

**TOWN OF BASALT
PLANNING AND ZONING COMMISSION
REGULAR MEETING
Tuesday, February 1, 2022**

CALL TO ORDER

The meeting called to order by the Vice Chair at 6:08 pm by Zoom.

Commissioners present included Gino Rossetti, Bill Maron, Kyle Oberkoetter, Michell Thibeault, and Cindy Hirschfeld. Commissioner Leavitt joined the meeting at 6:27 pm.

Staff present included Susan Philp, Planning Director; James Lindt, Assistant Planning Director; and Sara Nadolny, Senior Planner.

Vice Chair Maron served as Chair of the meeting in Eric Vozick's absence.

APPROVAL OF MINUTES

**M/S ROSSETTI AND THIBEAULT TO APPROVE THE MINUTES OF JANUARY 4, 2022.
MOTION CARRIED BY A VOTE OF 5 TO 0.**

AGENDA ITEMS

**WORKSESSION ON AMENDMENTS TO CHAPTER 16, ZONING, REGARDING
AFFORDABLE COMMUNITY HOUSING REQUIREMENTS PROPOSED BY THE BASALT
AFFORDABLE HOUSING COMMISSION (BACH)**

Lindt introduced the worksession on code amendment concepts related to affordable housing. Lindt said that the Basalt Affordable Community Housing Commission, also known as BACH, has been discussing potential affordable housing code amendments that have arisen out of recent development application reviews. BACH had a worksession with the Town Council in December for discussion and to get direction on some of the topics. Lindt said the intent of the worksession this evening is to briefly present the topics so the P&Z knows what's coming in terms of affordable housing code amendments, and to get some initial feedback from the P&Z.

Lindt introduced the first topic as the Real Estate Transfer Assessment (RETA) exemption from affordable housing mitigation requirements. The current code allows developers to reduce their affordable housing mitigation by 10% if they provide a 1 ½ % RETA. Lindt explained that a recent application proposed the exemption for a RETA on a rental housing project. BACH did not believe that the Town received enough community benefit if the RETA exemption were allowed on that project. Lindt reported that ultimately the mitigation for that particular project was bumped up and the 10% mitigation reduction was not permitted; however, the RETA exemption was raised as a discussion topic.

Lindt said BACH has recommended to only apply exemption for affordable housing mitigation reduction for RETA in cases where there is for-sale housing proposed. However, Council recommended, during their worksession with BACH, to completely remove the exemption for reducing the affordable housing mitigation for RETA. The Council's thought was that it is more beneficial to have units than the cash from a RETA.

Lindt introduced Item 2, which relates to parking reductions. He explained that the topic came up during the Sopris Meadows Parcel 5 Sketch Plan review where there was a discussion around reducing the parking requirement for affordable housing units. BACH directed Staff to look at the Roaring Fork Apartments to see how their parking operates. The owner and property manager, Real America, identified the number of tenant parking spaces that are utilized through their tenant permit system with the result of 70 parking spaces used for the 56 units. Lindt explained that the Code requires 1.5 spaces for a one-bedroom unit two spaces for a two-bedroom unit, and 2.5 spaces for a three-bedroom unit. The R-4 MD zone district has different parking requirements with one parking space for a one-bedroom unit, two parking spaces for a two-bedroom unit, and maintains the two required parking spaces for a three-bedroom unit. Lindt observed that the R-4 MD parking requirements gives a break to larger units.

BACH was supportive of considering amending the parking requirements for affordable housing units to the R-4 MD parking standards as it lines up well with the case study at Roaring Fork Apartments. Lindt said BACH also thought that the reducing the parking requirement for three-bedroom units may help to incentivize this size of unit which is currently lacking in the Town's affordable housing inventory.

Lindt introduced Item 3 as relating to affordable housing mitigation requirements. Currently the code requires 25% of a project's new residential floor area be mitigated with affordable housing. Commercial has a requirement of 15% of its new employees be mitigated for with affordable housing. BACH is interested in possibly updating the mitigation requirements but would first like to look into updating the data on housing gaps. Lindt said that the last study that addressed the issue was with the Roaring Fork Regional Housing Study that was released in 2019. The report did pull out data specific to Basalt, but BACH believes that the data may have changed since the pandemic. Staff can work through updating the data on those housing gaps.

Lindt introduced the final topic, the creation of a buy-down deed restriction process. BACH felt it would be advantageous to add a process whereby a property owner could voluntarily deed restrict a free market unit. This could be done currently, but there is not a process within the Town Code. Staff believes this would be an administrative process.

Lindt explained that BACH has explored similar concepts such as the Vail InDEED program where the local government pays local property owners to deed-restrict their free market units. The program has had mixed results but should be examined to see if it could be helpful in creating additional affordable housing opportunities.

Lindt concluded that those are the topics BACH is looking for feedback on. He indicated that this is a worksession, and the P&Z could ask questions and indicate if they would like any additional

information. These items will be brought back as Code amendments for the P&Zs consideration at a future meeting for P&Z to make a recommendation to the Town Council.

Commissioner Thibeault asked if there is another affordable housing project that BACH and Staff could look at as precedent for the proposed parking reductions. Lindt replied that the Roaring Fork Apartments is a good case study. He noted that Willits has a significant amount of affordable housing units but is part of a greater mixed-use parking program making it difficult to track. The Aspen Skiing Company's HUB project on Block 9 also requires parking permits for its tenants so that could possibly be another study. Commissioner Thibeault said that the comparison does not have to be in Basalt and suggested looking at Truscott in Aspen. She said it would be beneficial to have more than one source as an example.

Commissioner Thibeault's asked what it means for the Vail InDEED program not being bringing in as much affordable housing as anticipated. Lindt replied that one BACH member is close to that project, and that person felt they were not getting as many units as anticipated. He noted that BACH is still interested in finding out if a similar program would work for Basalt.

Commissioner Oberkoetter questioned whether the boundaries are being pushed far enough in terms of parking reduction for affordable housing. He asked how utilizing the parking requirements of the R-4 MD was decided upon. He asked if mitigation requirements could be determined through looking at more data, and whether this could be accomplished by hiring a consultant or if it would be done internally. Lindt replied that BACH has directed Staff to see first what can be done internally. Staff believes we had a pretty good look at the greater valley through Regional Housing Study in 2019 and will take an initial look to update the data specific to Basalt.

Commissioner Comments

Commissioner Thibeault said she generally agrees with a reduction in the parking requirement for affordable housing but would like more research to support the reduction. She noted that parking is expensive and impacts the number and quality of units offered within a development. She is generally in support of the proposed amendments, particularly removing the RETA exemption.

Commissioner Oberkoetter thinks Staff should look at codes in other municipalities and push the limits on parking. He provided some information on the City of Durango's parking program which may be of interest.

Commissioner Leavitt joined the meeting at 6:27 pm

Commissioner Hirschfeld said that she is in favor of not allowing the RETA mitigation exemption to apply to rental properties. She would like to know more about Vail InDEED project.

Commissioner Leavitt is not comfortable with the proposed reduction in affordable housing parking based on one case study and requested more data.

Vice Chair Maron said that he is in favor of removing the RETA mitigation exemption. He would like more data around the proposal to reduce the Town's current affordable housing parking

requirements to the R-4 MD zone district's requirements. He feels that an Applicant should also have the ability to petition for further parking reductions in transit-oriented development areas with a solid data-driven plan which would be reviewed by the P&Z and Council. Vice Chair Maron said he believes a voluntary buy-down program should be pursued.

Commissioner Rossetti said he would also like to see more project examples before considering a parking reduction for affordable housing.

Lindt said feedback has been helpful. Staff will look into other case studies and speak with the City of Aspen about Truscott and find examples in other communities.

UPDATE ON BASALT FORWARD PROJECTS - Affordable Housing, Green Initiatives, and Midland Avenue Streetscape.

Philp reported that the Town has hired Ted Borchelt from Sotheby's Real Estate to look at properties and discuss opportunities for potential locations for affordable housing within the Town. Council reviewed a game plan to move forward and heard presentations from Basalt Vista and the Colorado Housing and Finance Authority (CHFA) on available tools for the creation of affordable housing. BACH will be discussing this at their next meeting.

Lindt said that BACH wanted to start off by understanding what is available for the potential to purchase property for the development of affordable housing or buy-down units. The initial step is an executive session between BACH and Borschelt to understand what properties may be out there to purchase.

Commissioner Oberkoetter asked about the area median income (AMI) levels for affordable housing categories in Basalt. Lindt indicated the guidelines refer to three categories – Category 1 is 80% AMI and below, Category 2 is 81 to 100% AMI, and Category 3 is 101-120% AMI. Lindt noted there has been a lot of conversation about what Staff should be looking at for the creation of affordable housing, and BACH is interested in looking at what gaps are in the Town's inventory before providing a recommendation on specific unit types.

Regarding the topic of Green Initiatives, Philp reported that last year when the Capital Needs Committee was meeting, a subcommittee had met that looked at what to pursue regarding a renewable energy and storage program. The Town entered into a Memorandum of Understanding (MOU) with the school district to explore ways to partner on a project. The Town is also working with Holy Cross Energy. Staff developed a Request for Proposals (RFPs) and received eight bids from solar energy firms. Council approved a contract with McKinstry at their last meeting, and Philp noted that all applicants were very strong. McKinstry will work on strategic plan for developing and a design for a ½ megawatt solar photovoltaic system. Philp said that several locations have been identified after an initial review by Holy Cross to ensure the sites are viable. The project will be kicking off February 15th.

Philp said that solar and battery storage has the potential to create resiliency. The solar will add to the electrical grid and the battery storage will increase resiliency in events of power loss.

Commissioner Oberkoetter asked how much battery storage is being planned. Philp replied that will be determined as part of the process and study.

Regarding the Midland Avenue Streetscape Project, Philp reported that the Town issued two RFPs - one for design services where a wide variety of professional services needed. The other RFP is for a construction manager/general contractor. She said the idea is to have construction manager involved by day one. It is envisioned that most of the work on the design will be done 2022. The P&Z will have an opportunity to review plans at different levels to assist with the design process.

Vice Chair Maron asked if a member of P&Z on will be on the RFP selection committees, and Philp replied that has not yet been decided, but may be an option.

COMMISSIONER COMMENTS AND STAFF UPDATES

Philp said that through negotiation in a land use process the Town has secured electric vehicle (EV) chargers in private parking areas. The take-away is that EV chargers need to be considered up front and ensure adequate electricity is available. She reported that the Green Codes Committee is working on processing Code amendments and requiring buildings to be electric-ready and the infrastructure for EV chargers.

The POST Committee is working on Phase 2 of the Basalt River Park, getting ready with a bid package and reviewing plans for play features.

The Steadman Clinic is working on items for their certificate of occupancy which is planned to be phased. Lindt said Steadman is hoping to get staff in there to stock and outfit the spaces soon, and then are looking to welcome the public at the end of March. They will still need to make improvements on the Reed Street Park and landscaping around the project in early spring, which should be ready by mid-June.

Vice Chair Maron wished Philp the best of luck in her retirement and thanked her for her service to the Town.

M/S LEAVITT AND THIBEAULT TO ADJOURN THE MEETING. MOTION PASSED BY A VOTE OF 5 TO 0.

The meeting was adjourned at 7:02 pm.

TOWN OF BASALT
PLANNING AND ZONING COMMISSION

By 
William C. Maron, Vice Chair

Attest 
James Lindt, Interim Planning Director