

# AGENDA

## CITY COUNCIL WORK SESSION

March 28, 2022

3:00 PM, City Council Chambers  
427 Rio Grande Place, Aspen



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### I. WORK SESSION

I.A. Moratorium – Public Engagement Update and Growth Management



## MEMORANDUM

**TO:** Mayor Torre and Aspen City Council

**FROM:** Ben Anderson, Principal Long-Range Planner  
Phillip Supino, Community Development Director

**MEMO DATE:** March 24, 2022

**MEETING DATE:** March 28, 2022

**RE:** Residential Building; Initial Outreach Summary; and  
Demolition – Proposed Policy Direction

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**REQUEST OF COUNCIL:** This memo provides an introduction to the outreach and engagement efforts that have been completed to date, a general proposal for next steps in the engagement effort, and a description of residential demolition and proposed policy and strategy response to the topic.

At the Work Session, Staff will ask Council to engage in a general discussion about the City's engagement efforts to this point in the process and provide direction on any desires that Council may have as we move forward – related to further engagement with the community.

In the second topic of the Work Session, staff will describe the current conditions and possible policy paths forward within the Land Use Code related to residential demolition. This topic is technical and yet is central to staff's current thinking about how to best respond to the concerns raised about Aspen's current residential development context. At the March 28 work session, staff will present a detailed description of how a response to residential demolition would work and will request direction from Council as we move toward code amendment responses.

### **SUMMARY, BACKGROUND, AND STAFF DISCUSSION:**

#### **Public Engagement**

**Exhibit A** to this memo is a summary of the City's engagement efforts to date since the declaration of the moratorium. The summary was compiled by our consultant team of Design Workshop (DW) and City Explained, Inc. (CEI). This summary is focused on the efforts related to the residential building components of the moratorium. The efforts related to Short-Term Rentals are being handled in a parallel but distinct process and will be described in more detail at a separate work session later in April.

The summary is a comprehensive description of the efforts both formal and informal to bring the public and our stakeholders into the community discussion about the issues that were initially described in Ordinance 27. While these efforts have been on a very

compressed timeline due to the constraints of the moratorium, the summary provides evidence of the depth and breadth of the strategies and tactics that have been utilized in making sure that if people have a perspective, there is a venue to offer it. In staff's view the following efforts have been most impactful:

- 1) A robust set of on-line resources has been built using the Aspen Community Voice (ACV) platform. This is the location of significant information and the portal for surveys and other tools to provide comment and feedback. If people wish to comment and not use the tools in ACV, a specific email account (aspenengage@aspen.gov) has been established as a more direct way to communicate with staff. Staff member Ben Anderson's direct contact information has also been provided if people desire to have an even more direct connection.
- 2) In early March, staff and the consultant team engaged in an intensive week of various events across Aspen. The summary goes into great detail about the nature of these events and the feedback resulting from the conversations that were had. Some of these events were directed at the general public, while others at technical stakeholders.
- 3) A very deliberate effort to utilize social media platforms, traditional print advertising, and coverage in local print, television, and radio media to bring attention to engagement events and inform the public on aspects of the moratorium response.
- 4) One-on-one conversations. Both staff and Design Workshop have held numerous discussions and interviews, starting in January, with individuals who have either been identified as someone whose perspective is vital to our understanding, or with members of the community who have approached staff as wanting to have a more direct discussion on a topic of their interest. These conversations take effort and time and have been essential to our framing of the issues and potential responses.

Staff and the consultant team painstakingly document the feedback received through each of these venues. That feedback is then used to identify strategies and responses, ground-truth ideas, and develop the work product that will become ordinances for Council consideration.

#### Next Steps

As staff starts to focus in on specific, proposed responses to the issues raised by the moratorium, staff and the consultant team are creating a next round of formal engagement events in mid-April. The timing of this engagement will correspond with an important period within the process – specific policy ideas will have been arrived at, and yet it will be before specific code amendments are presented to City Council for consideration. It will be a time for the public and our technical stakeholders to weigh in on a more specific set of questions and ideas. Likewise, ACV will be updated with new and more direct content related to specific policy and code responses.

In the discussion at the work session, it is on this next phase of engagement where staff and the consultant team desire any direction or requests from Council in helping to further shape our efforts. Some ideas to shape Council's thinking on mid-April outreach include:

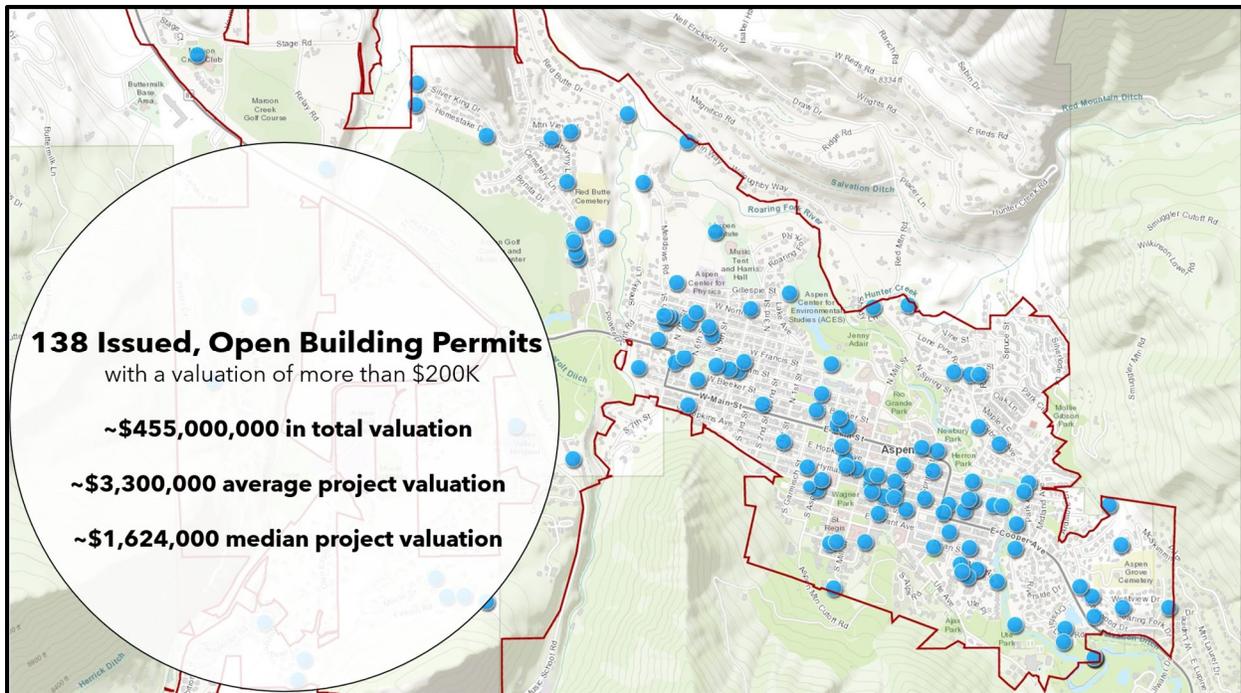
- to whom should staff focus the remaining time for engagement (organizations, populations, individuals), and
- what information from the public does Council need to support decision making on ordinances, and
- does the quantity and methodology of outreach to date meet the LUC requirements for community engagement prior to code amendments?

It is important to remind Council the challenges of conducting public engagement during the pandemic. Also, staff has observed, directly and indirectly, obstacles to residents' engagement with the process that are difficult to overcome. Staff will touch on those briefly in the work session presentation.

### **Demolition**

The current Council and staff have been discussing concerns about Aspen's Growth Management Quota System for two years. Central to these conversations has been the idea that Aspen's development context has never seemed busier than now, and yet we are not really using any of the development "allotments" that are at the heart of the GMQS system. This disconnect has been at the heart of Council's articulated concerns about the adequacy of the GMQS system, and it has been central to staff's thinking about developing solutions to the problems articulated by Council in Ords. 27 and 6.

A central concept to emerge from the process is that residential projects which cross a threshold in the Land Use Code defined as "Demolition" represent a significant constraint to the achievement of AACP goals, and an opportunity to address Council's concerns as expressed in Ords. 27 and 6. In April, 2021, staff presented to Council information about the pace and scale of residential development and its relationship to GMQS. (See **Exhibit B** for the memo and slide deck from that presentation.) A take-away from that discussion was a consensus view that GMQS is presently ill-equipped to manage development as the allotment system was intended.



**Figure 1. Open Building permits and project valuation.** Each blue dot identifies a project with a valuation of greater than \$200K. In total, the projects depicted combine for a valuation of \$455M. On average each dot represents \$3.3M of labor and materials. The GMQS does not presently manage any of these projects through the allotment system. Map depicts permits as of 2/15/21.

Since beginning the outreach and analysis phases of the moratorium project, analysis of permit data and staff discussions with members of the development community and public have all led to a focus on “demolition” as a key threshold. Demolition is defined in the Land Use Code as the deconstruction of 40% or more of a structure. Projects that pass this threshold or fully scrape and replace an existing home are exponentially more complex in their scope, longer in duration, and significant in their community, housing, and environmental impacts. Yet GMQS does not address these projects as comprehensively as “new development”, where residential uses did not previously exist. Relative to the intent of GMQS and the AACP around topics such as growth, development, impact mitigation, and maintenance of community character, the current regulations for this type of development activity appear to be inadequate.

Redevelopment and major renovation of existing homes are the kinds of projects that are defining the conditions in our current development context and will likely be for the foreseeable future. Our current regulations are misaligned with the impacts from these activities. As staff and the consultant team have strategized possible responses to the whole host of concerns that were identified in Ords. 27 and 6, it is in our professional judgement that making improvements to how the Land Use Code addresses the demolition of single-family and duplex residences could be one of the most impactful changes to Aspen’s regulations under the moratorium.

Proposed Policy Direction

The basic idea is this: utilize the existing GMQS allotment system and process for receiving an allotment and apply that to projects that are formally triggering “Demolition” as defined by the Land Use Code. In short, if a project was triggering demolition – either in a significant remodel or in a full, scrape and replace scenario – the project would need a Land Use Application and a review with P&Z or HPC (depending on its location) under a set of review criteria to receive a development allotment. While staff will present the specific mechanics of this proposal at the Work Session, the following are some important considerations related to this possible response:

1) Taking this path would clearly identify this type of development as “growth”. The Land Use Code does not currently view projects of this type as growth and as such, it is deliberate that “Demolition” and redevelopment of an existing property are not included in GMQS. In staff’s view, these projects, both during and after completion, translate into the kinds of impacts that the GMQS system was designed to mitigate. This would be a specific and impactful policy change.

2) By requiring an allotment for these activities, this path would limit the number of “Demolitions” that could happen within a year. Staff is analyzing past and current building permit data to understand what a possible number of annual “Demolition” allotments might be. Limiting the number of demolitions would have three likely and significant effects – slow the pace of scale of residential development, drive some projects to reduce scope to avoid “demolition”, and draw objections from those in the community whom favor the status quo.

3) This would allow the implementation of a set of performance criteria and standards for projects during demolition and in the construction of the replacement home related to construction and demolition waste and energy efficiency. This creates a significant opportunity to use one methodology and LUC process to address numerous aspects of Council’s emergency declaration in Ords. 27 and 6, and support complimentary AACP policies.

4) This path would shift “Demolition” projects from a path that is currently “by right” and “straight to building permit” – to a process that would require a board review, or at least a formal administrative review – either of which would be initiated by a Land Use Application. This outcome would increase public scrutiny of the projects and be an acknowledgement of the impact of these developments relative to AACP policy.

#### Questions for Council’s Consideration

The Work Session will provide details on the policy concept to support these questions, but Council will be asked to provide direction on the following:

1) In General, does Council view projects that trigger “Demolition” as something to be discouraged, but if done, to be done in a way that is more in alignment with clearly stated AACP policies?

2) Does Council view projects that trigger “Demolition”, thereby altering neighborhood character, employee generation, use and occupancy patterns as growth and should therefore be addressed within the GMQS allotment system?

3) Does Council desire to set a fixed number of annual “Demolition” allotments? This would put a governor on applicable types of development and redevelopment and place performance standards on projects seeking allotments. Those performance standards could support AACP policies and desired land use outcomes.

4) Does Council desire residential redevelopment projects, that are currently “by right” to be subject to higher degree of review scrutiny and a new set of performance standards?

5) Does Council direct staff to evaluate whether projects that engage in significant remodels, but do not trigger “Demolition” and will not require an GMQS allotment under the proposed system, to also be subject to some level of additional performance related to construction and demolition waste? (Staff will provide further information about this at the work session – as this is a particularly technical distinction).

**CONCLUSION AND NEXT STEPS:** While public engagement and demolition are very different topics, staff and the consultant team are at a very important time in the response to the moratorium. Council direction on these topics will provide important guidance as we continue to shape our process and policy responses toward successful outcomes.

**FINANCIAL IMPACTS:** N/A

**ENVIRONMENTAL IMPACTS:** N/A.

**ALTERNATIVES:** N/A

**RECOMMENDATIONS:** Council provide direction during the Work Session discussion in response to the policy questions posed by the memo.

**CITY MANAGER COMMENTS:**

**EXHIBITS:**

A – Initial Outreach Summary – Residential Building

B – April 2021 GMQS Packet Materials



# Shaping Aspen's Built Environment

# **RESIDENTIAL BUILDING**

**INITIAL OUTREACH SUMMARY V. 1**

**MARCH 28, 2022**

PREPARED BY DESIGN WORKSHOP AND CITY EXPLAINED INC.

# Shaping Aspen's Built Environment RESIDENTIAL BUILDING

## INITIAL OUTREACH SUMMARY: PROJECT PLANNING AND SCHEDULE

In early January, less than one month after the moratorium was declared, the City of Aspen began its planning process for the Aspen Moratorium Residential Building Project. The Residential Building Project was in response to Aspen City Council recently pausing residential development to explore solutions that will improve the Land Use Code regulations and respond to changes in the pace and scale of free-market development in Aspen. The project launched with an exercise aimed at defining engagement goals and objectives, in addition to understanding the various anticipated stakeholders involved and how best to communicate with them. This process culminated in a detailed Public Engagement Plan - utilizing values and ethics from the International Association of Public Participation (IAP2) - which defines the development context, promise to the public and how feedback would be put into action.

**Development Context:** Aspen City Council instituted moratoria, via Ordinance 27, 2021, and then Ordinance 6, 2022 (which expires on June 8, 2022) on residential building to allow for a period to evaluate current and future residential community development in Aspen. This pause allows the community space to think critically about how to address key challenges related to stressors on Aspen's built environment, including:

- Pace and scale of residential development.
- Affordable housing development and mitigation.
- Development procedures within the Land-Use Code including demolition.
- Construction and environmental impacts of development.
- Development impacts on utilities and waste.

**PROMISE TO THE PUBLIC:** The project team identified the need to work with the Aspen community in a bespoke engagement initiative focused on targeted conversations that determine community concerns and ideas for policy change thresholds. The engagement approach focuses on:

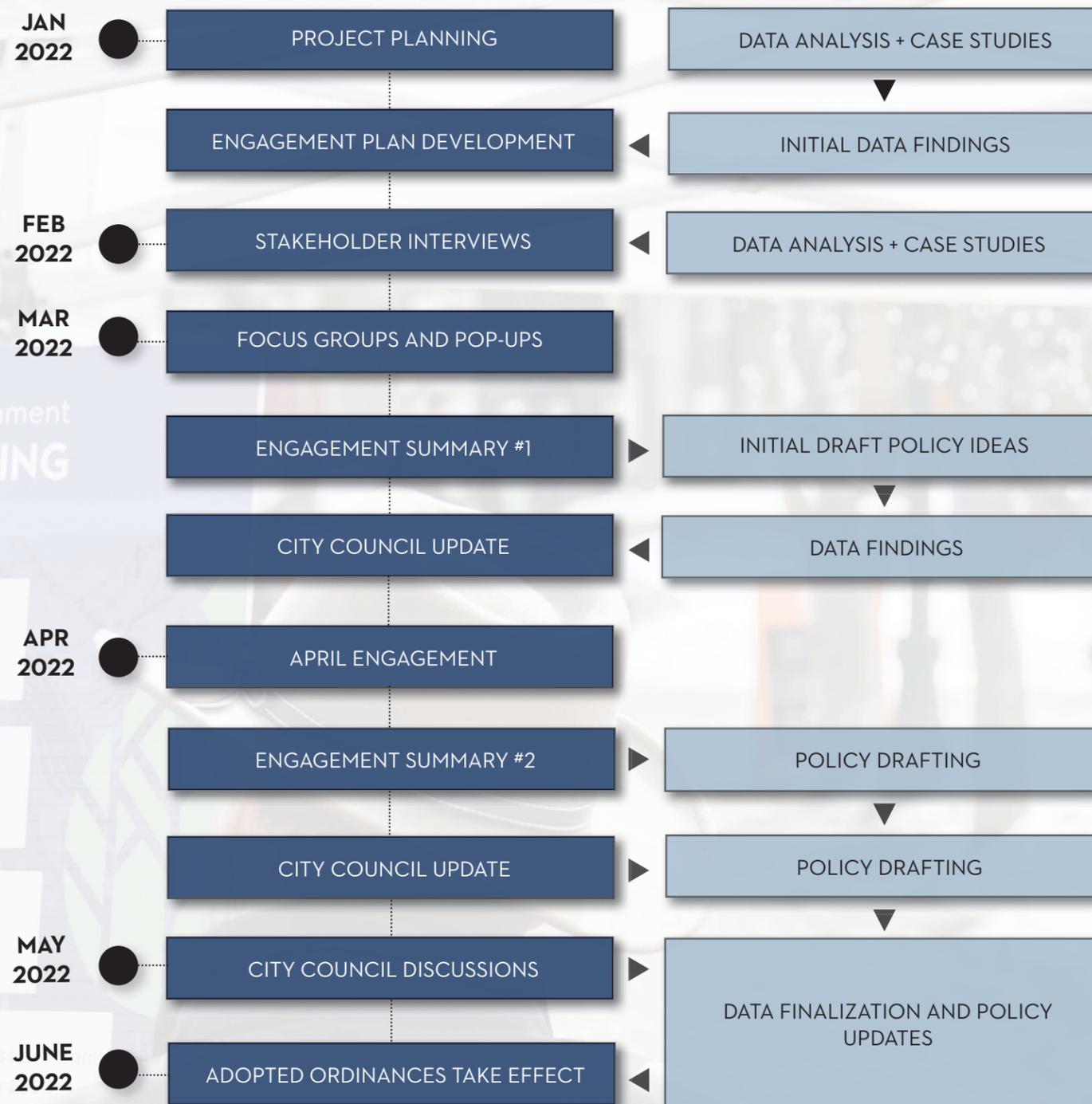
- **Informing** the community-at-large (public) of the project by providing balanced and objective information to assist them in understanding the "problem", what alternatives may be appropriate, and what opportunities and/or solutions there might be to address change to current City policy.
- **Consulting** with internal and external stakeholders to obtain feedback on current process successes and barriers, data analysis, policy alternatives, and involve them throughout the process to ensure their concerns and aspirations are consistently understood and considered.
- **Involving** technical stakeholders on specific discrete policy questions that can further the data analysis and proposed code changes.

**PUTTING FEEDBACK INTO ACTION:** The project team identified the need to work diligently to summarize engagement initiatives and findings in real-time to provide for a continuous information loop in and out of the policy development process in order to:

- Set clear expectations with stakeholders and the community on engagement activities and how their feedback will be considered or incorporated in the policy development process.
- Provide status updates through Aspen Community Voice and make engagement summaries readily available to the public.

## PROJECT PHASING AND DATA ANALYSIS FLOW CHART

The chart below illustrates concurrent project planning efforts and data analyses with arrows indicating where data, information, outreach results and community discussions are informing project components.



# Shaping Aspen's Built Environment RESIDENTIAL BUILDING

## INITIAL OUTREACH SUMMARY: SCHEDULE AND ACTIVITIES

Public engagement focused on facilitating dialogue about an aspirational vision for the community. A variety of mechanisms and tools were used to share information including targeted discussions with technical stakeholders, focus groups, and informal popups located throughout the City. The project team created a webpage on Aspen Community Voice that hosts project information, outreach opportunities, key project dates, events, meeting registrations and documents for review.

Through a series of online tools on Aspen Community Voice and questions developed for technical stakeholders and community members alike, the project team gathered data points to assist Aspen City Council and staff in furthering project discussions around:

- The pace and scale of residential development.
- The development of affordable housing.
- Development procedures within the Land Use Code.
- Demolition and construction trends.
- Environmental and climate trends.
- Landfill and waste trends.
- Size and scale of homes being built.
- Energy impacts from residential development.

These discussions, held both in-person and virtually, began with the launch of Aspen Community Voice on February 8, 2022, and continued with stakeholder interviews throughout February and a six-day intensive engagement initiative from Saturday, March 5 through Thursday, March 10, 2022. Engagement included focus groups and a series of pop-up events at venues and locations in different Aspen neighborhoods. Each event type offered a different style of discussion with the project team:

- **Pop-Ups (Inform)** - Information sharing and values-based discussions based upon community members experiences living and working in Aspen.
- **Stakeholder Interviews (Consult)** - Deep dive into subject matter based upon collective expertise of interviewees to better understand existing conditions and development trends.
- **Focus Groups (Involve)** - Data- and values-driven conversations based upon initial data findings and policy questions pertaining to discussion points outlined above.

## ENGAGEMENT ACTIVITIES COMPLETED TO DATE

The activities listed below illustrate distinct engagement activities that included technical stakeholder interviews, focus groups and pop-up events between February 8 and March 16, 2022. In total, there were approximately 260 participants across Aspen Community Voice (20), stakeholder interviews (26), focus groups (29), and Pop-Ups (204).

- TUESDAY, FEBRUARY 8, 2022**  
Launch of Aspen Community Voice Shaping Aspen's Built Environment: Residential Building Project and online engagement activities.
- MONDAY, FEBRUARY 14, 2022**  
Technical stakeholder interview on the pace and scale of residential development, affordable housing, and development procedures.
- MONDAY, FEBRUARY 14, 2022**  
Technical stakeholder interview on residential development, building permits, demolition, construction, climate, and waste impacts.
- TUESDAY, FEBRUARY 15, 2022**  
Technical stakeholder interview on utilities, consumption, residential development, and environmental impacts.
- TUESDAY, FEBRUARY 15, 2022**  
Technical stakeholder interview on the pace and scale of residential development, affordable housing, and development procedures.
- TUESDAY, FEBRUARY 15, 2022**  
Technical stakeholder interview on impacts of residential development, landfill patterns, and climate goals.
- WEDNESDAY, FEBRUARY 16, 2022**  
Technical stakeholder interview on environmental impacts of residential development, landfill patterns and climate goals.
- WEDNESDAY, FEBRUARY 16, 2022**  
Technical stakeholder interview on affordable housing, mitigation, development patterns, environment, and growth management.
- WEDNESDAY, FEBRUARY 16, 2022**  
Technical stakeholder interview on affordable housing costs, existing development patterns, demolition, and impacts of construction.
- WEDNESDAY, FEBRUARY 16, 2022**  
Technical stakeholder interview on the pace and scale of residential development, affordable housing, and development procedures.
- WEDNESDAY, FEBRUARY 16, 2022**  
Technical stakeholder interview on the pace and scale of residential development, affordable housing, and development procedures.
- MONDAY, FEBRUARY 21, 2022**  
Technical stakeholder interview on the pace and scale of residential development, affordable housing, and development procedures.
- MONDAY, FEBRUARY 21, 2022**  
Technical stakeholder interview on the pace and scale of residential development, affordable housing, and development procedures.
- MONDAY, FEBRUARY 21, 2022**  
Technical stakeholder interview on the pace and scale of residential development, affordable housing, and development procedures.
- WEDNESDAY, FEBRUARY 23, 2022**  
Technical stakeholder interview on the pace and scale of residential development, affordable housing, and development procedures.
- WEDNESDAY, FEBRUARY 23, 2022**  
Technical stakeholder interview on the pace and scale of residential development, affordable housing, and development procedures.
- SATURDAY, MARCH 5, 2022**  
Pop-Up event at the Aspen Pedestrian Mall from 1-4:30pm highlighting project data and seeking feedback from community members.
- SUNDAY, MARCH 6, 2022**  
Pop-Up event at the Aspen Pedestrian Mall from 12-1:30pm highlighting project data and seeking feedback from community members.
- SUNDAY, MARCH 6, 2022**  
Pop-Up event at the Red Mountain Grill from 3-6pm highlighting project data and seeking feedback from community members.
- MONDAY, MARCH 7, 2022**  
Aspen Board Member Focus Group on the pace and scale of residential development, affordable housing, and development procedures.
- MONDAY, MARCH 7, 2022**  
Technical Stakeholder Focus Group on the pace and scale of residential development, affordable housing, and development procedures.
- MONDAY, MARCH 7, 2022**  
Pop-Up event at the Wheeler Opera House from 3-5:30pm highlighting project data and seeking feedback from community members.
- TUESDAY, MARCH 8, 2022**  
Technical Stakeholder Focus Group on the pace and scale of residential development, affordable housing, and development procedures.
- TUESDAY, MARCH 8, 2022**  
Pop-Up event at the Aspen Ice Garden from 4-6pm highlighting project data and seeking feedback from community members.
- WEDNESDAY, MARCH 9, 2022**  
Technical Stakeholder Focus Group on the pace and scale of residential development, affordable housing, and development procedures.
- WEDNESDAY, MARCH 9, 2022**  
Pop-Up event at the Red Brick from 11am-1pm highlighting project data and seeking feedback from community members.
- WEDNESDAY, MARCH 9, 2022**  
Community Focus Group on the pace and scale of residential development, affordable housing, and development procedures.
- THURSDAY, MARCH 10, 2022**  
Community Focus Group on the pace and scale of residential development, affordable housing, and development procedures.
- THURSDAY, MARCH 10, 2022**  
Pop-Up event at the Highlands Ale House from 1-3pm highlighting project data and seeking feedback from community members.
- THURSDAY, MARCH 10, 2022**  
Pop-Up event at the Gant Hotel from 5-8pm highlighting project data and seeking feedback from community members.
- WEDNESDAY, MARCH 16, 2022**  
Pop-Up event at the Burlingame Commons from 6-7:30pm highlighting project data and seeking feedback from community members.

# Shaping Aspen's Built Environment

## RESIDENTIAL BUILDING

### INITIAL OUTREACH SUMMARY: COMMUNICATIONS AND EVENT LOCATIONS

In order to meet the goals outlined by the project team, it was important to employ a variety of tools to 'get the word out' about the project and go to locations that were geographically spread out around Aspen. The project team utilized several channels to create project awareness, which included:

- Aspen Community Voice
- [www.aspencommunityvoice.com](http://www.aspencommunityvoice.com)
- Aspen Daily News advertisements
- Aspen Times advertisements
- Twitter (@cityofaspen)
- Facebook posts and advertisements
- Instagram
- Newsletters (ACRA, Colorado Conversations, and Community Development Updates)
- Targeted event mailers for specific neighborhoods

This coordinated communications and outreach initiative was intended to maximize information shared with the community and clearly identify opportunities for community members to engage with the project team both in-person and virtually. In total, there were:

**14 DAYS**

Continuously running digital ads in Aspen Times and Aspen Daily News

**100K+**

Digital ad impressions between Aspen Times and Aspen Daily News

**1,085**

Total moratorium ad clicks between Aspen Times and Aspen Daily News

**812**

Visits to the Shaping Aspen's Built Environment + Residential Building page

**595**

'Aware' Visitors to the Shaping Aspen's Built Environment + project page

**150**

11x17 Posters placed in venues between Basalt and Aspen

**579**

Targeted Event Mailers for the Red Mountain Grill Pop-Up

**838**

Targeted Event Mailers for the Red Brick Pop-Up

**352**

Targeted Event Mailers for the Aspen Highlands Pop-Up

**1,344**

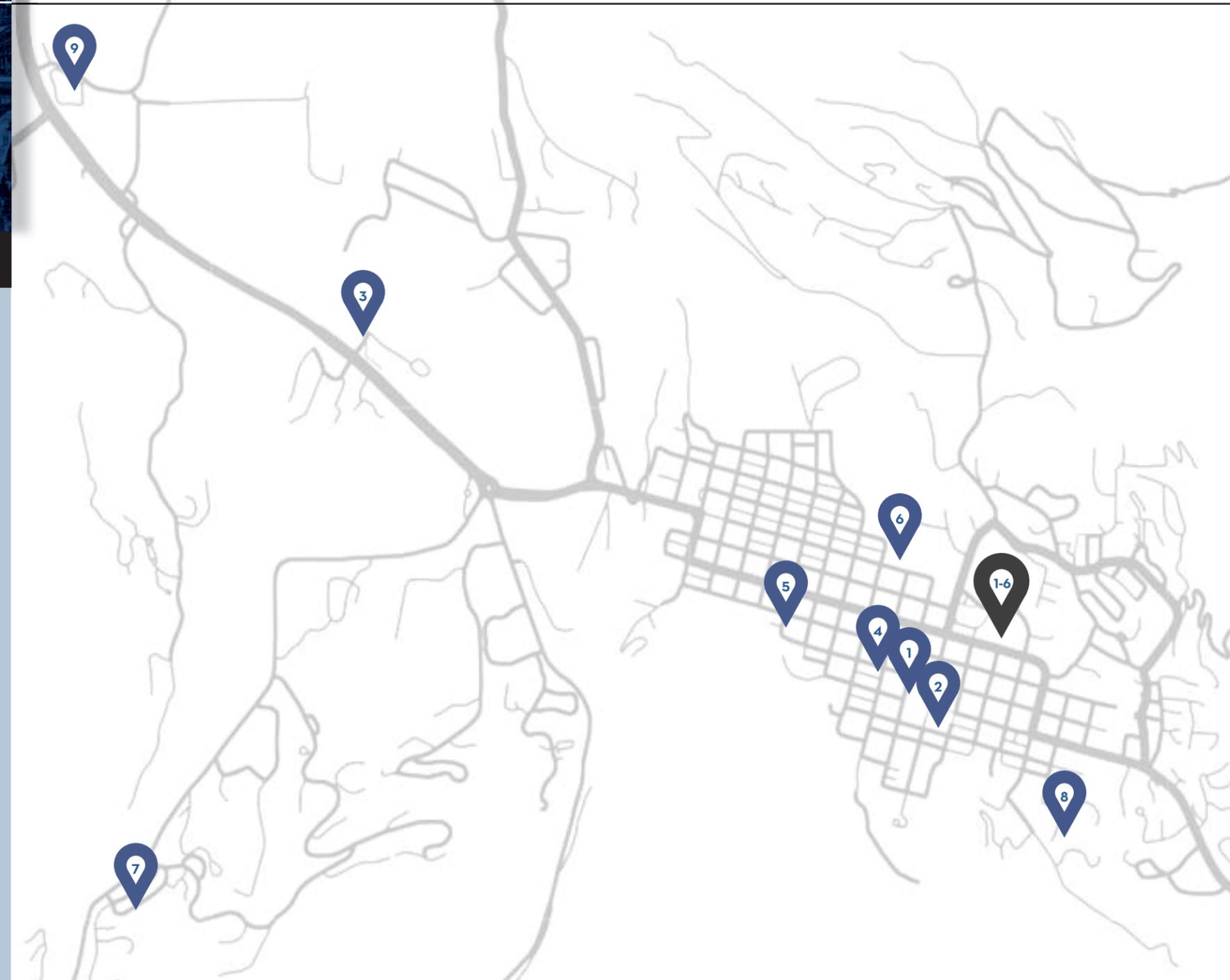
Targeted Event Mailers for the Gant Hotel Pop-Up

**~260**

Active participants across interviews, focus groups and Pop-Up events

**36+**

Hours of conversation between the project team and participants



#### MARCH POP-UP OUTREACH LOCATIONS

- 1 Aspen Pedestrian Mall - Hyman Avenue (All Neighborhoods)
- 2 Aspen Pedestrian Mall - Cooper Avenue (All Neighborhoods)
- 3 Red Mountain Grill (Truscott/Buttermilk/Cemetery Lane)
- 4 Wheeler Opera House (Central Core)
- 5 Aspen Ice Garden (West Aspen/Aspen Mountain)
- 6 Red Brick Center (The West End)
- 7 Aspen Highlands (Aspen Highlands)
- 8 Gant Hotel (East of Aspen/East Cooper/East Aspen)

#### MARCH FOCUS GROUP EVENTS

- 1 Aspen Boards Focus Group
- 2 Technical Stakeholder Focus Group
- 3 Technical Stakeholder Focus Group
- 4 Technical Stakeholder Focus Group (Virtual)
- 5 Community Focus Group (Hybrid)
- 6 Community Focus Group (Hybrid)

# Shaping Aspen's Built Environment

## RESIDENTIAL BUILDING

### INITIAL OUTREACH SUMMARY: KEY FINDINGS AND PARTICIPANT FEEDBACK

General outreach trends included the use of virtual and hybrid meetings to allow participants to have equitable and safe access to events and discussions with the project team in response to COVID-19 restrictions. A particular focus was given to having in-depth conversations and allowing for deep-dives into the subject matter in order to attain high-quality qualitative data to support ongoing data analyses and case study work being conducted. Of particular note was the duration of time that attendees spent at event, with the majority of Pop-Up events having a significant number of participants in attendance for longer than one hour. Many participants were grateful to have the opportunity to meet with the project team 'where they were' and appreciated the events being spread out across town. Below is a summary of high-level findings from discussions (Aspen Community Voice, Interviews, Focus Groups and Pop-Ups) on affordable housing development, affordable housing mitigation, demolition, construction and environmental impacts, size of homes, utilities and waste. Key findings do not represent consensus but rather indicate either a majority response or important discovery through conversations with technical stakeholders and community members.

THEME	NO.	KEY FINDINGS	PARTICIPANT FEEDBACK
AFFORDABLE HOUSING DEVELOPMENT	1	THE LARGEST BARRIER TO AFFORDABLE HOUSING IS COST	<p><b>WHERE DO YOU THINK AFFORDABLE HOUSING SHOULD GO?</b></p> <p><b>65%</b> When asked where they thought affordable housing was appropriate, 65% of participants felt that affordable housing was appropriate everywhere in Aspen in all zone districts. Some participants felt that affordable housing was appropriate in specific areas of town and indicated areas such as Maroon Creek, Burlingame, the West End, and the East End of Aspen as areas that may be most appropriate.</p> <p>A majority of respondents believe that affordable housing is appropriate everywhere, with many participants stating that it should be compatible with surrounding neighborhood character.</p> <p>Many participants noted that even if affordable housing is allowed in all zone districts, it does not diminish the need to address cost as the biggest barrier to development. Participants were interested in the City exploring additional tools (both incentives and requirements) to reduce barriers to the development of affordable housing. Participants gave recommendations on potential incentives that could be utilized to promote the development of affordable housing, such as priority permitting, superseding zoning requirements, and by-right approval as potential options to help reduce current barriers to the development of affordable housing by the private sector.</p>
	2	NEED TO MAKE AFFORDABLE HOUSING THE MORE ATTRACTIVE OPTION FOR MITIGATION - TIME AND CERTAINTY ARE THE BEST INCENTIVES	
	3	INTEREST IN EXPANDING AFFORDABLE HOUSING ALLOWANCES TO MORE ZONE DISTRICTS	
AFFORDABLE HOUSING MITIGATION	4	THERE ARE EASIER ALTERNATIVES TO BUILDING AFFORDABLE HOUSING	<p><b>MITIGATION</b></p> <p><b>57%</b> More than half of participants felt that all residential projects should mitigate for their impacts on the community with a smaller group of participants indicating that they would be open to full-time residences being exempt from having to provide mitigation for redevelopment.</p> <p>Most participants acknowledged that the current code allows for several options to provide mitigation for affordable housing and that some have less barriers than others. Some participants suggested that the current affordable housing credit system, while very effective, has started to run out of credits and there may be new tools to re-invigorate the program including the city taking a more active roll in the program. Some ideas include the city taking a more active roll in the program by creating credits through city projects and/or looking into a dedicated staff position that could ease barriers in the application and permitting process and develop public-private partnerships. Participants suggested that the city work to identify a benchmark for the creation of housing units, which can be used to measure existing and long-term needs.</p>
	5	THE CURRENT CREDIT SYSTEM IS ALMOST DEPLETED OF CREDITS TO PURCHASE	
	6	THE CITY SHOULD EXPLORE ESTABLISHING A TARGET GOAL FOR UNITS OF AFFORDABLE HOUSING	

# Shaping Aspen's Built Environment

## RESIDENTIAL BUILDING

### INITIAL OUTREACH SUMMARY: KEY FINDINGS AND PARTICIPANT FEEDBACK (CONT)

THEME	NO.	KEY FINDINGS	PARTICIPANT FEEDBACK
DEMOLITION	7	INCENTIVIZE DECONSTRUCTION OVER DEMOLITION	<p><b>72%</b> When asked about the appropriateness of deconstruction versus demolition, 72% of participants felt that projects should be encouraged to perform deconstruction over current demolition methods. Deconstruction is when a home is taken down piece by piece in order to promote the recycling or reuse of building materials. Demolition allows for a building to be razed without requiring any materials to be recycled.</p> <p>In Aspen, if more than 40% of an existing structure is razed, disassembled, or torn down it is considered demolished. The Land Use Code provides calculation methods for demolition, which is applied cumulatively across the lifespan of a structure. While many participants felt that the calculation generally works, they also expressed that at times the rigidity of the calculations can be problematic and cause unintended complexities. Specifically, this is seen when home owners attempt to heavily remodel or renovate instead of fully demolish a structure. Participants felt that the different requirements across City departments also can add a layer of unintended complexity where projects can meet one department's requirement for demolition but be above the threshold for another. Participants were highly supportive of incentivizing deconstruction and provided detailed comments on some of the new ideas and programs in the Valley that have been really effective at recycling materials.</p>
	8	CURRENT CODE THRESHOLDS FOR DEMOLITION SHOULD BE EXPLORED TO ENSURE BETTER ALIGNMENT WITH ENVIRONMENTAL POLICIES AND CITY GOALS	
	9	THE DEMOLITION CALCULATION METHODOLOGY MAY BE CREATING UNINTENDED OUTCOMES	
CONSTRUCTION AND THE ENVIRONMENT	10	RESIDENTIAL CONSTRUCTION HAS INCREASED OVER THE LAST SEVERAL YEARS	<p><b>68%</b> When asked about construction impacts and trade-offs, 68% of participants expressed that they would be willing to give up space in the right-of-way, including parking spaces, in the short-term in order to implement better environmental practices to reduce immediate stress on the landfill and on the community in general.</p> <p>Many participants were in agreement that construction in Aspen has had impacts on the local environment - including impacts to the longevity of the Pitkin County Landfill and increased truck traffic in and out of Aspen during active site work. Many participants noted programs and tools currently being used by construction companies in the Valley, and the County, that are significantly increasing the amount of materials being recycled from deconstruction and suggested the city adjust current demolition requirements to be more sustainable. Some participants expressed an interest in managing construction volumes and impacts to locals' quality of life.</p>
	11	DECONSTRUCTION SIGNIFICANTLY INCREASES THE AMOUNT OF MATERIALS RECYCLED AND REDUCES PRESSURE ON THE LANDFILL	
	12	THE CITY SHOULD EXPLORE INCENTIVIZING OR REQUIRING DECONSTRUCTION FOR RESIDENTIAL BUILDING PROJECTS	
SIZE OF HOMES	13	HOMES ARE BECOMING INCREASINGLY MORE COMPLEX AND HAVE A HIGHER VALUATION	<p><b>26%</b> When asked about the size of new homes in Aspen, 26% of participants felt that the scale of residential projects in Aspen is appropriate. The majority, 46%, felt that the scale is inappropriate, with the remaining participants stating that the conversation may be more nuanced.</p> <p>Participants had mixed feelings surrounding residential development trends. A large number of participants felt that that scale of homes was inappropriate and that newer homes were larger, but another group of participants felt that the size of homes was appropriate and that size trends have not changed. However, many participants agreed that newly constructed homes have changed in their complexity and require additional maintenance that can necessitate additional employees, caretakers, and vehicle trips in and out of Aspen.</p>
	14	CONVERSATION AROUND APPROPRIATE SIZE OF HOMES IS NUANCED	

# Shaping Aspen's Built Environment

# RESIDENTIAL BUILDING

## INITIAL OUTREACH SUMMARY: KEY FINDINGS AND PARTICIPANT FEEDBACK (CONT)

THEME	NO.	KEY FINDINGS	PARTICIPANT FEEDBACK
UTILITIES	15	UTILITIES ARE LIMITED RESOURCES THAT WILL EXPERIENCE INCREASED DEMAND OVER TIME	<p>There is a cohesive understanding amongst participants that due to the constraints of Aspen's environmental and legal regulations, Aspen residents must be cautious of their utility use.</p> <p>Water and electricity are both limited resources. Resource scarcity, both locally and nationally, is a concern and there may be a point where the cost of utilities exceeds what the average home can afford. To be proactive, participants suggested that the City think of sustainable alternatives, and work across departments, to ensure complementary policies are put in place. Participants noted that the complexity of new homes and their associated electric usage has already started to put stress on the existing electric grid with examples of individual homes having transformers on-site. Participants also brought up ideas for this such as hardening the electricity grid and adapting infrastructure delivery to support future demands of development.</p>
	16	DELIVERY OF FUTURE INFRASTRUCTURE NEEDS WILL NEED TO BE BETTER COORDINATED WITH LAND USE POLICIES	
WASTE	17	PITKIN COUNTY'S LANDFILL IS NEARING CAPACITY	<p>Participants noted that there are opportunities for the City to adopt and/or expand on <a href="#">Pitkin County waste and recycling regulations</a>, which were adopted in 2019, and have suggested exploring additional staff positions to help monitor recycling, deconstruction, and demolition of residential developments in order to create more structure and monitoring of building material waste. Current data indicates that construction and demolition activities are contributing more than half of the waste that ends up in the landfill each year which is an increase from the <a href="#">2016 Pitkin County Landfill</a> analysis of construction and demolition debris which indicated that 35% of the materials could have been recycled or reused.</p> <p>Additionally, participants felt that there may be opportunities to incentivize deconstruction over demolition and implement additional sorting facilities at the landfill. Participants highlighted the local market for recycled materials, noting that concrete, rock, dirt, steel and other materials are seeing reasonably strong demand within the Roaring Fork Valley.</p>
	18	THERE HAS BEEN A SIGNIFICANT INCREASE IN DEMOLITION WASTE GOING TO THE LANDFILL - THE MAJORITY OF WHICH IS FROM RESIDENTIAL PROJECTS	

# Shaping Aspen's Built Environment

## RESIDENTIAL BUILDING

### APPENDIX A: STAKEHOLDER INTERVIEWS SUMMARY

The team interviewed City departments and technical stakeholders in design and development industries in Aspen. This document contains the combined comments from those meetings. Comments below are organized by major topic areas for discussion, the questions asked, and participant responses. Responses were noted by project team staff and edited for legibility, tone, and tenor.

#### I. AFFORDABLE HOUSING MITIGATION

##### A. Do you feel the full-time employee (FTE) levels established in the Growth Management Quota System (GMQS) chapter are reflective of the real impact of housing on employment?

- New employees include maintenance, upkeep, remodels, landscapers, and property managers.
- These levels are not reflective.
- No one necessarily complains about the fees. - Fees are too low given how much labor is required for property upkeep.
- Most tasks within new large and complex homes may require help.
- I can understand the conversation related to full-time employees, gross number calculation, and mitigation. The credits being discussed and the difference in what is happening is a drastic difference in what the City was discussing. There are no credits available, but unless the City accepts cash-in-lieu, or the City sends own then there is no way to develop.

##### B. Do you have ideas related to what fee-in-lieu rates should include? For instance, should it cover the cost to build a new affordable housing unit, the cost to buy-down an existing unit, etc.?

- Buying down units is a difficult task. Not certain where else in the community buydowns can actually be achieved.
- Aspen will need to look at the impacts of constructing additional units. That has impacts of its own.
- Not entirely convinced that the massive construction of units is appropriate.

##### C. The City is exploring opportunities to change affordable housing mitigation requirements for residential development. A major change would require that sub-grade spaces (basements) would be counted toward mitigation requirements and the credit for existing floor area would be eliminated in scenarios where demolition occurs. In your opinion, does this seem an appropriate response in mitigating the impacts of residential development?

- It is rational, though it has an impact on people who might be wanting to do modest additions or changes. Not sure it is appropriate.
- Seen excessive basement development, but that is now regulated by double basement limitation.
- Residential housing is being developed at a size and scale that makes it more commercial as STR vs. being truly residential.
- The City should explore as many strategies as possible to keep the community character of neighborhoods.
- Some aspect of the market is ready to accept anything that is thrown at them. But need to keep being mindful of individuals and families that want to make an addition to their house but are unable to because of fee and mitigation requirements.
- Cost of utility delivery in Aspen is more expensive than throughout the Valley as are a host of other well-intentioned requirements and exactions.
- There is an element of mitigation that is current to the type of housing that is being built today. There is a lot of room in the profit of market rate development still.

- Room to increase mitigation to bring it up to a nexus based impact on the impact of housing. There has to be demand for credits for that to be a compelling tool to get housing to be developed.
- It is important to consider that higher mitigation rates may drive prices up even more.
- The City and developers are really out of options for growth with the exception of redeveloping older multi-family housing. Clearing house for credits could help to support pipeline of development. It would be great to have higher production of credits than demand.
- How would clients react? Could be both – cost of business and not move forward. If you include so much more FAR mitigation and increase the amount per square foot, the cost of affordable housing mitigation could easily get to \$750- \$1M for properties. That will get some people in challenging the validity of the assertion. Most of the time clients are not pushing back. They are willing to accommodate it because they don't want to lose time with a fight. Not sure where there is a break over point. affordable housing mitigation is very expensive, and it will only make the cost of property higher.
- Will be a cost of the market and properties will sell for higher.
- Those who can afford to live here is rapidly changing.

#### II. AFFORDABLE HOUSING DEVELOPMENT

##### A. Are there particular neighborhoods or zone districts that you think should allow more density to enable affordable housing development?

- Personally, I don't see the clientele that want to build a house in Aspen wanting to have employee housing on their property. Some may, but likely not the majority. Incentives probably don't matter, when there are other areas can be developed.

##### B. Follow up: What incentives do you think would help?

- Examine the ability to construct employee housing down valley where costs are lower.
- Raise the fee-in-lieu, but caution from "punishing" those who develop here.

##### C. Follow up: Is there a way to make people want to develop affordable housing?

- The City should hire a representative or developer who is just looking out for the interest of the city to figure out how to build housing in the most effective way possible. This would save money. Hire a good general contractor or development advisor to build employee units.

##### D. Do you feel the Affordable Housing Credits system has positively impacted affordable housing development? Why or why not?

- Yes, absolutely it's positive. It has produced affordable housing in a beneficial way. Projects are generally good ones designed to a high standard.
- Not everyone will work with the program. Working with credits requires a level of understanding with the program that not all clients have.
- Don't agree that people are using them as a commodity. It's not like the County Transfer Development Rights program.
- Can the City sell credits from the Lumberyard? There is not a negative right now – the City needs to pump credits into the economy now. It's not really creating competition.

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### APPENDIX A: STAKEHOLDER INTERVIEWS SUMMARY

#### E. Follow up: Is there a legislative policy that should stop holding of credits?

- Does not know that people are sitting on them and holding them. That may be own perception with speculative commodity. People are definitely sitting on transfer of development rights, affordable housing credits shouldn't be sold like those are.
- Seems like full time employees are now a barrier because there is a lack of them.
- Credit system and the number required makes it so that no one can develop affordable housing.
- Does not see it benefiting because there are no credits available.
- Going all the way to city council is not the highest and best use for approval.

#### F. Follow up: Is there an opportunity for the city to develop a project themselves and sell credits or create them and adding financial value?

- This would prolong the process of developing affordable housing.
- It is working to add another layer instead of identifying the issue.

#### G. Follow up: How would you/clients feel if affordable housing in all zones were incentivized and increased?

- Success in how it is mixed into neighborhoods, so the city is not creating one neighborhood with one type of housing.
- City should reach out to lots with affordable housing opportunities and develop a public/private type partnership.
- Could this be housed under Asset Management?
- Everything is well intentioned, but the load of work is creating more policy and time which drives cost and development.
- Ran into an issue on a project where they needed a credit, but that was not made clear in the preliminary review process. Learned about it when they came to pay fees, but there were no credits in the market. Have become stuck behind that process.
- Something needs to be done better so it doesn't happen in the future. The process doesn't allow for what happens when there are no full time employees – need a clearer relief valve.

#### H. What changes to the credit market could positively incentivize the development of affordable housing?

- There is an element of mitigation that is not current with the type of housing, how it's being built, what its being built for, etc.
- An important consideration is how to avoid hurting the developers that aren't looking to just make top dollar but are trying to develop high quality projects.
- Full time employee credits program was potentially successful, and not sure about the economics.

#### I. What challenges does developing housing within Aspen present (i.e., labor, materials, etc.)?

- Super high cost of developing. These costs are rapidly escalating. Overcoming these costs is an ongoing challenge.
- The City also plays a role in these increasing costs through new codes that are developed.

- Difficulties with labor markets related to subcontractors and trades.
- The housing must be reliable and produce good quality.
- Project contractors do not want to get involved in bonded work.
- Contracts cannot always negotiate the most favorable terms related to material cost increases.

#### J. What are your thoughts on public-private partnerships?

- Public projects that are done via the public private partnership offloads the work to private developers (public realm projects done by private).
- They are very similar, but more structured in their finances.
- Heavy lifting which leads to legal and administrative costs that go into agreements.
- We see that out-of-town contractors do not understand the difficulties here in Aspen as compared to other mountain towns.

#### K. There is the possibility that the City can develop affordable housing projects internally and source credits and guarantee the value of credits. What is your take on the possibility?

- We often hear folks say that the market should provide affordable housing as needed and the city should lessen their intervention.
- Aspen can be an investor in the credits.
- City can do so at a fee in lieu to "fix the bottom of the market" for credits.
- Private developer can buy from or sell to the city.
- City would not compete, but offer a minimum price for credits.
- Eliminated competitor and provided minimum guarantee on money for credits.
- Developers will do the work for us, we just pay a fee.

#### L. Are there particular neighborhoods or zone districts that you think should allow more density to enable affordable housing development?

- Every single zone district in Aspen should allow a certain amount of 100% affordable housing development by right.
- When a private developer buys a property, they can't buy it if it is affordable housing. It should be allowed in every zone district so that I don't have to buy a property with the risk of not being able to rezone.
- Citywide districts – duplex neighborhood. Tends to be more periphery. Prefer an overlay be blanketed rather than picking on one neighborhood.
- Residential multi family and mixed use.
- Changing zoning by zone district that still encourages and allows affordable housing by right in City.
- May also need to look at downtown district.

#### M. What impacts do you see that are not currently being addressed by the code?

- Current mitigation is inadequate. Cash-in-lieu does not cover costs.

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- Too many exemptions – created so many ways that people can get off the hook and under mitigate and not just a gut instinct to back in up.
- Existing tools for mitigation plus carrots – finding every possible way to give people incentives.
- Established low threshold for mitigation for lodges as if they don't have employees.
- Things are built into the system that they are not capturing as much as they should.
- Seeing significantly larger homes being built.
- Mitigation doesn't capture operations and construction of it. Mitigation addresses additional employees that are generated by activity. Nothing in code that addresses current deficit of affordable housing. Doesn't capture construction, employees, old houses didn't capture mitigation. Looking at from full life cycling of building is what.
- Affordable housing certificate program is broken down. City makes new entitlement process overly difficult.

#### N. How can the city better incentivize the creation of affordable housing?

- Way for the city to seed the free market affordable housing credits. Seed marketing.
- Entitlements – have affordable housing zoning supersede underlying zoning.
- Nothing wrong with credits programs. Folks would be crazy to pursue it. Need to make it attractive option by reducing hearing processes.
- Banks don't recognize credits as having any value. City could back credit to allow them to have guarantee sale price. Some type of assurance of having value to credits. If they can improve when they release credits at different times rather just at Certificate of occupancy. City has resources available to back and guarantee credit program. Able to reduce cost of entry and address uncertainty in financial component.

#### O. How many new affordable housing projects do you see each year? Is your department able to provide expedited review to those projects? If expedited review was required, what would not get done or take longer in order to prioritize affordable housing development? How can the building department alter processes to lower the cost to develop affordable housing?

- Spending the time sometimes helps – depends on the architect's understanding of multi family construction requirements.
- Continuity of the approved plans in the field – there are always changes in the field.
- Affordable projects step in front of the others. Not mentioning any turnaround times for free-market right now.
- Having a local architect helped with the process
- Issues are typically response to comments from applicant.
- Getting reviews done is easy – the issue is having things that can be approvable.
- Not many affordable housing projects, so not a lot of impact. With the public private partnership project, there was a 3 month period that people had to wait.
- Fee schedule do not charge for 100% affordable housing projects. (Includes Zoning as well).
- Code requirements could be different.
- Be more aggressive on energy code / green code. Could be made easier on affordable housing projects.

- Incentives for allowed height and floor area ration would be good incentives.
- Would like to be more robust during review process. Would like to see better review process before they even submit. They approve process at conceptual nature. Require more in entitlement process and review process for expedited affordable housing projects.
- Not a lot and they are in line with everyone else in the review process.
- They want breaks from fees when it comes from all permits so this has been a discussion that hasn't really taken off so this may be a good time to look at this.
- There is a lot of grey area between public private partnership (fees, no fees, rushed, etc).

### III. EXISTING DEVELOPMENT (BUILDING)

#### A. Do you have any suggestions about how to simplify and improve the effectiveness of the measurement of demolition? Is there a building code metric that could be considered?

- Do we want to capture more development as requiring mitigation?
- Do the calculation each time. Understand it is a cumulative measurement, but not sure it is being tracked.
- It is very difficult to complete. The measurements have changed overtime – it is very intricate. No one besides the architect and city reviewer understand.
- Really hard to document – that is true for other things as well, but especially for demolition.
- Potential to use the ICR.
- Usually in favor of zoning definition aligning with IRC. Even the gross FAR calculation is not the same as the IRC.
- This is a good parameter to work with – 40% is less stuff leaving.
- Can be difficult from a cost perspective – changing 2 windows required to create thresholds at a certain amount of work, demo calculations need to be submitted.
- At this point demolition is understood well enough to work with it.
- In demolition projects, there is a lot of reuse that occurs. One company takes regular construction debris and grind it down. That can reduce the volume to 50% of its original size. That equates to fewer trucks on the road and less volume in the landfill. They try to recycle as much as they can (metals, copper, etc). They then pulverize the concrete and take it to Denver or Grand Junction.
- Don't stop demolition but do it better.
- If the city stays with any part of what the code section says, then it's tough to say. The trickiest thing is measuring roof demolition related to the context of removing structure below that holds the roof up. It is complicated. It would be helpful regardless of what is used to determine demo, to make clearer. It's too open to interpretation from project to project.
- Talks of net zero – if existing structures are renovated and not demolished, there need to be provisions to allow for more insulation and changes to the envelope – roofing is not as easy as adding layers to the roof. This will impact the ability to support snow loads, which can lead to need to demolish the roof.
- If all departments calculated demo the same, it would be a huge step for community and staff. Engineering department thresholds leave grey area. This moratorium should allow us to trigger stormwater, etc compliance. Engineering currently is calculated as 50% interior remodel – all the drywall can be gutted, but they don't trigger the engineering review.
- Depending on what permit is leading, it would be good to trigger water line reviews because many of

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them are old and need to be removed. Ex: Meter pit isn't allowed but they didn't trigger engineering so they couldn't tell developers to remove it.

- Clean up grey areas where it can be argued both ways.
- People have the ability to knock down perfectly good houses.
- Controls on age and quality of construction being considered in demolition may have a big impact.
- We are way too forgiving in letting people knock down perfectly good development.
- Want to disincentivize demolition.
- Deconstruction – plenty of examples out there but cannot do it with current staff. Need to establish a place to sell and display the materials. What is not demolished it moved to habitat.
- Pitkin County is leading the charge on putting a deposit down and you get back if you separate waste. But people are only paying the deposit. Tight city lots need multiple dumpsters to separate products, but there isn't always the space for that.
- Previously didn't have the space to comply with the efficient building program.
- Would be better to leave the buildings in place.
- International Residential Code information from alternation level 3 – more than 50% of structure (doesn't matter about the exterior versus fenestration). Also triggers the URMP and drainage for the property.
- Would like to have a single definition that could match building, engineering, and zoning.
- It is cumbersome to with the calculations and the issues in the field.
- Considering requiring continuous insulation on project, but that gets crossed with the land use code definition of demolition. However, it's needed if we want to make these older buildings more efficient.
- Zoning does want to come up with a single demolition standard, which will be helpful
- 40% was way too generous. Architects could do an entirely new house with 40%. But would do through the calculations in order to maintain non-conformities.
- Potential to push people toward scrape and replace because there is no advantage to not triggering demo. The only thing left is keeping non-conformities.
- Having a common calculation path from departments is important. Thinking will rely on 50% trigger for energy efficiency upgrades. Want to disincentivize people from doing demo. If don't align, then try to simplify. It's really tough when you get to 39% - are there exemptions that can be built in?
- From a construction waste perspective, measuring floor area ratio versus holes in the wall would be more meaningful. Include interior stuff.
- Majority of homes at the 39% demo are 99% interior remodel. It isn't meeting the spirit of the calculation. It doesn't seem like it's meeting the intent.

#### B. Follow Up: How would you limit demolition?

- Whatever is done with demo – language to alleviate historic resources. Don't want historic projects to get hung up in that. Trigger for demo is moving structure not picking it up off foundation.
- Three components of wall assembly: 1. Interior, 2. Sheathing, 3. Exterior
- Instead of demolition measure, have retention measure.
- Focusing on goal on that you don't want people to dispose of materials.
- People are always pushing for some type of exception – mold rot, something else, why didn't you demolish the moldy part and retain the sound part.
- Make the requirements for demo more stringent.

- We have listened to the community and are hearing 80% of people in the community are positive on certification.
- Certification drives accountability across city departments.
- When city council says that they want a net-zero certification, departments and partners are signing up to participate in this certification. It is accepted that they are signing up for the same requirements and goals.

#### C. How many single family and duplex residences do you estimate are extensively remodeled or redeveloped each year? How about multi-family units?

- Taking anything down to the studs is considered extensive.
- See MF one by one, don't often have 1-2 per complex per year. Gant and Alps do a few units a year. Will not see the full package. Some exterior renovations over the last few years.
- COs and Letters of Completion – 3-5 week pretty steady. Not a dramatic increase.

#### D. City Council has raised concerns about the negative impacts of the mass and scale of new construction on community/neighborhood character, and the climate and waste impacts of developing large homes. Do you agree that mass and scale of homes contributes to these problems? If you do agree, what would be the most effective solutions to implement in response?

- Yes, agree with this, mass and scale is an issue. It can be most seen in the changes to the West End and Shadow Mountain areas. In the past, we avoided a general downzoning of floor area in favor of design standards. Now, I'm thinking that the RDS program needs to be augmented by downzoning. Reducing the historic preservation bonus based on lot size has helped.
- We have worked to make the houses a little more street friendly but haven't controlled mass and scale.
- Demolition can impact what is going on with the landfill.
- A number of people work with want to do deconstruction. A lot of people will have Habitat come in and take the items of value.
- Excavation – that dirt is often not going to the landfill; it's going to other projects.
- City of Aspen used to have an efficient building code during the recession. Programs that could be used to encourage green building to offset impacts.
- Homeowners are pushing to do green building practices. Most have solar, etc. to address Renewable Energy Mitigation Program fees.
- Not seeing negative impacts.
- Houses today are being made much more efficient; all equipment is being made with energy efficient device.

#### E. Follow up: Demolition vs Deconstruction?

- The problem is there is not a market for a lot of the materials.
- Creating a market goes beyond regionalism.
- Material markets are nowhere near here.

#### F. Follow up: Impacts of deconstruction vs demolition?

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- Took materials down and gave it all to Habitat for Humanity and it did not take a lot more time, but Habitat won't take items that have limited resale value.
- Pitkin County drop and swaps are worthwhile.

#### IV. GMQS AND DEVELOPMENT

##### A. What challenges does developing housing within Aspen present (i.e., labor, materials, etc.)

- Costs for labor and materials are, of course, increasing and labor is currently in short supply. Biggest issue is finding land for affordable housing development, which drove the Lumberyard purchase. Problem there is that the site is outside of the Roundabout and the perception is that it is too big a project.
- There needs to be an incentive for someone to develop it. It has been credits – there are not enough on the market now, which is a problem. In order for it to be feasible, it needs to cover the costs for development, plus a decent return. The credit program created that, so we need to maintain that.
- With any development, there are a lot of questions and variables. It's not a straightforward path to move through approvals and permitting even on the simplest side. With go to a board, call-up, etc. The process is unclear. Creates challenges where there is no guaranteed path and return.
- Affordable housing project on hold because of the moratorium because it was mitigation for a free market project.
- Cost of land, construction materials, and labor.
- Limited developable land.
- Business community needs to house their employees better, not all on COA/Pitkin County
- The city should be asking people to build housing.
- Past policy decisions have make developing on-site apartments more difficult.
- Makes for vibrant neighborhoods.
- May offset short term rental homes.

##### B. Follow up: How would you/clients feel about making ADU's mandatory?

- County already requires it so making it a similar regulation would work.
- Knee jerk that constantly happens focuses on 10% that will break the rules rather than the 90% that will follow them.
- If the city is trying to build housing, let's build housing and make the process less cumbersome.
- Within the current programs there are not a lot of tools in the toolbox.
- "Tried and true tool" are the credits, but this is not of interest to a broad spectrum of developers.
- The value of credits are not based on any specific metric, making it difficult for people outside aspen or outside the development community to understand.
- Tax credits are good but not an easy process in Aspen.
- Affordable housing zone district is not viable given land costs. Properties that are viable from a zoning or basic unit perspective have a significant barrier to entry because of the land cost.
- Overall cost and location are challenges.
- There are not a lot of places that people want to see employee housing. People do not seem to want affordable housing near them. Have seen that people would rather pay a higher cost to incentivize housing in other areas of the city. People want some privacy when they are here, and don't necessarily

want to see employee housing.

- The cost will be substantial to get employee housing that is desirable. It seems that what is being developed is not meeting the specific needs from a unit size or location perspective.

##### C. How can the city better incentivize the creation of affordable housing?

- Public private partnerships should be explored in ways beyond just the affordable housing credit program.
- Unsure that the city really needs, or can afford to generate the number of affordable housing units that the regional housing study indicated need to be generated in the upper valley, it may be better to rely on employee growth management.
- Any other residential project can be done by right. Creating a more administrative process would be helpful.
- Pitkin County has a good loan program, is that something the city or employers may be able to replicate? Use of city collected funds designated for affordable housing. Instead of the City being in the development business, put the dollars to work with a program like the County uses for it's employees for all APCHA qualified parties, so they can buy existing housing and convert it into affordable housing.
- If they don't want to mandate it, make it more attractive than cash-in-lieu.
- Increase cash-in-lieu so much that it makes more sense to develop.

##### D. Follow up: Would density allowances be helpful for affordable housing?

- Yes, definitely – we can't build affordable housing because of parking requirements so loosening zoning requirements to allow for housing would be very helpful.
- Unintended consequences – if there can be an easy conversation with engineering to understand how to master plan every block.
- How to deal with transformers, etc. to master plan utilities for next 30-50 years; what will we look like and where will infrastructure go? Where are utilities needed?
- Not about money anymore, all about time.
- Incentivize what the city wants.

##### E. Follow up: What timing are you seeing on projects?

- We've gotten interior permits for the city that do not call for engineering reviews within 6 weeks.
- Thresholds/levels that can easily go through reviews should be explored.
- City has money and the county has land. Is there a way for the two to collaborate to build housing?

##### F. What types of development costs are you seeing in the market today?

- Used to quote a high-level finish for \$500/sf. This has doubled to about \$1,000/sf
- Aspen is squeezing out the middle. The affluent developer and home buyer can navigate the cost increased but the city is unable to accommodate the middle class very well.
- Cost of construction have doubled – could be COVID. Things are just going up. That's not really city driven.
- Start off telling them there are permit fees of 15% of construction cost, not including fees. Often times

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the City is making substantial revenues off projects.

- Costs are extremely high – parks fees, water tap fees, parks, street fees, etc.
- Some fees are waived for affordable housing, but they are still a barrier to entry.
- Cost of permitting itself is high.
- Comparison of somewhat relatable communities (Park City, Telluride, Jackson hole).
- Fees in Aspen for standard size house were categorized as outside.
- For multi-family housing: \$900,000 – \$1,000,000 per unit.
- Anywhere from \$1,000 to \$10,000 per sf and they will continue to increase - It was \$6,000 10 years ago, but now it is \$10,000/sf based on material and labor.
- Materials and lead time are extremely difficult here. Scheduling issues have caused delays.
- Construction is significantly more costly across the board.
- 5 years ago, it would be between \$700 - \$900 a foot. At this point was \$1300 minimum (a year ago) and that's likely gone up.
- Cost for 500 sq ft to a home in cemetery lane. Mechanical proposals north of \$50K, and before were about \$16K.

#### G. Follow up: Can permit fees act as a barrier to regular development?

- Yes, you're competing for same resources as billionaires and now Aspen is competing with mid-valley projects too. Aspen is based farther away so if they can get similar prices, they will take that rather than spending time in the car to get to Aspen.

#### H. Follow up: What is the average rule of thumb per market?

- Ever since the big winter storm in Texas, material costs spun out of control.
- Rule of thumb no longer is reliable.
- 100% increases on steel and no stabilization in lumber market.

#### I. Do you view residential development / redevelopment on existing lots as growth? Or is this aspect of Aspen's development context – something else? Do you agree that this type of development has impacts that should be appropriately mitigated?

- It is growth in the sense that it may not mean there are more housing units, but it tends to introduce many more workers into the community. As houses expand they require a larger workforce. And there are construction impacts, including increased noise, traffic and landfill use.
- Aspen always looked at growth in terms of units, but the growth may need to have another metric.
- For impacts to be mitigated, landfill impacts need to be addressed. Some projects try, but it needs to be addressed more closely. Increased construction traffic has been very difficult to mitigate, cannot easily be redirected to public transportation.
- Don't see it as growth. There is not a lot left that is vacant land that can be developed. Even pushing into the county. A number of properties are not maintained – they are being sold for the and value. It's rejuvenation, not growth.
- If it's being redeveloped, there's a desire to get the entire family there – wants to be able to have kids and grandkids able to stay. That is driving the bedroom count. Goal 95% of the time.

- It does have impacts – if you are doubling the size, pay the fees to do that. Free market development needs to pay to play. Will not go the other direction.
- Single family to duplex is growth or if the lots are not specifically used and they change the use, that is growth - Most growth that I have seen is City of Aspen driven – Burlingame and Castle Creek.
- Most growth has been related to affordable housing projects.
- Sees it as evolution; Growth is scary – growth automatically triggers people to think “bigger and bigger”.
- This is definitely growth, but existing structures are being redeveloped. There is growth in the structures getting bigger. There are really few undeveloped properties that have not been developed on. There are probably less than 50 vacant lots in the city.
- Not growth. It is customizing a building to suit the new owners or replacing construction that was not done with great quality and care when it was built. With the cost of properties, clients do not necessarily want to keep them.
- Some clients are moving to preserve homes and could be done more with more incentives. If the city wants to maintain the homes in their current form, then incentives would be more helpful than prohibiting things.
- A component of an addition that is included in these types of projects, so potentially some incentives

### V. ENVIRONMENT:

#### A. What environmental impacts, if any, do you see with the type and scale of residential development that has occurred in the last five years in Aspen? How does this compare with older development?

- Habitat is widely used for existing furnishings.
- Had some clients do deconstruction but can't recall the last time that occurred. County now has their waste program, but it is not really an issue for clients – it becomes a contractor issue to manage with things.
- Landfill is not well equipped to handle recycling of things. Maybe not as effective.
- Not sure that environmental requirements would be a disincentive. Deconstruction takes a lot longer than just demolishing, so will add time to the construction activity in the area. Will take more trips into town so will increase traffic. Materials need a place to go and need people capable of doing that work – it is a specialty contractor need. Not sure the market can fill that niche.
- From environmental health perspective, the impact on the waste stream has been extraordinary. The landfill is bigger and more frequent. We are seeing a tear down from the existing house and waste from consistent remodels.
- A home that used to be occupied 2-3 weeks of the year is now occupied 20 weeks and this has significant air and traffic impacts.
- Energy use and transportation impacts from higher occupancy and people required to service the home.
- Larger homes that are more efficient but larger and have way more items in them than they used to. The residential energy use is the largest piece of greenhouse gas inventory.
- Residential development is 95% of the waste coming in.
- Construction demo is up 17% tonnage from last year (record year) and up 3% from 2019.
- People need to be building with the future in mind when the building comes down to be more recyclable.

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- Programs like in unincorporated Pitkin County for requirements for things that are typically and easily recyclable should be enforced.
- Some items are coming back around with relationship with Environmental Health. Code adoption process for environmental health and building will work on how they can be incorporated.
- In the middle of an adoption of building codes. Will be focused on energy and sustainability sides of construction. All on the table in this adoption cycle.
- Timeline – waiting on direction for timing. Trying to determine where can line up. Are there places where there are more stringent energy requirements that need to be in the land use code.
- Is a opportunity for the codes to work together to get to where need. Some of the current land use code regulations regs make the items people want to do on energy more difficult.
- Looking at more insulation and dealing with height and floor area ratio.
- Eastwood subdivision – series of lots platted in Pitkin County then annexed to city. No way to tell them no as long as they meet current code. In situations like that, the city should pursue purchasing properties and taking them off the books. Hillside is going to be forever scarred. Exempt from 80-40 greenline.
- These are just not homes, they are built for some other purpose. Amenities or features departure from what is a home.
- Notice the amount of traffic that results from redevelopment or maintenance. Normal homes are gutted and replaced with excess and size and energy consumption. Number of people required to maintain that type of property goes up exponentially. Construction jumps exponentially.

#### B. Have you seen an increase in runoff and negative effects of that? Have green best management practices kept up with this?

- The codes are quite good so in theory, the city tracks the amount of sediment that they catch in their basins.
- Tradeoff between redevelopment/construction and environmental impacts.
- Community tradeoffs are negative, though overall the remarkable impact on landfill space and time makes a tradeoff worthy. We need to build up a full circle economy on things like waste streams. We can recycle steel, but many of the other things being constructed do not have a viable end user.
- Finding a place where this stuff goes to not end up in ours or else where's landfill.

#### C. How are partnerships for end users created?

- Pitkin landfill has a drop and swap but it is difficult to get information about this place out.
- Garfield and mesa county do not have a cost-effective market to come and deconstruct.
- There is no requirement or incentive for these connections.
- Recycling component is great for things that can be easily processed in a local market.
- There's no space on site for a project to try and collect different materials.
- This has been a long-term narrative. Is this a true barrier?
- Folks know how to deconstruct and know that there is money in it, but there is not enough space for workers such as parking.
- Multi-tiered issue; cost of encroachment licenses.

## VI. UTILITIES

### A. Are there any current or anticipated limitations to the city's ability to provide utility services to customers?

- Electric and water are both finite resources, our use should always be taken into account with any sort of development. To be specific, local water is very finite as we are in a desert-alpine environment. There are also constraints of western water law. We just completed an integrated resource analysis which looks at resources over next 50 years and aligns it with the UGB. With current resources, reuse, etc we can meet the demands over the next 50 years – this has a lot of caveats such as community development. On electric side, we are grid connected. We are 100% renewable supplied utility which creates interesting challenges for what we bring onto our grid. What lines can carry these resources? What can be created locally? Resource scarcity is going to become an issue and we are a very small fish in a very big pond. There may be some point where the cost of renewable electricity exceeds what an average market consumer can bear. In terms of infrastructure, we believe it is the right size and scope to handle the change to EV and we are incrementally making changes to harden the grid. We are well positioned to adapt to changes in the market place.
- UGB match – say 70% of use on an annual basis is outdoor, 30% is indoor. This indoor is not affected by density.

### B. How has residential electrical consumption in the last 10 years? What development activities lead to increased usage? Scrape and replace? Occupancy type? House size? Construction type/design? Others?

- Its been very constant with maybe a slight increase through electric vehicles or electric heating, but were on that breaking point where we will see an increase in a significant way.

### C. Are there any future infrastructure projects planned that will increase the capacity of Aspen city utilities?

- Establishing a maximum tap size for a particular land size/use and allowing them to back into what their building will look like is something we would be interested in. When we get territorial on people outside of our service boundaries we can get pretty tight because we are legally obligated to provide services. This potential would be inside city limits only.

### D. Are there significant stormwater impacts with differing residential types?

- Every parcel has to detain and infiltrate run off. Residential has more flexibility to work with. The big difference is the ability to use greenspace for stormwater treatment.

### E. Follow up: Are there engineering remedies to help with runoff?

- Best management practices (BMP) – rain gardens, green roofs, etc. Built infrastructure to try and mimic the natural infrastructure that the ecology relies on.
- Every parcel has to accommodate stormwater – first ¼ inch of a storm has to be infiltrated because it will carry all of the sediments and highest pollutions. Beyond this, the water in theory is cleaner. It is all volume based on how much impervious area the parcel has.

### F. How many additional taps do you see each year? Is there a limit on the number of taps that can be provided?

- We do not have an explicit limit of taps. We can, by ordinance, limit any new taps. Generally since we are built out, most of the tap requests are re-tapping and existing taps. We probably do about 40 of these a year. 90% of the 40 is residential.

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#### G. How has residential water consumption in the last 10 years? What development activities lead to increased usage? Scrape and replace? Occupancy type? House size? Construction type/design? Others?

- Water use has gone up, but varies year to year. Trend wise, we are using more water as a community, but it takes one summer to get back to what we used to have.
- New models must follow a water budget. It is a use of high and moderate use plants offset by low and very low. We have seen very good compliance with this ordinance. Generally, aspens aesthetic is important to our dynamic, so we don't push hard on the xeriscaping.

#### H. Is fee based on consumption?

- As you use more water, you bump up into a higher class. General users will be within the 1st and 2nd tier and large users will bump up to the 3rd and 4th to offset environmental impacts. On the electric side, this has unintended consequences. We have created a tier structure particularly for affordable housing to make sure that we are not unnecessarily penalizing someone. For taps, we are asking customers to incrementally pay their share.

#### I. Follow up: Would you raise the fee?

- We take into account a peak demand charge on our large commercial customers. We want to expand this to residential and small commercial at some point to capture the revenue stream but ultimately have a stream on the back end as well. These rates are trending up. Storage, development of wells will help the demand. A storage surcharge to fund, finance, and build the infrastructure.

#### J. Are there any neighborhoods that typically use more water or electricity?

- Luxury residential use a large portion of the systems capacity. Even when they are off, the elements can use much of the energy.
- Red Mountain uses more because of areas with larger lot sizes and per capita it is Cemetery Lane. During COVID we saw residential use come up as people were home more.

#### K. Would centralized growth assist with utilities and energy use?

- There are pros and cons of this.
- Water side 1/2 of customers is outside city limits.
- On electric side this concept is relatively sound.
- Our transformer footprint and associated square footage will need to be taken into account. Instead of 1-2 for each block, each building may need one.
- Setbacks are already helping be proactive about this.
- We can also help be proactive by informing property owners of size at the beginning of the process so that it is not a surprise later on.

## VII. WASTE

#### A. Are there cases where someone would be turned away from the landfill?

- No, we have flow control on the books. The county can enforce it if they choose to, but they don't enforce it because it is not an issue at the moment.

- Landfill is in charge of budget and must make revenue so let people use the landfill despite room running out.
- Conserve landfill space through programs such as recycling at a lower rate.

#### B. Implications of recycling programs – flaws, thoughts, possible improvements?

- If you're in unincorporated Pitkin County and require a waste permit for demolition, you must divert 25% of waste or you lose a deposit (\$1000/ton).
- \$10,000 or \$35,000 deposit that will be returned if recycling requirements are met.
- 15 so far have fully completed program, but 100 or more that are actively going through the program.
- 70% recycling rate.
- Evergreen Zero Waste is one example of a company that is trying to get creative with the waste issue.

#### C. Is there a potential for staff to go out to development sites and advise? How do you see Aspen leverage what they already do to increase effectiveness?

- Workers would love the ability to be more hands on, but do not have the capacity.
- Staffing focus on this subject would be helpful.
- Building inspectors – proper utilization of the recycling program is not a priority.
- There is staff to do it, but not enough resources put to the efforts.

#### D. How do you think that the city can better incentivize recycling for projects where money is no object?

- Fee structure tries to incentivize more diversion.
- If you bring a load in, we have a \$100 load fee. The increase in the load fee per ton does not make a difference until it was bumped from \$100 to \$1000.
- Contractors are also tired of loading waste and make it a part of their program.
- Convenient to have people use one container and separate it out.
- Residual of larger projects are grinded and thus take a lot less space in the landfill.

#### E. What is the capital funding and restructuring requirements needed to implement sorting? Is there a large barrier?

- Money and equipment purchases.
- A million and a half on equipment purchases.
- On a \$60 differential fee we brought in 1.2 million dollars.
- In 2023, we hope to have basic equipment and have more automated in 2024.

#### F. Is there a market in purchasing recyclable materials?

- We see a lot of concrete which we process and sell.
- Rock and dirt come in and we crush topsoil into gravel. Land clearing goes into compost. Cardboard gets shipped to Denver.
- As we get more recycled products that we try to sell back, something that can be helpful is an incentive

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to utilize recycled material in their construction practices. Right now, the economics of the two are comparable.

#### G. What needs to be added to mitigate impacts?

- Waste piece: some sort of a threshold where you're required to mitigate in construction plan or a fee like for rampant energy consumption but for waste. This will help proactively prepare for waste.
- People build giant homes and they just need to be build efficiently which comes down to building code.
- Transportation TIA work should potentially be applied to residential.

#### H. Any communities that are exemplary on waste and transportation?

- San Francisco – they have great end markets. A lot of the other places are still struggling from a waste perspective .

#### I. Fee associated with waste collection

- Privatized service so there is no set number or fee. Economies of scale will balance this.

#### J. Is there any better coordination between things your department is focused on or the building department?

- On the waste side for sure, especially when applying for general permits to track for waste.
- Just an administrative switch.
- Ordinance for existing construction that requires a benchmarking for buildings.
- Waste would like benchmarking for all new construction using portfolio manager.
- Also has been discussed for commercial buildings over a certain size.
- Every other house in the west end is going to need a transformer – how will that work?
- Impact of heat pump arrays, etc. A number of things that are a challenge to get to the clean electric grid.

### VIII. GENERAL QUESTIONS OR COMMENTS

#### A. Is there anything else you would like to share?

- Is there a conversation of sorting of demolition with the environmental health program?
- Presents a large community impact during construction such as parking, encroachment, etc.
- Important conversation between building, water and utilities. Taps are getting more and more restrictive. We are tying up a lot of demand for these fire systems. So much so that some cases where new commercial is potentially larger than main size on the street.
- Bringing constraints to the forefront of growth conversations is very important.
- We have always seen significant impacts, but never like we have in the last few years.
- GMQS is not being used to throttle development enough.
- City should consider using their tools more effectively.
- Growth in mass and scale in our neighborhoods is going to happen but should be more evenly and

spread out.

- Affordable housing is allowed to operate without people looking over our shoulder.
- I wish there was a way to manage the money and time spent on growth management quota system and what has it yielded.
- Conversation should be about what it has done for the community and benefits; what does the city get out of it?
- Construction and demolition diversion ordinance will be very successful.
- Program for unincorporated accounts for only 10% of projects in the area. Regional collaboration and same rules across the board would be a huge impact.
- Related to moratorium, we won't see the landfill impacts until the future when the projects would be bringing waste in.
- The numbers on how many transactions happen each day on is a specific scale.
- Truck traffic, construction activity, etc numbers. Jan-Feb is supposed to be "slow", but we are not seeing this.
- Need to be more aware of we are influencing everything people are complaining about. The city is part of the problem. Listening to public commentary not everyone things big houses are a problem or affordable housing is needed.
- The moratorium can bring insight on what the opportunities are.
- Aspen had a history of vacation rentals by owner which allowed the average homeowner an opportunity to further supplement their income. We need to find a way to allow that to continue, while addressing the rise of LLC ownership homes. Allow this for people who live in their homes otherwise, while regulating the STR market. That has had a major impact on the west end.
- I am concerned about the mass and scale, as well as the design quality, of the proposed Lumberyard project. Several points on this: Parking 400 cars for 300 units (in rough numbers) is absurd for an affordable housing project. Parking and unit count should be at parity for an affordable housing project to not become a huge traffic generator. Plus the visual impacts of parking are very negative.
- Use of the open area fronting Deer Hill is an affront to everything we have tried to do in protecting open space at the Entrance to Aspen. Use that area for open recreation, not vertical construction.
- Possible consider firing CTA and Schultz and putting in place a local team that really understands Aspen and will balance housing needs with a sensitivity to our other community concerns.
- Some of this is a knee jerk reaction. Most properties are owned by LLCs and trusts. These are people who have it needed for tax structure, not for companies. People need it for privacy or a tax structure. There is a misconception that all LLCs are trying to short term rent.
- There should be more foresight and planning rather than reactionary moves. Reactionary drives the cost up and does not benefit the community.
- We need to get specific and data driven.
- We create the moratorium, but how many buildings/lots can even be developed?
- City has to figure out where to spend time and resources.
- There is a misconception in earthmoving. Irresponsible earth moving is going to landfill. They have not taken earth to landfill in five years, but others are. o There should be more regulations that stop people from moving earth to landfill.

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### APPENDIX B: FOCUS GROUPS SUMMARY

The Project Team held six (6) focus groups between the dates of March 7–March 10, 2022. The meetings were held both in person, at Pearl Hall Pass Room at City Hall and virtually, to offer multiple opportunities for community members to participate. In total, 29 members of the public participated in these focus groups which included City of Aspen Aspen Board members (Planning Commission, Historic Preservation, etc), technical stakeholders and members of the public. Common themes developed across each of these focus group meetings.

This document contains the combined comments from those meetings. Comments below are organized by major topic areas for discussion, the questions asked, and participant responses. Responses were noted by project team staff and edited for legibility, tone and tenor.

#### I. GENERAL TRENDS

- What is the goal of Council and how do they want us to help get there?
- Buy-down may be a good idea for finding affordable housing opportunities.
- The City is running out of vacant land.
- There are now highly sophisticated buyers.
- We need to assess the existing housing stock of affordable housing and requirements for who lives there.
- We need to update our [Aspen Area Community Plan](#) (last updated 2012).

#### A. What issues related to residential construction do you think are important for the city to address?

- How they are going to build affordable housing?
- Point values assessed to affordable housing concerns. Point value given to the continuation or time for buy-down conversation. Buy-down had a high score, but those are difficult. Default rate of a buy down is high because the affordable housing person cannot afford the HOA fees / assessments. 80% of the condo homeowners have written language to prohibit buy-downs. Time should not be spent on that issue (Council Housing Strategic Plan).
- Buy-down may be a term used for a broader idea of finding affordable housing opportunities in town.

#### B. When thinking about development in Aspen and our neighborhoods, what has been the biggest change you've seen in the last 2 years? (COVID impacts) 5 years? What challenges, if any, have you seen?

- Moving to remodels and additions. Running out of vacant land – demolitions and reconstructions are driving things. Getting closer to all the community being occupied.
- Everyone is trying to fix an old remodel and turn it into a newer remodel. People are coming in for the advantages that are available to them through the HPC Guidelines. Advantages are being given to historic properties are opposite of what the community is trying to do in other places. HPC Guidelines provides for a path to a larger home (500 sq ft FAR bonus, setback variances, etc). People buying historic homes understand the rules and have their eyes wide open (savvybuyers), and they really do not need the benefits – they are not going above and beyond their responsibility to the community. Offering a lot for historic properties.

- Land use codes are complicated. If you can hire those to navigate the code, you can get most out of code. Budgets are a concern, but not a barrier. Do feel like there are better projects coming through Historic Preservation Commission that are not asking for the benefits. People are coming to the board for incentives that an applicant / designer received previously so there is an expectation that the benefits would be granted.
- Visually, seems like there are a lot of scrape and replace happening. Land use codes are very complicated.
- No significant changes in what is coming to Planning and Zoning. People are selling the idea that this is their forever home, which may not be the case. Issues with local owners – looking to make changes, or made changes that were not recorded.
- Sellers' market so sales are happening in 15-30 vs 45-60.
- Cash transactions happening over facetime.
- Credits are dwindling.
- People want personalized properties. People want to know what can we do and how long will it take. Telling people they are a year out for getting an interior remodel.
- As COVID decreases, people are going back to metropolitan areas.
- People are asking for the same things they always have.
- Size of homes are being driven by wanting to have them, not by feasibility of them.
- Highly sophisticated buyers. Understand highly complicated things and know how to assemble a team to get the job done. Sometimes they want something simple that is not simple.
- There is a dislike of the city and the bureaucracy.
- Pace and Scale is increasing.
- Most of the people building here have more development opportunities.
- It seems like the pace has always been this way. Had an office in town, but construction on all sides, so moved.
- Not seen a change in clients. Being careful about the clients take on. If working together, the project has to be an active agreement. Evolution and innovation – is a tool that could be powerful. Net zero house submitted in County, and that could be a model. Lean in on innovation. Look at pre-fab construction as a way to decrease traffic and landfill impacts. Aspen is no longer on the forefront of this – we have gotten complacent. Difficulty of housing a team and doing more with less. Engineering requirements continue to get more intense – have a master plan around that. Transformers are an issue – have to plan around and they seem to be going everywhere. HP work – gone through voluntary process and got a shortened permit time. Time is the biggest commodity. What are things that can be done on a graduated schedule? It would help the city's load. Be thoughtful in the design – want to change the dialogue about maximizing.
- The entitlement and improvement process is more onerous and takes longer than it ever has. The requirements of someone constructing a structure are extremely rigorous and getting even more rigorous as houses get more complex; both land use and permitting process
- It is worth acknowledging that we are in a global up period in the cycle of construction development; we have lived through very little development in Aspen. We don't have control nor should we have control over this. It is not a forever thing and there will be less busy periods.
- We've recently gone through a permitting process and it is extraordinary in the amount of time it takes and total costs. Aspen is leading edge on standards in terms of climate. That doesn't feel like the core of the issues. We have to overlay the sheer amount of volume that the city is dealing with. We should develop a policy off of the last 2 years of experience because real estate is very cyclical and we cannot

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confer a straight line of what has happened in the last 2 years. A lot of the impacts we are feeling are from the volume and the speed that they happened.

- I believe that because of COVID, town has been inundated with second homeowners coming in and wanting to stay. This will likely not remain the same. The process has become extraordinarily time consuming and difficult. Clients are frustrated with the professionals trying to get permits. The city should look at, because of this huge influx, the commercial also plays a role. The city recently looked at trying to get information from different departments. Can we outsource people who can answer questions and help the process?
- As people are developing and complying with increased requirements and doing everything that is asked of them and paying increased fees, it feels like the service is becoming less existent. It doesn't seem like there is any appreciation in the effort that goes into a permitting process from the developers.
- New houses are more complex and take longer to build.
- In 2010 it got really quiet. We were susceptible to market trends. Growth due to more speculation in the market and COVID; it will not be sustained in the next 20 years.

#### II. PACE AND SCALE

- Though some redevelopment provides new employees (maintenance, housekeepers, chefs, etc), there are still locals who do not require them. Those local residents should not be penalized.
- Is there an opportunity to have different criteria or requirements for locals?
- Need to have development that is feasible for the middle class.
- More requirements increase land costs.
- Lack of available lots so we must focus on infill.
- Focus on the long-term issues and goals, not just today's.
- Majority of development is single-family, not multi-family.
- It is a seller's market.
- People can use money to propel themselves out of certain situations.
- Redevelopment is growth in terms of number of people working it and emissions, but not if it is existing and not significantly expanding.
- Though the homes are huge, scale is appropriate for what Aspen is. People are building within the requirements of the zoning code.

#### A. Do you consider the redevelopment / expansion of existing single family and duplex homes as growth and as development that needs to be mitigated in some way?

- Difficult to make a distinction. The complexity of these buildings means that there is some level of growth. It takes a complex team of people to work on the buildings and service them. There is a complicated code that can get local residents stuck. Creating separate tracks could be more complicated and could be taken advantage of. Instead, maybe look at the total square footage of the house, or the cost of construction. Something that can be more easily applied.
- Agree. Designing homes that are empty for a while and then it is rebuilt. When the new owners come, there are new employees that are coming.
- Housekeepers, maintenance, chefs, etc. all come in to maintain a house.
- Majority of homes have the ideas of bringing in workers, but not all of them. There are many local

people who still live here and don't require these services. You do not want to penalize those people. Not sure there is a way to do both though.

- Redevelopment – if you go from a 1,000 sq ft to something bigger, is that growth? There is something in there do define, but do not want to harm local residents.
- If you max your lot area – is that considered growth? Yes. Something in there that could help define what exactly growth is. Code makes it difficult for normal residents to navigate code because the city is trying to protect themselves from 10,000 sf.
- Same as the affordable housing deferral, is there an opportunity to have different criteria or other permitting requirements for locals. Another function of demand is price – when you sell home the new buyer will have more people working in the property. There seems to be a correlation between the price a home sells for and the amount of people needed to service it.
- Creating separate tracks for people creates complicated. Can you take total square footage of house as a way to separate? Cost of project? Something that can separate out locals.
- Growth is so many things. It's the natural progression of places that are beautiful and desirable to live. It is evolution. Everything is so interconnected – as soon as we have more requirements the costs go up. How many undeveloped lots are left? (not many). Everything is redeveloping as infill.
- In the 70s it looked like growth because there were empty parcels. It doesn't feel like growth now – there is inventory that is dated and old. If we prioritize upgrading infrastructure, then we should be in support of the old structures being updated from an energy perspective. Knee jerk reaction of change – can make people worried. Intrinsic value of property exists. Should not stop or prevent.
- Most of the development is in residential areas. The growth in the last moratorium was downtown, and that was clamped down in that process. That has pushed pressure out into single family neighborhoods. Commercial redevelopment has higher mitigation requirements than residential. Community tried to fix a perceived problem of infill, and that has pushed development out. There is not a lot of multifamily happening. Each fix creates another set of problems.
- Need to define growth. Replacing a single family home is redevelopment, it is not growth. Unless single family homes are being converted to multi-family that is growth. It is replacement.
- Question has been answered by city council. Yes and no. Largely change that is associated with redevelopment.
- Mass and scale: Technology has changed. People want less log and stone and more modern. Mass and scale is largely the same.
- Setbacks, FAR, etc. have not changed. Energy codes have changed.
- Building department has been paced for year. What else can you pace?
- This pace is happening around the world. This is more of an evolution, and we need to understand how to guide that without making it so stringent that the costs are driven up. Want to keep a balanced community with different economic groups, so be careful on the code remedies. City should be building the projects instead of focusing so much on exploring and considering the options. The city needs to understand macroeconomics to see the broader forces in the world. The process is opening the door to buyers like Picassa because they can stomach it. Costs have just exponentially gone up.
- The sales prices can absorb it. The regulatory environment pushes the costs up. It's a developer or a second or third homeowner. Not sure that is new. Observing building in Aspen, there are not a lot of locals. Are we trying to stop a tidal wave that started in 1995? How different is this development from previous times and the future land use map. Aspen has incredible pressures on it and the pandemic pushed it even more. How do you survive the kind of build out. All the properties that are being updated. We lost the middle class 20 years ago.
- The Growth Management System (GMQS) is based on units. But we haven't been adding new units. What is happening is seeing residential redevelopment and expansion. For some segment of

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the population there is no tipping point for the exactions, but the middle class is being priced out. Makes timeshare units more appealing to a developer – they can handle this. A pacing system for building permits is a possibility. If there is a way to restrict ownership to real people versus corporate ownership..

- If you have an existing development and redevelop it, no.
- No, there is math that we can use (net floor area ratio change). By definition, the only growth is the single family increase that occurs.
- Seems like obvious growth to me in terms of materials brought up, people coming in, all of the resources. You are adding space/capacity then you are growing. That speaks to the taxes that you are adding by updating.
- Mitigation is appropriate, but it needs to be backed by data and if we are going to talk about attendance change overnight than we should talk about implementation of that. Mitigation is appropriate, we all understand that across the board, 2022 vs 1970 house has a different employee load. Mitigate appropriately with data that supports it.
- How many people does this apply to? You also only need to mitigate once so at some point this will phase itself out. If it is keeping someone from updating a 1970's home, then that is not community-oriented, but in general my opinion is you need to pick up the pieces. A large number of residents who are full time do not work the same amount of hours required by APCHA.
- Local/full time residents is too hard to police. Require mitigation for everyone.
- The deferral process works great for me if I try to make a tiny addition to my condo but you are taking a gamble that fees will increase dramatically. My fees would have gone from \$10,000 to \$60,000. It doesn't seem reasonable to have to pay \$60,000 in fees for a small condo addition. Perhaps the same fee (\$10,000) with interest would be more fair.
- In terms of occupancy, you have the same capacity, but are increasing economic activity.
- My concern is the double standard that redevelopment is considered growth. Redevelopment of existing may actually improve the performance of a home from an energy or efficiency perspective and while it may be "growth", it may not necessarily be negative growth.
- The complexity of the codes drives up the cost of building or remodeling, limiting the type of owners who can afford the process and necessary consultants.
- Redevelopment/expansion brings in more workers for the homes which can be considered growth.
- New development does not equal new growth, its redevelopment.

#### B. Is pace and scale a problem? Is it just something that is part of Aspen that has always been here, or is it different?

- Scale and pace is directly impacts by COVID-19. It was not headed in that direction before COVID-19. Uptick in last 2-3 years, but do not see it being sustainable. The pace cannot be maintained for 10 years – can only remodel a house so many times in 3 years. Get large things on lots because they can. It was snowballed. People are investing and parking their money here. That has always been the case, but the ability to buy and sell real estate will continue. c. People are still coming up with more. Not sure if need to focus on new development or remodel more. Feel like the new lots are vastly lost. People want the most value out of their lot –that will not change. The only change to mitigation rates can recall was a reduction in them (2015 code amendments).d. Think the majority of the construction experiencing now was pre-pandemic. The next 5 years is going to be the impact of COVID because of how long it takes to go through the process. Easy to respond to what is happening in town, but what is the right amount? Understand the pace and scale, but people will always build as much as they can. What are we trying to do?e. What are we trying to solve for and what is the right way to solve it? f. We

will end up with huge homes on small lots because they want they highest utility for land purchase. We should continue to focus on infill rather than expending – updating technology and insulation etc is natural evolution of a desired space like Aspen.

- No multifamily development occurring – no place to put it.
- Prioritize redeveloping older homes over newer homes.
- Think there is still demand because there are a lot of backlog. There are 3-4 years' worth of backlog right now.
- The basis of the problem is not right. Our average house size is similar to other places in the US. Pushing square footage underground is now seen as an issue. 3500 sq ft is not massive. Time of construction tends to be the result of the process here. Person building the home wants it done quickly.
- People have been maximizing their square footage for 30 years.

#### C. Are there things that can be done to get at mass and scale without touching floor area?

- Think that council will want a solution that limits the size of home (remove exemptions, or reduce allowable size), or make measurement changes (height, FAR exemptions, etc).
- Where is the city heading with building IQ? Would the city consider a residential component?

#### D. How do you view the overall pace, scale, and impacts of development in Aspen? How has this affected you personally? How has it impacted our community-at-large?

- Have not really heard an articulate argument for mass and scale.
- Could be perception that construction is ongoing. Because it is happening in free market area people are wondering where is the employee housing.
- Impressed with the management of construction sites in aspen. If maxing out there is no where to put anything. If anywhere near it, you will feel it. The traffic from construction seems like a lot – notably a lot. If pacing the growth, the cost will go up. Is there an alternative? It makes the people coming in more wealthy and corporate, but helping the people here now. 50 –200 years in the future? Study the impacts of development in the future – look internationally. Pacing development with there is an insatiable desire for development. Who else has done that? By keeping it livable we. All these impacts impact the people who are living down valley. The locals in Aspen are impacting the plumbers and framing groups from down valley. Clients are here because Aspen is here.
- Modeling is powerful. With the pressure we have it's redevelopment and it can only go so high. It will be similar to what it is today. What is the percentage of traffic with other communities? Manhattan is an example – what we are faced with other communities deal with; what is the tax revenue from con.

#### E. What is your opinion of the current pace of development in Aspen?

- This is cyclical. We cant overreact to what has been happening when we don't know what the long term is. Our funding for affordable housing depends on development so development is not a bad thing. The offset fees and real estate taxes benefit us. It seems intense now in terms of traffic and construction, but we also recall periods where very little was going on and markets were depressed.
- Too much overall. To the point above, there is too much of everything right now. I am much more hesitant to predict the future with what this trend has brought in the terms of current scale. I am not an architect nor a builder – just a resident living and working here. It feels like an overwhelming tsunami is hitting us. I know unregulated growth is not possible but it feels possible here.

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- You will feel impacts of what you are surrounded by. There is short term pain associated with construction for all of us. There are always impacts of construction. We are at a high point of the cycle.
- Comfortable with what is going on but also believe that it is cyclical. This is dependent on where you are. It is hard to see so much going on with all of the trucks coming in, but then you have people who have been working on plans for years and want to start building and can't. I want to do small work on my condo and the prices have just shot up. For people who own properties and want to remodel, and then are told they can't it doesn't seem fair. People should have the right to develop their own properties within what the code allows.
- Cyclical market, pace won't be sustained in 2-3 years from now.

#### F. Thinking about scale...

- Scale is appropriate for the city of aspen. Maybe not when compared to other places such as Steamboat Springs, but for Aspen only it seems highly appropriate.
- Homes in shadow mountain – I agree in general, but there are some homes that are monstrous and feel completely out of scale. Houses are built there and right next to each other. It depends – there are things currently being built that I am puzzled by.
- Properties in Aspen are in scale. The properties discussed above are in Pitkin county. To understand this question, you need to know Aspen limits and code which is highly restrictive.
- Zoning codes are very restrictive. Going through the west end, I haven't seen any that are oversize for the lots or neighborhood. The codes we have now that restrict size are working.
- My understanding is that basements have been restricted. You are restricted by total height and FAR. The restrictions meaningfully limit the size of basements. No meaningful difference in construction time between a thousand-foot difference in basement size. I don't understand what difference it would make whether the basement is built a little bit bigger than not. If anything, there would be more fees to the city because affordable housing fee is based on square footage I would agree with this. I think also the new requirements for civil engineers have become stricter which is for the benefit of everyone. I don't see how a larger basement would have any detrimental effect.
- The houses that are being built are social engineering those neighborhoods. They are not being built for a local family to live in year-round, they are being built to rent out or gather and then be empty. Our code is appropriate, and we are complying, but we are changing the dynamic of our neighborhoods based on what is allowed. The houses are more or less the same size.
- What would strike me is if there were huge homes next to very small homes; No sense that things are going awry.
- Bonuses in development – 2 leading causes are for greater scale.
- Grew up in Aspen, now live in Carbondale. I took a walk on the Rio Grande bike path. The size of the homes stunned me. Homes looked like they should be homes, offices, museums, or schools.

#### III. AFFORDABLE HOUSING

- If the goal is to create units, what tools do that? Not fee-in-lieu.
- A consideration of a deferral agreement should be that it is limited by who monitors it.
- There are no affordable housing credits left.
- Affordable housing credits are not profitable.
- Housing comes before the impact. Bifurcate the permitting process.

- Fee-in-lieu should be used by a certain time or returned.
- ADU's are a worthy consideration in solving for affordable housing.
- Though there is a fear of second owners creating conflict and loss of control or people not using them correctly.
- Affordable housing should be allowed, by right in every zone district with density and compatibility considerations
- Incentivize development further down valley.
- Monetary fees do not mean much to people here.
- Existing bottle neck of building department is a barrier to affordable housing development.
- Incentivize people giving mitigation through letting them speed through the process, grow larger, skip permits, etc.

#### A. In general, do you believe housing mitigation should be provided through a cash-in-lieu payment, on-site housing, housing credits, built units, or that no mitigation should be required?

- Deferral agreement – only concern is it's only as good as the people who watch over that. Is it even valuable to consider that option? Support affordable housing certificate program. It's only as good as the people managing it. Every time it comes to a slow down, the ability to get a return on the investment it gets behind the curve. The studies are obsolete by the time it makes it into the code. There are no affordable housing credit applications because people cannot be profitable. Certificates might be but it's not being kept up with. Affordable housing is the best because the housing comes before the impact. Dollars for sale of property to a single-family home versus multi-family affordable housing complex needs to be commensurate. Concern about cash-in-lieu because the money needs to be used by a certain time. There should be a "nuisance" number built into the fee in lieu number because the city has to build the housing. If fee in lieu number was recalculated after each city/affordable housing project (including 100% of staff, land, construction, design etc), then it might be more appropriate.
- Fee in lieu payment should be quantitative against person paying cash-in-lieu. If you don't use money in five years they have to give it back to you. When city takes cash-in-lieu they are putting city to work. Why isn't there a nuisance number brought in to take into account that the city is providing a service.
- Credits are the best way to encourage affordable housing development, but there are no credits available. Fee-in lieu payment should have specific criteria.
- Agree with the issues related to fee-in-lieu. The lag is a particular issue (collecting fees for projects that are constructed further down the road). One good thing about fee in lieus is that as a community we get to decide how and where those units are built. Have more agency.
- No new applications for affordable projects because of price of land and cost of creation. Until a person who is building project can buy land competitively and until sales from affordable housing can make a profit nothing will get development.
- Credits are not profitable for anyone that wants to do it.
- Is the goal to deliver units? Then fee in lieu doesn't do that. If I am redeveloping my house for the same square footage, then I shouldn't have to pay mitigation. APCHA units should be paying real estate transfer tax (RETT) and housing mitigation like free-market does.
- How will mitigation changes impact long time locals?
- If you require mitigation payments for developments for the whole – you will price out local individuals and lead to more billionaires who live here a week of the year to become our residents of the city –

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opposite of the goal of Council.

- APCHA redevelopment should be paying full mitigation fees – no exemption.

#### B. When thinking about built affordable housing units, what types of units should be provided? Buy downs, on-site ADUs, off-site units?

- The land is not in Aspen – work with county to incentivize development further down valley.
- ADU would not work in 90% of properties. Fear is that second owner would be a bad tenant. This scenario could be avoided by selling to a qualified purchaser such as hospital or school so there is someone to call and account for bad behavior.
- Anything that can be done to make developer affordable housing easier should be done.
- If there was an easier way to get a unit built that would be better.
- How many units have been added over the last 20 years by year? How much revenue has been generated over that same time? Need flexibility in the program – not a one size fits all program. Allow units to be underground with good light wells, allow to be on property, etc, because there is limited land. Incentivize people to choose from a menu of options. There is a pace in the FM world that is not happening in the governmental world. People will feel better about paying in if the money was being used. Look at how much money we get from development, which translates to new housing units.
- Where are you building additional units? There is no land? The land is not in Aspen, so need to be building outside.
- Look at things as the upper valley – allow housing development in the region, not just in the city.
- Redefine transit oriented development (TOD). County has land and city has money. They should work together. Allow some additional transition in the system and allow people to live in other places in the upper valley. By down, new, RO deed restrictions, etc. Find mobility rather than just development.
- The ship has sailed on the west end. Locals are not moving back into these homes because the prices are so high. When looking outside of the city, development is more attainable that makes more sense.
- For the caliper of this resort town, the hotel product is grossly insignificant. From a quality and number standpoint. The saving grace are these homes. Families stay in these homes and they do serve a purpose. This is a resort town first and foremost. The people coming here are paying for everything – RETT, sales tax, mitigation, etc.
- Can develop more down valley, but there is more pushback happening there. Do not like the idea of buy-downs outside the city, because it pushes the impacts down valley.
- There needs to be a mix of options and need it all. This is a valley-wide and I70 corridor problem. Getting communities together is important. Want to encourage more density – we get so focused on the people who are breaking the rules that we miss the majority who want to meet the rules. The time incentive is the most important. Buy-down down valley seems easy. Need to focus on the more difficult ones that can create housing here in Aspen. Want the ADU options.

#### C. If affordable housing development matched the mass and scale of current single family and duplex development, would you be comfortable seeing it in Aspen's neighborhoods? (Visual preference, or take data of new / remodels of single family and duplex and identify how many housing units could be accommodated in that space)

- Does it make sense to go in and build a bunch of units through a PD process? Have more discretionary flexibility depending on where it is located. If we want more affordable, then let's incentivize to get more of it. We are talking mass and scale, but maybe this is more about housing.
- LA is looking back to the fourplex, which was popular in the 20s there. It would be a fight worth

fighting. The only way to manage affordable housing is to sprinkle it in. It's great to have the larger complexes, but they are out of town and have transportation impacts. Sprinkling into neighborhoods is what Aspen is about. The gondola is the great equalizer – people like how grounded the community is. People want local friends. Locals are what makes Aspen great and it's what people want.

- Incentivizing affordable housing is where everything should be on the table. Give more floor area, quicker time, etc.

#### D. Map – where do you think affordable housing is appropriate? (Area for “not appropriate anywhere” on the side of the map)

- Pick R6 as one district where affordable housing should not be allowed by right. Make it by right by code in other zone district and make density tolerable.
- Affordable housing should be allowed in any zone district, but no multi-family projects, quad or triplex in single family.
- Keep housing out of commercial core – have more commercial development because that generates additional tax revenue. Let the downtown serve the purpose it needs to serve.
- Overlay is great, but there has to be incentives.
- Don't see Affordable housing by code in R-6. If have to pick a zone not allowed by right, would be R-6. That is where historic buildings and SF homes are. We have limited it to SF homes there. But then make it by right in other areas and increase density. Requiring on-site affordable housing in commercial core only makes buildings larger and commercial provides a lot more taxes each year. Looking at commercial core and people put a unit there, that might be their choice, but having it by requirement is an issue for commercial space.
- It will eventually circle back to parking and density.
- Allow affordable housing in any zone district (ADUs in R-6, maybe a quad).
- You can develop everywhere, you shouldn't need an overlay.
- Make sure that our solutions don't hurt developers that pursue affordable housing making them lose to free-market competitors. Incentives for affordable housing need to be increased.
- Only commercial developers are able do that type of development. Not a lot of people here can do that.
- Right type of affordable housing can be appropriate anywhere. People have to take the idea of Burlingame out of their minds. We should make the most of our existing projects without making it too dense and uncomfortable.
- The city can't solve all of this. I don't think we create positive incentives for developers and homeowners to contribute to the housing stock. It is “a lot of stick and not a lot of carrot”. We should leverage people's selfish motivations to get housing built. I would be fine with larger basements but you get the opportunity to build that if you contribute in some meaningful (bigger than normal) way to affordable housing whether it is a financial contribution or a new mechanism. Give people a fast track through the process if they're willing to contribute more. There is a finger wagging approach to those who want to develop properties. Why not leverage their motives to get what the city wants? I don't think we tap into that.
- From the residential side, I would think about things that people really care about. Why not give
- I think you will get insane pushback on increasing density. I don't think that's the best route to get housing added. Buy-downs and incentives is likely a much better trade. I do think anywhere in the community is appropriate, but ADU's must be livable and you have to allow people to be human.
- I think the idea of incentives of expedited permit or increase in single family is a great idea, but I

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am very concerned that ADU's turn into guest bedrooms. The long time local that has been here and raised a family here and expand a house to meet the needs of the kids. They should be given different opportunities than the person who came to exploit the financial opportunities here. Long term families that have been here, work in the community, and are fortunate to have a home should not be penalized because they have been fortunate enough to grow up here.

#### E. Should more affordable housing be provided in Aspen's neighborhoods?

- Yes, throughout the city, county, and valley.
- Yes throughout the city. This question begins to get complex with tradeoffs introduced. Our baseline understanding of our affordable housing program is limited. It feels like we need to understand the existing stock and who is in it. We also have to answer "for whom?". This should be properly answered for the updated answer in time for where we live. Of course we want more, but this is a very complex problem. It feels like starting with the stock we have and understanding what is going on and how to use it better. I read stuff from the city and I get the impression that we don't know what is going on with the stock and how to improve it and our value of what the community gets out of it. Yes of course we need more affordable housing and solutions are very complex.
- I don't think there is ever a possibility for us to add too much, so we should build as much as we can.
- I know this issue is super complex and years ago when it began it was not taken into consideration that people would move in and stay and raise families. We now need to address this and come up for options for those who come in for the season.
- I live in employee housing, I would never be here if it weren't for affordable housing so I am supportive of more. I do see the irony in the questions that we are asking of development and building and then discussing building more affordable housing. I am feeling that there is too much development, but saying that there should be more for affordable housing. This next question of where and how to build it is very important.
- Main street is a good example. Main street was always a corridor, but it has changed from what it traditionally was. What is the number that council is looking for? How are we going to get to a certain number of affordable housing units if we don't have a quantitative goal?

#### IV. DEVELOPMENT PROCESS

- Need to rely on code and staff for the process, not the public.
- Need a streamlining process to forgo affordable housing from public criticism.
- The code needs incentives for affordable housing development.
- Height, scale, permitting, and fee reduction need to be considered.
- Consider the importance (or lack thereof) of parking. Projects should not rely on parking.
- Demolition has become complicated and conflicts with the goal of deconstruction.
- People will pay more for less time and an increase in certainty.
- GMQS review creates limitations on the affordable housing projects.
- People will make tradeoffs if they can get time in turn.
- The process is overly long and complex.

#### A. From ACV: How important is it that the city create a more streamlined approach, reducing barriers,

#### and providing more clarity in the review process for affordable housing projects? Do you support creating new opportunities for affordable housing to be built in existing residential neighborhoods?

- Need to rely on the code and staff experts for density – the old parking issue needs to be ignored. Car is going away, but we are mitigating for them based on an old approach. Applications for 100% affordable housing and have no variances should not be subject to scrutiny by neighbors. Need an overall streamlining of process to forego public criticism where it doesn't belong.
- When we are talking about projects that conform to land use code that is valued by community then we need to prioritize those.
- Need to set precedent that affordable housing is going to happen.
- Trying to be proactive about building housing and buying credits and then thinking about the next wave to mitigate. Building 60 some apartments to balance out future. City couldn't process them separately.
- Needs some overall portfolio to work within. Easier for someone like Mark to do it, versus the one off affordable housing developer. Can the city guarantee the credits.
- Let the city be a clearing house for the housing credits? Then the overlay makes more sense. But need more incentives.
- If affordable housing could be administrative, that would cut years out.
- A affordable housing should be by right. Everyone should be able to build a unit, and sometime more than one.

#### B. Knowing the impacts development has on the landfill, should deconstruction or other requirements be implemented?

- Pitkin County process works well and encourages energy efficiency. Historic preservation guidelines are in conflict with the city's energy and sustainability goals.
- Incentivize the process. Can it be linked to other bigger items?
- When create, be enforceable and getting the benefit out of them. Where does the community place its values? Would value more sustainability over maintaining a historic roof. .
- Maybe focus on the remodeling of existing homes rather than full redevelopment.
- If there is waste diversion, what do you do with it?
- Need to be honest about the fact that the landfill is done, so what is the long term plan? Things will calm down when there is a recession.
- Could a muncher be used at the landfill?
- Goes back into the incentive conversation. If there is a scoring system for the pace, then include it in the system. Have a scoring system that provides points for deconstruction.
- Deconstruction is not particularly labor intensive so just talking about dollars. Should be done and advocate for it. Certain buildings are easier to deconstruct. The buildings from the 60s – 70s have little value in deconstruction. What talking about is more effective recycling, not requiring the materials in other construction. Costs are piling on though. Some of the remodels are on houses that are less than 10 years old, so that is concerning. Some of the stuff from 10 years old are less usable than 50 years ago. Conversation is not about requiring – the harder question is how do we make the things that we are making no more construction friendly.
- The 60/40 threshold has been a powerful tool with clients. The best tool is to keep structures, and it allows you to keep 60% of the structures. What are stats around it? Going back to use tax or loads, what is the difference between deconstruction versus demo. (Roof is a huge percentage – minute start

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altering the roof you get to 40% really quickly. 40% is a meaningful threshold and is fine. Can get into trouble with the building science perspective and more sheathing needs to be updated. Never been in a situation when got to 45% that go straight to a scrape. There is an incentive to do a remodel. Is there a faster process or different fees? The percentage has been helpful in conversations with clients.)

- Can share information – information in real estate community in transactions, etc. but construction is a black box. It shouldn't be that way. Need to understand where things are.

#### V. ENERGY

- Encourage energy efficiency.
- Reassess guidelines (HPC) to ensure that they are not in conflict with goals.
- Include scoring system that provides points for deconstruction.

#### VI. OTHER COMMENTS

- It's been 10 years since the last AACP update. Is there a conversation about updating the plan? Perception of mass and scale being contrary to the AACP is a concern because it might be out of date.
- Pacing of construction – will that result in a conversation about vesting?
- If you go after floor area and size then you're going to get people going after you with their attorneys. You can restrict height, etc. But if you go after FAR and how it relates to gross floor area you are going to get pushback.
- Mitigation fee increasing is not going to a major dent.
- Net zero is a bit of push but they have individuals that will get as close as possible.
- Amount of electrical needs is large as move to more electric systems. There is a limited amount of area – look at R-15 and R-6 how would it be done if pushed the sustainability. What is happening with the loads that are going onto the infrastructure is problematic. Recent conversation with a realtor – concern about needing to update. There is a disparity between the real estate community and what it takes to do something. Did not understand the consultants and time needed to get in for permitting. Go through different project types, what are loopholes, etc. Takes a minimum \$500K to get through DD. People have been wanting to do more illegal things because it's so long and expensive. Even small changes in the process are impactful – how name sheets, etc. Is there a minimum information that is needed?
- Wish people knew the costs of developing. It costs \$1M - \$1.5M to get into the process. There should be a loophole for the really small projects. The people who want to remodel their kitchen, add a porch, etc. Should be easier for those smaller projects. There are a lot of code violations (particularly in the County). The way the code changes and the ball moves – it is hard to keep up with them. If city of Aspen and Pitkin County could get on the same page it would help with predictability. Sustainability regulations in Basalt, Carbondale, Aspen, and PitCo are all wildly different.
- What are the three big priorities of council and measurable tactics to reach that?
- Landfill seems like a sacrificial animal. Regardless of the pace, the government is responsible to solve this. It seems like no matter what we do, the landfill has a very short lifespan left. It seems like we are using this as a pawn. It is distracting and irrelevant because construction is not solely to blame for this. I am upset with the fact that it is so prominent in this information. We shouldn't be distracting this conversation.
- I agree and it is not just residential and doesn't solve the problem to just tag it to that and not commercial.

- On the issue of climate, it is a bit disingenuous for the connection of climate goals to moratorium to residential construction. The existing housing and building stock is a much bigger issue than the new stock which generates emissions as you are building. These new ones are very efficient so we need to reassess the stock. I'd like us to be leading edge in incentivizing the installment of energy efficient technologies. I love climate policy but we should connect it to the real problem and create incentives on that side. We need to upgrade windows and put solar on homes.
- A lot of the emotion tied to development is for commercial, but being taken out on residential.
- We should bring over technology and code from the Netherlands. It is the existing buildings that need to be updated.
- One of my major concerns as a resident of Aspen is that I am unsure about APCHA's residency standards and enforcement of residency requirements. What are our housing needs and the cost of housing? Are the units that we currently have occupied by those that need them? We need to effectively utilize the existing inventory and ensure that they are properly occupied.

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### APPENDIX C: ASPEN COMMUNITY VOICE + ENGAGEMENT EVENTS

The project team hosted a project webpage on [Aspen Community Voice](#) and posed five questions to gauge participants thresholds for policy changes and to garner ideas for new ways to provide affordable housing opportunities, re-think existing development review procedures in the Aspen Land Use Code, climate action leadership, development mitigation rates, and construction impacts. These questions were also asked at Pop-Up events in March.

This document contains the combined comments from both online participants and in-person events. Comments below are organized by major topic areas for discussion, the questions asked, and participant responses. Responses were noted by project team staff and edited for legibility, tone and tenor.

#### I. NEW WAYS TO PROVIDE AFFORDABLE HOUSING OPPORTUNITIES

- Current system is mostly stick, little carrot. Focus on positive incentives for developers and owners to build and rent to local workers. What is the goal of Council and how do they want us to help get there?
- Give up a little open space at entrance to town. Run HWY 82 through Marolt. Build in current HWY 82 corridor, with pedestrian thruway replacing current HWY 82.
- Be creative and utilize Aspen's extensive land use holdings - The City is the largest landholder and has many underutilized parcels that could creatively accommodate housing. The City and community need to compromise where to accommodate what it seems is our greatest need. If there's a historic designation creating limitations, get rid of it. If there's a zoning issue, fix it. And the City should submit an RFP for a private developer to handle the development and construction work on properties it owns. Additionally, partner with other communities in the valley and create pooled resources to develop housing, even if it's outside of Aspen or the urban growth boundary. Who cares where the housing is exactly positioned so long as it reasonably serves our community? Woody Creek, Basalt, El Jebel, unincorporated Pitkin County - these are areas that can and should absorb some of the affordable housing burdens.
- Transit hubs + affordable housing - The intercept lot needs to be developed into a mixed-use complex that has affordable housing. This would help encourage riding on RFTA as a transit hub. While you are at it, the City needs to provide a carbon refund, a la the food tax refund, for all downvalley employees who utilize RFTA to commute into Aspen at least 50% of the year.
- We need a measurable goal before we explore ways to create more affordable housing. Who are we currently housing? Who is being left out? How much more do we NEED?
- Homeowners gone short term after renting to long term people for years. 2nd homes allowed units that are not used for long term. Fix it.
- Why aren't we building 2/3/4/5 units wherever we can fit them? Start building smaller projects on city/county parcels. Build no matter how small the parcel. Every unit helps. We don't have to wait for a 10 acre site and space for 300+ units to commit to more housing now.
- Aspen and the RF Valley will never be a community of mid or high rises. It is therefore incumbent on the City to acquire and/or reclaim available land for development in an environmentally sensitive and transit-oriented manner. Both are challenging endeavors in themselves. To tackle the Valley's Affordable Housing crises, taking a cue from how large cities are addressing such shortages would be valuable. If not already being required by Aspen, residential and mixed-use developments should be required to provide a portion of the units as affordable housing either on site or paying a fee to a specifically earmarked fund for the construction of off-site affordable housing. Perhaps code or zoning incentives could be considered for developers to provide more affordable units. After all, developers are in the business of maximizing the return on investment and if it can be shown that it's advantageous to build or contribute money for more affordable housing, maybe it moves the affordable housing needle a little bit more.

- Do a better job of managing existing affordable housing inventory. I.e: No more single individuals living in 3-bed houses.
- Affordable housing should encompass rental only properties. No new ownership of Affordable Housing units.
- Units were turned into seasonal studio rentals on 2 floors with small local owned/essential business on main floor. No more "meeting space"!
- I am trying to think bigger than just the symptoms and short term needs. If the collective desire is to significantly reduce vehicle traffic coming into and out of the Upper Roaring Fork Valley (URFV) communities of Old Snowmass, Woody Creek, Snowmass Village and Aspen then we might prefer funding RFTA to an obscene amount so they can invest in an all-electric fleet prepared to accommodate every sector of our workforce. To that end, it must be affordable, desirable and dependable for 85 percent or more of our current commuting workers. It must be designed to grow along with our future expectations of public transportation. It must be a more expedient option to taking a personally owned vehicle and it must be able to reach to the extremities of our neighboring Garfield County, so as to provide an option for the throngs of workers coming up daily from Rifle, Parachute and DeBeque (technically Mesa County). It also is critical that the new capabilities of our mass transit system include vehicles capable of transporting crews of workers and their equipment to urban and rural job sites year-round and in all conditions. Lastly we would need improved transportation "hubs" with amenities such as restrooms, vending machines and staffed RFTA agents to assist visitors. It may come as a surprise to some, but a lot of the working class who make the commute to the URFV do not want to live here. They commute for the higher wages which allow them to enjoy a better ROI in their preferred down valley communities. I believe many of them would also gladly leave their vehicles at home if they had a reliable alternative. If the purpose is to build sustainable communities within the URFV they will almost have to be comprised of a diverse citizenry meaning people of any income will have an opportunity to find affordable housing while they work here. I'd like to see how current residents choose to reimagine our potential to build lasting communities while also finding out who really wants to be living here long term and establish roots. In terms of constructing more affordable housing for current URFV employees I would recommend beginning by designing several communities similar to the recent construction Snowmass Village has done behind the recreation center. Single family homes, duplexes and townhomes were constructed with families with school-aged children in mind (the only demographic that is required to physically live within the school district boundaries). The households with school aged children who have begun their education in the Aspen School District have an even stronger resolve to make it work! By prioritizing local families in need of housing we will help to create a network of families (also known as a community) establishing roots across generations in the URFV. Working class families (I define as APCHA Classes 1-3 ) have shown the gumption to make it work up here in spite of the many obstacles in affordability. I believe they do so simply because they want to allow their kids to enjoy everything offered and to preserve their social connections during their formative years. These families have what it takes - apart from the job alone - to fight for their places in the URFV. Can we convert any open space parcels into housing communities? Can we accept a reduction of influence and inventory of Historical Preservation? Are we willing to expand the boundaries for enrollment in the Aspen School District? Are we able to operate APCHA to the fullest extent of its abilities and still utilize our skilled valley contractors to bring existing inventory up to excellent condition? Are we determined to have our representatives direct sufficient resources to plan for and build affordable housing and make investments of lands and capital until the goals have been achieved? If we can come to a conclusion on these collectively, then I have no doubts we can answer the bell on the green-construction side of things.
- All affordable housing should be rental only.
- Investigate fraud in affordable housing. Too many people who hide assets and claim eligibility.
- Don't build anymore until we have housed all the employees generated by projects that have already

# Shaping Aspen's Built Environment

## RESIDENTIAL BUILDING

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been approved. Tabulate the number of employees generated, then calculate the number of units/bedrooms required to house them. Compare that to the number of employee units actually created (by both private developers and local government). Until those numbers "match" nothing else gets built.

- Spend some of the City's war chest to hire powerhouse sustainable development attorneys to claw back Gorsuch/SkiCo. Sweetheart approvals that reduced mandated affordable housing units will just put more underpaid employees for the proposed high-end hotel (into the general APCHA pool). More workers needed - maybe there is room along HWY 82.
- House qualified residents in existing housing. APCHA enforcement efforts, while improved in recent years, remain weak. Covid adaptations allowing remote access to many positions undoubtedly increased access to employment that does not meet the APCHA standard for valley employment. I suspect 10 - 20%, possibly more, of affordable housing occupants do not meet basic APCHA standards. 300 to 600 units can be created at little or no cost if APCHA/City/County were to better enforce APCHA residency & employment standards. I also believe APCHA employment/residency standards should be strengthened. A requirement for only 1,500 hours of annual employment is way, way lower than necessary for those living in free market housing. APCHA affidavits should be subject to robust and random audit. At a public subsidy of over \$300,000 per FTE, enforcement is by far the cheapest way to create work force housing - and does not create growth.
- The City of Aspen has failed to build reasonable density on very limited and expensive workforce housing sites. Every urban affordable project should be at least 3 stories. We have an abundance of open space. Creating small pockets of open space areas as part of AF projects is a waste of resources.
- Affordable housing is critical to keep the work force in place. Aspen needs options in size and location. Additional units should offer more size options (3/4 bedrooms). Middle missing housing should also be considered. People need more options.
- Cash-in-lieu should track with the overall free market sales prices/construction costs.
- Cash-in-lieu numbers should reflect current land and construction costs.
- Make affordable housing units high quality in town. People may downsize.
- Buy the land, have the mitigation credits work toward an actual project in progress.
- More affordable housing needed! Missing middle housing needed!
- Very important to build in existing neighborhoods - we are out of land.
- RETT is key and a good mechanism.
- Some people are violating APCHA salary and work requirements.
- Affordable housing can go on Red Mountain, up Castle Creek, and ABC
- Appropriate where density is permitted by underlying zoning. Affordable housing should be dense, cant do it in single family measures. Want to be in single family area - HOA is more strict than the underlying zone (R-15 A). There may be opportunities to rezone. USFS- huge lost opportunity. City should've bought the lot. Appropriate for a rezoning. One site in core that should be a priority for relatively high density development. City has missed out on reasonably maximizing attainable affordable housing sites. Affordable housing needs to be efficient given cost of land - needs to be dense. 300 units at lumberyard is not enough. Reduce open space. Sales - RETT payment is mitigation - massive amounts of mitigation. Inappropriate to say it is not mitigation.
- Fee in lieu and FTE calculations should not changed to the extent that's being proposed. Increasing fees is reasonable but not the proposed extent.
- What do you do for families who own properties for 2 to 3 generations and are finally getting ready to sell? They are not flippers or developers. Could there be a separate category with certain benefits.

- Floor area ratio should not be increased. I do not want to jam packed residences in to City lots even if it's for employee housing. Employee housing must comply with the zone district.
- There is a built in prejudice against affordable housing. We need to work to bring down these barriers. I live in affordable housing and it is a great neighborhood.
- Let's first used the housing we've got. Make Sure APCHA Residents are complying with the rules. Incentivize residences to downsize or move but don't force them!
- It's important to have a demographically diverse community here.
- Utilize city land holdings and partner with neighboring counties.
- Build outside urban growth boundary, buy down deed restrictions from multi family owners, and right sizing are all potential opportunities. Public private partnerships with competent multi family developers the city is not a capable responsible developer.

## II. RETHINKING EXISTING DEVELOPMENT PROCEDURES IN THE ASPEN LAND USE CODE

- This is not just an affordable housing issue. The permit process for all construction raises the barriers and cost, driving prices higher.
- Misguided approach. I don't believe that any amount of land use code language revision will result in a meaningful amount of affordable housing to be built by private homeowners in residential neighborhoods. It is unlikely that there will be sufficient rewards to the private sector to develop affordable housing versus free market, and the free market use cannot bear the entire brunt of supporting our community's affordable housing needs. The City needs to focus on creative solutions (ie repurposing land the City owns, fixing broken policies within the APCHA system, and handing off the expensive, time consuming, and risky development and construction processes to more efficient private developers.
- Development of new Affordable Housing is growth. From the Strategic Plan, "Alter zoning standards to permit more density, intensity, and available land for affordable housing development within the City Limits."
- The City should get out of the development game and incentivize private developers that know what they are doing.

## III. CLIMATE ACTION AND MITIGATION LEADERSHIP

- The existing base of homes is bigger climate issue than new. New build standards are leading edge. Focus policies to incent fleet update.
- Short-term vs long-term. Good demolition practices of outdated, energy inefficient structures is a short-term issue compared to the long-term benefit of significantly more energy efficient structures. The new structures often have on-site renewable energy source and pay significant REMP fees which goes towards community energy efficiency projects. It seems we'd make a larger climate impact by upgrading Aspen's aging structures and infrastructure than worrying about the construction debris, which can be mitigated using good demolition practices (reuse and recycling of materials, grinding, etc) - most of which are already in place.
- Develop markets for recycling and reuse. COA should work with Pitkin County, NWCOG, State of CO, and the Federal Government to develop markets for deconstruction products. This should not just apply to construction demolition. Every item that is sold and bought should be the responsibility of the manufacturer to take back at the end of its useful life. Every product, every manufacturer, or it's not

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## RESIDENTIAL BUILDING

### APPENDIX C: ASPEN COMMUNITY VOICE + ENGAGEMENT EVENTS

available to be sold or bought.

- Significantly limit new building permits.
- Aspen is already at the forefront of climate action – some of the most restrictive environmental codes anywhere.
- Aspen should be at the forefront of climate action because we've got a lot of money and we can afford to do it. By doing so we will set an example for what is possible.
- We need to set the pace CORE is taking a leadership Roll with city county and roaring Fork Valley.
- Deconstruction should take place at the landfill.
- City has worried about filling up for decades. Think capacity can be increased/accommodated. For reducing waste, but no credibility. Disappointed in COA'S waste/recycling program. Rio Grande used to be a good facility and it is now limited use. No cardboard in pandemic is problem – use of cardboard dramatically increased. City advocates for composting – good idea but a bad execution. No place for low cost composting. Compost service would be 50% increase in waste hauling so no one does it. At wife's office there is a compost area but it is never full. Should be one at the recycling center and mor economical solution. Waste ordinance – no enforcement on the requirements. Don't do the reporting. Companies required to notify customers of recycling information yearly, but it never comes. Got itonce in 15 years.. Waste companies don't have price for 32 gallons. The idea of being waste conscious is good. Deconstruction scale: Not reasonable resolution, so not a 10 – try to be effective on deconstructive (5). Construction impacts are significant in neighborhoods and aggravated by city policies.

#### IV. DEVELOPMENT MITIGATION RATES

- Infill development does not equal growth. We need to stop conflating infill development (replacement of existing built environment) with growth. Replacing a 5,000 square foot structure with another 5,000 square foot structure is NOT growth. It is a basic property right to be able to improve one's property and we need to focus on mitigating true development impacts, with data to back it up. GMQS is designed for adding new housing and commercial development where there previously hasn't been such. It is not the City's place to meter the pace of ordinary non-growth producing infill development.
- This question feels slanted towards housing and not the other impacts. In many ways we are fortunate to have redevelopment activity. It drives our economy, provides employment, and accounts for a significant portion of our tax revenue. How can we support this part of our economy while managing its impacts is a more constructive approach. Redevelopment is not the sole reason that we have a housing crisis.
- Re-development is not new development.
- Less is more and more is less. For every increment of new development there is a negative increment of quality of life -- just say no.
- Exempt residents with a caveat – updated APCHA standards. 1500 hours is a low standard. Works full time job to live here. Fundamental error in definition of full time. Not as simple as question. Build new house next year. 2015 was based on a 30 year working life. So full time employees (FTE) are mitigated by same standard in the 2015 study. 3000 ft house = .45 FTEs. If the house is occupied by 2 FTEs, with potentially 2 more (children), I have provided 4 times as much mitigation as required. My exemption should be 30 years divided by 4. If lived there for 30 years, I should be recognized for providing that benefit to the community. It is like a housing credit. Looking forward, lived in 1968 house for 26 years. Two parents and kids live there. If I have the ability to redevelop, I have provided mitigation again. New buyer shouldn't have to pay because I have already paid/provided Picasso Group – should have more mitigation requirements. Different homes/users have different impacts. Should try to differentiate between the groups.

#### V. CONSTRUCTION IMPACTS

- I moved here to spend time in these mountains, and raise my kids in a small quiet city. I'm a pro-progress person. But what has been happening the past 24 months has made me question the city's thinking about the people who actually live here full-time and contribute to the fabric of the community. And I am not the only resident of Aspen to share these thoughts. I live on Castle Creek Drive and we have +37,000 sq feet of new construction on-going within 500 feet of our residence. The quality of life impact has shifted from living in one of the quietest places in Aspen to one that is a hugely negative experience from noise, to dust, to managing unruly sub-contractors parking in our yard, to a massive increase in construction traffic on Cemetery Lane. We need to move away from Aspen being driven as an asset economy and return to the virtues of the founders. I'm sure it's why we all live here as well. I'm thankful you are tackling this issue head on.
- Spread out construction phasing so trucks aren't contesting the roundabout.
- Don't rent parking spaces when two or more permits on one block.
- Every owner has the right to develop.
- Construction management plan fencing is good.
- Construction is cyclical. There is a lot occurring now, but there won't always be. The city already exacts tremendous fees to mitigate development impacts. Mitigate for real, measurable impacts and not emotion.

#### VI. SIZE OF HOMES IN ASPEN

- Subsurface development is out of control and should be scaled back. Construction impacts – not be able to build lot line to lot line. 20 ft is still too much. No basketball courts. Concerned about changing definition of sq feet for purposes of mitigation. Ordinance on mitigation was statistically invalid. Can't use one definition and multiply by another. City exacerbated impacts of all development in Aspen by having unnecessarily high standards and inefficient/inadequate permit processing.

#### VII. SHOULD ADDITIONAL SPACE BE MADE FOR DECONSTRUCTION?

- Deconstruction for a period of time only.
- Allow but don't require.
- All buildings have a lifecycle.

#### VIII. OTHER

- Thank you for opening the discussion of building development and short-term rentals in Aspen. This is definitely something our community needs to address. I am a 5th generation Aspenite and can trace my history here back to the 1800's, not something very many people can say. I have lived in Aspen my entire life, raised a family here, and have a daughter striving to do the same. With that in mind, I have heard no discussions on long-term locals who have lived in their family homes for generations. Aspen is a very special place with a rich history that I fear will be lost if we continue the way we are progressing. I live in a duplex on Cemetery Lane with my brother living next door. My parents built this house and we were both raised here and I have raised my family here. We are fortunate to have our granddaughter living nearby. She loves to spend time with us. My parents could have sold our

# Shaping Aspen's Built Environment

## RESIDENTIAL BUILDING

### APPENDIX C: ASPEN COMMUNITY VOICE + ENGAGEMENT EVENTS

house, collected their fortune and moved down valley. But, they chose to give their children a chance to live in Aspen. All of us, my husband, brother, sister-in-law and myself have worked in Aspen our entire lives. Additionally, our daughter is a teacher in the Aspen School District and has been teaching and commuting up valley for the last 10 years. We would like to redevelop our 1956 house to allow our daughter and her young family to live there and continue the history in a community that we love. However, the City of Aspen and the building department make it very difficult and costly to go through the building process. There is no incentive to pass along our property to the next generation. Much consideration is given to employees in employee housing, but none is given to the locals who have remained in their homes. The only solution is to sell out for our millions and move away, now you have lost locals and employees and a deep rich history that cannot be recovered. Upon upgrading the house, the taxes will be tens of thousands of dollars, whereas subsidized housing residents pay hundreds of dollars in taxes. One way to help defray the high cost of taxes would be short-term rental of the home. We might be a small segment of the community, but I believe it is important to look at our situation as deeply as you look at employee subsidized housing.

- Concern of transportation impacts. Have Aspen be Aspen. House over 6,000 sf should have quadruple taxes. No one size fits all approach for location of affordable housing. Development industry feeds our community/families. Do development responsibly. Was there really an emergency? It's hard to get a permit here. Shouldn't be a 9-10 month process. Most communities have very different prices. Permits there are walk in permits, but in Aspen it's a long and hard process. Start work more quickly. Permit fees are too much – drives locals out and pushes them into Basalt (best for locals). Turn over in Com Dev impacts timelines. Is the city having an overly tough process? Need to listen to the people in the field to understand the real process. Let the process flow rather than stop and go. Create 100 yr plan with manageable pieces. Process is restrictive on what can be done. Hard to get an approval.



## MEMORANDUM

**TO:** Mayor Torre and Aspen City Council

**FROM:** Ben Anderson, Principal Long-Range Planner  
Phillip Supino, Community Development Director

**MEMO DATE:** April 23, 2021

**MEETING DATE:** April 26, 2021

**RE:** Work Session Discussion – GMQS Development Allotment System  
(continued from February 22, 2021)

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### REQUEST OF COUNCIL:

This Work Session continues a discussion that was begun with Council on February 22, 2021. The full staff memo from the previous work session is attached as **Exhibit A**. The conversation in February was cut short by the necessity of other agenda items and Council provided direction that there was interest to find time at a later date to pick up the conversation where it was left off.

At the conclusion of this evening's work session, staff requests Council direction on the following questions:

- 1) Do you share staff's assessment of the current conditions within Aspen's development context and the relationship to our existing growth management system?
- 2) Are there other issues that staff should consider, that have not been identified in either the 2/22 or 4/26 Work Sessions?
- 3) Is there additional information that Council feels is needed in making a more complete assessment and providing direction to possible responses?
- 4) What actions would Council deem appropriate for staff to pursue – in light of the importance of this issue and in relationship to other priorities?

### SUMMARY AND BACKGROUND:

The Work Session on 2/22/21 was a follow-up on previous Council direction to facilitate a discussion on the current system of development allotments within the Growth Management Quota System (GMQS). Council's desire to hold this discussion emerged from earlier Council direction around affordable housing goals and the consideration of the annual action item for Council to consider rolling-over unused GMQS allotments.

This memo and staff's introductory presentation at the work session provided a high-level discussion of the following:

1. A brief history of the GMQS system and of the use of development allotments within this system
2. Trends in the recent utilization of development allotments and impacts within the GMQS system
3. Other trends in the development landscape that manifest as "growth" but are not captured in the GMQS system
4. Identification of range of possible responses to the current condition

One of the findings in staff's research that was identified in February – were common themes that have been present since the beginning of Aspen's response to growth management issues since the 1970s:

1. Similar questions across time:
  - What do we mean when we use the term "growth"?
  - What impacts of growth are we trying to reduce or mitigate?
  - What are the best tools to most effectively mitigate these impacts?
2. Intensive studies to get at the right number of GMQS quotas or allotments.
3. Fixed allotments for Free Market Residential, Commercial, and Lodging development.
4. The constant presence of affordable housing goals and policy in GMQS study and evaluation.
5. Increasing relationships between growth management policies and affordable housing mitigation requirements.

As staff and Council observe the pressures and outcomes within the current development context and compare with the trend of underutilized allotments within GMQS, it seems clear that a disconnect has emerged – the capacity for the GMQS system to manage growth as intended is limited by the types of development activity not accounted for in the system and which drive current development pressures.

#### **STAFF DISCUSSION:**

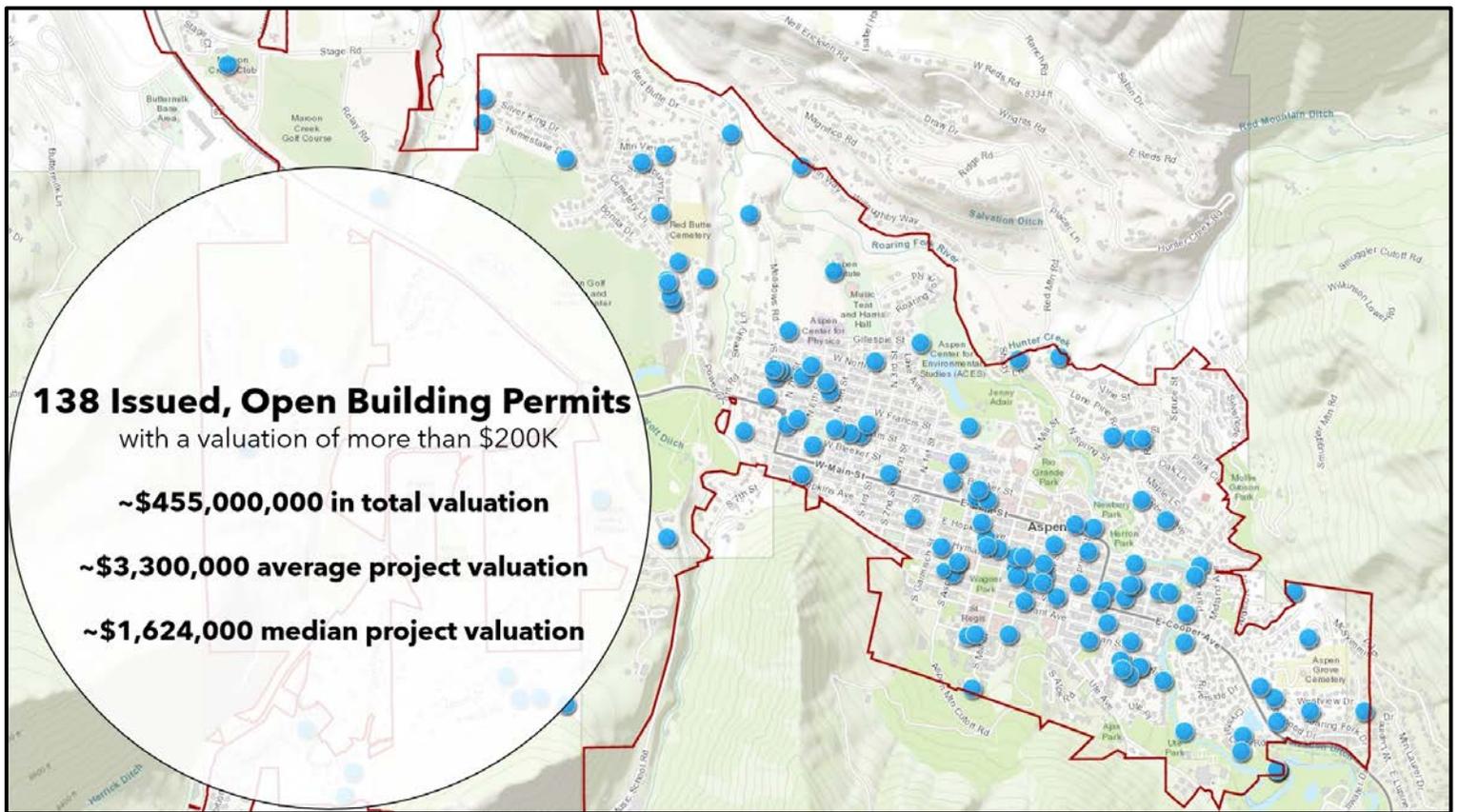
Staff previously identified the following questions and responses in describing the sources of an emerging disconnect:

**If GMQS Allotments are not being utilized and population is growing at a rate lower than anticipated by the GMQS, what is the community seeing and feeling today related to growth?**

1) Development Activity that does not utilize allotments.

Development types that do not utilize GMQS allotments:

- scrape and replace redevelopment of single-family and duplex residential units.
- addition of floor area and significant remodels to existing residential units.
- addition of subgrade floor area to residential units.
- redevelopment of existing lodge units.
- redevelopment of existing commercial net leasable area.
- renovations that do not alter number of units or floor area.



**Figure 1. Open Building permits and project valuation.** Each blue dot identifies a project with a valuation of greater than \$200K. In total, the projects depicted combine for a valuation of \$455M. On average each dot represents \$3.3M of labor and materials. Map depicts permits as of 2/15/21.

2) Emergence of the short-term rental market – beyond the traditional lodge room base. Short-term vacation rentals have shifted lodging impacts into residential neighborhoods – both in terms of redevelopment pressure and demands of visitor services and accommodation.

3) Duration between allotments being granted and initiation of construction. Several factors merge in creating a extended time period – often years between the initial approval of development allotments and the impacts felt by the community during construction.

### **Is the disconnect between the GMQS allotments and the real and perceived impacts of development activity a problem?**

- 1) We no longer have the right growth management tools.
  - The current allotment system is not capturing the vast majority of permit activity or valuation.
- 2) The impact to affordable housing mitigation.
  - If GMQS does not capture and assess appropriate mitigation requirements on development activity driving actual employee generation, over time the program may fail to deliver needed affordable housing units or the revenue to construct and maintain them.

### **What are the potential responses to this disconnect in the GMQS?**

A range of choices:

- 1) Continue with the status quo.
- 2) Targeted policy and code responses to manage development types that are not currently captured in GMQS.
- 3) Modifying the current allotments to reflect current development realities and community interest related to growth.
- 4) Rethink the direct tie between growth and affordable housing mitigation / development.
- 5) A whole cloth rethinking of growth management.

### **QUESTIONS FOR COUNCIL:**

- 1) Do you share staff's assessment of the current conditions within Aspen's development context and the relationship to our existing growth management system?
- 2) Are there other issues that staff should consider, that have not been identified in either the 2/22 or 4/26 Work Sessions?
- 3) Is there additional information that Council feels is needed in making a more complete assessment and in providing direction to possible responses?
- 4) What actions would Council deem appropriate for staff to pursue – in light of the importance of this issue and in relationship to other priorities?

**FINANCIAL IMPACTS:** At this time, N/A.

**ENVIRONMENTAL IMPACTS:** N/A

**ALTERNATIVES:** N/A

**RECOMMENDATIONS:** N/A

**CITY MANAGER COMMENTS:**

**EXHIBITS:**

**A. Full staff memo from 2/22/21 Work Session**

**B. Slide deck from 2/22/21 Work Session**



CITY OF ASPEN

# **GMQS - Development Allotments - continued**

City Council Work Session

April 26, 2021

# Purpose of the Work Session

Continue conversation (from 2/22) on capacity of the GMQS to manage growth in the current development context.



Source: Aspen 3D Base Map  
City of Aspen GIS

## What this Work Session is not planning to discuss.

- Proposed Code Amendments to be considered tomorrow on First Reading
- ComDev Staff already has received direction to evaluate and propose responses:
  - 1) Residential Floor Area - existing credit
  - 2) Sub-Grade Floor Area - exemption
  - 3) Multi-Family Replacement - analysis and improvements
  - 4) Part 700 - Zone District standards
    - +Dimensional Requirements
    - +Permitted and Conditional Uses
    - +Relationship to 26.575.020 - Measurements and Calculations
    - +Affordable Housing

## Desired direction from Council:

- 1) Do you share staff's assessment of the current conditions within Aspen's development context and the relationship to our existing growth management (GMQS) system?
- 2) Are there other issues that staff should consider, that have not been identified in either the 2/22 or 4/26 Work Sessions?
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# Brief History of GMQS

## Constants Across Time



### 1) Similar Questions:

What do we mean by “growth”?

What impacts of growth are we trying to mitigate?

What are the best tools?

# Brief History of GMQS



## Constants Across Time

2) Intensive studies and analysis to get at the right number of GMQS allotments

3) Fixed allotments for:

- Free-Market Residential
- Commercial
- Lodging Development

# Brief History of GMQS



## Constants Across Time

- 4) Constant presence of affordable housing goals and policy within GMQS.
  
- 5) Increasing relationship between growth management polices and AH mitigation requirements.

## Fundamental question #1:



**If GMQS Allotments are not being utilized and population is growing at a rate lower than anticipated by the GMQS, what is the community seeing and feeling today related to growth?**

# Current status of GMQS allotments



## Annual allotments:

FM Residential	18 units
Commercial	33,300 square feet
Lodging	112 pillows

**\*Affordable Housing and Essential Public Facilities are tracked, but do not have limits on annual allotments**

## Utilization:

### 2015-2020

### 2018-2020

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Commercial	33%	9%
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Commercial	33%	9%
Lodging	38%	6%

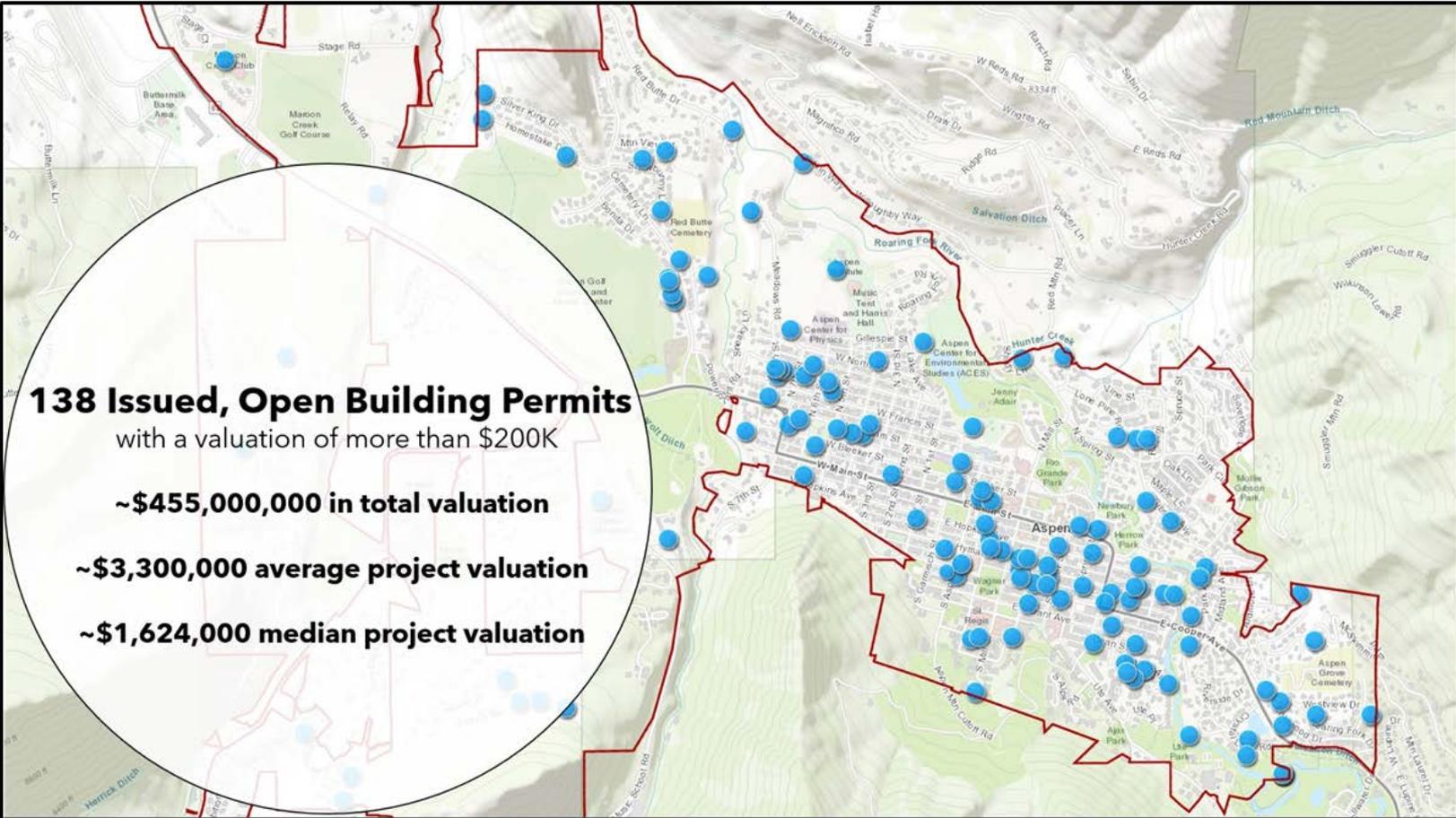
# Is Aspen's population growing?



Year	Aspen's Population (U.S. Census Bureau)	% Growth from Previous Year
2015	6,740	0.5%
2016	6,788	0.7%
2017	7,097	4.6%
2018	7,234	2%
2019	7,431	2.7%
<b>Total change 2015-2019</b>	+691	+10.3%
<b>Average Annual Growth Rate 2015-2019</b>		+2.1%

Source: American Community Survey (ACS) 5-year

# So, what is the community feeling?



Source: City of Aspen GI **54**

# A disconnect between GMQS and development?



Development types that do not utilize allotments:

- scrape and replace redevelopment of residential units
- addition of floor area to existing residential units
- addition of subgrade floor area to residential units
- redevelopment of existing lodge units
- redevelopment of existing commercial net leasable area
- renovations that do not alter number of units or floor area

# A disconnect between GMQS and development?



## Other trends that the community may experience as "growth"

- The Short-Term Rental Market
- Duration of time between a project receiving allotments and beginning construction

## Fundamental question #2:



**Is the disconnect between the GMQS allotments and the real and perceived impacts of development activity a problem?**

## Perhaps:

### **1) We no longer have the right tools to respond.**

While the pressures of growth likely feel the same, the types of development have changed over time. If allotments are not being utilized - and the community is feeling "growth" - what tools do we use to respond?

Perhaps:



## 2) The impact to affordable housing mitigation

GROWTH as measured by ALLOTMENTS

=

EMPLOYEE GENERATION

=

EMPLOYEE / AFFORDABLE HOUSING

## A focus on AH:



### 2) The impact to affordable housing mitigation

- New development is shaped by mitigation requirements (and credits and incentives).
- Significant development (and redevelopment) activities do not use allotments - or require AH mitigation proportionate to observed employee generation.

## A focus on AH:



### 2) The impact to affordable housing mitigation

- “Supply and Demand” issues within the AH Certificates Program
- Reduced likelihood of provision of on-site or off-site AH units by development / redevelopment
- Reduced revenue from mitigation requirements to 150 Fund

# Potential Responses



- Continue with the status quo.
- Modify current allotments to reflect reality.
- Targeted policy and code responses to prevalent development types.
- Rethink direct tie between growth and AH mitigation / development.
- A whole cloth rethinking of growth management.

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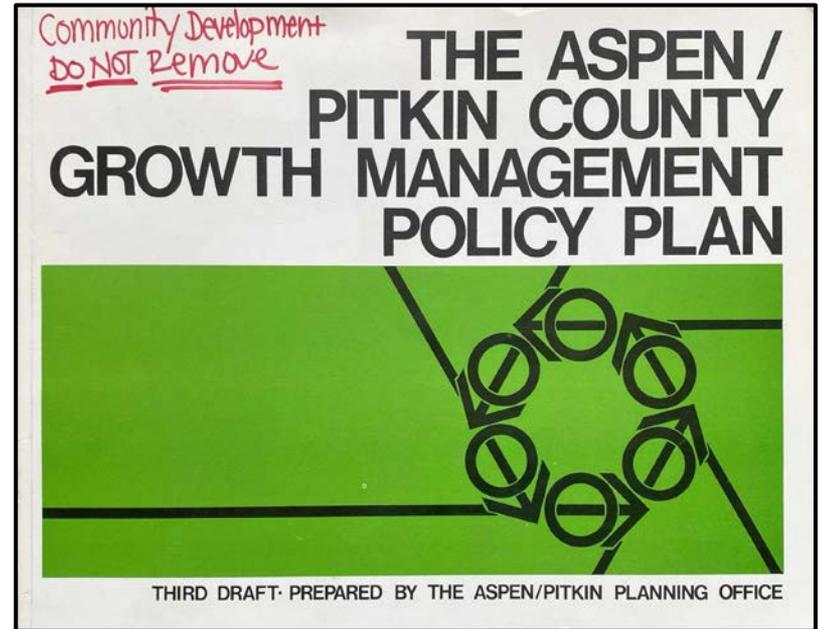
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# Direction from Council



- 1) Do you share staff's assessment?
- 2) Are there other issues at play that have not been identified?
- 3) Do you need more information?
- 4) What actions would be appropriate for staff to take in response?



Source: Cover of 1977 Growth Management Plan