyond the required 20% for a residential development.

No. 3 – Consider tap fees.

No. 4 - The Town should explore the option of assessing a fee or a tax to support permanently affordable housing in an effort to offset reduced or waived water and sewer tap fees.

No. 5 - Affordable housing will be dispersed throughout the town and integrated into the existing community fabric.

No. 6 – The Town zoning regulations shall consider adding multiple higher density residential zones to facilitate future higher-density affordable housing.

No. 7 – The Town will consider incentivizing or requiring the use of green building techniques promoting energy and water efficiency and the use of sustainable building materials for affordable housing.

No. 8 – The Town will consider incentives for nonprofit affordable housing solutions, including projects that honor sweat equity from qualified residents benefiting from the housing subsidy.

No. 9 – The Town will require the use of a development agreement between the Town and any private or non-profit development entity.

No. 10 – The Town will conduct a Housing Needs Assessment once every 10 years or prior to initial planning for the revision of the Town's Comprehensive Plan.

Discussions among BOT members resulted in certain modifications to the guidelines presented above, raising the household income target to 80% of AMI, and lowering the inventory target to 10% of the area's housing stock. Following presentation of the housing policy document to the BOT in the summer of 2016, additional community input was solicited through an online survey made available on the Town's official website. Highlights of the survey results are described as follows.

Among those individuals that responded, 84% were residents of Lyons, 11% were non-residents, but reside within the 80540 zip code located within the Lyons Primary Planning Area, and the remaining 5% were neither residents or area residents. Concerning the importance of having an available inventory of affordable housing in the community, 41% and the majority, considered it "essential." Twenty-four percent (24%) thought it was "very important," 21% "somewhat important," 13.1% "not important," and fewer than 1% were "unsure."

Among those respondents that deemed affordable housing "essential" and "very important," did so as they considered it a solution to the following four issues (presented in order of importance):

- 64.2% maintain / increase diversity

- 63.1% provide housing for residents displaced by the flood
- 63.1% allow local employees to live in Lyons
- 60.9% provide housing for seniors

In terms of specific strategies which the Town should employ in an effort to advance key affordable housing and economic development goals, 74.6% of the survey respondents believed the Town should purchase and annex property in the Eastern Corridor, with fewer than 23% objecting to this approach.

Planning Process and Community Involvement

The content of this Lyons Primary Planning Area Master Plan reflects a combination of quantitative discovery and qualitative input. Throughout the planning process, consultants for the Town sought to engage Lyons's residents, business owners, and others with local knowledge and a special interest in the community's future. Feedback provided by engaged residents, business owners, community leaders, Town Staff, and other key stakeholders directly shaped the components of this Plan.

Planning Process

In addition to technical analyses, a variety of venues were afforded stakeholders, along with town residents and business interests, to provide input regarding an overall vision for the LPPA at-large, and specific recommendations within the three subareas. These forums included: small group and one-on-one meetings, both in-person and by phone; an interactive project page accessible via the Town's web page; and, a series of community work sessions where a framework for public improvements and an overview of potential land use concepts were profiled and evaluated. Overseeing the entire strategic planning process was an Advisory Committee of representatives from various private, public and institutional entities. With their familiarity of the LPPA and community at-large, their input and participation was considered essential for successful implementation of the Plan. In addition to discussions with stakeholders, representatives of the Project Team made presentations to various groups including the PCDC and BOT.

In an effort to allow stakeholders the opportunity to participate in all of the work sessions for all of the subareas, or just those related to a specific subarea, a schedule of meetings was established such that the planning effort focused on only one subarea at a time. The first one to be

studies was the Eastern Corridor, followed by the South St. Vrain and Apple Valley subareas. The order was dictated by annexation moratoriums that had been established so as to allow for this planning effort to provide appointed and elected officials with an understanding of conditions and desired improvements. The moratorium with the shortest deadline, May 4th, impacted properties in the Eastern Corridor Subarea. The second moratorium deadline, July 14, impacted properties in the remaining two subareas. Whereas the entire planning assignment is projected to run through the Fall, PCDC and the BOT requested that interim documents be prepared that outlined the findings and vision for the Eastern Corridor and South St. Vrain subareas. With this information, members of these groups would be in a position to begin considering any requests for annexation and their associated developed plans, relative to any input received to-date.

Outcomes resulting from this planning initiative, as stated in the Town's request for professional services, include:

- advancement of goals related to land use and growth within the community and its larger planning area, many of which are described in the 2010 Lyons Comprehensive Plan;
- direction regarding an approach for replacing residential units (many of which could be classified as affordable) lost or significantly damaged during the 2013 flood;
- strategies to grow the local economy, a key objective of the 2010 Comprehensive Plan in the context of the community's economic development goals; and
- an understanding of conditions that can inform future amendments to the existing IGA with Boulder County and 2010 Comprehensive Plan.

Note: This 2016 Lyons Primary Planning Area Master Plan will not replace recommendations presented in the 2010 Comprehensive Plan, but rather advance and supplement them, specifically related to recommendations regarding future investment in the LPPA.

Public Involvement

In addition to site and area reconnaissance, technical analyses of the real estate and investment markets, and review of regulating and policy documents, a key component of this planning effort were a series of discussions in a variety of venues designed to solicit insight and ideas from local and regional stakeholders regarding growth in the LPPA and specific Subareas.

Outlets for input included:

- small group and one-on-one meetings (in-person and by phone);
- an interactive project page accessible via the Town's web page; and,
- series of workshops wherein various public and private improvement concepts were presented and discussed.

While all property owners of record were invited to attend any or all of the meetings in the respective subareas, many chose to limit their participation to their specific geographic area of interest.

Workshops which addressed conditions and investment opportunities in the three subareas were held on the following dates in the locations identified here.

Eastern Corridor Meetings

Location: Rogers Hall

Thursday, March 17

Thursday, April 14

Thursday, April 28

South St. Vrain Corridor Meetings

Location: Lyons Fire Protection District

Tuesday, May 17

Tuesday, June 14

Tuesday, June 28

Apple Valley Meetings

Location: River Church

Tuesday, July 19

Tuesday, August 16

Thursday, September 8

"10th Meeting"

Location: Rogers Hall

Thursday, October 20

More than 50 individuals participated in one or more of these meetings with participants including:

- home and business owners
- renters
- property owner representatives
- developers and real estate professionals
- residents of the Town and Boulder County

Plan Components

As explained above, this Lyons Primary Planning Area Master Plan consists of the following components, all of which are defined here:

Planning Area ...

Vision Statement

The Community Vision describes desired attributes and qualities Lyons will possess near- and long-term, as articulated by its residents, business owners, community leaders, and others with a stake in its success.

Guiding Principles

Guiding Principles are defined as representing a broad philosophy that guides an organization or entity throughout its life in all circumstances, irrespective of changes in its goals, strategies, or leadership at any level. In this application, they should be considered in instances where there is ambiguity between a specific land use or zoning request and the stated intent of a Subarea Development Concept; as well as when considering an appropriate role for the Town when partnering to advance priority projects.

Strategic Public Initiatives

Strategic Public Initiatives reinforce their respective goal and identify essential elements of the community “infrastructure” necessary for effective decision-making related to land use, capital investments and available resources.

Section 2:

Existing Conditions

Planning for the development of communities and markets within them requires an understanding of key conditions, both visible and non-visible, all of which can influence development decisions. The discussion which follows provides an overview of those conditions that individually, and collectively, offer an indication of how "ready" the LPPA is for new investment and reinvestment.

Physical Conditions

Physical conditions, both natural and man-made, can influence not only the type of land uses that develop within a certain geography, but also their format -- horizontal or vertical, above grade or below. Taken independent of regulations, they can impact the: location and configuration of buildings; capacity of affected parcels to accommodate development and redevelopment; and, land use pattern of an entire geography.

The following sections summarize physical conditions and parcel characteristics in each of the three subareas. Maps depicting these conditions and characteristics are included in the Appendix.

Eastern Corridor Subarea

Among the 191 properties and more than 800 acres that comprise the LPPA, 45 properties totaling 270 acres, are located in the Eastern Corridor Subarea. Similar to significant portions of the larger Study Area, the Subarea maintains a significant number of improved residential properties, most of which are rural in character. Unlike the balance of the Study Area and other Subareas, the Eastern Corridor is also host to a sizable percent of the community's non-residential uses, both commercial and industrial. While all three subareas are served by region-serving roadways, conditions that favor commercial development including direct access, visibility, site configuration, and traffic activity, are limited to the Eastern Corridor.

Anchored at its eastern edge by the intersection of US 36 and SH 66, given its proximity to US 36, the region's northeastern connection to Denver through Boulder, and southwest connection to the mountain community of Estes Park and Rocky Mountain National Park; the Subarea serves as both a town and regional gateway. US 66 which bisects the Subarea and eventually transitions into East Main Street, offers a rare opportunity for private investment catering to day- and nighttime consumers, both residents and visitors. As the town's primary transportation

corridor, it provides potential for employers desiring a strategic location equally distant from the central Front Range communities of Boulder and Longmont. Opportunities to enhance the area's aesthetic appeal are afforded by its proximity to the Saint Vrain Creek which extends west for approximately 1.2 miles to Highland Drive, established tree stands which line the CO 66 corridor, and visible rock formations.

The existing pattern and character of development within the Eastern Corridor is largely comprised of a mix of destination meeting and event venues, new and aging stand-alone and strip retail centers, restaurants, and highway-serving operations including a gas station. Other improvements include an abandoned water treatment facility surrounded by low-density single family housing units, a commercial nursery, and sales facilities associated with a nearby quarry.

Existing Conditions

A variety of conditions exist in the Subarea that individually and collectively impact the type, location, quality and character of development within its boundaries. These conditions or influences generally fall into one or more of the following categories: market, financial, physical, regulatory, and political. While all of them are described in greater detail in the full Plan, those that present the most-costly obstacles to investment are discussed as follows.

Many of the Subarea's natural features including: Saint Vrain Creek and associated floodplain, wetlands, wildlife habitats, and geological features, while enhancing the area's aesthetic appeal, also have a limiting impact on development, and in certain instances, pose a hazard to non-vehicular movement. Man-made elements including: an historic archaeological site, public infrastructure and utility facilities, irrigation laterals, and roadways, also serve as both amenities and obstacles depending on their location, capacity, and condition. The Eastern Corridor is located below the Town's wastewater treatment facility, while its eastern most lift station is located nearly a quarter mile east of Stone Canyon Drive near US 36. Additional development in the Subarea will require the extension of sewer lines and a lift station. Similar to these, the characteristics of individual parcels in the Subarea, including their size, configuration and ownership structure; impact the area's ability to support desired land uses and development projects.

Regulatory impacts on development throughout the larger LPPA and individual Subareas, are currently prescribed by County codes for all properties located outside of the Lyons municipal boundaries; and, Town agreements with individual property owners on select properties within the various subareas, many dating back multiple decades. Upon annexation to the town, development will be informed by its municipal code and all adopted design and development guidelines that may be in effect. The IGA between Boulder County and the Town of Lyons describes locations where development may and may not occur, some of which are impacted by conservation easements that run with certain

properties, and others designated as Lyons Interest Area / Rural Preservation Areas (LIA / RPA). Within the Eastern Corridor, the IGA designates approximately 65 acres, or 24% of the subarea, as part of a “no-build zone,” and thereby precluding any development within these parcels. While a portion of the “no-build zone” is impacted by steep slopes or its adjacency to archeologically-significant sites, several acres are located adjacent to the highway corridor, presenting some potential for development of non-residential uses.

In addition to restricting the location of future development, the IGA also describes land use and density limitations within select properties or portions of properties. In addition to the IGA, certain Town policies limit the Study Area’s total developable acreage. Other practices and rules induce a level of uncertainty that effectively translates into a heightened level of risk and diminished threshold of feasibility for most annexation efforts. Additional Town-imposed rules restrict the productive reuse of publicly-acquired properties.

Among all of the conditions present within the Subarea, the ones with the greatest influence on development are those that effectively limit the area’s developable acres and development sites including: the location of physical accommodations for drainage (irrigation laterals), absence of adequate infrastructure to serve new and more intense uses (water and sewer); and, specific terms expressed in the IGA between the Town and County, particularly related to restrictions on access to and within certain parcels; and, Town agreements and rules. The net effect of these and other factors reduce the Subarea’s approximate 275 gross acres to fewer than 56 unencumbered acres, or approximately 20% of the entire area.

South St. Vrain Corridor Subarea

Among the 191 properties and more than 800 acres that comprise the LPPA, 30 properties totaling approximately 117 acres, are located in the South St. Vrain Corridor Subarea. Similar to significant portions of the larger Study Area, improvements in the Subarea are almost entirely comprised of low-density residential units, most of which could be classified as either rural and / or agricultural in character. Despite the presence of CO 7, a region-serving roadway, opportunities for future non-residential development are expected to be limited for the foreseeable future to temporary structures (e.g., produce stands and farmers’ market). Constraints that preclude formal commercial operations include insufficient traffic counts (vehicular and non-vehicular), formal points of access (lack of curbs and gutters or driveways), irregular parcel configurations, and the presence of a floodplain.

As cited above, the existing pattern and character of development in the South St. Vrain Subarea is nearly entirely low-density residential, served by unimproved roadways (suboptimal by municipal standards which require curbs, gutters, sidewalks and adequate lighting). Other improvements are primarily public facilities and accommodations associated with the presence of South St. Vrain Creek.

Existing Conditions

A variety of conditions exist in the Subarea that individually and collectively impact the type, location, quality and character of development within its boundaries. These conditions, or influences, generally fall into one or more of the following categories: market, financial, physical, regulatory, and political. While all of them are described in greater detail in the full Plan, those that present the most-costly obstacles to investment are discussed as follows.

While providing a heightened level of aesthetics, the Subarea's adjacency to the South St. Vrain Creek and Boulder County open space serve as limiting conditions to development. For instance, the presence of a critical wildlife habitat, floodplain and wetlands, collectively reduce the area's development acreage from approximately 117, to 56 acres. Man-made elements such as irrigation laterals, while also present, pose less of an obstacle, while the lack of adequate (municipal-level) water and sewer service, a condition shared by all of the subareas, has kept levels of investment modest.

In addition to physical conditions, regulations impact development throughout the larger LPPA and within individual subareas, all of which are prescribed by County codes for properties located outside the Lyons municipal boundaries. The IGA between Boulder County and Town of Lyons, while only an agreement, identifies parcels within which development may and may not occur, some of which are impacted by conservation easements, and others designated as Lyons Interest Area / Rural Preservation Areas (LIA / RPA). Within the South St. Vrain Corridor, approximately 25 acres, or nearly 20% of the Subarea acreage is controlled by a conservation easement, a portion of which is further limited by unilateral agreements between the Town and select property owners, and an additional acre designated Boulder County open space. A Town rule that could effectively limit the long-term potential for development in the Subarea is related to the reuse of publicly-acquired land, specifically park space.

In combination, conditions present within the Subarea, including the presence of: floodplains and flood ways, a wildlife migration corridor, County-owned open space, conservation easements, and other Town-imposed agreements and rules, decrease the Subarea's 117 gross acres to almost 37 acres, resulting in a reduction of more than 60%.

Apple Valley Subarea

The Apple Valley subarea includes 127 properties on 498 acres. The subarea includes a range of parcel sizes, with the largest parcels approximately 30 acres in size and the smallest developed parcel is approximately .6 acres in size. The area is located northwest of the Town of Lyons. The study area retains a distinctively rural feel because, like the South St Vrain Study area, the North St. Vrain Creek separates the Apple Valley from US36 and the Town of Lyons. The area is heavily influenced by both the floodplain of the North St Vrain Creek and the steep slopes which frame the valley.

Existing Conditions

Environmental constraints of the valley tend to isolate and separate the study area from the Town of Lyons, impacting its development potential. Specifically, the constraints include the subarea's: publicly owned properties; topography and steep slopes; the North St. Vrain floodplain; and wildfire risks. Additionally, the subarea's limited access, visibility, and connectivity to public infrastructure limit both commercial and residential opportunities.

The subarea is surrounded by publicly owned properties. Internal to the study area, Boulder County is acquiring properties impacted by the 2013 flood, limiting the development opportunities in the study area. Properties purchased through the County's flood buy-out program will be required to remove built structures and retain public ownership. While the buy-out of these properties have not been finalized, from a planning perspective, they generally follow the 100-year floodplain of the North St. Vrain Creek. The combination of limited access and the 100-floodplain practically eliminate all viable commercial and higher density residential development opportunities in the subarea. The 100-year floodway and floodplain separate developable land in the study area from US36, constraining nearly 22% of the total land area eligible for annexation. The identified wetlands and sensitive wildlife habitats share the general shape of the existing 100-year floodplain. Land owners wishing to build in the floodplain would be required to obtain a floodplain development permit. Floodplain regulations would allow development if the landowner can demonstrate the proposed development would be built 2-feet above the 100-flood elevation. Development within the floodway is prohibited by Town regulations. Based on this information, best practices suggest not allowing development within the floodplain in the Apple Valley subarea above what is currently allowed in the County rural residential regulations.

Most the subarea is in what is termed a "high" risk wildfire area. Smaller portions of the subarea having steeper slopes are in the "severe" wildfire risk category. It is important to note the "severe" fire risk areas of the subarea are generally located in, or near the North St. Vrain's 100-year floodplain. Unlike the 100-year floodplain, there are no local, state, or federal constraints associated with wildfire risk. However, as annexation requests from the Apple Valley are processed, best practices suggest no additional densities beyond what is allowed under county regulations be allowed in areas identified as having a "sever" fire risk. Allowed land uses in the Apple Valley should follow fire management best design practices of clustering homes and reducing fuels to minimize risks. Compounding the wildfire risk challenges within the subarea, the

Apple Valley is constrained by its topography and surrounding slopes. 246 acres (49%) of the Apple Valley subarea has slopes exceeding 20%. Wildfire risks and the difficulties of construction on steep slopes limit the development potential of nearly half of the Apple Valley.

The Apple Valley's limited access and visibility to US36 constrain all viable commercial and higher density residential development opportunities in the study area. Further, the rural design, the slower speed geometrics, and limited facilities for bicyclists and pedestrians on Apple Valley Road suggest safety improvements are needed to accommodate existing and future traffic anticipated with any additional development in the Apple Valley. Traffic calming measures and a parallel walkway/trail are needed along Apple Valley Road to improve safety for all modes of travel and retain the rural qualities of the Apple Valley.

The Apple Valley subarea has limited access to municipal infrastructure. The Apple Valley can be gravity fed to the City's wastewater treatment facility. Municipal infrastructure could follow the North St. Vrain Creek or Apple Valley. The costs of these extensions have been estimated at approximately \$1 million and are not considered cost-prohibitive.

The Apple Valley Study Area appears to have approximately 80 acres of its nearly 500-acre study, or only 16% available for development densities above the existing County densities.

In summary, four key issues and opportunities frame the Apple Valley LPPA:

1. The Apple Valley subarea is physically the most separated within the LPPA.
2. Most parcels within the Apple Valley subarea are located within either a High or Severe Area of Concern from Wildfires.
3. Floodplain and wetlands separate development opportunities from US Highway 36.
4. Apple Valley Road's rural street design limits development potential of the subarea.

Parcel Characteristics

Property Ownership

The LPPA consists of 191 parcels, comprising approximately 800 acres. Most notable about the Area's owners is the number (or percent) with a local presence. Specifically, approximately 85 percent of LPPA properties are owned by an individual or interest with either a Lyons, Longmont, Boulder, or Denver address. Comparatively, 10 percent of the properties are owned by an entity from "Other Colorado Cities" and only 5 percent by an "Out-of-State" interest. In any development or redevelopment effort, it is important to understand whether owners are present or "absent," as this can be a measure of commitment, or interest in affecting change.

Property Utilization

Property utilization in this context is measured by quantifying the ratio between improvement and total value, as this may indicate that land values are supporting appropriate levels of investment, and that existing development patterns among improvement properties are relatively efficient. For the most part, there is a comparatively low level of under-utilization within each of the three subareas, meaning, that there are a moderate number of parcels that are either vacant, have only improved a portion of their property, or have an improvement value disproportionately small compared to the land value. It may also suggest that the reason some parcels are undeveloped, is due to the cost-prohibitive impact of developing sites with limited utility.

While vacant properties may seem like obvious investment targets, less obvious are parcels with a land value that can support a higher and better use, or in other words, those with a disproportionately high land to improvement value, whereas they too can be “ripe” for investment. A critical component of any redevelopment effort is to understand the entire inventory of sites with development and redevelopment potential, making this type of analysis essential whereas viable parcels cannot be identified through physical observation alone.

As noted, maps depicting these parcel characteristics are included in the Appendix.

Limiting Factors within All Three Subareas

1. Existing IGA / physical conditions limit how much development can be accommodated and where within all three subareas
2. Physical conditions limiting total developable area include – easements, limited access, lack of water and sewer, irrigation laterals (ditches), floodways and floodplains, parcel sizes and configurations
3. Average size of parcels and developable area within parcels will limit the potential for unified development programs in the LPPA (assemblages will be essential)
4. Available parcels for commercial retail development are limited to those within the Eastern Corridor
5. Market support for retail store types is limited over the near- and mid-term and primarily limited to destination and entertainment segments
6. There are market supported opportunities for a range of affordable housing products, however financial infeasibility to develop with private money

Section 3:

Market Overview

Introduction

Long-term community planning requires an understanding of the physical limitations of the area, as well as its market. The market analysis summarized herein focused on identifying opportunities for market-supported land uses within the Town of Lyons (the Town) and, more specifically, within the Lyons PPA. The purpose of the market analysis in the context of a planning effort such as this is fourfold:

- Provide a “reality check” for the conceptual planning effort;
- Ensure that recommendations are grounded in market and economic reality;
- Set the stage for implementation; and
- Provide an accurate and independent “story” to tell potential development and investor audiences.

The analysis showed that there are market opportunities for the Town to capitalize on and, that with strategic public and private reinvestment and supportive policies, it could be successfully positioned to “capture” select niche and destination land uses.

Trade Area

A Trade Area is intended to represent that area from which uses will capture a share of market demand. Factors that influence the shape of a trade area include: physical and psychological barriers; presence of activity generators; travel patterns and thoroughfares; competition; neighborhood and employment concentrations; and others. Based on these factors, the trade area was determined to be all of Boulder County.

Economic and Demographic Characteristics

Economic and demographic characteristics in the market are indicators of overall trends and economic health which may affect private and public sector development. The following summarizes economic and demographic trends which will affect development demand in Lyons over the near- and long-term. Since Lyons will compete with a larger geographic area, demographics are also shown for Boulder County (see Table 3-1).

- The Town of Lyons compares favorably to Boulder County in population and household growth.
- The Town has a lower share of non-family and renter-occupied households and a slightly older population.
- The Town compares favorably to the County in terms of income and education level, but shows less ethnicity.

Table 3-1
Lyons Trade Area Demographic Summary

2015 Indicator (unless otherwise noted)	Town of Lyons	Boulder County
2010 Population	2,033	294,567
2015 Population	2,168	309,226
2015 Households	925	125,583
Annual Household Growth Rate (Projected through 2025)	1.8%	2.0%
Average Household Size	2.4	2.39
Percent Non-Family Households	35%	42%
Percent One- and Two-Person Households	63%	62%
Percent Renters	28%	37%
Percent Age 65+	8%	10%
Percent Age 0-17	24%	22%
Median Age	40.4	35.8
Percent With Bachelors Degree	56%	58%
Median Household Income	\$74,375	\$67,403
Percent With Income Below \$25,000	14%	9%
Percent With Income Over \$100,000	39%	46%
Percent Hispanic	6%	12%
Percent Black/African-American	1%	1%
Percent Asian American	1%	4%

Source: U.S. Census; DRCOG; ESRI, Inc.; and Ricker/Cunningham.

Lifestyle Segments

Psychographics is a term used to describe the characteristics of people and neighborhoods which, instead of being purely demographic, speak more to attitudes, interests, opinions and lifestyles. Tapestry (ESRI, Inc.) is a leading system for characterizing neighborhoods into one of 67 distinct market segments. Commercial retail developers are interested in understanding a community's psychographic profile, as this is an indication of its resident's propensity to spend across select retail categories. Residential developers are also interested in understanding this profile as it tends to suggest preferences for certain housing product types. Boulder County, and the Town of Lyons in particular, are dominated by upper class psychographic segments, indicating high incomes and high disposable retail spending (see Table 3-2).

Table 3-2
Lyons Trade Area Psychographic Summary

Tapestry Segment	2015 Households	% of Total Households	U.S. Index=100*
Urban Chic	22,671	18.1%	1,369
Emerald City	9,120	7.3%	515
Dorms to Diplomas	8,583	6.8%	1,342
Professional Pride	7,738	6.2%	386
Enterprising Professionals	6,415	5.1%	369
Metro Renters	6,063	4.8%	324
In Style	5,984	4.8%	212
Boomburbs	5,936	4.7%	313
Savvy Suburbanites	4,815	3.8%	129
Old and Newcomers	4,673	3.7%	160
Total Above Segments	81,998	65.3%	--
Total Trade Area	125,583	100.0%	--

* Indicates concentration of this segment relative to U.S. average. A segment index of 200 would mean that this group contains 2 times the concentration of households compared to the average U.S. neighborhood.

Source: ESRI and Ricker|Cunningham.

Tapestry data can be organized into Urbanization Groups. Urbanization Groups indicate the type of living environment that different people are drawn to, based on geographic and physical features such as population density, size of city, location in or outside a metropolitan area, and whether it is part of the economic and social center of a metropolitan area.

As shown, over 52% of Boulder County households fall into the Suburban Periphery Urbanization Group. Still, approximately 13% of total households prefer more urban living environments (see Table 3-3).

Table 3-3
Lyons Trade Area Psychographic Summary – Urbanization Groups

Urbanization Group	2015 Households	% of Total Households	U.S. Index=100*
Suburban Periphery	65,822	52.4%	168
Metro Cities	39,392	31.4%	181
Principal Urban Center	8,286	6.6%	83
Urban Periphery	7,561	6.0%	36
Semirural	2,772	2.2%	29
Total Above Groups	123,833	98.6%	--
Total Trade Area	125,583	100.0%	--

* Indicates concentration of this segment relative to U.S. average. A segment index of 200 would mean that this group contains 2 times the concentration of households compared to the average U.S. neighborhood.

Source: ESRI and Ricker | Cunningham.

Industry Trends

The Urban Land Institute (ULI), the lead membership organization representing real estate professionals nationally and internationally, issues an annual report based on input from its member developers, lenders and investors regarding prospects and product changes in the coming year. The following trends will have impacts on new development and redevelopment, not only nationwide, but in and near the Lyons Trade Area specifically.

Employment Space

- Warehousing continues to stand out as a strong prospect in both investment and development, reflecting the expanding influence of e-commerce distribution networks, e.g., fulfillment centers.
- Industrial space is being designed and located where it can meet the needs of online retailers with ever faster delivery times, increasingly in flex-office space.
- Investment and development prospects for research and development (R&D) are expected to improve, fueled by growth in the medical and technology industries.
- Telecom and computer innovations have made going to an office superfluous for many workers.

Retail

- Retail demand will continue to be driven by the needs and desires of Generation Y (the Millennials) and the Baby Boomers. Retail product types and locations will have to respond to the lifestyle characteristics of these two consumer groups.
- “Main Street” retail will continue to outperform other retail products, as it fits with the migration of population into urban environments. However, it will be easier in markets with high volumes of traffic, population density, local employment generators, educational campuses, government offices and institutional operators such as hospitals.
- Retail’s healthiest products today, and for the foreseeable future, will be at either end of the “barbell,” value retailing and the luxury segment, mirroring national and regional trends in income disparity.
- Smaller shopping centers are considered a “good” investment prospect, as long as they appropriately target each neighborhood’s different mix of tenants and formats.
- Smaller shopping centers are benefitting from the push toward “organic food products,” and stores that sell them, which often range in size from 20,000 to 25,000 square feet. Along these same lines, restaurants and food outlets are emerging at an unprecedented pace.
- There is a growing comfort among consumers with the emergence of professional offices in traditional retail centers, hosting massage therapists, dentists, yoga studios, fitness centers, and a range of medical doctors including plastic surgeons. Instead of thinking of these providers as strictly service providers, they are now considered a form of entertainment that reflects lifestyle preferences.

Residential

- Urbanity in the suburbs (not just walkable new urbanist designs, but programming of space to encourage active lifestyles) will continue to be in demand as many consumers continue to be priced out of inner-Town locations.

- Shared amenities including parks, trails and open space will continue to be seen as an increasingly palatable alternative to large yards.
- Smaller household sizes, former homeowners (who lost homes), the high mobility rate among younger generations and an expanding population base will continue to drive demand for market-rate rental housing units, both attached and detached.
- Garden-style apartment development prospects will begin to decline with supply peaking this year and next as units that are incomplete but in the system are delivered to the market.
- The demand for senior housing will see sustained growth as the population ages.
- Student housing will attract a larger development and investment audience given the fact that fewer institutions are building it themselves.

Green Development

- Sustainable building concepts will become standard in next-generation projects and existing buildings will increase efficiencies and retrofit new systems in order to compete.
- “Green” is considered a right of entry into the market since many corporations and governments have established policies and regulations making it mandatory.
- Greener speculative buildings and proximity to transport options will continue to command higher rents.

Market Demand

In order to identify potential market opportunities given Lyons’s competitive position and prevailing market conditions, market demand estimates were prepared for residential, retail, and employment (office/industrial) land uses over the next 20 years. While the overall buildout of the Lyons community will likely occur over a longer term period, these demand estimates present potential opportunities in the next real estate cycle or two.

Residential Demand

Demand for Lyons Trade Area residential units is a function of newly formed households, whether they arise through natural increase or net immigration. As shown, the Trade Area is expected to experience demand for approximately 32,200 new housing units by 2036. Based on an expected rental housing share of approximately 36%, this would translate into demand for 11,700 new rental units and 20,500 new ownership units (see Table 3-4).

Table 3-4
Trade Area Residential Demand: Total

Residential Demand Analysis		Households	2016	130,500			
Town of Lyons Trade Area			2026	145,587	Annual Growth Rate	1.1%	
20-yr Demand Estimates			2036	162,418			
		Household Growth (2016-36)		31,918	Adjust for 2nd homes, demolition, vacancy	1.0%	
		Adjusted Unit Requirement		32,237	% Rental	36%	
					Trade Area Demand from New Households (20-yr)		
Household Income Range (2016 dollars)	Approximate Rent Range	Supportable Home Price Range	Current Households in Income Bracket	New Households by Income Bracket	Total Units	Estimated % Rental	Total Rental Units
up to \$15K	up to \$375	up to \$75K	10%	8%	2,579	95%	2,450
\$15-25K	\$375 - \$625	\$75 to \$100K	8%	6%	1,934	95%	1,838
\$25-35K	\$625 - \$875	\$100 to \$150K	8%	6%	1,934	85%	1,644
\$35-50K	\$875 - \$1,000	\$150 to \$200K	11%	9%	2,901	75%	2,176
\$50-75K	\$1,000+	\$200 to \$250K	15%	13%	4,191	45%	1,886
\$75-100K	\$1,000+	\$250 to \$350K	12%	15%	4,836	15%	725
\$100-150K	\$1,000+	\$350 to \$500K	18%	21%	6,770	10%	677
\$150K and up	\$1,000+	\$500K and up	18%	22%	7,092	5%	355
Totals			100%	100%	32,237	36%	11,750
							20,487

Source: DRCOG, U.S. Census, ESRI, Inc., and Ricker/Cunningham.

Ownership Demand

Of the 20,400 total units of for-sale housing demand by households earning over \$15,000 over the next 20 years, approximately 75% or 15,300 units, could be detached units and the other 25%, or 5,100 units, could be attached products (e.g., condominium, townhome, rowhouse, loft, etc.). Tables 3-5 and 3-6 summarize these demand figures.

Table 3-5
Trade Area Residential Demand: Single Family Detached

Annual Household Income Range	Approximate Home Price Range	Trade Area For-Sale Demand (Incomes \$15K+)	Estimated % Single Family Detached	Single Family Detached Demand
\$15-25K	\$75 to \$100K	97	75%	73
\$25-35K	\$100 to \$150K	290	75%	218
\$35-50K	\$150 to \$200K	725	75%	544
\$50-75K	\$200 to \$250K	2,305	75%	1,729
\$75-100K	\$250 to \$350K	4,110	75%	3,083
\$100-150K	\$350 to \$500K	6,093	75%	4,570
\$150K and up	\$500K and up	6,738	75%	5,053
Totals		20,358	75%	15,268

Source: DRCOG, U.S. Census, Claritas, Inc., and Ricker/Cunningham.

Table 3-6
Trade Area Residential Demand: Single Family Attached

Annual Household Income Range	Approximate Home Price Range	Trade Area For-Sale Demand (Incomes \$15K+)	Estimated % Single Family Attached	Single Family Attached Demand
\$15-25K	\$75 to \$100K	97	25%	24
\$25-35K	\$100 to \$150K	290	25%	73
\$35-50K	\$150 to \$200K	725	25%	181
\$50-75K	\$200 to \$250K	2,305	25%	576
\$75-100K	\$250 to \$350K	4,110	25%	1,028
\$100-150K	\$350 to \$500K	6,093	25%	1,523
\$150K and up	\$500K and up	6,738	25%	1,684
Totals		20,358	25%	5,089

Note: Assumes Townhome/Condo development stabilizes at 25% of all ownership demand
Source: DRCOG, U.S. Census, Claritas, Inc., and Ricker/Cunningham.

Rental Demand

Lyons Trade Area household growth is expected to support nearly 9,300 total units of rental housing demand by households earning over \$15,000 over the next 20 years (see Table 3-7).

Table 3-7
Trade Area Residential Demand: Rental Apartments

Annual Household Income Range	Approximate Rent Range	Trade Area Rental Demand (Incomes \$15K+)
\$15-25K	\$375 - \$625	1,838
\$25-35K	\$625 - \$875	1,644
\$35-50K	\$875 - \$1,000	2,176
\$50-75K	\$1,000+	1,886
\$75-100K	\$1,000+	725
\$100-150K	\$1,000+	677
\$150K and up	\$1,000+	355
Totals		9,300

Source: DRCOG, U.S. Census, Claritas, Inc., and Ricker/Cunningham.

Retail Demand

Demand for new retail space is determined by future retail spending potential of projected new households, as well as by some recapturing of retail spending that is currently lost to nearby communities or areas, referred to as “leakage” or “retail void”. The combination of this future household growth and recapture of retail “leakage” in the Lyons Trade Area is expected to support an additional 3.5 million square feet of new retail space over the next 20 years (see Table 3-8).

Table 3-8
Trade Area Retail Demand

Retail Category	Estimated 2016 Household Retail Demand	Estimated 2016 Retail Sales (Supply)	Estimated 2016 Retail Void (Leakage)	Estimated Retail Sales/s.f.	New Retail Space Needed to Recapture Void/Leakage	Annual Household Growth Rate (2016-2036)	Net New Household Retail Demand	New Retail Space Needed for Household Growth	Total 20-Year New Trade Area Retail Demand (s.f.)
Furniture & Home Furnishings	\$81,604,234	\$70,069,560	\$11,534,674	\$200	57,673	1.1%	\$19,958,832	99,794	157,468
Electronics & Appliance	\$90,779,641	\$123,138,769	\$0	\$250	0	1.1%	\$22,202,961	88,812	88,812
Bldg Materials, Garden Equipment	\$485,179,538	\$371,813,136	\$113,366,402	\$300	377,888	1.1%	\$118,665,620	395,552	773,440
Food & Beverage (Grocery, Beer, Wine)	\$721,143,203	\$673,016,965	\$48,126,238	\$400	120,316	1.1%	\$176,377,812	440,945	561,260
Health & Personal Care	\$183,813,865	\$237,178,436	\$0	\$350	0	1.1%	\$44,957,350	128,450	128,450
Clothing and Accessories	\$303,614,428	\$150,138,609	\$153,475,819	\$225	682,115	1.1%	\$74,258,273	330,037	1,012,152
Sporting Goods, Hobby, Book, Music	\$73,948,956	\$143,440,547	\$0	\$225	0	1.1%	\$18,086,498	80,384	80,384
General Merchandise	\$364,955,434	\$613,514,977	\$0	\$400	0	1.1%	\$89,261,108	223,153	223,153
Miscellaneous Stores	\$103,147,689	\$149,437,824	\$0	\$250	0	1.1%	\$25,227,949	100,912	100,912
Foodservice & Drinking Places	\$553,695,278	\$664,666,867	\$0	\$400	0	1.1%	\$135,423,258	338,558	338,558
Total	\$2,961,882,266	\$3,196,415,690	\$326,503,133		1,237,992		\$724,419,661	2,226,596	3,464,588

Source: U.S. Census; ESRI, Inc.; Urban Land Institute; and Ricker/Cunningham.

Employment (Office and Industrial) Demand

Demand for new employment space is derived from two primary sources: expansion of existing industry; and the relocation of new companies into the market. Employment projections by industry classification for the Lyons Trade Area were used to estimate demand over the next 20 years. Assuming an overall 2.4% sustained annual employment growth rate, the Trade Area should add approximately 106,700 new jobs over the next 20 years. Assuming differing levels of space needed across various industry categories, the analysis revealed demand for nearly 13.9 million square feet of new employment space over this period (see Table 3-9).

Table 3-9
Trade Area Employment Demand

Industry Category	Estimated 2016 Employees	Estimated Growth Rate 2016-2036	Estimated 2036 Employees	Estimated New Employees	Estimated % in Employment Space	Estimated Net New Employees	Sq Ft per Employee	Estimated 20- yr Employment Demand
Natural Resources, Mining and Construction	5,000	0.5%	5,524	524	60%	315	300	94,406
Manufacturing	17,600	1.0%	21,475	3,875	85%	3,294	300	988,213
Trade, Transportation and Utilities	23,800	0.5%	26,297	2,497	100%	2,497	300	748,954
Information	8,100	0.6%	9,129	1,029	100%	1,029	300	308,835
Financial and Real Estate Activities	13,200	2.5%	21,630	8,430	95%	8,008	300	2,402,475
Professional and Business Services	26,200	1.5%	35,288	9,088	90%	8,179	300	2,453,652
Educational and Health Services	23,400	6.0%	75,047	51,647	30%	15,494	300	4,648,227
Leisure and Hospitality	19,800	3.6%	40,166	20,366	15%	3,055	300	916,477
Other Services	5,900	1.0%	7,199	1,299	40%	520	300	155,895
Government	35,900	1.0%	43,805	7,905	50%	3,952	300	1,185,723
Totals	178,900	2.4%	285,560	106,660	43%	46,343	300	13,902,858

Source: Colorado Department of Labor and Employment; Colorado Department of Local Affairs; and Ricker/Cunningham.

Market Share

A number of factors influence a community's ability to capture investment and reinvestment dollars. These factors can be categorized as top down considerations; bottom up considerations; external considerations; and others. Some of these can be controlled by the Town (or stakeholder entities) and others cannot.

"Top Down" Considerations

- Demand for certain land uses
- Demographic and psychographic conditions which support certain product types

- Untapped market niches (product voids)
- Competitive projects (proposed, planned and under construction)

“Bottom Up” Considerations

- Physical capacity of the community or individual parcels to accommodate market-supported product types—in general, fewer physical constraints
- Vision and desire for certain uses and product types
- Size of parcels, parcel ownership (public and private), owner investment objectives
- Zoning and other regulations and the presence of easements

External Considerations

- Delivery system—the builders/developers in the area and what they are willing and able to offer
- Financing markets—the availability of capital with reasonable funding terms for certain product types
- Market forces beyond those currently operating in the market (e.g., migration to the Denver-Boulder market area over the next 20 years who do not reflect the existing profile of residents and consumers)

Other Considerations

- Available resources to position and promote investment in the community
- Public support for a long-term vision

Lyons PPA Market Capture

Within the Trade Area serving the Lyons community, there is expected to be significant growth over the next 20 years among all of the primary land uses and many of the product types within them. Further, the Town of Lyons is well-positioned to compete for a reasonable share of the market with potential capture rates ranging from x% to x% depending on the use and product type. Actual levels of development and absorption will ultimately be dictated by numerous factors, not the least of which include:

- The physical capacity of select locations within the PPA to accommodate development;

- The desires of individual property owners;
- The community's vision; and
- Available resources (financial, policy and regulatory) and the Town's ability to position itself for investment.

Table 3-10 summarizes potential Lyons absorption of land uses over the next 20 years.

Table 3-10
Lyons PPA Market Share Summary

Land Use Type	Trade Area Demand (20-yr)	Lyons PPA					
		Eastern Corridor		South St. Vrain		Apple Valley	
		Market Share	Estimated Absorption	Market Share	Estimated Absorption	Market Share	Estimated Absorption
Residential (Units):							
Single Family Detached	15,300	1.5%	230	0.4%	60	1.5%	230
Townhome	5,100	1.0%	51	1.2%	60	1.0%	51
Apartments	9,300	1.0%	93	0.0%	0	1.0%	93
Residential Total	29,700	1.3%	374	0.4%	120	1.3%	374
Non-Residential (\$q Ft):							
Retail/Service	3,500,000	2.0%	70,000	0.0%	0	0.0%	0
Employment (Office/Industrial)	13,900,000	1.5%	208,500	0.0%	0	0.0%	0
Non-Residential Total	17,400,000	1.6%	278,500	0.0%	0	0.0%	0

Source: Ricker | Cunningham.

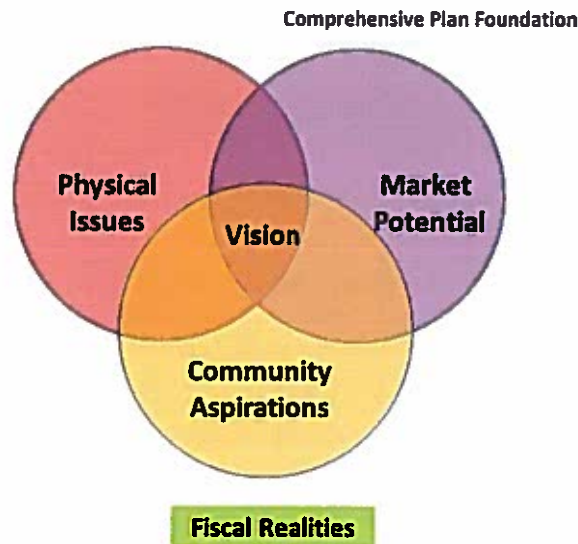
Conclusion

The degree to which the Lyons PPA is able to capture new demand within the Trade Area (and beyond) is a function of the development/redevelopment process itself. Strategic positioning of the LPPA in the future will depend on balanced zoning and improvements to the physical realm which will define it as a unique and identifiable place in the minds of area residents and visitors.

Section 4:

Community Input

The vision developed for the LPPA Master Plan (the Plan) relied on four key components: physical issues; market potential; community aspirations; and fiscal realities. It is the interrelationship between these components that comprises the community vision. This section summarizes the public input effort used to gauge community aspirations.



Methodology

In addition to site and area reconnaissance, technical analyses of the real estate and investment markets, and review of regulating and policy documents, a key component of this planning effort were a series of discussions in a variety of venues designed to solicit insight and ideas from

local and regional stakeholders regarding growth in the LPPA and the three subareas. Outlets for input included:

- small group and one-on-one meetings (in-person and by phone);
- an interactive project page accessible via the Town's web page; and,
- a series of workshops wherein various public and private improvement concepts were presented and discussed.

While all property owners of record were invited to attend any or all of the meetings in the respective subareas, many chose to limit their participation to their specific geographic area of interest. Workshops which addressed conditions and investment opportunities were held on the following dates in the locations identified here.

Eastern Corridor Meetings

Location: Rogers Hall

Thursday, March 17

Thursday, April 14

Thursday, April 28

South St. Vrain Corridor Meetings

Location: Lyons Fire Protection District

Tuesday, May 17

Tuesday, June 14

Tuesday, June 28

Apple Valley Meetings

Location: River Church

Tuesday, July 19

Tuesday, August 16

Thursday, September 8

“10th Meeting”

Location: Rogers Hall

Thursday, October 20

Following is a summary of public input received from each of the three subareas.

Eastern Corridor

More than 50 individuals participated in one or more of these meetings with participants including:

- home and business owners
- renters
- property owner representatives
- developers
- residents of the Town and Boulder County

Land uses and product types considered to be valuable contributions to the area included:

- lodging facilities
- more, and a greater diversity of, commercial operations, with an emphasis on those that will not compete with existing operators on Main Street
- low-impact (non-emitting) businesses and industrial operations;
- shared facilities supporting entrepreneurial endeavors, both stand-alone and in combination with affordable housing products; and
- higher density housing products such as attached rental units, senior housing facilities, Accessory Dwelling Units (ADUs), and “small houses”

Among all of the comments received, they tended to fall within the broad categories of:

- economic development as reflected in the area’s business climate
- physical conditions that present obstacles for development; and established policies and regulations that, when taken with other limiting conditions, overly restrict the potential for investment in the Subarea.

There was an overall desire for improvements that allow for seamless transitions between the subareas and balance of the community; and, enhancements to shared amenities such as bike and hike trails, community gardens, the river corridor and accommodations for pedestrians. Unlike input received in the other subareas, stakeholders with an interest in the Eastern Corridor considered the creek corridor to be an amenity that could be leveraged for economic development purposes. Preferences for revenue-generating uses within the area were those that maintained the community's small town character, benefited residents, and home-grown as opposed to national and regional chains. Frustration was widely expressed regarding the lack of housing at attainable prices for employees of area businesses, as was a desire to repopulate the area's inventory of residential product types (following the flood) attainable by residents at different income levels. Concern was expressed if the current imbalance between market rate and estate housing and affordable housing units continued.

Regarding desired outcomes resulting from this planning initiative, the most frequently cited results included:

- ongoing platform for community and property owner input
- enhanced inventory of affordable housing units
- new neighborhoods that enhance the community's current character
- definitions that Town leaders can use in the context of annexation and zoning requests
- improvements that allow for safe transport for pedestrians and bicyclists

South St. Vrain Area

Approximately 30 individuals participated in one or more of these meetings with participants including:

- home and business owners
- renters
- property owner representatives
- developers
- residents of the Town and Boulder County

Market supported land uses and product types considered to have the potential to be valuable contributors to the area included:

- moderate density affordable housing products including Accessory Dwelling Units (ADUs) and "small houses"; as well as
- those that meet the needs of senior in the region

Among all of the comments received, they tended to fall within the broad categories of:

- retaining the area's status quo in terms of the density of development and condition of public improvements including suboptimal system of roads; and
- educating community leaders and their constituents about conditions in this Subarea that are unique relative to the others, despite their shared location within the Town's larger planning area understanding, and that do not necessarily support a higher intensity of development

Among those individuals that were the most vocal during the three work sessions, they appeared fairly united in their concern about potential adverse impacts from development (or "urban sprawl") on their existing quality of life. Despite the condition of roads serving properties, and limited access that was further compromised following the flood, as well as limits on available utilities (water and sewer); there was little desire for a significant capital campaign to complete infrastructure in the area. Among the few improvements for which there was a modest level of support, at least among the process participants, was connections to regional trail and road systems, and enhanced accommodations for bicycles. In addition, there was fairly widespread understanding that the need for affordable and attainable housing units was reaching critical levels, and that the loss of several units during the flood compounded the problem, further threatening an already fragile mix of units heavily weighted toward market rate and estate product types.

Unlike stakeholders in the Apple Valley Subarea, residents in the South St. Vrain Subarea considered the creek an asset that could be leveraged for economic development purposes, as long as potential improvements are balanced with areas along its bank where preservation and restoration activities will preclude future development.

Regarding desired outcomes resulting from this planning initiative, the most frequently cited results included:

- long-range plans for roads, utilities, and drainage
- awareness that the preservation of rural areas can benefit the community at-large
- recognition that some portion of the planning area should be retained as open space in an effort to connect regional trails and natural amenities; and
- shared vision for recreational uses (fishing, kayaking, other), rather than housing, along the creek

Apple Valley Area

Approximately 30 individuals participated in one or more of these meetings with participants including:

- home owners
- property owner representatives
- developers

- residents of the Town and Boulder County

Market supported land uses and product types considered to have the potential to be valuable contributors to the area included:

- single family detached housing at rural densities
- moderate density affordable housing products

Among all of the comments received, they tended to fall within the broad categories of:

- retaining the area's status quo in terms of the density of development and condition of public improvements including suboptimal system of roads; and
- educating community leaders and their constituents about conditions in this subarea that are unique relative to the others, despite their shared location within the Town's larger planning area understanding, and that do not necessarily support a higher intensity of development

Among those individuals that were the most vocal during the three work sessions, they appeared fairly united in their concern about potential adverse impacts from higher-density development on their existing quality of life (e.g., traffic, rural feel, scenery, quiet, wildlife, etc.). Among the few improvements for which there was a level of support, at least among the process participants, was a bike/walk trail or path along US 36 between the two Apple Valley turnoffs (to allow for increased safety of walking/biking into Town). There was also support for enhancements to Apple Valley Road to better accommodate bikers/walkers/runners. In addition, there was fairly widespread understanding that the need for affordable and attainable housing units was reaching critical levels, and that the loss of several units during the flood compounded the problem, further threatening an already fragile mix of units heavily weighted toward market rate and estate product types. Unlike stakeholders in the South St. Vrain Subarea, residents in the Apple Valley Subarea did not consider the creek to be an asset that could be leveraged for economic development purposes, primarily due to trespassing and unauthorized parking/access to the creek. Adding a public access to the subarea for water use was a suggestion that seemed to have support among existing residents.

Regarding desired outcomes resulting from this planning initiative, the most frequently cited results included:

- long-range plans for roads, utilities, and drainage
- awareness that the preservation of rural areas can benefit the community at-large
- recognition that some portion of the planning area should be retained as open space in an effort to connect regional trails and natural amenities

Considerations for Planning Effort

As stated earlier, an understanding of challenges or barriers, and the issues which perpetuate them, is critical to effectively frame research and analyses necessary to arrive at recommendations designed to "ready an area" or community for investment. This is equally true whether the challenges are being perpetuated by perception or reality. All of the comments presented here were the opinions of those individuals who agreed to participate. Regardless of whether the comments made were based in fact, processes like these inevitably highlight the need for greater communication between the public and private sectors and more education of the community.

Section 5:

Development Opportunities

The experience of other communities has shown that successful development and redevelopment initiatives effectively leverage existing land uses, public improvements, and community amenities, both existing and planned, in a manner that creates an identifiable "address" or environment for private investment. With this goal in mind, and with input from stakeholders, Town staff and members of the community, the LPPA Master Plan was developed depicting desired elements of the three subareas in their developed form. It should be used to inform priority initiatives and capital investments, as well as, inform policy and incentive decisions.

With an understanding of the desired vision and potential challenges to development and redevelopment in the Town, participants engaged in the process were involved in the identification of strategic opportunity areas within each of the subareas. In this context, these opportunity areas are comprised of market-supported improvements, co-located and supported by shared infrastructure, that collectively create a "place" providing either an experience or hosting uses which meet the daily needs of an area's residents. Each one was informed by its geography and proximity to natural and man-made assets, and while possessing their own set of challenges, they also offer unique opportunities which can benefit from targeted initiatives.

The discussion below provides highlights from an analysis of existing and anticipated market conditions, demographic and lifestyle characteristics, and prevailing industry trends that informed identification of the opportunity areas and corresponding place types within them. For each subarea, an articulation of the community vision for that area is identified, followed by illustrations of potential issues and opportunities, land use recommendations and development scenarios.

Eastern Corridor

Vision Statement

The vision for the Eastern Corridor Subarea is ... *a commercial and employment anchored gateway with uses including retail, restaurant and lodging operations serving day- and nighttime populations, as well as visitors to and travelers through the community. Established residential neighborhoods beyond the CO 66 corridor will host a range of product types addressing the lifestyle needs of households at different price points.*

Natural amenities in the area will be enhanced and protected, and the quality and character of physical improvements will establish standards for private investment introduced to leverage these capital investments.

The combination of physical conditions, parcel characteristics, land use agreements, and market opportunities, influenced the various components of the alternatives and preferred concept for the Subarea. The following discussion provides an overview of considerations which impacted programming recommendations within those locations most able to support near-term investment opportunities.

Highland Drive and CO 66 – The intersection of US 36 and SH 66 and entirety of the CO 66 frontage, represent the most viable opportunity for commercial and employment development in both the LPPA and entire town boundaries. Properties along Highland Drive, while separated from US 66 by several irrigation laterals, may preclude additional “layers” of commercial development, other than those unaffected by limited access and visibility (e.g., destinations). Natural constraints, combined with the distinctively unique rural character of properties located along Highland Drive, and presence of mature cottonwood stands, reinforces the viability of this location for residential development.

Loukonen Property and CEMEX – The Saint Vrain Creek floodplain separates the Loukonen and CEMEX parcels from SH 66, thereby limiting their ability to attract commercial development opportunities. However, access to US 36 is available, and given the larger parcel size of properties in this location, there is potential to attract employment land along with supporting commercial uses, along with select live-work opportunities, depending on their surrounding context.

Stone Canyon Drive/Noland Drive – This portion of the Eastern Corridor subarea is the most contiguous to the town’s boundaries, and the best positioned to leverage successful commercial operations including the established wedding destination venue. This location is further well positioned to evolve into a new neighborhood with improvements to US 36 and expansion of the commercial activities adjacent to the highway.

Key components of the preferred concept reflected in Figures 5-1 and 5-2 include development of a:

- Gateway Business District with a mix of uses, along with a new neighborhood between Highland Drive and CO 66;
- Stone Canyon Visitor District and new neighborhood between Noland Drive and Stone Canyon Drive; and
- Industrial Live-Work Center and Commercial Recreation Area with uses including, campgrounds, outdoor storage facilities and lower density light employment uses in locations impacted by the creek floodplain.

Properties located outside of the floodplain, and beyond the highway corridor, are recommended for development of residential products that will diversify the existing building stock, and advance key directives associated with the Town's affordable housing goals. Specific products with near-term potential for development in the Eastern Corridor include: small lot cottage homes, accessory units, live-work spaces, and senior housing facilities. Capital improvements will be necessary to both eliminate and mitigate adverse physical conditions, as well as enhance the area's climate for investment. Essential upgrades will include non-vehicular accommodations that afford safe connections to and between parcels, completed water and sewer utility lines and supporting infrastructure, public spaces including a community garden; and, landscaping that buffers residences impacts associated with commercial and industrial operations along the corridor.

Recommended public investments include a recreation trail and greenway adjacent to, or near, the Saint Vrain Creek; a sidewalk on the south side of US36 and CO66; an improved Lyons compatible streetscape and a Gateway treatment at the intersection of US 36 and CO66 (potentially a roundabout). A roundabout should be considered because it would provide a distinct gateway opportunity for the Town; improve the safety of the intersection for all modes of traffic; reduce vehicular travel speeds while increasing capacity; and reduce long-term maintenance for CDOT.

Properties with direct and unencumbered access to, and visibility from, the highway corridor are recommended for non-residential development. Whereas the Eastern Corridor is one of only a few locations in either the town or LPPA with potential to support commercial operations including retail outlets, restaurants and lodging facilities, it is recommended that properties in this location be retained for these types of uses, and residential uses precluded from development, except when physically integrated into a single building with other uses.

Acknowledging that it will take many years and multiple actions by a host of individuals and entities with an interest in the area to attract future sizeable concentrations of development, the experience of other communities that have successfully advanced similar initiatives has shown that the strategic approach with the highest likelihood of success needs to include area-wide and project-specific recommendations. To this end, the final Lyons Primary Planning Area Master Plan will identify the location of priority public improvements within each subarea.

Proposed amenities and enhancements to the public realm in the Eastern Corridor primarily include those that will unify uses, connect the Subarea to centers of activity within the town boundaries, and improve its aesthetic appeal. These investments include construction of a recreation trail and greenway treatment adjacent to, or near, the Saint Vrain Creek; a sidewalk on the south side of US 36 and CO 66; enhanced streetscape enhancements and a gateway feature (potentially a roundabout) at the intersection of US 36 and CO 66.

Figure 5-1: Eastern Corridor Issues and Opportunities

Eastern Corridor - Issues and Opportunities

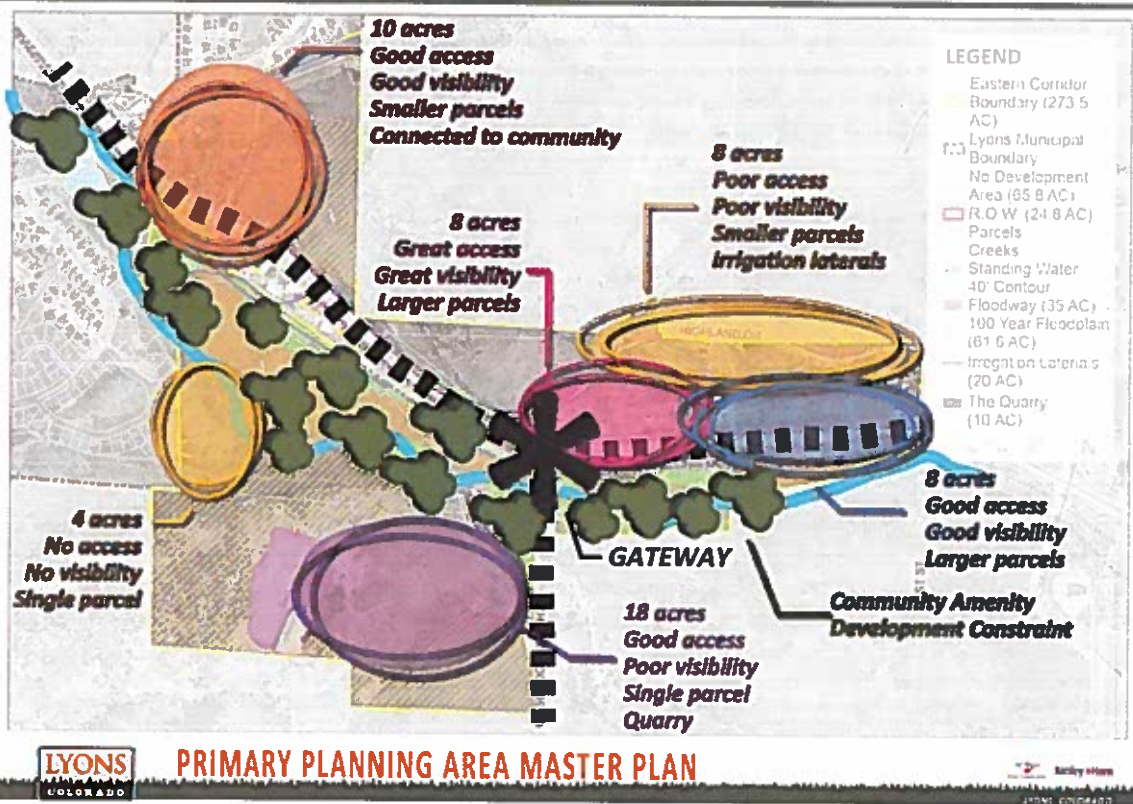
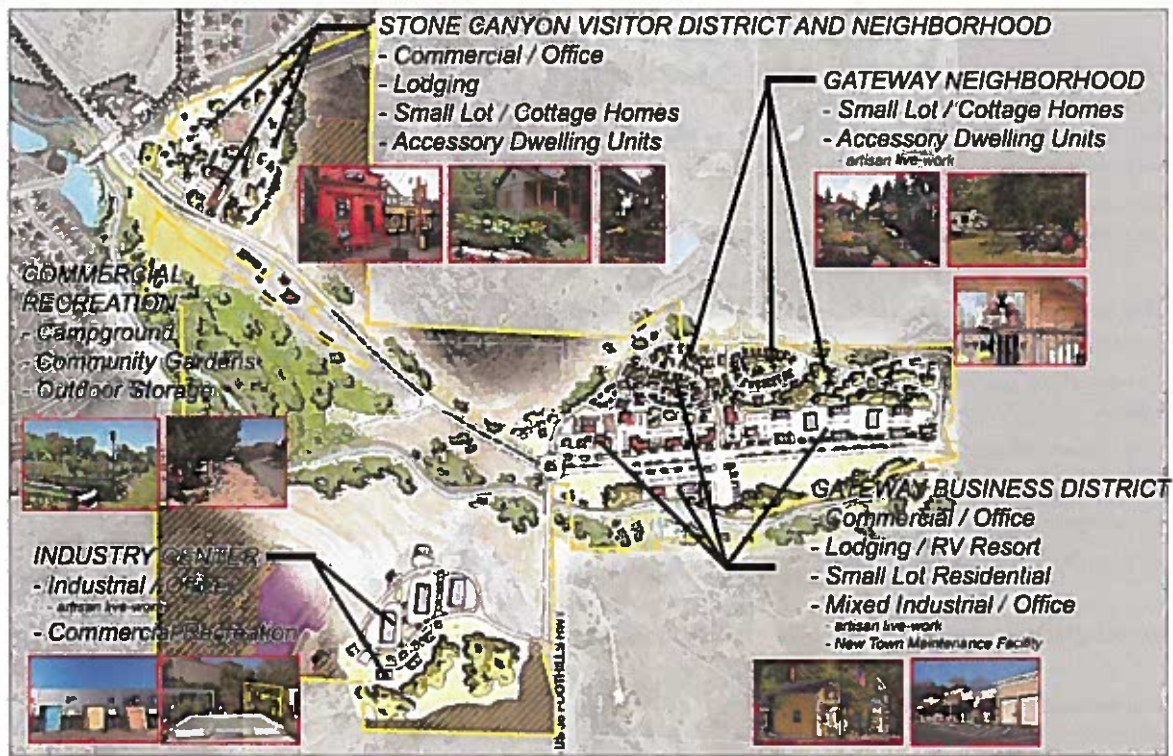


Figure 5-2: Eastern Corridor Potential Development Scenario

Eastern Corridor - Development Scenario



PRIMARY PLANNING AREA MASTER PLAN



South St. Vrain

Vision Statement

The vision for the South St. Vrain Corridor Subarea is ... *an established neighborhood of residences, rural in character and reflecting the community's heritage as a gateway to the Rocky Mountains. With features including steep slopes, Boulder County open space, and the South St. Vrain Creek surrounding and bisecting the area, any new improvements will be context-sensitive; consistent in character, design and intensity; and, introduced in a manner that preserves and protects the natural environment.*

A combination of physical conditions, parcel characteristics, land use agreements, and market opportunities, informed components of a potential development concept for the Subarea. Figure 5-3 and the discussion that follows provide an overview of these considerations.

- floodplain and wetlands that separate development opportunities from CO 7
- number of parcels lying within a critical wildlife habitat and migration corridor
- publicly-owned lands and easements that restrict potential development within properties otherwise suitable for residential development
- proximity to town services, activity centers, and educational facilities
- condition of CR 69 and its rural design that effectively limits the potential for certain development concepts and land uses
- size and configuration of area properties that are further hampered by poor access and visibility; and
- non-municipal levels of service and utilities

The discussion here highlights key components of the preferred development concept reflected in Figure 5-4:

- clusters of various housing products in locations with the fewest number of impediments (e.g., migration corridors, floodplain and wetlands, conservation easements); and
- utility infrastructure and associated facilities

Properties located outside of the floodplain, and beyond the highway corridor, are being recommended for development of residential products that will diversify the existing building stock, and advance key directives associated with the Town's affordable housing objectives. Specific products with near-term potential for development in the Subarea include: small lot cottage homes, accessory units, live-work / farm to table operations, and senior housing facilities.

While participants expressed concern regarding any significant capital program of improvements in the area, the Sanitary Sewer System Expansion Feasibility Study, prepared by J-U-B Engineers, completed in September 2016, and commissioned for the purpose of "investigating the feasibility of constructing sewer infrastructure to serve properties in the vicinity of Apple Valley and Old St. Vrain Roads," identified the need for approximately 4,500 linear feet of sewer lines to serve 75 lots (more than double the number that currently exist), the cost of which was estimated to total approximately \$1.2 million dollars.

Acknowledging that it will take many years and multiple actions, by a host of individuals and entities with an interest in the area, to attract future sizeable concentrations of development; the experience of other communities that have successfully advanced similar initiatives has shown that the strategic approach with the highest likelihood of success needs to include area-wide and subarea-specific recommendations. To this end, the final Lyons Primary Planning Area Master Plan will identify the location of priority public improvements within each subarea.

Proposed investments in the South St. Vrain Corridor Subarea are generally related to the area's lack of adequate infrastructure for either existing or future residences. Despite limited support for public improvements that could threaten its current character, any sizable investment in utilities serving the area would warrant corresponding improvements in roadways and other infrastructure that together could leverage the public's commitment to the area, and support new development able to grow the community's municipal resources.

Figure 5-3: South St. Vrain Issues and Opportunities

Saint Vrain - Issues and Opportunities

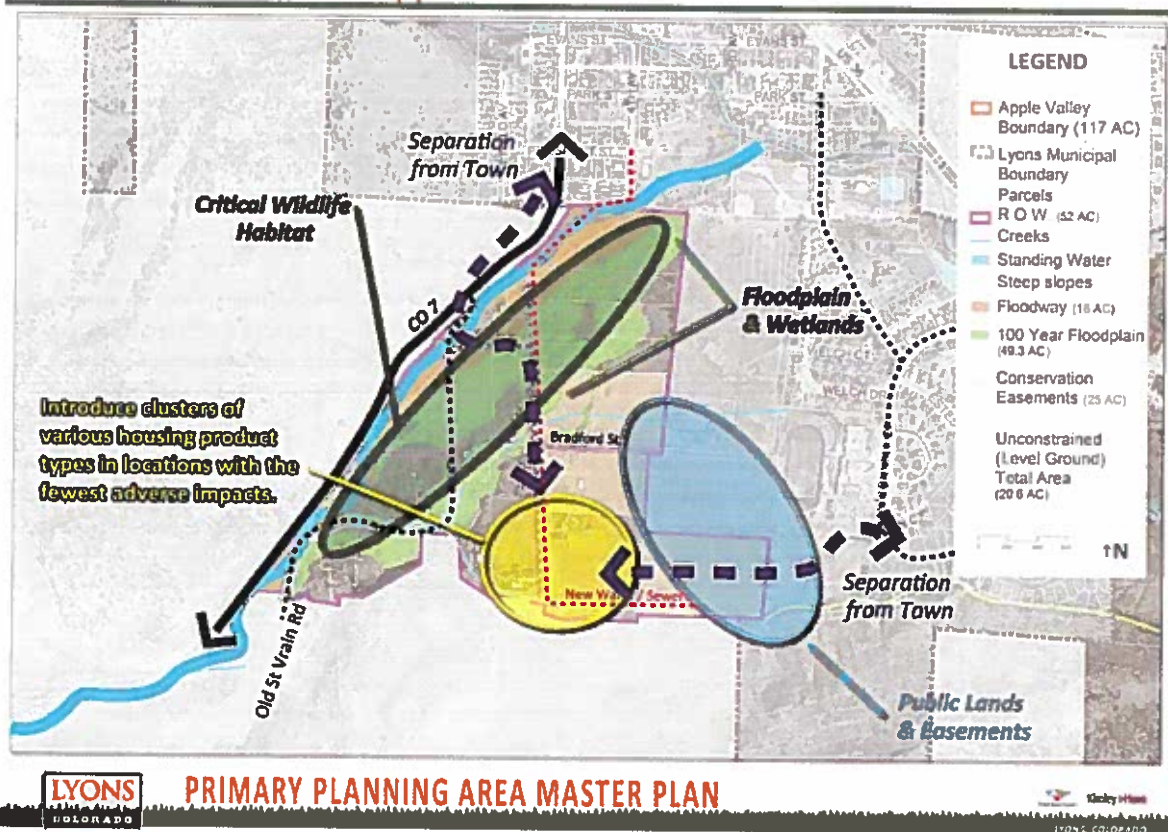
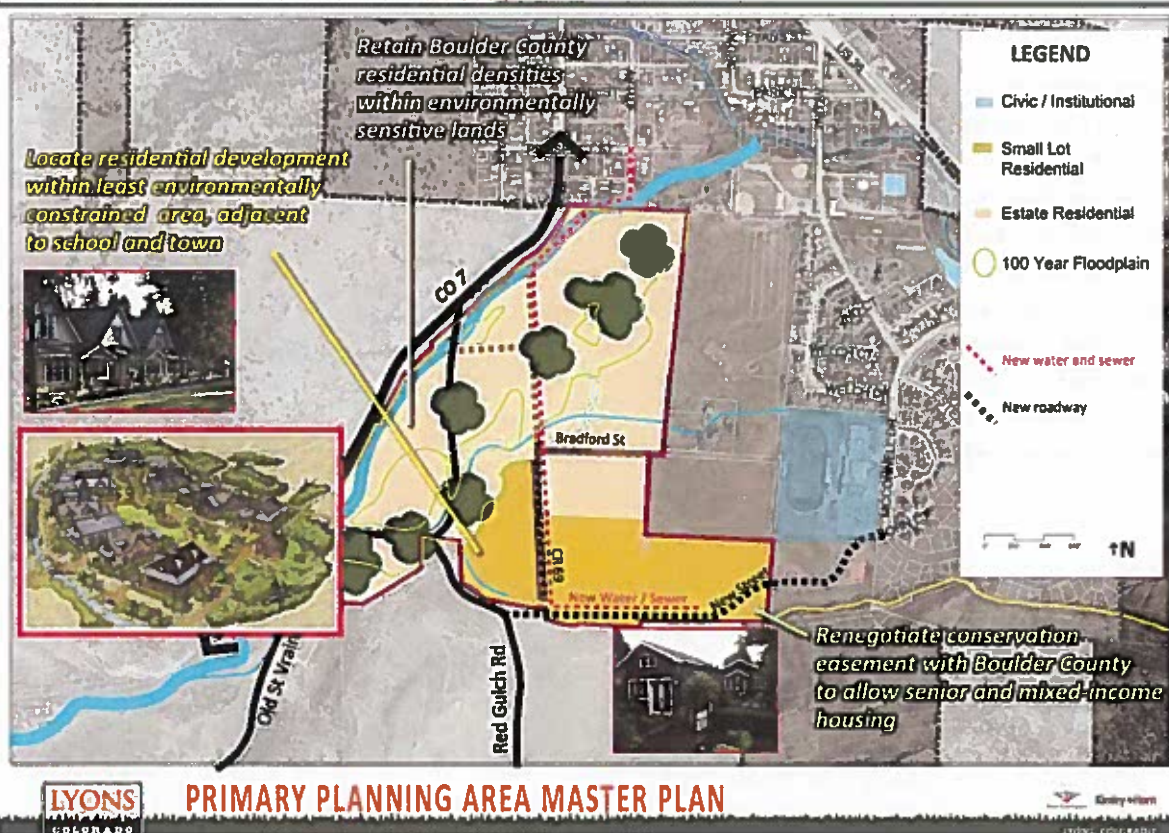


Figure 5-4: South St. Vrain Potential Development Scenario

South St Vrain - Potential Development Scenario



Vision for Apple Valley

Apple Valley Residents – Intention Statements (excerpts)

Desire ...

- river that is functionally, visually, aesthetically a natural “wild” stream
- restored river that is ecologically healthy and robust riparian and aquatic ecosystem
- no artificial structures that inhibit natural flow
- no improvements that promote recreational usage
- limit ingress and egress points to sites within the town boundaries
- provide signage and promote “put-in” locations and water use safety measures
- Town and County adopt safe practice rules and protections for natural areas
- no access to river from buyout parcels or other public accommodations
- private leases and corresponding maintenance of buyout parcels
- restore areas damaged by flood
- consider rechanneling river to its original location

Figure 5-5: Apple Valley Issues and Opportunities

Apple Valley - Issues and Opportunities

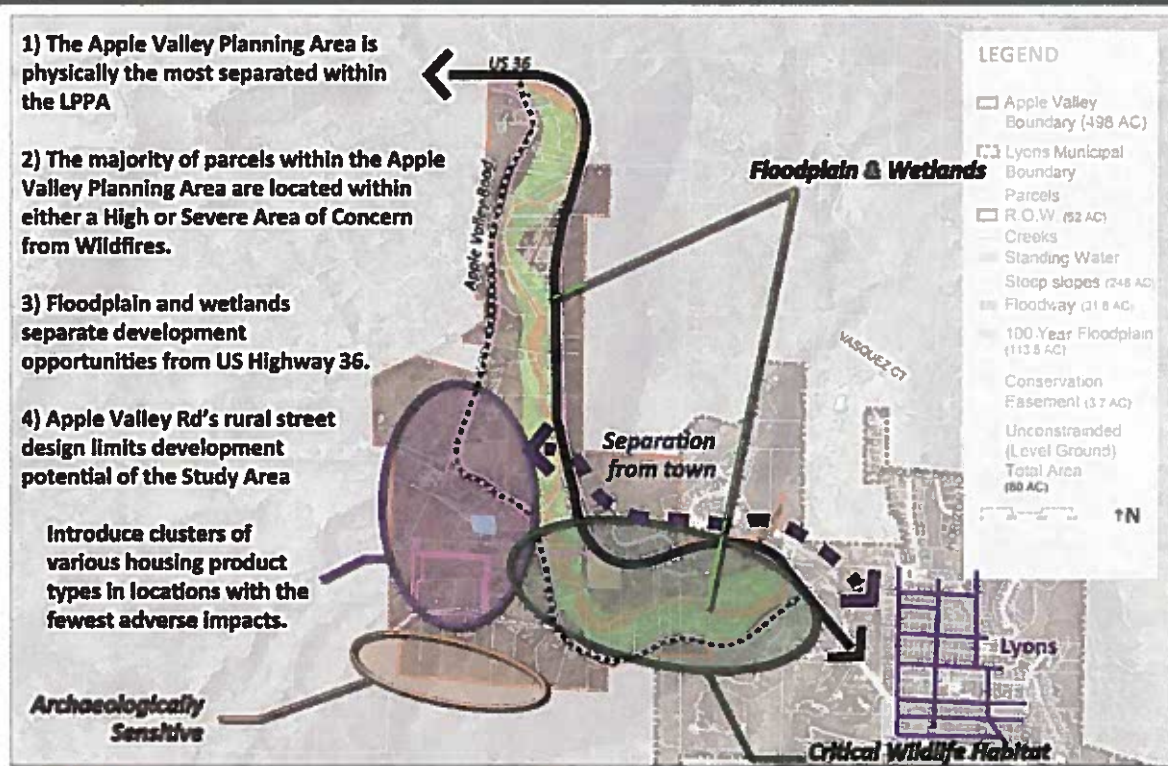
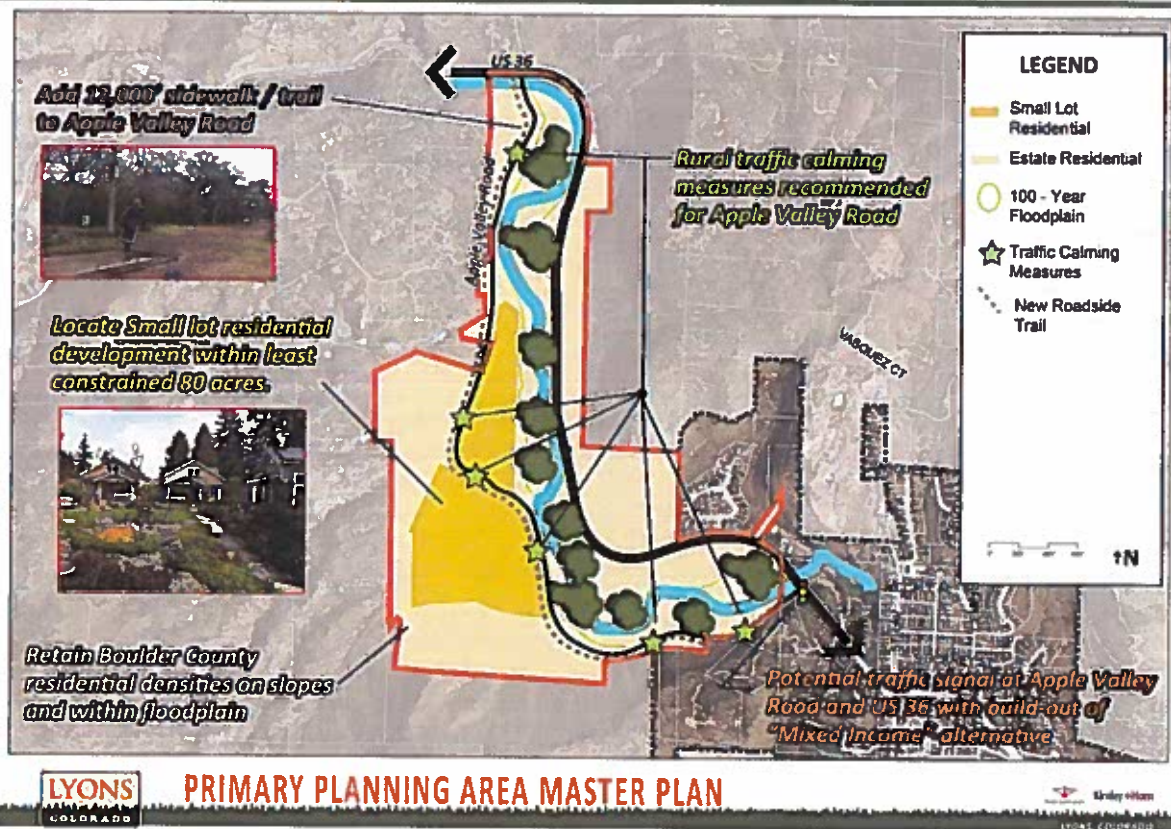


Figure 5-6: Apple Valley Potential Development Scenario

Apple Valley - Development Scenario



Section 6:

Fiscal Health

Over the past decade, community planning efforts have increasingly considered the impacts of land use mix on municipal operating revenues and expenditures. Consideration of these “fiscal” implications ensures that the community “vision” is grounded in market and economic reality, and the Town’s future fiscal health or “balance” is maintained. The fiscal analysis is also designed to educate community stakeholders as to the fiscal implications of land use decisions and explain the relationship between revenue generation and service costs.

As part of the Lyons PPA Master Plan (the Plan) process, a fiscal analysis was conducted for the potential buildout of the LPPA’s current undeveloped property. The fiscal impact analysis considered a 20-year market cycle and focused on operating revenues and expenditures to the Town of Lyons and how they would be affected by the market-supported level of development over that period.

Background

A community’s fiscal environment can be described as a “three-legged” stool, balancing nonresidential development, municipal services and amenities, and residential development. The first “leg” of the stool – nonresidential development – provides the majority of revenues (property, sales and use tax) to support municipal services. Municipal services and amenities – the second “leg” – attract residents and maintain their quality of life. The third “leg” – residential development – generates the spending and employees to support nonresidential businesses. In order for a community to operate in a fiscally sound manner, this balance must continually be maintained, especially through changing economic cycles. A community’s return on investment from development growth is largely determined by this balance.

As Lyons continues to evolve as a community, the Town recognizes the need for additional revenue-generating, nonresidential development to offset the costs of providing a high level of service and amenities to its residents.

Methodology

An analysis of potential long-term fiscal operating impacts was completed at a macro level to determine the ability to generate a balance

between revenues and expenditures. General assumptions used in the fiscal analysis included:

- The Town of Lyons's current budget (2015) reflects a reasonable balance between revenues and expenditures.
- Future revenues (taxes and fees) are based on current (2016) market values for various development types (housing, retail, office, industrial, other).
- Future expenditures are based on current (2016) service costs per capita, including residents and employees.

The fiscal impact analysis consisted of the following components:

- Development Program resulting from the 20-year growth projections
- Buildout of residential (single family and multifamily) and non-residential (retail, office and industrial) land uses
- Mix of land uses
 - Overall balance between residential and nonresidential development
 - Development timing and absorption of uses (relates to market factors)
 - Location and direction of development
 - Efficiency of infrastructure to support development
 - Value of new development (on a per unit or per square foot basis)
 - Considers fiscal operating revenues/expenses only (general fund)
- Fiscal Revenue Estimates
 - Tax revenues (property, sales, use)
 - Franchise fees
 - Licenses and permits
 - Fees and charges
 - Fines and forfeitures
 - Other revenues

- Service Cost Estimates
 - Calculated on a per capita basis, including both residents and employees
- Net Fiscal Surplus/Deficit
 - Difference between anticipated fiscal revenues and service costs

In completing the fiscal analysis, the following information was obtained and analyzed:

- Market, economic and fiscal information from Town staff;
- Secondary research related to the real estate development industry; and
- Data regarding local market conditions from area property managers, brokers, appraisers and other real estate professionals.

The following summarizes the fiscal analyses completed for 4 scenarios:

- Town buildout under current zoning
- Eastern Corridor buildout
- South St. Vrain buildout
- Apple Valley buildout

Vacant and Zoned Remaining Land in Town

In order to evaluate the Town's short-term fiscal balance, an initial analysis was completed to show the fiscal impact of the Town's buildout under current zoning. Table 6-1 summarizes the Town's remaining vacant land by zoning category and the potential level of development that could occur at buildout.

Table 6-1
Potential Development – Town Buildout

Zoning Category	Potential Development		
	Acres	Units*	Sq Ft*
A-1	44.8	9	0
A-2	5.2	0	0
R-1	20.6	62	0
R-2	0.7	6	0
R-2A	0.1	1	0
B	0.6	0	6,534
CD	0.1	0	1,089
Total	72.1	77	7,623

*Based on following densities:

A-1	0.2	units/acre
R-1	3	units/acre
R-2	8	units/acre
Commercial	25%	building to land ratio

Based on this level of expected development, Table 6-2 shows the potential revenue that could be generated for the Town.

Table 6-2
Town Buildout – Revenue Generation

Product Type	Town of Lyons	
	Added Taxable Value @ Buildout	Added Property Tax Revenue
Residential:		
Single Family Detached	\$2,816,248	\$44,204
Townhome/Condo	\$140,096	\$2,199
Apartments	\$0	\$0
Non-Residential:		
Retail/Service	\$265,280	\$4,164
Employment (Office/Industrial)	\$132,640	\$2,082
	Property Tax*	\$52,649
	Sales Tax**	\$22,869
	Total Tax Revenues	\$75,518
	Other Revenues ***	\$43,711
	Total Revenues	\$119,228

* Based on City .015696 property tax rate.

** Based on estimated retail sales of \$250 per square foot and 2% sales tax rate.

***Based on 2015 general fund revenues from permits, fees, licenses, fines, etc. – per capita of \$187.

The level of expected development shown in Table 1 will also generate service costs to the Town. Table 6-3 shows the relationship between these revenues and expenditures, which results in a net **deficit** for the Town.

Table 6-3
Town Buildout – Net Fiscal Impact

New Residents/Employees	Town of Lyons
Residents	227
Retail Employees	11
Office/Industrial Employees	10
Total	249

Resident/employee estimates based on:

Single Family Detached	3.0 household size
Townhome/Condo	2.3 household size
Apartments	1.8 household size
Retail	400 Sq Ft per Employee
Office/Industrial	300 Sq Ft per Employee

Net Surplus/Deficit	Town of Lyons	
Product Type	Added Residents / Employees	Added Annual Service Costs*
Residents	227	\$166,785
Retail Employees	4	\$2,800
Office/Industrial Employees	3	\$2,489
	Total Service Costs	\$172,075
	Total Revenues	\$119,228
	Total Surplus/Deficit	-\$52,846
	% Surplus/Deficit	-31%

*based on 2015-2016 general fund expenditures per capita of \$735.
Note: Service cost impacts of employees estimated at 1/3 of residents.
Source: Ricker | Cunningham.

The anticipated net deficit generated by development of the Town's remaining vacant land is an indication of how tenuous the Town's fiscal balance remains. The consideration of the LPPA as a potential expansion of the Town's boundaries presents opportunities for revenue-generating land uses to address this potential imbalance.

Eastern Corridor Buildout

Based on the market analysis completed for the Town and the LPPA, Table 6-4 summarizes the potential buildout of the Eastern Corridor subarea.

Table 6-4
Potential Eastern Corridor Buildout

Land Use Type	Trade Area Demand (20-yr)	Eastern Corridor Planning Area Market Share	Estimated Absorption
Residential (Units):			
Single Family Detached	15,300	1.0%	153
Townhome	5,100	1.0%	51
Apartments	9,300	1.0%	93
Residential Total	29,700	1.0%	297
Non-Residential (Sq Ft):			
Retail/Service	3,500,000	2.0%	70,000
Employment (Office/Industrial)	13,900,000	1.5%	208,500
Non-Residential Total	17,400,000	1.6%	278,500

Based on this level of expected development, Table 6-5 shows the potential revenue that could be generated for the Town.

Table 6-5
Eastern Corridor Buildout – Revenue Generation

Eastern Corridor Planning Area		
Product Type	Total Development	Development Value
Residential (Units):		
Single Family Detached	153	\$76,500,000
Townhome	51	\$14,025,000
Apartments	93	\$18,600,000
Non-Residential (Sq Ft):		
Retail/Service	70,000	\$14,000,000
Employment (Office/Industrial)	208,500	\$31,275,000
		\$154,400,000

Values based on:

Single Family Detached	\$500,000 per Unit
Townhome	\$275,000 per Unit
Apartments	\$200,000 per Unit
Retail/Service	\$200 per Sq Ft
Employment (Office/Industrial)	\$150 per Sq Ft

The level of expected development shown in Table 6-4 will also generate service costs to the Town. Table 6-6 shows the relationship between these revenues and expenditures, which results in a net surplus for the Town.

Table 6-6
Eastern Corridor Buildout – Net Fiscal Impact

New Residents/Employees	Eastern Corridor Planning Area
Residents	744
Retail Employees	175
Office/Industrial Employees	695
Total	1,614

Resident/employee estimates based on:

Single Family Detached	3.0 household size
Townhome	2.3 household size
Apartments	1.8 household size
Retail	400 Sq Ft per Employee
Office/Industrial	300 Sq Ft per Employee

Net Surplus/Deficit	Eastern Corridor Planning Area	
Product Type	Added Residents / Employees	Added Annual Service Costs*
Residents	744	\$546,423
Retail Employees	58	\$42,860
Office/Industrial Employees	232	\$170,214
	Total Service Costs	\$759,496
	Total Revenues	\$885,355
	Total Surplus/Deficit	\$125,859
	% Surplus/Deficit	17%

*based on 2015-2016 general fund expenditures per capita of \$735.

Note: Service cost impacts of employees estimated at 1/3 of residents.

Source: Ricker Cunningham.

The anticipated net surplus generated by development of the Eastern Corridor has the potential to assist in “correcting” the Town’s current imbalance between residential and nonresidential development.

South St. Vrain Buildout

Based on the market analysis completed for the Town and the LPPA, Table 6-7 summarizes the potential buildout of the South St. Vrain subarea.

Table 6-7
Potential South St. Vrain Buildout

Land Use Type	Trade Area Demand (20-yr)	South St. Vrain Planning Area Market Share	Estimated Absorption
Residential (Units):			
Cottage Home	15,300	0.4%	60
Townhome/Rowhome	5,100	1.2%	60
Apartments	9,300	0.0%	0
Residential Total	29,700	0.4%	120
Non-Residential (Sq Ft):			
Retail/Service	3,500,000	0.0%	0
Employment (Office/Industrial)	13,900,000	0.0%	0
Non-Residential Total	17,400,000	0.0%	0

Based on this level of expected development, Table 6-8 shows the potential revenue that could be generated for the Town.

Table 6-8
South St. Vrain Buildout – Revenue Generation

Product Type	South St. Vrain Planning Area	
	Added Taxable Value @ Buildout	Added Property Tax Revenue
Residential:		
Cottage Home	\$1,432,800	\$22,489
Townhome/Rowhome	\$1,194,000	\$18,741
Apartments	\$0	\$0
Non-Residential:		
Retail/Service	\$0	\$0
Employment (Office/Industrial)	\$0	\$0
	Property Tax*	\$41,230
	Sales Tax**	\$0
	Total Tax Revenues	\$41,230
	Other Revenues ***	\$59,351
	Total Revenues	\$100,582

* based on City .015696 property tax rate.

** based on estimated retail sales of \$250 per square foot and 2% sales tax rate.

***based on 2015 general fund revenues from permits, fees, licenses, fines, etc. -- per capita of \$187.

The level of expected development shown in Table 6-7 will also

generate service costs to the Town. Table 6-9 shows the relationship between these revenues and expenditures, which results in a net **deficit** for the Town.

Table 6-9
South St. Vrain Buildout – Net Fiscal Impact

New Residents/Employees	South St. Vrain Planning Area
Residents	318
Retail Employees	0
Office/Industrial Employees	0
Total	318

Resident/employee estimates based on:

Cottage Home	3.0 household size
Townhome	2.3 household size
Apartments	1.8 household size
Retail	400 Sq Ft per Employee
Office/Industrial	300 Sq Ft per Employee

Net Surplus/Deficit	South St. Vrain Planning Area	
Product Type	Added Residents / Employees	Added Annual Service Costs*
Residents	318	\$233,646
Retail Employees	0	\$0
Office/Industrial Employees	0	\$0
	Total Service Costs	\$233,646
	Total Revenues	\$100,582
	Total Surplus/Deficit	-\$133,064
	% Surplus/Deficit	-57%

*based on 2015-2016 general fund expenditures per capita of \$735.

Note: Service cost impacts of employees estimated at 1/3 of residents.

Source: Ricker Cunningham.

The anticipated net **deficit** generated by development of the South St. Vrain area would potentially add to the Town's fiscal imbalance, primarily due to the lack of market-supportable nonresidential development.

Apple Valley Buildout

Based on the market analysis completed for the Town and the LPPA, Table 6-10 summarizes the potential buildout of the Apple Valley subarea.

Table 6-10
Potential Apple Valley Buildout

Land Use Type	Trade Area Demand (20-yr)	Apple Valley Planning Area Market Share	Estimated Absorption
Residential (Units):			
Small Lot Single Family	15,300	0.3%	41
Townhome/Rowhome	5,100	0.2%	9
Apartments	9,300	0.0%	0
Residential Total	29,700	0.2%	50
Non-Residential (Sq Ft):			
Retail/Service	3,500,000	0.0%	0
Employment (Office/Industrial)	13,900,000	0.0%	0
Non-Residential Total	17,400,000	0.0%	0

Based on this level of expected development, Table 6-11 shows the potential revenue that could be generated for the Town.

Table 6-11
Apple Valley Buildout – Revenue Generation

Apple Valley Planning Area		
Product Type	Added Taxable Value @ Buildout	Added Property Tax Revenue
Residential:		
Small Lot Single Family	\$979,080	\$15,368
Townhome/Rowhome	\$179,100	\$2,811
Apartments	\$0	\$0
Non-Residential:		
Retail/Service	\$0	\$0
Employment (Office/Industrial)	\$0	\$0
	Property Tax*	\$18,179
	Sales Tax**	\$0
	Total Tax Revenues	\$18,179
	Other Revenues ***	\$26,820
	Total Revenues	\$44,999

* based on City .015696 property tax rate.

** based on estimated retail sales of \$250 per square foot and 2% sales tax rate.

***based on 2015 general fund revenues from permits, fees, licenses, fines, etc. – per capita of \$187.

The level of expected development shown in Table 6-10 will also generate service costs to the Town. Table 6-12 shows the relationship between these revenues and expenditures, which results in a net deficit for the Town.

Table 6-12
Apple Valley Buildout – Net Fiscal Impact

New Residents/Employees	Apple Valley Planning Area
Residents	144
Retail Employees	0
Office/Industrial Employees	0
Total	144

Resident/employee estimates based on:

Single Family Detached	3.0 household size
Townhome	2.3 household size
Apartments	1.8 household size
Retail	400 Sq Ft per Employee
Office/Industrial	300 Sq Ft per Employee

Net Surplus/Deficit	Apple Valley Planning Area	
Product Type	Added Residents / Employees	Added Annual Service Costs*
Residents	144	\$105,581
Retail Employees	0	\$0
Office/Industrial Employees	0	\$0
	Total Service Costs	\$105,581
	Total Revenues	\$44,999
	Total Surplus/Deficit	-\$60,583
	% Surplus/Deficit	-57%

*based on 2015-2016 general fund expenditures per capita of \$735.

Note: Service cost impacts of employees estimated at 1/3 of residents.

Source: Richer / Cunningham.

The anticipated net **deficit** generated by development of the Apple Valley area would potentially add to the Town's fiscal imbalance, primarily due to the lack of market-supportable nonresidential development.

Summary

The fiscal analysis highlights how critical land use decisions are to a community's financial well-being. The ability to effectively balance revenues and expenditures will ensure that residents will continue to enjoy quality municipal services and community amenities. This analysis has shown that the Town's future short-term land use mix will likely result in a net deficit for the Town, in terms of operating revenues and expenditures. Of the three subareas that comprise the LPPA, only the Eastern Corridor provides an opportunity to accommodate revenue-generating land uses designed to maintain the Town's long-term fiscal health. Lastly, the analysis can be utilized as a tool to measure impacts from

development/redevelopment projects as they come forward. In this way, the Town will be able to “benchmark” revenue and expenditure impacts on a periodic basis.

Section 7:

Implementation

The approach to position the Planning Area for desired investment, and the Town to receive annexation and development requests, is based on an awareness of existing conditions and understanding of desired outcomes, collectively tempered with market realities. Major components of the approach include:

- vision for each Subarea (presented earlier)
- parameters for land use decisions throughout the Planning Area, referred to herein as **guiding principles**
- discussion of publicly-led initiatives necessary to catalyze private development and leverage public improvements

Development in the Planning Area is anticipated to occur at modest levels over multiple decades based on numerous findings identified during the planning process and presented in previous sections of this Master Plan. Issues that will delay and temper annexation and development requests can generally be organized under the following topics – market, physical, financial, regulatory, and political. While many of the issues, or conditions, within these categories could serve to catalyze investment, others will pose barriers. Based on input received during the planning process, property and business owners within and outside the town boundaries have opinions on both sides of the growth debate. While some would like to see few, if any, improvements, public or private, in the Planning Area; others desire the benefits associated with residing within the town, among them municipal level services and greater access to elected representatives. From the Town’s perspective, its fiscal balance sheet, and correspondingly its ability to provide services and public spaces, would benefit from an increase in non-residential development, while its social balance sheet would benefit from both types whereas there are extremely few opportunities within its boundaries to address an increasingly challenging deficit in both affordable and attainable housing units.

The information that follows begins with a summary of barriers, or “but-fors” to investment; followed by a list of guiding principles for use by appointed and elected officials; key findings that informed the planning concepts and required actions; and, then a focused discussion about those initiatives the Town should take in order to “ready the environment” for the type, character, quality and intensity of development that most closely aligns with the stated vision and objectives for each of the subareas and Planning Area as a whole. This said, Lyon’s leadership recognizes that even with these efforts, the decision to annex is a discretionary one left to individual property owners. Actions by the Town to

Improve investment conditions will not necessarily, or retroactively, result in an increase in the number of these requests.

Barriers to Investment “But-Fors”

1. Town policies and practices
 - a. five-acre vote on potential annexations
 - b. agreements with individual property owners
 - c. reuse of public land
2. Elements of multi-jurisdictional agreements (IGA with Boulder County)
 - a. property access
 - b. boundaries
 - c. limits on land uses
3. Limited net developable acres
 - a. floodplains and floodways
 - b. standing water
 - c. irrigation laterals
 - d. conservation easements
 - e. topography
 - f. threats from fire and flooding
4. Existing and proposed locations of public facilities
 - a. Public works (new)
 - b. School
5. Resources available to assist with development financing “gaps”
 - a. tax increment financing (tif) boundaries
 - b. public sources of money (which carry restrictions on ownership and land use)

6. Contiguous acres under single ownership
7. Limited locations for viable commercial development
8. Acreage in public ownership (Town, County, Federal)
9. Cost of development given existing conditions
10. Impending fiscal imbalance given zoning of remaining acreage within Town boundaries

Guiding Principles

While the purpose of this Lyons Primary Planning Area Master Plan is to inform land use decisions in the Planning Area, it is a policy, not regulating document. As such, additional resources are needed to protect the vision and ensure alignment among the Town's regulating documents, particularly those that will inform development within its boundaries. Before any inconsistencies or gaps in the code can be addressed, appointed and elected officials should rely on the intentions expressed herein, along with the parameters, or guiding principles, that are intended to serve as a reference for sound decision-making. Regarding amendments to existing regulations and development standards, while general recommendations are provided here, this Plan recommends that a more thorough review be conducted in order to ensure that requirements are appropriate for prevailing and anticipated market conditions, and that they will yield desired results.

Guiding Principles are defined as representing a broad philosophy that guides the organization throughout its life in all circumstances, irrespective of changes in its goals, strategies, type of work, or the top management filter for decisions at all levels of the organization.

1. Planning and development will value existing improvements and homes
2. Land uses and product types will advance the town's goal for a more diverse economy (as expressed in the Comprehensive Plan)
3. Homes in the area will address the needs of residents at different life stages and income levels
4. Investment will be high quality, distinctive, and consistent with the area's existing character
5. Mobility improvements in the Planning Area will be both vehicular and non-vehicular, and connect to activity centers within the town
6. Development will balance growth through efficient development partners
7. The scale of development will balance economic feasibility with environmental sensitivity and its physical context

8. Natural and open spaces will be integrated into new developments, yet protected from potential adverse impacts
9. Town will partner with private owners and other property interests in delivering capital and infrastructure improvements to the area
10. Commercial and primary employment uses will be pursued and near-term and encouraged to locate within the CO 66 corridor

Key Findings

1. Existing agreement with Boulder County limit how much development can be accommodated and where within all three subareas.
2. Physical conditions limiting total developable area include – limited access, lack of water and sewer, presence of irrigation laterals (ditches), floodways and floodplains.
3. Ownership, easements and other regulations limit development within individual properties, primarily defined in adopted Boulder County documents and inter-agency agreements.
4. Average size of parcels and their configuration limit the net developable area within parcels and potential for sizable developments, much less a unified development program within the LPPA.
5. Viable parcels for commercial retail development (as determined by their access, visibility, and market depth) are limited to those within the Eastern Corridor.
6. Market support (over the near- and mid-term) for – retail space that is destination, entertainment and visitor oriented; a range of affordable housing product types, as well as market-rate and estate units; and, employment space requiring warehousing and outdoor storage facilities, all of which could support art and other entrepreneurial pursuits.
7. Financial feasibility of new development and redevelopment due to these factors, as well as economic conditions which set sale and lease rates (land prices, interest rates, absorption activity).
8. Existing Town policies, practices and agreements limit the number of developable parcels (e.g., South St. Vrain) including requirements associated with annexations and reuse of publicly-acquired properties.
9. Few undeveloped parcels remain within the town boundaries, the majority of which are platted for single family detached market rate units.
10. Build-out of undeveloped parcels within the Town boundaries, as currently zoned, will result in a budgetary deficit.
11. Monetary sources for property acquisitions by the Town, and flood recovery improvements limit future improvements.

Strategic Public Initiatives (to overcome barriers and capitalize on market opportunities)

1. Revisit the "five-acre vote" in-light of current market conditions, and findings from this work associated with the Town's fiscal health and limited inventory of viable development sites.
2. Amend specific elements of the existing IGA between Boulder County and the Town of Lyons, particularly the boundaries of the planning area and conversion of property used for access to a conservation easement.
3. Revise the Town's current agreement to retroactively require inclusion in the Lyons Urban Renewal Plan Area upon annexation.
4. Establish a policy that requires that affordable housing units and projects be dispersed throughout the planning area and located in appropriate locations depending on their targeted market.
5. Review existing zoning designations (Eastern Corridor and PUD-MU) in-light of desired development in the planning area, and if necessary, establish a new designation which reflects market realities and more effectively supports expressed intentions.
6. Consider existing design and development guidelines in-light of desired development in the planning area, and if necessary, amend them to reflect market realities and protect the expressed vision.
7. Use the Urban Renewal Authority as a vehicle to acquire and position properties for development by private entities, as well as finance capital improvements.
8. Preclude development of residential units within properties located adjacent to the CO 66 corridor, except those physically integrated into a shared structure with other non-residential uses.
9. Reconsider the current proposed location for the new public works facility in favor of one with limited potential for private development, particularly commercial, yet compliant with the requirements of the funding source.
10. Work with County representatives to resolve conflicting information regarding the status of CR 69 as either a private access or public roadway.
11. Initiate discussion with the St. Vrain School District regarding their long-term facility plan, and specifically intentions, if any, to expand or relocate the Lyons Middle and Senior High School. Ideally, work cooperatively to identify a location and strategy for relocating the existing facility to a new location, and transfer ownership of the current property to the Town for development of affordable housing units.
12. Maintain information regarding annexation processes and legal requirements (restrictions on flagpole annexations, five-acre rule, others), prepared in the context of this planning initiative, on the Town's website in an effort to continue educating the community and

other stakeholders.