

**BACH**  
**April 22, 2021**  
**12:00 pm - 1:00 pm**  
**Via Zoom**

*Attendees included: James Lindt, Sara Nadolny, Anne Baker, Cathy Click  
Mike Kosdrosky*

Agenda items

- Roll Call
- Welcome new member
- Basalt Forward 2030 – Appoint Member & Alternate to Town’s Capital Needs Committee
- 2021 BACH Work Program
- Discussion re Potential Affordable Unit Opportunity
- Stott’s Mill Lots
- Member Updates

The meeting began at 12:14 pm

**1. Welcome New Member**

James welcomed Mike to his first official BACH meeting as a new member.

Mike was approved by the Town Council at the April 20<sup>th</sup> meeting. Cathy expressed her gratitude for Mike’s presence on BACH, and his willingness to share his expertise in the field of affordable housing.

**2. Basalt Forward 2030 – Appoint Member & Alternate to Town’s Capital Needs Committee**

James explained that BACH is being asked to appoint a Representative and Alternate to the Town’s Capital Needs Committee. The Town is pursuing its Basalt Forward 2030 initiative which will include a capital and facilities needs assessment. The Capital Needs Committee will prioritize potential capital improvements and other projects that were ranked as priority projects within the Basalt Master Plan. Affordable housing will be part of that discussion. The Committee will start meeting from late May to mid-August and will ultimately make recommendations on prioritizing projects. James asked if BACH had any questions about the packet materials. Mike asked for more details on the length of meetings and how much prep work he anticipates before each meeting. James explained that meetings may be switching to in-person or may be a hybrid of virtual and in-person. He does not expect a lot of meeting prep and expects meetings to run about an hour and a half each time.

Mike expressed interest in serving on the Capital Needs Assessment Committee. He feels he has a lot of experience professionally and has been directly involved in capital improvement projects in his public and private career.

Anne asked if there would be some field work involved. James agreed its likely that there will be some field work.

M/S Cathy Click and Anne Baker to appoint Mike to Capital Needs Committee. Mike indicated he would prefer to be the Representative member. Motion passed 3 to 0.

Cathy asked if the meetings would be opposite weeks of BACH meetings so BACH could get a report. Mike said he would report back what was discussed.

Doug joined the Zoom meeting at 12:23 pm.

James asked if Doug would be interested in being the Alternate on the Capital Needs Committee.

M/S Cathy Click and Anne Baker to appoint Doug as the Alternate to the Capital Needs Committee. Motion passed 4 to 0.

James said he would get more information out to Mike and Doug regarding the Capital Needs Committee.

### **3. Discussion re Potential Affordable Unit Opportunity**

James introduced the potential purchase of the remaining non-town owned unit at the 355 Gold Rivers Court BC Building. The Town owns seven out of eight residential units currently. The owner is looking to sell his unit and the Town has the first right of refusal. The unit is 700 square foot in size. The owner has not submitted an offer to town yet but is expected soon. The purchase price is \$360,000. James said that ownership of the unit will give the Town control over the HOA. The unit is within a mixed- use building with the commercial component on first floor being 1/3 of the total building, which makes it difficult for individuals to get mortgages due to lending practices. That is the reason why the Town purchased the other seven units. Town Council wanted BACH's recommendation on purchasing the unit. James noted this will be discussed at the next Council meeting.

Cathy asked where the funding will come from for the purchase of the unit. James said it would be financed through sales tax revenues. Cathy asked if this would be administered through Town and James said that it would be. The Town has a policy related to Town-owned units with a priority for occupancy. First priority is to Town employees, then it is advertised to Special Districts in Valley, such as Mid-Valley Metro District, the fire district, etc. If there are still no one in those categories to fill the unit, it is opened up to employees that work at least 1500 hours in Basalt, then in the Roaring Fork Valley. James said this is a Resident-Occupied (R.O.). Town policy is that the unit would rent for a maximum Category 2 rate for Town employees and at a Category 3 rate for non-Town employees.

James explained that the Town's Public Works maintains the Town-owned units, and Planning Staff handles the administration. The other seven R.O. units currently include a mix of Town employees and employees of local businesses. Rent is based on the number of bedrooms, with a two-bedroom renting at \$1400/month, and a one-bedroom renting at \$1,200/month. Town Council makes the decision on rent escalations. During the last discussion in 2020 regarding rent adjustment for the units, BACH recommended no increase due to the difficulties associated with the pandemic, and Council agreed with the recommendation. An appraisal is required prior to the Town purchasing the unit. General fund dollars would be used for the purchase of this unit, primarily gained through sales tax.

Cathy suggested that by adding more affordable housing stock the Town may need to start thinking of forming a housing authority or housing manager position. She thinks purchasing this unit makes sense given the difficulties an individual would face in obtaining a mortgage.

Mike wants to encourage due diligence and then if the Town Manager and Staff believe it is in the best interest of the community to go forth with the purchase.

M/S Mike Kosdrosky and Doug MacDonald to recommend to Council BACH's support of the Town to exercise its right of first refusal for the 355 Gold Rivers Court BC Building unit, and if, based on due diligence, it is found that the purchase of the unit will further the goals of the community, BACH will support the purchase based on a fair market price. Motion passed 4 to 0.

#### **4. Stott's Mill Lots**

James explained that the Town has the potential to purchase up to four lots in the Stott's Mill development – specifically, lots 15, 16, 20 & 21. The approvals stated that the Town Council can choose the purchaser or the Town can also purchase the lots. The initial price cap is \$196,964 per lot. The lots can appreciate 3% per year, unbuilt. The size of each lot is 3,360 sq ft which will allow a single-family residence of up to 2,000 sq ft. A duplex is allowed on lots that are adjacent, up to 2,000 sq ft per unit. James explained that this is an introduction of the topic to BACH and will be revisited at later meetings for further discussion.

James said Staff thinks the first steps are to have Staff look at the construction costs associated with placing a modular on the site, and to look at costs of modular within the Southside Subdivision. Also, Staff could develop a list of potential partners to reach out to see if there is interest in partnering on a project at this location.

Cathy felt that finding partners is the best option with the possibilities of Real America or Habitat for Humanity. Doug asked if there is a time limit on rights to purchase. James said that the Town has until the improvements are completed and accepted (infrastructure), which is likely a year away. The Town has given the developer an indication we are actively trying to figure out whether it is something of interest to the Town. BACH will likely need to make a recommendation to Council within the next three to six months.

Cathy asked if the Town is interested in partnering with Habitat on future projects. James said likely, and BACH would make a recommendation on the partnerships to Council. Generally the Town has had a good experience working with Habitat. Real America has been looking for more properties for projects. Mike said he doubts this would be something Real America would be interested in, as their business model is multi-family, but he offered to give Rhonda a call. James said we could talk with Pitkin County and the Special Districts as well on potential partnerships.

Anne asked who owns the other lots. James said probably a combination of individuals and organizations, such as Aspen School District.

Mike asked for modular and stick built estimates for the lots.

#### **5. Member Updates**

Anne said that Real America and Habitat for Humanity have done a stellar job at creating rental and deed restricted units. Catholic Charities pulled out of project they were proposing near Willits, in unincorporated Eagle County. She asked if any other entities have expressed interested in building in Basalt.

James said School District had expressed interest at one point – they have built a lot of housing and procured over the last couple of years as part of their bond initiative. They are still looking at opportunities, but maybe not to build. The Fire District has also expressed interested over time, and Staff could reach out to the Fire District on this.

James mentioned that the RE-1 School District will get three lots or three units at Stott's Mill as part of school land dedication. There are still ongoing discussions between the developer and the School District about what form they want that in.

James said that the four lots discussed today are geared towards non-profits or Category 2 level housing.

### **2021 BACH Work Program**

Sara said this item is on the agenda just as a way to keep the items outlined in BACH's memo to Council fresh.

Cathy indicated she is interested in circling back to the affordable housing map, which needs to be updated. She said that the four Stott's Mill units should be included within the map.

Cathy said MANAUS reached out to discuss a multi-jurisdictional housing authority. She is going to meet with them tomorrow. Mike indicated that Jon Fox-Rubin also reached out to him regarding regionalism and opinions.

M/S Anne Baker and Mike Kosdrosky to adjourn the meeting. Motion passes 4:0.

Meeting ended at 1:16 pm