PLANNING AND ENVIRONMENTAL COMMISSION MEETING

Agenda

Vail Town Council Chambers

1:00 PM, June 8, 2026

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1. **Virtual Link** *Register to attend the* ***Planning and Environmental Commission meeting****. Once registered, you will receive a confirmation email containing information about joining this webinar.*

2. **Call to Order**

3. **Main Agenda**

   3.1 A request for review of variances from Section 12-6C-6, Setbacks, and Section 12-6C-9, Site Coverage, Vail Town Code, pursuant to Chapter 17, Variances, Title 12, Vail Town Code, to allow a garage addition and basement-level living space within the required front and side yard setbacks and an increase in allowable site coverage, located at 4259 Nugget Lane, Bighorn Estates Townhouses, Lot 2, A Resubdivision of Lots 10 & 11 (PEC-26-13). 1

   This item will be re-noticed for the June 22, 2026 PEC meeting.

   Planner: Cole Michaelsen

   Applicant Name: John Altman, represnted by Michael Hazard

4. **Approval of Minutes**

   4.1 05-11-26 PEC Meeting Minutes
   PEC Meeting Minutes 5.11.26.pdf

5. **Information Update**

   5.1 Exterior Energy Offset Program (EEOP) Information Update
   PEC EEOP June 8th 2026.pdf
   EEOP Factsheet 2026.pdf

6. **Adjournment**

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AGENDA ITEM NO. 3.1

Item Cover Page

PLANNING AND ENVIRONMENTAL COMMISSION AGENDA ITEM REPORT

DATE:	June 8, 2026
TIME:	1
SUBMITTED BY:	Raymond Santana
ITEM TYPE:	Main Agenda
AGENDA SECTION:	**Main Agenda**
SUBJECT:	A request for review of variances from Section 12-6C-6, Setbacks, and Section 12-6C-9, Site Coverage, Vail Town Code, pursuant to Chapter 17, Variances, Title 12, Vail Town Code, to allow a garage addition and basement-level living space within the required front and side yard setbacks and an increase in allowable site coverage, located at 4259 Nugget Lane, Bighorn Estates Townhouses, Lot 2, A Resubdivision of Lots 10 & 11 (PEC-26-13). This item will be re-noticed for the June 22, 2026 PEC meeting.
SUGGESTED ACTION:	
ATTACHMENTS:	

AGENDA ITEM NO. 4.1

Item Cover Page

PLANNING AND ENVIRONMENTAL COMMISSION AGENDA ITEM REPORT

DATE:	June 8, 2026
SUBMITTED BY:	Heather Knight
ITEM TYPE:	Approval of Minutes
AGENDA SECTION:	**Approval of Minutes**
SUBJECT:	05-11-26 PEC Meeting Minutes
SUGGESTED ACTION:	

ATTACHMENTS:
PEC Meeting Minutes 5.11.26.pdf

Planning and Environmental Commission Minutes
Monday, May 11, 2026
1:00 PM
Vail Town Council Chambers

Present:	John Rediker Kathryn Middleton Lauren Wallace Brad Hagedorn Margaret H Brown
Absent:	Craig H Lintner Jr William A Jensen

1. Virtual Link

Register to attend the **Planning and Environmental Commission meeting**. Once registered, you will receive a confirmation email containing information about joining this webinar.

2. Call to Order

3. Main Agenda

3.1

A **request for review of a variance from Section 12-6D-6, Setbacks, pursuant to Chapter 17, Variances, Title 12, Vail Town Code, to allow for a reduction in the required setback, located at 816 & 826 Forest Road, Vail Village Filing 6, Block 1, Lot 14 & Lot 15 (PEC-26-4)**

See attachments in related item 3.2

Planner: Greg Roy

Applicant Name: Mexamer Forest Road LLC, represented by Mauriello Planning Group

Time: 45 Min

PEC-26-4 Variance Funicular Staff Memo.pdf
Attachment A. PEC-26-4 Applicant Narrative.pdf
Attachment B. PEC-26-4 Plan Set.pdf
Timestamp (00:00:27)

Hagedorn called Agenda Items 3.1 and 3.2 concurrently, consistent with the previous hearing for the applications. Hagedorn read the requests into the record, including the variance request from Section 12-6D-6, Setbacks, and the Conditional Use Permit request for the funicular at 816 and 826 Forest Road. Hagedorn noted that Greg Roy was listed as the planner, though Heather Knight would be presenting in his absence.

Knight stated that the presentation would be brief as the Commission had already reviewed the application previously and explained that the purpose of the hearing was largely to reorient the Commission and focus on the updated landscape and screening plan.

Knight reviewed the vicinity map and described the project as two duplex structures totaling four dwelling units on the steep hillside south of the water treatment plant and across Gore Creek.

Knight explained that the variance request pertained to the setback from the property line for the funicular rails, while the Conditional Use Permit was for the funicular itself, described as an exterior tram-like conveyance intended to move residents up and down the steep hillside.

Knight reviewed the Conditional Use Permit criteria and stated that staff now found all criteria to be met. Knight specifically highlighted the use-specific criterion requiring funiculars to be appropriately screened and explained that the primary issue from the previous Planning and Environmental Commission meeting had been the adequacy of screening and landscaping along the hillside.

Knight presented the updated landscape plan and compared it to the previous plan, noting that the original submission primarily reflected existing vegetation while the revised submission included substantial additional landscaping intended to provide year-round screening.

Knight explained that the updated plan incorporated a mixture of species, sizes, heights, evergreen and deciduous materials, and varying plant types to avoid the appearance of a straight landscaped line running up the hillside.

Knight stated that the plantings were intended to blend naturally into the hillside and provide screening during all seasons rather than relying solely on aspens that lose leaves during winter months.

Knight explained that staff's recommendation had changed from denial to approval based upon the revised landscape plan and the additional review completed by the Town's landscape architect and Wildland Fire Division.

Knight stated that the Town's landscape architect had reviewed the planting plan and that meetings had also occurred with the fire department regarding defensible space and Wildland -Urban Interface requirements. She noted that conditions related to those reviews were included within the staff memo and that the applicant had agreed to those conditions.

Hagedorn asked staff to clarify whether the recommendation had officially changed from denial to approval.

Knight confirmed that it had and reiterated that staff believed the updated landscape plan adequately addressed the screening concerns identified at the prior meeting.
Rediker asked staff about the lack of screening at the lower terminus of the funicular where the car would sit at the base of the rails. Rediker questioned whether the lower docking area should also be screened as part of the Conditional Use Permit review.

Knight explained that staff did not believe additional screening was necessary at the lower terminal area because the car would blend into the already developed built environment consisting of retaining walls, stairs, patios, and planters that had already been approved and largely constructed. Knight stated that staff viewed the critical screening issue as the upper hillside where the site remained visually open and undisturbed.

Knight further explained that the lower portion of the funicular was sufficiently integrated into the existing architecture and site improvements and therefore met the intent of the Conditional Use Permit criteria.

Knight additionally clarified that the upper recreational structure itself would proceed through the Design Review Board process and that staff did not interpret the code as requiring the structure itself to be screened in the same manner as the rails.

Kent and Webb introduced themselves on behalf of the applicant team.

Kent stated that the revised landscape plan was prepared specifically in response to the Commission's previous comments and explained that the landscape architect carefully evaluated the hillside and difficult grades to identify flatter locations where denser screening could effectively be planted.

Kent stated that the applicant intentionally selected a variety of species and planting arrangements to maximize screening while also creating a more natural appearance.

Webb added that the hillside was already experiencing substantial aspen regrowth following previous beetle-kill mitigation work and stated that hundreds of aspens were naturally returning throughout the hillside. Webb indicated that over time the hillside would continue to naturally regenerate with additional aspen growth.

Rediker asked whether the proposed aspens shown on the landscape plan represented all new plantings or existing vegetation.

Webb clarified that the plantings shown on the plan were all new plantings and not simply existing aspens already growing on the hillside.

Webb confirmed that the revised plan proposed approximately 66 new plantings, including spruce, aspens, and chokecherry vegetation.

Rediker asked how many trees would be removed as part of the project.

Webb responded that approximately 15 trees would be removed, including two dead evergreen trees already approved for removal through the fire department process.

Webb clarified that the removals included vegetation associated with both the funicular and the upper recreational structure area.

Rediker returned to questions regarding the visibility of the rails at the upper portion of the hillside and referenced previous discussions concerning areas where the funicular could be approximately 9 feet above grade.

Webb responded that the geometry of the system required the rails to crest near the top of the retaining walls and explained that the highest point of the system would be approximately 11 feet above grade at the crest before lowering again along the hillside. Webb explained that most of the track would remain substantially lower and that the 11-foot height only occurred at the top arc where the grade transitions occurred. Webb further explained that the rails were intentionally designed to remain approximately 4 feet above ground in many areas to accommodate snow buildup during winter operations.

Rediker specifically questioned the adequacy of screening near the top retaining wall where the rails would be most visible from portions of the valley and interstate corridor.

Webb explained that evergreen trees ranging between approximately 8 and 12 feet in height would be planted near the retaining wall and stated that larger evergreen material could potentially be specified in the final plan. Webb explained that chokecherry vegetation near the upper portions of the track could ultimately grow between approximately 10 and 15 feet tall and stated that the applicant intentionally selected vegetation capable of softening views from multiple angles.

Rediker asked additional questions regarding the elevation of the track near the chokecherry plantings and whether there would still be a visible gap in screening where the rails crossed above the retaining wall. Webb explained that the challenge of the project was preventing a direct clear line of sight to the track from any one viewing angle and stated that the applicant attempted to avoid creating a visible “swath” up the hillside.

Webb noted that working with the fire department to avoid a required stair system adjacent to the rails allowed vegetation to be planted much closer to the tracks themselves.

Rediker stated that he believed much of the revised plan provided effective screening, particularly along the lower and middle portions of the hillside, but remained somewhat concerned regarding the upper crest area near the retaining walls where visibility from the valley floor could still occur. Rediker commented that the Commission did not have elevation renderings from the interstate or frontage road views, though he believed most of the proposal now appeared appropriately screened.

Webb responded that the upper portion of the system sat within a recessed condition and that the geometry of the hillside and retaining walls naturally reduced visibility from below. Webb reiterated that the project team intentionally attempted to screen the rails from all major viewing angles and believed the revised plan substantially improved the project compared to the prior submittal.

Hagedorn noted that the project would result in the removal of approximately 12 to 15 aspens while adding a substantial number of new trees and clarified that the project would result in a significant net increase in vegetation. Webb confirmed that approximately 54 additional trees would exist after accounting for removals.

Hagedorn opened public comment. No public comment was provided either in person or online, and Hagedorn subsequently closed public comment.

Rediker stated that the revised landscape plan addressed the primary concerns identified during the prior hearing and stated that the additional screening significantly improved the proposal. Rediker stated that he would still encourage additional chokecherry screening in portions of the upper hillside to help soften a remaining gap in visibility but stated that overall he believed the revised landscape plan provided adequate screening.

Rediker joked that the project appeared controversial based upon coverage in the Vail Daily and commented that he found it interesting the newspaper prominently featured the application while not reporting on other community matters such as the State of the River meeting.

Wallace stated that the Commission had specifically requested a revised landscape plan at the prior hearing and stated that the applicant had responded appropriately to those concerns. Wallace commented that the revised plan added substantial landscaping and screening and that the proposal would likely create a net positive visual impact compared to the previously exposed hillside condition.

Wallace questioned whether the landscape plan itself would become part of the approval conditions. Knight responded that the landscape plan was included within the application materials and public record and would continue forward into the Design Review Board process as part of the approved plan set.

Brown agreed with the previous comments and stated that the revised submission successfully addressed the Commission's prior concerns by providing a detailed and substantial screening plan. Brown thanked the applicant for responding directly to the Commission's earlier feedback and stated that she was comfortable supporting the revised proposal.

Middleton stated that although she acknowledged the applicant had met the requested landscape criteria and that the landscaping plan itself was well done, she remained fundamentally opposed to the proposal. Middleton referenced the Town's planning documents related to maintaining community character, enhancing the appearance of the Town, and preserving Vail's mountain and Tyrolean character.

Middleton stated that in her opinion the funicular represented an overly opulent amenity that would set an undesirable precedent for future hillside developments and would scar the landscape despite the additional screening. Middleton expressed concerns regarding the long-term viability, maintenance, and future ownership issues associated with the shared funicular system and questioned whether the system would continue to function effectively over time or eventually become a burden to future property owners. Middleton stated that despite the applicant's efforts and cooperation with staff and the Town, she would not support approval of the application. Middleton added that while she believed the project team had worked extensively with the Town and created a visually attractive development overall, she remained unconvinced the funicular itself would be utilized enough to justify the long-term visual and maintenance impacts.

Hagedorn stated that while he understood some of the concerns raised by fellow Commissioners, he believed the application should ultimately be reviewed under the Conditional Use Permit criteria established within the Town Code. Hagedorn stated that based upon the revised landscape plan and updated materials, he believed the application met the applicable criteria.

Hagedorn complimented the applicant for creating a landscaping approach that feathered vegetation naturally into the hillside rather than simply lining plantings directly along the track alignment. Hagedorn stated that he appreciated the more natural approach to screening and believed it would help the project better blend into the surrounding landscape over time.

John Rediker made a motion to Approve with the conditions found on pages 10 and 11 of the staff memorandum, including an additional discretionary condition that the Design Review Board evaluate additional landscape plantings along the top of the retaining wall during the DRB review process. The Commission also found that the required findings outlined on page 11 of the staff memorandum had been met.; Lauren Wallace seconded the motion Passed (4 - 1).
Voting For: Brad Hagedorn, Margaret H Brown, Lauren Wallace, John Rediker
Voting Against: Kathryn Middleton

3.2

A **request for the review of a Conditional Use Permit, pursuant to Section 12-6D-3, Conditional Uses, Vail Town Code, to allow for a Funicular pursuant to Section 12-16, Conditional Use Permits, Vail Town Code, located at 816 & 826 Forest Road, Vail Village Filing 6, Block 1, Lot 14 & Lot 15 (PEC-26-3)**

Planner: Greg Roy

Applicant Name: Mexamer Forest Road LLC, represented by Mauriello Planning Group

Time: 45 Min

PEC-26-3 CUP Funicular Staff Memorandum.pdf
Attachment A. Vicinity Map.pdf
Attachment B. Applicant Narrative.pdf
Attachment C. Application Plan Set.pdf
Attachment D. Renderings.pdf
Attachment E. Updated Funicular Planting Plan
051126.pdf Attachment F. Response to Fire Comments
051126.pdf Opened with item 3.1 and heard congruently.

Lauren Wallace made a motion to Approve with conditions on page 6 and findings on pages 6 and 7 of the staff memorandum. ; John Rediker seconded the motion Passed (4 - 1). Voting For: Brad Hagedorn, Margaret H Brown, Lauren Wallace, John Rediker
Voting Against: Kathryn Middleton

3.3

A **request for review of a Conditional Use Permit, pursuant to Section 12-7D-2 Conditional Uses, Vail Town Code, in accordance with Title 12, Chapter 16, Conditional Use Permits, Vail Town Code, to allow for a Child Daycare Center located at 2161 N Frontage Rd W/Lot**

2A Vail Das Schone Filing 3. (PEC-26-7)

Planner: Heather Knight

Applicant Name: Ace Low Capital, represented by Zehren and Associates, Inc.

Time: 45 Min

PEC-26-7 Montessori Daycare Staff Memo.pdf
Attachment A. Vicinity Map - Daycare.pdf
Attachment B. PEC-26-7 Applicant Narrative.pdf
Attachment C. PEC-26-7 Plan Set.pdf
Attachment D. Daycare-Public Comment.pdf
Timestamp (00:30:53)

Hagedorn opened Agenda Item 3.3, a request for review of a Conditional Use Permit pursuant to Section 12-7D-2, Conditional Uses, Vail Town Code, to allow for a child daycare center located at 2161 North Frontage Road West, Lot 2A, Vail/Shone Filing 3, identified as PEC-26-7. Hagedorn noted that Heather Knight was the planner for the application and that the applicant was ASLO Capital represented by Zehren & Associates.

Knight began the presentation by orienting the Commission to the location of the proposal within the West Vail Mall area near the Highline Hotel, behind McDonald's, in the former Christie Sports tenant space. Knight explained that the site is zoned Commercial Core 3 and that a child daycare center is a Conditional Use within that zone district. Knight stated that the proposal included a maximum of 130 children ranging in age from infant to four years old, with 24 staff members required under state regulations. Knight explained that the facility would contain nine classrooms, indoor multipurpose space, staff facilities, restrooms, prep areas, and outdoor playground areas.

Knight stated that parking and traffic circulation had been the primary focus of staff review. Knight explained that staff worked extensively with the applicant and Public Works staff to evaluate whether the parking lot could safely and effectively accommodate daycare drop-off and pickup activity while still serving the surrounding commercial uses. Knight noted that the applicant prepared an extensive parking and operational study that staff felt adequately demonstrated compliance with the Town's parking requirements and operational standards.

Knight explained that the parking analysis reviewed not only the daycare demand itself, but also the relationship between daycare traffic and existing tenant parking demands at varying times of day. Knight stated that staff specifically analyzed how much parking surplus remained available for vacant tenant spaces and whether additional commercial tenants could still reasonably occupy those spaces in the future. Knight noted that staff concluded sufficient surplus parking remained available under multiple commercial scenarios.

Knight explained that one of the proposed conditions of approval required a detailed operational management plan outlining traffic circulation, parking assignments, pickup procedures, and parent instructions. Knight stated that the Conditional Use Permit was proposed with a three-year review period so the Planning and Environmental Commission could reevaluate the operational success of the facility after it had been functioning. Knight commented that while the parking analysis worked on paper, real-world operational issues involving parents, children, traffic flow, and human behavior could require future fine-tuning.

Wallace asked whether the three-year review period was specifically tied to concerns about parking and operational functionality. Knight confirmed that it was and explained that staff believed the use itself fit the location well, but because the daycare use was unique within the existing commercial center, staff wanted the ability to reevaluate operations after observing actual conditions over time. Knight clarified that the intent was not to create uncertainty for the daycare operator, but rather to ensure the Town retained the ability to adjust operational conditions if issues arose.

Wallace asked how safety and traffic circulation had been evaluated, particularly related to pickup and drop-off activity. Knight explained that the state separately regulates daycare operational safety standards, but staff focused heavily on parking lot operations, circulation, and parent movement within the site. Knight stated that unlike a traditional school drop-off line, the daycare involved infants and very young children who must physically be walked into the building by parents. Knight explained that parents would park in designated spaces, remove children from vehicles or car seats, physically walk them into the daycare, and then return to their vehicles. Knight noted that the applicant's operational study analyzed timing, circulation, and the average duration of each drop-off and pickup event.

Wallace asked for clarification regarding references to "vacant spaces" in the parking analysis and whether future commercial occupancy had been considered. Knight explained that the study intentionally evaluated how much surplus parking would remain available if adjacent vacant tenant spaces were reoccupied. Knight stated that retail uses would still leave a parking surplus, while restaurant-type uses would create a tighter parking condition but would likely operate during different peak times than the daycare. Knight noted that the Commission would retain future authority to evaluate any subsequent tenant parking requests independently.

Knight presented the overall site plan and explained that no parking spaces were proposed to be removed or restriped. Knight stated that the proposal occupied an existing tenant space and that the outdoor playground areas were located adjacent to the building within currently underutilized landscaped areas. Knight described the proposed five-foot fence surrounding the playground areas and explained that the fencing was setback from the existing retaining wall and buffered by landscaping.

Rediker asked whether the existing landscaping shown on the site plan would remain. Knight confirmed that the landscaping was existing and stated that additional landscape improvements were proposed within the playground area without substantially altering overall site landscaping calculations.

Knight reviewed the floor plan and explained that each classroom would open directly to the playground areas, with classroom organization generally corresponding to child age groups progressing from infants to older toddlers. Knight clarified that the daycare occupied the upper level of the building above the bank tenant space below.

Knight reviewed the parking calculations in greater detail and explained that the applicant's study concluded approximately 33.6 parking spaces would be needed during morning drop-off and 29.1 spaces during afternoon pickup. Knight reiterated that approximately 30 surplus spaces remained available under current site conditions even after accounting for the daycare use. Knight further explained that staff evaluated alternative future tenant scenarios including retail, quick- service restaurants, and sit-down dining establishments to understand potential future parking impacts.

Rediker asked about the proposed pickup and drop-off hours. Knight deferred to the applicant. Rosalie Rougeau introduced herself and stated that daycare operations were anticipated between approximately 7:30 a.m. and 5:30 p.m., with most pickup activity occurring before typical evening restaurant peak hours. Rougeau explained that very few children would be picked up during the middle of the day except for unusual circumstances. Wallace asked whether the daycare would operate Monday through Friday, and Knight confirmed that it would.

Knight reviewed the Conditional Use Permit criteria and stated that the proposal strongly aligned with adopted Town planning documents, including the West Vail Master Plan and broader community goals supporting year- round residents and redevelopment within existing commercial areas. Knight emphasized the demonstrated community need for early childhood education facilities both within Vail and Eagle County generally. Knight stated that the project activated a long-vacant commercial space while supporting permanent resident families and the local workforce.

Knight further stated that the daycare would not create significant impacts related to scale, bulk, mass, light, or air because the proposal occupied an existing commercial space. Knight explained that staff viewed the community benefit provided by the daycare as substantially outweighing any potential negative impacts associated with parking and circulation.

Knight reiterated that traffic and parking remained the primary operational challenge reviewed by staff. Knight explained that daycare pickup and drop-off periods occurred at different times than the primary lunch and dinner rush periods associated with surrounding restaurant uses. Knight stated that the applicant's operational study demonstrated those peak periods generally would not substantially overlap. Knight again emphasized the importance of the required parking and operational management plan.

Hagedorn asked how the three-year review process would function procedurally. Knight explained that Community Development staff would monitor the operation and return the item to the Planning and Environmental Commission after three years for evaluation. Knight stated that if operational issues arose, adjustments could potentially be made administratively or through additional Commission review.

Middleton asked whether signage or traffic warning measures would be added near the site due to the daycare use. Knight explained that because the facility was classified as a daycare rather than a traditional school, CDOT did not require school-zone signage or additional roadway modifications. Knight noted that the Town Engineer did not believe additional roadway improvements were necessary because an existing left-turn lane already served the site.

Middleton clarified that her concern was more related to awareness within the parking lot itself rather than the frontage road. Middleton stated that because the area was extremely busy, she believed additional signage within the parking area reminding drivers to watch for children and pedestrians would be beneficial. Knight responded that staff believed most impacts would occur internally within the parking lot circulation rather than on the frontage road itself and stated that pickup and drop-off operations would be more controlled than a traditional school circulation pattern because parents would physically park and escort children into the building.

Hagedorn asked how long the tenant space had been vacant. Knight estimated approximately two to three years, while other Commissioners recalled prior sporting goods tenants occupying the space over the years.

Tim Alosa with Zehren & Associates introduced himself and stated that Rosalie and Andy Rougeau would own and operate the facility. Alosa stated that he did not have a formal presentation because staff had already covered much of the proposal thoroughly. Alosa reiterated that the facility would accommodate approximately 130 children and reviewed the age group breakdowns from infants through pre-kindergarten age children.

Alosa explained that state regulations required 18 classroom staff plus approximately six additional support staff. Alosa stated that the additional staff members served as floaters to maintain required supervision ratios when teachers stepped away from classrooms.

Alosa described the three separate playground areas proposed for infants, younger toddlers, and older toddlers. Alosa explained that each playground would serve different age groups and allow flexibility for scheduling and operational management. Alosa stated that the playgrounds would be enclosed by fencing exceeding the minimum state-required height to better accommodate wintertime play activities and snow accumulation.

Alosa explained that the project would not substantially alter required landscaping calculations because only a very small amount of additional hardscape area was proposed within the playgrounds. Alosa stated that the playground surfacing would consist of engineered rubberized or cushioned materials surrounding low-height play equipment intended for very young children.

Alosa stated that the applicant intended to preserve several mature evergreen trees already existing within the playground area to provide natural shade and screening. Alosa commented that the area was currently underutilized turf space and that the playground improvements would significantly improve activation of the property.

Alosa discussed the parking study methodology and explained that because the Town Code does not contain a specific daycare parking formula, the analysis relied heavily upon operational assumptions and timing studies. Alosa explained that the study evaluated staff parking demand, multimodal reductions, parent drop-off behavior, absentee rates, and varying pickup durations depending upon child age groups.

Andy Rougeau introduced himself and explained that pickup and drop-off assumptions were based upon operational experience from multiple daycare facilities they currently operate along the Front Range. Rougeau stated that approximately 50% of children would likely be picked up between 3:00 and 4:00 p.m., with the remaining pickups spread between later aftercare periods. Rougeau explained that the timing assumptions reflected actual observed behavior patterns at comparable facilities.

Rediker asked whether all 24 staff members would be parked onsite throughout the day.

Rougeau stated that while staffing peaked during core daytime hours, schedules were staggered throughout the morning and evening.

Rougeau explained that fewer staff members would remain onsite during early morning and later evening periods due to before-care and aftercare scheduling adjustments.

Hagedorn commented that staff parking should ideally occur farther away from the building to preserve closer spaces for parents with children. Rougeau agreed and stated that employee parking would be located primarily along the frontage road edge of the parking lot, leaving the spaces closest to the building available for parents and children.

Rediker asked whether the lease agreement specifically addressed employee parking locations.

Rougeau confirmed that the lease required employee parking along the frontage road side of the lot and stated that the landlord specifically requested closer spaces remain available for customer and parent parking.

Middleton asked whether dedicated pickup spaces near the stairs would be reserved specifically for parents with infants and carriers.

Rougeau explained that after discussions with the landlord, three spaces near the stairs and five spaces near the liquor store side of the building would be designated for daycare pickup and drop-off during operational hours to better accommodate families carrying infants or car seats.

Rediker asked additional questions regarding parking counts, staff spaces, and circulation within the lot. Rediker noted concerns regarding snow storage and ensuring designated parking areas remained clear during winter months.

Rougeau stated that the daycare would coordinate with the landlord to ensure parking and circulation areas remained adequately maintained and operational during snow events.

Wallace asked about the proposed fence height and whether five feet would be tall enough to contain children safely during winter snow conditions.

Knight explained that a taller fence would require additional variance review.

Rougeau stated that snow removal and grading within the playgrounds would be managed carefully to maintain safe fence heights and play areas.

Wallace asked whether bicycle parking or multimodal access areas had been considered for families arriving by bike.

Rougeau stated that dedicated bicycle parking had not yet been specifically designed but acknowledged it as something worth exploring further.

Rediker raised concerns regarding the potential use of rubberized playground materials and encouraged the applicant to research products carefully to ensure children would not be exposed to potentially harmful compounds or chemicals. Alosa responded that the surfacing would be designed to comply with applicable safety standards and that drainage would remain onsite within landscaped areas. Rediker emphasized the importance of avoiding any impacts to groundwater or Gore Creek from playground materials or drainage runoff.

Hagedorn opened public comment.

Knight noted that a public comment letter had been received and included within the meeting packet. Staff further clarified that the letter was submitted by the Head of School at Eagle County Montessori School in support of the application. No additional public comments were provided in person or online, and

Hagedorn subsequently closed public comment.

Middleton stated that she applauded the applicants for pursuing the project and commented on how difficult it is to find childcare within the valley, particularly for local families. Middleton stated that she appreciated the Montessori philosophy and the educational approach proposed for the daycare. Middleton referenced Commissioner Rediker's earlier comments regarding environmental concerns and playground materials and stated that she believed the applicants would carefully select materials that were safe both for children and the environment. Middleton acknowledged that parking and snow storage would likely be operational challenges, especially during busy winter pickup periods between approximately 3:00 p.m. and 7:00 p.m. when the surrounding commercial area experiences significant congestion. Middleton stated that traffic flow and circulation would likely require adjustment during the first year of operations but ultimately concluded that the application met the review criteria and expressed support for approval.

Brown stated that she echoed many of Commissioner Middleton's comments and characterized the proposal as a very strong application with respect to the Town's development objectives and existing childcare shortages. Brown stated that the daycare fit well within the mixed-use urban character of West Vail and noted that the location near transit and existing commercial services made the proposal particularly appropriate. Brown commented that her primary concern was not necessarily the overall quantity of parking spaces but rather the intensity and concentration of vehicle access during pickup and drop-off periods. Brown humorously observed that parents picking up children are often extremely determined and persistent drivers, regardless of congestion levels. Brown stated that she anticipated some initial operational growing pains because the public had become accustomed to using the parking associated with the long-vacant tenant spaces. Brown stated that she believed the applicants would be capable of adapting operations and educating users over time and thanked them for bringing forward the proposal.

Wallace stated that she agreed with many of the previous comments and acknowledged the significant challenge involved in opening and operating a childcare facility under current regulatory requirements. Wallace noted that while the staff memo repeatedly referenced future housing growth driving additional childcare demand, she believed the need for childcare already existed today and that the proposed daycare would only begin to address the larger community shortage. Wallace stated that the use strongly aligned with the Town's broader goals of supporting year-round residents and workforce sustainability. Wallace stated that her primary concern had been whether the operational and circulation details would function safely and effectively on the site and commented that she felt those issues had largely been addressed during the hearing. Wallace encouraged the applicants to further consider summer bicycle traffic and multimodal access planning moving forward. Wallace stated that she appreciated the operational conditions proposed by staff and believed those conditions would help ensure long-term compatibility with the surrounding area.

Rediker stated that staff had prepared a strong and detailed memo analyzing the Conditional Use Permit criteria and stated that, based upon the review criteria outlined in the staff report, he believed the application met the required standards for approval. Rediker reiterated concerns regarding snow removal and maintaining the availability of designated parking spaces during winter conditions. Rediker commented that the daycare would likely represent one of the most intensive parking uses historically located within the commercial center and stressed the importance of the landlord maintaining parking areas properly throughout the winter season. Rediker stated that operational maintenance of parking and snow removal would be critical to the long-term success of the facility and likely a major point of future review during the proposed three-year evaluation period.

Rediker additionally stated that, while unrelated to the Commission's approval criteria, he strongly encouraged the applicants to research playground surfacing materials carefully, particularly products involving rubberized surfaces and plastics. Rediker expressed concerns regarding potential exposure of young children to volatile organic compounds and other chemicals associated with certain playground products. Rediker stated that children between ages zero and five are especially vulnerable to environmental exposures and encouraged the applicants to select the safest products possible while still satisfying applicable playground safety standards. The applicants acknowledged and agreed with the concern.

Hagedorn thanked the applicants for pursuing the project and spoke personally about the challenges many valley families face when attempting to secure childcare and Montessori placements. Hagedorn referenced his own experience with childcare availability within the community and stated that while adding 130 childcare spaces would not fully solve the valley-wide shortage, it represented a significant and meaningful step forward. Hagedorn commented that, compared to some Commissioners, he was generally less concerned about strict parking calculations because parking operations often adapt over time as users adjust to a site. Hagedorn also noted that the daycare occupied a substantial percentage of the overall commercial center square footage and therefore reasonably justified a proportionate share of parking demand. Hagedorn stated that the proposed three-year operational review period provided additional confidence because it created an opportunity for the Town and the applicants to revisit any operational concerns, parking adjustments, restriping, or circulation issues after the facility had been functioning. Hagedorn concluded that the three-year checkpoint provided reassurance that operational challenges could be addressed collaboratively in the future if necessary.

John Rediker made a motion to Approve with conditions on page 6 and findings on pages 6 and 7 of the staff memorandum. ; Margaret H Brown seconded the motion Passed (5 - 0).

3.4

A request for a recommendation to the Vail Town Council for the establishment of a new Special Development District, pursuant to Section 12-9(A), Special Development Districts,

Vail Town Code, to allow for the development of a multi-family project, located at 442 South Frontage Road East/ Vail Village Filing 5, Tract D. (PEC-26-11)

Planner: Greg Roy

Applicant Name: Lunar Vail Land Investment, LLC, represented by Ruther Associates LLC

Time: 120 Minutes

PEC-26-11 Lunar Staff Memo.pdf
Attachment A. Vicinity Map.pdf
Attachment B. 051126 Applicant Narrative.pdf
Attachment C. 051126 Plan Set.pdf
Attachment D. Apollo Park Board Support Letter.pdf
Attachment E. Applicant Presentation 051126.pdf
Attachment F. Employee Housing Plan 051126.pdf
Timestamp (01:49:15)

Hagedorn opened Agenda Item 3.4, a request for a recommendation to the Vail Town Council for the establishment of a new Special Development District pursuant to Section 12-9A, Special Development Districts, Vail Town Code, to allow for the development of a multifamily project located at 442 South Frontage Road East, Vail Village Filing 5, Tract D, identified as PEC-26-11. Hagedorn noted that Heather Knight would be presenting the item in place of Greg Roy and clarified that the application was returning as a continued work session with an anticipated continuance to a future hearing date rather than a final action item. Knight confirmed that the application remained in work session mode and stated that staff and the applicant continued to work through comments and issues previously raised by the Commission.

Knight noted that Commissioners had raised questions regarding standing, ownership approvals, and procedural authority to continue hearing the application. Knight introduced Community Development Director Matt Gennett to address those procedural questions before proceeding further into the work session.

Gennett stated that staff had consulted with the Town Attorney regarding the matter and explained that the Town viewed the ownership and property rights dispute as a civil matter outside the Town's jurisdiction. Gennett stated that both parties involved asserted differing claims regarding property rights connected to the application, however the Town was not in a position to determine which party was legally correct. Gennett stated that the application could continue moving forward through the review process and confirmed that the Joint Property Owner authorization included within the packet remained valid for procedural purposes.

The Commission discussed concerns regarding previously executed approval forms and whether those forms remained valid given the substantial revisions made to the proposal since the original application had been submitted. The Commission questioned whether updated authorization would normally be required when a proposal changes significantly throughout the review process.

Gennett explained that the Town's standard Joint Property Owner form contains language acknowledging that plans may evolve and change throughout the development review process and reiterated that the application remained active under the same application number. Gennett again stated that disputes regarding private property rights and interpretations of ownership agreements were not issues for the Planning and Environmental Commission to resolve.

Knight stated that because the item remained a work session she did not intend to provide a formal presentation and instead turned the discussion over to the applicant team.

George Ruther of Ruther & Associates introduced himself on behalf of Lunar Vail Land Investment LLC and introduced Sean Byrne and Ron Byrne as managing agents of the LLC.

Ruther stated that he wanted to further clarify the applicant's position regarding the Joint Property Owner authorization issue.

Ruther stated that, from the applicant's perspective and based upon conversations with the applicant's legal counsel, the current redevelopment proposal differed substantially from the original application because the revised development no longer impacted property owned by Apollo Park. Ruther explained that the current proposal was confined entirely to property owned by Lunar Vail Land Investment LLC and therefore, in the applicant's opinion, no longer constituted a "joint property" situation in the same manner as originally presented. Ruther stated that because the revised proposal no longer involved improvements on Apollo Park-owned property, the applicant believed the Joint Property Owner authorization issue had effectively become unnecessary or a non-issue for purposes of continuing the review process.

Hagedorn asked for clarification regarding whether the applicant's position was that a Joint Property Owner authorization was no longer required because the revised proposal no longer impacted property outside the ownership of Lunar Vail Land Investment LLC.

Ruther confirmed that was the applicant's interpretation.

Knight interjected and noted that the property still remained part of a larger development lot shared with the existing building.

Gennett responded that regardless of differing interpretations concerning whether a Joint Property Owner authorization was technically required, the Town already possessed a signed Joint Property Owner authorization form within the application materials.

Gennett reiterated that any disputes regarding the validity or interpretation of that document remained outside the Town's jurisdiction and would ultimately need to be resolved separately if challenged.

Hagedorn clarified that the Commission's concern was not determining ownership rights between parties but rather ensuring that the Commission possessed the procedural authority to continue hearing the application.

Gennett confirmed that, based upon guidance from the Town Attorney, staff believed the application could continue through the development review process.

Ruther stated that his understanding from conversations with the Town Attorney aligned with Gennett's explanation and expressed hope that the procedural question could be put behind the Commission so the work session could proceed into discussion of the project itself.

Ruther began the presentation by explaining that this meeting represented the second of two planned work sessions for the application. Ruther stated that the intent of the meeting was to revisit "old business" from prior hearings, summarize feedback received from the Planning and Environmental Commission, Town Council, staff, and neighboring properties, and then move into "new business" topics and next steps for the project. Ruther stated that the applicant appreciated the opportunity to continue the work session format because it allowed the proposal to evolve through ongoing dialogue with the Commission.

Ruther stated that discussions with Apollo Park neighbors remained ongoing, though he acknowledged that the neighboring property owners still did not support the application in its current form. Ruther stated that the revised proposal represented an effort to simplify the development by reducing the project to a single building rather than multiple structures. Ruther acknowledged that the "Apollo Park puzzle" had not yet been solved and stated that the applicant hoped those issues could continue to be worked through over time outside the immediate scope of the application.

Ruther reviewed comments received during prior hearings and summarized feedback regarding building height, GRFA reductions, setbacks, landscaping, parking, circulation, employee housing, and overall compatibility with the Vail Village Master Plan. Ruther stated that the applicant understood the Commission generally viewed the revised proposal more favorably than earlier versions, particularly due to reductions in density, bulk, massing, and the stepping back of portions of the north and south façades. Ruther emphasized repeatedly that the work session process was iterative and that the applicant understood the Commission was not making final determinations at this stage of review.

Rediker clarified that while he had previously expressed comfort with portions of the proposed building height analysis, he did not want his comments interpreted as a “rubber stamp” approval of the proposed building height. Rediker stated that his earlier comments reflected comfort with the conceptual information presented to date, but that the Commission retained the ability to reevaluate building height as additional information was provided through the review process.

Ruther responded that the wording used throughout the presentation was intentionally framed as “appears” or “seems” because the applicant understood that the Commission’s direction could change as more information became available. Ruther stated that the purpose of the work session was to create an ongoing dialogue and provide opportunities to refine the application as review continued.

Ruther presented before -and-after architectural site plan comparisons and explained that Apollo Park Buildings A and B would remain unchanged under the revised proposal.

Ruther stated that the primary revision involved shifting the proposed south façade approximately 15 to 20 feet northward, primarily at the southwest corner of the building, while maintaining the general circulation pattern and site organization from earlier submittals.

Hagedorn confirmed that the revised proposal primarily involved pulling the north and south façades inward while retaining much of the overall building arrangement previously presented.

Ruther reviewed setback revisions and explained that many prior encroachments had been removed from the proposal. Ruther stated that the remaining setback encroachment primarily consisted of a small portion of the below-grade parking garage ramp and garage lid extending into the setback area.

Ruther explained that the exposed portion of the garage lid measured approximately 208 square feet above grade and would be fully landscaped to appear as a planter feature rather than visible parking structure infrastructure.

Wallace asked whether the below-grade garage structure created any concerns regarding utilities or easements within the setback area.

Knight responded that staff had not identified concerns related to utilities or easements associated with the revised encroachment area.

Ruther continued through revised development standards and discussed changes to GRFA, density, setbacks, parking, site coverage, landscaping, and inclusionary zoning.

Ruther stated that the revised application significantly reduced overall density and GRFA while maintaining the same maximum building height previously proposed. Ruther explained that the height remained generally unchanged because the building footprint stayed largely in the same location, while portions of the façade were pulled inward to reduce massing impacts.

Ruther explained that revised setbacks on portions of the property were partially driven by the continued existence of Apollo Park buildings that already encroached into setback areas. Ruther stated that the applicant had increased setbacks on the east side of the site by narrowing portions of the building footprint in order to accommodate additional landscaping entirely on the applicant's property rather than relying upon landscaping located on adjacent parcels.

Ruther asked whether Commissioners had additional questions regarding the revised development standards and deviations proposed within the Special Development District application.

Rediker questioned the overall building height and roofline configuration, specifically asking how much of the structure actually reached the maximum 69.8-foot building height and how much of the structure remained lower. Rediker stated that it was difficult to determine the overall average building height from earlier graphics provided in the packet.

Hagedorn noted that revised roof point diagrams had been included within the application materials and indicated that those diagrams helped clarify how the roof elevations stepped down across the site.

Ruther explained that point "L11" represented the highest point on the structure at approximately 69.8 feet and corresponded to a peaked gable on the southern portion of the building located furthest downslope. Ruther stated that all remaining portions of the structure stepped down from that point, with most roof elevations falling within the mid-60-foot range or lower. Ruther further explained that the finished grades and existing grades remained relatively close together throughout the site, which demonstrated that the building was being designed to work with the topography rather than against it.

Hagedorn stated that the height diagrams were helpful because they demonstrated that the overall structure generally averaged in the low-to-mid 60-foot range despite including portions that reached nearly 70 feet in height.

Ruther agreed and stated that because the Town measures height from existing grade rather than finished grade, the building would visually appear shorter than the measured code height once constructed.

Wallace commented that while the revised proposal was moving in a better direction, the application still requested substantial deviations from underlying zoning standards. Wallace stated that comparisons to nearby projects such as Altus and Mountain View did not eliminate the fact that the proposal remained significantly larger than what underlying zoning would otherwise permit.

Ruther responded that he believed too much focus had historically been placed on numerical standards alone rather than overall project outcomes. Ruther stated that previous iterations of the project had attempted to meet performance-based goals related to landscaping, parking placement, and neighborhood context, but the applicant ultimately revised the proposal further in response to Commission and neighborhood feedback. Ruther stated that many elements previously located below grade or visually screened had been removed simply to satisfy strict technical compliance concerns even though those elements would not have materially impacted visual character.

Wallace questioned how the revised proposal compared to prior approvals within the East Vail Village and Frontage Road area and expressed concern about precedent for future projects requesting similar deviations.

Ruther discussed the Vail Village Master Plan extensively and argued that portions of the plan had become outdated and internally inconsistent with current zoning regulations. Ruther stated that the Master Plan contemplated buildings ranging from five to six stories within the Frontage Road subarea, while the underlying HDMF zoning district technically limited height to 48 feet. Ruther argued that the zoning and Master Plan no longer aligned and stated that many nearby properties, including Altus and Tyrolean, required numerous variances or Special Development District approvals because strict application of underlying zoning could not realistically achieve the planning goals contemplated within the Master Plan.

Wallace commented that future applicants would likely cite similar arguments regarding variances and deviations and stated that the Commission needed to remain mindful of precedent-setting decisions.

Rediker asked about the proposed landscape buffer between the building and South Frontage Road and questioned how much landscaping separation would exist between the roadway and the structure.

Ruther responded that approximately 20 feet of landscaping would exist between the property line and the building, with an additional approximately 15 feet between the property line and roadway due to the public sidewalk and right-of-way area.

Ruther reviewed revised site coverage calculations and stated that previous versions of the proposal had reduced site coverage from approximately 60 percent down to approximately 45 percent, which fell below the 55 percent maximum otherwise permitted within the HDMF zone district. Ruther clarified that the calculation included both above-grade and below-grade structures for all buildings located on the development parcel.

Ruther reviewed revised landscaping diagrams and stated that the updated proposal fully complied with HDMF landscaping requirements. Ruther stated that the revised landscape plan intentionally shifted landscaping entirely onto the applicant's property, particularly along the eastern property line adjacent to the Wren property, in order to avoid relying on landscaping located on neighboring parcels.

Ruther reviewed additional roof height diagrams and parapet elevation points and further explained how the building stepped down with the slope of the site. Ruther emphasized that the proposal attempted to work with existing topography and minimize unnecessary grading.

Ruther presented parking information and explained that parking counts had been reduced proportionally alongside reductions in density and GRFA. Ruther stated that the project continued to provide approximately one parking space per employee housing unit and approximately two spaces per market-rate dwelling unit, with the majority of parking located below grade.

Ruther stated that discussions with the Housing Department indicated a preference for one-bedroom and studio employee housing units due to the project's proximity to Vail Village, the Transportation Center, transit routes, and bicycle connectivity.

Ruther discussed aerial imagery and shadow studies prepared for the project and showed comparisons of surrounding buildings along South Frontage Road casting shadows across the roadway during winter months.

Ruther argued that many existing buildings within the area already created similar shadow impacts and stated that complete avoidance of shading along the frontage road would require dramatically stepping buildings back from the roadway, substantially reducing developable building mass.

Ruther presented additional "bathtub" massing diagrams illustrating comparative building heights throughout the neighborhood. Ruther explained that the diagrams showed which surrounding buildings would remain visible above an imaginary 70-foot elevation line and argued that the proposed building height was generally consistent with the surrounding context of the East Vail Village area.

Rediker commented that the diagrams were helpful in understanding how the proposed building related to nearby structures and stated that many portions of the building appeared to remain closer to the low-and mid-60-foot range rather than consistently approaching 70 feet.

Ruther reviewed the employee housing mitigation proposal and explained that the applicant was proposing a 17.5 percent mitigation rate rather than the standard 10 percent inclusionary zoning requirement due to the additional deviations requested through the Special Development District process.

Ruther stated that approximately 94 percent of the applicant's housing mitigation obligation would be provided onsite through approximately 5,891 square feet of deed-restricted employee housing, with the remainder proposed through a fee-in-lieu payment to the Town.

Wallace asked how the employee housing mitigation rate was calculated and whether all employee housing units would be similarly sized.

Ruther responded that the mitigation calculation was based on square footage and stated that unit mix discussions were still ongoing with the Housing Department.

Hagedorn discussed the possibility of balancing onsite and offsite employee housing mitigation and stated that he would like future discussions regarding housing mitigation to include more direct input from the Housing Department rather than relying solely upon discussions occurring before the Commission.

Rediker returned discussion to the Vail Village Master Plan and questioned how the plan's recommendations for taller buildings along Frontage Road aligned with language regarding protection of views toward Vail Mountain and the Village Core.

Knight responded that portions of the Master Plan discussed stepping building mass downward from Frontage Road toward Gore Creek and maintaining transitions through building placement and massing rather than absolute height limitations.

Ruther disagreed with portions of that interpretation and continued discussing what he viewed as inconsistencies within the Master Plan regarding silhouette, view corridors, and allowable building massing within the East Vail Village area.

Knight referenced specific pages within the Master Plan to clarify staff's interpretation of the relevant planning guidance.

Hagedorn also referenced portions of the Master Plan discussing building placement and view corridor relationships.

Rediker commented that some view corridor references within the Master Plan appeared tied to roadway and public facility alignments that no longer existed as originally envisioned. Rediker stated that portions of the plan required interpretation within the context of current conditions.

Rediker asked additional questions regarding snow storage areas and snow management requirements associated with the proposal.

Ruther responded that snow storage areas were incorporated throughout the site and stated that portions of the circulation areas and pedestrian routes would be heated.

Rediker asked whether streetscape requirements related to snow management applied within this portion of the community.

Knight responded that those streetscape standards primarily applied within the Village Core rather than the Frontage Road area.

Ruther discussed improvements proposed within the right-of-way, including landscaping and sidewalk enhancements adjacent to the property.

Ruther reviewed next steps for the application and discussed coordination with anticipated public works improvements and future review timelines.

Rediker asked additional questions regarding Apollo Park access and circulation relationships between the properties.

Ruther explained that the properties shared driveway access and discussed proposed circulation routes, parking access, and ADA accessibility connections around the pool area.

Rediker asked whether the proposal would meet the Town's objectives regarding short-term accommodations and lodging uses.

Ruther responded that the project was currently envisioned primarily as owner-occupied units with the potential for short-term rental activity, though final operational decisions had not yet been fully determined.

Ruther formally requested continuance of the work session to the June 22 meeting.

Hagedorn asked whether the applicant continued to have discussions with Apollo Park representatives regarding ongoing concerns.

Ruther confirmed that conversations were continuing and again acknowledged that the proposal still did not fully resolve the broader "Apollo Park puzzle."

Sean Burke introduced himself and commented that prior versions of the project lacked sufficient alignment to move forward successfully.

Burke discussed landscaping concerns and asked additional questions regarding screening and site treatment that had previously been raised by Commissioners.

Rediker reiterated that landscaping and site screening should generally align with the intent and guidance of the Vail Village Master Plan.

Middleton asked questions regarding onsite employee housing mitigation and fee-in-lieu options.

Wallace asked additional questions regarding the applicant's interest in potentially pursuing alternative offsite employee housing mitigation strategies.

Ruther responded that those discussions were still evolving and stated that the applicant intended to further refine housing mitigation details prior to the final hearing. Ruther acknowledged that offsite mitigation alternatives remained under consideration.

Hagedorn opened public comment.

Will Howard introduced himself as a resident of Vail Mountain View Residences Unit 406 and stated that he had been working closely with the VMVR Board and homeowners throughout the redevelopment review process. Howard thanked the Planning and Environmental Commission and Town staff for their continued engagement and involvement over the course of the lengthy review process. Howard stated that VMVR appreciated the Commission's efforts to steer the project toward what they viewed as a more appropriate size and scale for the neighborhood. Howard explained that VMVR generally supported redevelopment of the property provided that the project remained appropriately scaled. Howard stated that the VMVR Board and neighboring property owners had come close to reaching a compromise agreement regarding the January 6 proposal that would have replaced the Creekside Apollo Park building and stated that discussions were continuing regarding the current Lunar Vail North proposal. Howard commented that while neighbors may not always agree on development details, the Town ultimately had the responsibility to determine what was appropriate for both Vail and the surrounding neighborhood.

Howard stated that VMVR generally supported the revised Lunar Vail North proposal and believed that substantial improvements had been made, including reductions in GRFA above underlying zoning allowances. Howard stated that VMVR had become more comfortable with the proposed building height over time, especially considering the precedent established by nearby projects such as Altus. Howard also commented on the applicant's discussions regarding potential off-site employee housing solutions and stated that VMVR was generally supportive of those ideas as well.

Howard stated that VMVR was actively working with the applicant on four primary issues that he did not believe were insurmountable. Howard explained that the first issue involved fire truck and crane access. Howard stated that VMVR was effectively "locked down" by Gore Creek and that the primary remaining emergency access route would be the shared fire path. Howard explained that the fire path currently served Altus, VMVR, Apollo Park, and potentially Lunar Vail North, and stated that VMVR wanted additional discussion regarding setbacks, landscaping placement, and tree planting to ensure that fire trucks could safely maneuver onto the path. Howard noted that one of the existing driveway cuts would be removed and stated that additional detail work would be needed regarding emergency circulation.

Howard stated that VMVR also wished to continue discussions regarding cost sharing for the creekside path and stairs that provided access for Apollo Park and Lunar Vail North residents through VMVR property. Howard further commented that VMVR wanted additional discussion regarding short-term commercial parking improvements and management of pool noise impacts. Howard concluded by stating that VMVR intended to continue working collaboratively with the development team and hoped to ultimately support the project at a future hearing.

Louise Todd introduced herself as an owner of twelve timeshare weeks at Apollo Park and stated that she had been closely following the redevelopment process since it first became public. Todd stated that while much of the work and revisions completed by the applicant were appreciated, she wanted to raise concerns regarding accessibility and use of Apollo Park during future construction activities. Todd requested that future plans clearly account for continued access and usability for both timeshare owners and full-time property owners throughout the duration of construction and asked that those plans be made publicly available as the process continued.

Andy Peters introduced himself on behalf of the Apollo Park Association and followed up on remarks previously made during earlier hearings. Peters stated that he was surprised to hear discussion suggesting that the previously executed association authorization letter would apply to any revised version of the project moving forward. Peters quoted portions of the original authorization letter and stated that Apollo Park had only authorized the "board-approved application and materials" that had been presented previously. Peters stated that the current proposal differed significantly from earlier plans because Apollo Park was no longer incorporated into the redevelopment proposal in the same manner. Peters argued that the current proposal still modified shared property elements, including the pool area, parking arrangements, fire access, and zoning standards affecting Apollo Park. Peters emphasized that the property remained a single parcel and stated that future redevelopment of Apollo Park would still be governed by the standards established through the proposed Special Development District. Peters stated that Apollo Park did not believe the current proposal had valid association consent under Section 12-9A -3 of the Town Code and argued that the issue represented a code compliance matter rather than solely a civil dispute. Peters stated that Apollo Park wanted to continue participating in the process and remained hopeful that Lunar Vail would reincorporate Apollo Park into a future application that could receive association authorization and broader neighborhood support. Peters concluded by stating that discussions between Apollo Park and the applicant were continuing and that the Association remained optimistic about eventually reaching a mutually agreeable solution.

Howard then returned to the podium to read comments on behalf of Lisa Widmore and the VMVR HOA Board after technical difficulties prevented her from speaking online directly. Howard stated that Widmore wished to express concerns regarding the ongoing Apollo Park redevelopment discussions and the importance of maintaining strong cooperation between neighboring properties within the East Vail Village area. Howard read comments explaining that VMVR and neighboring properties had historically worked collaboratively with one another during previous construction and redevelopment efforts, including the Altus project, particularly regarding access, construction coordination, and fire lane sharing. Howard stated that VMVR believed neighborhood cooperation was becoming increasingly important as redevelopment intensified within the area.

Howard read further comments expressing disappointment that Apollo Park HOA leadership had recently declined requests related to temporary access and parking needed for crane operations to replace hot tubs on the roof of the VMVR property. Howard stated that VMVR currently shared fire lane access and pedestrian connections with Apollo Park and expressed concern that future cooperation could become increasingly difficult if neighborhood relationships deteriorated. Howard stated that VMVR hoped the neighborhood could return to a historically cooperative relationship moving forward and expressed optimism that mutually supportive solutions could still be achieved for all involved properties.

Hagedorn closed public comment.

Hagedorn opened Commissioner closing comments and asked whether the applicant or staff had any final remarks prior to Commission discussion.

Ruther stated that the applicant did not have substantial additional comments but appreciated the opportunity to participate in multiple work sessions with the Commission. Ruther stated that the work session format had been extremely beneficial to both the applicant team and the overall project process. Ruther commented that he wished the work session process had occurred earlier in the review timeline and hoped the Town would continue utilizing similar work session formats on future major applications because it resulted in stronger projects and more productive dialogue between applicants, staff, and Commissioners.

The Commission generally discussed the value of the work session process and agreed that the additional meetings had helped clarify issues and improve communication between the applicant, staff, Commissioners, and neighboring property owners.

Rediker stated that his comments generally remained consistent with remarks made earlier during the hearing. Rediker emphasized that the primary guidance document for the site continued to be the Vail Village Master Plan and stated that the Commission would rely heavily on those planning policies and goals when ultimately evaluating the proposal. Rediker commented that there appeared to be a public perception that the nearby Altus development created a precedent for the site, but stated that Altus should not be viewed as precedent for determining what was appropriate for the Lunarvale property. Rediker stated that the applicant appeared to be approaching the proposal more appropriately through the framework established by the Town’s adopted planning documents rather than relying on nearby developments as justification.

Rediker stated that he appreciated the increased communication taking place between neighboring property owners and the applicant team and expressed hope that remaining concerns could continue to be resolved collaboratively prior to any final vote by the Commission. Rediker characterized many of the remaining concerns as becoming increasingly minor and stated that continued cooperation between neighbors would ultimately benefit the entire project area.

Wallace agreed with Rediker’s comments and stated that she still struggled to form a final opinion on the project without a complete understanding of the proposed community housing component. Wallace expressed concern regarding the possibility of a “bait and switch” scenario if the proposed employee housing commitments were significantly altered later in the process. Wallace stated that the housing component would remain an important factor in her review of the proposal and indicated she would be looking closely at the details presented at the next hearing.

Brown stated that she generally agreed with the previous comments from Commissioners and noted that she had joined the review process later than some of the other Commissioners. Brown stated that she was still working to fully understand the evolution of the proposal and the differences between earlier concepts and the current submission. Brown stated that she appreciated the revisions that had been made to the project but still wanted greater specificity regarding employee housing, parking requirements, density calculations, and how those components ultimately affected overall mass and development intensity on the site. Brown stated that she supported creative solutions and cooperation between the parties but believed additional information was still necessary prior to final review. Brown acknowledged the complexity of the neighboring property relationships and stated that significant work had clearly gone into addressing those issues.

Middleton stated that she agreed with the previous Commissioner comments and expressed hope that the remaining issues between neighboring property owners would ultimately be resolved. Middleton commented that the current hearing demonstrated a greater level of understanding and cooperation between the parties than had existed during earlier meetings. Middleton also agreed that the work session process had been highly beneficial and stated that future code revisions by the Town could potentially incorporate similar work session requirements earlier in major review processes. Middleton stated that she believed the applicant had gone above and beyond in revising the proposal and addressing comments from the Commission and the community.

Middleton stated that she believed the revised proposal aligned with several objectives within the Vail Village Master Plan, including redevelopment and modernization goals, increased housing opportunities, and additional employee housing objectives. Middleton specifically referenced goals related to encouraging redevelopment of aging facilities, increasing short-term overnight accommodation opportunities, and expanding employee housing through public -private cooperation. Middleton acknowledged that the applicant had invested substantial time, effort, and resources into the revised application and stated that she appreciated the improvements made to the proposal. Middleton also stated that she would continue to look closely at the proposed employee housing solutions and wanted to ensure there would not be any reduction or substitution that materially changed the public benefits being presented.

Hagedorn agreed that the work session process had been productive and beneficial to the review process. Hagedorn reiterated previous comments regarding development standards, density, and bulk, noting that the existing conditions of Apollo Park and the surrounding properties created unique circumstances that required flexibility in evaluating the proposal. Hagedorn stated that the Vail Village Master Plan remained the primary guiding document for evaluating the proposal, particularly given the nature of the requested Special Development District.

Hagedorn stated that the revised building height, generally in the low 60-foot range for a five- to six-story structure, appeared more appropriate and in line with what the Commission had been discussing throughout the review process. Hagedorn noted that the parcel had long been identified within the Master Plan as an appropriate redevelopment site and stated that the current surface parking lot did not represent the highest and best use of a Vail Village property. Hagedorn stated that the revised proposal appeared much more consistent with the planning objectives and development expectations for the area than previous concepts presented to the Commission.

Hagedorn also discussed the public benefit component associated with the Special Development District request and stated that the proposed inclusionary zoning amount exceeding the standard 10%

requirement represented a meaningful public benefit that could justify certain requested development standard modifications. Hagedorn stated, however, that he still had concerns regarding equivalency if additional off-site employee housing mitigation was ultimately proposed in exchange for on-site market-rate space reductions. Hagedorn stated that he would want to carefully evaluate whether any alternative housing proposal provided an equivalent public benefit to what was currently being discussed.

Hagedorn concluded by stating that he looked forward to reviewing the next iteration of the proposal and noted that the Commission would continue the application to the June 22 hearing date.

John Rediker made a motion to Continue to the June 22, 2026 PEC meeting.; Lauren Wallace seconded the motion Passed (5 - 0).

4. Approval of Minutes

Kathryn Middleton made a motion to Approve ; John Rediker seconded the motion Passed (5 - 0).

4.1 04-27-26 PEC Meeting Minutes

April_27_2026_PEC_Meeting_Minutes.pdf

5. Information Update

Timestamp (03:36:16)

Hagedorn opened the Information Update portion of the meeting and asked staff if there were any updates for the Commission.

Knight stated that staff did not have any formal updates at that time but thanked the Commission for their time and continued work on the evening's agenda items.

Hagedorn asked about the status and timing of the upcoming Title 12 Town Code rewrite process.

Knight stated that the process was ongoing and noted that Matt Gennett could provide a more detailed update regarding the Request for Qualifications process and consultant selection.

Gennett approached the podium and explained that the Town had issued an RFQ for the Title 12 code rewrite project and received four responses from consulting teams. Gennett stated that staff narrowed the process to the top two firms and had already completed interviews with both finalists. Gennett explained that staff anticipated making a final consultant selection within approximately the next week and expected the overall Title 12 rewrite to become a significant long-term project for the Town.

Gennett responded as well, stating that the project timeline would likely need to remain flexible because of the complexity of the work involved with rewriting portions of the Town Code.

Hagedorn asked whether any Commissioners had additional information updates or comments to bring forward.

Gennett then returned briefly to comments made earlier during public comment regarding legal matters associated with Item 3.4. Gennett clarified that he was only conveying the legal opinion and guidance provided by the Town Attorney and stated that he was not personally providing legal advice either to the Commission or to members of the public. He reiterated that the Town Attorney's legal interpretation was what staff was relying upon procedurally.

Hagedorn acknowledged the clarification and stated that the Commission would continue relying on the advice and guidance provided by the Town Attorney throughout the review process.

6. Adjournment

John Rediker made a motion to Adjourn ; Lauren Wallace seconded the motion Passed (5 - 0).

AGENDA ITEM NO. 5.1

Item Cover Page

PLANNING AND ENVIRONMENTAL COMMISSION AGENDA ITEM REPORT

DATE:	June 8, 2026
SUBMITTED BY:	Heather Knight, Community Development
ITEM TYPE:	Information Update
AGENDA SECTION:	**Information Update**
SUBJECT:	Exterior Energy Offset Program (EEOP) Information Update
SUGGESTED ACTION:	

ATTACHMENTS:

PEC EEOP June 8th 2026.pdf

EEOP Factsheet 2026.pdf

Memorandum

To: Vail Planning and Environmental Commission

From: Environmental Sustainability Department

Date: June 8th, 2026

Subject: Exterior Energy Offset Program

I. Purpose:

The purpose of this work session is to continue the Planning and Environmental Commission's review of the proposed Exterior Energy Offset Program (EEOP). EEOP is a supporting initiative to achieve the town's strategic goal of reducing carbon pollution through programs to curtail excessive emissions from exterior energy uses like pools, spas, and snowmelt systems.

II. Background:

Since the Town was incorporated in 1966, Environmental Sustainability has been a founding ideal. A healthy environment is critical to the town's success, and a stable climate is perhaps most important to the economic functioning of the town. The 2025/2026 season is illustrative of that fact, with record-breaking warmth and drought.

As a community and economy highly reliant on a stable climate , the Town of Vail has set a goal of reducing carbon emissions that calls for a 50% reduction in climate-warming greenhouse gas emissions by 2030 and 80% reduction by 2050, compared to 2014 levels.

In a recent inventory of greenhouse gas emissions in Vail, natural gas use from buildings rank as the highest sources of emissions, followed by transportation.

In the building sector, tackling emissions can and should focus on the low-hanging fruit, namely those sources of emissions that are most associated with exterior luxury amenities that have a disproportionately large climate impact, rather than critical needs like heating interior spaces.

Many mountain communities, including most of those in the Eagle Valley, have taken action to tie the costs of emissions from exterior energy to their sources. This is accomplished through Exterior Energy Offset Programs, or EEOPs. These programs have been successfully deployed for decades in Colorado and have had tremendous success driving down emissions while improving energy efficiency and renewable energy in local communities – actions that are critically important to reducing carbon pollution.

The Planning and Environmental Commission has reviewed the town's proposed EEOP program on three occasions in 2023 and provided input. Staff has also conducted roundtables, building board of appeals etc.

On March 17th, 2026 the Vail Town Council directed staff to move forward with the Vail EEOP, and to work with the PEC to develop the program details with a final recommendation to the Council by the end of Q3 of 2026.

III. Exterior Energy Offset Programs

The goal of EEOP is to reduce greenhouse gas emissions by connecting the cost of those emissions to their source to drive more sustainable choices. The program requires either a mitigation through on-site renewable energy, or an "offset" to leverage a fee-in-lieu for local reductions.

The program is applied when specific energy-intensive outdoor exterior amenities are permitted through building departments. The project applicants are required to utilize a calculator which projects the emissions from an outdoor energy system for the lifetime of the equipment (20 years). These emissions are required to be balanced by selecting either on-site renewable energy that will produce clean energy or through a fee-in-lieu which supports community climate action. Selecting cleaner, more efficient equipment will reduce the amount required to balance the source in the calculator, while selecting carbon pollution intensive equipment will increase the required offsets.

In communities with similar programs, EEOPs have funded local weatherization assistance, electrification, clean energy, and energy efficiency upgrades that directly benefit residents and proportionately reduce emissions. Studies have shown that fee-in-lieu funds can have as high as a 6 to 1 impact in reducing emissions per dollar spent.

IV. Previous PEC Input

Previously, the PEC had provided input to staff regarding the EEOP Program. Commissioners generally supported the Town's broader climate and emissions reduction goals, and agreed that outdoor energy use should be addressed through policy. The discussion consistently focused on refining the EEOP Program to ensure it is:

- Fair and equitable
- Practical to implement
- Effective at reducing emissions
- Consistent with the Town's practices

Additionally, Commissioners expressed that EEOP should:

- Result in local emissions reductions
- Be widely communicated and messaged
- Provide exemptions for public safety and equity
- Result in sustainable behavior change
- Not discourage applicants from improving boiler efficiency

Staff believe the program meets these criteria and addresses these concerns. Program design includes the option for broader exemptions and can set the percentage of offset required from 0-100%. With respect to the Town's own outdoor energy, significant improvements have already been made resulting in a 23% decrease in emissions with more work already planned, including a first of-its-kind geothermal heating district.

V. Next Steps

Staff will return to PEC as requested or the PEC may decide to forward a recommendation to the Vail Town Council for program adoption.

V. Attachments

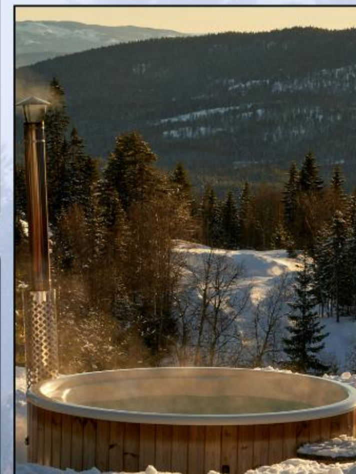
a. EEOP Fact Sheet 2026
b. EEOP PEC Presentation

EXTERIOR ENERGY OFFSET PROGRAM (EEOP)

PROGRAM BACKGROUND

In cold environments such as mountain communities, outdoor amenities (exterior energy systems) **use large amounts of energy**, sometimes consuming as much energy as the home itself.

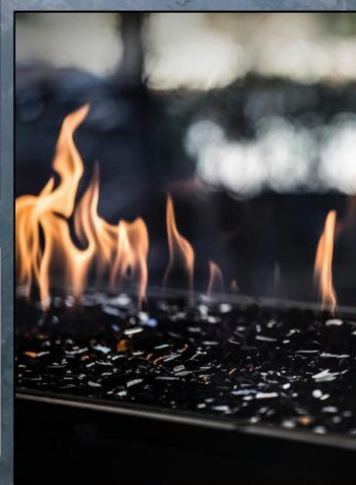
These large loads typically rely on gas systems, creating significant carbon pollution, negatively impacting community health.



PROGRAM DETAILS

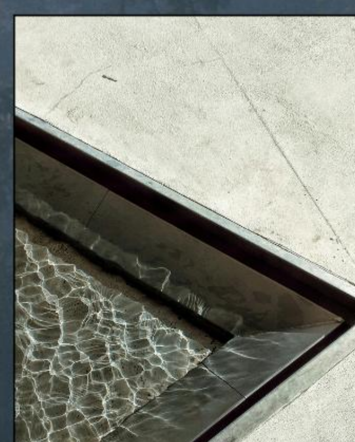
EEOP, also called the Renewable Energy Mitigation Program (REMP), is a building policy that addresses the energy impacts of exterior energy systems: including **snowmelt systems, pools and spas, heat tape**, and **outdoor fireplaces.**

The policy requires that the energy use from the system **be offset through on-site renewable energy generation** (or other credit options) and/or a fee-in-lieu equal to the cost to install onsite renewable energy to offset the exterior energy system.



WHO NEEDS TO KNOW

Building owners, developers / contractors, architects, designers, and engineers who intend to design and build a building with **one or more of the listed exterior energy systems.**



COMPLIANCE PATHWAYS

There are three options to comply with the EEOP program. **Step 1 is to complete the EEOP calculator** to determine the impact of the system(s). Then, choose at least one of the following pathways:

1) **Reduce the energy demand** of the exterior energy system by eliminating or redesigning the system.
2) **Offset the energy use** through on-site renewable energy (or other credit options).
3) **Pay a one-time fee** that provides local home and business owners financial incentives for energy efficiency improvements.

Note: Buildings can also pursue a partial fee and partial offset as a compliance pathway.

Example Process for New Construction Project

Step 1:
New construction includes exterior energy system

Step 2:
EEOP Calculator is completed for project design

Step 3A:
Fee payment is selected as compliance pathway

Step 4A:
EEOP calculator inputs are checked and finalized once construction is complete

Step 3B:
Offsetting through renewable energy (or other credit options) selected as the compliance pathway

Step 4B:
Solar (or other credit options) installed during construction, then calculator inputs are checked and finalized once construction is complete

Step 5:
Fee is submitted to EEOP fund and/or onsite credits are checked. If accurate, building receives their certificate of occupancy

Community Program Comparison

	Avon	***Minturn***	***Town of Eagle***	***Unincorporated Eagle County***
	Do these exterior energy system(s) trigger EEOP requirements?			
Snowmelt	Yes	Yes	Yes	Yes
Pool	Yes	Yes	Yes	Yes
Spa	Yes	Yes	Yes	Yes
Heat Tape	No	No	No	Yes
Gas Fireplaces	Yes	No	Yes	No
	Do these systems provide offset credits?			
Onsite Solar	Yes	No	Yes	Yes
Heat Pumps	Yes	No	Yes	Yes
Battery Storage	Yes	No	No	Yes
	Other Details			
Building Type Covered	Residential & Commercial	Residential & Commercial	Residential & Commercial	Residential & Commercial
Refund Window	N/A	N/A	N/A	12-months
Where Fee $ Goes?	Town EEOP Fund for energy efficiency projects & incentives	Town EEOP Fund for energy efficiency projects & incentives	Town EEOP Fund for energy efficiency projects & incentives	Fees fund local energy efficiency programs & rebates

Questions? Contact your local building department for more information.