

**STATE OF COLORADO
COUNTY OF ROUTT**

**JOINT CITY/COUNTY SPECIAL MEETING NO. SP-2006-13
June 19, 2006**

City Council President Ken Brenner called the special joint meeting of the Steamboat Springs City Council, the Routt County Board of County Commissioners, and the Routt County and City of Steamboat Springs Planning Commissions to order. City Council members Steve Ivancie, Kevin Kaminski, Paul Strong, Susan Dellinger, and Loui Antonucci; County Commissioners Douglas B. Monger and Nancy J. Stahoviak; Don Alperti, Diane Mitsch Bush, John Ayer, Jay Gallagher, and Jeff Fry, County Planning Commission; Kathi Meyer, Steve Lewis, Dick Curtis, Nancy Engelken, Tracy Barnett, and Dana Stopher, City Planning Commission; Wendy DuBord, Interim City Manager; County Manager Tom Sullivan; Caryn Fox, John Eastman, and Will Wiggins, County Planning; Tom Leeson and Brian Berndt, City Planning; Don Taylor, Jim Weber, Julie Jordan, and Julie Franklin, City of Steamboat Springs; E. Walter Scott, P. A. Scott FLP; Bear Ackerman, representing EMSI and other clients; Mary Brown, Diane Brower, John Spezia, Linda Carlton, C. Stok, Betty Leipold, and John Long, citizens; Rob Van Deren, Mountain Valley Communities, and Matt Stensland, Steamboat Today, were present. Diana Bolton recorded the meeting and prepared the minutes.

**EN RE: JOINT ADOPTION HEARING FOR THE WEST STEAMBOAT
SPRINGS AREA PLAN UPDATE**

Mr. Eastman said that the purpose of the special joint meeting was to review and adopt the West Steamboat Springs Area Plan. He noted that the adopting body for the City was the City Council, with recommendation from the City Planning Commission; the adopting body for the County was the County Planning Commission, with the County Commissioners affirming the adoption. He noted that the materials provided included a redlined version of the Plan, which contained all of the suggested changes to the March draft of the Plan; a matrix of the changes; the adoption draft revisions, and a list of the twenty-eight public meetings that had been held by the various adopting bodies to update the Plan.

Mr. Brenner asked the City Planning Commission whether it was prepared to move forward with the revised Plan. Ms. Meyer said that questions would be asked regarding aspects of the red-lined version. Mr. Alperti stated that the County Planning Commission was ready to adopt the Plan and noted that, if adoption were to occur, the County Planning Commission was required to adopt the version of the Plan that contained the maps, not the red-lined copy of the Plan. County Commissioner Monger said that the County Commissioners were prepared to adopt the Plan. Mr. Brenner stated that the City Council was ready to discuss the Plan and noted that tabling was an option if the four bodies were not in accord regarding the Plan's content.

Mr. Eastman said that the Master Plan provided guidelines for land use and development for land within the Steamboat Springs City limits. The West Steamboat Springs

Area Plan was part of the Steamboat Springs Area Community Plan, which was originally adopted jointly by the City and the County in 1995. The two main goals of the latter Plan were to accommodate future growth while maintaining a healthy economic climate and preserving the character and integrity of the area, and, secondly, setting the stage for the development of a strong working relationship between Routt County and the City of Steamboat Springs. The Community Plan identified the West of Steamboat Springs as the only area slated for substantial growth. As a result, the City and the County had conducted a three-year planning process to adopt the West of Steamboat Springs Area Plan in 1999. Key objectives of that Plan were to provide affordable housing, to minimize the cost of public infrastructure and services and to ensure that the Plan was achievable. The review and update of the Community Plan was completed in 2004. The West of Steamboat Springs Plan also needed updating because since its inception, no annexation proposals had been submitted for the West of Steamboat Springs area; the affordable housing goals in the Plan had not been met; information from the updated Community Plan had to be incorporated in the West of Steamboat Plan, and the West of Steamboat Plan called for an update five years after its adoption. In April, 2005, the scope of the update was established by the City and the County: The update process was to be orchestrated without consultants, and Planning staffs were directed to focus on twelve items. The kick-off meeting for the update was June 1, 2005, followed by 28 public meetings, two open houses, and three revisions of the Plan. Mr. Eastman said that the updated Master Land Use Plan established the Urban Growth Boundary within which urban development could and should occur. Update highlights of the West Steamboat Springs Area Plan were that the Plan was more flexible in that it allowed developers to establish the locations for certain types of land use; high development standards and a balance between residential and commercial development were maintained; and free market development of local workforce housing was encouraged. He noted that the required percentage of affordable housing had been discussed extensively. He stated that the updated West Steamboat Springs Area Plan provided broad direction as to annexation and a framework for road construction and allowed significant developer creativity.

Mr. Brenner said that the review of the Plan would be chapter-by-chapter, and public comment pertaining to each chapter would be solicited as each chapter was discussed. Page numbers throughout these minutes refer to the red-lined version of the update.

Mr. Brenner asked about annexation and public benefit. He said that if 15% of the dwelling units in an annexed area were required to meet long-term affordability criteria, the City would incur an operating deficit. He asked where in the Plan the public benefit issue was addressed. Mr. Eastman said that the adopting bodies could address that topic at their discretion. He noted that the infrastructure impacts were the same whether a development occurred within the City limits or an annexed area and might be corrected indirectly. Commissioner Stahoviak noted that the topic was addressed in the Fiscal Impact chapter. Ms. Mitsch Bush said that the topic could also be discussed when the Transportation section was discussed.

Changes suggested and accepted to Chapter 1 were as follows:

Page 8, top of left column, delete '(20 to 30 year)' after 'long-range'
Page 8, 1.2.1, first sentence, change 'by' to 'with'.

PUBLIC COMMENT

Mr. Spezia said that the original Plan called for planned, sustainable future development and for the provision of 750 affordable housing units to catch up with the need. He said that that goal had not been met. He felt that the goal had been changed in the updated Plan since transportation, impacts and costs to the community, linkage, and other issues would not ensure sustainable development. He added that the affordable housing provisions in the updated Plan only kept up with the current demand so an affordable housing deficit would still exist.

Mr. Eastman indicated the two changes to Chapter 2 on the Matrix. No one had any objections to the changes or had suggestions for additional changes. The two changes were accepted for incorporation by consensus of the four entities.

Commissioner Monger asked about tap fees for water and the requirement that might put an undue burden on the last unit in a development (Page 35). Mr. Eastman said that the changes made to the Plan had been discussed with the City's Public Works Director. He noted that an overall philosophy of the Plan update was that development pay its own way in terms of water, wastewater, and other infrastructure costs. He said that existing taps fees might adequately cover costs or other methods might be employed to recoup expenses. He added that the change had been suggested by the City Council. Mr. Strong said that the intent of the change was to broaden the Plan's language. Mr. Brenner said that the cost to each dwelling unit was based on a percentage of the number of housing units in a new development and the cost to expand infrastructure facilities. Commissioner Stahoviak stated that the proportionality concept should be explained in the Plan.

Mr. Brenner directed staff to develop the language that would describe such appropriation requirements. Later in the evening, Mr. Leeson suggested that on Page 34, in Section 2.8.6, #1, Sentence 3 and in Section 2.8.7, #2, Sentence 2 should both be changed read: "Expansion costs must be paid for by new development proportionally, including but not limited to, tap fees." Everyone agreed with the two changes.

Ms. Mitsch Bush stated that she had passed out a handout prior to this evening's meeting. In it she noted that the Volume Capacity map in the adoption version of the Plan indicated that the section of U. S. Highway 40 between the Stock Bridge and County Road 129 was over capacity in 2003. She stated that that should be remembered as the Plan was reviewed this evening because Moffat County, as well as North Routt, Hayden, and the West of Steamboat Springs areas would all continue to develop and increase traffic congestion. Specifically, she stated that transportation and other general development issues should be carefully studied when development around the Bob Adams Airport was proposed. She said

that Table T-2, Page 28, suggested a timeframe for improvements and asked that everyone keep the concept of concurrency in mind as other issues in the Plan were reviewed. She averred that annexation agreements should establish the fiscal impacts created by development, and development should be responsible for the monetary as well as quality of life issues associated with increased traffic.

Ms. Engelken questioned the deletions on Page 34, Section 2.8.1. Mr. Eastman said that the City and the County had both adopted skyline regulations so the language was no longer needed in the Plan. Ms. Engelken discussed the deletion of the language in the original Plan that pertained to wildlife movement corridors. Mr. Eastman said that the original Plan included land south of the City limits and the Urban Growth Boundary. The update restricted its text to within the Urban Growth Boundary so the policies in the original Plan no longer applied.

Mr. Curtis asked why the definitions pertaining to zones around the Bob Adams Airport had been deleted. Mr. Eastman said that those terms were not commonplace and would not appear in the Airport Layout Plan that was currently being revised. Also, FAA representatives had advised Planning staff that all documents should be compatible with the Layout Plan guidelines and terminology to avoid confusion.

No additional changes were suggested.

No public comment was forthcoming regarding Chapter 2.

Mr. Eastman noted the changes proposed for Chapter 3 in the Matrix. He felt that the three changes were not substantive. During the review process, however, a substantive change was that the City had suggested that each chapter of the Plan contain goals. Goals had been added that functioned well as chapter summaries. The other change had been to tighten Section 3.5 concerning Village Centers.

Commissioner Stahoviak said that the references on Pages 48 and 49 to the '540 Subdivision' should be clarified by labeling the tract as such on the maps and citing the map(s) in the text. She asked what would happen if the platted 540 Subdivision were sold in incremental parcels. Mr. Lewis suggested that the commercial pods indicated in the original Plan should be retained in the update so that if the 540 Subdivision were subdivided, the location of commercial areas would be clear. Ms. Barnett said that the intent of that deletion was to allow developers more flexibility. Mr. Eastman said that the requirement for Village Centers was clear. Language could be added on Page 48, Section 3.5.1, to read: 'All property currently platted or replatted in the future ...', but he noted that a Village Center had to be provided whether the parcel was divided or not and added that three or four potential Village Center areas were mentioned in the Plan. Mr. Strong suggested that the Master Plan map contain the description, '540 Subdivision.' Ms. Dellinger said that the term should be defined in the text as well. All agreed that the clarification should be added to the map(s) and in the text.

Mr. Ayer suggested combining #2 and #3, Section 3.4.1 to read: 'All properties petitioning for annexation would be required to have their contribution to a Village Center and other necessary desired community components be approved as part of the annexation and development approval process.' Ms. Mitsch Bush was concerned about the ways in which such a requirement would affect smaller parcels. She felt that the red-lined numbers 2 and 3 satisfied location concerns but emphasized that timing/concurrency needed to be addressed. Commissioner Stahoviak said that after hearing Mr. Eastman's explanations, as long as everyone understood that the policies in Section 3.5.1, numbers 2 and 3 referred only to the owner of the 540 Subdivision land and that one application that included a master plan for the entire property would be submitted, she could accept the wording as written. If that scenario were not the case, an immediate review of the Plan would be triggered. Mr. Eastman responded that 3.5.2, #1 specifically addressed that contingency.

Mr. Lewis said that the goal was to create sustainable areas and reduce traffic. He asked how much commercial area was needed in the West of Steamboat Springs area. Mr. Eastman said that that would depend on the ultimate build-out numbers as well as various other factors. Ms. Mitsch Bush noted that Village Centers and Transit-Oriented Development were required in the update, but commercial development and residential development should be required to occur concurrently to ensure that traffic issues were addressed. Mr. Brenner directed staff to devise language that addressed the concerns expressed.

Mr. Lewis suggested that the Plan should designate the number of commercial acres needed. Mr. Antonucci said that that would depend on the number of units proposed for a development. Mr. Strong agreed that a general statement should be included in the Plan that commercial development should occur as well as residential, but he concurred that an exact number could be problematic. Ms. Barnett and Commissioner Monger agreed. Mr. Kaminski suggested that the Plan should include a list of prohibitions based on past experience, such as no residential units should be built directly opposite commercial properties. Mr. Brenner said that such details were included in the Development Code.

Commissioner Stahoviak thought that the phrase 'as well as forms of ownership (rental, lease/mortgage, etc.)' in Section 3.5.3, #7, Page 50, should be deleted. Mr. Brenner requested the addition of the word 'multi-family' after 'duplexes.' All agreed with the deletion and the insertion.

Commissioner Stahoviak said that 'and the roles and responsibilities of each governing body' in the new #3, Page 51, was redundant because a comprehensive review inherently assigned roles and responsibilities to the various governing bodies. Mr. Lewis wanted to keep the phrase because it might encourage the City and the County to become more involved in achieving affordable housing goals since the Plan might not be the problem.

MOTION

Mr. Antonucci moved to retain the crossed-out #1 in Section 3.6, Page 51. Mr. Strong seconded. Ms. Dellinger proposed the addition of the phrase 'and review the potential changes in roles and responsibilities.' Under discussion, Commissioner Monger stated that the suggested addition conflicted with the motion. Mr. Antonucci did not accept the friendly amendment. The motion carried 18 to 1. --- opposed.

Ms. Engelken objected to the removal of the requirement to develop from east to west (Page 43, Section 3.2.4) because it would encourage sprawl and strain the City's budget. Mr. Brenner stated that the requirement that all new development be annexed into the City addressed that concern because the State annexation laws required contiguity to the City limits. Ms. Meyer proposed adding 'in accordance with the Colorado land subdivision regulations' in the first paragraph of Section 3.2.4. All accepted the inclusion of that phrase.

Ms. Mitsch Bush stated that on Page 46, the top of the right column, '(noted on Master Land Use map)' was not true—a future fire station was not indicated on the map. Staff will add to the map that east of Silver Spur was a potential location for a future fire station.

Ms. Fox commented that the directive to staff when making changes to the Plan was to make the Plan more flexible because the original Plan identified the direction of development and specific areas for Village Centers and development in general, and no applications for development had been received. It was the responsibility of elected and appointed officials to review all plans presented using the updated Plan as a basic guideline.

Mr. Curtis said that, in regard to Section 3.3.3, Page 45, light industrial uses were permitted in and outside the City limits. He asked how light industrial proposals would be handled in the West of Steamboat area, since light industrial areas were desperately needed. Ms. Barnett called attention to Page 48, Section 3.5.1, #3, and stated that it addressed Mr. Curtis's concern.

Ms. Mitsch Bush asked whether concurrency would be included in an applicant's master plan. She stated that if it were not, growth would not pay its own way, since sales tax revenues would not be generated, and sprawl rather than the self-sufficient neighborhood vision might result. Mr. Eastman said that commercial development could not be forced. Rather, an applicant would be required to reserve areas for commercial development in its master plan so that it could be built as needed. Mr. Brenner added that one of the City's action items was the implementation of a concurrency management plan.

Mr. Curtis asked whether the Plan allowed Planners to advise potential developers that their Village Center proposals were either too large or too small. Mr. Brenner said that that issue would be addressed when an annexation request was reviewed. Commissioner Stahoviak noted that the issue was covered on Page 49.

PUBLIC COMMENT

Ms. Brown was concerned about the apparent inclination to revert to designating pods in some areas of the land use map. She discouraged the idea and stated that the requirement created an untenable situation. She said that the ability to develop land and apply visionary planning existed in the proposed update of the Plan. Retaining the pod designations eliminated a developer's opportunity to be creative and restricted Planning staff.

No further public comment was forthcoming.

Mr. Eastman reviewed the change to Chapter 4 as listed in the Matrix.

Commissioner Stahoviak suggested that, on Page 57, Section 4.4.1, the wording after '(120%) of AMI,' be deleted and 'consistent with the City's inclusionary zoning ordinance [OR 'zoning regulations'—said both ways.] be added. Everyone accepted the change.

Ms. Mitsch Bush noted that the Plan had been changed to 90% to be consistent with the newly-adopted City ordinance. She referenced Pages 3 and 4 of her hand-out and requested that everyone read those pages for an in-depth discussion on the percentages. She believed that 80% was more appropriate, because 90% was insufficient to accommodate the average wage in Routt County and keep up with demand. She said that in the original Plan, 33% affordable housing was the major public benefit. The updated Plan called for 15%, which was at the low end of the range for several other Colorado resort communities. She provided statistics from the most recent nexus study to support her claims and recommended reverting to 80% and increasing the 15% to at least 20%, although she preferred retaining the 33%. Mr. Lewis agreed to 80% AMI and 20% of affordable housing units.

Commissioner Stahoviak noted that the goals of Chapter 4 (Page 57), called for the provision of a minimum of 33% of the aggregate number of housing units to working people, which implied that the City and the County would make up the 18% difference, but throughout the Plan, the proposed percentage was 15% and nowhere in the Plan update was there an explanation as to how the difference would be achieved.

Mr. Ivancie said that the deficit indicated by Commissioner Stahoviak should be narrowed by increasing the percentage to 25% affordable housing. Ms. Barnett thought that if the percentages were increased to be closer to the original Plan, no new developments would occur. Ms. Meyer said that the updated Plan was reviewed by the City prior to the adoption of the inclusionary zoning ordinance. She felt that it would be logical to be consistent with the ordinance when discussing annexation in other plans.

PUBLIC COMMENT

Mr. Van Deren stated that his company focused on affordable housing development. He said that no incentives to provide 33% affordable housing were in the Plan. He suggested

that a tiered scale or other mechanism be incorporated in the Plan to encourage developers to want to provide more than the minimum of 15%.

Mr. Spezia said that the original Plan had been forgotten. The goal was well-planned, sustainable, low impact, future development growth and adequate affordable housing to fill the community's needs. He stated that the 33% had been thoughtfully researched and calculated and was based on the need for 2,600 houses for linkage. The proposed percentages were break-even and thus did not benefit the community. The West of Steamboat area should not be the same percentage as inside the City since it was being annexed. New development increased transportation costs, other problems, and operating costs. The reasons no development had occurred were market forces; land was too expensive, and the Plan was inflexible. The update rectified the flexibility issue, but the 15% was only a 40-42-house gain, so linkage was a wash, while the density in the new developments would be great and profits huge. He queried, if the percentage were 15% in the West of Steamboat area, where would the remainder of the affordable housing needed be constructed?

Ms. Brown stated that some developers had voluntarily provided more than 15% affordable housing, but they were small parcels and did not include provisions for a fire station, village center, parks, or trails. She said that expecting a planned community, with its associated requirements and significant financial risks, to include 33% affordable housing would stifle proposals for the foreseeable future. She said that the vision was missing in the Plan. If the only way to achieve affordable or workforce housing were through deed restrictions, the remainder of a development would be sold at higher than market value to absorb the cost of constructing the deed-restricted homes. She advised those present to be cautious in choosing the low end prescribed percentages because if a planned community offered some affordable housing and a broader price range, the community at-large would be better served than having a high affordable housing percentage that caused the other houses to cost more.

Mr. Engelken, who served on the City Council during the adoption process of the original Plan, said that the City had four requirements for that Plan: growth must pay its own way; growth must adhere to quality standards; growth must occur from east to west, and existing residents must realize a public benefit. Affordable housing at 33% was the only benefit chosen in the updated Plan. He said that the original Plan calculated that 929 acres were available for development. At four different density categories, 2,682 units could be constructed, which was workable. The contemplated percentage change in the affordable housing requirements were at the request of landowners and developers and were a detriment to the community. If that percentage were reduced to 15%, existing residents would get no benefit except a larger city with more traffic, quality of life degradation, and all of the other problems associated with increased population. He said that incentivization was unnecessary because residents did not want rapid growth with no benefits.

No further public comment was forthcoming.

Mr. Brenner returned to the governing bodies' earlier remarks. Commissioner Stahoviak had suggested that the wording on Page 57 be consistent with the City's inclusionary zoning regulations; Ms. Mitsch Bush had recommended returning to the original percentage of 33%. Commissioner Stahoviak felt that establishing the percentage was the first issue to resolve.

Mr. Eastman stated that the percentage of affordable units and the targeted Area Median Income (AMI) had to be considered together. The original Plan was 33% at 120% of AMI; the current proposal was 15% at 90% AMI, which was only a slight reduction in both percentages and meant that people at 120% AMI would buy at market value rather than with deed restrictions. He noted that the local market was between 120% and 180% of AMI.

Ms. Engelken said that she had researched other resort communities' projects. One developer emphasized the linkage between economic development and affordable housing: jobs cannot be filled because people could not afford to live in the community, in this instance, Jackson Hole, Wyoming, the majority of the economy of which was not dependent on sale tax revenues. She said that the 2005-2006 Community Indicators Report purported that the number of commuters from Moffat County had increased from 3% to 21% in the last ten years, which demonstrated that the workforce could not afford to live in Steamboat Springs. The goal of the original Plan was to provide housing for that workforce, but the gap between wages and housing costs thwarted that goal. Currently people working in the service industries could not afford even the 80% AMI in Steamboat Springs. She said that if the developer with whom she spoke could provide 50% affordable housing and other developers were providing 25%, it was essential to learn the ways in which that was possible. She recommended a minimum of 25%, a goal of 50%, and an 80% AMI as well as offering several incentives to developers and collaborating with the Yampa Valley Housing Authority to develop those incentives. She added that the AMI was not driven by average wages but by a few high-level industries, and thus did not accurately reflect the need.

Mr. Brenner suggested that a show of hands be taken. Commissioner Monger said that the discussion had occurred in all of the voting bodies' meetings at least twice. Mr. Strong proposed that a motion be made.

MOTION

Ms. Mitsch Bush moved to insert wherever appropriate in Chapter 4 an inclusionary zoning level of 25% of affordable housing and 80% of AMI. Ms. Dellinger seconded.

Under discussion, Mr. Antonucci advocated retaining the percentages in the update. He agreed that the issue had been discussed extensively. He favored 15% to be consistent with the inclusionary zoning ordinance that applied to the rest of the community. He felt that new development should not bear the burden of catching up; that was the role of government. Mr. Strong agreed. He noted that purchasing a home was not a free lunch:

other communities were able to provide a high percentage of affordable housing because the average house cost more than a million dollars. He said that increases in home costs continued to rise because Steamboat Springs had no inventory of affordably-priced homes. Ms. Stopher supported the motion but suggested that the tiered system proposed be further explored. Mr. Ayer wanted a higher percentage based on the effects on the entire County as indicated by the recent nexus study that claimed that the current situation was at a break-even status, which did not alleviate growth impacts on outlying communities. He said that for the short term, the percentage should be based on the nexus study. Ms. Mitsch Bush said that a strong benefit for annexation was essential, and a variety of incentives had to be required and provided. Mr. Alperti said that the Plan was to promote development in the West of Steamboat area. The public's message was that no building would occur if tight restrictions were imposed. He advocated retaining the percentages proposed in the update. Commissioner Stahoviak supported 15% and 80% of AMI because it was consistent with the rest of the City but allowed some citizens the opportunity to own a home. She stated that the deficit in affordable housing could not be made up only in the West of Steamboat Springs area, which was the reason that the City and the County partnered to form the Yampa Valley Housing Authority, a goal of which was to provide a variety of ways to achieve home ownership. Mr. Fry agreed with Commissioner Stahoviak and advocated 15%/80% AMI. He noted that the Plan ensured that developers would receive incentives if their affordable housing component were above 15%. Mr. Gallagher said that he had to consider the County's Planning perspective. He felt that, based on new information, the percentage had to be higher. He would support 20% and 80% of AMI. He said that projects that had no public benefit could not be supported, and proposals for annexation had to demonstrate the public benefits. Mr. Curtis said that the developer had the benefit of density. He felt that 15% was inadequate and supported 20% and 80% AMI, but he would support the motion on the floor. Ms. Engelken supported the motion. Ms. Barnett agreed with Commissioner Stahoviak's remarks regarding 15% and preferably 80%. She also concurred with Mr. Ayer's comments. She added that home ownership did not necessarily mean that everyone should have a single-family home on a lot with a yard. She believed that condominiums could be acceptable family homes. Mr. Lewis supported the motion because the West of Steamboat was a primary location for affordable housing. He felt that attainable housing was a significant goal, and he supported deed restrictions and annexation because they provided public benefit. Mr. Ivancie supported the motion because it was in keeping with the original Plan's intent. He stated that the incentive to developers was profit, and elected and appointed officials were responsible for providing for the future. He felt that the 100% density was a risk but would be advantageous in the long term. Ms. Meyer was troubled that the adoption hearing felt like 'Lets Make a Deal'. She stated that the matter had already been discussed extensively and agreed upon. She said that affordable housing had to come with other development. She supported the language proposed in the Plan. Mr. Kaminski said that he would not support the motion. He said that the Plan would be either a development Plan or a non-development Plan. The constituency was divided on the issue of growth. He claimed that the issue was one of the haves and have-nots and noted that many people did not want a deed-restricted house because they could not build equity. Those citizens would continue to move to other parts of the County. The City and the County had to accommodate

the 33% goal if affordability were to be achieved. Ms. Dellinger said that the Plan should reflect community needs; the benefits for developing the West of Steamboat area increased as people became able to live and work in Steamboat Springs. She added that developers would build to the regulations required, and developers should be forced to achieve what the community needed. Commissioner Monger said that he supported Commissioner Stahoviak's comments and the 15% and 80% AMI because development needed to happen. He stated that the issue had been discussed repeatedly over the last two years and decided upon more than once. He believed that a general housing shortage existed, and the governmental bodies, in stagnating the construction of affordable housing, were providing windfall profits to landowners selling their properties. He disagreed with Ms. Mitsch Bush's comments that growth was occurring in outlying areas due to affordability. Rather, he felt that that growth was occurring in other communities because it was not occurring in Steamboat Springs. He agreed with Mr. Kaminski's comments that the onus of catch-up affordable housing should not be entirely on new development. Mr. Brenner said that he supported the motion. He said that the issue was an economic development one: currently approximately 1,200 jobs were unfilled in Steamboat Springs. He estimated that half of the people who lived in Steamboat Springs could not afford to do so. Goals and incentives needed further discussion, but affordability was created by building smaller homes.

Mr. Alperti said that the County Planning Commission was the County's adopting body. With only five of the eleven Planning Commissioners present, and two of the five voting no to the motion on the floor, he could not cast a County Planning Commission vote to change the Plan that had been previously agreed upon and that inherently placed additional responsibilities on the County.

Mr. Strong said that, based on the comments made under discussion of the motion, if the four voting bodies were to vote as individual bodies, the motion needed to be revised.

Mr. Brenner called for a vote by body. County Planning voted no; the County Commissioners did not support the motion; Ms. Meyer said that the City Planning Commission was a recommending body to the City Council; Mr. Brenner said that the City Council was split. Mr. Eastman said that a level of consensus needed to be reached. He advised reaching a consensus while all bodies were present rather than tabling the adoption of the Plan for additional individual meetings that might yield different figures. He summarized the polling comments and proposed optional percentages.

Mr. Antonucci said that everyone agreed that the provision of affordable housing was the goal, the issue was the means by which to achieve the goal. If the burden of catch-up were on the developer, it would eventually occur, but every year without affordable housing was a year lost.

Commissioner Monger noted that the Plan stated that if no development occurred, the issues could be readdressed.

Mr. Curtis said that a motion was on the floor that should move forward. Mr. Brenner called for an individual vote by a show of hands. The motion failed 10-9.

MOTION

Commissioner Monger moved to insert wherever appropriate in Chapter 4 an inclusionary zoning level of 20% of affordable housing and 80% of AMI. --- seconded. The motion carried 16-3, with Ms. Meyer, Mr. Kaminski, and Mr. Antonucci voting no.

Mr. Brenner asked whether the Plan contained any calculation for public benefit in the review of an application for annexation. Mr. Leeson said that the Community Development Plan had no specific language regarding public benefit. He said that the City Council could do whatever it chose or add specific language.

Mr. Brenner said that the Chapter 4 goal and the means of achieving it had to be resolved. Mr. Strong said that he supported the government spending money on affordable housing. Mr. Antonucci said that if the goal remained at 33% affordable housing, methods for accomplishing the goal should be mentioned in the Plan. Ms. Meyer suggested leaving the goal's wording as presented with the addition of language that stated that the gap be filled by the public sector rather than the private sector.

Mr. Brenner suggested adding to the action items in Section 4.5, a #4 that would read, 'The City will develop and adopt an incentives matrix that will help increase the percentage of affordable housing from the minimum required to the Plan's goal.' Mr. Strong noted that an incentive matrix affected the private sector, not the public sector. All accepted the addition.

Commissioner Stahoviak suggested that the last part of the goal on Page 57, beginning after 'Zoning regulations' be changed to read, 'and through collaborative private/public partnerships and through local governments or public participation.' All agreed to the change.

Mr. Brenner questioned the inclusionary payment in-lieu fee in #2 of Section 4.5, Page 58. Mr. Strong said that a land bank program that would pay off bonds had been discussed, but the idea had been rejected. Another idea had been that the City borrow money that developers would pay back so that improvements could be built sooner and cheaper. Ms. Engelken noted that the fee was not a one-to-one, it was to fill the gap between ---[?]. She thought the idea could pose problems. Ms. Mitsch Bush agreed. Mr. Ivancie said that the land bank concept was intriguing. He recommended keeping the options open and considering the idea at a later time. Mr. Lewis supported editing the item. He said that units would be sacrificed for funds that would be used to build units. Mr. Leeson noted that the fee-in-lieu was at the discretion of the City Council, not an automatic right. Everyone agreed to keep #2, Section 4.5, Page 58, as written.

Mr. Eastman reviewed the changes in the Matrix pertaining to Chapter 5. No one objected to the inclusion of the suggested change to Section 5.6, Page 62. Later it was suggested and accepted to add 'operations and maintenance,' after 'capital items,'. No one objected to that insertion.

Mr. Brenner asked that Table 6, Page 61, be explained. Mr. Eastman said that the delineation between developer and affordable community costs had been deleted to combine the lists. He believed that separating the responsibility expectations was a good idea. He noted that the responsibilities would be determined at the time of annexation. He said that the four entities should review the list prior to adoption to ensure that everything that needed to be included was listed. Mr. Leeson had no suggestions for additional items and confirmed that the responsibilities would be decided during the annexation process.

Mr. Lewis said that the original Plan documented revenues and impacts of development, which was a helpful tool. He asked why that information had not been included in the update. Mr. Eastman said that the information was somewhat out of date; the Plan had shifted away from attempting to recover operating deficits, the information was unnecessary, and the deficits were partially offset by the inclusion of public benefits.

MOTION

Mr. Strong moved to add the suggested language in the Matrix as a new action item for Chapter 5, Page 62 of the Plan, with the change of the word 'Adopt' to 'Consider adoption of'. Mr. Antonucci seconded. The motion carried unanimously.

No other changes to Chapter 5 were proposed.

PUBLIC COMMENT

Mr. Engelken said that the red-lined version of the Plan did not show the changes from the original Plan, which was a drawback because the dramatic nature of the changes should be made evident. He said that iron-clad provisions in the Plan update should require that the community be repaid for new growth's infrastructure costs, whereas only two paragraphs addressed the issue. He stated that the original Plan accounted for operating costs and clearly stated that existing City residents should not subsidize new growth. He declared that the way in which new growth would be funded must be spelled out in the Plan update. He said that new residents should be informed that they would have to cover the cost of infrastructure expansion, and those new residents should vote on a new property tax for the West of Steamboat. He claimed that the Plan update was a developer's dream and a resident's nightmare because there were no benefits to existing residents, who then had a larger city and higher taxes.

Mr. Spezia reiterated Mr. Engelken's claims that existing residents would have an added tax burden, reduced services, and no catch-up on affordable housing.

Ms. Brown said that apparently the people who live in the community were unable to support it, since the discussion this evening suggested that every new resident was a drain. She said to calculate the costs and the revenues generated per household in the manner being discussed this evening was to consider the issue in a vacuum. The overall general economic activity within a community and the on-going contributions from tourism should also be considered; a community's vibrancy and growth depended upon job opportunities as well as a viable housing market. She said that if the proposed burden of development were to be borne by 35-acre development throughout the County, no development would occur. She said that the benefit of planned growth in the West of Steamboat area was it prevented unplanned growth in the remainder of the County.

Ms. Brower said that housing costs had increased over the years, but the costs had not accommodated the need for affordable housing or funded public transportation. To continue to defer the costs associated with growth would continue to place those costs on current residents. She stated that the costs of growth needed to be recovered through annexation.

No further public comment was forthcoming.

In response to a public comment, Commissioner Stahoviak noted that until the red-lined version of the Plan had been presented, all previous versions had included all of the language from the original Plan so everyone was aware of the deletions and changes. Also, she stated that building use taxes were one of the revenues not listed in the Plan's table. However, the Plan had acknowledged that the approach was imprecise so it had included an action item that the City develop a precise mechanism for tracking expenses. That never happened because, according to the City, that mechanism would be difficult if not impossible to develop. Whether to keep a discussion of recouping operating expenses in the Plan had been debated extensively. She said that when the affordable housing excise tax proposal failed, a group of opponents made recommendations to the City and the County regarding affordable housing, among other items. One recommendation was to remove the section of the Plan that discussed operating expenses being applied to affordable housing in the West of Steamboat area because it treated that area differently from the rest of the County. Opponents claimed that if the City were serious about creating affordable workforce housing opportunities in the West of Steamboat, that segment of the population should also have to pay those additional costs. The reasons for removing the operating expenses discussion were still valid so she did not support including the topic in the updated Plan.

MOTION

Ms. Engelken moved to add to Section 5.6, #1, Page 62, the phrase 'operating and maintenance expenses,' after 'capital items'. Ms. Dellinger seconded.

Under discussion, in response to Commissioner Stahoviak's statements, Ms. Dellinger said that the West of Steamboat Plan considered a different, separate part of the City. Mr. Strong said that he could not support the motion because if everyone in the City received the same general police and plowing services and paid the same taxes, that would be one thing, but the General Improvement District to be discussed later this evening proposed to provide extra services at an additional cost. He advocated fairness throughout the City, and taxing for operations and maintenance meant taxing at different rates, creating more bureaucracy, and accomplishing nothing. Alternatives were that affordable housing paid more or more people commuted to Steamboat Springs. Ms. Mitsch Bush said that operating expenses were generally financed by sale tax revenues. In regard to fairness, it was not that one group would be saddled with additional costs, but rather that public benefit and operating costs were unknown, and the operating costs would be on-going. Ms. Engelken said that if sales taxes were not covering costs, then other options should be explored. Commissioner Monger agreed with Mr. Strong: the intent of the Plan update was to create equilibrium between Steamboat Springs and the West Steamboat area, and the tourist revenues would have to be used for additional residents. If the motion carried, whenever an annexation proposal was received, the topic would have to be discussed again. Mr. Brenner said that it was the City's responsibility to consider operating and maintenance costs. Ms. Barnett noted that the Tax Advisory Board had recommended a public meeting to re-evaluate the question as an entire community and suggested that that recommendation be acted upon.

The motion failed 6-13.

Mr. Eastman said that no changes had been made to Chapter 6. Mr. Brenner called for proposed changes. Mr. Curtis referred to Table 10, Page 76, and asked how large a house was desired on lots. Mr. Brenner said that the house-size issue was an on-going City Planning Department discussion. He asked whether Mr. Curtis had a specific proposal to make. Mr. Curtis did not. He said that he only wanted to mention that the larger the house, the more expensive it was and thus was more difficult to purchase. He thought that the issue should be discussed further to ensure that houses did not price residents out of the market.

Mr. Alperti called for a motion from the County Planning Commission.

MOTION—RESOLUTION 2006-P-063, A RESOLUTION ADOPTING THE WEST STEAMBOAT SPRINGS AREA PLAN

Mr. Ayer moved to adopt as amended and authorize the Chairman of the Planning Commission to sign Resolution 2006-P-063, A Resolution to Adopt the West Steamboat Springs Area Plan. Mr. Gallagher seconded. The motion carried 4-1. Ms. Mitsch Bush opposed the motion.

Since it was protocol for County Planning Commissioners opposing a motion to explain their rationale, Ms. Mitsch Bush said that the update did not appear to reach its own stated goals. Moreover, she had concerns about the potential for sprawl given the so-called

flexibility of the update. She also believed that the update would not keep growth created by demand in Steamboat Springs within the Steamboat Springs Urban Growth Boundary. She stated that the update was not in keeping with the Routt County Master Plan, Sections 1.2H, 1.2M, and 1.2CC. She said that the update seemed to simply promote growth with no commensurate public benefit.

MOTION—RESOLUTION 2006-P-063, A RESOLUTION ADOPTING THE WEST STEAMBOAT SPRINGS AREA PLAN

Commissioner Stahoviak moved to affirm and ratify the Planning Commission's adoption of Resolution 2006-P-064, A Resolution to Adopt the West Steamboat Springs Area Plan. Commissioner Monger seconded. The motion carried 2-0. Commissioner Ellison was absent.

MOTION—RESOLUTION 2006-029, A RESOLUTION ADOPTING THE WEST STEAMBOAT SPRINGS AREA PLAN

Ms. Meyer moved that the Steamboat Springs Planning Commission recommend to the Steamboat Springs City Council adoption of the West Steamboat Springs Area Plan as attached to the resolution and incorporated herein as amended this day, June 19, 2006. Ms. Stopher seconded. Under discussion, Mr. Curtis said that the Plan might not be perfect, but neither was life. A lot of growth would occur, particularly in the West Steamboat area, so he supported the motion. The motion carried 5-1. Ms. Engelken opposed the motion. She stated that the public benefit did not outweigh the costs associated with growth.

MOTION—RESOLUTION 2006-029, A RESOLUTION ADOPTING THE WEST STEAMBOAT SPRINGS AREA PLAN

Mr. Antonucci moved to adopt as amended and authorize the President of the Steamboat Springs City Council to sign Resolution 2006-029, A Resolution to Adopt the West Steamboat Springs Area Plan. Mr. Lewis seconded.

Under discussion, Mr. Brenner said that he was unsure whether the public benefit was commensurate with the costs to the community, but the annexation process would address those issues. He was optimistic that the Plan would succeed. He noted that the definition of public benefit had been debated by Council members so when the time came, interesting discussions would occur. Mr. Strong said that his concern was the opposite: affordable housing had been cut by a third, but the AMI had been lowered one-third as well. He felt that the public benefit was the same as it was in the existing Plan, and since the area had not been developed, he was concerned that development would still not occur. The motion carried unanimously.

Members of the City Planning Commission, the County Planning Commission, and the County Commissioners exited the meeting at this time. The City Council then convened as a body.

EN RE: GENERAL IMPROVEMENT DISTRICT PROPOSAL

President Brenner said that Mr. Taylor had prepared an update report regarding the proposal to for a General Improvement District (GID) at the Base area. Mr. Taylor said that the formation of a GID had been discussed the previous week. He said that a petition requesting the formation of a GID had to be signed by 200 people and submitted to the City Council, after which the City Council could consider an ordinance and set a ballot question for the November election, provided that a schedule be met. Since that schedule was aggressive, Mr. Taylor wanted to ensure that the City Council was apprised of the process and in favor of moving forward with the proposal. He said that estimating the mill levy was problematic; some engineering would occur this summer but he was unsure whether the project would be far enough along to accurately estimate costs, which could be shifted significantly by several factors. He noted that the Urban Renewal Authority Advisory Committee (URAAC) would discuss the issue at its June 23, 2006 meeting, but it had recommended not to use its URA funds.

MOTION—ACCEPTANCE OF STAFF REPORT

Mr. Strong moved to accept Mr. Taylor’s June 19, 2006 staff report.

Under discussion, Mr. Sullivan noted that distribution payments were made to Horizons tax fund and the museum tax entities. Mr. Antonucci seconded; the motion carried unanimously.

EN RE: ADJOURNMENT

Mr. Kaminski moved to adjourn the meeting. Mr. Strong seconded; the motion carried unanimously.

The meeting was adjourned at 9:45 p.m.
Minutes prepared by:

Diana Bolton
Diana Bolton

Minutes reviewed by:

Julie Jordan
Julie Jordan, City Clerk

