

PROJECT:

Lot F1 / Double Bar X Ranch

“Homestead 2 Property”



PROPERTY BACKGROUND:

Lot F1 of Double Bar X Ranch (aka Stage Road Subdivision) is a highly unique property in Aspen. Lot F1 is 35.05 acres and is the “fathering parcel” for the entire Stage Road Subdivision. Prior to being subdivided into a residential subdivision, a cattle ranch operated on the property for decades with summer grazing on the slopes of Buttermilk ski resort and winter grazing on what is now the Stage Road Subdivision. Lot F1 is the largest and only 35-acre residential property within the city limits of Aspen, and the only parcel within city limits that allows multiple residences along with agricultural buildings. The acreage, development rights, views, and proximity to Aspen are unrivaled by any other property in the Aspen area. In addition, Lot F1 can be condominiumized for separate ownership of a residence which has enabled creation of the separate lots known as “Homestead 2” and the “Ag Parcel”. Homestead 2 measures approximately 3.79

acres and the Ag Parcel measures approximately 2.57 acres. Homestead 2 and the Ag Parcel combined measure approximately 6.37 acres. These unique lots are being offered for sale to one homeowner and have been approved for development by the City of Aspen as described more fully below.

What can I build on Homestead 2?

Homestead 2 may be developed with up to 7,903 square feet of above grade residential floor area (FAR) and can be optimized with additional below grade residential space to achieve approximately 16,000 square feet of total gross livable residential floor area. Additionally, there are exceptions that could increase the total gross livable residential floor area – for example, an accessory dwelling unit (ADU) of up to 1,000 square feet may be added, and certain additional exemptions for garage, stairways, etc. may also apply. The owner of Homestead 2 may also build amenities that do not

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count against FAR such as a pond, pool, tennis court, pickle-ball court, and fencing. All construction is subject to approval by the Subdivision Homeowners Association (HOA) and by the owner of Homestead 1.

In addition to residential floor area, the owner of Homestead 2 may also build agricultural buildings up to 5000 feet which may be used for development of a barn or horse facilities. A portion of this agricultural floor area may be used on the northeastern portion of the Ag Parcel, with permission of the owner of Homestead 1. The floor area of agricultural buildings does not count against the allowed residential floor area. The Ag Parcel is presently not allowed to have any residential floor area. Subdivision rules allow the pasturing of horses at the discretion of the HOA. Farm dogs or service dogs belonging to the owners are allowed on Lot F1. Please see HOA guidelines for more details regarding dogs.

Affordable housing obligations have been established in the Subdivision approvals and require either development of an on-site ADU or payment of a cash-in-lieu payment in the amount of approximately \$400,000 (i.e., \$240,000 plus an annual increase of 3% since October 7, 2006). The property is exempt from the City’s recent changes to its affordable housing requirements. School impact fees have been satisfied for all development on Lot F1, including Homestead 2. These two provisions of the Subdivision approvals represent an approximate a \$1 million offset). Standard city fees for permit review and other impact fees (see “Impact Fees” below) will be due upon permitting but are far less financially impactful than affordable housing obligations and school impact fees.

DIMENSIONAL ALLOWANCES:

The total remaining residential floor area for use on Homestead 2 (per defined calculation methods) is 4,903 square feet. This can be increased to 7,903 square feet through the purchase of two Pitkin County Transferable Development Rights (TDRs), each providing 1,500 square feet of floor area, or payment of cash-in-lieu in the amount of approximately \$400,000 for each increment of 1,500 square foot (i.e.,



\$240,000 for each 1,500 square feet plus an annual increase of 3% since October 7, 2006). The current market for Pitkin County TDRs is tight with sales in the past year ranging from \$1,600,000 to \$2,100,000 per TDR. Therefore, the cash-in-lieu option for additional non-exempt residential floor area represents an approximate offset of between \$1,200,000 to \$1,700,000 per TDR.

The City of Aspen regulates home size through a measurement of residential “Floor Area”, which generally includes all above-grade areas of a home. However, there are numerous exemptions that can significantly increase the gross livable area. For example, up to 250 square feet of garage space is 100% exempt, and an additional 250 square feet of garage space is 50% exempt (e.g., a 500 square foot garage counts as only 125 square feet of residential floor area). Unlike most properties in the city of Aspen and elsewhere in Pitkin County, the land use approvals applicable to Homestead 2 do not limit gross area of the home. Local architects are quite adept at optimizing floor area exemptions and maximizing livable area.

As described above, the Subdivision approvals require construction of an ADU of up to 1,000 square feet unless a cash-in-lieu payment is made in the amount of approximately \$400,000 (i.e., \$240,000 plus an annual increase of 3% since October 7, 2006). If an ADU is constructed, the ADU floor area is exempt from floor area calculations. An ADU can be attached to the main

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house but must have its own separate entrance. The owner determines how to use an ADU, and uses may include use by guests, family members, a property manager or caretaker, a local working resident, or left vacant. Renting an ADU is not required.

Subgrade areas of a home count partially towards residential floor area based on the percentage of basement wall area exposed to the outside. For example, a “walk-out” basement will count more than a fully submerged basement. Some nominal basement exposure is required for window wells and egress requirements, which means that at least some portion of basement floor area will count towards the allowable residential floor area.

The property is exempt from the City of Aspen’s recent prohibition on “double basements”, which means there are no depth limitations for a basement (other than practical limitations associated with costs and engineering). Basements can also be larger than the above-grade footprint of the home. For example, a large habitable basement may be constructed below the footprint of both the home plus the home’s outdoor patio. Skylights within a patio or landscape can allow natural light into a below-grade area. The size of Homestead 2 enables significant opportunities for below-grade development. An efficiently designed home on Homestead 2 that is optimized for maximum livable area could achieve a gross livable floor area of at least double the official regulated figure.

Allowed Dimensions		
	Homestead 2	Ag Parcel
Residential Floor Area (above grade)	7,903 sf	0 sf
Agricultural Floor Area	5,000 sf	Remaining Ag Floor Area not used within HS2*
Setbacks	Not applicable, subject to HOA review	Not applicable, subject to HOA review
Height	30 feet to highest point of building	30 feet to highest point of building

*subject to approval by HS1

IMPACT FEES:

The City of Aspen requires new residential development mitigate its impacts through the provision of various fees based upon the size of the residence. These include Parks Development, Transportation Demand Management/Air Quality, School Land Dedication, and Affordable Housing fees. As described above, the applicable affordable housing fees that were established when the Subdivision was approved are much less onerous than the City’s current affordable housing fees, and school fees are not required for Homestead 2. The other Impact fees are determined during the building permit review process and are due upon permit issuance.

REVIEW TIMEFRAMES:

Building permit review times vary by the scope and intensity of the permit and staff workload. Permit review for a new home on Homestead 2 is likely to take 9-12 months.

VESTED RIGHTS:

The Subdivision approvals were granted in 2005 and are vested into year 2030. This means that changes in zoning and development regulations adopted by the City of Aspen after 2005 do not apply during the period of vested rights. The Subdivision approvals define the manner in which all dimensions (height, floor area, etc.) are to be calculated. The City’s design review requirements do not apply to Homestead 2. No setbacks from property boundaries are required. However, as described above, all development on Homestead 2 is subject to review and approval by Homestead 1, and by the HOA.

Homestead 2 is exempt from the City’s recent limitations on demolition permits and is exempt from the recent changes to affordable housing requirements. A new edition of the International Residential Code (building code) is set to be adopted in late 2022/early 2023.

This summary has been compiled based upon general property research and land use code requirements. BendonAdams is a land use planning firm located in Aspen that offers full diligence property reports covering existing conditions and floor area, title, survey work, site constraints, and redevelopment scenarios.