

MINUTES
Town of Crested Butte
Special Town Council Meeting
Monday, January 25, 2016
Council Chambers, Crested Butte Town Hall

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

Council Members Present: Jim Schmidt, Chris Ladoulis, Roland Mason, Laura Mitchell, and Paul Merck

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

APPROVAL OF THE AGENDA

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

A. Consideration and Possible Approval of a Pre-annexation Agreement Between the Town of Crested Butte and Cypress Foothills, LP for the Consideration of Connection to the Town's Waste Water system Pursuant to Section 13-1-280 of the Town Code.

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

Aderhold began by stating the applicant thought the proposal would complement and serve to benefit Town. With the hybrid approach the details fell into place. Yerman explained how the Town and Cypress had arrived at this point. Cypress initially came to the Town with a proposal for 115 units and a sizeable commercial district. Town and Cypress were unable to come to terms, and Cypress withdrew the application. Cypress approached the County, and the County suggested they approach Town about connection to the wastewater. Discussions between the Town and Cypress began again.

Yerman spoke about equivalent residential uses (EQRs). Town would be allocating 60 EQRs for this project. Yerman clarified that the wastewater treatment plant upgrades were due to tourism in the summer. Due concurred and stated that the Town had adequate existing capacity for wastewater treatment, before the upgrades.

Yerman identified three areas of concern that emerged at the previous special meeting on the pre-annexation agreement: 1) Public access; 2) Traffic concerns; and 3) Size of structures. The applicant would apply to the County for the eastern portion of the development that would be served by Town wastewater services. If they were successful,

it would be a yearlong process, and they would begin the VCUP process for capping the dump for Town's benefit. Town could then begin master planning. Yerman said uses for the VCUP locations were a possible pre-school and affordable housing along Butte Avenue. The last portion considered for VCUP was a parcel that would be capped and used for open space and park use. Cypress would retain six lots on the western side, and they would be responsible for utility costs.

Access to the Slate River was a significant deal point from the previous meeting. Cypress would be constructing, within two years, an extension of the perimeter trail and fencing the wastewater treatment plant's outflow to allow boater access. A second consideration was traffic. Yerman explained they would be going through a major impact review with the County, and they would include Town uses for consideration. The reduction from 115 to 30 units was important because traffic would be less than anticipated. Finally, Yerman addressed the issue of the allowed aggregate square footage. Primary dwellings could be up to 5,000 square feet, and accessory dwellings could be up to 750 square feet. The County allowed for 10,000 square feet, so the reduction was about half. Additionally, Cypress agreed to a 50-foot building set back from the high quality wetlands along the rec path.

Next, the Council was given the opportunity to ask questions. Schmidt asked who would own the land underneath the water. He wanted to know if there would be problems if a boater fell into the water. He also wanted to know where the trail would connect to Town property. Yerman said the intent was to connect with 10th Street, where there would be an access via a boardwalk over the wetlands to wrap into the rec path. Michel asked how many linear feet of trails would be added to Town. Harpel said it would connect a one-mile loop. Yerman stated boater access would be on the south side of the bridge. Schmidt reiterated he wanted to know who would own the bottom of the river and what access would be allowed. Lock said that Town and Cypress would enter into an easement agreement for river access. The concept would be at the time the Town parcel was conveyed, they would enter into an easement agreement that would allow for boating through the property and access to the river. Both parties would benefit from immunity. Schmidt asked if a person could wade into the water. Lock said it was not considered an issue, but there was a benefit to keeping people moving through the water. He acknowledged there was other private property along the river. Yerman pointed out they wanted to minimize the number of people below the wastewater outflow. They would fence the outflow and post signs. Crossett explained the biggest issue wasn't the content of the outflow, but it was access to the infrastructure. Michel summarized and asked if they would call the Sheriff if he put his boat in at Gunsight, floated down the river, and then put his foot down. Aderhold said the intent was for boaters to exit into the integrated park with a trail. Lock said the contact had to be incidental to boating. Landowners had concerns about people stopping. Schmidt recognized that people took their dogs to the bridge and said people would access the river in that manner. Yerman stated the agreement specified better access, and it was spelled out that within two years, Cypress would be responsible for infrastructure.

Schmidt wondered about traffic. He wanted to know if the County would require turn lanes on Gothic Road. Assistant Director of Community Development for Gunnison County Neal Starkebaum said it would depend on the results of traffic studies and loading onto the County road, which were unknowns at this time. Harpel further explained the County process would look at peak loading. They had the responsibility to look at the planned uses in their entirety. Aderhold confirmed for Schmidt that the applicant would be responsible for costs.

Mitchell thought the gate would create an us versus them mentality. Ladoulis questioned the sequence of build out. Aderhold said they would go to the County if the pre-annexation agreement were approved tonight. The County process was expected to take 12 to 18 months. They would then start on what is now known as Road A and on the eastern side of property. If there were no issues with the VCUP process, they would then begin dump clean up for the school area and affordable housing, and the annexation would start concurrently. Ladoulis questioned the utilities on the north side of 8th Street. Yerman stated the agreement ensured Town had access to any installed utility extensions. Lock stated that the end result of the annexation process was that the applicant would own the lots, and virtually everything else on the west side would be for public uses. Yerman said they had decided it would be best for Cypress to go through the subdivision process and then transfer. Mason questioned connectivity via the 8th Street sidewalk, and Michel said to keep it on the list.

The discussion was opened for public comment:

Jesse Irons - 706 Maroon Avenue #2

- Thought it was a terrible idea, which he expressed at the first meeting.
- They were selling out public and natural resources.
- Seemed like a gated community.
- The river access aspect was concerning.

Eric Davis - 311 1st Street

- His issue was with the gate.
- Metastasizing malignancy.
- Wanted to stop this kind of thing.

Michael Weil - Meridian Lake

- Thought it was a great proposal.
- Addition of school and fire station was great.
- From a builder's perspective there were not a lot of lots left. There were more lots for more buildings for more people, which were good things.
- Good overall plan.
- What Town was getting was incredible.

Sue Navy - 324 Gothic

- She was in favor of a total aggregate limit of 5,000 square feet.
- She wondered if accessory buildings would be internal or separate buildings.

- Asked if Town would have a surety bond if the applicant walked away midway through, so Town wouldn't end up with a half cleaned up dump. She wondered how big the bond would be and if it would be sufficient.
- Aderhold thought the plan would be for separate accessory buildings. He said they would be limited on which lots could accommodate accessory dwellings. Yerman said they would be required sureties by both the Town and the County.

Audrey Anderson - 311 1st Street

- Against gated communities. They were divisive.

Harvey Castro - 712 ½ Maroon Avenue

- Voiced traffic concerns and the fact that moving amenities to new area created internal traffic. Thought that the traffic study would focus on Gothic (Road), and they needed to look at 7th Street, 8th Street, and Butte Avenue.
- Concerned about rates for trash pick up and snow plowing. Wondered if Waste Management would have to buy more trucks. He also wondered who would pay for cost overruns to the expansion of the wastewater treatment plant.
- Michel questioned the scope of the traffic study. Harpel said they would have to look at it as a whole. Aderhold said they had traffic counts and would complete studies to see how traffic would flow.
- Yerman said that moving certain services out of the core would help traffic in Town.

Jim Starr - 323 Gothic Avenue

- Thought it was a terrible process. Cited that the pre-annexation agreement was not posted on the website before Thursday.
- Regarding a traffic study and upcoming projects, such as 6th Street Station and Center for the Arts, no one had considered accumulative impacts. Crested Butte had always been a pedestrian community, and the accumulation would turn Town into a motor vehicle community.
- The applicant could proceed to develop and sell property east of the river before the annexation was approved west of the river.
- If the Town dump clean up was more than 110% of the total cost, the applicant would come back to Town. Town was already committing \$350,000. Thought that Town was paying the majority of the cost of cleaning up the dump.
- Said to consider what Town's taxpayers would pay and if it was fair given the profit.
- With affordable housing that could be built, potential exposure to dump contents could give an individual reason to sue the Town.
- Believed it was critical to go slowly. There were provisions that were unconscionable, and it could take another month to do it right.

Kyleena Falzone - 222 Sopris Avenue

- The growth in the community was inevitable. She was in support of reasonable, strategic growth.

- Thought that the developers had made concessions.
- She was not into the gate either.
- Supportive of the project.

Glo Cunningham - 324 Teocalli Avenue

- Talked to old timers because of her history hat. Their sentiments were to please not develop east of the cemetery.
- The gate was sad.
- Regarding moving the school and fire station, people were fine with the ideas, but neither the Fire District nor the people wanted to pay for it.
- The dump was a travesty. She couldn't imagine that it would cost so little because it was so awful.
- Bothered her they didn't know what the County was doing and how intertwined and contingent the processes were.
- Said the Council voting tonight would not be intelligent or smart.

Laurel Walker - 409 Whiterock Avenue

- Wanted to promote access for the public.
- She moved to Crested Butte to get away from gates.

John Hess - 325 Sopris Avenue

- Questioned the water source for the houses.
- Needed to look at the plat and the annexation agreement because there was access to the river at the recreation bridge.
- Subdivision regulations said that buildings needed to be 100 feet from wetlands, and the pond was a wetland.
- Told the Council not to sign the agreement unless they remove the gate.
- Said to make sure the wastewater treatment plant was big enough for all residents plus tourists plus build out.
- Was happy the skate park could stay at Big Mine.
- Agreed with the concern of accumulative traffic on 6th Street.
- 5,000 square feet was too big, and 5,750 square feet aggregate was way too big.
- Aderhold said for water they were looking into wells.
- Due answered the wastewater treatment plant expansion had to do with peak tourist numbers. He said the expansion would be sufficient. The plant expansion was going forward regardless, but Town had the ability to absorb EQRs right now.

Colleen Rafferty - 430 Whiterock

- Was not in favor at all.
- Wanted to get historical access to property.
- It was wrong if there was a gate.

Public comment was closed, and it was opened to Council discussion.

Michel said the gate was the question of the meeting. It seemed to separate and went against who people were in Crested Butte. Aderhold was willing to drop the gate idea. Crossett voiced Vohman's thought that she didn't want the gate. Lock said they were going for the opposite of divisiveness, and the removal of the gate was done.

Schmidt was concerned about the limitation of 5,000 square feet. He was quite serious he wanted the limit to be 5,000 square feet. The precedent was strong, and the lots were smaller than McCormick Ranch. He asked Belkin if he had looked at the agreement because the language leaned towards the developer. Belkin stated the draft started with the deal points from the previous meeting. He took the first draft and tried to leave as many deal points that made sense to Town. It was an iterative process, and some things were favorable to Town. It was a memorialization of their offer.

Schmidt asked about timing and where the outs were. Yerman said that if the County denied the application, the agreement became null and void. He wanted to respect the County's process. Schmidt was concerned they would go through the County, but the County would face pressure due to Town's decision. Crossett said that was why it was memorialized here; Town would hand over to the County. Schmidt was concerned they could sell property before the annexation was done based on the assumption they were connecting to the sewer plant. Belkin explained it was classified as an annexation with an annexation component, but it wasn't really an annexation. Yerman reiterated it was a good deal for Town.

Next, Michel asked if the Council was comfortable with 5,750 as the aggregate square footage limit. Mason was okay with 5,750. Merck agreed with Mason. Mitchell asked if the accessory dwellings would be right next to homes. Aderhold said there was limited space. Ladoulis was okay with the 5,750 square foot limitation. It would be a County process, and they couldn't control everything. They had to look at the whole picture. Michel acknowledged they had already come down from the 10,000 square foot limit allowed by the County. He was fine with it. The Council decided as a group that the majority accepted the 5,750 square foot aggregate limit.

Schmidt asked about building height, and the Town's limit was briefly discussed. Aderhold said they would have their own guidelines, and it would be such that the views would be maintained for the neighbors. The height limit would be reasonable and subject to the County's process. Schmidt was not ready to vote. He needed more time. Crossett explained the timing.

Merck wanted to find out more about the historic dump contents from the people who put it there. He reminded the Council that just because land was opened, it was still up to the Town budget if they were moving anything. He thought they were bringing great things to the table that would benefit all.

Mitchell also thought the process had been rushed. She thought they should take advantage of what they were offering. She wanted to continue the conversation and keep going. Mason agreed that he didn't come to make a decision tonight. He wanted it to

play out in public, and he wanted people to have time to look at the proposal. Ladoulis thought they tackled big issues like the gate. He said they could figure out the remaining questions in the next couple of weeks. Town chose not to deal with the dump, even though there was the opportunity. He said they needed to put the dump issue in context. It would be cleaned up for affordable housing and recreation. Mason reminded him Town was contributing \$350,000. Schmidt asked for as little disturbance at the dump as possible.

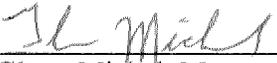
Michel said they had promised the public they would have time to review packets, and he needed time to talk to Staff and the public. For the sake of transparency, Michel said it would be in the paper one more time, and they should schedule for a date certain. Belkin suggested a resolution be included to add findings. Michel agreed a resolution would immortalize the reasons. Belkin said the decision would live in the instrument. Crossett clarified the legal document would still be the agreement.

Michel said on behalf of the Council that they directed the Town Attorney and Town Staff to draw up a resolution to accompany the pre-annexation agreement for the regular meeting on February 16.

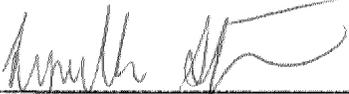
There was a short discussion on making the information available well ahead of time on the Town's website.

ADJOURNMENT

Mayor Michel adjourned the meeting at 8:23PM.



Glenn Michel, Mayor



Lynelle Stanford, Town Clerk (SEAL)

