

Cliff House West project revived

Council OKs new development agreement and time extension

By Jeanne Davant

The Cliff House West project, which has languished for nearly a year and a half, was resuscitated Tuesday night.

After a lengthy public hearing, Manitou Springs City Council approved a six-month extension of the Cliff House West development plan and a revised development agreement with Colorado Landmark Hotels LLC, a subsidiary of Gal-Tex Hotel Corp. of Galveston, Tex. More than 50 people packed Council chambers to overflowing during the hearing.

Council approved a major development plan and development agreement for the \$18 million project on June 23, 2009. The Cliff House West, at 36 Park Ave., would incorporate the old Wheeler House into a new 83,000-foot building with a 53,800-square-foot underground parking structure. It would be the largest commercial property in Manitou.

The building would contain 79 guest rooms, three ballrooms, several meeting rooms, and a pool and spa. The parking structure would accommodate 170 cars.

Planning Director Dan Folke said the city code provides that the approval for a development plan lapses if a building permit is not issued within 12 months, but a six-month extension may be granted if good cause is shown. If an extension were not obtained, the owners would have to refile their plans and start the approval process all over again. The code also requires that a development agreement be signed within 30 days of its approval.

The owners of the Cliff House West property did not pull a permit within the 12-month period, nor did they sign the development agreement, which spells out conditions and requirements related to the project.

According to Cliff House General Manager Paul York, the owners did not sign the agreement because "certain issues had yet to be ironed out." In a letter to Council, he wrote that the start of construction was delayed because 1859 Historic Hotels, Gal-Tex's management arm, "was still dealing with the aftermath of Hurricane Ike, the passing of Executive Vice-President Mike Riley, the opening of a 300 room full-service property in Lubbock, Texas, and the worst economic climate since the Great Depression."

"I personally want to apologize for having to put you through this rerunning of the obstacle course," said Dan Dick, vice-president of Gal-Tex and 1859 Historic Hotels. "We are in this project for the long term... (and) we feel it is time to make this dream a reality."

Council unanimously approved the six-month extension with little discussion, and then heard testimony from Cliff House officials, contractors and neighbors.

Folke said the Planning Commission recommended approval of the revised development agreement after considering it at meetings on Aug. 11 and Oct. 13.

The revised agreement requires the owners to:

- Install street improvements including sidewalks, curbs, gutters and paving adjacent to the property on Grand and Park avenues;
- Install irrigation in the Wheeler Pocket Park (after acceptance, the city will maintain the park);

- Complete the public improvements with six months after the city issues the first building permit;
- Obtain a letter of credit equal to 125 percent of the estimated costs of the public improvements that the city could draw upon if the improvements are not completed;
- Obtain a security bond in an amount equal to the estimated cost of restoring the property in the event the project is not completed;
- Complete a new traffic impact study by Sept. 30, 2011;
- Obtain all permits necessary to complete the project within five years (Dec. 7, 2015).

Before the original development plan was approved, neighbors on Grand Avenue and in the Agate Hill neighborhood mounted a campaign to reduce as much as possible the impacts of the Cliff House West. They won numerous concessions from the property's owners, including design changes that reduced the building's height and made its appearance more compatible with nearby historic homes.

Several neighbors told Council on Tuesday that they have new and continuing concerns about the project that warranted delaying approval of the development agreement.

"The number one thing that's changed is that we do have much greater traffic congestion," neighbor David Beers said. "If we find in the (new traffic) study there are some sizable things the Cliff House will be responsible for, we will be in an adversarial position."

Also, he said, "there is some initial information that the mineral springs are at risk from heavy excavation." Beers urged council to wait for the traffic review and the results of an aquifer study.

Resident Julie Wolfe said she favored limiting the time period from five to two or three years and was concerned that the agreement does not contain a requirement for substantially completing the project.

"Much is changing in the city," Wolfe said. "I anticipate that it will continue to change."

Wolfe also suggested tougher language regarding the owners' responsibilities pending the results of the traffic study.

Neighbor Tom Morrelli expressed a concern about where workers and equipment would be parked during construction.

Other speakers supported approval of the agreement.

Dave Symonds, owner of the Stagecoach and Craftwood inns, said the Cliff House West would bring more business into town.

"If we keep changing (the agreement), we're going to lose the goose that laid the golden egg," Symonds said.

"I think the Cliff House is going to be the crowning jewel for the city of Manitou," said Chuck Murphy, who spearheaded renovations of the original Cliff House, the Barker house and the Spa Building. "All of us should do whatever we can to accommodate them and celebrate what they're trying to do."

- Folke said the aquifer study would be considered if the owners have to pull a blasting permit.

"There is absolutely no indication this project is a threat to the aquifer," Folke said.

Project Architect Doug Comstock said construction vehicles and workers would park on the property during construction and would use the parking once it is completed.

City Attorney Jeff Parker said the agreement requires the owners to address any issues raised by the new traffic study.

Council voted 5-2 to approve the revised agreement. Mayor Marc Snyder and Councilwoman Aimee Cox dissented.

"Five years is a long period. I have a problem with extending (the period) from today," Snyder said. "I want to see some movement on this thing." Cox said after the meeting that she also voted no because she preferred a shorter time period.

Snyder handed out both praise and knuckle raps to the owners and neighbors.

"I appreciate that Mr. Dick apologized," he said. "(But) why did we not get that thing signed? For me, there is a perception of arrogance here, that this little town, they need this project. The town will abide."

He also called the Cliff House "a great community partner" and said, "I welcome your existing building and your plan to move forward in the future and bring this amenity to our community, one that I think we need...."

"We intend to hold your feet to the fire on a traffic mitigation plan that works," he said, and added that he would be greatly disappointed if the owners obtain approval and then sell the property to someone else.

Snyder also said he was disappointed that the neighbors did not address "the real needs of this community, not just your neighborhood ... I get a big sense that a lot of what I heard tonight is, let's tear this down."

The extension of the development plan means that the Cliff House owners have until Dec. 23 to take action. The owners did not specify what action they would take or when.

The design plan for the Cliff House West is still undergoing review by the Historic Preservation Commission. The commission reviewed the design and demolition aspects of the project at meetings on Nov. 3 and Dec. 1. Commissioners postponed a final decision on the design until Jan. 5 to allow the owners to address several issues raised by the Planning Department and a consulting historic architect.

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