



## Town Council Work Session Agenda

### Demolition and Replacement Housing August 20, 2019

**To:** Mayor Schmidt and Town Council  
**Thru:** Michael Yerman, Community Development Director  
**From:** Bob Nevins, Town Planner  
**Subject:** Policy Direction Concerning Demolition of Residential Structures and Replacement Housing  
Proposed Code Amendments  
**Date:** August 20, 2019

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**PURPOSE.** To follow-up the July 9<sup>th</sup> Work Session with proposed revisions to the Demolition regulations and to introduce Replacement Housing standards that may apply for the demolition or relocation of existing buildings and structures.

**PROPOSED AMENDMENTS.** Attached for review and discussion are the proposed Code Amendments:

- Demolition or Relocation of Historic and Non-Historic Buildings or Structures; and
- Replacement Housing Requirements

#### **CONSIDERATIONS.**

**Demolition or relocation of historic and non-historic buildings or structures:** The intent of this Section is to encourage the maintenance, retention and preservation of buildings, structures and places of historic, architectural and cultural value and to minimize the negative environmental and social impacts of demolishing buildings or structures within the Town of Crested Butte.

The purpose of these demolition and relocation regulations is to safeguard both, historic and non-historic buildings and structures; to preserve and respect the traditional mass and scale of the community's built-environment; to retain an inventory of representative architectural styles and eras beyond the Period of Significance (POS); to maintain a diverse supply of owner-occupied and long-term rental housing; to reduce the amount of demolition debris that will be permanently disposed through re-use and recycling; and to minimize adverse environmental and social impacts to the historic district and residential neighborhoods.

**Replacement housing requirements for demolition:** Residential neighborhoods in Crested Butte have traditionally contained a variety of housing types, sizes, styles and eras, including those that provide long-term housing for working residents. However, due to Crested Butte's increasing appeal as a small, historic mountain town and four-season destination with a limited supply of vacant developable land, there is growing pressure to demolish and redevelop older residential properties into larger and more expensive second homes or vacation rentals.

In order to maintain a socially and economically balanced community with a range of dispersed private and public housing opportunities, it is the intent of these standards to ensure that a certain amount of long-term housing is available for local working residents when existing residential buildings are demolished or relocated and redeveloped. The purpose of these standards is to allow for the redevelopment of residential structures that allows owners to redevelop their property; ensures compatibility with the existing neighborhood context; preserves long-term housing opportunities for working residents and provides an incentive for the relocation of residential structures in town.

## **KEY POINTS.**

### **Demolition or relocation proposal:**

- In terms of demolition, historic buildings will be only those buildings or structures that were constructed during the Period of Significance (POS), 1880-1952; buildings or structures fifty (50) years or older will no longer be classified as “historic” and may be eligible for demolition and reconstruction.
- Historic buildings or structures will not be eligible for demolition or relocation unless it is determined there are dangerous conditions.
- Demolition permit applications will no longer require the submittal of a redevelopment plan with architectural drawings, instead it will require a written narrative with a professional building assessment and professional opinion on whether the building or structure should be remodeled/renovated, demolished or possibly relocated to another site.
- Will allow for demolition or relocation of buildings or structures when an applicant provides the necessary information and meets three (3) review standards.
- Will allow buildings or structures to be relocated, at the owner/applicant’s cost, onto an available in-town “receiving site” prior to approval of the Redevelopment Plan and issuance of a building permit when the relocated building or structure is deed-restricted as long-term or resident-occupied affordable housing.

### **Replacement housing proposal:**

- This is a new proposal that provides a certain amount of deed-restricted long-term rental, resident-occupied affordable housing or full ROAH fee as part of any demolition or relocation of a residential building or structure.
- It allows for redevelopment and relocation of buildings and structures that are compatible with the existing neighborhood context.
- Provides an incentive for relocation of existing buildings or structures instead of demolition.
- Proposes to eliminate the “credit” for existing floor area and instead requires the full payment of ROAH fees for demolition and reconstruction of residential buildings or structures.

**SUMMARY.** Staff is seeking input and direction from Town Council regarding the proposed Demolition/relocation and Replacement housing regulations. Based on Council comments, staff will make the necessary revisions for review and recommendation by the BOZAR. The next regular scheduled BOZAR meetings are: August 27, 2019 and September 24, 2019.

Following BOZAR’s review, their recommendation will be forwarded to Town Council for consideration at first reading of an Ordinance. If Council agrees to consider the proposal by a majority vote, a public hearing date will be set for the Ordinance(s) with the proposed Code Amendments.

The current demolition moratorium is set to expire October 8, 2019.

**PROPOSED TEXT AMENDMENTS CONCERNING:  
DEMOLITION OR RELOCATION OF HISTORIC AND NON-HISTORIC BUILDINGS  
OR STRUCTURES**

These Code Sections shall be repealed in their entirety and/or re-codified or replaced with the following Code amendment, Sec. 16-14-190 Demolition or relocation of historic and non-historic buildings.

Sections to be repealed in their entirety and/or re-codified:

- Sec. 16-2-40 Ordinary maintenance and repair; *re-codified as Sec. 16-14-190(2)*;
- Sec. 16-2-50 Dangerous conditions; *re-codified as Sec. 16-14-190(3)*;
- Sec. 16-2-60 Demolition of historic structures; *re-codified as part of 16-14-190*
- Sec. 16-2-60(b); *re-codified as part of Sec. 16-14-190(2) Ordinary maintenance and repair*;
- Sec. 16-2-60(c); *re-codified as Sec. 16-14-190(11) Compliance or general penalty for violation*;
- Sec. 16-14-60(d); *re-codified as Sec. 16-14-190(11)a*.
- Sec. 16-14-60(e)-(i); *re-codified as Sec. 16-14-190(11)b-f*.
- Sec. 16-14-190 Demolition requirements; *repealed in its entirety and replaced with the following*; and
- Sec. 16-1-20 Definitions; *definitions of the following terms added*:

**Sec. 16-1-20 Definitions.**

*Demolition* means the dismantling, tearing down or destruction of more than twenty-five percent (25%) of any structure; including *demolition by neglect*, the destruction of a building through abandonment or lack of maintenance, or the gradual deterioration of a building when routine or major maintenance is not performed.

*Historic building* means any building or structure that was constructed during the Town's Period of Significance (POS), 1880-1952.

*Reconstruction* means the work of rebuilding a structure after it has been severely damaged, dismantled, demolished or relocated to another property.

*Redevelopment plan* means a set of drawings, plans and specifications for the re-construction of a building or structure on the same lot or parcel following demolition or relocation; the re-development plan shall meet all of the required zoning requirements, design standards, recorded easements and covenants for the property upon which the development is to be situated.

*Relocation* means the removal of a building or structure from its foundation or current location and then moving or transporting it to another placement on the property or to another off-site lot or parcel; the relocated building or structure shall meet all of the zoning requirements, design standards, recorded easements and/or covenants of the property upon which it is to be situated.

**Sec. 16-14-190. Demolition or relocation of historic and non-historic buildings or structures.**

**(1) Applicability.**

- a. No person shall demolish or relocate any buildings and structures built within the Period of Significance (POS), 1880-1952, unless the Town deems it unsafe and/or dangerous in accordance with Subsection (3), Dangerous conditions.
- b. No person shall demolish or relocate any building or structure built outside the POS unless the Board has approved such demolition or relocation following proper notice and public hearing in accordance with this Section, the Board has approved a Redevelopment Plan as defined in Sec. 16-1-20, and the Building Inspector has issued building permits pursuant to Sec. 18-13-40 for such demolition or relocation and construction of the replacement buildings and structures.
- c. No person shall demolish or relocate any building or structure for the purpose of selling or conveying vacant lots for future development.

**(2) Ordinary maintenance and repair.** Nothing in this Section shall be construed to prevent ordinary maintenance or repair of any historic building or structure. The Building Official may order any person in charge of or having control of the historic building or structure to perform maintenance when the Building Official in his reasonable judgment deems that such maintenance is necessary to prevent significant deterioration of the building or structure.

**(3) Dangerous conditions.** A structure that is deemed by the Building Official to be unsafe or dangerous creating a substantial risk of injury or damage to property is a public nuisance and is subject to Chapter 7 Article 1, Administration and Abatement of Nuisances. Approval by the Board prior to compliance with an order issued by the Building Official to abate any nuisance is not required. As soon as practicable, the officer shall notify the Board of the proposed or actual issuance of any order.

**(4) Exemptions.** The following activities are exempt from the requirements of this Section, except that a building permit issued pursuant to Sec. 18-13-40 is required prior to commencing any of these activities:

- a. Demolition of less than twenty-five percent (25%) of floor area of a building or structure excluding the front façade of any historic building or structure.
- b. Minor demolition and/or relocation activities that include but not limited to chimneys, decks, porches, steps, small accessory buildings or other similar design features.
- c. Removal of partial roof components for vertical expansion such as dormers or skylights on structures.

(5) **Application requirements.** An applicant seeking approval to demolish or relocate a non-historic building or structure must submit a complete demolition or relocation permit application to the Community Development Department that includes the following contents:

a. The minimum requirements for the permit application includes the payment of applicable fees and the following information: 1) Proof of ownership; 2) Name and contact information of authorized representative and letter of authorization to represent signed by the owner; 3) List and mailing addresses of property owners within two hundred fifty (250) feet of the parcel; 4) Title insurance policy with Schedule B-Section II; and 5) Site improvement survey with a boundary description and any recorded easements.

b. A written narrative that describes: 1) the reason(s) for requesting demolition or relocation of the existing building or structure; 2) the architectural style/era and any distinguishing characteristics of the existing building or structure; and 3) whether there is an existing deed-restricted housing unit contained on the property.

c. An existing site plan, floor plans, elevations, photographs and other materials that enable a thorough understanding of the existing building or structure and the character of the neighborhood context.

d. A feasibility report prepared by a licensed architect, structural engineer, building contractor, experienced developer, real estate appraiser or other qualified person that addresses the following criteria:

1. The existing physical and structural conditions of the building and identification of those elements or features that affect the feasibility of maintaining, renovating, modifying, expanding or relocating the existing building or structure. If relocation is proposed, a determination shall be made as to whether the building or structure can withstand the physical impacts of being removed from its current location, transported and relocated upon a new foundation at a receiving site.

2. The existing site and building conditions that do not meet current zoning, building, health/safety and/or other code requirements and that impact the practicality of maintaining, renovating, modifying, expanding or relocating the existing building or structure.

3. An economic analysis that compares the costs/benefits of maintaining, modifying, renovating or expanding the existing building or structure versus the demolition and reconstruction of a new building or structure.

e. If demolition is proposed, a written report that details how the applicant intends to comply with the requirements of Chapter 18, Article 15 Deconstruction and recycle plan, and an estimation in terms of cubic yards of demolition material that will be permanently disposed.

f. If relocation is proposed, a relocation plan that describes and/or shows the transport route, identifies any structural and/or physical constraints and methods of resolving those issues, and a proposed site plan with the subject building or structure located on the receiving site in conformance with the specific zoning requirements, easements and covenants or neighborhood context.

g. A written response that describes how the applicant intends to satisfy the Replacement Housing requirements in Sec. 16-14-200.

**(6) Review standards for demolition of non-historic buildings or structures.** The Board may approve an application for demolition of any non-historic building or structure if the Board determines that all of the following standards have been met:

a. The existing building or structure is not compatible with the POS; does not conform to the Town's Design Guidelines and the massing, scale and materials do not contribute the character and quality of the neighborhood context.

b. The existing building or structure cannot meet current zoning, building and energy code requirements, and/or health and safety standards by utilizing reasonable and economically viable construction methods in order to achieve a beneficial use of the property.

c. If demolition is proposed, the deconstruction and recycle plan meets the requirements of Chapter 18, Article 15 of this Code and the amount of demolition material is estimated in cubic yards.

d. If relocation is proposed, the relocation plan meets the requirements set forth in Subsection 16-14-190(6)f.

e. Any redevelopment that includes housing shall satisfy the Replacement Housing requirements in Sec. 16-14-200.

**(7) Review standards for relocation of non-historic buildings or structures.** The Board may approve an application for relocation of any non-historic building or structure if the Board determines that all of the following standards have been met:

a. The building or structure can withstand the physical impacts of being removed from its current location, transported and relocated upon a new foundation at a receiving site.

b. The building or structure can be located on a receiving site in conformance with the zone district standards, easements and covenants or neighborhood context.

c. The relocated building or structure may or may not be in compliance with the Town Design Guidelines.

(8) **Staff review and report.** Prior to the Board public hearing, staff shall review the application and prepare a report summarizing the application, identifying whether the application appears to satisfy the standards in Sec. 16-14-190 (5), and recommending conditions of approval that may be required to satisfy the standards.

(9) **Board review and decision.** The Board shall review the demolition or relocation application at the duly noticed public hearing pursuant to Sec. 16-22-110.

a. If the Board approves the demolition or relocation application, the applicant shall, within two (2) years of date of approval, prepare and submit a Redevelopment Plan as defined in Sec. 16-1-20, otherwise the approval will expire.

b. For relocation within the Town, if it is demonstrated that the existing building or structure conforms to the zone district standards, covenants and site conditions of the receiving site and the site is currently available for development, the existing building or structure may be relocated to that lot or parcel prior to submittal and approval of the Redevelopment Plan.

c. If the Board denies the demolition or relocation application, the applicant may prepare plans for the maintenance, renovation, modification or expansion of the existing building or structure in accordance with the zone district standards and Town Design Guidelines; or

d. If the Board denies the demolition or relocation application, the applicant may appeal the decision to Town Council pursuant to Sec. 16-22-150 Appeal.

e. Approval of the demolition or relocation application does not constitute a site specific development plan under Chapter 16 Article 20.

(10) **Expiration of approval.** The Board's approval of the demolition or relocation shall expire within two years of the Board's decision if a building permit has not been issued for such demolition or relocation.

(11) **Compliance or general penalty for violation.** Any person in violation of this Section shall be subject to the provisions of Chapter 1, Article 4 and the following provisions:

a. Where a violation of this Section has occurred, the Building Official shall be authorized to impose up to a ten (10) year moratorium on the issuance of any permit and/or certificate of occupancy in connection with the subject property, except as otherwise described in Subsection b. below. The Building Official shall consider the following factors in deciding whether to impose such a moratorium:

1. The impact of the demolition or relocation of the building or structure upon the historical integrity and architectural character of the Town;

2. The factual circumstances concerning the cause of the demolition or relocation of the building or structure, as may be identified after reasonable investigation by the Building Official; and
  3. Whether the demolition or relocation of the building or structure may have been approved by the Board had an application for the same been submitted.
- b. During the pendency of prosecution described in Subsection a. above, the Building Official may impose a temporary moratorium on the issuance of any permit and/or certificate of occupancy in connection with the subject property. In electing to impose such a temporary moratorium, the Building Official shall consider the same factors as described in the Subsection above. Such temporary moratorium shall remain in effect for the duration of the prosecution and any appeal therefrom.
- c. Notice of the imposition and duration of any moratorium imposed pursuant to this Section shall be recorded in the official real property records of the office of the County Clerk and Recorder.
- d. A moratorium on the property under this Section does not prevent the Building Official from issuing a building permit for rehabilitation or repair of any building or structure on the property that is the subject of the moratorium or any improvement, bracing or other construction activity intended to protect, keep up, save and/or maintain any such building or structure on the subject property.

**PROPOSED TEXT AMENDMENTS CONCERNING:  
REPLACEMENT HOUSING REQUIREMENTS  
DUE TO DEMOLITION**

**Sec. 16-14-200. Bathing facilities.** *Re-codify as Sec. 16-14-210. Bathing facilities.*

**Sec. 16-14-200. Replacement housing requirements due to demolition.**

(1) **Applicability.** These replacement housing standards, in addition to Sec. 16-14-190, shall apply to housing that is constructed following the demolition or relocation and redevelopment of existing single-family, duplex, tri-plex and multi-family residential buildings.

(2) **Submittal requirements.** A replacement housing application shall include the following information:

a. A brief narrative that describes the existing conditions and details how the replacement housing standards are being met. If there is an existing deed-restricted unit, include a copy of the recorded deed-restriction.

b. Existing and proposed: site plans, building floor plans, floor area (FAR) calculations, exterior building elevations and unit summary that includes the unit square footages, number of bedrooms and bathrooms and on-site parking spaces.

(3) **Replacement housing standards.** The housing replacement standards that apply to replacement housing for the various types of residential buildings are:

a. General standards for replacement housing that apply to the demolition of all residential buildings:

1. For purposes of this Section, the meaning of demolition shall include the tearing down, dismantling and/or relocating off-site.

2. For properties with existing deed-restricted housing, there shall be no net loss in the number of deed-restricted units, bedrooms and amount of floor area.

3. All replacement units shall be deed-restricted as long-term rental or resident-occupied, affordable housing units. The restrictive covenant for all long-term rental or resident-occupied affordable housing units shall be recorded in the office of the Gunnison County Clerk.

4. The replacement residential units shall be constructed on the same site as the demolished or relocated residential buildings or structures.

5. The replacement units may be smaller than the minimum floor area requirements as set forth in Sec. 16-21-60 Standards for resident-occupied, affordable housing units.

6. The replacement units shall be available for occupancy at the same time as the new free-market residential units that may be constructed following demolition or relocation.

b. Replacement housing standards for single-family, duplex and tri-plex buildings:

1. The minimum floor area of the reconstructed, replacement residential building or structure shall not exceed the floor area of the existing building to be demolished or the minimum floor area ratio (FAR) allowed in the zoning district, whichever is less, with the following conditions:

(a.) The reconstructed, replacement residential building or structure shall be contained within the general orientation, footprint and mass/scale of the existing building or structure, and meets the zone district standards and Town Design Guidelines.

(b.) The full Resident-Occupied Affordable Housing (ROAH) fee pursuant to Sec. 16-21-50(6) shall be paid with no credit given for the existing floor area (FAR) that was demolished.

2. The maximum amount of floor area of the reconstructed, replacement residential buildings or structures shall not exceed the maximum floor area allowed in the zone district with the following conditions:

(a) The reconstructed, replacement residential building or structure may have a different orientation, footprint and mass/scale, and meets the zone district standards and Town Design Guidelines.

(b) For single-family reconstruction, the replacement residential development shall be required to construct an on-site detached, accessory dwelling unit, as defined in Sec. 16-1-20 and pursuant to Sec. 16-9-70.

(c) For duplex reconstruction, the replacement duplex shall be required to maintain or reconstruct one (1) of the residential units as a replacement unit that is deed-restricted as a long-term rental or resident-occupied affordable housing unit.

(d) For tri-plex reconstruction, the replacement tri-plex development shall maintain or reconstruct one (1) of the residential units as a replacement unit that is deed-restricted as a long-term rental or resident-occupied affordable housing unit.

c. Replacement housing standards for multi-family buildings with four (4) or more residential units:

1. The reconstructed, replacement multi-family building or structure may have generally the same or different orientation, footprint and mass/scale, and meets the zone district standards and Town Design Guidelines.

2. A minimum of fifty percent (50%) of the total existing number of units demolished shall be maintained or redeveloped as deed-restricted, long-term rental or resident-occupied affordable housing units; when applying this standard results in a fraction of a required unit, a payment-in-lieu for only that fractional unit may be made to the Town or a full deed-restricted unit may be provided.

3. A minimum of twenty-five percent (25%) of the total existing number of bedrooms demolished shall be provided as deed-restricted, resident-occupied, affordable housing; for purposes of this section, a studio shall equate to three-quarters (3/4) of a bedroom.

d. For buildings or structures that are relocated in town:

1. The relocated building or structure shall comply with the zone district standards and there may be a partial waiver of the Town Design Guidelines due to the architectural style and/or era of construction.

2. The relocated building or structure shall contain the same number, type and size of residential units as existed in the demolished or relocated building or structure.

3. The owner/applicant shall be responsible for all relocation costs including the new foundation at the receiving site if the building is to be deed-restricted as long-term rental or resident-occupied affordable housing.

(a) If there is a recorded restrictive covenant for the relocated building or structure, no other replacement housing and/or ROAH fee shall be required for the relocated and reconstructed buildings or structures.

(b) If the relocated building or structure is not deed-restricted as long-term rental or resident-occupied affordable housing or it is relocated outside of town, the applicable replacement housing requirements and/or ROAH fees shall be required