

The Basalt Affordable Community Housing (BACH) Meeting will be held by Teleconference – The Public may access the meeting by calling the number below and entering the Meeting ID when prompted.

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TOWN OF BASALT MEETINGS
Basalt Affordable Community Housing (BACH)
Thursday, January 12, 2023

Basalt Town Hall

101 Midland Avenue

- 12:00 PM** **Roll Call**
- 12:01** **Approval of Minutes- July 28, 2022, October 6, 2022, and December 8, 2022**
- 12:03** **Introduction of Interested New Member**
- 12:10** **Introduction to New Town Logo and branding Process/Consultant
(Please have your cell phone with you to do some survey voting)**
- 12:35** **Discussion on Process Framework for Community Housing
Guideline Amendments and Code Amendments Related to Income
Categories, For-Sale/Rental Mix, and Occupancy Priorities**
- 12:55** **Member Updates & Other**
- 1:00** **Adjourn**

Public Comment is limited to 3 minutes. Those who wish to speak should email james.lindt@basalt.net before the meeting starts with their name, phone number, and identify what item they would like to address. During the meeting those wishing to comment may also email james.lindt@basalt.net, but it is not guaranteed that the email will be seen in a timely fashion.

BACH Meeting
July 28, 2022
12:00 pm – 1:00 pm
Via Zoom

BACH Member Attendees: Doug MacDonald, Mike Kosdrosky, Cathy Click
Staff Attendees: James Lindt, Michelle Bonfils Thibeault, Sara Nadolny
Guest: Elyse Hottel, Town Councilor

Agenda items

1. Approval of Meeting Minutes from July 7, 2022
2. Update on Regional Housing Coalition from Elyse Hottel
3. Request for Income Waiver – recommendation to SHEC

The meeting was called to order at 12:02 pm

1. Approval of Meeting Minutes

Mike suggested an edit to the July 7th meeting minutes; he would like to amend the statement about his not wanting for-sale housing. Mike explained that he supports for-sale units within the Town's inventory, but thought it was a mistake with this specific project given how far along the project is in the review process. He suggested this to be amended to say Mike did not agree with for-sale portion of the Parcel 5 project.

M/S Cathy and Doug to approve the meeting minutes as amended. Motion passed 3 to 0.

2. Regional Housing Coalition – Update from Councilor Hottel

Councilor Hottel expressed appreciation for the BACH board members and their work on the Commission.

Councilor Hottel said that the Regional Housing Coalition is looking to change their name to West Mountain Regional Housing Coalition to be more inclusive of communities within the Colorado River Valley. They are currently looking into this to ensure there will not be any concern with others using the West Mountain moniker.

The Coalition has formed as a 501 C3 and includes a Board of Directors. Councilor Hottel sits on the board for the Town of Basalt, and each member community has a representative. Member communities include those who have entered into a Memorandum of Understanding and paid a membership fee, which includes Colorado Mountain College as well as a number of local governments. She said that other large employers may also join.

The Coalition currently has three committees – Programs & Services, Strategic Planning, Marketing & Development.

Councilor Hottel said that at this time, interested parties are being invited to listen into meetings, but a more strategic plan needs to be in place before the Coalition will consider adding more board members. The Coalition has received a grant from DOLA to be used for strategic planning of the non-profit

organizational structure. Next steps will include hiring a consultant to help with goal setting and five-year planning. The funding structure and staffing needs will be determined thereafter.

Councilor Hottel reported that the Coalition has also submitted a grant to CHFA. Funding from the grant will be used for background research and to develop an application for ARPA funding for housing. CHFA funding will go toward programs and services.

Councilor Hottel said there is a third grant opportunity through IHOP that would be used specifically for looking at policies within the region that can be improved or distributed across the various communities. The Coalition is working with a consultant to develop a community framework of programs already being implemented. The consultant will make suggestions on initiatives to deliver more broadly across the region, ideas to upload into IHOP policy consideration, and understand what is not working. The Coalition is looking to support development neutral programs.

Mike asked about the composition of the Board of Directors, and how many communities have signed on to the MOU. Councilor Hottel replied that Colorado Mountain College, Pitkin County, Snowmass Village, Aspen, Basalt, Carbondale, Glenwood Springs, and the Eagle County Housing Authority currently make up the Board of Directors. Conversations are being had with Silt, New Castle, Rifle, Gypsum, and Town of Eagle.

Mike said he is interested in reviewing the bylaws. Councilor Hottel said that the website is under construction, but the bylaws will be available on the website once it is complete. The name change needs to be resolved before the website goes live.

Councilor Hottel confirmed that the 2023 fiscal ask from the Town would be \$10,000.

Cathy asked if the idea of a land bank is being considered as it was in the past. Councilor Hottel said it is not currently a focus, but it is not outside of the realm of possibilities. She said the Coalition is not looking to create a taxing district at this time.

The Coalition does not have an Executive Director or administrative staff at this time. Kara Silbernagel with Pitkin County is volunteering time administratively right now.

The Coalition is working with Planning consultants Bohannon Huston out of the Denver area.

3. Request for Income Waiver

James introduced the item as a BACH recommendation to the Special Housing Evaluation Committee (SHEC) for a waiver from the income qualifications for the affordable housing at the Willits 7 apartments. The letter of request has been provided to BACH in the packet. There is a couple who lives there; one works at Whole Foods and the other is a Police Officer with the City of Aspen. Both organizations have provided an inflationary raise across the board, which has pushed them above the income limits for their requalification. Staff is starting to see other similar situations as employers combat inflation to keep employees. Staff suggests BACH consider a short-term income waiver and then direct Staff to look at increases to the maximum income levels program-wide to keep pace with what is happening in the community. James noted that APCA is also examining increasing incomes for their program.

Cathy said that raising the income cap will help to keep the missing middle for those living in Basalt's affordable housing units. She suggested BACH recommend to SHEC to approve a temporary income waiver and for Staff to review the maximum income caps for the affordable housing program.

Mike asked how much the applicants are over the income cap, wanting to ensure the request is within reason. James said in this case the increases were not merit based, and with the salary increases the applicants are \$10,000 over the income cap, in 8-12% range. Mike thinks this is within a reasonable range.

James expects a couple more requests with those requalifying this year.

Doug said APCHA is looking at an increase in AMI of approximately 10%. Mike suggested BACH make a recommendation to Council to increase the AMI used for affordable housing units. He said the regulations should be so the Town could collect more in rent in conjunction with the salary.

Cathy would like a meeting on this topic and to see how these requests play out over the next few months.

James said Staff recommends a temporary four-month waiver from the income cap to begin with and that the Town would look at the existing regulations during this time. A temporary waiver means that for those four months they would have an extended lease and then would need to requalify after that period. However, if the guidelines are changed during this time they would not need to requalify.

Cathy suggested extending the waiver to six months.

M/S Cathy and Mike to make a recommendation to SHEC to provide a six-month income waiver for the subject requalification application and for Staff to review the existing income qualifications. Motion passed 3 to 0.

4. Member Updates

Mike reported that he watched the Council meeting the other night for Parcel 5 Sopris Meadows which was approved at first reading. James said second reading is set for August 9th. Council will allow missing middle building to be built first (after the third free market building), but the second affordable housing building of Category 2 rental units must be constructed before the certificate of occupancy is granted for the fifth free market building. Mike wants the minutes to reflect that he feels this is a bad decision by the Town Council making policy on the fly. He feels that this is an example of the Applicant's attorney writing the Code during this process. The Town is making a policy mistake and putting town in legal jeopardy. The Council is accepting a definition of missing middle from Lipkin which was informed by poor and limited data in a very volatile market environment. Mike believes this opens the Town up to litigation by other developers as it is an inequitable treatment of the applicants.

James clarified the Code amendment request is no longer on the table as the category mitigation is being provided. Mike said there is a clear disconnect between BACH and the Council.

M/S Doug and Mike to adjourn at 12:55 pm. Motion passed 3 to 0.

BACH Meeting
October 6, 2022
12:00 pm – 1:00 pm
Via Zoom

BACH Member Attendees: Anne Baker, Mike Kosdrosky, Katie Erickson
Staff Attendees: James Lindt, Michelle Bonfils Thibeault, Sara Nadolny

Agenda items

1. Approval of Minutes from July 28, and September 15, 2022
2. Update on BACH Membership Changes
3. Election of Chair & Vice Chair
4. Discussion of Options Related to Changes in Income Limits for Category Level Affordable/Community Housing Units
5. Member Updates & Other

The meeting began at 12:04

1. *Approval of Meeting Minutes from July 28th and September 15, 2022.*

The approval of the meeting minutes from July 28, 2022 was tabled. Mike was one of three people present at the meeting, and the other two members have retired from the board. James will speak with the Town Attorney to determine how to get those meeting minutes approved.

M/S Katie and Anne to approve the meeting minutes from September 15, 2022. Motion passed 3 to 0.

2. *Update of BACH Membership Changes.*

Cathy and Doug have both resigned from BACH. James said there would need to be a new appointment of the Chair and Vice Chair. Staff is working to actively seek BACH members.

Anne knows of a potential member that she will reach out to.

3. *Election of Chair & Vice Chair.*

James opened the floor for nominations from BACH members for the positions of Chair and Vice Chair.

Anne nominated Katie. Katie has nominated Anne. Anne declined the nomination as Chair.

Katie expressed that she was willing to accept the nomination as Chair. The other BACH members in attendance accepted Katie in the position of Chair.

Mike was nominated as Vice Chair but declined at this time.

4. Discussion of Options Related to Changes in Income Limits for Category Level Affordable/Community Housing Units.

James reminded BACH members that in August Staff came to BACH with a request for an income waiver for a couple looking to requalify for a unit at the Willits Seven affordable housing building. Both tenants had received organization-wide wage increases from their employers. BACH has provided a recommendation to SHEC for a temporary approval of the waivers on tenant requalification requests.

Staff recommended providing a six-month administrative waiver for those close to but exceeding the maximum income due to recent wage increases. James reminded BACH that because there was not a quorum at the last meeting there was a work session on this topic. At the time there seemed to be a support for allowing an administrative waiver.

All BACH members indicated support for the waiver.

James introduced the five options that are found in Staff's memo to BACH, dated September 15th, and are part of BACH's packet materials.

At the work session BACH indicated interest in Items #1 (returning the maximum incomes back to the higher pre-2015 levels) and potentially #2 (returning the maximum incomes back to the higher pre-2015 levels for Basalt employees but maintaining the current lower incomes for tenants working outside of Basalt) and had thoughts on the potential to increase the percentage of income a rental unit can be set at, which is currently at 30%. There was discussion of adjusting that down to 25%.

Mike questioned which industry's employees the Town is trying to keep in Basalt. He said Basalt is currently servicing all of the Valley's employers. Mike indicated that he is not in favor of a wholesale change to the affordable housing category AMI levels as proposed in Item #1. Taking a two-year average is a reasonable approach as it accounts for changes in income within a two-year period and attempts to avoid putting people in jeopardy for exceeding the allowable yearly income limits. Anne agrees.

James asked if there is support for Item #3 (adding a provision similar to APCA's two-year average) as a stopgap measure. BACH members indicated their support. There was also support for providing a one-year move out provision similar to APCA's requirement if a tenant is not able to requalify. James indicated that Staff would bring back draft language for BACH to make a formal recommendation on at the next meeting.

Mike felt that program should be tailored to existing jobs and where they fall on the income spectrum. He indicated a need to support Basalt's workforce. The affordable housing program should be tied to the existing and future labor force of the mid-Valley. He wants to understand where current occupants of Basalt's affordable housing fit within the income range.

Katie said that data can easily be pulled on teachers, firefighters, etc. She supported getting more data if it can be easily accessed. Mike said he wants to see the data before considering changes to the income level requirements. Council needs to make clear who we are looking to serve with Basalt's affordable housing program.

Anne cautioned the commission not to tie itself in knots with data searching that prevents BACH from moving forward. Katie said we can pull pay scales fairly easily for the core jobs that we need in our Valley and for the people we want to serve with Basalt's affordable housing program.

Mike continued to question why our housing program is serving those that work outside of Basalt. He is interested in understating who the current tenants are that reside in Basalt's affordable housing units and their occupations. There is accountability to Basalt's taxpayers and the units should not be serving Aspen's workforce. Mike suggested creating a charge for out of town employers for that are using Basalt's affordable housing program at the Basalt taxpayer's expense.

Anne questioned the essential employees that do not live in Basalt, such as employees of the Aspen Airport and hospitals, as she believes they may need some additional consideration that allows them to utilize Basalt's affordable housing. Mike noted that the hospitals have significant resources and their own existing housing inventory. He questioned whether by allowing those employees outside of Basalt to reside in the units if we are squeezing out someone who works for a business here within Basalt. There must be a net benefit to the Town of Basalt's taxpayers, such as a fee for the right to use that deed-restricted unit that the taxpayers have paid for.

Mike said that by acting regional, if we are going to be extending housing to other communities, they should extend Basalt's employees the same consideration. Katie said she can agree with that.

James indicated that Staff would come up with a framework to move forward and bring to BACH for discussion at the next meeting. The framework will define where Council check-ins are within the process.

Katie would like to look at the issue from both a rental and an ownership point of view, and get some information on the entry level income for first responders, teachers, etc.

5. Member Updates/Other.

There was some discussion about BACH meeting once a month rather than twice monthly. This will be considered when BACH has concluded its work on the affordable housing guidelines.

M/S Katie and Mike to adjourn the meeting. Motion passed 3 to 0.

The meeting ended at 12:59 pm.

BACH Meeting
December 8, 2022
12:00 pm – 1:00 pm
Via Zoom

BACH Member Attendees: Katie Erickson
Staff Attendees: James Lindt, Michelle Bonfils Thibeault, Sara Nadolny

Agenda items

1. Approval of meeting minutes from 7/28/2022 and 10/6/2022
2. Introduction to New Town Logo and Branding Process
3. Review of Draft Community Housing Guideline Language for Income Waivers
4. Discussion on Process Framework for Community Housing Guideline Amendments and Code Amendments Related to Income Categories, For-Sale/Rental Mix, and Occupancy Priorities
5. Member Updates & Other

The meeting began at 12:06 pm

The meeting closed at 12:10 pm for lack of quorum.

Draft Framework for Process to Research and Determine Amendments to the Income Categories, For-sale/Rental Mix, Occupancy Priorities in the Community Housing Guidelines

- i. BACH Review of Process Framework
- ii. Town Council Review of Process Framework Recommended by BACH
- iii. Staff publishes RFP for update to Basalt Housing Gaps Analysis and Short-Term Rental Fee Study
- iv. Staff and BACH Interview Proposers to Conduct Housing Gaps Analysis and Short-Term Rental Fee Study
- v. Town Council reviews contract for selected firm to provide Housing Gaps Analysis and Short-Term Rental Fee Study
- vi. Consultant works with Staff to establish Housing Gaps Analysis and Short-Term Rental Fee Study
- vii. Consultant presents Housing Gaps Analysis and Short-Term Rental Fee Study to BACH and Town Council
- viii. BACH and Town Council hold joint work session to discuss and give direction to Staff on adjustments to income categories, desired for-sale/rental mix, and occupancy priorities, etc. after being presented with Housing Gaps Analysis
- ix. Staff drafts proposed amendments and reviews with BACH, P&Z, Town Council
- x. Amendments are processed for adoption through the amendment public hearing process with noticed public hearings before the P&Z and Town Council after a recommendation from BACH.