



## BOARD OF TRUSTEES STAFF MEMORANDUM

**DATE:** May 11, 2026  
**TO:** Mayor and Board of Trustees  
**FROM:** Emily Weber, Contract Staff - Planning Department  
**SUBJECT:** **QUASI JUDICIAL (PUBLIC HEARING)** – Resolution 42-2026 – Review and consideration of a Preliminary Plat for a Major Subdivision located at 120 County Road 663.

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### Overview

- **Property Owner and Applicant:** Michael P Ruger Living Trust
- **Applicant Representatives:** Mike Ruger
- **Project Location:** 120 County Road 663
- **Project Zoning:** Single Family Residential – High Density
- **Request:** The applicant is proposing to subdivide a 4.88-acre parcel into nine individual residential lots. Lot sizes range from 0.39 acres to 0.88 acres.



### Background

The property was annexed into the town in 2025 through Resolution 05-2025. The annexation agreement included the following key provisions:

1. A maximum of nine residential lots is permitted. Each dwelling must be accessible to fire and emergency services.
2. The access road is unlikely to meet town standards typical subdivisions. The Town Water Department emphasized the importance of the water main in County Road 663, which supplies all of Grand Lake. This main is protected from freezing by a specific combination of soil and snowpack. Relocation or replacement would be financially burdensome, potentially disruptive to water service, and may not be physically feasible. Road improvements are possible but must not endanger this



critical infrastructure. Specifically, paving or reducing the grade below 8% is unlikely.

3. Stormwater improvements are required to mitigate flood risks, particularly following post-fire flooding that impacted County Road 663. It is also required that drainage concerns are addressed during the subdivision process.

The applicant has since applied for a Major Subdivision, which applies to subdivisions creating five or more lots. The proposal includes nine residential lots. A Major Subdivision follows a three-step review process: Sketch Plan, Preliminary Plat, and Final Plat. The applicant completed the Sketch Plan review and received preliminary feedback from the Planning Commission on October 22, 2025, and from the Board of Trustees on October 27, 2025.

During the Sketch Plan review, both the Planning Commission and the Board of Trustees emphasized:

- The importance of ensuring all proposed lots are buildable;
- The need for a slope analysis to determine potential building areas on each lot; and
- The need for a drainage report demonstrating that County Road 663 will meet the requirements outlined in the annexation agreement.

The Planning Commission reviewed the application at their May 6, 2026 meeting, held a public hearing, and provided a recommendation to the Board of Trustees.

### **Staff Analysis**

As part of the Preliminary Plat review, the application was noticed to all property owners within 200 feet of the site, noticed in the local newspaper, and distributed to applicable referral agencies. Referral agency responses are summarized later in this report.

#### *Town Code Section 12-2-12 – Regulations for Single Family Residential – High Density (RSH)*

The property is zoned RSH, and all proposed lots are required to meet the minimum zoning standards, including minimum lot size of 5,000 square feet (0.11 acre) and minimum lot frontage of 50 feet. All nine proposed lots meet the minimum lot size and frontage requirements.

Future development on individual lots must comply with all applicable setback requirements. The applicant has provided conceptual building locations to demonstrate that each lot can reasonably accommodate a structure meeting those setbacks. These building footprints are for illustrative purposes only and are not platted building envelopes.

Lots One and Nine currently show illustrative building footprints that do not meet setback requirements. However, given the size of these lots and the implied building footprint dimensions, staff finds that reasonable building potential exists. Staff recommends that the footprints be resized and/or relocated to meet building setbacks prior to Final Plat approval.

#### *Town Code Section 12-9-10 (H) (7) Steep Slopes*

Development on slopes greater than 20% but less than 40% requires engineering studies prepared to evaluate geologic and soil suitability and identify appropriate mitigation measures. Development on steep slopes is discouraged on slopes over 30% and prohibited on slopes over 40%.

The applicant has submitted a slope analysis identifying all areas with slopes of 40% or greater, which



are considered non-buildable. Each lot contains sufficient buildable area outside these prohibited slopes. Where development encroaches into areas with slopes greater than 20%, engineering studies will be required at the time of building permit submittal, in addition to all other applicable requirements.

Lots One and Nine currently show building footprints with encroachments into areas with slopes exceeding 40%. While staff finds that sufficient buildable area exists elsewhere on these lots, staff recommends all encroachments into slopes greater than 40% be prior to Final Plat approval.

*Town Code Section 12-9-10 (I) (3) (f) Land Dedication*

Town Code requires that 7% of the gross land area of a subdivision be dedicated to the Town of Grand Lake for public purposes, including schools, parks, police and fire facilities, or other civic uses. Payment in lieu of dedication is permitted; however, the applicant is proposing on-site dedication. The proposal includes a 10-foot-wide public trail easement along County Road 663 and an additional 0.37-acre parcel near the intersection of W Portal Road and County Road 663.

While the dedicated parcel includes areas with slopes greater than 40%, the site could accommodate approximately five parking spaces should the Town wish to consider future improvements to support nearby trailheads located north of the site.

*Town Code Section 12-9-10 (K) Signature Certificates*

The applicant has updated the dedication language on the plat since the Sketch Plan submittal. However, the Preliminary Plat is missing the Planning Commission Certificate, Clerk's Certificate, and Owner's Statement. Staff recommends these items be added at the time of Final Plat submittal. Staff has also provided additional comments regarding the plat title and notes, which staff recommends be addressed prior to recording.

*Town Code Section 12-10-3 – Inclusionary Zoning*

Subdivisions proposing five or more lots are required to provide at least 10% of the housing units as attainable housing for lower- and moderate-income households, in accordance with the Local Employee Residency Requirements and Guidelines. To meet this requirement, the applicant has agreed to dedicate Lot Eight to the Town for future use as attainable housing. Staff recommends this be formalized through a Development Improvements Agreement.

**Referral Agencies Comments**

*Three Lakes Water and Sanitation District*

Received via email on April 22, 2016: "Three Lakes Water and Sanitation does not have any concerns with this subdivision. A main line runs up the road and connection will be required."

*Engineering Comments provided by Ayres Associates*

The full comment letter and redlined plans are included as attachments to this staff report. A summarized list of key comments and recommendations is provided below for reference.

- It is recommended that the applicant obtain written confirmation from the Town of Grand Lake (and other providers) that water, sewer, gas, and electric utilities are available to serve all nine lots.
- County Road 663 will serve as the primary and sole access to the subdivision and will remain unpaved per the Town and the Annexation Agreement. The 20-foot right-of-way dedication was also



addressed with the Annexation. Emergency access will be provided by a 90-ft turnaround. Secondary access is not feasible due to terrain. A paved apron is recommended at the West Portal Road/CR 663 intersection to prevent pavement damage.

- Lots with slopes greater than 20% (Lots 1, 2, 4, 5, 6, and 8) require a geotechnical analysis before building permits. Lots 7 and 9 are also recommended for analysis due to adjacent steep slopes. Engineering recommends geotechnical analyses for all lots by a Colorado-licensed PE to address slope stability and suitable building areas.
- Lot 8, proposed for transfer to the Town, must include a statement of compliance with applicable code requirements (Town Code Section 12-10-3).
- At full build out, the proposed development will cause increased imperviousness and runoff associated with the minor and major storm events. Storm drainage facilities, i.e. a detention basin, may be required to control release of flows from the subdivision consistent with the historical release rates of the pre-development condition.
- Drainage Narrative needs to address the increased runoff associated with the planned development. Sizing the roadside swale for conveyance of the increased runoff will need to address the 100-yr discharge calculated for the proposed condition. Please provide hydraulic analysis indicating the current swale is sufficient or if additional modifications will need to be designed. This should be supported by topographic/survey investigation of the existing swale and shown on the plat as existing drainage infrastructure. The drainage plan shall result in a theoretical zero increase over historical levels in run-off volumes and velocities as a result of the development.

#### **Planning Commission Public Hearing – May 6, 2026**

The Planning Commission held a public hearing and considered the request at their May 6, 2026 meeting. The applicant was in attendance and addressed the Commission. The Commissioners discussed the following:

- The applicant will be responsible for installing the trail within the easement and the Town will assume responsibility for ongoing maintenance of the trail.
- Drainage concerns were a primary topic. The Commissioners emphasized the importance of fully addressing drainage associated with the proposed development. The applicant's engineer indicated that potential solutions are being evaluated, including detention ponds or drywells on individual lots. The Commission stated that the applicant must propose a definitive solution, and if drainage is to be addressed on a lot-by-lot basis, it should be reflected on the plat.
- The Commission discussed whether the dedicated open space lot to the Town would be usable and serve as a community asset, noting that open space should not be used for parking.
- Areas with slopes exceeding 40 percent should be identified as non-buildable on the plat.
- The Commission emphasized the need to ensure the plat is prepared such that all lots are ready for closing.

#### **Summary of Public Comments:**

- General concerns were raised regarding drainage and maintaining access throughout construction so it remains available for public use. Commenters suggested incorporating restorative measures and native plantings to both address drainage and enhance ecological benefits.
- Additional concerns included ensuring construction equipment is stored on-site rather than within roadways, and the need for a complete and workable construction management plan.



**Planning Commission Motion and Recommendation**

The Planning Commission voted to approve the Preliminary Plat for a Major Subdivision located at County Road 663, subject to the following conditions:

1. Conceptual building footprints on Lots One and Nine shall be adjusted to meet setback requirements and avoid encroachment into slopes of 40% or greater.
2. The plat shall be revised to include all required dedications and certificates in accordance with Town Code.
3. The plat title and notes shall be revised to address staff comments provided during Preliminary Plat review.
4. The applicant shall provide written confirmation from all applicable utility providers verifying that water, gas, electric, and sewer services are available and have sufficient capacity to serve all proposed lots.
5. The applicant shall address all drainage concerns identified in the attached engineering comments, including any required drainage improvements or detention facilities.
6. The applicant shall install a paved apron at the intersection of West Portal Road and County Road 663 to prevent damage to the existing pavement.
7. A Development Improvements Agreement shall be prepared and ready for execution at the time of Final Plat approval.
8. The plat shall be reviewed to ensure all lots are closeable.
9. The application shall be referred to the Colorado Geological Survey as part of the referral process.
10. The plat shall identify all areas with slopes greater than 40 percent as non-buildable.

**Board of Trustees Discussion and Determination**

The Board of Trustees is asked to review and discuss the proposed Preliminary Plat for a Major Subdivision located at County Road 663 and vote to approve, approve with conditions, or deny the request.

**Sample Motions**

Approval with or without conditions

I move to approve Resolution 42-2026, a resolution recommending approval of a Preliminary Plat for a Major Subdivision located at County Road 663, subject to the conditions outlined in the staff report.

OR... subject to the following conditions:

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Denial

I move to approve Resolution 42-2026, a resolution recommending denial of a Preliminary Plat for a Major Subdivision located at County Road 663, based on the following findings of fact:

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**Attachments**

1. Resolution 42-2026
2. Proposed Plat
3. Topographic Map
4. Slope Analysis
5. Drainage Memo
6. Engineering Comments and Redlined Plans
7. Plat with Staff Comments