

MINUTES
Town of Crested Butte
Special Town Council Meeting
Monday, January 11, 2016
Council Chambers, Crested Butte Town Hall

Mayor Michel called the meeting to order at 6:02PM.

Council Members Present: Jim Schmidt, Erika Vohman, Roland Mason, Laura Mitchell, and Paul Merck

Staff Present: Town Manager Todd Crossett, Town Attorney John Belkin, Town Planner Michael Yerman, Parks and Recreation Director Janna Hansen, Public Works Director Rodney Due, Building and Zoning Director Bob Gillie, and Town Clerk Lynelle Stanford

APPROVAL OF THE AGENDA

Vohman moved and Mason seconded a motion to approve the agenda. A roll call vote was taken with all voting, "Yes." **Motion passed unanimously.**

A. Presentation by Cypress Foothills, LP on Proposed Slate River Development Gunnison County Major Impact Application and Consideration of Cypress Foothill, LP's Slate River Application for the Extension of Town Sewer Services Outside Town Boundaries Pursuant to Section 13-1-280 of the Crested Butte Municipal Code.

Cameron Aderhold, Vice-President of Cypress Foothills LP (Cypress), Marcus Lock, Attorney for Cypress and Tyler Harpel, Engineer for Cypress were present on behalf of the applicant.

Aderhold explained that Michel had made the comment that in evaluating Cypress's application to the County, there were benefits to Town in the previous proposal. Russ Forrest, from the County, asked if the applicants had talked to Town about connecting to the Town's sewer system, and Aderhold's impression from Michel was that the door was still open. Aderhold thought they had the best proposal for property. It involved a County subdivision on the east side of the Slate River and a Town annexation on the west side. The applicant was offering land for a school, fire station, affordable housing, or a potential site for a rec center. Cypress agreed to impose restrictions on County land, in addition to giving up ten acres on the west side. They also agreed to increase the wetland buffer from County standards, and they were giving developable land to the Town. They hoped to proceed with the subdivision through the County and then the pre-annexation agreement with Town would be activated.

Lock said they wanted to engage in dialogue. He acknowledged the proposed process was unique. He listed three key points: Question if they could reach an agreement for sewer services in the eastern parcel, which would remain in the County; Town would

take the lead on the annexation of the western parcel in the event the County approved; and there were substantial public benefits. Lock identified that how to deal with the dump stopped the previous process. A potential solution would be to free up the land to make it usable and productive. Cypress would be responsible for capping it, and Town would have flexibility in the future for planning purposes.

Yerman referred to an intergovernmental agreement (IGA) on wastewater services from 1998 between Town, Mt. Crested Butte, and the County. The intent of the IGA was to stop proliferation of individual sewage disposal systems (ISDS) in the valley to protect the water quality. The County directed Cypress to come to the Town. Yerman explained equivalent residential uses (EQRs), and he stated the Town had the capacity to serve the proposed usage under the previous IGA. Summer tourist impacts required the upgrades to system. The trade off for giving the applicant wastewater services was they would deviate from the minimum one acre lot size allowed by the County. They settled on 24 lots on the east side and six on the west side. They were working to accommodate an early childhood center. There could be from ten to 30 units for affordable housing after the VCUP was performed. If the dump was capped, there could be a sledding hill. Town could gain a full site for the school district to expand, affordable housing, and park and open space buffers. The clean up process was estimated to cost between \$1M and \$1.6M, and Cypress requested \$350,000 from the Town as contribution to the clean-up. Yerman thought Town could offset the cost with grants, but Town would have to allocate and do a budget amendment if there were no grants. Vohman asked if the expenditure would be figured into the 2017 budget, and Yerman confirmed it would. The deal became null and void if the applicant was unable to obtain approval from the County.

Vohman questioned access to the east side of the river via the bridge. She was not in favor of restricting access. Aderhold said they couldn't leave it too open ended, and he couldn't provide an answer. Town wanted Cypress to take responsibility for making the connection to 8th Street. Aderhold countered that the dump boundary was close to the 8th Street extension; it was Town land, and they would have to test it and work through it. Michel said the Safe Routes to School was on 8th Street, and they would want it to connect to an early childhood center. He recognized that the people in Town loved walkability, trails, and access. Mitchell questioned if the bridge would be high enough for the river to remain navigable. Harpel answered the bottom of the bridge would be one foot above the 100 year flood plain.

Schmidt wanted to know what the cap on the dump would like. He was concerned about dust during and after the clean-up process. Aderhold said it would be covered with two feet of organic soil, but they hadn't discussed specific vegetation. He also said they would have controls for during the work and beyond to make sure the dust was mitigated. Schmidt thought weed control was a concern, and control from the beginning was important.

Schmidt questioned what the applicant expected with snow removal prior to when homes were built. Aderhold said that if the road was only serving the development, it didn't

make sense for the Town to plow it. He said they would need to identify the transition point. Michel said Town didn't want to plow without a revenue stream.

Mason questioned the square footage limit for accessory dwellings if the 5,000 square foot cap was on homes. Yerman compared the proposed development to Moon Ridge and McCormick Ranch. Moon Ridge's limit was at 5,000 square feet aggregate, and McCormick Ranch's limit was 7,500 square feet aggregate. Mason also questioned the wetland buffers. The Town was asking for 75 feet, and the County said 25 feet for a buffer. Mason wondered if a 50 foot buffer was the compromise. Aderhold stated they would additionally require building set-backs from the wetlands.

Merck thought the environmental impacts, including erosion, needed to be monitored. Aderhold agreed. Schmidt wondered what kind of buffer was planned for the south side of the cemetery. Aderhold said there would be natural set-backs, and Harpel confirmed the buffer would be more than 100 feet.

Next, there was a discussion concerning EQRs. Due said they were calculated to cover maximum build out. Michel confirmed Town had the capacity, and Town would soon be expanding the wastewater treatment plant. Lock said it was a revenue benefit to the Town because those in the development would pay 1.5 times the tap fees and 2 times the user fees.

Michel wondered if the land on the west side of the Slate River, within the 100-foot buffer, would be public and if a trail could connect to it. Harpel said there was questions of how critical the wetlands were and what the uses would be allowable. Michel asked if it was contemplated that it would be private access. Harpel said it would become open space.

Michel opened the meeting to public comment:

Sue Navy

- Questioned that the applicant wanted the sewer connection from the Town promised before they went through the County's process. She asked if the Town had assurances before granting permission.
- Lock said that everything would be contingent upon the County's approval, and there would be an agreement in place.
- Navy requested that planning commission meetings for the County were held in Crested Butte. Assistant Director of Community Development for Gunnison County, Neal Starkebaum, confirmed work sessions and meetings were historically held in Crested Butte.

Jim Starr

- The level of growth so close to Town should be annexed into Town, so Town could have the final decision on what it looked like.
- Stated that Town required affordable housing to be dispersed throughout projects. He thought 1.1 acres was a small area for affordable housing.

- Said that everyone would be driving to an early childhood center in that section of Town, and with the six lots they would develop on the west side of the river, they would be adding major traffic congestion.
- Thought it would be hard to get funding to build an early childhood center, and Town could end up having to build it.
- The first deal fell apart because of the dump, but the Town was now considering a financial contribution to the clean-up of the dump.
- The public comment part of the process with the County would be minimized.
- Town needed to look at requiring a pedestrian/bike trail.
- A developer in an annexation would usually pay for the infrastructure for the parcels on the west side.
- Felt that up to 24, 5,000 square foot houses, directly north of Town was alarming, especially on the border of the cemetery. The development would diminish the boundary on the north side of Town.
- Town needed to have control and maximize revenues.

Lock stated they wanted Town as a partner. Town would be deferring to the County process on the east side, but Town was getting to control the entire west side of property.

Yerman thought it was important to note Cypress initially proposed 115 units, which was a density that did not match Town. The new proposal represented a difference of 85 lots. Six lots would be addressing code requirements. He said the proposal didn't fit neatly, but the reduction of 85 lots was significant.

John Hess

- Confirmed they were only considering connecting to sewer (and not to water).
- Asked if the developers were contributing to upgrades to the wastewater treatment plant. Lock said tap fees and user fees would be the extent of the contribution. Yerman added that the developer would be installing the infrastructure.
- Confirmed that Town would maintain the sewer lines across the river.
- The pond that the extension of 8th Street would go right up to was a pretty sweet spot according to the Army Corp. Harpel said set backs would be determined during the annexation part of the process.
- He wanted to know when the Town would pay the \$350,000, and he wanted to know what would happen if the development didn't occur. Yerman said it would be paid when the Town acquired the property after the clean-up.
- Wondered why they didn't annex the whole parcel. Yerman said that 19 lots were not a Town development, and the density proposed was not the same as the Town's.
- Wanted to know if they were developing east of the cemetery. Harpel said they were considering a small area.
- Asked who was building affordable housing. Yerman answered that it would be in the form of a lot dedication to Town.

- Concerning the early childhood center, he asked if that was where kids lived. He thought people would be coming through Town to the site, which would add traffic.
- Disappointed that affordable housing was not mixed.

There were no more public comments, and the discussion was opened to the board.

Schmidt confirmed the developer would install the sewer line. He thought the early childhood center should be closer to the school. He didn't like the idea of a gated community, and he wanted to make sure the Council was transparent. His main problem was the possibility of accessory dwellings in addition to the 5,000 square foot homes. Whatever happened would set precedent. It also made a difference to the carbon footprint. They limited the house size in Town because house sizes were marching upward. He thought 5,000 feet should be the aggregate limit. Michel asked what the rest of the Council thought on the square footage. Merck said 5,000 was based on the County, and Town didn't have a whole lot of say if the County allowed it. He summarized they were looking to tie into the sewer system, and Town would get benefits in return. He gave it thumbs up. Mitchell said they needed to be clear with the County on size limitations to be on the same page and moving in the right direction. Michel confirmed they would have a minimum size requirement. Vohman agreed with Schmidt that she was not comfortable with the allowable house size. The bigger the house, the bigger the (carbon) footprint. Lock was willing to go back to his team to see what they were willing to do. Crossett said it could come in the pre-annexation draft. Vohman implored the applicant not to sell as a gated community.

Mason thought Moon Ridge was handled pretty well. It was a private road, but the rec path went through it with an easement. He listed three items of note: 1) Traffic congestion could be an issue. 2) Trails would be important, including connectivity of the bridge to Town and the rec path. 3) He wanted them to consider 5,000-foot limit aggregate. He recommended they direct Staff to move forward.

There was a discussion concerning the process and timing. Belkin said the applicant had the desire to bring forward at the next meeting. Mason wanted to be sure the community had ample time to weigh in and attend the meeting. It was decided there would be a special meeting on Monday, January 25. Vohman would be absent, but everyone else present said they could attend.

Schmidt moved and Merck seconded a motion to instruct the Town Staff and Town Attorney to prepare a draft pre-annexation agreement for the Town Council's consideration at the Town Council's special Town Council meeting on January 25, 2016 reflecting the deal points as outlined in the Staff Report and including such other terms and conditions as are customary or recommended by Town Staff and the Town Attorney and not otherwise inconsistent with the proposed deal points. A roll call vote was taken with all voting, "Yes." **Motion passed unanimously.**

ADJOURNMENT

Mayor Michel adjourned the meeting at 8:14PM.

Glenn Michel

Glenn Michel, Mayor

Lynelle Stanford

Lynelle Stanford, Town Clerk (SEAL)

