

FINAL MINUTES  
Planning Commission Minutes  
August 9, 2018

**STEAMBOAT SPRINGS PLANNING COMMISSION  
PUBLIC HEARING MINUTES  
August 9, 2018**

The regularly scheduled public hearing of the Steamboat Springs Planning Commission was called to order at approximately 5:00p.m. on Thursday, August 9, 2018, in the Citizens' Meeting Room, Centennial Hall, 124 10th Street, Steamboat Springs, Colorado.

Planning Commission members in attendance were:  
Chair Rich Levy, Vice-Chair Brian Adams, George Eck, Tom Ptach and alternate Paul Weese.  
Absent: Kingston, Buccino, Calihan

Staff members present were staff planner Kelly Douglas, Principal Planner Rebecca Bessey and Planning Director Tyler Gibbs.

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**PUBLIC COMMENT ON ITEMS NOT ON THE AGENDA**

None.

**#1: PP-18-01: Worldwest Subdivision, Lot 2, Filing 2**

**STAFF PRESENTATION**

Kelly Douglas:

I'm sitting in for Bob Keenan tonight. The application before you this evening is a preliminary plat for a property located off Lincoln in between Curve Court and Elk River Road. They're proposing a two-lot subdivision. The property is zoned Commercial Services.

No variances are requested. The proposal meets all standards. It's before you tonight because the lots are in excess of one acre.

Staff is recommending approval, and we've received no public comment.

**APPLICANT PRESENTATION**

Peter Patten, Patten Associates, Applicant Representative:

Cam Boyd is also here representing the applicant. This is a pretty straightforward application. It is the second subdivision of this block. The purpose of this subdivision is to provide a lot for the Worldwest building to be able to be sold and also to create a new commercial lot on the corner. The new lot line will provide adequate setbacks to meet zoning for Commercial Services. No change in access. The new commercial lot will come off the same access. The current lot is a total of 4.2 acres. The Worldwest lot will be 2.48, and this new lot will be 1.72 acres.

Patten showed the location of the lot, the utility easement and the water and sewer.

**QUESTIONS FROM COMMISSIONERS**

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Commissioner Eck:  
The only one I had was that setback, and they addressed it.

**PUBLIC COMMENT**

None.

**COMMISSIONER DELIBERATION/MOTION**

Commissioner Ptach moved to approve PP-18-01 as presented.  
Commissioner Eck seconded the motion.  
The motion carried unanimously.

**#2: DPP-18-03, Elk River Business Park, Lot 22, Filing 2**

**STAFF PRESENTATION**

Rebecca Bessey:

This is a development plan application that includes two major variance requests. The application is to allow for the conversion and use of seven previously-approved self-storage units for several other allowed industrial uses. Those include: contractor shop, light industrial, indoor self-storage, warehouse and wholesale facility.

This self-storage development was approved two years ago and has been developed. Through Code Enforcement, we have learned that a couple of the units were being used for other uses that were not approved through that prior development plan. So we've worked with the applicants to bring forward this application to try to bring that site and those uses into compliance with the code. None of the other units on the property will be allowed to be used for anything other than self-storage.

One variance request is to parking standards; the other is to loading standards. As the staff report indicates, the variance will allow for some of the designated parking to occur in front of the overhead doors of those units in lieu of those being designated loading areas.

The second request is to reduce the dimensions of the parking spaces located along the rear of the building. The Industrial zone district requires a different dimension for parking spaces. What they're asking for is to be able to use the non-industrial dimension for those spaces. That is intended to make sure that there's adequate circulation aisles maintained through the back of the site.

We've received no public comment on this.

Planning staff has reviewed the operational plan that they have provided and have drafted a proposed development agreement. If this were approved, one of the conditions of approval would be for them to enter into this agreement which stipulates the types of uses within the units, the parking arrangement, and requires that the parking and loading areas be managed appropriately through the proposed development plan.

Per our conversation at Monday's work session, staff would recommend adding a provision to the development agreement that would prohibit accessory retail uses from occurring in those units. Our code allows for some accessory retail uses associated with other industrial uses. In this

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case, because the parking situation is so tight and needs to be managed properly for that site to work, and given that this was not originally developed for customer and employee parking areas, we have recommended prohibiting accessory retail uses from occurring.

With those conditions in your packet as well as the development agreement, staff is comfortable recommending approval of the plan as proposed.

## APPLICANT PRESENTATION

Bill Rangitsch, Steamboat Architectural, Applicant Representative:

We have been working with the Building Department and the management company to let them know that if anything happens in these units that they would need to go through the proper process. If someone wants to do an industrial use, they need to apply for the proper building permits to make sure the uses are in compliance and also go through the leasing agent so that we know that that's going on. The other 127 units are going to remain self-storage.

We have discussed prohibiting accessory retail use with the owner and the management company, and everyone is in agreement.

## QUESTIONS FROM COMMISSIONERS

Commissioner Ptach confirmed that neither the owner nor the management company were aware of the non-permitted uses occurring at these units until the article in the paper.

Ptach: And Building Code supports this type of industrial use?

Rangitsch: Yes. The units are small enough that we don't need fire separation between units – not even for industrial uses or light manufacturing. We do have adequate power in those seven units to support power tools and that sort of thing. In the permitting process they would see if there were any hazardous uses like a paint booth, which was one of the noncompliant uses. Something like that would not be allowed in the building because of fire separation.

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Ptach confirmed that there are outlets and lights in the other self-storage units.

Ptach: Is there a plan in place for the property manager to keep the same thing from happening in the other units?

Rangitsch: They're on notice now that they need to verify what's happening in the units.

Eck: Nothing would prevent the applicant from coming back in six months and asking for seven more units, right?

Rangitsch: These are the only units that we can really get parking in front of. All the rest of them the aisles are either too narrow or they're not wide enough that we could get a parking space around them. The owner had asked what else they could do if they were going through this process. We did a pretty in-depth analysis of it, and this was the maximum that we could do that made the most sense.

Bessey confirmed with Rangitsch that these are the only units that have a separate man door.

Bessey: So from a design perspective, they make the most sense to function as something other than a storage unit. I would agree with Bill that even given the parking situation, if this is approved with these seven units, it's tight. We can live with that. We feel like it can be managed properly. But I would guess that it would be really hard to convince staff that there would be more we could squeeze out of this.

Rangitsch: Per the Building Code, you can't use an overhead door for egress of a building; you have to have a man door for that. None of the other units will work because their garage doors literally go from wall to wall.

Eck asked about the parking and loading variance analysis.

Bessey: There's a minimum requirement for loading space in the Industrial district. It doesn't necessarily require that each individual unit have their own loading. But given the way the building is designed with the overhead door, functionally you have to allow for some use of that

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overhead door. If all your parking is in front of the building, that prohibits or complicates the use of those loading areas. That's why the development agreement limits the number of employees that can be there if it's a contractor shop use to try to minimize the amount of parking that would be needed. If there were uses where we felt like the need for a dedicated loading zone in front of the overhead door would be less likely, then we could live with the parking occurring in front of the door and rely on the tenants and the management company to manage how the parking and loading works together. It's not a specific, measurable standard; it's allowing for parking and loading areas to coexist.

Eck: There's five different uses and seven spaces.

Rangitsch: We don't know what the exact mix is going to be. That's why there's an analysis that shows a number of different uses. We're pretty well covered except that if all of them become contractor shops, we're one short. But in the other uses we're fine. What we talked about with the development agreement was assigning parking spots in front of each unit. That way if Unit 129 has two people working there, they would park in front of their unit. If they were getting a delivery, they would move their car to one of the excess spaces in the back. The kind of things that we've been approached by, they may get one delivery per week. One of the people out there right now is a brochure distributor. They bring in their own van from the printer; they run it inside; they take everything out of the van; then they load it into the van and back out again. So they're there whenever a delivery is being made. With the assigned spaces, somebody is not parking in front of the neighbor's door.

Adams: I thought a lot of the electric was put in after the building permits were completed. So that and the fire safety has never been permitted before?

Rangitsch: There was a question by YVEA that there may not be enough power to it. Andy Wilder did the engineering on it and put enough power into the panels to get it into those units if it ever happens.

Adams confirmed that that went through the original building permit process.

Bessey: To clarify, I think there was some work done to the interior of these units that was not permitted. So through this enforcement process, the applicant is also working with the Building Department to get it permitted and make sure it is compliant.

Commissioner Levy:

You mentioned that this came to our attention through an enforcement procedure. At the end of your project analysis description, you talk about: "One contributing factor that has encouraged staff to support this development is that the units are owned and leased by a single entity."

Those two ideas seem to kind of contradict each other. We have an owner and leasing agency that was not able to prevent this from happening in the first place. It seems like some of your

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recommendation for approval is because of this existing management situation that failed the first time.

Bessey: I don't know that I can speak exactly to why it failed. We did hear from somebody at the beginning of the enforcement process that they thought all those uses were uses by right in the Industrial district, so they didn't think there was an issue. I can't speak to what went wrong, but I do feel comfortable at this point that the property owner and the current management company are very well aware of what this approval would allow and what it would not allow. The development agreement would be signed by the property owner, who is ultimately responsible. As a condition of approval, that development agreement talks about how that agreement would have to be provided to any tenant so that anybody using the property understands what the rules are. Of course, there's always room for people not being good actors. But I think certainly just making sure that everyone is aware – we'll have a signed, recorded document that puts everyone on notice that says this is what we've agreed to; this is what you're expected to do and how you're expected to perform under this agreement.

There's no fail-safe way to say that there's never going to be an enforcement issue. I do feel more confident that the site is owned by one entity, managed possibly by another. So you're minimizing the number of potential folks to whom you have to communicate that message.

## PUBLIC COMMENT

None.

## COMMISSIONER DELIBERATION/MOTION

Commissioner Eck moved to approve DP-18-03 with staff's recommended conditions and further stipulate that the development agreement will prohibit accessory retail uses.

Commissioner Adams seconded the motion.

The motion carried unanimously.

**#3: Ordinance: TXT-18-02: Secondary Unit Regulations**

**STAFF PRESENTATION**

Rebecca Bessey:

This is a follow-up to a discussion we had at a couple work sessions. This is a proposed text amendment that came out of several conversations that Planning staff has had with Council over the last year or so looking at different opportunities and options to incentivize local housing, workforce housing, affordable housing in the community. One idea that came out of those discussions was to look for ways to incentivize additional secondary units in the community.

Our code is fairly permissive right now in terms of secondary units. They are allowed by right in all our single-family zone districts with some conditions, mainly a maximum size of 650 square feet of net floor area and one additional parking space. In looking for ways to try to incentivize more secondary units, we came up with the idea of potentially exempting the floor area of those units from FAR and lot coverage requirements. This concept is similar to what we do for workforce units. Our workforce units were referred to in the old code as employee units. Employee units are allowed in our commercial and mixed-use zones. They're a deed-restricted unit that states that they have to be rented long-term to someone who works in Routt County. When you have a deed-restricted workforce unit, you're allowed to exempt up to 50% of the floor area from FAR regulations. So carrying that forward, we discussed exempting a certain percentage of secondary unit floor area from those same calculations. At your last work session, Planning Commission directed staff to draft an ordinance that would exempt 100% of that floor area from both FAR and lot coverage.

We provided a table to illustrate what that might look like:

We've listed the single-family zone districts in the community along with the different minimum lot sizes. This whole analysis in the table is based on minimum lot sizes, which I would say would be the worst-case scenario. You can see what the current FAR and lot coverage requirements are and what the equivalent maximum floor area would be that you would get per the code today.

The last two columns are intended to illustrate what the worst-case scenario would be in terms of how that might increase the total floor area on that lot and what that effective FAR and lot coverage might look like. That would be if the entire secondary unit was added at the ground level. Often times the secondary unit is added to the second story above the garage or incorporated into the basement or upper stories of a home. So you're likely not ever going to see that full utilization or exemption of that floor area in terms of lot coverage.

I just want to make sure we have the conversation about what the pros were about exempting the full 100%.

## **QUESTIONS FROM COMMISSIONERS**

Eck: And the workforce units have a 50% exemption, right?

Bessey: They do. Workforce units have a maximum size of 1,000 square feet, whereas secondary units are limited to 650. Workforce units are also allowed in commercial and mixed-use districts where you can have more than one in a building. So while you're only exempting 50% of each unit, that can add up.

Eck confirmed that you cannot have workforce units in single-family districts.

Eck wanted to make sure that this would not change any other lot requirements in terms of setbacks.

Bessey assured him that this was the case.

Bessey: The reasoning behind exempting 100% was that there may be some houses out there that are pretty much bumping up against their maximum FAR or lot coverage now; most likely it's FAR, particularly in the RO district. If we were to only exempt 50%, we might not in reality be able to incentivize many of these additional units.

Eck: So this essentially means you could build a bigger primary residence.

Bessey: We have to apply this equally, so yes, you could if you're tearing down and starting from scratch.

Adams: Only if you're adding a secondary unit.

Bessey: The goal is to incentivize some already-developed property owner who can't under the current code add a secondary unit. But in addition to that, it would apply to somebody who's starting with a vacant lot; they will have a little more space if they add a secondary unit.

Adams: That still sounds like a pro in my mind.

Bessey: I included all of the RN districts in this table, but in RN1 and RN2, lot coverage is not typically what people bump up against unless they're building a sprawling, ranch-style home. I don't anticipate that this amendment would do a whole lot in those districts. But once you get to RN3, you do start to see those bump up to the lot coverage. I think the biggest impact of this amendment will be in RO districts.

Adams: You're still going to run into the setbacks.

Bessey: And you need to be able to park as well.

Eck confirmed that RO is the only single-family district with FAR requirements.

## **PUBLIC COMMENT**

Bessey: I had one gentlemen come speak with me who was questioning how this came about. I encouraged him to come and speak. If I understood him correctly, his concern was perhaps that this was being crafted for one particular instance that was occurring in his neighborhood. I hopefully assured him that this was a broader policy idea and was something that Council had asked us to explore.

I haven't heard from him since.

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Levy: Since enforcement has always been on my radar, and we've talked about it in a number of different scenarios, if there should be some unauthorized secondary units already in place, how does this affect that?

Bessey: It actually might help with that as well. We want to see people who may have unpermitted secondary units come into compliance both with Building Code and the zoning and permitting. If they're in a situation where they had too much floor area on the lot and couldn't otherwise meet the code standard, that might be keeping them from coming forward right now. So this may reach a few of those. We do have a policy by which we waive the plan review fees for building permits for some of the really old units that were constructed prior to 2009 to try to incentivize those folks to come forward, get the building permit and CO and make sure that they're safe.

Ptach confirmed that duplexes are not allowed to have secondary units because single-family districts have a maximum number of dwelling units per lot of 2, and duplexes have a minimum lot size qualification.

## COMMISSIONER DELIBERATION/MOTION

Commissioner Eck moved to recommend that Council adopt staff's proposed ordinance TXT-18-02.

Commissioner Weese seconded the motion.

## DISCUSSION ON MOTION

Adams: I think trying to limit that to 50% is just a matter of a couple hundred square feet in those cases, and that seemed more harmful than helpful. I'm excited that we're recommending 100%, and I hope Council agrees.

## VOTE

The motion carried unanimously.

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**#4: Approval of Minutes: July 16 Public Work Session**

Commissioner Ptach moved to approve the July 16, 2018 meeting minutes.

Commissioner Adams seconded the motion.

The motion carried unanimously.

**Director's Report**

None.

**Adjournment**

Commissioner Weese moved to adjourn the meeting at 5:45 p.m.

Commissioner Eck seconded the motion.

The motion carried unanimously.