



MEMO

To: Mayor and City Council
From: Melissa Mundt, Assistant City Manager
Date: 4/9/2013
Subject: Staff Report: Breckenridge Land Acquisition Properties Report

Breckenridge Development closed on the former Ames Middle School property located along State Avenue and Lincoln Way. On March 11, a petition for rezoning of the former middle school site was submitted and on March 15, a petition for the rezoning of the southern parcel was also submitted. Staff has contacted eight other university communities to understand how the complexes developed by Breckenridge Land Acquisition as Aspen Heights are received and what, if any, issues were noted by the communities where the complexes were in operation.

The following communities were contacted:

- Projects are in the development process by Breckenridge Land Acquisition
 - Columbia, MO - pop. 110,438
 - Fort Collins, CO -- pop. 143,986
 - Stillwater, OK - pop. 45,688
 - Rockingham County, VA, just outside of Harrisburg - pop. 76,589
- Planning discussions were discontinued in early 2012
 - Lawrence, KS - pop. 87,643
- Completed and opened in Fall 2012
 - San Antonio, TX - pop. 1,359,758
- No longer listed on Aspen Heights website, but built by Breckenridge
 - San Marcos, TX - pop. 44,894 --Now managed by Asset Campus Housing and called the Village at Telluride
 - Waco, TX - pop. 124,805 -Now managed by Brothers Management

Of these eight, only three of the eight are completed and have students currently living in the units and those are located in San Antonio, San Marcos, and Waco, TX.

Four communities are in early stages of development and anticipate having units occupied by the fall semester of 2013, but not before. In fact, Fort Collins, CO has not issued any building permits at this point and is waiting for the final submissions from Breckenridge Land Acquisition so construction can commence.

The City of Lawrence, KS, was approached by Breckenridge Land Acquisition. The project is only in a conceptual phase and has not move forward in the City's planning process since February 2012. The City's Planning Director indicated that the market for new apartments was weak in Lawrence and was likely why Breckenridge did not pursued the project any further at this time. The model for Lawrence's proposed development was similar to what is happening in Columbia, MO, where Breckenridge negotiated with an older mobile home park owner to close and allow for the development of the complex.

According to the city officials that were contacted in all seven communities with completed projects or active developments, there were similar experiences with the developer.

- The projects have been fast paced to meet deadlines for opening the fall semester.
- The quality of the construction has met the minimum standards for the community.
 - Several communities expressed that since they have only minimum standards, there was not much they could do about the overall quality or aesthetics of the development.
 - This includes things such as:
 - Minimal landscaping and facade development on the non-front facing sides of the buildings
 - Interior sidewalks were not added, so students would have to walk on the private streets to get to bus stops on public streets
- Minimal visitor parking was provided and was not adequate to meet needs.
- None of these projects include car ports or garages for vehicles.
- The sizes of the complexes vary from under 100 to over 700 beds.

Fort Collins, CO, has higher design requirements than the other communities that were contacted and was able to work with Breckenridge Land Acquisition to meet these higher design standards. The building design will have 360 degrees of architectural details, not just on the front facing facades that most communities require.

- *Fort Collins was the only community that indicated they were interested in the complex being appealing to more than just students. The other communities did not seem to have this as a consideration during the approval process.*

Stillwater, OK, has worked on two different sites with Breckenridge Land Acquisition, since the first property became too costly to develop and was facing opposition from the surrounding long time single family neighborhood. The second site owned by a local Industrial Foundation. It was the edge of the industrial area and abutted some apartments so the rezoning was much easier and has been changed to residential two-family & multi-family (RTM). The property is located only a few hundred feet off of a highway and commercial corridor through Stillwater and is located approximately three miles from Oklahoma State University campus.

The Stillwater development consists of 165 residential structures (111 houses & 54 duplexes) totaling 219 dwelling units on just over 38 acres. Currently, the City has issued building permits for the clubhouse and phases 1 & 2 of 4 phases of the development. Their intention is to have model homes available for students to see but no occupancy until July or August 2013.

San Marcos, TX, noted that student housing is different than traditional apartments:

- The units are rented by bedroom with a common area, it leads to a greater need for visitor parking. "Roommates" may not necessarily know each other and have different groups of friends and has led to a greater need for parking than is available.
- There are no sidewalks in the complex, since it was not required under the straight zoning of the City. They did not have to do a Planned Unit Development in San Marcos.
- In communicating with San Marcos staff, the City of Ames learned of an experience several years ago with a *different apartment* complex. This *other* complex sponsored party to attract new tenants. San Marcos decided it was necessary to address these "parties to attract tenants" and developed regulation on how a gathering is managed when it is advertised off the property, i.e. fliers, social media, etc. for an event in a common area to solicit attendance from non-tenants. This is viewed as a commercial enterprise activity, which apartment complexes are not zoned for in San Marcos. The City Land Development Code has a matrix for designated uses on a property. If the use is not explicitly approved, the use is not permitted and is considered a zoning violation that carries significant fines. The only way to have or host a party is through a festival permit that required extra security and sanitary facilities. This has prevented issues that are noted below by San Antonio.

From a public safety aspect, San Antonio, San Marcos, and Waco all indicated that the student housing model is different than traditional apartments, as it is renting by room lease arrangement. This leasing concept has led to slightly different issues than with a traditional apartment complex.

- In **San Antonio**, where the project was just completed in the Fall of 2012, the San Antonio Police Department (SAPD) indicated that there were a substantial number of violations in this small area. The largest concentration of violations was Liquor Law Violations at 33% of citations in that complex. This project is just several blocks from the University of Texas San Antonio campus. The complex is adjacent to a housing subdivision and a large greenway corridor. SAPD would classify the Aspen Heights apartment community as problematic. SAPD has responded to many loud party complaints. As noted in the above statistic, minors consuming alcoholic beverages seems to be at the heart of the problem. According to the SAPD, complex promotes a “party” atmosphere, but fails to provide adequate security. SAPD has responded to many “out of control” parties, some involving violence. In October, 2012, SAPD dedicated from 20-30 officers on each of the four weekends to Aspen Heights. After this enforcement operation, SAPD night shift reported reduced call activity. SAPD suggested that having a mechanism to make the owners of the complex liable for extraordinary police responses would motivate them to promote a safer living environment. Additionally, regulation of parking on city streets should also be addressed to assist adjacent neighborhoods with the impact of visitors to the complex that did not have significant visitor parking.
 - *It was noted by San Marcos and Waco that the first year was rough, due to the fact that these units were the popular new place to live and students were inviting others out to see where they had located. However, both San Marcos and Waco both noted that in the following years that the "newness" fell off and so did the issues. Both complexes are also now handled by a different management company than Aspen Heights.*
- **San Marcos** stated that the calls for service are no different than other complexes and management has been responsive to resolving any concerns. San Marcos noted that if the complex is locating in an area without access to on-street parking, that traditional style parking allowances per bedroom will be a problem. They have not had problems because Aspen Heights is located in an area with wide streets and access to on street parking. San Marcos has developed a strong program to help transition students from on-campus housing to off-campus housing through a partnership with property managers that is called Achieving Community Together or ACT.

- **Waco** has worked closely with Brothers Management since the mid 2000s, which manages Aspen Heights for Breckenridge. Brothers Management participates actively in Waco's Crime Free Housing Program. The program is supported by Baylor University, and if the property company does not participate in the City's Crime Free Housing program, they will not be allowed in future University promotions. Waco did not note anything unusual about this complex compared to others that target university students. They primarily receive nuisance calls for issues like barking dogs and parking problems. In the past couple of months, they have only had three crimes: a theft, a burglary and a possession. The officer noted that theft is a common problem among all apartments in Waco and is not particular to this area. Part of the Crime Free Housing program requires that landlords increase minimum security in their complexes to ward off would-be criminals.

Waco, TX, shown below:

