



ESTES PARK
COLORADO

Estes Valley Development Agreements



Revision Date: April 2012

OVERVIEW

A Development Agreement is an agreement between the developer of a property and the Town of Estes Park or Larimer County, depending on jurisdiction.

These agreements include a list of all agreed-upon improvements, an estimate of the cost of the improvements, the form of guarantee for the improvements, and other provisions or conditions to ensure that all improvements are completed in a timely, workmanlike and cost-effective manner.

Improvement agreements run with the land described in the agreement.

Development agreements are established after you get approval for your project and before you begin construction, including site prep work.

WHY DO I NEED TO DO THIS?

The Estes Valley Development Code (EVDC) requires that all improvements for developments of four or more dwelling units and for all nonresidential developments must be installed or guaranteed.

Development agreements are also necessary for warranty of utilities, roads, landscaping, and other improvements that the developer will pass maintenance responsibilities to, such as the utility providers, Town of Estes Park, or the condo association.

TREE REPLACEMENT

Development agreements are also required to guarantee the replacement of significant trees removed during the construction process. Significant trees are defined in Section 7.3.D of the EVDC.

When significant trees are removed from a site, the developer must replace them.

Replacement trees must be maintained through an establishment period of at least three years, except that single-family developments on a single lot shall have an applicable establishment period of only one year.

The developer must post a bond or other surety guaranteeing the survival and health of all replacement trees during the establishment period and guaranteeing any associated replacement costs.

If the replacement trees do not satisfactorily survive the establishment period, the bond or surety may be used to purchase and install new replacement trees.

COST ESTIMATE

A cost estimate prepared by an engineer must be submitted with construction plans (see 'Construction Plans' handout). This cost estimate is subject to review and approval of affected agencies such as utility providers and the Public Works Department, and is intended to allow these agencies to complete work if necessary.

Cost estimates are valid for six months after approval before they need to be re-evaluated by staff. The cost estimate must include warranty of 15% (25% for landscaping).

Cost estimates must be prepared using the standard format available in the Community Development Department. This format is intended to provide consistent review processes for affected agencies, and includes signature blocks for their acceptance.

FORM OF GUARANTEE

Section 10.5.K.2 of the EVDC outlines three types of guarantee:

TOWN OF ESTES PARK PLANNING DIVISION

- 1) Deposit of surety bond.
- 2) Deposit of cash.
- 3) Irrevocable letter of credit.

Most people opt for the letter of credit. If you choose this route, please coordinate with your bank. Please note, deposits are held by the Town of Estes, and accrue minimal interest rates.

TIME FOR COMPLETION

The required timeframe for the completion of all required improvements is two years from the date of approval of the final map, unless an extension is granted by the Board.

You should account for phased development in your cost estimate.

SETTING UP A DEVELOPMENT AGREEMENT

The Community Development Department will provide you with a development agreement. You in turn will attach the approved cost estimate, sign, and return to the Community Development Department along with the approved form of guarantee. Staff will route the agreement for either the Mayors or County Commission signatures, depending on jurisdiction; please note, this may take one or two weeks.

REDUCTION OF GUARANTEE

Upon completion and acceptance of required improvements, the guarantee can be reduced into warranty.

Reduction of guarantee requires:

- 1) A written request from the applicant (contact Community Development for the form letter).
- 2) Approved cost estimate with signatures from affected agencies. These signatures verify that affected agencies have agreed to reduce the form of guarantee.
- 3) As-built plan must be submitted and accepted (see "As-Built Plans" handout).
- 4) Engineer's Drainage Certificate, if staff has waived the requirement to submit a drainage as-built plan.

- 5) Proof of monumentation for subdivisions.

The applicant may choose to reduce the guarantee in phases, or may opt to close out the entire development agreement at the end of the project.

Please refer to the current fee schedule for phased reductions.

WARRANTY PERIOD

All workmanship and materials for all required improvements shall be warranted by the developer for a period of two years from the date of acceptance of the required improvement by the Town or County (see Section 10.5.K.5).

The date of acceptance is the date the affected agency signs the approved cost estimate to document such acceptance. Please coordinate with the individual providers to determine their requirements.

This two-year warranty period includes landscaping. Please consult with your landscaper to discuss warranty periods; landscaping is typically warranted for a one-year growing season.

FINAL CLOSE-OUT

After the warranty period is completed, you may apply for final release of guarantee. This follows the same steps as reduction of guarantee.

COST

Improvement agreements require significant staff resources. In order to offset costs, submittal fees are required for improvement agreements. This fee is in addition to other submittal fees you may incur. Please refer to the current Development Review Schedule available on our website.

There are four fees: one for initial setup, one for phased release, one for final release into warranty period, and one for expiration of warranty period.

Note: This information was summarized from EVDC Chapter 10 *Subdivisions*. These regulations can be accessed online at www.estes.org