

BACH
July 8, 2021
12:00 pm - 1:00 pm
Via Zoom

*Attendees included: James Lindt, Sara Nadolny, Doug MacDonald, Anne Baker, Clyde Foster,
Mike Kosdrosky*
Guests: Jeff Orsulak and Michael Lipkin

Agenda items

- 1. Sopris Meadows Parcel 5 Application**
- 2. Capital Needs Committee Update**
- 3. SHEC Waiver, Block 7 North**
- 4. Review Draft SHEC Policy Language**
- 5. Member Updates**

The meeting began at 12:03 pm

1. Sopris Meadows Parcel 5 Application

Mike said that he would like more time to review the application prior to providing a recommendation. James indicated an introductory P&Z meeting has been scheduled, and it works schedule-wise to table the matter if that is what is decided.

James introduced Michael Lipkin and Jeff Orsulak as the project's development team. The proposal involves a PUD and Sketch Plan application for 155 residential units within nine buildings. James showed the site plan and indicated proximity of the project to the Park Modern buildings, the Basalt Industrial Park to the south, and Willits Lake to the east of the proposed project. The project will provide affordable housing units in two buildings to the south, and the other seven buildings will be free market residential units. The deed-restricted units will include 36 units with on-grade parking. Parking for the free-market buildings will be within the garages under the buildings. The Applicants have indicated as part of proposal that the affordable housing units mix and design will be provided when the developer is ready to build the units in order to better understand the market demand at that time. The Applicants have proposed to provide 15% mitigation with the dedication of 1.5% RETA allowed by the town code. They are also proposing an occupancy priority for the affordable housing units to be for local arts and non-profits.

James noted that Staff has identified topics for BACH discussion.

- Units Mix – this can't be reviewed at this time as the Applicants is not wanting to confirm the proposed mix until closer to construction.
- Compliance with Livability Standards – The Applicants are saying they will meet the Livability Standards but are providing no designs at this time.

- 1.5% Real Estate Transfer Assessment (RETA) – in prior discussions with BACH, BACH wanted to understand magnitude of revenues that would result from that RETA. James shared a RETA analysis that was performed for the Park Modern project by Bruce Kimmel, the Town’s financial consultant. This project is larger and likely looking at more revenues than Park Modern which resulted in \$100,000 over a period of ten years.

Michael Lipkin said the team performed an additional study of the project since submitting their application. He said that he understands challenges of developing affordable housing and that the guidelines get quirky in a project of this size. His concern is about building community, and the ability to prescribe who lives in the units is an opportunity that is important to the mid-valley. He is interested in prioritizing affordable housing for the arts and wants to reserve a unit for visiting artists. He is also interested in affordable housing units for senior care professionals working in the Willits area. Affordable housing benefits businesses that make our community work, and he feels that the development should prioritize locally owned businesses rather than large companies that do not have a tie to the Valley.

Michael said that in order to maximize the affordable housing requirement of 25% of the total project’s floor area floor area, the Code requires 20% of total units to be deed-restricted. This could equate to 55 units within 5000 square feet. He said that the requirement does not correlate with size requirements.

The affordable housing is planned to be within two three-story units and will have 90 parking spaces. Michael said that when the site is layed out it feels as if the Applicant is prioritizing the car as much as the occupants of the affordable housing. The parking cannot be stacked. He feels that there is too much land being used for parking than is appropriate, noting that in other areas of Willits Town Center the requirement is one space per unit. He proposes that each 2-bedroom unit gets one parking space. Michael would like to see the development get creative with carshare programs and noted that it is just around ½ mile to bus stop at Original Road and Highway 82. With a parking reduction the Applicants could put up to 55 units on the site.

Michael went through other changes to the site plan. Parking is set back from the industrial zone – reduced to 8’ to accommodate drainage. 28’ between the parking and affordable housing buildings can be landscaped, and the area includes a sidewalk. He indicated an area intended for passive recreational space. The development will contain 1,000 square feet of shared space, coworking/event space, etc.

Michael asked for feedback on reducing parking and the approach to prioritizing affordable housing, and how to feel secure moving forward with creating three-bedroom units when there is not the market for this sized unit.

James asked Michael to amend the application in relation to the parking and unit count to be reviewed at the next BACH meeting. Michael said that is a technical point and he does not want to slow down the process. The Applicants will be recontouring and re-grading the lake. He expressed being anxious to move through the process and answer questions as they can. James said before next meeting we can bring some feedback back to the Applicant. Discussion items such as determining the unit mix and occupancy priorities are things BACH can get into at this point. BACH and Staff will have a conversation between now and the next meeting about how to best handle the adjustments. Michael said its critical to stick to their timeline and asked BACH if there are any non-starters.

Mike Kosdrosky said that with respect to parking, in his experience he would like more workforce housing units in lieu of more parking. However, he is not sure that is a decision for BACH to make. He expressed feeling that the Guidelines should be regulations, that it is important to get language and definitions correct and speak about the same thing. Mike thinks it is important to stick to what is in place and assess what can be improved from a regulatory standpoint. He is not in favor of prioritizing occupancy as suggested by the Applicant but rather maintain the Town's priority list.

Mike asked if the affordable housing would be completed ahead of the free market housing. Michael replied that they would look for the units to get certificate of occupancy before the construction of the fourth free market building and indicated he would like to prioritize moving forward as quickly as possible. He said there is a lot of expense with working through issues on the 15 acres.

Clyde asked what the cost will be for the units. Michael clarified that these are rentals and will be price capped in accordance with their Category rental rate.

Doug asked if BACH would like to take some time after this topic to keep the meeting on track. James said that if BACH wants additional information prior to making a recommendation to let Staff know so that it can be provided prior to the next meeting.

2. SHEC Waiver for Block 7 North

James introduced a request for a SHEC waiver that is requesting relief from the occupancy requirements at the Block 7 affordable housing units. The maximum occupancy is two people per bedroom. The request is for two adults and three children to move into a two-bedroom unit until a three-bedroom becomes available. The request is based on a situation where there were difficulties in another community.

Mike asked if there has been any precedent for this. James said this is the first SHEC waiver request based on occupancy. Mike asked if there are any health or safety concerns that would preclude this many people from occupying the unit. James replied that it is not a code violation from a Building or Fire Department perspective.

Mike said that he is sympathetic to the situation but is very concerned about setting a precedent. He understands that the request is time-sensitive but BACH needs to get this right. He does not feel that granting such a request is in the best interest of the program. Doug agreed with this sentiment.

Anne asked about the possibility of a three-bedroom coming available, but James said it does not appear that will happen anytime soon. The property management is ready to give the two-bedroom to another party.

Doug said the problem is that the family may be in that two-bedroom unit for a long time. Mike asked if the Applicant has found anything through APCHA. Mike said as an employee of the Pitkin County Sheriff's Department and an essential worker he should seek relief first in Pitkin County and the City of Aspen. Clyde expressed agreement with Mike. He said that he feels conflicted in wanting the family to be safe, but that they need to look through APCHA.

James said there are three additional applicants who qualify. James said he would get more information on who else has applied, and explain our concern for setting a precedent, and to direct they applicant to look into availability through APCHA.

Mike said that cases like this present opportunities to look at the Town's policies. Taxpayers help to subsidize the housing. If the Town is allowing other communities to benefit from the Town's housing, there should be some remuneration to the Town. Maybe it is an opportunity to leverage the units the Town has and get some financial benefit.

3. Capital Needs Committee Update (CNC)

Doug said we need to make BACH's input to the CNC.

Doug has an overriding opinion on the budget choices which have been discussed individually. He is in favor of choosing a sequence of events that will get the Town on board with the program. The Town could implement a mixture of large and small projects, get the small ones out there and be visible. Streetscape and parking are visible projects. He likes the idea of solar shades over parking spaces which would be a project that would get people's attention and will then encourage the Town to support the larger projects.

Mike reported that the public survey results are now available. Bill Ray summarized the survey which received just over 200 responses. The top priority was affordable housing. He said that BACH has a lot of opportunity to make recommendations to Town Council so long as it is a project that fits within the confines of the bond and meets a demonstrated need.

Mike is an advocate of purchasing land, which he says sets the table for a private/public partnership. He expressed the desire to see solar energy and renewables on affordable housing.

James said that Staff will send BACH the survey results. Mike requested the survey itself also be sent out.

Doug agrees about purchasing land. People will have to vote on the bond and will not see the results for a while. He expressed annoyance with so few people having responded to the survey.

Anne said she is concerned that this will be called workforce housing. Anne would like it to be community affordable housing. Workforce housing conjures up the Hershey Plant and its control of those people's lives. AH for the community is different than workforce housing.