



ANVIL MOUNTAIN SUBDIVISION

A Colorado Brownfields Case Study

PROJECT SUMMARY

Constructed in 1882, the Martha Rose/Walsh Smelter site included a 20-ton smelting plant along with an ore crushing facility and coal-fired blast furnace that produced silver, lead and gold during its heyday. After treating over 100 tons of ore, the facility shut down in the late 1800's. For over 100 years, the site sat idle until discussions began in the early 2000's on how to address the affordable housing crisis in Silverton.

In 2003, Durango Mountain Resort (DMR) paid San Miguel County approximately \$200,000 in fee-in-lieu funds under the county's inclusionary housing policy as an alternative to meeting their affordable housing requirements. As a result, DMR became exempt from building units, essentially placing the responsibility of developing affordable housing back to San Miguel County. County and town officials began creating a vision for developing up to 50 units of affordable and market-rate rental and for-sale homes ranging from 750 to 2,200 square feet. Project planners also wanted to incorporate energy efficient design and construction innovations such as high efficiency insulation, roofing, energy conserving windows and geothermal exchange heat pumps to provide solutions to address the long, harsh winters in Silverton. Finally, designers were also committed to preserving the history of the site's mining and legacy by preserving former railroad components on the property and incorporating interpretive signage with historical photos.

In 2008, the county used the DMR funds to acquire the Martha Rose/Walsh Smelter site, which was selected for redevelopment due to its proximity to the town and town infrastructure and the relatively flat terrain. The presence of contaminated soil left from the smelting operation resulted in a \$1.75 million cleanup of the site, largely funded with state and federal grants, which lasted from 2008 to 2009 followed by groundbreaking in 2011.



Planning involved a community driven process



Site cleanup began in July 2007

QUICK FACTS

Location: Anvil Mountain Subdivision, Silverton, Colorado

Project type: From smelter to mix of affordable and market-rate rental and for-sale residential housing

Site: 16.8 acre site (remediation and infrastructure performed on 13 acres)

Former Use: Smelter site

Renovated Use:

- Energy efficient, affordable housing complex
- Open space and trails

Reuse Partners

- Town of Silverton
- San Juan County
- Colorado Department of Local Affairs, Division of Housing
- Colorado Department of Public Health and Environment
- U.S. EPA
- Colorado Brownfields Foundation
- Bureau of Land Management
- Colorado Housing Inc.
- Housing Solutions for the Southwest
- URS Inc.
- Colorado State Historical Fund



As of June 2019, 12 affordable (Note 1) rental apartment units have been completed during the initial phase of development, and 8 tenants have already moved. Of these 12 units, 8 units are restricted by income while 4 are unrestricted. The remaining undeveloped lots are allocated under this plan for future development: (1) 13 parcels listed for \$30K per parcel and allocated towards market-rate, ownership homes (of which 5 are under contract); (2) 10 parcels listed for \$10K per parcel and allocated towards attainable (Note 2), ownership homes (of which 2 are under contract); (3) up to 12 parcels that are being negotiated with a single developer for affordable (Note 1), ownership homes; and (4) 3 "executive lots" on the hillside that have yet to be marketed for a grand total of 50 new homes.

Note 1: Available to households making 80% to 125% area median income (AMI)

Note 2: Available to households making 30% to 80% of area median income (AMI)

ENVIRONMENTAL CHALLENGES

Between 2003 and 2004, Colorado Housing Inc. and Housing Solutions for the Southwest funded preliminary environmental assessments in advance of San Miguel County acquiring the property. In 2006, the U.S. EPA contracted URS to conduct Phase I and Phase II Environmental Site Assessments (ESA's). The Phase I ESA identified the presence of contamination on the property. Potential soil and groundwater metals contamination related to past smelting operations were identified. The Phase II assessment identified lead, arsenic, barium and asbestos contaminants of concern. Field sampling was conducted at the smelter property to assess and evaluate the environmental conditions identified in the Phase I and Phase II.

Site cleanup that began in July 2007 was completed by December 2009. Remediation and cleanup included consolidation, containment and capping the lead- and arsenic-contaminated slag and soil in an engineered onsite repository.

FUNDING AND DEAL STRUCTURE

Funding for the project came from a variety of different sources. To purchase the site and complete initial planning, the County put together a \$326,100 package. To address remediation issues and infrastructure needs, the County obtained a variety of grants that totaled almost \$1.75 million. Together, these two initial stages totaled approximately \$2.07 million of leveraged resources. In addition, approximately \$2.2 million in additional grants and bank financing were used towards the construction of the initial 12 affordable housing units. The details are as follows:



Site conditions from 2006 to 2008



Construction continues through winter 2008



Site grading was completed in 2010

Sources of Funds	Amount	Description
I. Initial Property Purchase:		
Durango Mountain Resort	\$ 200,000	payment in lieu
Colorado Housing Inc.	\$ 60,000	initial planning/preliminary environmental assessments
Housing Solutions for the Southwest	\$ 60,000	initial planning/preliminary environmental assessments
Colorado State Historical Fund	\$ 6,100	archaeological study
I. Initial Property Purchase	\$ 326,100	
II. Brownfield Assessment & Infrastructure Funding:		
EPA Brownfield Grant	\$ 200,000	site cleanup
DOLA Impact Assistance Grant	\$ 194,000	site cleanup
Town of Silverton/Department of Local Affairs Impact Assistance Grant	\$ 106,422	relocation of town raw water supply line
Town of Silverton/ Colorado Department of Housing	\$ 24,000	housing needs assessment
CDPHE/American Recovery and Reinvestment Act (ARRA) Grant	\$ 200,000	site final grading and capping
Colorado Department of Transportation Enhancement Grant	\$ 124,155	trail, landscaping, and historic interpretation
Department of Local Affairs Impact Assistance Grant	\$ 400,000	infrastructure
San Juan County	\$ 500,000	
II. Brownfield Assessment & Infrastructure Funding	\$ 1,748,577	
I. and II. Subtotal	\$ 2,074,677	
III. Construction Funding:		
Department of Local Affairs	\$ 315,000	
Division of Housing	\$ 304,000	
Citizen's State Bank	\$ 1,200,000	
San Juan County	\$ 252,000	
Town of Silverton	\$ 115,000	
III. Construction Subtotal	\$ 2,186,000	
TOTAL FUNDING (I., II. AND III.)	\$ 4,260,677	

Sources: Colorado Department of Public Health and Environment; San Juan County; Interview with Willy Tookie and Kim Buck

SOCIAL AND ECONOMIC IMPACTS

The development of the Anvil Mountain subdivision turned an abandoned smelter site with environmental hazards into a solution that addresses the shortage of affordable housing in Silverton. The affordable housing units cap rents and mortgage payments below market rate to ensure that families can live in these units without spending more than 30 percent of their income. From an environmental perspective, the cleanup at the Martha Rose/Walsh Smelter site ensures that current and future residents live in safe and healthy conditions. The energy efficient design reduces emissions and the use of energy especially in the long winter months enabling homeowners to realize savings over time. Open space and trails are also incorporated into the subdivision positively impacting the health and wellness of Anvil Mountain subdivision and Silverton town residents alike. In addition, designers preserved the area's rich mining and rail legacy through architectural design that reflects mining era buildings and heritage.

Thus far, the \$1.75 million cleanup of the site has catalyzed \$2.2 million of construction activity together totaling almost \$4 million in one-time economic impacts. Furthermore, construction and remediation has generated construction and permanent employment that has multiplicative effects that feed back into the community. Approximately \$170,000 in the sales of lots have been realized by the county.

Economic Impact Summary - Anvil Mountain Subdivision			
Direct Impacts Only*			
	Anvil Mtn Subdivision	Former Use	Increase in New Use
Value-Added (as of June 2019)			
City Real Property Tax Revenue	\$ 7,800	\$ -	\$ 7,800
10 Year City Tax Revenues	\$ 78,000	\$ -	\$ 78,000
Building/Improvement Value	\$ 1,020,000	\$ -	\$ 1,020,000
Land Value	\$ 300,000	\$ -	\$ 300,000
Annual Household Income			
Total Number of Households	8	0	8
Average Household Income	\$ 25,000	\$ -	\$ 25,000
Total Household Income	\$ 200,000	\$ -	\$ 200,000
Investment in Construction (One-Time Impacts)			
Construction	\$ 2,186,000	\$ -	\$ 2,186,000
Environmental Services and Clean Up	\$ 1,748,577	\$ -	\$ 1,748,577
Total New Investment	\$ 3,934,577	\$ -	\$ 3,934,577
Land Sold (as of June 2019)			
Parcels for market-rate homes (5 sold)	\$ 150,000	\$ -	\$ 150,000
Parcels for attainable rate homes (2 sold)	\$ 20,000	\$ -	\$ 20,000
Total New Investment	\$ 170,000	\$ -	\$ 170,000
Jobs Created			
Construction Jobs	5		
Total Permanent Jobs	1		
Average Annual Wage for Permanent Jobs	\$ 25,000		



Get Help For Your Project

Whether you are unsure of what a brownfield is, or you are well-versed in state and EPA brownfields programs, the Colorado Brownfields Partnership (CBP) will help you learn about leveraging brownfields assistance for your community. The CBP provides outreach and technical assistance to communities interested in redevelopment, renovation, and adaptive reuse of property. Please contact info@cobrownfieldspartnership.org or 970-340-2959 for more information.

