

**Downtown Area Advisory Committee (DAAC)**  
**October 30, 2014**  
**Basalt Town Council Chambers, 4:00to 5:30 p.m.**

Committee Members present: Chris Lane, Julie Kolar, Chris Touchette, Steve Chase, Cathy Click, Tracy Bennett, Charlie Cole, Gerry Terwilliger, Greg Shugars, Ted Guy

Staff present: Mike Scanlon, Susan Philp, Denise Tomaskovic

Moderator: Paul Andersen

A list of the public signing in for this meeting is attached.

**Agenda item 1: Approve meeting notes of October 23, 2014**

M/S Cole and Guy to approve the meeting notes of October 23, 2014 as read. The motion carried unanimously.

Guy suggested adding the attendance sheet to the minutes. Staff agreed to do so.

**Agenda Item 2: Ground Rules**

Andersen wanted to add some additional ground rules:

1. Respect the autonomy and integrity of the DAAC by not speaking individually to the media until the process ends.
2. Restrict emails and texts to general information sharing and scheduling rather than opinions and positions best left to your regular public access meetings.
3. Stand above politics and politicians by not getting into the fray at public or private meetings.
4. Honor your individual differences as a reflection of the differences that exist in public opinion.
5. Support a constructive process where civil dialogue is more important than unanimity.

The Committee was agreeable to adding these to the list of already established ground rules.

**Agenda Item 3: Take-aways from the 10/28 Town Council meeting**

Referring to Scott Condon's article in today's Aspen Times (article attached), Andersen reviewed what the Town Council said regarding this committee and their (Councilors') positions about the Pan and Fork parcel.

Philp reviewed the agenda for tonight's meeting. She added that the land use survey from ETC has been mailed to Basalt residents and is also available online. The Town is hoping to have results from the survey within two weeks (by November 13<sup>th</sup>) with a presentation to DAAC and the Town Council on November 20<sup>th</sup>.

**Agenda Item 4: From ideas to funding – what's the gap and how to fill it**

Bruce Kimmel, Ehlers Financial, introduced himself and summarized what his company does (financial consulting for municipalities) and provided copies of a memo (see attached) to the committee members with the subject heading, "Redevelopment Finance." He explained the different options available to communities when they're deciding how much and what type of assistance to offer developers.

Kimmel outlined the four basic financing tools available to towns like Basalt: 1) Tax Increment Financing (TIF), which is commonly used in Colorado; 2) Lodging taxes; 3) sales taxes and utility revenue bonds; and 4) voter

approved general obligation (GO) bonds, which are what Basalt residents voted to use to finance the river improvements last fall in the “Fix the Fork” campaign.

GO bonds offer less risk to investors, resulting in a lower interest rate and ability to pay back principal more quickly. Basalt has issued its second round of GO bonds this fall; the Town also has agreed to help RMI finance its project development via conduit bonds. Conduit bonds have the Town’s non-fiduciary support behind them and don’t obligate the Town financially. This support makes conduit bonds more attractive to investors because it indicates that a project has already achieved good will from the municipality in which it is located, thus removing an element of risk.

Kimmel pointed out the Four Essential Questions on the second page of his memo. The Town drives the process and this needs to be a thoughtful discussion and decision. The purpose is to identify how much of a gap exists between the amount of the project’s cost that is above and beyond what is considered necessary to ensure a financially profitable project and the project’s actual costs. He defined some of the technical jargon used in his memo. Once the gap amount has been identified, different financial tools can be used to fill the gap.

Kimmel emphasized the importance of having Development Agreements in place. These take the financial plan and help get it started. There are ways to withdraw assistance if a party doesn’t fulfill its obligations.

#### **Agenda Item 5: Where does Affordable Housing fit? (BACH presentation)**

Click introduced Bob Kaufmann and Mary Holley who were also present representing Basalt Affordable Community Housing (BACH). They spoke about the need in Basalt for housing for young adults, people with families, and essential services employees. BACH wants to make sure that the provision of affordable housing (AH) is included in DAAC’s considerations and its report to the Town Council.

There was a question about the range of incomes that BACH is addressing. Click replied that BACH is not focused on the amount of money people earn, but rather, on providing housing for a wide variety of income levels.

Touchette asked about the popularity of rental units vs. units to purchase. Click said that BACH is conducting a housing needs survey. Rental property is popular because it’s very flexible but that doesn’t negate the need for units to purchase. BACH works within Basalt’s urban growth boundary (UGB) and has prioritized the areas they think are the most important to begin with. Access to mass transit and schools is more important for some groups of prospective residents than others.

It was pointed out that financing for mixed use buildings has been difficult to obtain. Guy asked Kimmel if this is still the case. Kimmel said that bankers seem to be more willing to consider loans for mixed use project and the public financing can usually fill any gaps. Click said that BACH wants the availability of affordable housing to be a driver for Basalt settlement, not a reactionary activity.

Shugars pointed out Lorenzo Semple’s article in last Saturday’s paper (article attached). He said that if you replace every reference to Aspen with “Basalt,” it’ll still ring true.

Kolar said she liked the idea of having AH as an activity driver instead of as a reaction to a need. She added that we need a variety of anchors in Basalt. A hotel is a tourist anchor, which is good, but we also need anchors for the residents, places that provide for their daily needs. If Basalt residents don’t enjoy where they live, nobody else will, either.

Touchette thought that DAAC shouldn't look just at meeting minimum requirements, but at things that can really help revitalize downtown such as building heights, interesting use of space, etc..

Shugars reminded everyone that small town character also requires having characters. Merino was our small town character. Now, the Flying Circus Emporium is an example of a small town character business.

Chase said he felt that the Committee was being asked to go back to the drawing board. He thought that the Committee's charge was to massage Option 2 into a feasible redevelopment plan. Andersen suggested holding general comments until later and giving this process a chance to continue.

When asked, Click summarized Basalt's current AH projects; Real America plans to build multi-family Category housing by Stubbies, Mariner will construct AH units next to the Elements Hotel in Willits, and the Habitat for Humanity house on Homestead Drive is supposed to begin construction soon.

Guy reminded the group that while this is all good information, we're not here to master plan the whole town, just these parcels.

The BACH representatives stated that BACH definitely supports having AH downtown, as well as higher end housing options for those who can afford it. Having a mix is really important to diversity and vitality.

Touchette encouraged the DAAC members to get creative and "go for the holy grail" regarding building heights and variety of activities/uses. He asked if it would be possible to extend this process by a couple more meetings to allow DAAC more time in its deliberations. Staff replied that this can be discussed at the end of the meeting.

### **Agenda Item 6: Group Discussion and Sketching**

Touchette said that his document reflects the same process that he's been using for 22 years in his business. If our plan isn't meeting the principals outlined in the document, then there is a fatal flaw in the plan. He added that the list is editable and he looked forward to DAAC members contributing to it. Touchette reviewed the principals from his document:

#### **Guiding Principles**

- 1) Connect the Town to the Rivers
- 2) Preserve significant physical and visual access to the Rivers
- 3) Improve Lions Park and merge it with the Riverfront Park
- 4) Allow density to drive revitalization
- 5) Provide a "There-There" destination for residents and guests alike

Touchette added that at last week's meeting the Committee evaluated how Option 2 meets these principals. Principle 5 regards the place that draws people to Basalt for a memorable occasion, as well as providing a gathering place for residents.

Shugars noted that Basalt's access to its rivers is rather unusual and special and needs to be embellished. Two Rivers Road in its current configuration is like a boulevard and there are different things we can do to make it an enhancement. We don't want it to be a divider. The Town Hall administrative building blocks the view to the river from a large part of Midland Avenue. Lions Park could quite easily become more of an amenity for everyone.

Touchette said that Two Rivers Road can be narrowed to become more like a park road than a wide divider. This would also help traffic coming and going from the downtown core to slow down.

Kolar was invited to explain how she arrived at her exercise. She said that it's a different way of looking at things in a process not strictly related to maps and lines. Her "Best Small Towns" contains a list of 'ingredients' found in most of the best small towns. The document is offered to the group as a place to start and is editable. Kolar then explained how the exercise works and said the goal is to help make for a more fluid process. It was suggested to take overhead photos of the exercise as it evolves. Andersen suggested postponing this exercise to the next meeting since there are only 10 minutes remaining for this one. The suggestion was agreed upon by the Committee members. Kolar encouraged the DAAC Committee members to feel free to add other items to the "Best Small Towns" list.

### **Agenda Item 7: Citizen comments**

Sharon Hall suggested having the Clark's Market building function as a music hall over the winter as an experiment and outlined what she envisioned would happen there. Andersen suggested that she talk to Town Staff to further define what steps would be need to be taken to make this happen.

Andersen asked Michael McVoy to introduce himself and explain his involvement in the CDC. McVoy complied.

David Schoenberger presented the category income levels that were referred to earlier in the meeting. He said that he appreciated Andersen's additional ground rules and would like to add another one stating that the DAAC members should not be able to circulate petitions, talk to the media, or take public stances regarding their thoughts about redevelopment.

Terwilliger, deducing that this was a reference to himself, said he had been surveying his neighbors as to whether or not they would like to see more parkland on the Pan and Fork parcel in order to determine if he is, indeed, holding a minority opinion. He thought it was justifiable to ask. Touchette noted that since the Town-sponsored survey is available now, Terwilliger's survey was probably redundant and Touchette asked Terwilliger if he could discontinue distributing it. Terwilliger agreed to discontinue his survey.

### **Agenda Item 8: Committee member comments**

Cole said he still wasn't sure what the final report should include and the rest of the Committee agreed. He challenged the Committee members to consider what would constitute a final report.

Guy liked Cole's suggestion and was concerned that the Committee doesn't have enough time to do whatever is necessary to create the final report. Even if it takes the form of an outline they'll still be pressed for time to get that done if they have only two more meetings to develop a plan. If creation of a more involved document is required then the Committee will need even more time than the few extra meetings being proposed.

Andersen suggested that the committee members think about whether or not they wanted to ask the Town Council for an extension to their timeline.

Wanting to end on a positive note, Terwilliger related a story about his sister's neighbor who had visited Basalt from upstate New York and just loved it here because it was so relaxing. Terwilliger thought we didn't have to tweak much to make Basalt even better.

The meeting adjourned.

Attachments:

- 1) Sign-in sheet
- 2) Condon article in the Aspen Times, 10/29/14
- 3) Kimmel memo dated 10/30/14
- 4) Semple article in the Aspen Daily News, 10/25/14