

# CASE STUDY: SILVERTON

## ANVIL MOUNTAIN SUBDIVISION



### 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 \$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, placing the responsibility of developing affordable housing back on 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. They also wanted to incorporate energy efficient design innovations such as high efficiency insulation, energy conserving windows, and geothermal heat pumps to help address the long, harsh winters in Silverton. Designers were also committed to maintaining the site's mining legacy by preserving former railroad components 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, infrastructure, and 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, from 2008 to 2009 followed by groundbreaking in 2011.

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

### QUICK FACTS

**Location:** Silverton, Colorado

**Project type:** Smelter redevelopment to housing

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

**Former Use:** Smelter site

**Renovated Use:** Affordable and market rate housing, open space and trails

**Environmental Issues:** Lead, arsenic, barium, and asbestos

**Reuse Partners:**

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

## 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 conducted Phase I and Phase II Site Assessments. Phase I identified the presence of potential soil and groundwater metals contamination on the property related to past smelting operations. Phase II identified lead, arsenic, barium, and asbestos contaminants of concern. Field sampling was conducted to further evaluate these environmental conditions. Site cleanup took place from 2007-2009. Remediation and cleanup included consolidation, containment, and capping the lead and arsenic contaminated slag and soil in an engineered onsite repository.

## FINANCING 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.



## FINANCIAL IMPACT:

Total New Investment:

**\$3,934,577**

Land + Tax Value-Added:

**+ \$1,320,000**

Jobs Created:  
(full + part time)

 **+6**

## SOCIAL IMPACT

- » Turned an abandoned smelter site with environmental hazards into affordable housing.
- » Provides units that cap rents and mortgage payments below market rate to ensure families won't spend more than 30% of their income.
- » Ensures that current and future residents live in safe and healthy conditions.
- » Energy efficient design and open space and trails positively impact the health of residents.

## ECONOMIC IMPACT

- » Cleanup of the site has catalyzed \$2.2 million of construction activity, totaling almost \$4 million in one-time economic impacts.
- » Generated temporary and permanent employment.
- » Earned \$170,000 in sales income have by the County.
- » **Added tax revenue - \$7,800 annually**
- » **Added property value - \$1,320,000**

## HELP FOR YOUR PROJECT

Regardless of where you are in the process, the Colorado Brownfields Partnership (CBP) will help you learn about brownfields assistance for your community. We provide many types of support to communities interested in redevelopment of potentially contaminated sites. Contact [info@cobrownfieldspartnership.org](mailto:info@cobrownfieldspartnership.org) for more information.

 [INFO@COBROWNFIELDSPARTNERSHIP.ORG](mailto:INFO@COBROWNFIELDSPARTNERSHIP.ORG)

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**COLORADO**

**Hazardous Materials & Waste Management Division**

Department of Public Health & Environment

