

The Basalt Affordable Community Housing (BACH) Meeting will be held by Teleconference – The Public may access the meeting by calling the number below and entering the Meeting ID when prompted.

Phone Number: 16699006833

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**TOWN OF BASALT MEETINGS
Basalt Affordable Community Housing (BACH)
Thursday, July 28, 2022**

Basalt Town Hall

101 Midland Avenue

- 12:00 PM Roll Call**
- 12:01 Approval of Minutes- July 7, 2022**
- 12:03 Update on Regional Housing Coalition from Elyse Hottel**
- 12:35 Request for Income Waiver for Dylan Geremia and Sarah Freihon-
Recommendation to Special Housing Evaluation Committee (SHEC)**
- 12:55 Member Updates & Other**
- 1:00 Adjourn**

Public Comment is limited to 3 minutes. Those who wish to speak should email james.lindt@basalt.net before the meeting starts with their name, phone number, and identify what item they would like to address. During the meeting those wishing to comment may also email james.lindt@basalt.net, but it is not guaranteed that the email will be seen in a timely fashion.

BACH Meeting
July 7, 2022
12:00 pm – 1:00 pm
Via Zoom

BACH Member Attendees: Doug MacDonald, Mike Kosdrosky, Cathy Click, Katie Erickson
Staff Attendees: Michelle Bonfils Thibeault, Sara Nadolny

Agenda items

- Update and Preparation for Joint Meeting with Town Council on Parcel 5, Sopris Meadows Subdivision/PUD
- Member Updates & Other

The meeting was called to order at 12:04 pm

Item 1: Update and Preparation for Joint Meeting with Town Council on Parcel 5, Sopris Meadows

BACH began the discussion on the second affordable housing building, and members expressed their desire to understand BACH's role in the review if the codified standards are not applicable to the second affordable housing building based on the new categorical requirements being proposed.

Michelle provided BACH with a list of the Parcel 5 discussion points that would be shared in the Council packet. She indicated that currently the last point on the list is for Council to clarify BACH's role in application reviews. She asked if this should be moved to the top of the list, and BACH agreed.

There is a bullet point that revisits the fact that BACH asked the Applicant the possibility of providing for-sale units at beginning of this process. Mike said that point was questioned by BACH but making it a requirement was not pushed. Cathy recalled the developer saying if for-sale units were required the project would be off the table. Mike said he never wanted for-sale housing in the inventory and feels that point does not reflect BACH's full opinion.

BACH agreed with the next bullet point about supporting following the existing land use code mitigation that requires the Applicant to provide an average of Category 2 deed-restricted housing units.

BACH discussed the idea of the deed-restricted "missing middle" units being permitted have flexibility only after the Category 2 affordable housing units are built.

Katie asked if there has been a discussion of the second building being deed-restricted as Resident Occupied (R.O.) units so there is no income cap, but an asset cap would apply. Cathy said she is unsure as Council has taken lead on for-sale units. She indicated a desire to have a discussion with the Town before making any BACH recommendation based on the developer's "missing middle" proposal.

Mike said that since the Code and guidelines are not being followed with this application, it is throwing BACH into a quandary. He thinks the Town's program is already serving the missing middle.

Cathy expressed a desire to focus on the broader aspects by asking what does BACH do for the Town, and how can BACH best fulfill its mission. She felt the outlined bullet points from Michelle provides valuable background for discussion and wants to stick to those instead of trying to figure out Parcel 5.

Mike also indicated a desire to focus on role of BACH and the policy role, noting that some concerns are reflected in what has happen in this application process.

Michelle said she could highlight that this application has created the need to talk about BACH's concerns but cautioned that this discussion with Council has to be part of the public hearing for Parcel 5. She noted that Council has committed to the second affordable housing building as being for-sale units. Michelle reminded the group that this is part of the Final Review.

She asked if BACH is supportive of the first affordable housing building meeting the average of Category 2, and the second building following the developer's "missing middle" proposal.

Cathy left meeting at 12:29 pm

Mike said that this project is within a PUD so there could be flexibility on the second affordable housing building. He does not agree with the ownership unit as Basalt is not prepared to manage an affordable housing program of this nature. The non-required affordable housing could have more flexibility for BACH to make recommendations on. He thinks the developer may pull the second building if the Town cannot come to some agreement about the building.

Katie suggested that a property management office may need to be added in Basalt.

Doug asked about the feasibility for a rent-to-own structure of ownership in Basalt, which may spread the risk to the eventual owner rather than the developer. Katie replied that a lawyer would get involved to draft something with the developers. It would be directly between the buyer and seller, and a legal document that will create that arrangement. Doug said the purpose would be to take the edge off the developer to clear some of the barriers to ownership. Doug clarified that he does not necessarily intend this to be applied to this specific project but brought it up as a general topic of discussion.

Mike said that Basalt needs to resolve whether it wants to spend the money allocated by the taxpayers for affordable housing on providing affordable units for other communities.

The group agreed that the Category 2 average deed-restricted units for the first affordable housing building can be supported. The voluntary additional affordable housing building is acceptable to BACH with some flexibility. Mike said its acceptable in that its voluntary, and BACH cannot make a recommendation on the building.

Michelle said the developer is willing to do the Category 2 units if the units are rental. It will take at least two years for the site work and infrastructure to be completed.

Mike felt the developer should be required to build the inclusionary housing first. Katie said if the second affordable housing building is constructed first, it would need to be fine-tuned and add asset caps. She said this proposal is more expensive than the free market housing. She suggested having it set up like Aspen Glen, and have the value be free market.

Mike does not think the community is best served with those assets as opposed to tighter deed restrictions for ownership. The second affordable housing building would be approving a free-market

housing project under the guise of it being an affordable housing project which he feels throws the whole program into question.

Michelle said there is an obvious need for BACH to have a policy conversation with Council outside of the land use review for Parcel 5. The idea of voluntary affordable housing is up for discussion.

BACH discussed the bullet point related to the AMI level. BACH supported a change to the item to read the missing middle AMI being proposed is too high for BACH to support.

Mike said he could potentially support serving higher incomes but is unsure where that should be. Michelle indicated she will amend the final bullet point about clarifying BACH's role and guidelines/policies to meet community's current and future needs.

M/S Mike and Katie to adjourn the meeting. Motion passed 3 to 0.

The meeting adjourned at 1:02 pm.

Regional Housing Coalition Update

CHFA

Amount: up to \$30K

Extension of the scope of work from BHI (developing housing program) to be ready for ARPA grant.

DOLA Administrative Planning Grant

Amount: \$50,000 request (\$25,000 grant & \$25,000 match)

Fiscal Agent: Pitkin County

Timeline: Submit June 14. Anticipate funding in July

Purpose: Facilitative services for building a 3-year strategic plan and business plan (including programs and financial model) to meet strategic plan and be sustainable nonprofit

IHOP 1271 Planning Grant

Amount: \$100,000 request (\$75,000 grant & \$25,000 match)

Fiscal Agent: *Tentatively* Glenwood Springs

Timeline: Due June 27th. Anticipate funding in December 2022

Assessment of affordable housing strategies and policies across the eight member region to determine opportunities for reducing barriers to affordable housing in the region.

ARPA Grant

Amount: TBD

Fiscal Agent: TBD

Timeline: Grants anticipated to open in October 2022.

Coalition working on building a buy down program for the region that would be eligible for funding in the grant cycle in October.

Request for Income Waiver

To whom it may concern,

I am writing to you today in the hopes that my partner Sarah and I could obtain a SHEC income waiver. Sarah and I have been living at Willits 7 for nearly 5 years at this point, and over the course of these amazing years we have really started to put our roots down in Basalt. The reason for this request is due to the fact that we are up for re-leasing our apartment, and unfortunately this year we are slightly above the mandated income cap.

As you may know, inflation and hiring challenges are making life in the valley difficult for employers; forcing a majority of them to increase wages to stay competitive and keep up with the inflationary environment. Both Sarah and Myself have received pay bumps over the last few months, no job changes or promotion, just flat rate increases throughout our respective employers' organizations.

I have been and still am currently employed with Whole Foods Market, right here in the heart of El Jebel. Within the last few months our store has implemented both a starting wage increase, as well as a "Resort Pay Premium". Both of these combined have increased my salary, however this has simply made day to day life more manageable; not changed my real-world financial situation in any impactful way.

Sarah is employed by the City of Aspen, currently working as a Police Officer for the town. Her employer has made almost identical moves, increasing both the starting wages and providing what they are calling an "Inflation Raise". Once again, this new rate of pay has simply made purchasing essentials, paying bills and giving back by supporting our local businesses less stressful.

I can't tell you how much it means to us that you are giving the opportunity to explain our situation. Its difficult to express the amount of anxiety that this potential housing insecurity has weighed on us the last few weeks. I genuinely hope that my explanation is adequate, and we can't wait to continue serving our community for many years to come.

Please feel free to reach out if you require any additional information and I would be more than happy to provide it.

Thank you for your time and consideration,

Dylan Geremia

Sarah Freihon