



Staff Report

CLARKDALE TOWN COUNCIL

Agenda Item: **WORKSESSION ON THE HIGHLANDS DEVELOPMENT AND PROPOSED DEVELOPMENT AGREEMENT AMENDMENT ITEMS** – A worksession to update the Council on the Highland’s project and discussion regarding project solutions to get this project back on track.

Staff Contact: Sherry Bailey, Community Development Director

Meeting Date: April 27, 2010

Background:

The new owner of the Highlands development {PTM} has started finishing the infrastructure issues at the development and stabilizing the project. John Tobias, the owner, wants to get the project back on track but realizes there are some major issues that need to be resolved. Since it has been at least two years since there has been any work done on the project, staff would like to refresh the Council’s memory on how this project has evolved and where we are now. Mr. Tobias is also purposing a second amendment to the Development Agreement to address his solution to some of the issues that keep the project from moving forward. At this worksession staff would like to discuss Mr. Tobias’ proposals, take a look at the existing development agreement, and see if some common ground can be reached.

Staff is looking for direction from the Council on some of the proposals. Both PTM and the Town are looking for solutions to the problems facing this project and want to get this project back on track. Mr. Tobias is proposing that up to 80 lots, including the 40 already sold lots, be allowed to go on temporary septic systems with County approval. They are also proposing that some lots be allowed to go on the Town’s existing sewer system. They believe, with some disposal modifications which they are helping to determine, the Town has available capacity to accept some small number of lots. They are also proposing that the Town and the developer continue negotiations on an agreement for a long term solution to the project’s and the Town’s waste water treatment plant requirements.

In your packet are some talking points about this project and what they are proposing. There are also three exhibits in your packet. The exhibit labeled Exhibit 2 is the proposed development phasing plan. Exhibit 3 is the plan for those lots that are to be allowed on temporary septic systems until the permanent solution agreement can be negotiated. Exhibit 4 shows the sewer main line extension to Lisa Avenue.

Recommendation: This is a work session only no action is required. Staff would welcome direction from the Council.

TALKING POINTS -- THE EVOLUTION OF THE HIGHLANDS

***John Tobias the present owner is the third owner of the project.**

***The First owner of Cliff-Rose, Walter Wright**

- Did the design layout for the project and hired an engineer
- First version of the Development Agreement and the PAD were approved
Individual single family lots and commercial
- On site WWTP was approved as a part of the DA
- Major drainage issues for project not recognized

***Verde Highlands LLC second owner**

- Amended version of the DA approved
- Project construction undertaken without completed engineering and with significant survey and engineering error
- Temporary WWTP approved and partially built for short term use
- Survey and drainage errors have a major financial effect on project
- The economy starts to fail
- Project shuts it doors
- Project failure contributes to the town's inability to construct the new WWT facility
- Town files Notice of Default of DA

***Third owner PTM forecloses on VHLLC**

- PTM recognizes the Highlands Project cannot proceed without a Waste Water Treatment solution
- Current package plant not usable for long term solution
- At the same time Clarkdale has surface effluent disposal issues

***Issues needing resolution before PTM can move forward**

- A Waste Water solution needs to be found, the town and the developer need to be working together to resolve the issues
- Current lot owners [including 40 lots sold to individuals] cannot presently pull building permits

***PTM proposes a DA change: amend section 16 Waste Water System**

- Project phasing to be developed and agreed upon
- Some lots permanently connected to the town WWTP right away through the completed sewer main connection line to Lisa
- Temporary conventional septic systems for about 80 lots including 40 sold lots purposed with county approval
- Commercial on-site disposal system purposed
- Working with the town to resolve the WWTP **surface disposal issues** could allow the town to accept sewer from some of the purposed septic system lots
- Looking at some interim solutions which would act as a bridge to move the project forward

***Committed effort to combine developer's financial contribution and town resources to build a permanent WWTP as part of the solution**

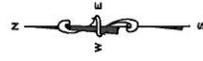
-Removal of the current temporary WW package plant part of the proposed amendment

-If all else fails, allowing the developer to build a better and more sophisticated on site plant managed by the developer, is a part of the proposed amendment.

EXHIBIT 2 PHASING PLAN

LEGEND

	PROPERTY BOUNDARY		PHASE 1		NEW ROADS
	PHASE LINE		PHASE 2		PARKS
	ADJACENT PROPERTY		PHASE 3		OPEN SPACE
			PHASE 4		SOLD LOTS



NOT TO SCALE

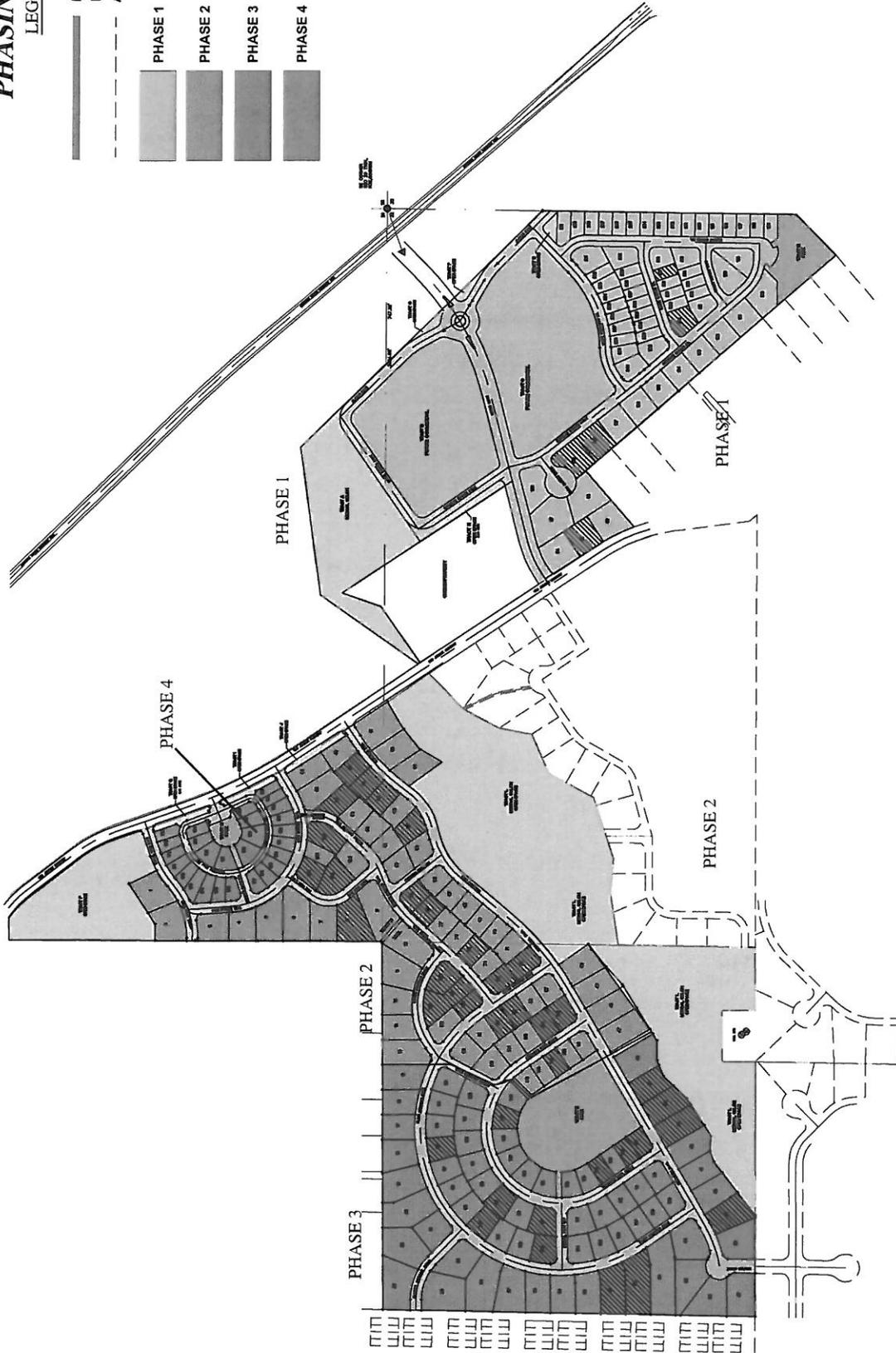
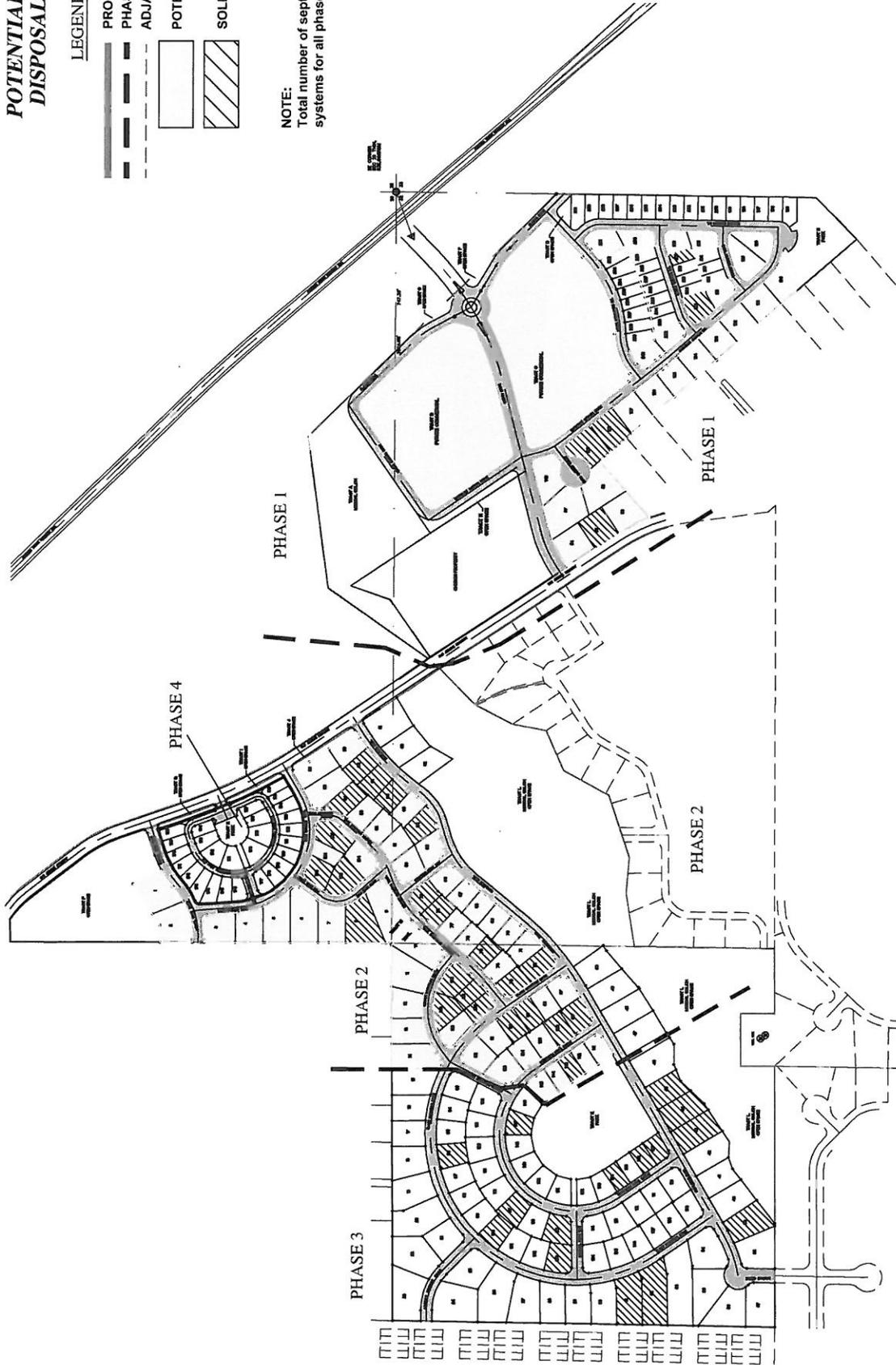


EXHIBIT 3 POTENTIAL SEPTIC DISPOSAL AREAS

LEGEND

- PROPERTY BOUNDARY
- - - PHASE LINE
- - - ADJACENT PROPERTY
- POTENTIAL SEPTIC LOTS
- ▨ SOLD LOTS

NOTE:
Total number of septic systems equals 80
systems for all phases or as approved.



NOT TO SCALE



