



**Joint Town Council Work Session
Brush Creek Work Session
Crested Butte Community School, Multi-purpose Room
818 Red Lady Avenue
August 27, 6:00 p.m.**

- | | |
|------|---|
| 6:00 | I. Introductions |
| 6:10 | II. Brief overview of history of The Corner at Brush Creek <ul style="list-style-type: none"> a. Purchase and Memorandum of Agreement (“MOA”) b. 2016 Housing Needs Assessment and progress on construction of units c. Developer selection d. County LUR process and approval of sketch plan e. Conditions imposed by the Towns of Mt. Crested Butte and Crested Butte f. Approval of extension request for submittal of preliminary plan phase of LUR application for The Corner at Brush Creek |
| 6:30 | III. Presentation of proposed updated project scope by Gatesco |
| 6:50 | IV. Questions to Gatesco from Council members and MOA Parties |
| 7:05 | V. Public Comment |
| 7:25 | VI. Discussion among MOA Parties |
| 7:50 | VII. Next Steps |
| 8:00 | VIII. Adjourn |



Staff Report

August 27, 2019

To: Mayor and Town Council

From: Dara MacDonald, Town Manager

Subject: Background on The Corner at Brush Creek development application

Background:

The Land

In 1998, Gunnison County in cooperation with its partners, Town of Crested Butte, Mt. Crested Butte, and Crested Butte Mountain Resort, (together known as the “Participating Parties”) purchased the Brush Creek parcel for the purpose of providing future intercept parking, transit facilities, and affordable housing. This parcel has been identified by numerous affordable housing studies as one of the last substantial remaining vacant parcels in the north end of the valley in public control. At that time a Memorandum of Agreement (“MOA”) was executed between the parties to guide acquisition and use of the property which was then identified as the “Parking Lot” parcel. The two uses of the property identified in the MOA are transit and affordable housing.

In late 2016 the County received a purchase offer for the property from Gary Gates. This spurred the Participating Parties to meet and decide how to proceed with possible disposition or development of the property. At that time representatives from Crested Butte advocated for a public process to first determine the appropriate use of the property. The other Participating Parties overruled our request arguing that the private sector should be left unhindered to propose the uses (number of units, income targets, site design, etc) appropriate for the site. During the drafting of the RFQ and RFP the Town advocated for public involvement during the selection process. This was also overruled.

The Participating Parties issued a request for qualifications (“RFQ”) for potential developers of the property in March, 2017. Five submittals were received in response to the RFQ. Two developers were selected to move to the next phase and respond to a more detailed request for proposals. Representatives from the various Participating Parties reviewed the responses and met with each development team on June 28th. Representatives from the Town included myself, Michael Yerman and Council members Schmidt and Merck. The executive director and a board member from the housing authority were also there for the meetings. In July, 2017 the Crested Butte Town Council passed a motion to convey to the Participating Parties their support for proceeding in negotiations with Gatesco for the development of the Brush Creek parcel in a manner similar to that proposed in the RFP response. The three other Participating Parties had already expressed their support for the project at that time.

Gunnison Valley Housing Needs Assessment

The Gunnison Valley Housing Needs Assessment (“Needs Assessment”) was completed in November, 2016. Among other things the Needs Assessment identified specific housing shortages in both rental and ownership stock in various parts of the Gunnison Valley.

Gap in Housing Needs by Area, AMI and Own/Rent

	Market does not provide	Market partially provides	Market provides			
Owner Units by AMI	Max Affordable Price	North	Mid	South	Total	
<50%	\$108,000	12	4	18	34	
50% to 80%	\$172,900	25	8	37	69	
80.1 to 120%	\$259,300	43	13	63	119	
120.1 to 200%	\$432,200	74	23	109	207	
Over 200%	>\$432,200	35	11	52	99	
Total Ownership Needs		189	60	279	528	
Ownership Gap		154	25	54	233	
Rental Units by AMI	Max Affordable Rent	North	Mid	South	Total	
<50%	\$689	46	10	61	117	
50% to 80%	\$1,102	47	10	62	119	
80.1 to 120%	\$1,653	46	10	61	117	
120.1 to 200%	\$2,755	25	5	33	63	
Over 200%	>\$2,755	7	1	9	17	
Total Rental Needs		171	36	226	432	
Rental Gap		93	29	61	184	
Total Gap		247	54	116	417	

*Differences are due to rounding. NOTE: Units that are planned for construction have **not** been tracted from the estimates of needs over the next four years.

Staff is working to update the list of units in the mid- and north-valley that have been constructed or are currently in the approval process since the Needs Assessment was released. This information will be available prior to the work session on Tuesday.

Sketch Plan

An application for sketch plan was submitted in September 2017 for this project. It largely mirrored the RFP submittal. Almost immediately there was public concern expressed and on October 5, 2017, the Crested Butte Town Council hosted a public meeting at the Center for the Arts to gather citizen input concerning the proposed Brush Creek Project. Approximately 200 members of the public, Mayor and 6 Council Members were in attendance.

The Corner at Brush Creek is located within the Town of Crested Butte’s Three-Mile Plan Area. As a review agency, the Town submitted its formal review comments dated February 13, 2018 concerning the Brush Creek Supplement (2-6-18) and April 30, 2018 regarding the Second Supplement (4-16-18). Final comments on the sketch plan application were submitted on August 2, 2018. Throughout the Sketch Plan public review process, the Town reviewed the submittal as presented and focused its

comments as to whether or not the proposed development “comported” with the Crested Butte-Gunnison Corridor Comprehensive Plan adopted by the Gunnison County Planning Commission and the Crested Butte Area Plan adopted by the Crested Butte Planning Commission; and whether or not the application “complied” with all of the relevant standards and requirements of the County Land Use Resolution (LUR). As a review agency in the LUR process, it was not the Town’s role to offer alternative development programs or suggest other development sites in the North Valley.

As detailed in the Town’s formal referral comments, dated February 13, April 30, and August 2, 2018, the Town found that the Corner at Brush Creek Sketch Plan proposal did not comport with the adopted advisory Gunnison County and Town of Crested Butte Comprehensive Plans and it fails to broadly and conceptually meet the standards and requirements as required by the County LUR. Therefore, the Town of Crested Butte strongly advocated that the Planning Commission forward to the Board of County Commissioners a recommendation to deny the Brush Creek Sketch Plan-Second Supplement. Alternatively, the Town offered 16 of our own suggested conditions of approval.

The Town Council held numerous discussions about the project during the eight months of the sketch plan process. Staff and members of the Council also attended the many Planning Commission/BOCC work sessions and then public hearings on the project beginning in October, 2017 and lasting until the BOCC conditional approval of the sketch plan in August, 2018.

Joint meetings between Crested Butte and Mt. Crested Butte

Both Crested Butte and Mt. Crested Butte had expressed concerns about the project during the sketch plan review with Crested Butte strongly recommending denial of the project. For this reason, the first condition of approval placed by the BOCC on the applicant is as follows:

As proposed by the applicant, and accepted as a finding, prior to submittal of the Preliminary Plan, and prior to submittal of the Final Plan, the applicant shall obtain consent of three of the four parties (Gunnison County; Town of Crested Butte; Town of Mt Crested Butte; Crested Butte Mountain Resort) to the MOU.

Crested Butte and Mt. Crested Butte promptly began joint discussions about whether they would choose to support a preliminary plan application and, if so, if there were additional conditions they would like to place on the approval. It became evident that the elected officials wanted to work together to try and find an acceptable compromise that would allow the project to proceed. There was never complete agreement, but the majority of council members from each jurisdiction did eventually work through an initial list of issues and possible conditions to land the following three:

1. Five (5) acres of the site should be set aside for intercept parking and other possible uses by the MOA Parties, to include, but not be limited to, playing fields, housing and additional parking.
2. The developer shall provide two parking spaces for every unit constructed to be provided contemporaneous with the construction of the units.
3. The maximum number of residential units that may be constructed on the remaining acreage, after the five acres set aside for intercept parking/other uses is determined, is 156.

Both of the Towns subsequently sent Memorandums of Consent to the developer and the County with the Town’s memo being dated January 22, 2019.

Extension Request

Following issuance of the January Memorandum of Consent the Town of Crested Butte received no communication from the developer until Council received an email on July 31, 2019 from Kendall Burgemeister with a letter from Gary Gates. The applicant, Gary Gates or Gatesco, doing business as APT Brush Creek Road, LLC, submitted an extension request to Gunnison County on July 3, 2019. Staff learned about this submittal through a newspaper article on July 11th.

On August 6th the BOCC approved the extension request as follows:

The deadline for submission of a preliminary plan is hereby extended for a period of one year from today's date, conditioned upon the applicant, by October 31, 2019, obtaining formal consent of at least three of the four parties to the Memorandum of Understanding between Gunnison County, the Town of Crested Butte, the Town of Mt. Crested Butte, and Crested Butte Mountain Resort.

On August 23rd, the Gatesco team provided an additional memo further explaining their request to modify the conditions imposed by the two towns. While agreeing to an initial project size of 156 units, they would like to modify the two conditions regarding parking and land to be set aside among other requests. The memo is attached and members of the Gatesco team will be available at the August 27th work session to further explain their request.

Enclosed:

Memorandum of Agreement, 06.16.1998

Plans submitted as supplemental sketch plan application (220 unit version), 02.07.2018

BOCC Resolution 2018-28 approving the sketch plan for The Corner at Brush Creek

Bob Nevins sample site plan (138 units), 10.01.2018

Town of Crested Butte Memorandum of Consent, 01.22.2019

Letter from the Town Council to the Citizens of Crested Butte and Gunnison County, 02.05.2019

Extension request from Kendall Burgemeister, 07.03.2019

Letter from Gary Gates, 07.29.2019

Site plan from applicant, 07.29.2019

Gatesco Discussion Points, 08.27.2019

FEB 9 2006

MEMORANDUM OF AGREEMENT

This Memorandum of Agreement (the "Agreement"), in multiple copies, is executed June 16, 1998, at Mt. Crested Butte, Colorado, as follows:

1. **PARTIES:** The parties to this Agreement are:

CRESTED BUTTE MOUNTAIN RESORT, INC., a Colorado corporation, hereafter termed "CBMR";

and

MT. CRESTED BUTTE, COLORADO, a Colorado home rule municipality, hereafter termed "Mt. Crested Butte";

and

TOWN OF CRESTED BUTTE, COLORADO, a Colorado home rule municipality, hereafter termed "Crested Butte";

and

BOARD OF COUNTY COMMISSIONERS, GUNNISON COUNTY, COLORADO, a political subdivision of the state of Colorado, hereafter termed "Gunnison County";

and

CITY OF GUNNISON, COLORADO, a Colorado home rule municipality, hereafter termed "City of Gunnison".

2. **RECITALS:** The following recitals apply to this Agreement:

2.1 CBMR is the owner and operator of the Crested Butte Mountain Resort Ski Area, located in the Gunnison National Forest under permit by the Forest Service, United States Department of Agriculture, and the owner and operator of related businesses and lodging facilities associated with the ski area (collectively, "Ski Area").

2.2 Gunnison County, Mt. Crested Butte, Crested Butte, and City of Gunnison are the local governmental agencies in Gunnison County that are jointly

CBMR/Local Governments
Intergovernmental Agreement (RED)
RWOD 13,039 (4c) 5/28/98

Interested in the Transportation, Transit, and Affordable Housing set forth in this Agreement.

2.3 This Agreement is intended to address the changes proposed by CBMR in the Environmental Assessment of Proposed Improvement at Crested Butte Mountain Resort, dated December, 1997, and not future projects proposed by CBMR.

2.4 The parties are desirous of entering into an agreement that sets forth the parties joint obligations regarding Transportation, Transit, and Affordable Housing, and in accordance with the terms and conditions of this Agreement.

3. **TERM OF AGREEMENT.** The term of this Agreement shall commence on the date of execution of this agreement and shall terminate once the obligations set forth herein are fully performed. On the termination date of this Agreement, the parties shall be released and discharged from all duties and obligations contained in this Agreement, except only any unperformed duties or obligations that accrued and were required to be performed on or before the date of termination.

4. **TRANSPORTATION.** The parties being CBMR, Crested Butte, Mt. Crested Butte, and Gunnison County, excluding the City of Gunnison, ("Participating Parties") agree to enter into negotiations with the Crested Butte Land Trust in order to purchase the following parcel of real property located near the Crested Butte Country Club off Brush Creek Road:

Attached As Exhibit A.

4.1 The financial and/or real property contributions of the Participating Parties shall be limited to a maximum of the dollar amounts set forth below:

CBMR	\$75,000.00
Mt. Crested Butte	\$75,000.00
Crested Butte	\$75,000.00
Gunnison County	\$15,000.00
(+) Donation of the Real Property set forth in attached <u>Exhibit B</u>	

4.2 The Participating Parties may be allowed to contribute their contribution over a one year period from the date of execution of this Agreement, subject to the Participating Parties making the necessary appropriations in future year annual budgets. This Agreement does not create any multi-year financial obligations and the Participating Parties shall not be bound to any financial obligation beyond the current year's budget.

4.3 The real property set forth in Exhibit A and the real property set forth in Exhibit B shall be combined as one parcel, and together shall be defined as the Parking Lot Parcel.

4.4 The Parking Lot Parcel may be used for any use approved by the Participating Parties according to paragraph 5.

4.5 Ownership and Title to the Parking Lot Parcel shall be held by Gunnison County for the benefit of the Participating Parties.

4.6 During the time that the Parking Lot Parcel or a replacement parcel is held by Gunnison County or another party to this Agreement, the property shall be subject to the terms and conditions of this Agreement and the parties shall record such necessary agreements or notices to so encumber the Parking Lot Parcel.

5. INTERNAL REGULATION AND CONTROL. The Participating Parties agree that the decisions made regarding the Parking Lot Parcel, or Best Efforts at affordable housing, shall be governed by the following guidelines:

5.1 The Parking Lot Parcel may be used for the following purposes:

5.1.1 As an intercept parking lot for patrons, guests, employees, residents, and visitors to Crested Butte, Mt. Crested Butte, unincorporated Gunnison County and CBMR.

5.1.2 As collateral for acquiring by trade or purchase a parcel of land determined appropriate by the Participating Parties for use as a supplemental or intercept parking lot for patrons, guests, employees, residents, and visitors to Crested Butte, Mt. Crested Butte, and CBMR.

5.1.3 As property on which to construct affordable housing, or as collateral for acquiring or purchasing a parcel determined appropriate for affordable housing by the Participating Parties.

5.1.4 The above recitation of allowable uses is non-exclusive, and such list may be altered, enlarged, reduced, or deleted in its entirety by written amendment signed by the Participating Parties.

5.2 The Participating Parties may alter, modify, amend or terminate the provisions regarding Transportation set forth in paragraph 4 and paragraph 5.1 above by written amendment signed by the Participating Parties. Upon termination of such provisions, each Participating Party shall be promptly returned its pro rata share of the total contributions made by that party for the acquisition of the Parking Lot Parcel, including all amounts set forth in paragraph 4.1 above, unless otherwise agreed by the Participating Parties.

5.3 Meetings of the Participating Parties may be called by or at the request of any of the Participating Parties, and the person or persons authorized to call a meeting of the Participating Parties shall fix the place and time for the holding of such meeting.

5.4 Notice of any meeting of the Participating Parties shall be given as follows:

5.4.1 By verbal communication with or personal delivery of written notice at least one week prior to the meeting.

5.4.2 By United States mail, postage prepaid, of written notice at least one week prior to the meeting.

5.4.3 A Participating Party may waive in writing notice of a meeting whether before, at or after the time stated therein.

5.4.4 The attendance of a duly authorized representative of a Participating Party at a meeting shall constitute waiver of notice of such meeting, except where the representative attends the meeting for the express purpose of objecting to the transaction of any business because the meeting is not properly called or convened.

5.5 Each Participating Party shall have one vote on any matter that is called for decision at a meeting.

5.6 All of the Participating Parties must be represented to constitute a quorum for the transaction of business at any meeting of the Participating Parties. If a Participating Party is not present at two consecutive meetings, and has been provided proper notice for each meeting, its presence at the second meeting shall

not be required for a quorum. The act of a majority of the Representatives present at any meeting at which a quorum is present shall be the act of the Participating Parties except that when only 3 parties are present, all three parties must vote affirmatively for an action to be effective.

5.7 Minutes of a meeting of the Participating Parties shall be taken by one of the representatives present at that meeting, either by recording devices or by written summary. A copy of such minutes shall be given to each Participating Party within seven days after such meeting.

5.8 Any action required or permitted to be taken by the Participating Parties may be taken without a meeting if a consent in writing, setting forth the actions so taken, shall be signed by all the Participating Parties.

5.9 The Participating Parties may hold or participate in a meeting by means of conference telephone or similar communications equipment that allows access by all representatives. Such participation shall constitute the presence of the representative at the meeting.

6. **TRANSIT.** The parties agree that the following terms shall govern the subsidization of the Gunnison to Crested Butte Shuffle.

6.1 The Gunnison/Crested Butte Shuffle is currently owned and operated by Alpine Express, Inc. a Colorado corporation. Its service includes employee transit from mid-December through mid-April of each year.

6.2 All parties to this Agreement desire to have an employee shuttle service continue between Gunnison, Crested Butte and Mt. Crested Butte, and agree that each party shall participate in the subsidization of the Gunnison/Crested Butte Shuffle on an equal basis, as set forth herein.

6.3 For delivery on or before August 1 of each year, Alpine Express (or its successor) shall be requested to provide to each party the following:

6.3.1 An audited financial statement setting forth the operational deficit for the preceding shuttle operating season and the projected operational deficit for the upcoming shuttle operating season:

6.3.2 A proposed one (1) year contract for the provision of the Gunnison/Crested Butte Shuffle, including the shuttle schedule for the next operating season and the numbers of daily service trips from Gunnison to Crested Butte and from Crested Butte to Gunnison.

6.4 The parties shall duly review such financial statements and proposed contract, and shall have the right to inquire and to propose changes and additions to the proposed contract.

6.5 As part of each party's annual budgeting, it shall consider the subsidization of the Gunnison/Crested Butte Shuffle according to the standard budgetary procedure, and each party may approve the contributions to the operational deficit and the contract according to its own standard procedures.

6.6 In the event each and every one of the parties does not approve and pay its share of the operational deficit of the Gunnison/Crested Butte Shuffle, or does not properly approve the contract for the provision of the Gunnison/Crested Butte Shuffle, the obligation of all the parties to continue to subsidize the operational deficit of the Gunnison/Crested Butte Shuffle under this Agreement shall automatically terminate.

6.7 It is expressly agreed and understood that Alpine Express is not a third party beneficiary of this Agreement, and that Alpine Express shall be given no right to enforce this Agreement.

6.8 Furthermore, upon the majority vote of the parties, subsidization for the provision of services by Alpine Express can be terminated, bids can be accepted for a new vendor, and the parties can select a new vendor to provide the shuttle service from Gunnison to Crested Butte.

7. TRANSPORTATION PLANNING. The parties agree to continue their current efforts in developing a comprehensive transportation plan and in transportation planning in general, and to use their best efforts in the implementation of the recommendations of the Upper Gunnison Transportation Plan currently being prepared.

8. AFFORDABLE HOUSING. The parties recognize that affordable housing is an important concern of all the parties, and agree as follows:

8.1 CBMR has currently posted a \$369,887.42 Irrevocable Letter of Credit for the benefit of the Town of Mt. Crested Butte as a guarantee that the Town of Mt. Crested Butte's affordable housing requirements of 3,569 square feet of Employee living space pursuant to the Mt. Crested Butte Town Code will be met for the expansion of the Mountainlair Hotel into the Crested Butte Sheraton Hotel. According to the terms of that approval, construction of the affordable housing must begin before December 31, 1998 or that amount will be forfeited to Mt. Crested Butte.

8.2 CBMR has two properties under contract for a total cost of \$1,100,000.00, currently set to close on or before July 1, 1998. CBMR will use its Best Efforts (as defined below) to close on these properties, deed restrict one of them for affordable housing, and provide both housing for seasonal employees and deed-restricted, long-term rental units on the properties.

8.3 CBMR currently is planning to construct a restaurant facility at the top of the Keystone lift on the Ski Area. Such area is on United States Forest Service property, and within the jurisdiction of Gunnison County. Prior to commencing construction of this restaurant facility, CBMR agrees as follows:

8.3.1 CBMR will make available sufficient affordable housing for 72 persons.

8.3.2 In the event CBMR has not used its Best Efforts, as determined by the Participating Parties pursuant to paragraph 5, to create or expand the current supply of affordable housing to accommodate the 72 persons, CBMR will withdraw its application(s) for, and Gunnison County can withhold or suspend, all necessary permits, including but not limited to the building permit for the new restaurant until adequate mitigation measures, as determined by the Participating Parties, are provided by CBMR.

8.4 CBMR will use its Best Efforts to provide additional affordable housing for 128 persons in the Town of Mt. Crested Butte, and such future efforts can include affordable housing credits for CBMR structures or CBMR sponsored structures located within the Town of Mt. Crested Butte.

8.5 As used in this part of the Agreement, "Best Efforts" means that CBMR will use all reasonable efforts to timely create and diligently complete the specific amount of affordable housing, subject to the following: community conditions are such that affordable housing is needed by the labor force, market conditions will support the proposed project, financing for the proposed project is available at reasonable interest rates, and governmental approvals of the proposed project are readily obtainable without prohibitive costs, all as determined by the Participating Parties pursuant to paragraph 5.

9. **NON-WAIVER OF REMEDY.** The failure of a party to insist upon the strict performance of any of the terms, conditions and covenants herein contained shall not be construed or deemed to be a waiver of any rights or remedies of a party under this Agreement and shall not be deemed a waiver of any subsequent breach or default in the terms, conditions and covenants of this Agreement.

10. **NOTICES.** All notices and other communications required or permitted under this Agreement shall be in writing and shall be, as determined by the person giving such notice, either hand delivered; mailed by registered or certified mail, return receipt requested; delivered by overnight delivery service such as Federal Express or United Parcel Service; or by telecopier or telegraphic transmission. Service of such notice shall be deemed given and received when personally delivered; or three business days after mailing, properly addressed with postage prepaid; or the day sent by telecopier or telegraphic transmission; or the day following the delivery to an overnight delivery service with delivery charges prepaid.

11. **ENTIRE AGREEMENT.** This written Agreement contains the entire and only agreement between the parties concerning the specific projects referenced herein, and no oral statements or representations not contained in this Agreement shall be of any force and effect between said parties. This Agreement shall not be modified or amended in any manner except by written instrument executed by the parties as set forth herein.

12. **APPLICABLE LAW.** This Agreement is entered into at Gunnison County, Colorado, and it is agreed that the proper jurisdiction and venue of any action pertaining to the interpretation or enforcement of this Agreement shall be in the District Court of Gunnison County, Colorado.

13. **FURTHER ASSURANCES.** Each party agrees to execute and deliver such other and additional documents and instruments and to do all other acts necessary to more fully effectuate the purpose and intent of this Agreement.

14. **SEVERABILITY.** If any term, provision, covenant or condition of this Agreement, or its application to any party, shall, to any extent, be determined to be invalid or unenforceable, the remainder of this Agreement shall not be affected by such invalidity or unenforceability and all other terms, provisions and conditions of this Agreement shall be valid, enforceable and in full force and effect between the parties.

15. **COUNTERPARTS.** This Agreement and any other documents or instruments required under this Agreement may be executed in counterparts, each of which shall for all purposes be deemed an original and all of which together shall constitute one and the same agreement, document or instrument.

16. **ATTORNEYS' FEES.** It is agreed that if any action is brought in a court of law by any party to this Agreement as to the enforcement, interpretation or construction of this Agreement, or any document provided for herein, the prevailing party in such action shall be entitled to reasonable attorneys' fees as well as all costs incurred in the prosecution or defense of such action.

17. **INVALIDITY OR INAPPLICABILITY.** If any term, provision or paragraph of this Agreement, or the application thereof, be invalid or unenforceable, the remainder of this Agreement or the application of such terms, provisions and paragraphs other than that which is held to be invalid or unenforceable, shall not be affected thereby and each of the remaining terms, provisions and paragraphs of the Agreement shall be valid and enforceable to the extent permitted by law.

18. **BINDING AGREEMENT.** This Agreement and the terms, covenants and conditions herein contained shall be binding upon and insure to the benefit of the successors and assigns of the parties hereto.

IN WITNESS WHEREOF, this Agreement is made and executed the day and year first above written.

CRESTED BUTTE MOUNTAIN RESORT, INC.
a Colorado corporation

By *Edward C. Callaway*
Edward C. Callaway, President
P.O. Box A
Mt. Crested Butte, Colorado 81225
(970)349-2223
(970)349-2250(fax)

ATTEST:

Ralph O. Walton III
Ralph O. Walton III, Secretary



ATTEST:

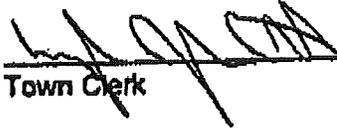
Danna Arwood
Deputy Town Clerk

TOWN OF MT. CRESTED BUTTE,
a Colorado home-rule municipality

By *Bill Smith*
Mayor
P.O. Drawer D
Mt. Crested Butte, Colorado 81225
(970)349-6632
(970)349-6326(fax)

TOWN OF CRESTED BUTTE,
a Colorado home-rule municipality

ATTEST:


Town Clerk

By 
Mayor
P.O. Box 39
Crested Butte, Colorado 81224
(970)349-5338
(970)349-6626(fax)

GUNNISON COUNTY, COLORADO
a political subdivision of the state of Colorado

ATTEST:

County Clerk

By _____
Chairman, Board of County Commissioners
200 East Virginia
Gunnison, Colorado 81230
(970)641-0248
(970)641-3061(fax)

CITY OF GUNNISON,
a Colorado Home Rule Municipal Corporation

ATTEST:

By: _____
City Clerk

By: _____
Mayor
201 West Virginia
Gunnison, Colorado 81230
(970)641-8000
(970)641-8051(fax)

TOWN OF CRESTED BUTTE,
a Colorado home-rule municipality

ATTEST:

Town Clerk

By _____
Mayor
P.O. Box 39
Crested Butte, Colorado 81224
(970)349-5338
(970)349-6626(fax)

GUNNISON COUNTY, COLORADO
a political subdivision of the state of Colorado

ATTEST:

Diana R. Bratton, Deputy

County Clerk

By *Paul R. Truesdell*

Chairman, Board of County Commissioners
200 East Virginia
Gunnison, Colorado 81230
(970)641-0248
(970)641-3061(fax)

CITY OF GUNNISON,
a Colorado Home Rule Municipal Corporation

ATTEST:

By: _____
City Clerk

By: _____
Mayor
201 West Virginia
Gunnison, Colorado 81230
(970)641-8000
(970)641-8051(fax)

TO: ROD
Exh. 317 A

SEP 9 4 2006

GENERAL WARRANTY DEED

CRESTED BUTTE LAND TRUST, a Colorado nonprofit corporation whose address is P.O. Box 2224, Crested Butte, Colorado 81224, for the consideration of Two Hundred Forty Thousand Dollars in hand paid, hereby sells and conveys to **The Board of County Commissioners of the County of Gunnison, Colorado**, whose address is 200 East Virginia Avenue, Gunnison, Colorado 81230, the following real property in the County of Gunnison and State of Colorado, to wit:

Township :14 South, Range 86 West 6th P.M.

Section 12: All that portion of the N1/2NE1/4 lying South and Easterly of the Brush Creek County road, **EXCEPTING THEREFROM** that portion previously conveyed by Quit Claim Deed recorded December 6, 1946 in Book 288 at page 312,

AND

All that portion of the SW1/4NE1/4 lying South and Easterly of the Brush Creek County Road, **EXCEPTING THEREFROM** that portion lying South and West of the Southwest boundary lines of Colorado State Highway 135,

ALSO EXCEPTING THEREFROM that property conveyed to the Board of County Commissioners of Gunnison County, Colorado in Quit Claim Deed recorded December 16, 1996 as Reception No. 472881.

**County of Gunnison,
State of Colorado.**

With all appurtenances, and warrants the title to the same, subject to: the reservation as contained in the United States Patent; the terms and conditions set forth in the easement and right of way in gross recorded in Book 270 at page 527; taxes, fees, assessments or charges by reason of the inclusion of the property within the Skyland Metropolitan District and within the East River Regional Sanitation District; any portion of the property within the right-of-way of Colorado State Highway No.135; and all taxes and assessments for 1998, due and payable in 1999.

Signed this 11 day of September, 1998.

**CRESTED BUTTE LAND TRUST,
a Colorado nonprofit corporation**

By: *Gloria Cunningham*
Gloria Cunningham, President

ATTEST:
By: *James H. Starr*
James H. Starr, Secretary

LANDTRUST\REALEST\BNU\HCR88GND.DOC

STATE OF COLORADO)
) ss.
County of Gunnison)

The foregoing instrument was acknowledged before me this 11th day of September, 1998, by Gloria Cunningham, President and James H. Starr, Secretary of Crested Butte Land Trust, a Colorado nonprofit corporation.

Witness my hand and official seal.



[Handwritten Signature]
Notary Public

My commission expires: 5/24/02

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JUL 06 2007 3:01PM



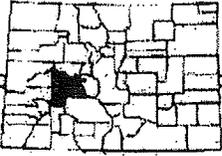
D. Belkin & Associates (970) 497-4401

p.2

JUL 05 2007 1:30PM

Gunnison County Attorney 970-641-7696

p.1



GUNNISON COUNTY, COLORADO

BOARD OF COUNTY COMMISSIONERS
PHONE: (970) 641-0248
FAX: (970) 641-3061

June 22, 2007

Gunnison County Planning Commission
221 N. Wisconsin St., Suite D
Gunnison, CO 81230

Re: Memorandum of Agreement: June 16, 1998

Gunnison County Planning Commission:

This correspondence is formal memorialization that CBMR has satisfied the affordable housing requirement of the Memorandum of Agreement: June 16, 1998; paragraph 8.3.2, among the undersigned.

This Agreement may be executed by facsimile and/or in any number of counterparts, any or all of which may contain the signatures of less than all the parties, and all of which shall be construed together as but a single instrument and shall be binding on the parties as though originally executed on one originally executed document. All facsimile counterparts shall be promptly followed with delivery of original executed counterparts.

Respectfully,

BOARD OF COUNTY COMMISSIONERS
OF GUNNISON COUNTY, COLORADO

Chairperson

TOWN OF MT. CRESTED BUTTE

Mayor

TOWN OF CRESTED BUTTE

Mayor

CRESTED BUTTE MOUNTAIN RESORT,
INC.

Randy Barrett
Vice President/General Manager



GUNNISON COUNTY, COLORADO

BOARD OF COUNTY COMMISSIONERS
PHONE: (970) 641-0248
FAX: (970) 641-3061

June 22, 2007

Gunnison County Planning Commission
221 N. Wisconsin St., Suite 13
Gunnison, CO 81230

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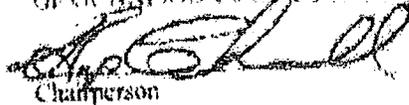
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Chairperson

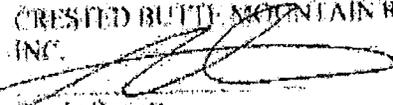
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Randy Barrett
Vice President/General Manager

SITE DEVELOPMENT KEY NOTES

INFRASTRUCTURE

- 1 WASTE WATER TREATMENT
- 2 WATER TREATMENT
- 3 WATER STORAGE TANK (BURIED)

STRUCTURES

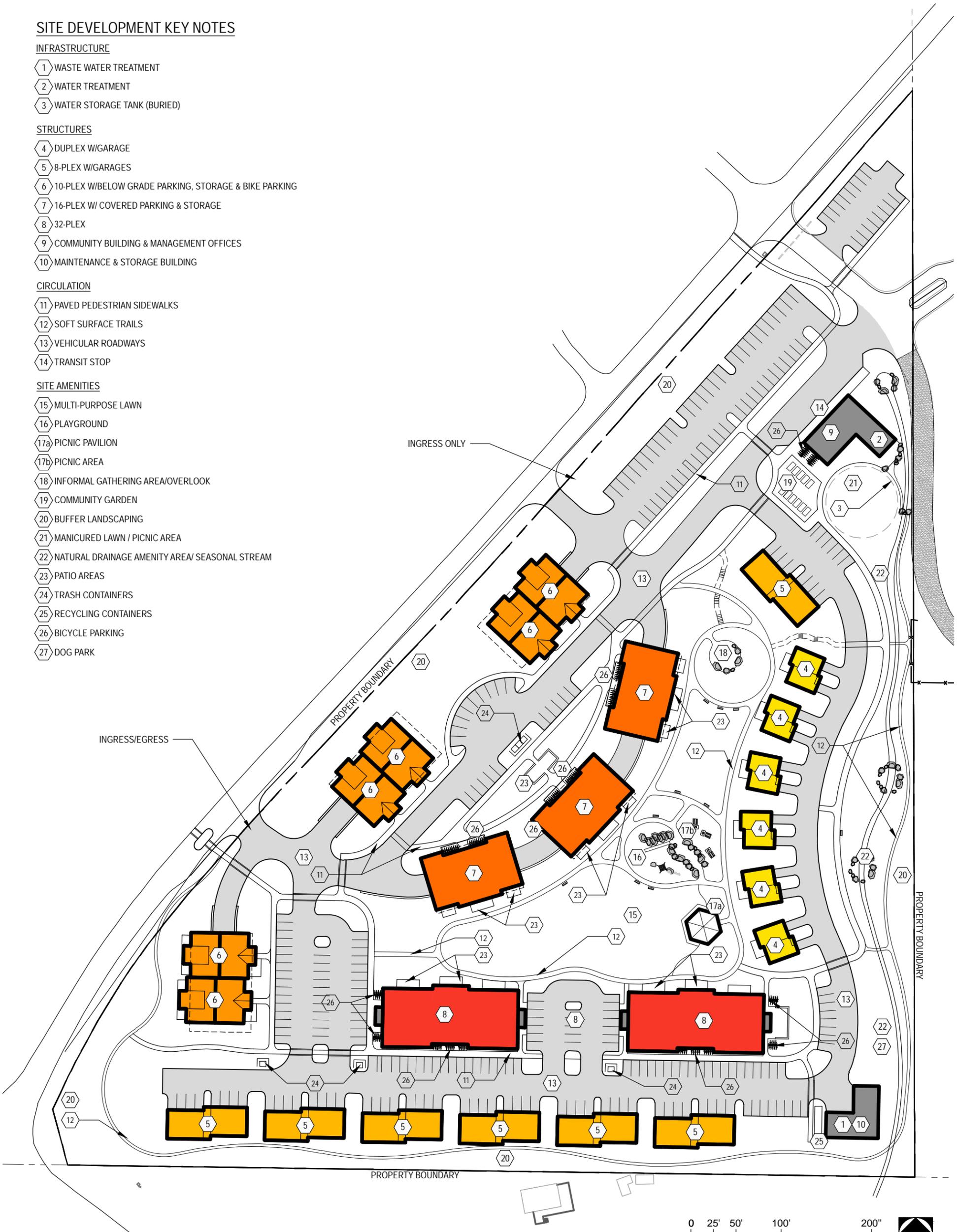
- 4 DUPLEX W/GARAGE
- 5 8-PLEX W/GARAGES
- 6 10-PLEX W/BELOW GRADE PARKING, STORAGE & BIKE PARKING
- 7 16-PLEX W/ COVERED PARKING & STORAGE
- 8 32-PLEX
- 9 COMMUNITY BUILDING & MANAGEMENT OFFICES
- 10 MAINTENANCE & STORAGE BUILDING

CIRCULATION

- 11 PAVED PEDESTRIAN SIDEWALKS
- 12 SOFT SURFACE TRAILS
- 13 VEHICULAR ROADWAYS
- 14 TRANSIT STOP

SITE AMENITIES

- 15 MULTI-PURPOSE LAWN
- 16 PLAYGROUND
- 17a) PICNIC PAVILION
- 17b) PICNIC AREA
- 18 INFORMAL GATHERING AREA/OVERLOOK
- 19 COMMUNITY GARDEN
- 20 BUFFER LANDSCAPING
- 21 MANICURED LAWN / PICNIC AREA
- 22 NATURAL DRAINAGE AMENITY AREA/ SEASONAL STREAM
- 23 PATIO AREAS
- 24 TRASH CONTAINERS
- 25 RECYCLING CONTAINERS
- 26 BICYCLE PARKING
- 27 DOG PARK



SHEET TITLE
DEVELOPMENT LAYOUT PLAN

EXHIBIT NO.
MAP 12

SUBMITTAL DATE	
8/28/17	Sketch Plan
2/07/18	Sketch Plan Revisions

THE CORNER AT BRUSH CREEK
 Sketch Plan Submittal
 Gunnison County, Colorado



PHASING SUMMARY

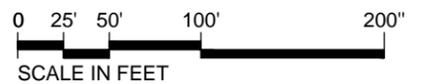
PHASE	NOTES
SITE PREP & INFRASTRUCTURE	INCLUDES OVERLOT GRADING, DEEP UTILITIES, WATER STORAGE AND TREATMENT SYSTEMS, CURB CUT ENTRIES, SEWER, WASTEWATER TREATMENT, STORM DRAINAGE
CONSTRUCTION PHASE 1	INCLUDES TRANSIT CENTER AND TRANSIT PARKING LOTS, 10-PLEXES, 16 PLEXES (108 UNITS)
CONSTRUCTION PHASE 2	32-PLEXES, DUPLEXES, 8-PLEXES (132 UNITS)

INFRASTRUCTURE PHASE
WATER TREATMENT &
STORAGE TANK

CONSTRUCTION PHASE 1
LIMIT LINE

CONSTRUCTION PHASE 2

INFRASTRUCTURE PHASE
WASTE WATER TREATMENT



SHEET TITLE
PHASING PLAN

EXHIBIT NO.
MAP 13

SUBMITTAL DATE
8/28/17 Sketch Plan
2/07/18 Sketch Plan Revisions

THE CORNER AT BRUSH CREEK

Sketch Plan Submittal

Gunnison County, Colorado

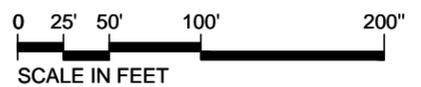


OPEN SPACE

TOTAL OPEN SPACE = 7.8 ACRES, OVER 50%

OPEN SPACE AREAS PROVIDE PASSIVE & ACTIVE RECREATION OPPORTUNITIES, FORM LARGE CONTIGUOUS BLOCKS OF NATURAL AREAS AND PROVIDE AMPLE SPACE FOR BUFFERING AND SOFTENING VIEWS INTO AND THROUGHOUT THE SITE. THE SITE AND PLANTING DESIGN SHALL COMPLIMENT BOTH THE NATURAL AND THE BUILT LANDSCAPE OF THE SURROUNDING COMMUNITIES. AREAS INCLUDED IN THESE OPEN SPACE CALCULATIONS INCLUDE PARKS AND GREEN SPACE, LANDSCAPE ISLANDS WITHIN PARKING LOTS, PEDESTRIAN TRAILS AND SIDEWALKS AND COMMON AMENITY AREAS SUCH AS PATIOS, PICNIC AREAS AND GATHERING SPACES.

- ZONE 1 (2.6 ACRES) - CENTRAL PARK
- ZONE 2 (1.6 ACRES) - COMMUNITY PARK & NATURAL DRAINAGE AREA
- ZONE 3 (1.5 ACRES) - PERIMETER TRAIL & BUFFER
- ZONE 4 (2.1 ACRES) - BUFFER & LANDSCAPE ISLANDS



SHEET TITLE
OPEN SPACE

SUBMITTAL DATE	
8/28/17	Sketch Plan
2/07/18	Sketch Plan Revisions

THE CORNER AT BRUSH CREEK

Sketch Plan Submittal

Gunnison County, Colorado

EXHIBIT NO.

MAP 14



LEGEND

-  SURFACE PARKING & VEHICULAR CIRCULATION
-  PAVED SIDEWALK - 6' WIDE
-  PEDESTRIAN CROSSWALK
-  SOFT SURFACE TRAIL - 5' WIDE
-  SNOW STORAGE AREAS

-  RESIDENTIAL PARKING & NUMBER OF SPACES (MIN. 9'X18')
-  TRANSIT PARKING & NUMBER OF SPACES (MIN. 9'X18')

PARKING SUMMARY

RESIDENT PARKING:
 PARKING GARAGE - 120
 8-PLEX GARAGE - 56
 8-PLEX SURFACE - 56
 DUPLEX GARAGES - 12
 DUPLEX DRIVEWAY - 12
 SURFACE - 144

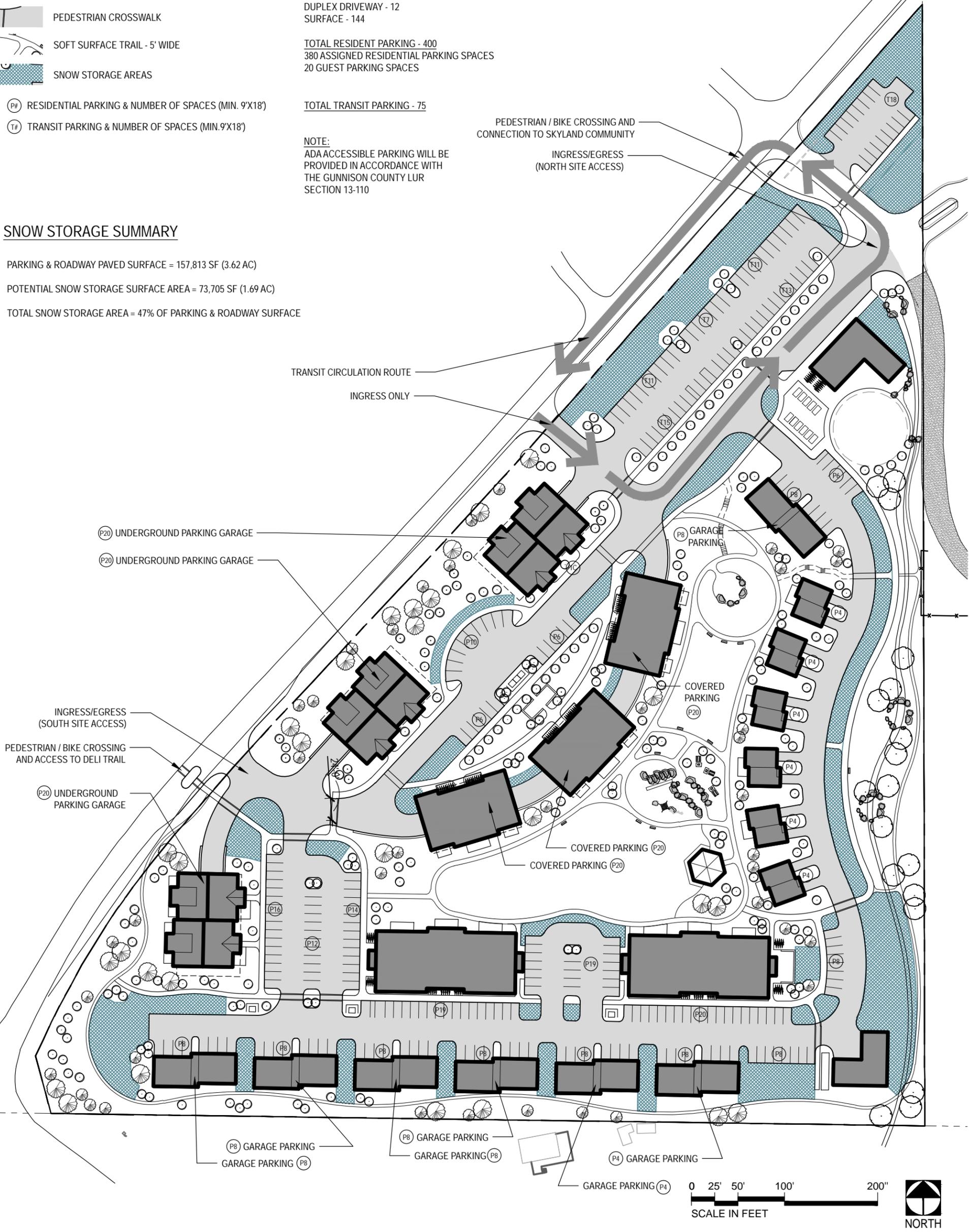
TOTAL RESIDENT PARKING - 400
 380 ASSIGNED RESIDENTIAL PARKING SPACES
 20 GUEST PARKING SPACES

TOTAL TRANSIT PARKING - 75

NOTE:
 ADA ACCESSIBLE PARKING WILL BE PROVIDED IN ACCORDANCE WITH THE GUNNISON COUNTY LUR SECTION 13-110

SNOW STORAGE SUMMARY

PARKING & ROADWAY PAVED SURFACE = 157,813 SF (3.62 AC)
 POTENTIAL SNOW STORAGE SURFACE AREA = 73,705 SF (1.69 AC)
 TOTAL SNOW STORAGE AREA = 47% OF PARKING & ROADWAY SURFACE



SHEET TITLE
PARKING & SNOW STORAGE PLAN

EXHIBIT NO.
MAP 15

SUBMITTAL DATE
 8/28/17 Sketch Plan
 2/07/18 Sketch Plan Revisions

THE CORNER AT BRUSH CREEK
 Sketch Plan Submittal
 Gunnison County, Colorado



LANDSCAPING & BUFFERING

THE LANDSCAPE DESIGN WILL COMPLY WITH THE LUR SECTION 13-111 PLANTING REQUIREMENTS AND SPECIFICATIONS. WHERE POSSIBLE, THE EXISTING NATIVE SAGEBRUSH LANDSCAPE MATERIAL WILL BE PRESERVED AND PROTECTED.

NATIVE AND NATURALIZED PLANT MATERIAL THAT IS APPROPRIATE TO THE SAGE BRUSH ECOSYSTEM AND COMPATIBLE WITH THE ADJACENT BUILT ENVIRONMENT WILL BE SPECIFIED IN THE SITE LANDSCAPE PLAN. VEGETATION WILL BE PLACED TO FRAME OUTDOOR SPACES AND PROVIDE ADDITIONAL COMFORT IN AREAS THAT MAY REQUIRE WINDSCREENS, VISUAL SCREENS AND SHADE. TREES AND BERMS WILL BE PLACED TO SOFTEN VIEWS INTO THE SITE FROM ADJACENT PROPERTIES. NATURAL EXISTING SITE FEATURES SUCH AS THE EXISTING DRAINAGE AND GENERAL TOPOGRAPHY & LAY OF THE LAND WILL BE UTILIZED AS COMMON AMENITIES AND TO TAKE ADVANTAGE OF THE SURROUNDING VIEWS. LOW IMPACT DEVELOPMENT (LID) TECHNIQUES WILL BE INCORPORATED INTO THE SITE AND LANDSCAPE DESIGN TO ADDRESS DRAINAGE NEEDS.

LANDSCAPE MAINTENANCE

IN COMPLIANCE WITH SECTION 13-111 OF THE LUR, ALL LANDSCAPED AREAS SHALL BE MAINTAINED AND KEPT FREE OF ALL DEBRIS, RUBBISH AND NOXIOUS WEEDS. LANDSCAPE INSTALLATION AND MAINTENANCE WILL BE PROVIDED BY THE OWNER AND WILL BE CONSISTENT THROUGHOUT THE DEVELOPMENT.

LANDSCAPE MAINTENANCE WILL INCLUDE AN AUTOMATIC UNDERGROUND IRRIGATION SYSTEM FOR APPROXIMATELY 2 ACRES OF LANDSCAPED AREA. THIS WILL BE A COMBINATION OF DRIP ZONES AND SPRAY ZONES TO MOST EFFICIENTLY DELIVER IRRIGATION WATER.

BUFFER AREA PLANTING
DECIDUOUS & EVERGREEN TREES,
SHRUBS, GRASSES AND PERENNIALS
PLACED TO ACCOMMODATE SNOW
STORAGE NEEDS. (TYP. ALONG BRUSH
CREEK ROAD FRONTAGE)

MOISTURE TOLERANT NATIVE PLANTING IN
EXISTING SEASONAL DRAINAGE AREA

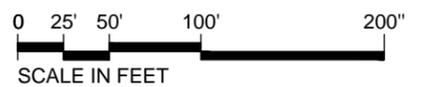
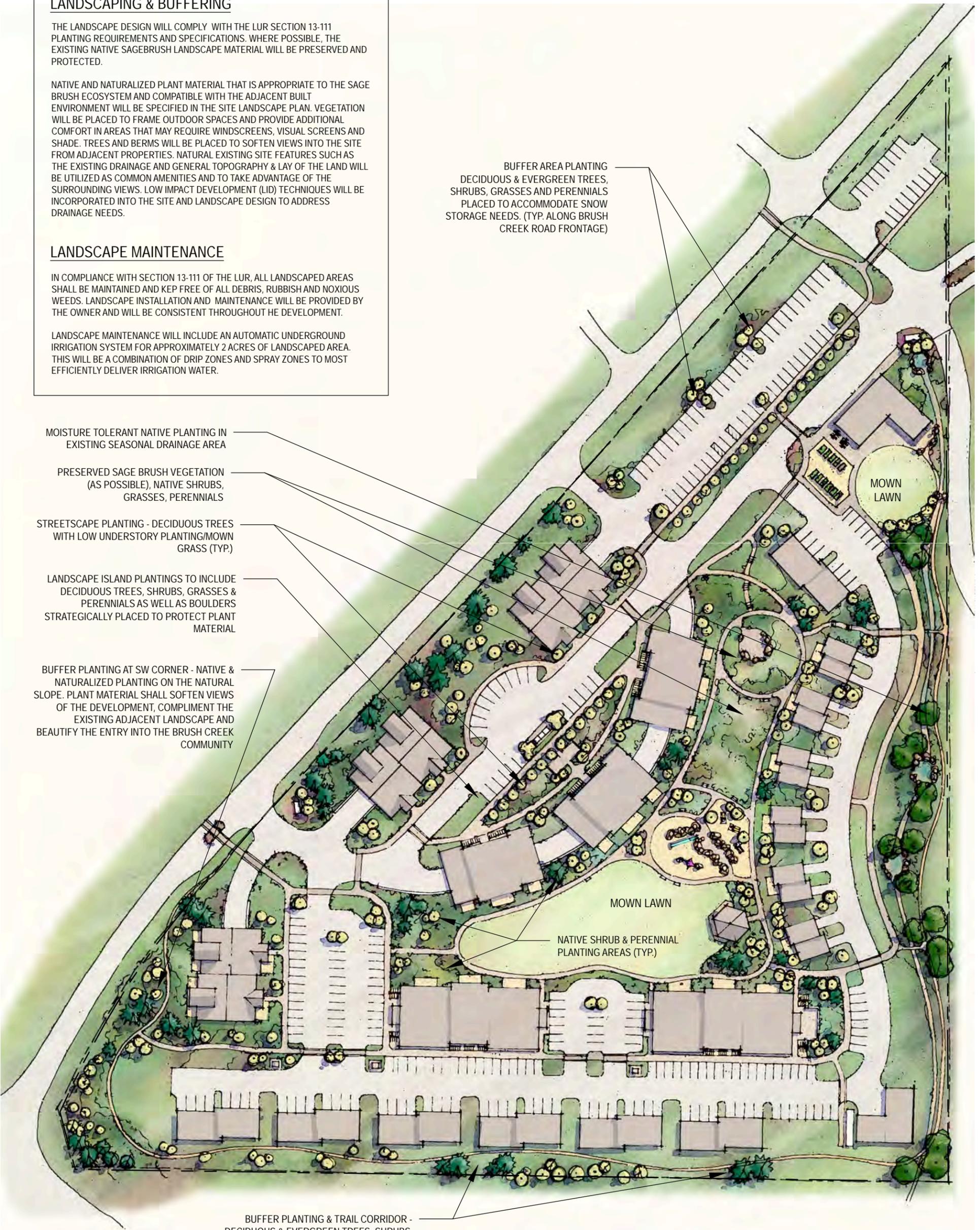
PRESERVED SAGE BRUSH VEGETATION
(AS POSSIBLE), NATIVE SHRUBS,
GRASSES, PERENNIALS

STREETSCAPE PLANTING - DECIDUOUS TREES
WITH LOW UNDERSTORY PLANTING/MOWN
GRASS (TYP.)

LANDSCAPE ISLAND PLANTINGS TO INCLUDE
DECIDUOUS TREES, SHRUBS, GRASSES &
PERENNIALS AS WELL AS BOULDERS
STRATEGICALLY PLACED TO PROTECT PLANT
MATERIAL

BUFFER PLANTING AT SW CORNER - NATIVE &
NATURALIZED PLANTING ON THE NATURAL
SLOPE. PLANT MATERIAL SHALL SOFTEN VIEWS
OF THE DEVELOPMENT, COMPLIMENT THE
EXISTING ADJACENT LANDSCAPE AND
BEAUTIFY THE ENTRY INTO THE BRUSH CREEK
COMMUNITY

BUFFER PLANTING & TRAIL CORRIDOR -
DECIDUOUS & EVERGREEN TREES, SHRUBS,
GRASSES AND PERENNIALS PLACED TO
ACCOMMODATE SNOW STORAGE NEEDS



SHEET TITLE
**LANDSCAPE
PLAN**

EXHIBIT NO.

MAP 16

SUBMITTAL DATE
8/28/17 Sketch Plan
2/07/18 Sketch Plan Revisions

THE CORNER AT BRUSH CREEK
Sketch Plan Submittal
Gunnison County, Colorado



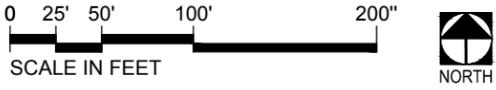
Storm Water Runoff Design Narrative:

The Corner at Brush Creek storm water management system will be designed to meet the following criteria:

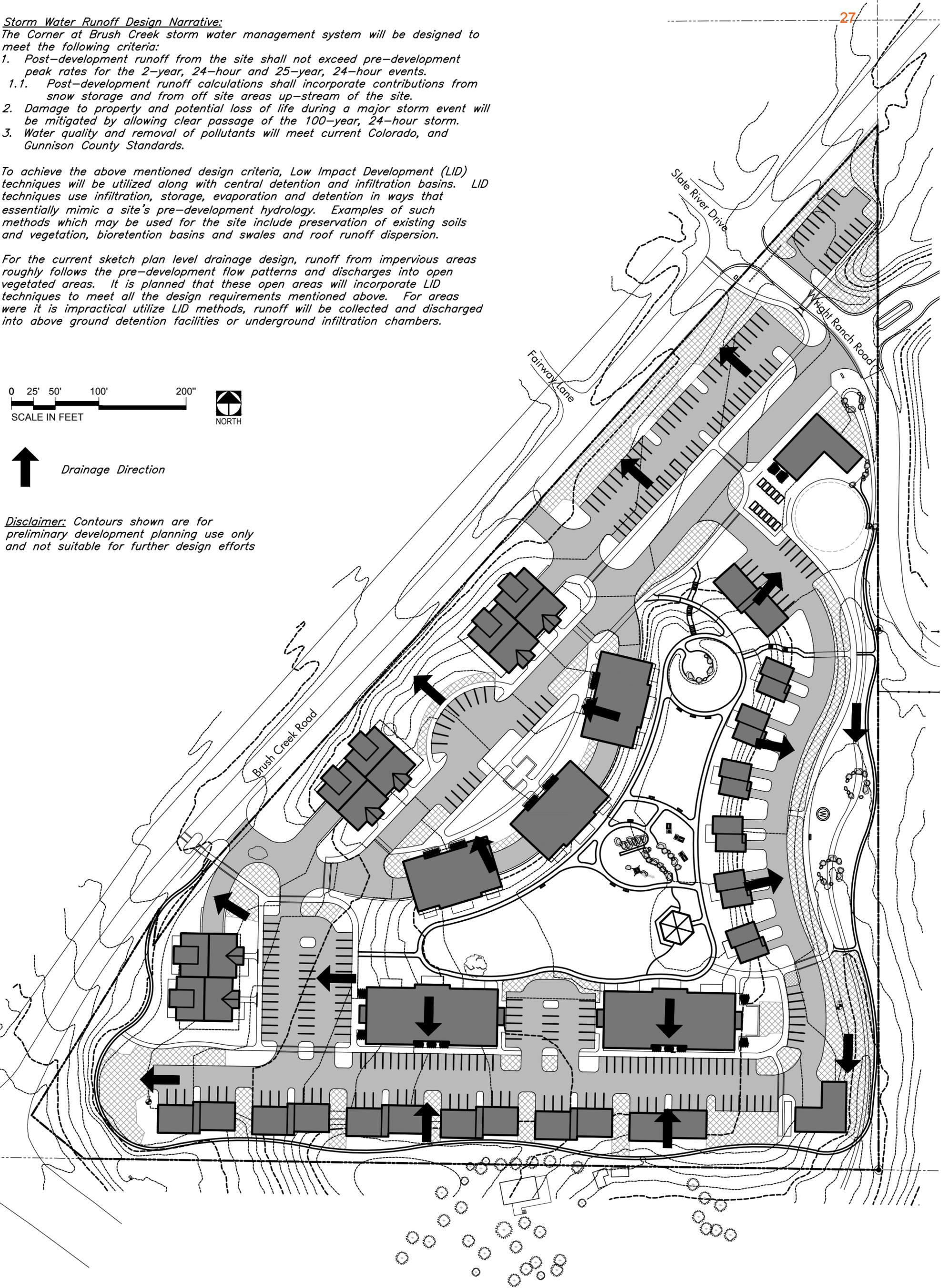
1. Post-development runoff from the site shall not exceed pre-development peak rates for the 2-year, 24-hour and 25-year, 24-hour events.
 - 1.1. Post-development runoff calculations shall incorporate contributions from snow storage and from off site areas up-stream of the site.
2. Damage to property and potential loss of life during a major storm event will be mitigated by allowing clear passage of the 100-year, 24-hour storm.
3. Water quality and removal of pollutants will meet current Colorado, and Gunnison County Standards.

To achieve the above mentioned design criteria, Low Impact Development (LID) techniques will be utilized along with central detention and infiltration basins. LID techniques use infiltration, storage, evaporation and detention in ways that essentially mimic a site's pre-development hydrology. Examples of such methods which may be used for the site include preservation of existing soils and vegetation, bioretention basins and swales and roof runoff dispersion.

For the current sketch plan level drainage design, runoff from impervious areas roughly follows the pre-development flow patterns and discharges into open vegetated areas. It is planned that these open areas will incorporate LID techniques to meet all the design requirements mentioned above. For areas where it is impractical utilize LID methods, runoff will be collected and discharged into above ground detention facilities or underground infiltration chambers.



Disclaimer: Contours shown are for preliminary development planning use only and not suitable for further design efforts



SHEET TITLE
PROPOSED DRAINAGE MAP

EXHIBIT NO.
MAP 18

SUBMITTAL DATE
 8/28/17 Sketch Plan
 2/07/18 Sketch Plan Revisions

THE CORNER AT BRUSH CREEK
 Sketch Plan Submittal
 Gunnison County, Colorado





**BOARD OF COUNTY COMMISSIONERS OF GUNNISON COUNTY
RESOLUTION NO. 2018 - 28**

**A RESOLUTION APPROVING THE SKETCH PLAN FOR
LUC-17-00034
APT BRUSH CREEK ROAD, LLC (AKA The Corner at Brush Creek)**

WHEREAS, The applicant proposes the development of 220 units on the subject parcel. 63.6% (140) of the units will be deed restricted to qualifying households earning less than 180% of the Area Median Income. 108 (49%) of the total units are deed restricted for households earning less than 120% of Area Median Income and meet the definition of "workforce" as stated in Section 2-102: *Definitions* of the Gunnison County *Land Use Resolution* and also meet the definition of essential qualified households by the Gunnison Valley Regional Housing Authority. The remainder of the units (80) will be free market rental units. This application will include a subdivision including the townhome units (20 parcels), rental units (1 parcel), and parking lot parcel (1 parcel).

200 of the total units are proposed as rental units and twenty (20) units are proposed as for sale units. The for sale units are proposed to be deed restricted but the AMI criteria have not been proposed by the applicant at this time. The applicant has proposed to offer developer construction and seller financing for buyers of the for sale units; no buyer shall be required to utilize the seller financing. The proposed financing terms are a 3% down payment, 30-year amortization, and a low interest rate. The propose interest rate is fixed, determined as the 30-year Treasury Rate plus 60 basis points at the time of acquisition.

The deed restrictions will include Area Median Income (AMI) limits and other criteria. These restrictions are necessary to ensure that housing remains permanently available for the local workforce. Deed restricted units will each be priced at no more than 30% (including utilities) of an individual's or families' income. The categories and number of units have been modified since the original Sketch Plan application and the revised proposal includes:

Revised Plan: May, 2018			
Unit Type	Incremental Units	Cumulative Units	Cumulative % of Total Units
Restricted: <50% AMI	33	33	16.5%
Restricted: <80%	49	82	41%
Restricted: <120%	26	108	54%
Restricted: <180%	12	120	60%
No Income Restriction	80	200	100%
For Sale Deed Restricted	20/20	20	100%
Total Deed Restricted	140/220	220	63.63%

Deed restrictions are proposed as follows: the Household must have at least one "Resident," which means "a natural person who (i) at the time of rental of a Restricted Unit, earns his or her living from a business operating in and serving Gunnison County, by working at such business an average of at least 30 hours per week on an annual basis, or (ii) is a person who is approved, in writing, by GVRHA or the County which approval shall be based upon criteria including, but not limited to, total income, percent of income earned within Gunnison County, place of voter registration, place of automobile registration, and driver's license address and other qualifications established by the GVRHA or the County from time to time. A person over 65 years of age shall remain a Resident regardless of his or her working status, so long as he or she has occupied the Property for a time period of not



less than seven years. Full time residents of Gunnison County who are persons with disabilities are not required to be employed. The term "business" as used in this definition shall mean an enterprise or organization providing goods and/or services, whether or not for profit, and shall include, but not be limited to, educational, religious, governmental and other similar institutions.

The applicant proposes a minimum lease term of six months and preference for Gunnison County residents for all units (deed restricted and free market) in compliance with federal regulations.

The applicant proposes the following buildings on the subject parcel:

Building Type	Quantity	Estimated Square Footage Per Building	Aggregate Square Footage
Duplex	10	3,200 sq ft	32,000 sq ft
8-plex	6	8,000 sq ft	48,000 sq ft
10-plex	6	9,000 sq ft	54,000 sq ft
16-plex	3	12,800 sq ft	38,400 sq ft
22-plex	2	18,000 sq ft	36,000 sq ft
Transit/Community Center	1	4,500 sq ft	4,500 sq ft
Maintenance and Wastewater	1	3,000 sq ft	3,000 sq ft
Total	29		215,900 sq ft

A community and transit center is proposed on the northeast corner of the parcel. The footprint of the community center will be approximately 4,500 square feet and house space for events, meetings and a communal bike/ski workshop. Post office boxes are to be included in the building and office space for the Gunnison County Sheriff. A convenience store/coffee shop, approximately 1,000 square feet in size, will also be housed in the community center building.

The Brush Creek transit stop for Regional Transportation Authority (RTA) and Mountain Express are proposed to be located at the community center and serve the entire Brush Creek area. Bike racks and restrooms will be available to the general public that may be utilizing the bus stop. The applicant initially proposed the development and paving of a parking lot for the transit center. The applicant now proposes to subdivide that portion of the parcel and deed it to Gunnison County who may determine how to develop the intercept parking lot with other MOU participating parties in the future.

Other amenities included in the proposal include: playing fields, trails, a playground, picnic area, and a dog park. A trail connection to the Deli Trail is proposed that would allow future connection to a possible Crested Butte to Crested Butte South trail. 8.1 acres (50%) of the parcel is proposed as open space.

The project is proposed to be developed in two phases, as shown on Map 13, Phasing Plan, dated April 16, 2018.

Phase 1 includes: Infrastructure (utilities, roads, parking areas serving the units constructed), the transit/community center, the 10-plexes (60 units) along the northwest side of the property, and the 16-plexes near the middle of the property (48 units) and for sale townhomes, along the eastern property line, and the amenities as identified on Map 13, Phasing Plan, dated April 16, 2018.

Phase 1 will include the construction of 108 units; 63.6% (68 units) of the Phase 1 units will be deed restricted while the remaining 40 units will be free market. The majority of the park, trails, and open space amenities are included for development in this phase (see Map 13 for better depiction).

Phase 2 includes: the remaining residential units, based on market demand, remaining infrastructure (for Phase 2 units) and remaining trail and open space amenities. Phase 2 units will be constructed based on market demand



and no timeframe for construction is identified at this time. As units are constructed in Phase 2 the applicant proposes to maintain the restricted/free market ratio, for example, if a building with 24 units is constructed, 63% (15) of those units would be deed restricted while the remaining 37% (9) would be free market. All rental units are proposed to be held under the single ownership and managed by Gatesco. An onsite management office is proposed.

The applicant proposes to supply water to the development via one or more wells which will be augmented by purchase of water from Meridian Lake through a contract with the Upper Gunnison River Water Conservancy District. In an email dated July 19, 2018 attorney Kendall Burgemeister stated, "The Skyland Metro District has made it clear that provision of water to the project is not possible."

Central sewage disposal is proposed. The applicant's preferred option is the construction of central sewage treatment facility on-site. It may also be possible for the development to connect to the East River Regional Sanitation District.

The subject parcel is located on the southeast corner of the intersection of Brush Creek Road and Highway 135, approximately 1.5 miles south of the Town of Crested Butte. The parcel is approximately 14.29 acres and is legally described as all of the land in Section 12, Township 14 South, Range 86 West, 6th p.m., lying south and east of Brush Creek Road, and west of Larkspur Subdivision and Red Feather Subdivision, excepting any portion that may lie south and west of the southwest boundary of Colorado State Highway 135.

Modifications Requested per Section 9-604: Incentives to Provide Essential Housing

The applicant has requested the following modifications as allowed per Section 9-604: *Incentives to Provide Essential Housing*:

- Section 10-103: C. 3.a.1 *Development Served by Public Wastewater Treatment System*: In the Sketch Plan submittal the applicant has identified three options for wastewater treatment: connection to the East River Regional Sanitation District, connection to the Town of Crested Butte wastewater treatment plant, or construction of an on-site wastewater treatment facility. If the applicant pursues the option of construction of an on-site wastewater treatment facility a modification shall be requested to Section 10-103:C.3.a.1. which requires that a "development is or will be served by a public wastewater treatment system." The LUR defines Public Services and Facilities as: "those services and facilities provided by a public entity or public utility (including but not limited to, any municipality, county, or special district) including, but not limited to, roads, trails, schools, wastewater treatment, water treatment...". The proposed on-site wastewater treatment facility does not meet the definition of a public service or facility.
- Section 13-103: H. *Allowed Structure Heights*: The February 7, 2018 Sketch Plan supplemental states that the estimated building heights will be between 26 feet and 35 feet. Andrew Hadley, architect for the applicant, explained that the maximum roof height (as measured per County standards of Section 13-103: H. *Allowed Structure Heights*) is 32 feet for the 10-plexes and flat roof buildings.
- Section 13-104: *Setbacks from Property lines and Road Rights-of-Way*, the applicant proposes an approximate 45-foot setback from the edge of Brush Creek Road. Front, side and rear setbacks are shown on Map 12, "Development Layout Plan," dated April 16, 2018. The Development Layout Plan depicts a 45-foot setback from the edge of the Brush Creek Road for the proposed buildings. Section 13-104 requires a 40-foot setback from the edge of the County road right-of-way.

While this incentive allows an exception to property line setbacks it does not mention setbacks from roads. However, Section 9-604: A.6. does allow the decision making-body to modify standards in Article 13 which includes setbacks from roads.

- Section 13-105: *Residential Building Sizes and Lot Coverages*, the applicant proposes the construction of buildings in excess of the maximum size thresholds identified in this Section. The applicant has proposed buildings that range in size from 3,200 to 18,000 square feet, with a total approximate square footage of 215,900 square feet.



Staff has determined that this issue is not governed by the standards of Section 13-105: G. when reviewing the proposed modification, rather the issue is governed by the standards of Section 9-604: A. 6. *Modified Development Standards* related to energy efficiency, amenities, design, etc.

Changes to Original Sketch Plan Application Submittal

The application has evolved since the original submittal and the applicant has made the following changes including but not limited to:

- Increased setback along Brush Creek Road from 30' to 45'
- Decreased building density along Brush Creek Road
- Reduced bedroom count from 408 to 341 with a projected population reduction from approximately 600 people to approximately mid-500 people.
- Increased residential parking from 361 to 410 spaces, including 31 designated for visitors, with an additional 38 parking spaces available based on future demand (448 spaces total)
- Increased number of covered parking spaces
- Elimination of the transit parking lot (parcel to be conveyed to County for future development)
- Decreased building square footage from approximately 280,000 square feet to 215,900 square feet
- Decreased building count to 29 buildings, including reduction of four buildings along Brush Creek Road in response to public concern about view corridors
- 20 For Sale Units
- Additional units at lower AMI categories

Applicant Proposes Conditions for Sketch Plan Approval

An email from applicant attorney, Kendall Burgemeister, dated July 19, 2018 stated:

"The Applicant is ready, willing, and committed to continue to engage in all productive conversations with the various stakeholder groups that could ultimately result in a project that is still feasible yet more palatable to the objectors (e.g. discussions with ERRSD regarding a pumpback project). First and foremost of these conversations will be discussions with the four MOU partners to obtain a majority vote to allow the applicant to develop the property. The Applicant would accept a condition of sketch plan approval that requires the Applicant to obtain the consent of three of the four partners to the MOU before the Applicant submits an application for preliminary and final plan approval."

WHEREAS, a joint public hearing was conducted February 16, 2018, March 2, May 4, June 1, and July 20, 2018 by the Planning Commission and Board of County Commissioners; and

WHEREAS, after a review of the application and all information, documentation and testimony related to it, the Gunnison County Planning Commission did, at its regular meeting on August 3, 2018 forward to the Board of County Commissioners a Recommendation of approval of that application with certain Findings and Conditions;

NOW, THEREFORE, the Board hereby adopts in full the Planning Commission's Recommendation, with these Findings:

1. Approval of this Sketch Plan application constitutes a final decision of approval for the general development concept only, but shall not constitute approval of any detailed design or engineering submittals or proposed solutions to specific problems revealed during the Sketch Plan review or later in the review process. Sketch Plan approval by the Board shall not constitute approval of the Major Impact project, or permission to proceed with construction of any aspect of the proposed land use change. Approval at this stage only authorizes the applicant to submit a Preliminary Plan application. If, during the Preliminary and Final Plan reviews, the applicant is unable to fulfill all of the requirements of this Resolution or any requirements imposed as part of the Preliminary or Final Plan review, then the application shall be denied at the Preliminary or Final Plan review stage.
2. The applicant stated that they would accept a condition of sketch plan approval that requires the applicant to obtain the consent of at least three of the four parties (Gunnison County, Town of



Crested Butte, Town of Mt. Crested Butte, Crested Butte Mountain Resort) to the Memorandum of Understanding (MOU) before the applicant submits an application for preliminary and final plan approval.

3. This application, by definition, is classified as a Major Impact.
4. Pursuant to Section 7-102:Standards of Approval for Major Impact Projects:
 - a. This Sketch Plan application is generally consistent with the standards and requirements of the *Resolution*, pursuant to Section 7-103, *i.e.*, compliance of the proposed land use change with the standards of the *Resolution* are required to be determined broadly and conceptually during Sketch Plan review. This application has broadly addressed, and the Commission has broadly evaluated this submittal for its integration of the standards of the *Resolution* within its conceptual presentation of the proposed development. The burden in the Preliminary Plan review is on the applicant to provide detailed information and mitigation proposals for evaluation.
 - b. A determination of whether or not the proposed land use change would result in a significant adverse net effect to adjacent land uses can occur only after the applicant has designed mitigations in response to conflicts and general issues raised during this Sketch Plan review process. While the applicant has proffered conceptual mitigations to elements that have been raised as issues by the public and by the Planning Commission, determination of the effectiveness of those proposals requires additional information that engineered solutions might provide.
 - c. Phasing has been proposed by the applicant within this Sketch Plan submittal.
 - d. All uses have been identified on lots within this proposed subdivision.
5. The following have been identified as significant issues related to this application during the Sketch Plan review process:
 - a. Density
 - b. Compatibility
 - c. Intensity of uses
 - d. Amenities
 - e. Buffering the neighbors from impacts
 - f. Building concepts, materials, and design standards
 - g. Sketch elevations
 - h. Maintaining existing trail easements
 - i. Water supply and wastewater treatment
 - j. Review of Town of Crested Butte's Three Mile Plan in the context of the proposed density and impacts to recreation
 - k. Traffic congestion, flow, safety and bus loops
 - l. Bus service
6. For purposes of this Sketch Plan approval, the project is compatible if it has density of no more than 180 units; this finding does not suggest that at Preliminary or Final Plan a lesser number would not be approved.
7. The need for essential housing units whose cost do not exceed 120% AMI is a priority of Gunnison County.
8. The conceptual designs of the proposed buildings are generally compatible with the surrounding neighborhoods including but not limited to the renderings of proposed materials and flat and gabled roof designs.



9. The proposed application includes 49% essential housing as defined by the Gunnison County Land Use Resolution and Gunnison Valley Regional Housing Authority. The proposed project includes 63% of the units will be deed restricted housing with income and residency requirements up to 180% of the Area Median Income.
10. The application meets the criteria set forth in Section 9-604: *Incentives Required to Provide Essential Housing*, and the Planning Commission may determine which incentives are appropriate to grant to this project.
11. The applicant has requested the following incentives (also referred to as modifications) in compliance with Section 9-604 which are hereby approved conceptually as part of the Sketch Plan application; further review and final determination of approval will occur at Preliminary and Final Plan application:
 - a. Section 10-103: C. 3.a.1 Development Served by Public Wastewater Treatment System: In the Sketch Plan submittal the applicant has identified three options for wastewater treatment: connection to the East River Regional Sanitation District, connection to the Town of Crested Butte wastewater treatment plant, or construction of an on-site wastewater treatment facility. If the applicant pursues the option of construction of an on-site wastewater treatment facility a modification shall be requested to Section 10-103:C.3.a.1. which requires that a "development is or will be served by a public wastewater treatment system." The LUR defines Public Services and Facilities as: "those services and facilities provided by a public entity or public utility (including but not limited to, any municipality, county, or special district) including, but not limited to, roads, trails, schools, wastewater treatment, water treatment...". The proposed on-site wastewater treatment facility does not meet the definition of a public service or facility.
 - b. Section 13-103: H. *Allowed Structure Heights*: The February 7, 2018 Sketch Plan supplemental states that the estimated building heights will be between 26 feet and 35 feet. Andrew Hadley, architect of the applicant, explained that the maximum roof height (as measured per County standards of Section 13-103: H. *Allowed Structure Heights*) is 32 feet for the 10-plexes and flat roof buildings.
 - c. Section 13-104: *Setbacks from Property lines and Road Rights-of-Way*, the applicant proposes an approximate 45-foot setback from the edge of Brush Creek Road. Section 13-104 requires a 40-foot setback from the edge of the County road right-of-way.
 - d. Section 13-105: *Residential Building Sizes and Lot Coverages*, the applicant proposes the construction of buildings in excess of the maximum size thresholds identified in this Section. The applicant has proposed buildings that range in size from 3,200 to 18,000 square feet, with a total approximate square footage of 215,900 square feet.
12. There is a proposed commercial use on the subject parcel. While commercial uses have been approved in Buckhorn Ranch and Skyland/the Club at Crested Butte, their existence sets no precedent that additional commercial uses proposed at the Corner at Brush Creek are compatible with established uses in the area. However, the Commission finds, based upon the existence of other subdivisions with commercial recreational amenities in the impact area (particularly Skyland/the Club at Crested Butte) that uses similar to those proposed are established in the area. Therefore, the concept of locating a residential subdivision with similar amenities and similar restrictions regarding hours and types of use in the area is reasonable.
13. There is a proposed community and transit center on the subject parcel. The concept of the transit center would provide an opportunity to create greater connectivity from the Brush Creek area to the Towns of Crested Butte and Mt. Crested Butte and to the City of Gunnison. Thus, the Commission finds that, consistent with the LUR, the proposed center is a benefit to the Brush Creek neighborhood and to the Gunnison Valley as a whole.



14. A requisite component of the proposal at Preliminary Plan shall be dedication of an area for an intercept parking lot and transit; this shall be in addition to parking for the residents of the development. The method of the dedication may include conveyance of land, long-term lease or other alternatives. The applicant shall not be responsible for the cost of construction, maintenance or operation of the intercept parking lot.
15. Gunnison County has not adopted the Crested Butte Three Mile Plan nor has the County entered into an intergovernmental agreement with the Town of Crested Butte. Therefore, the provisions of the Crested Butte Three Mile plan are not mandatory. The County has nonetheless considered the Crested Butte Three Mile Plan in a reasonable attempt to remain attentive to the concerns of the Town, and will continue to consider the Town's Three Mile Plan as this process continues.
16. Neighboring property owners and others in the community have argued that the proposed density is not compatible with the existing Brush Creek neighborhood. For the reasons set forth in this document and consistent with the LUR, the Commission finds that such arguments should not prevent or preclude approval of the sketch plan with the conditions set forth below.
17. A determination of whether or not the proposed land use change has demonstrated that conditions are appropriate for greater density on the subject parcel can occur only after the applicant has designed mitigations in response to conflicts and general issues raised during this Sketch Plan review. While the applicant has proffered conceptual mitigations for possible impacts (connection to services such as GCEA, RTA, and public trails; the development of protective covenants and design standards that will ensure compatibility with the neighborhood; landscaping; limitations on outside storage; preservation of 56% open space; and the establishment of deed restricted essential housing units to elements); determination of the effectiveness of those proposals requires the additional information that engineered solutions might provide.
18. Mapping from the U.S. Fish and Wildlife Service indicates that there may be wetlands on the subject parcel.
19. Traffic flow on Brush Creek Road, intersection with Hwy 135, winter conditions, bus turnaround on subject parcel, and safety of all intersections are some of the concerns that have been expressed by the public.
20. The proposed access from Highway 135 and Brush Creek Road will need to be evaluated by the Colorado Department of Transportation and Gunnison County Public Works at Preliminary Plan.
21. The public trails proposed on the subject parcel are an important amenity to connect the development to multi-modal transportation options and to align with community values.
22. The water supply is proposed to be obtained from a central well or wells.
23. Wastewater treatment is proposed by either a central treatment system onsite; connection to the East River Regional Sanitation District; or the Town of Crested Butte.
24. The site plan has not been fully developed at Sketch Plan and the applicant has not made a final determination of the setbacks at this time.
25. The applicant has proposed 410 parking spaces, with 38 additional spaces identified for future demand.
26. A landscaping plan has been submitted as Map 16 of the Sketch Plan submittal, dated April 16, 2018.
27. The applicant proposes an aggregate square footage of 215,900 square feet on the parcel.
28. Fifty-six percent (56%) of the parcel is proposed as open space.



29. Draft protective covenants are required to be submitted with the Preliminary Plan application.
30. Integration of the standards of Section 13-119: *Standards to Ensure Compatible Uses*, as well as other measures to mitigate issues raised during this Sketch Plan review is required within the Preliminary Plan submittal. Issues that have been identified relative to compatibility include but are not limited to: density, intensity of uses, amenities, buffering the neighbors from impacts, building concepts, materials, and design standards, sketch elevations, maintaining existing trail easements, water supply and wastewater treatment, compliance with Town of Crested Butte's Three Mile Plan in the context of the proposed density and impacts to recreation, traffic congestion, flow, safety and bus loops, and bus service.
31. This review and decision incorporates, but is not limited to, all the documentation submitted to the County and included within the Planning Office file relative to this application; including all exhibits, references and documents as included therein.

NOW, THEREFORE, BE IT RESOLVED by the Board of County Commissioners of Gunnison County, Colorado, that no additional public hearing on the APT Brush Creek Road, LLC Sketch Plan need be conducted by the Board, and further, the Board hereby approves the APT Brush Creek Road, LLC Sketch Plan for LUC No. 2017-00034 as recommended by the Planning Commission, with the following conditions:

1. As proposed by the applicant, and accepted as a finding, prior to submittal of the Preliminary Plan, and prior to submittal of the Final Plan, the applicant shall obtain consent of three of the four parties (Gunnison County; Town of Crested Butte; Town of Mt. Crested Butte; Crested Butte Mountain Resort) to the MOU.
2. Pursuant to Section 7-103: C., in the submittal of Preliminary Plan, the applicant shall formulate detailed, designed/engineered solutions to the issues and concerns identified during this Sketch Plan review, and shall address, in a site-specific manner, all other issues that are relevant to the Preliminary Plan.
3. The Preliminary Plan application shall address how the application and proposed development will address the following issues identified during the Sketch Plan review process:
 - a. Density
 - b. Compatibility
 - c. Intensity of uses
 - d. Amenities
 - e. Buffering the neighbors from impacts
 - f. Building concepts, materials, and design standards
 - g. Sketch elevations
 - h. Maintaining existing trail easements
 - i. Water supply and wastewater treatment
 - j. Compliance with Town of Crested Butte's Three Mile Plan in the context of the proposed density and impacts to recreation
 - k. Traffic congestion, flow, safety and bus loops
 - l. Bus service
4. For purposes of this Sketch Plan approval, the project is compatible if it has density of no more than 180 units; this finding does not suggest that at Preliminary or Final Plan a lesser number would not be approved.
5. The AMI ratio shall remain proportionally the same for the proposed 180 units and with the consideration that the numbers of units at 120% AMI and below remain the same, as economically feasible, and as identified in the Second Sketch Plan Submittal.



6. As part of the Preliminary Plan application, the applicant shall submit a detailed phasing plan for Phase 2.
7. Certain comments submitted by the public, including but not limited to the Town of Crested Butte, are matters appropriately addressed at the Preliminary Plan phase rather than the Sketch Plan phase.
8. The applicant shall submit protective covenants as part of the Preliminary Plan application in compliance with Section 7-301: K. *Protective Covenants or Restrictions*. The protective covenants shall include language that all units on the subject parcel shall have a rental and ownership preference for Gunnison County residents, in compliance with federal laws.
9. The Protective Covenants shall include design standards that are generally compatible with the design standards of other subdivisions (i.e. Skyland and Larkspur) in the Brush Creek corridor including use of similar materials and architectural styles.
10. There shall be no lease terms less than six months on the subject parcel for any of the residential units. Short-term rentals shall be prohibited; for purposes of this condition short-term rental shall mean the rental of any unit for less than a period of six months.
11. The applicant shall submit a list and photograph of proposed building materials, elevations and visual renderings of all proposed buildings as part of the Preliminary Plan application.
 - a. The visual renderings are required to be submitted as part of the Preliminary Plan application and shall include site design impacts demonstrated, at a minimum from the following points: Wright Ranch Road, the intersection of Brush Creek Road and Highway 135; from the intersection of Slate River Road and Fairway Lane; and ¼ to ½ mile north and south on Highway 135 from the Brush Creek Road intersection.
 - b. Building materials and building design are a critical component of determining compatibility. The buildings shall be designed in a manner that complements the existing architecture and materials that exist in the Brush Creek corridor. Final proposed building heights shall also be included.
12. The applicant shall submit a site plan in compliance with Section 13-104: *Setbacks from Property Lines and Road Rights-of-Way* as part of the Preliminary Plan. The applicant shall work with the County Public Works Director to identify the road right-of-way width and maintain a setback from that right-of-way of 40 feet to the maximum extent feasible. If a modification to setbacks is proposed, the applicant shall identify the proposed modification in the Preliminary Plan application.
13. A requisite component of the proposal at Preliminary Plan shall be dedication of an area for an intercept parking lot and transit; this shall be in addition to parking for the residents of the development. The method of the dedication may include conveyance of land, long-term lease or other alternatives. The applicant shall not be responsible for the cost of construction, maintenance or operation of the intercept parking lot.
14. The applicant shall identify how the proposed project modifications allowed per Section 9-604: A. 6. *Modified Development Standards*, will result in residences that will be more energy-efficient, will provide more amenities, or improved design, and will not jeopardize public health, safety or welfare than if the modifications are not approved.
15. The applicant shall submit an analysis of how the project comports with the 2016 Gunnison Valley Housing Needs Assessment, particularly the identification of numbers of units needed at differing AMI categories in the north end of the Gunnison valley.



16. The applicant shall submit a detailed outline of what unit types and in which building(s) (including rental and for sale), units will be available at each AMI category as part of the Preliminary Plan application.
17. The applicant shall consult the Gunnison Valley Regional Housing Authority (GVRHA) to develop draft deed restrictions for the applicable rental units and for sale units and submit those as part of the Preliminary Plan application.
18. The applicant shall, to the maximum extent feasible, adopt deed restrictions on the proposed units that shall be maintained in perpetuity. The applicant shall provide a narrative explaining how the deed restrictions for all units will be maintained in perpetuity, even in the case of foreclosure
19. A third-party oversight agency (such as GVRHA or Gunnison County) shall be the oversight agency responsible for verifying that all tenants and/or buyers meet the deed restriction criteria; the developer may be responsible for paying an administrative fee to that entity for the service.
20. Gunnison County shall maintain the right and authority to enforce deed restrictions placed on the units in this application.
21. The uses of the community center shall be outlined in the Preliminary Plan including hours of operation, commercial uses and expected impacts.
22. A wetland delineation shall be completed in compliance with Section 11-107: *Protection of Water Quality*.
23. The proposed trails on the parcel shall be dedicated and open to the public at-large. A trail easement for possible future connection from Crested Butte to Crested Butte South shall be included in the Preliminary Plan submittal.
24. A water supply plan, in compliance with Section 12-105: *Water Supply* shall be submitted as part of the Preliminary Plan application.
25. The water supply plan shall identify a set of best management practices (including measures, methods, and techniques) for water conservation as part of the Preliminary Plan application.
26. In compliance with the recommendations from the applicant's consultant, John Kaminsky, P.G.:
 - a. A pressure transducer shall be installed in the well on the subject parcel (aka Well MH-23084) which will automatically log the groundwater level on a regular basis prior to submittal of the Preliminary Plan application.
 - b. A step rate efficiency test of the same well shall be completed prior to submittal of the Preliminary Plan application.
27. The applicant shall work with a Colorado licensed water engineer or professional geologist to identify the impacts of proposed wells on neighboring and nearby wells. One or more pressure transducers shall be installed on such neighboring and nearby well(s), subject to permission of well and/or property owners.
28. The applicant shall complete a well pump test in January or February to ensure that a year-round consistent supply of water will be available to the proposed development in compliance with Section 12-105: *G. Well Testing*.
29. A plan for wastewater treatment in compliance with Section 12-106: *Sewage Disposal/Wastewater Treatment* shall be submitted as part of the Preliminary Plan application.



30. The applicant shall submit a written application for service to the East River Regional Sanitation District (ERRSD) prior to submittal of the Preliminary Plan application. The applicant shall work to obtain wastewater treatment service from the ERRSD to the maximum extent feasible. If it is determined to not be feasible by the applicant, a financial analysis of connection to ERRSD compared with development of new on-site wastewater treatment facility shall be submitted as part of the Preliminary Plan application.
31. The applicant shall submit a traffic study in compliance with Section 12-106: E. as part of the Preliminary Plan application.
32. The County reserves the right to require a third party review of the traffic study and the impacts of traffic on Brush Creek Road and Highway 135; the applicant shall be responsible for a pro-rata share of that cost.
33. Berms and/or other landscaping that will screen the development from neighboring property owner, particularly along Brush Creek Road and Wright Ranch Road shall be included as an element of the Preliminary Plan submittal, along with visual renderings of how the landscaping will appear in year 1, year 5 and year 10.
34. Integrating the standards of Section 13-119: *Standards to Ensure Compatible Uses*, as well as other measures to mitigate issues raised during this Sketch Plan review, is required within the Preliminary Plan submittal. Mitigation must address: density, compatibility, intensity of uses, amenities, buffering the neighbors from impacts, building concepts, materials, and design standards, sketch elevations, maintaining existing trail easements, water supply and wastewater treatment, compliance with Town of Crested Butte's Three Mile Plan in the context of the proposed density and impacts to recreation, traffic congestion, flow, safety and bus loops, and bus service.
35. Preliminary and final plan applications shall not be combined. Each phase shall be submitted separately.
36. Approval of this Sketch Plan application constitutes a final decision of approval for the general development concept only, but shall not constitute approval of any detailed design or engineering submittals or proposed solutions to specific problems revealed during the Sketch Plan review or later in the review process. Sketch Plan approval by the Board shall not constitute approval of the Major Impact project, or permission to proceed with construction of any aspect of the proposed land use change. Approval at this stage only authorizes the applicant to submit a Preliminary Plan application. If, during the Preliminary and Final Plan reviews, the applicants are unable to fulfill all of the requirements of this Resolution or any requirements imposed as part of the Preliminary or Final Plan review, then the application shall be denied at the Preliminary or Final Plan review stage.
37. The applicant shall be required to submit and actively pursue the completion of the Preliminary Plan application within 12 months after the date of approval of the Sketch Plan. Per Section 7-202: Q. *Extension of Submittal Deadline*, the Board may extend the deadline to submit a Preliminary Plan application for no more than 12 months beyond the date of the 12-month expiration, and only one extension may be granted. Failure to submit a complete Preliminary Plan application within this time period shall render the Sketch Plan approval null and void, and require the applicant to begin the Sketch Plan review process again.
38. This approval is founded on each individual requirement. Should the applicant successfully challenge, in a judicial proceeding, any such finding or requirement, this approval is null and void.
39. This Sketch Plan approval may be revoked or suspended if Gunnison County determines that any material fact set forth herein or represented by the applicant was false or misleading, or that the applicant failed to disclose facts necessary to make any such fact not misleading.



- 40. The removal or material alteration of any physical feature of the property (geological, topographical or vegetative) relied on herein to mitigate a possible conflict shall require a new or amended land use change application.
- 41. Approval of this use is based upon the facts presented and implies no approval of similar use in the same or different location and/or with different impacts on the environment and community. Any such future application shall be reviewed and evaluated, subject to its compliance with current regulations, and its impact to the County.

THIS RESOLUTION AND THE APPROVAL GRANTED HEREBY shall not be effective unless and until a copy is recorded in the Office of the Clerk and Recorder of Gunnison County.

INTRODUCED by Commissioner Messner, seconded by Commissioner HOUCK, and adopted on this 7th day of August, 2018.

**BOARD OF COUNTY COMMISSIONERS
OF GUNNISON COUNTY, COLORADO**



Phil Chamberland, Chairperson

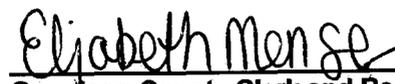


Jonathan Houck, Commissioner



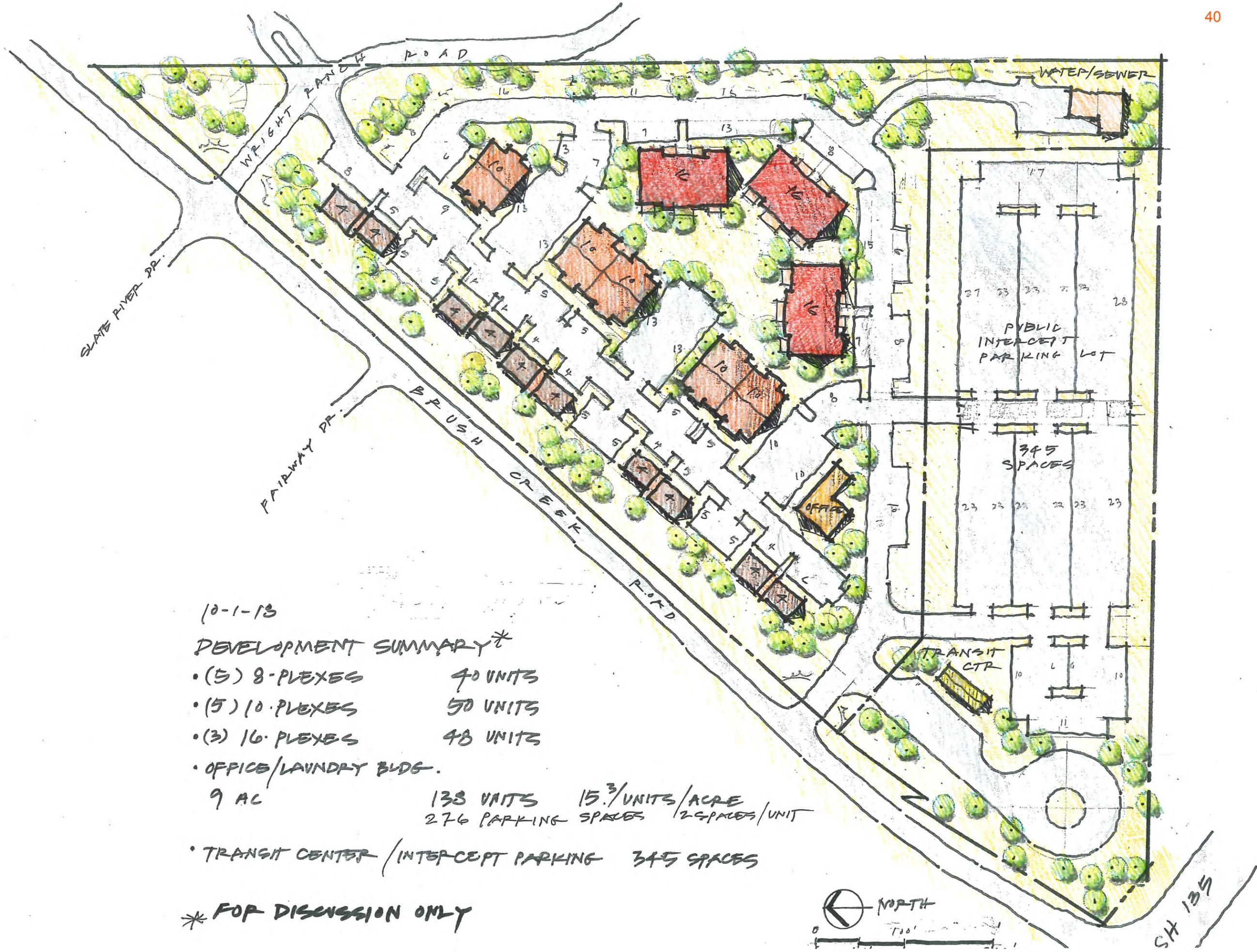
John Messner, Commissioner

ATTEST:



Gunnison County Clerk and Recorder.
DEPUTY



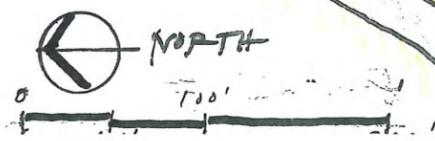


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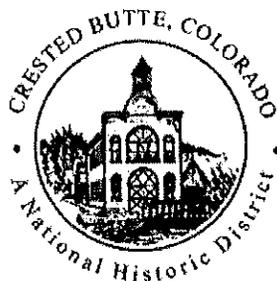
DEVELOPMENT SUMMARY*

- (5) 8-PLEXES 40 UNITS
- (5) 10-PLEXES 50 UNITS
- (3) 16-PLEXES 48 UNITS
- OFFICE/LAUNDRY BLDG.
- 9 AC 133 UNITS 15.3 UNITS/ACRE
- 276 PARKING SPACES 2 SPACES/UNIT
- TRANSIT CENTER / INTERCEPT PARKING 345 SPACES

* FOR DISCUSSION ONLY



SH 135



MEMORANDUM OF CONSENT
January 22, 2019

TO: Gunnison County Board of County Commissioners, Crested Butte Mountain Resort, Town of Mt. Crested Butte, APT Brush Creek Road, LLC and Gunnison County Planning Commission

FROM: Mayor and Town Council of Crested Butte

SUBJECT: The Corner at Brush Creek, LUC 17-00034

The Gunnison County Board of County Commissioners conditionally approved The Corner at Brush Sketch Plan, LUC 17-00034, as Resolution No. 2018-28 on August 7, 2018. Condition #1 of the Resolution approving the Sketch Plan states:

"As proposed by the applicant, and accepted as a finding, prior to submittal of the Preliminary Plan, and prior to submittal of the Final Plan, the applicant shall obtain consent of three of the four parties (Gunnison County; Town of Crested Butte; Town of Mt. Crested Butte; Crested Butte Mountain Resort) to the MOU."

Over the past six (6) months, the Town Councils of Crested Butte and Mt. Crested Butte have held independent public meetings and conducted joint public work sessions concerning The Corner at Brush Creek proposal. Based on these discussions and upon finding general consensus with the Town of Mt. Crested Butte, the Town Council of Crested Butte hereby provides its written consent for APT Brush Creek Road, LLC to prepare a Preliminary Plan application with the following conditions:

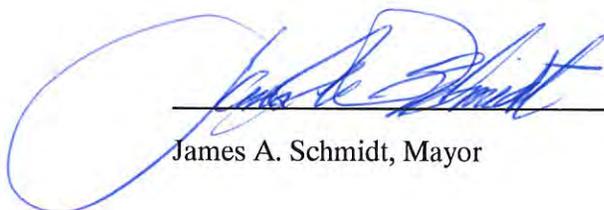
1. Five (5) acres of the site shall be set-aside to the MOA parties for such future uses as the MOA parties may determine, consistent with the terms and processes contained in the MOA. This condition is tied to and specifies the set-aside required in condition #13 of the BOCC Resolution approving the Sketch Plan submittal.
2. The total number of residential units for the remainder of the parcel (after 5 acres are set-aside to be retained by the MOA parties) shall not exceed 156 units. This condition further limits the maximum number of units allowed in condition #4 of the BOCC Resolution approving the Sketch Plan submittal.

- 3. The developer shall provide two (2) parking spaces for every unit constructed, to be provided contemporaneous with the construction of the units. This condition is tied to finding #25 of the BOCC approving the Sketch Plan submittal.

The Applicant must agree to such conditions and formally amend its application to reflect these conditions in order for the Town of Crested Butte's consent to remain valid.

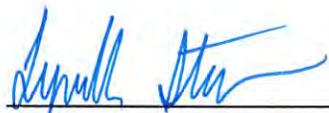
INTRODUCED, READ AND APPROVED THIS 22nd DAY OF JANUARY, 2019.

TOWN OF CRESTED BUTTE



James A. Schmidt, Mayor

ATTEST:



Lynelle Stanford, Town Clerk



Town of Crested Butte

43

P.O. Box 39 Crested Butte, Colorado 81224

-National Trust for Historic Preservation's 2008 Dozen Distinctive Destinations Award Recipient-

-A National Historic District-

February 5, 2019

Phone: (970) 349-5338
FAX: (970) 349-6626
www.townofcrestedbutte.com

To: Citizens of Crested Butte and Gunnison County

Via: Gunnison Board of County Commissioners
Crested Butte News
Gunnison Country Times
KBUT

Re: The Corner at Brush Creek development project.

Following the Gunnison County sketch plan approval that set a condition formally asking three of the MOA parties to agree to allow the developer to move to preliminary plan, the Towns of Mt. Crested Butte and Crested Butte have met numerous times to see if they could find common ground on appropriate development terms and conditions for the best use of the Brush Creek 14.3 acre parcel.

Crested Butte is one of the four entities that participated in the purchase of this publicly owned parcel and is the one who will be most affected by how this property is developed. The Crested Butte Town Council has participated in multiple joint meetings with the Mt. Crested Butte Town Council. Many issues were debated and carefully weighed in an effort to define the overall community needs for that parcel balanced with the maximum allowable residential density that can remain compatible with the surrounding neighborhoods and the northern end of the Valley.

To go back to the beginning of this process the primary objectives identified for the Brush Creek property in the initial Request for Qualifications issued in March of 2017 were:

- To construct a project that will improve the housing choices available for current and future residents of the Upper East River Valley
- To provide public amenities and transportation choices that benefit residents of the project and the County.

The Town of Crested Butte respects the Gunnison County Land Use Resolution ("LUR") process and has boiled all the major issues down to adding an additional 3 conditions to the 41 conditions set by Gunnison County Board of County Commissioners. The Towns of Mt. Crested Butte and Crested Butte both voted to allow The Corner at Brush Creek project to proceed to the preliminary plan phase subject to the following conditions:

1. Five acres of the site shall be set aside to the MOA parties for such future uses as the MOA parties may determine, consistent with the terms and processes contained in the MOA
2. The total number of residential units for the remainder of the parcel (after 5 acres are set-aside to be retained by the MOA parties) shall not exceed 156 units.
3. The developer shall provide two (2) parking spaces for every unit constructed, to be provided contemporaneous with the construction of the units.

1. Five acres of the site shall be set aside to the MOA parties for such future uses as the MOA parties may determine, consistent with the terms and processes contained in the MOA. Both Towns are limited in our ability to expand or create new additional parking areas within the communities. The parking analysis recently conducted by the Town of Crested Butte identified a shortfall of 232-403 parking spaces during the peak summer season weekdays and weekends. Mt. Crested Butte has limited public parking and ultimately the capacity of skiers on the slopes will be dictated by how many cars and people the two towns can accommodate. Both communities and CBMR are all actively looking at ways to create additional parking spaces within the existing physical areas that we control, however, we are concerned that this will not be enough in the long run. Shortfalls in parking are a concern for all ski area communities.

It is important for transit parking to be as close to town and the ski resort as possible and this is the only suitable property for which we currently have public control. Our hope is to provide needed parking in an optimal location as our community grows.

While parking appears to be the identified need of greatest concern at this time, the Towns will have to work with the other parties to the MOA, Gunnison County and Crested Butte Mountain Resort, to decide how the property would ultimately be used and to plan for development.

2. The total number of residential units for the remainder of the parcel (after 5 acres are set-aside to be retained by the MOA parties) shall not exceed 156 units. One hundred and fifty six (156) units represents a substantial increase in density over what is currently established in the Brush Creek Road corridor. However a project of this size and density compared to the immediate neighborhood ensures a minimum level of compatibility while still providing almost 17 units per acre for the 9.3 acres of developable land. The highest established density in the area now is 15 units per acre at Stallion Park.

While this property should be developed with a higher density than the surrounding neighborhoods to accommodate affordable housing, the project should strive to maintain the mountain community character and flavor of the Upper East River Valley. A 156 unit project developed onto 9.3 acres will provide a substantial amount of rental housing needed in the area and will be the largest development of its kind in all of Gunnison County. Providing up to 156 units is a good faith effort at compromise by increasing allowable density while ensuring compatibility.

3. The development must provide for at least two parking spaces for every unit constructed to be provided contemporaneous with the construction of the units. The LUR requires two spaces per unit and because this property is outside of town, we believe most people who live here will have cars. By providing for sufficient parking, this will be a community where parking is not an issue that causes conflict amongst neighbors. Guest parking and snow storage will also be accommodated equally throughout the development by requiring the current LUR standard.

The Town of Crested Butte is committed to supporting efforts of RTA and/or Mt. Express to eventually serve this location. However, neither of these publically funded

transit services has indicated that they have sufficient funding to begin service in the near future and thus convenient transit may not be immediately available and residents will remain dependent on personal vehicles for some time.

Under the conditions stipulated above, the Town of Crested Butte has consented to allow the developer to submit an application for preliminary plan that will increase the supply of affordable rental units in the community while balancing the impacts of a large development. By requiring these three conditions, we are acknowledging and respecting the overall community goal of maintaining the character of our built and natural environment.

The Town of Crested Butte remains committed to efforts to provide additional affordable housing to serve the workforce in Gunnison County. These efforts take a variety of forms including but not limited to developing for-sale units in Paradise Park, tap fee assistance for deed restricted units, provisions for accessory dwelling units, financial support for the Gunnison Valley Regional Housing Authority, and affordable housing requirements for annexations. Crested Butte has successfully secured 221 affordable or deed restricted units within our small community over the last 30 years.

The Town has defined the values and priorities to be included on this parcel for any development and sincerely hopes that the current proposal will move forward with mutual respect. This is an opportunity for the proponent to support the overall values and needs of the community while also producing a project that satisfies a majority of the rental housing needs of the Upper East River Valley. The Town of Crested Butte reserves our right to continue to submit comments as a review agency on the application as it goes forward.

Respectfully,

Town Council of the Town of Crested Butte



LAW OF THE ROCKIES

46

Members
Marcus J. Lock
Jacob A. With
Kendall K. Burgemeister

Of Counsel
John R. Hill, Jr.

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Email: kburgemeister@lawoftherockies.com

July 3, 2019

VIA ELECTRONIC MAIL

Gunnison County Community and Economic Development Department
Attn: Cathie Pagano

Re: LUC 17-34

Dear Ms. Pagano:

I am writing on behalf of APT Brush Creek Road, LLC, the Applicant in Land Use Change No. 17-00034. I am writing to request a one year extension of the deadline to submit a preliminary plan application in accordance with Section 7-202.Q of the Gunnison County Land Use Resolution.

Section 7-202.Q authorizes the Board to extend the deadline “for good cause shown, provided the applicant requests the extension in writing no less than 30 days before the deadline, and provided the Board finds that there has been no substantial change in circumstances of neighborhood land uses, in the capability or willingness to serve the development of proposed service providers, or to the site on which it is proposed since Sketch Plan approval.”

Good cause exists for the extension. From the time that the sketch plan was approved in August of 2018 through January of 2019, the applicant met numerous times privately and publicly with various stakeholders including neighbors, Crested Butte, and Mt. Crested Butte. Undertaking substantial design and other work required for the preliminary plan application was not practical while these discussions were ongoing, as the parameters of the project became a moving target. As reflected in a January 22, 2019, memorandum from Crested Butte to your office, Crested Butte and Mt. Crested Butte consented to the filing of a preliminary plan application, subject to three significant conditions not included in the County’s sketch plan approval. The Applicant’s team has spent considerable time evaluating the feasibility of these conditions—imposed almost six months after the sketch plan approval—and analyzing various alternatives for moving the project forward.

Additionally, as you know, since December of 2018, Gary Gates and his team were involved in an RFP process for an additional workforce housing project sponsored by Gunnison County in the City of Gunnison, and after being selected through that RFP process, Mr. Gates and his team have been actively working with the County to resolve pre-development issues associated with

received
7-3-19

that project site and to finalize development plans for that project. We believe that project is closer than Brush Creek to being “shovel ready,” and has the ability to make an immediate and significant impact on the workforce housing shortage in the Gunnison Valley. Consequently, Mr. Gates’ project team has been focusing its efforts in the first half of 2019 on that project. Construction on the City of Gunnison project would be complete before any project at Brush Creek is approved, so we do not perceive any long-term conflict wherein development of the City of Gunnison project would interfere with Mr. Gates’ ability to complete construction of the Brush Creek project. On the contrary, it is Mr. Gates’ sincere desire to demonstrate through a successful project in the City of Gunnison that he is capable of executing a quality workforce housing project at Brush Creek.

The extension is being timely requested. The sketch plan was approved on August 7, 2018. Therefore, the deadline to submit the preliminary plan application is August 7, 2019, and the deadline to request the extension is July 8, 2019.

Finally, since Sketch Plan approval, there has been no substantial change in neighborhood land uses, in the capability or willingness to serve the development of proposed service providers, or to the site of the proposed development.

If you need any additional information from me, please let me know.

Sincerely,



Kendall K. Burgemeister
LAW OF THE ROCKIES

July 29, 2019

To: Town Councils of Crested Butte and Mt. Crested Butte, County Commissioners, and the community-at-large:

On August 6th, the County Commissioners will be voting on Gatesco's request for a one-year extension of the preliminary plan application deadline for the Brush Creek Project, a workforce housing development planned for the Gunnison valley. As this vote approaches, I would like to address several questions that have been raised, but will begin with some basic background information:

Background:

The tract is owned by Gunnison County, Crested Butte Mountain Resort (CBMR, now Vail Resorts), the Town of Mt. Crested Butte, and the Town of Crested Butte. When they purchased the property in 1998, they entered into a Memorandum of Agreement that allowed the parcel to be used for certain uses, including affordable housing. In 2016, the four owners put out a Request for Proposals (RFP) and a Request for Qualifications (RFQ) for the development of that project, and Gatesco responded with a proposal for 240 units, which was unanimously selected by the owners.

The Gatesco project included an indoor transit center, a paved parking lot for at least seventy vehicles, and underground parking garages. Approximately 65% of the units would be deed restricted to be made available to those with an annual income less than 180% of the area median income (AMI), and 50% would be further restricted to households earning less than 120% of AMI. Rental rates on the restricted units would be limited to a maximum of 30% of household income. In return, the price of the tract would be reduced to compensate for the lowered revenue that would be generated because of the reduced rents. Gatesco's was the only proposal not asking for taxpayer funds or for tax exemptions, agreeing to be subject to the standard property taxes in the County.

Three of the four owners need to agree to the submittal of the preliminary plan application and the sale of property.

Question 1. Why is Gatesco requesting this extension of this deadline?

In August 2018, the Gunnison County Commissioners approved Gatesco's sketch plan application with a reduced 180 units and forty additional conditions. The County and CBMR were amenable to a sale of the property and submittal of a preliminary plan based on these conditions. However, over the course of several months, culminating in a January 22, 2019, memorandum from the Town of Crested Butte to the County, the Towns of Crested Butte and Mt. Crested Butte developed three additional conditions for the project to move into preliminary plan. The conditions are: (1) further reduction in the number of units to 156; (2) setting aside 5 acres of the property (over 1/3 of the property included in the RFP) for intercept parking or other uses; and (3) requiring 2 off street parking spaces per unit. This process consumed six of the twelve months provided to develop a preliminary plan after the sketch plan is approved. Developing a plan that could address these conditions to the maximum extent while maintaining feasibility required additional time.

Question 2. What is Gatesco's response to the additional conditions imposed by Crested Butte and Mt. Crested Butte?

Gatesco has concerns with the cumulative impact that these conditions, in addition to the conditions imposed by the sketch plan approval, would have on the cost of the project and the desirability of the project to prospective tenants.

For example, the reduction to 156 units, while maintaining the same proportion of deed restricted units, reduces the number of unrestricted units that can be rented out to cover the significant fixed costs associated with the project.

The set-aside of five acres for future uses including intercept parking significantly reduced the developable area below what was contemplated during the RFP and sketch plan processes. The location of the set aside was not specified. If the five acres was located on the flatter parts of the property, the construction of workforce housing units would be squeezed onto more challenging terrain, dramatically impacting construction costs.

All of the data, including the 2016 Housing Needs Assessment, suggests that off street parking requirements have resulted in developments that over-supply parking spaces, driving up costs, reducing affordability for tenants. Overly burdensome requirements also negatively impact livability by reducing open space. As recognized by the Gunnison County Land Use Resolution, workforce housing projects, which often have smaller dwelling units, demand less parking than a market rate project. No municipal code in the Gunnison Valley would require two parking spaces per dwelling unit for a multi-family project such as this one.

Question #3. What has Gatesco done to respond to these conditions by Mt. CB and CB and secure an agreement from at least one of them?

By the time the two towns had sent their letter outlining additional conditions, Gatesco had been selected to develop and own a 76-unit workforce housing project in Gunnison located across from the Recreation Center (the “Gunnison Project”). This approval was formalized in a written contract on July 22, 2019. Gatesco hopes that permits can be issued to begin construction sometime in September so that the property can be completed by Spring of 2020.

With the approval of the Gunnison Project, Gatesco feels that it could make a 156-unit property viable at Brush Creek. The combined projects would be 232 units and by operating and developing them together there can be substantial cost savings: the properties could use the same architectural plans; the same work crews could be used to build both properties; the same management staff could easily manage both properties; and construction and operating supplies would be identical at both properties, creating an economy of scale to save on costs.

Gatesco’s internal team has also worked with outside consultants to evaluate the three conditions imposed by the Towns and to develop a plan that addresses those conditions to the extent feasible.

Accordingly, Gatesco believes its position has improved and that it is better able now to meet the conditions requested by the towns. An extension is necessary in order to wrap up those negotiations.

Question 4. To what extent can Gatesco meet the new conditions imposed by the two towns? When will Gatesco respond?

Gatesco anticipates seeking an adjustment to the new conditions as follows:

- 1) Gatesco will agree to construct 156 rental units. The revised site plan places these units predominantly on the flatter sections of the property to keep construction costs under

control. The elimination of for-sale units also enhances feasibility. The overwhelming majority of deed restricted units coming online in the north valley are for-sale projects, and recent developments in the Town of Crested Butte suggests that the demand for for-sale units may be limited. Meanwhile, all of the statistical and anecdotal evidences shows the demand for workforce housing is not going away. We strongly believe that a rental project is the appropriate solution. The elimination of underground parking, economies of scale from the Gunnison Project, and other modifications also support the feasibility of a 156 unit project.

- 2) Increase the set-aside for transit center parking from the seventy-vehicle requirement to a two acre requirement, which should accommodate approximately 200 parking spaces.
- 3) Adjust the off street parking requirement from 2 spaces per unit to 1.5 spaces per unit. Such a ratio is more consistent with the municipal codes throughout the Gunnison Valley, and more commensurate with the number of studio and one bedroom units included in this project.
- 4) Allow Gatesco to request necessary adjustments to the forty-one current conditions to ensure economic viability, primarily by adjusting the ratio of larger units to smaller units.
- 5) Allow Gatesco to request an increase in the number of lower-income units after the property has reached at least 90% occupancy for three years. Such a request would be subject to all of the same LUR conditions in effect and the same public processes to which any new request is already subject.

If the county grants the extension on August 6th, then as soon as either town is able, Gatesco would like to schedule a workshop meeting with each town to discuss these proposed solutions.

Question 5. Why has Gatesco not done any water tests as required by Condition 28 in the Preliminary Plan?

Gatesco's hydrological consultant has been monitoring water levels in the existing well on the property for the past two years. At this point, there is no evidence that one or more wells on the property would not be able to provide an adequate physical supply of water for the project without injuring existing nearby wells. It will cost tens of thousands of dollars to complete the specific type of pumping test required for the preliminary plan, and it is not practical to expect Gatesco to invest that much money without Condition 1 (approval by three of the four owners) being met first.

Question 6. Why has Gatesco failed to apply for sewage treatment per Condition 30?

It could cost as much as \$100,000 to fulfill this condition. Gatesco's engineering firm has the application ready to submit to the East River Regional Sanitation District (ERRSD) and has met with the board of the ERRSD about treatment options. However, as with Question 5 above, it is impractical to expect ERRSD or Gatesco to expend the time and cost required when Condition 1 has not been resolved.

Question 7. What is Gatesco's position on the Transit Center?

Because Gatesco is proposing a project with reduced units—and thus reduced revenue—its new plan will not include a transit center built at Gatesco's cost. Alternatively, it will offer to provide an indoor waiting area with accessible bathrooms as an extension of its on-site management office.

Question 8. What will Gatesco do if the extension is granted to move forward to completion?

Gatesco's planned timeline is:

August through September 2019: work to obtain consensus with Crested Butte and Mt. Crested Butte for a plan that has 156 residential units, but with modifications to the other two conditions as described above.

October 2019 through August 2020: Develop and submit the preliminary plan to the County, conduct all necessary water tests and finalize sewage treatment plan.

August 2020 through May 2021: obtain approval of the preliminary plan

June 2021 through August 2021: obtain approval of the final plan

September 2021: Obtain permits, begin infrastructure site work and building construction

By spring of 2022: have at least 25% of the projects ready for move-in

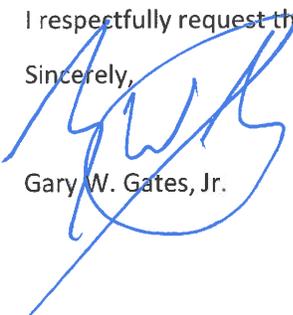
By end of 2022: complete the remaining 75% of the project

With construction on the Gunnison Project only weeks away, I have grown even more committed to this community and to helping it solve its out-of-balance housing situation.

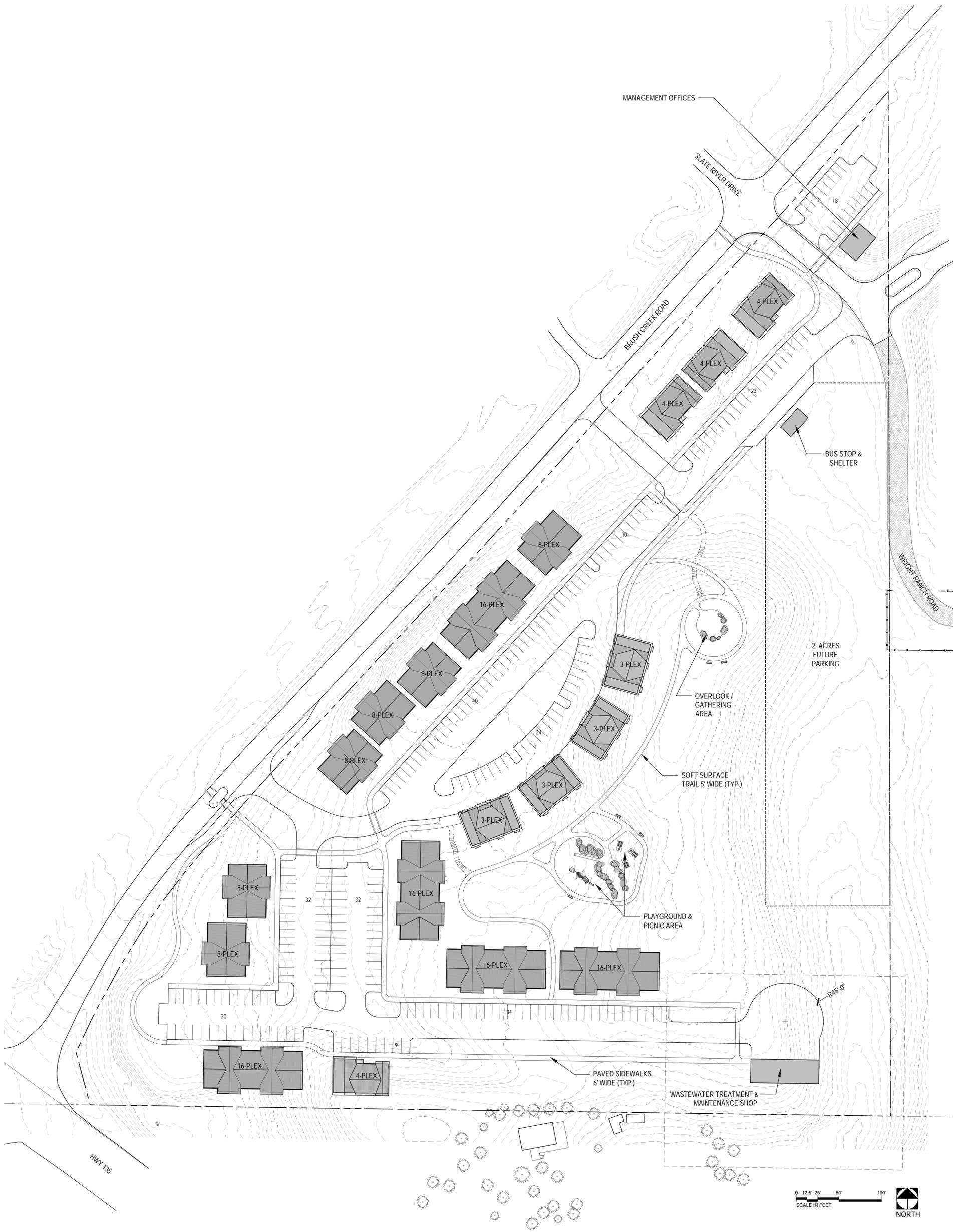
I appreciate the opportunity to work with the many stake-holders in Gunnison County to address this solution. It is humbling to see the dedication, experience and commitment of so many people.

I respectfully request that the extension be granted.

Sincerely,



Gary W. Gates, Jr.



UNITS:	RESIDENT PARKING:
4 - 3 PLEX = 12	1.5 SPACE PER UNIT
4 - 4 PLEX = 16	
6 - 8 PLEX = 48	TOTAL RESIDENT PARKING - 234
5 - 16 PLEX = 80	MANAGEMENT OFFICE & GUEST PARKING - 18
TOTAL - 156 UNITS	

THE CORNER AT BRUSH CREEK

Gunnison County, Colorado

CONCEPTUAL SITE PLAN - 156

JULY 29, 2019

Brush Creek
Gatesco Discussion Points
August 27, 2019

Town of Crested Butte
Town of Mt. Crested Butte
Gunnison County
CBMR

Gatesco submitted a letter to the Towns on July 31, 2019, outlining the background of the project and discussing at a high level the three conditions that the Towns imposed in January 2019 as a condition for consenting to the project moving into the preliminary plan phase of Gunnison County's land use review process. Significantly, in that letter, Gatesco stated that it would accept the condition of reducing the unit count to 156, which is a 35% reduction in the unit count compared to the proposal that was selected by the Memorandum of Agreement (MOA) parties through the RFQ / RFP process (240 units), and a 13.3% reduction in unit count compared to the unit count allowed by the sketch plan approval (180 units).

As Gatesco has represented through the land use review process, the project does not work when the unit count is reduced below 240 units but all other components of the project are held constant. Therefore, every time the unit count has been reduced, it has been noted that other project components would have to be modified to maintain feasibility. For example, when Gatesco voluntarily reduced the project from 240 to 220 units, it also modified the proposal to provide a paved intercept parking lot to instead dedicate the space necessary for the intercept lot. The subsequent reductions to 180, and then to 156 are no different. As such, the purpose of this letter is to discuss requested modifications to the project in order to maintain feasibility at 156 units. Two of the modifications relate to the other two conditions imposed by the Towns in January 2019, other relate to components of the sketch plan that were approved by the County. Gatesco acknowledges that modifications to the sketch plan will require approval by Gunnison County through its land use review process. However, if Gatesco and the MOA parties are able to reach a consensus on the revised terms, Gatesco is willing to bear the risk of obtaining the County's approval of these modifications in accordance with the Land Use Resolution.

Number of Units.

As stated above, Gatesco will accept the Town's new condition of reducing the unit count to 156, a 35% reduction in the unit count compared to the proposal that was selected through the RFQ / RFP process.

Unit Mix.

The 156-unit proposal is planned to have the following unit mix:

Studio	1-Bedroom	2-Bedroom	3-Bedroom	Total
30	60	60	6	156

Building Size.

The largest building in the sketch plan was a 22-plex that was approximately 18,000 square feet with a height between 32 and 35 feet. The largest building in the 156-unit plan is a 16-plex that would be approximately 12,500 square feet with a height of approximately 26.5 feet.

Size of Set-Aside.

The set-aside of five acres for future uses including intercept parking significantly reduced the developable area below what was contemplated during the RFP and sketch plan processes. Gatesco is proposing to increase the set-aside from the original proposal, which included sufficient space for approximately 70 parking spaces, to two acres, which should accommodate 2 to 2.5 times that number of parking spaces.

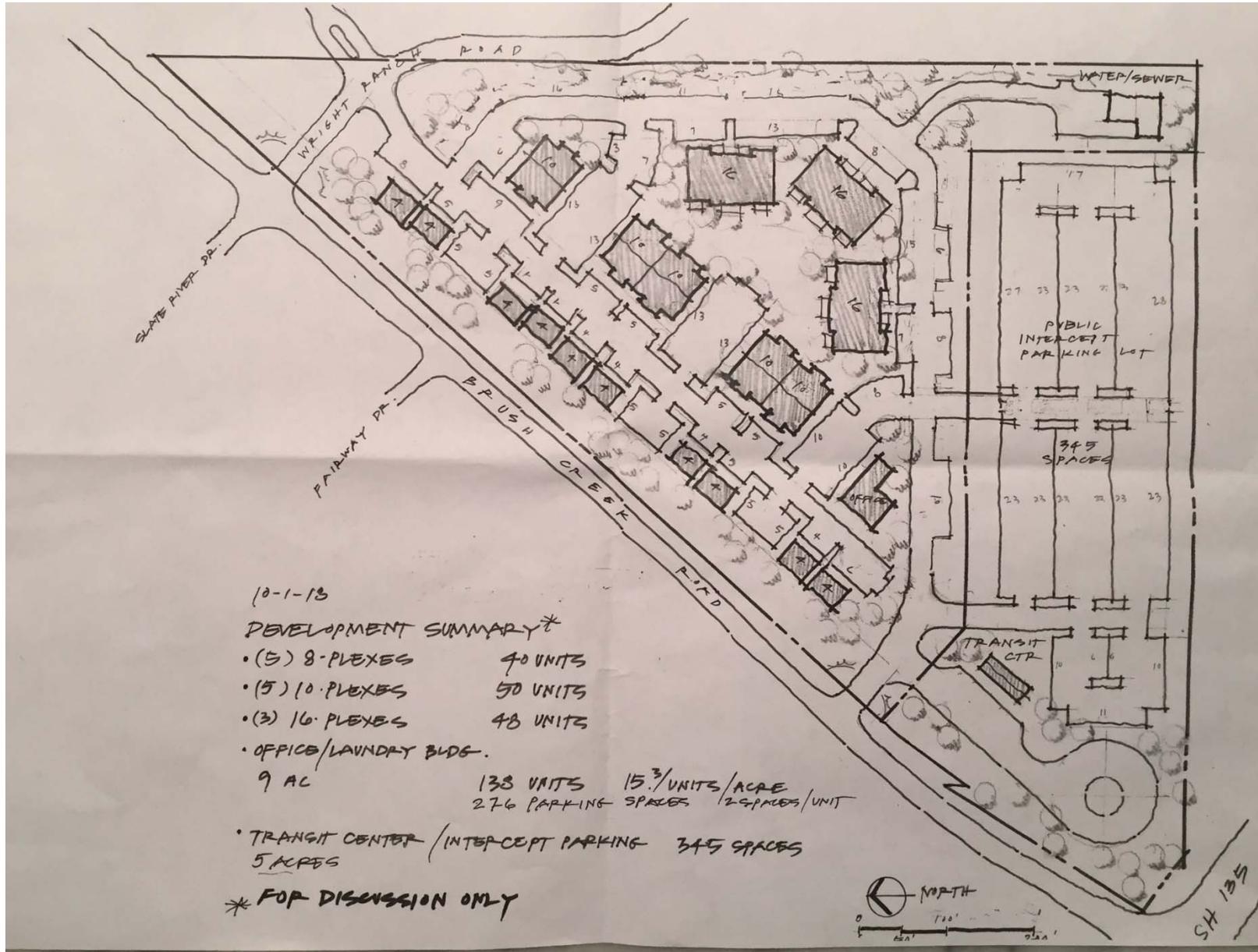
Off-Street Parking.

The 220 unit proposal had 341 bedrooms, 410 parking spaces (1.2 per bedroom), and ability to add 38 additional spaces if dictated by future demand.

The 156 unit proposal has 226 bedrooms. The proposal to provide 1.5 spaces per unit would provide 234 spaces, which is still more than 1 per bedroom, which is a common metric for determining parking requirements for multi-family properties.

All of the data, including the 2016 Housing Needs Assessment, suggests that off street parking requirements have resulted in developments that over-supply parking spaces, driving up costs, reducing affordability for tenants. Overly burdensome requirements also negatively impact livability by reducing open space. As recognized by the Gunnison County Land Use Resolution, workforce housing projects, which often have smaller dwelling units, demand less parking than a market rate project. No municipal code in the Gunnison Valley would require two parking spaces per dwelling unit for a multi-family project such as this one.

Last winter, Bob Nevins kindly sketched a conceptual site plan with 138 units and 276 parking spaces, with a 5 acre set-aside. Adding 18 unit and 36 parking spaces would not leave much room for open space without shrinking unit sizes and/or increasing building heights. A project with 156 units, 1.5 parking spaces per unit, and a modest set aside for future uses will provide a project that is more livable for residents while still providing ample parking.

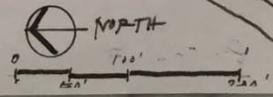


10-1-13

DEVELOPMENT SUMMARY*

- (5) 8-PLEXES 40 UNITS
- (5) 10-PLEXES 50 UNITS
- (3) 16-PLEXES 48 UNITS
- OFFICE/LAUNDRY BLDG.
9 AC 138 UNITS 15.3 UNITS/ACRE
276 PARKING SPACES 2 SPACES/UNIT
- TRANSIT CENTER / INTERCEPT PARKING 345 SPACES
5 ACRES

* FOR DISCUSSION ONLY



Elimination of For-Sale Units.

The overwhelming majority of deed restricted units coming online in the north valley are for-sale projects, and recent developments in the Town of Crested Butte suggests that the demand for deed-restricted for-sale units has been largely satisfied. Meanwhile, all of the statistical and anecdotal evidence shows the demand for workforce housing is not going away. We strongly believe that a rental project is the appropriate solution and necessary to balance the overall portfolio of affordable housing in the North Valley.

Allocation of Deed Restricted Units

All 156 units would be deed-restricted to include a local workforce preference.

49% of the units would be further restricted to local households earning less than 120% of area median income (AMI). This is the same percentage as the sketch plan approval. 30% would be further restricted to local households earning less than 80% of AMI. Rent on the 77 income restricted units would be capped based on household income to ensure affordability.

AMI	156 Units		
	Units	Cumulative	Cumul. %
50%	10	10	6%
80%	37	47	30%
120%	30	77	49%
180%	0	77	49%
Local Pref.	79	156	100%
For-Sale	0	156	100%
Total	156		

Transit Center.

The 156 unit site plan provides a bus stop and shelter similar to those seen throughout the valley. A small indoor waiting area with public bathrooms (similar to what is available at the 4-way stop) would be provided as part of the management office.

Additional Future Units.

Gatesco requests the flexibility to add additional units in future, contingent upon reaching an agreed-upon trigger that demonstrates a continued need for workforce housing (e.g. at least 90% occupancy for three years), and contingent upon completing the County land use review process (a new application for a new land use change). Any new units would be deed restricted pro-rata with the AMI allocation provided herein.

Agreement to transfer property contingent upon final land use approval.

After the Gatesco proposal was selected through the RFP process, Gatesco and the MOA parties negotiated a contract that contemplated transferring title to Gatesco prior to completion of the County land use review process. This transfer gave many members of the public concern. Gatesco is willing to enter into an agreement that would only transfer title to the property after

final land use approval from Gunnison County of a project that complies with the sketch plan requirements, as modified by the terms described above. However, before spending hundreds of thousands of dollars on engineering and other studies required for preliminary plan review, it is important for Gatesco (as it would be for any developer) to have assurance that the project will move forward if the project receives land use approval. Gatesco would still be assuming all of the risk of completing the necessary deliverables and obtaining the approval. If approval is not obtained for any reason (for example, lack of adequate water supply), Gatesco would have no interest in the property.