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**CITY OF STEAMBOAT SPRINGS  
AGENDA  
REGULAR MEETING NO. 2008-17  
TUESDAY, JUNE 10, 2008  
5:00 P.M.**

Antonucci called the meeting to order at 5:25pm.

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**A. ROLL CALL (5:00 P.M.)**

City Council Members present: Loui Antonucci, Cari Hermacinski, Meg Bentley, Steve Ivancie, Walter Magill, Scott Myller, and Jon Quinn.

City Staff Members present: Alan Lanning, City Manager; Anthony B. Lettunich, City Attorney; Julie Jordan, City Clerk; Julie Franklin, Deputy City Clerk; Anja Tribble, Staff Assistant; Lisa Rolan, Director of Financial Services; Tom Leeson, Director of Planning Services; Philo Shelton, Director of Public Works; Janet Hruby, City Engineer; Laura Anderson, City Engineer; Chris Wilson, Director of Parks, Recreation and Open Space; Rich Brown, Police Officer; Bob DelValle, Police Detective; and Bob Litzau, Assistant Director of Financial Services.

**The Follow-Up Agenda is work product only, and is subject to change. For final approved information, please refer to the official City Council minutes. All documents distributed at the City Council meeting are on file in the Office of the City Clerk.**

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**B. CITY COUNCIL REVIEW TOPIC**

**1. RE-2 Sales Tax Education Fund Board. (5:00 – 5:30)**

Tom Ptach and several other Education Fund Board members were present to request that the City move forward with an ordinance putting an issue on the ballot to renew the half cent sales tax for a 10 year period. They would also like to put a mechanism in place to allow the South Routt and Hayden school districts to present projects to the Education Fund Board and perhaps have money available to help them with these projects. He noted the need to revisit the

intergovernmental agreement to make sure it covers everything and is in-sync with the by-laws.

Discussion took place relative, but not limited to: sharing the funds; is there a surplus to distribute more funds?; not wanting to see any current programs suffer; and noting that only Steamboat Springs residents would be voting on the question.

Bentley praised the Board thinking regionally.

Ptach stated that at this point they would like to just give South Routt and Hayden the opportunity to present to the Board; how this happens needs to be spelled out in the IGA. The IGA would need to be amended in the future if the Board starts giving money to South Routt or Hayden.

Hermacinski supports the Fund Board working with the City Attorney and Bond Counsel on a drafting a bifurcated ballot question.

Magill agrees, noting that these outlying areas contribute to the City's sales tax.

Quinn is in favor of having a single question on the ballot "to not muddy the waters".

Myller supports including outlying areas.

Ptach stated that they feel a bifurcated ballot issue will pass; and this will allow South Routt and Hayden to form Election Committees.

**DIRECTION:** City Attorney to work with the Fund Board to "hash out" the issues and then make a recommendation to Council.

## **2. CDOT/Lincoln Avenue options.**

Shelton noted that representatives from PBSJ, Britina Associates and CDOT are present, and spoke to the need for an long-term balanced solution for Lincoln Avenue.

Bob Corey, Britina, provided a PowerPoint presentation highlighting the following: Lincoln Avenue existing template; Option 1 (recommended); and Option 2.

Jamie Archambeau, PBS&J, spoke to Option 3A.

Corey continued with: Option 3B; Option 4 (CDOT standard); and Option 5.

Discussion took place relative, but not limited to: eliminating left turns; traffic signal at 11<sup>th</sup> Street and 8<sup>th</sup>; and shuttle service loading.

Quinn likes Option 3 and eliminating the left turn lane.

Shelton stated that the City can request that CDOT keep the signal at 8<sup>th</sup> Street in addition to the signal at 11<sup>th</sup> and see where it goes, but staff does support the recommendation to have a signal on 11<sup>th</sup> Street.

Bentley does not support having lodging shuttles load on Lincoln Avenue, feeling that they should load and unload on the side streets.

Ivancie aggress. He voiced concern with delivery vehicles and supports Option 1.

PUBLIC COMMENT:

John Fielding suggested leaving Lincoln Avenue as it is and adding a bypass.

Amy Garris noted the need for a light at 11<sup>th</sup> Street and feels that the reduction of left turn lanes may further confuse tourists. She likes Option 1, and stated that having more defined bus stops may help.

Al Choy likes Option 1 and suggested routing buses onto Yampa Avenue. He feels that bump-outs make it difficult for snow maintenance.

Tracy Barnett, Mainstreet, provided a letter from the Mainstreet Design Committee. She spoke to Option 1 noting that bump-outs and the transit component will remove a lot of parking. She suggested Council consider a "pinwheel" design.

Towny Anderson feels that Downtown's biggest challenge is its lack of pedestrian friendliness. He supports Option 1 noting that good traffic flow does not have to be fast. He asked if a 10 foot transit stop is necessary because it will have an adverse affect on the sidewalk and suggested an 8 foot stop. He stated that losing the traffic light at 8<sup>th</sup> Street would be difficult for downtown. He stated that the parked cars are an important feature of "traffic calming" on Lincoln Avenue and feels that the bulb-outs are a significant benefit for the pedestrian experience.

Sid Pougailles, Mainstreet Design Committee, noted the need to find out from CDOT what is required with respect to the traffic signals. She also noted the need to discuss implementation and strategy.

Ivancie feels that the light at 8<sup>th</sup> Street should remain and supports Option 1.

**MOTION:** To approve moving forward with Option 1; Ivancie/Hermacinski;  
**FRIENDLY AMENDMENT:** Antonucci: Staff to ask CDOT about not reducing the sidewalk; **APPROVED;** Vote 7/0.

Quinn supports Option 2.

Bentley does not support Option 2 because of the shuttle stops. She stated that if the City can't have both lights, she supports keeping the 8<sup>th</sup> Street light.

Shelton stated that if the City goes with Option 1, Option 2 can be implemented at a later date.

Antonucci supports staff's recommendation, but voiced concern with the bulb-outs.

- 3. Affordable Housing.** (Engelken) (7:00 – 8:00)
  - a) Update on Housing Needs Assessment, Community Housing Analysis and City Council direction/ feedback.

Engelken stated that the Workforce Demand Analysis should be finalized in August; and a consultant has been chosen for the Needs Assessment. The 2 consultants will work with each other to assure there is no duplication of information. The Analysis is focused on the City's workforce, and the Assessment is county-wide.

Engelken reviewed language clarifications and required updates to the Community Housing Guidelines and policy questions.

#### **A. Payment in Lieu**

Engelken noted that Council will see items 1a, b, and c at the July worksession. Hermacinski spoke to changing the ordinance to make review of the guidelines annual. Engelken noted that other resort communities update annually, Steamboat Springs was the only municipality she found that updated semi annually. She questioned if Council would like to review June 1, 2007 to June 1, 2008 to better coincide with the July meeting.

1. Update payment in lieu – insure the calculation formula meets City Council approval.
2. How are payment in lieu dollars distributed?
  - a. Payment in lieu spent in the City of Steamboat Springs, UGB, Routt County?
  - b. RFP process, direct allocation, combination of a set-aside/discretionary grant process and RFP (staff recommendation)?

- c. How does the City insure compliance with the IZ and Linkage regulations in a direct allocation process?

Myller suggested giving the payment in lieu money to the Housing Authority.

Litzau stated that statutorily, and from an audit standpoint, the City needs to properly identify spent money and needs to maintain control of the money. This also allows the City to maintain flexibility.

It was suggested that the Housing Authority work with staff on a process for accountability regarding the pass through of payment in lieu funds. Ivancie feels that there is already a process in place. Hermacinski suggested possibly dividing up the AMI range between the Housing Authority and developers. Quinn agreed that the City has a responsibility to auditors to maintain control of funds until they are designated to a specific project.

Engelken noted that in other communities linkage fees go to the City, and then the City distributes them through an RFP process.

Hermacinski suggested that staff work with the Housing Authority when the analysis comes back.

PUBLIC COMMENT:

Donna Howell, Yampa Valley Housing Authority, emphasized that the Housing Authority is a proponent of accountability and are anxious to come up with a process for this. She stated that their goal is to increase affordable housing in the City, and they do not have a profit goal. She suggested that the City distribute the payment in lieu fees to the Housing Authority, noting that they would provide quarterly reports on the use of the funds.

Brent Pierson, Resort Ventures West, stated that he supports the Housing Authority, but as a developer of affordable housing is concerned with all the fees going to a competitor of his.

**UNANIMOUS CONSENT:** The payment in lieu process to remain as it is for the time, and not spend any staff time at this point to come up with process for accountability.

3. Clarify when PIL is due and when the amount is determined? (Planning Commission reviewed this item and has unanimously approved a recommendation for future consideration by Council.)
4. PIL figured semi-annually or annually?

Antonucci is in favor of reviewing annually, and feels that when the review is conducted does not matter as much as having consistency.

Ivancie supports reviewing annually from June to June.

**UNANIMOUS CONSENT:** PIL shall be figured annually, and this item does not need to go to the Planning Commission.

5. Allow Payment in Lieu for IZ as a right?

**UNANIMOUS CONSENT:** This item to go to the Planning Commission.

**B. Linkage**

1. Repeal commercial linkage?

Engelken suggested delaying this item until after the analysis comes back.

Hermacinski disagreed and would like the Planning Commission to review this, feeling that it is not tied to the analysis.

Ivancie would like to see as much information as possible and not rush into repealing commercial linkage. He would like to discuss using the funds for other impacts.

Hermacinski feels that the City has had commercial linkage in place and has not yet generated any money; she questioned if the City is spending too much money on administration. She further suggested possibly repealing linkage on single family residences as well.

Myller feels that linkage puts undue pressure on commercial.

Bentley would like to get more information from Engelken and have a City Council discussion, and then send it back to the Planning Commission.

Leeson stated that the graduated mitigation rate was implemented in response to addressing small commercial and protecting the "little guy".

Quinn agrees with Ivancie and would like to wait and see what the affect is. He supports having the conversation, but feels that linkage needs more time to take affect.

Magill supports sending this to the Planning Commission for discussion.

PUBLIC COMMENT:

Brent Pierson, Wildhorse Meadows, spoke the difficulty of certifying people for the affordable housing units and the concern that their product (compared to a market rate unit) will not be able to keep them in the affordable range and AML. He stated that they will eventually have to go with the exit strategy and the units will be sold at market rate. He suggested that the City allow employers to buy affordable units and rent to their employees. He further stated that he supports the appraisal based deed restriction.

**MAJORITY CONSENT:** To send this to the Planning Commission for discussion. Do they think it should remain and if yes, are the mitigation rates appropriate? Ivancie, Bentley and Quinn opposed.

2. Allow linkage funds for other purposes than affordable housing?

It was noted that the City has to show a direct nexus to the impact.

**UNANIMOUS CONSENT:** To send this to the Planning Commission.

**C. Off-Site Compliance**

1. Revise 25% requirement for off-site compliance? Require no additional requirement or lesser requirement?
2. Under Compliance Methods, clarify dedication of land option.
3. Specify quality standards and verification procedure for off-site purchase of existing units (per San Miguel County and Telluride)?

**UNANIMOUS CONSENT:** To send these items to the Planning Commission.

**D. Unit Size and Type**

1. Incentives/calculations for larger units (i.e. more 3 br units rather than 1 br units) and better response to market needs? Figure mitigation based upon total square footage of new development and a percentage of that square footage that must be developed as affordable "Community Housing" – i.e. The Guidelines would require the development of x square footage of affordable units and allow the developer to propose a mix of housing that meets that requirement in their Community Housing Plan. Require reference to a market demand analysis in the CHP to justify the unit mix proposed.

**UNANIMOUS CONSENT:** To send this item to the Planning Commission. Planning Commission to also look at lowering square footage mitigation rates.

2. Minimum size requirements for units vs. average size requirements for community housing units (only specify minimum size requirements?)

**UNANIMOUS CONSENT:** To send this item to the Planning Commission. Planning Commission to also consider a second table to get a mix of affordable units.

3. Prioritize certain size units for different household sizes?

**UNANIMOUS CONSENT:** To send this item to the Planning Commission.

4. Clarify rental housing must be permanently affordable and the City needs to be a partial owner in the project to allow that to happen legally?

**UNANIMOUS CONSENT:** To send this item to the Planning Commission. Staff to monitor what happens in court cases.

#### **E. Employer-Assisted Housing**

1. Allow employers to buy units as long-term rental for employees and certify the employees meet the AMI categories? Require units be marketed according to the original deed restriction at any point of sale.

**UNANIMOUS CONSENT:** This item to go to the Planning Commission.

#### **F. Deed Restriction Models**

1. Outline the two existing deed restriction options used by the City and YVHA (itemized-based and mortgage-based.) Add the appraisal-based deed-restriction as an option for City programs? Within the appraisal-based deed-restriction, allow a set increase in equity based upon the number of years lived in the unit?

**UNANIMOUS CONSENT:** This item to go to the Planning Commission.

#### **G. Eligible Households**

1. Include assets as a part of income and at what level e.g. "certified income" and asset calculation formula (per La Plata Housing Authority and Enterprise Community Partners) or set "net worth" (per YVHA)?
2. Co-signer on a promissory note, or gift money provision vs. co-signer on a deed (per Enterprise Community Partners)?

3. Specify maximum numbers of persons per unit size? Clarify according to federal government regulations?

**UNANIMOUS CONSENT:** These items to go to the Planning Commission.

#### **H. Improvements to the Units**

1. Specify allowed capital improvements to the housing units (per Grand County, Eagle County) and percentage of reimbursement at point of sale?

**UNANIMOUS CONSENT:** This item to go to the Planning Commission.

#### **I. Guideline Clarifications**

1. Clarify mitigation rates and size requirements for community housing are “net” square footage (recommend) or “gross” square footage?
2. Linkage applied to expansions that include non-square foot improvements such as spas and pools?
3. How can IZ and Linkage multi-family units be accepted in duplex and/or single-family subdivision for off-site compliance (if at all)?
4. Should the Appeals Procedures section include an exception section per Telluride’s Affordable Housing Guidelines for special circumstances? (Planning Commission considered this item and determined the current guideline provisions were adequate.)
5. Bring foreclosure language in the Guidelines in line with foreclosure language in the Deed Restrictions? (Planning Commission reviewed this item and made a unanimous recommendation to City Council for review at a future date.)

**UNANIMOUS CONSENT:** These items to go to the Planning Commission.

#### **GENERAL PUBLIC COMMENT**

Dave King, Triple Crown Sports, was present and noted that the efforts made by the City Manager and Chris Wilson were respectful. He stated that they are in the RFP process, but the urgency for 2009-2010 season is the biggest issue. They are highly motivated to remain in Steamboat Springs and intend to do whatever they can to negotiate in good faith. He stated that the need for additional quality facilities is important and they would like to have a deal through the year 2021. He stated that they respect the concerns with the Emerald Fields and are willing to entertain any and all options.

Lanning noted that he will have a complete report to Council so they can make a decision.

Michael Towers voiced concern with the lack of enforcement of the Vacation Home Rental ordinance.

Lanning stated that the City has addressed Vacation Home Rental issues on a complaint basis, but it is difficult to enforce because when staff gets there, the activity has ceased.

#### COUNCIL MEMBER REPORTS:

##### Bentley:

1. Attended a Planning Commission Worksession and asked if a Planning Commission member can serve as an ex-officio member of URAAC. It was noted that this can be accommodated.
2. Voiced concern that the Planning Commission report at Council meetings has been lacking and stated that if a Council Member attends the Commission's Policy Session (the third Monday), then that will allow for a better report at the Council meetings.

##### Ivancie:

1. Noted that the Rodeo starts June 13, 2008.
2. Noted that CML is June 18-20, 2008.

##### Quinn:

1. Attended a CML webinar.
2. Spoke to the Human Resource Coalition application for funds.

##### Magill:

1. Would like to look into extending the bike trail west to Steamboat II.  
**DIRECTION:** Wilson to contact Magill.
2. Recently attended the Steamboat Lacrosse tournament and noted the need to keep the Emerald Park access a top priority.
3. Spoke to a City composting facility.

#### CITY ATTORNEY REPORT:

1. Lettunich spoke to a letter that Council received from the Bud Werner Library regarding demolition of the former Lockhart house.
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### **C. ADJOURNMENT**

**MOTION:** To adjourn Regular Meeting 2008-17 at approximately 9:25pm; Quinn/Antonucci; **APPROVED;** Vote 7/0.