

The regular meeting of the Vail Town Council was called to order at approximately 6:00 P.M. by Mayor Chapin.

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| Members present: | Dave Chapin, Mayor Jenn Bruno, Mayor Pro Tem Dick Cleveland Kim Langmaid Greg Moffet Kevin Foley Jen Mason *absent until 7:58 P.M. |
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| Staff members present: | Patty McKenny, Acting Town Manager Matt Mire, Town Attorney Tammy Nagel, Deputy Town Clerk |
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1. Citizen Participation

Penny Wilson, Vail resident, thanked the Town Council and Town Engineer, Chad Sali, for their responsiveness to the berm project on Bald Mountain Road.

Steven Connolly, Vail resident, relayed an experience he had during a Bravo concert and the noise from the interstate. Connolly suggested a retractable roof for the amphitheater or more enforcement of the jake-brake ordinance.

2. Consent Agenda

- 2.1. June 6, 2017 Town Council Meeting Minutes
- 2.2. June 20, 2017 Town Council Meeting Minutes
- 2.3. June 27, 2017 Town Council Meeting Minutes
- 2.4. June 28, 2017 Town Council Meeting Minutes

Cleveland made a motion to approve the consent agenda items; Moffet seconded; the motion passed (6-0*).

3. Town Manager Report

Chamonix Neighborhood Project Update (verbal report)

George Ruther, Community Development Director, reported the Chamonix housing project is currently two weeks ahead of schedule and on budget. The foundation was almost completed and would be finished in the next couple weeks. Top soil is being placed by the Shell gas station for a berm. Construction of homes will be coming off the line week of August 14 being placed at the site.

4. Presentations/Discussions

4.1 Red Sandstone School Parking Structure Project

Presenter(s): Greg Hall, Director of Public Works

Action Requested of Council: The staff has requested the town council to address the following:

- Provide direction on the additional design components of the project
 - Expansion ability additional floors
 - Space Conversion ability
 - Design emphasis on Photo Voltaic or architectural and landscaping components
- Direct the Town Manager to submit the plans to Vail Resorts in accordance to the Parking Investment Agreement
- Provide input and direction on the Development Agreement with Eagle County School District
- Submit formal applications to Planning and Environmental Commission for an amendment to a Conditional Use Permit and Retaining Wall Height Variance
- Submit formal application to the Design Review Board for project approval
- Authorize the Town Manager to negotiate a construction contract with Haselden Construction to bring back to the Town Council for approval

Background: On May 2 the Town Council directed staff to enter into a predevelopment agreement to further explore building a 160 car four story parking structure on the Red Sandstone School site with Eagle County School District. The design has been advanced to the schematic design level.

Staff Recommendation: Staff recommends the Town Council continue to pursue the four level structure. In addition, the Town Council should take action on the items listed above.

Hall provided some of the following information (see council packet memo for details) :

- ☐ Intergovernmental Development Agreement with Eagle County School District
- ☐ Updates from recent preliminary meetings with the PEC and DRB
- ☐ Additional design elements to carry forward
- ☐ Cost and budgets for the project
- ☐ Cost sharing methodology
- ☐ Project schedule
- ☐ Series of next steps for advancing the project forward

Hall reviewed project costs and budgets with council. The proposed cost sharing for the project is as follows:

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| Eagle County School District | \$ 1,500,000 |
| Vail Resorts Parking Commitment | \$ 4,300,000 |
| <u>Vail Reinvestment Authority (VRA)</u> | <u>\$ 8,486,912</u> |
| Preliminary Overall Budget | \$14,286,912 |

There were some additional items south of I-70 considered as offsite improvements and were estimated at \$287,500. Hall explained the areas of risk to the estimate are in the areas as follows:

- Unsuitable soils, both for haul off and import of suitable soils.

- Excessive groundwater and permanent mechanical dewatering system
- Winter conditions
- Final sub-contractor pricing not in line with costs provided for current estimate.

A project schedule was included in the memo showing construction beginning in January 2018 and finishing in August 2018. Chapin asked for public comment and Steven Connolly expressed support of the solar panels on the building and would still like to see housing and a recreation center. There was no further public comment. Council supported the design expansion ability and the idea of two additional floors and the project's cost sharing estimates. There was council support to give approval to negotiate contract with Haselden Construction for the project. In summary, Council agreed to 1) Increase the budget regarding design expansion ability (additional floors and space conversions ability), 2) Move forward with Haselden Construction and development agreement with School District, and 3) Support the budget breakdown components with the ECSD and Vail Resorts, Inc. (5-1; Cleveland opposed).

4.2. Short Term Rental Community Input and Policy Considerations

Presenter(s): Chris Cares, RRC and Associates and Kathleen Halloran, Finance Director

Action Requested of Council: Provide feedback regarding any policy considerations that Council would like to pursue. Staff will return on September 5th with any additional information or proposed policy changes.

Background: On June 20th and July 11th the town hosted public listening sessions, conducted an online survey and made presentations to a number of stakeholder groups. Tonight's presentation includes the results of gathering community input, a comparison of town practices to peer resorts and proposed policy considerations for Town Council.

Chris Cares, RRC and Associates provided an overview of the online survey that was conducted earlier this summer concerning short term rentals, see council packet memo for details. It was noted there were two community input sessions on June 20th and July 11th in addition to engaging key stakeholder groups such as the Vail Local Housing Authority, the Vail Local Marketing District, the PEC and the Vail Economic Advisory Council to gather more input concerning short term rentals. Mayor asked for public comment:

Adam Bersin, supported short-term rentals were essential to his income and that taxes should be collected on this service.

Joe Staufer, Vail resident and business owner, opposed neighborhood short-term rentals; he felt short term rentals destroyed neighborhoods. Staufer went onto say residential districts were never meant to be a lodging district.

Steven Connolly questioned if the survey was a scientific study; he supported short term rentals noting they have a significant economic impact in Vail and guest spending. Connolly went onto to say compliance and quality of life are the biggest issues.

Penny Wilson, stated short term rentals are changing the feeling of the neighborhood. Wilson suggested requiring a short term rental to provide a local property contact name and number so neighbors could talk to someone if there is a problem with their renter. Another suggestion was to require a letter from the HOA for approval.

Steve Pope, thanked council for having this discussion to show both the down sides and up sides. Pope felt negatives are not just related to short term rentals and VRBO's do increase business sales tax.

Nate Emmy was able to purchase a home in Vail and short term rentals has helped in that purchase.

Jeff Andrews, East West Properties, agrees with leveling the playing field and would not want to see over-regulations or banning VRBO. Some communities are seeing the downfall from eliminating VRBO from their communities i.e. taxes.

Steve Lindstrom, Vail Local Housing Authority, suggested putting together a database to track users of housing and enforcing the current regulations.

Council stated they had no intention to band VRBO but would like to see regulations, fees and taxes. Council members went onto say problem renters are not just VRBO and agreed the life safety and compliance were important to them.

5. Action Items

5.1. Ordinance No. 10, Series of 2017, First Reading, An Ordinance Repealing and Reenacting Section 5-1-6 of the Vail Town Code, Concerning Noxious Weed Management and Enforcement

Presenter(s): Gregg Barrie, Senior Landscape Architect, Matt Mire, Town Attorney

Action Requested of Council: Approve, approve with amendments or deny Ordinance No. 10, Series of 2017 upon first reading.

Background: Pursuant to C.R.S. §§ 35-5.5-106 and 31-15-401, and its home rule authority, the Town is empowered to regulate the presence, management and control of noxious weeds on any lands under its jurisdiction, to declare the existence of any such noxious weeds as a public nuisance, and to provide for and compel the removal of such noxious weeds. This Ordinance will update the Town's current regulations addressing noxious weeds.

After a brief discussion, Moffet made a motion to approve Ordinance No. 10, Series of 2017 on first reading, An Ordinance Repealing and Reenacting Section 5-1-6 of the Vail Town Code, Concerning Noxious Weed Management and Enforcement; motion was seconded by Bruno. The motion passed (7-0.*)

6. Public Hearings

6.1. Ordinance No. 9, Series of 2017, First Reading, An ordinance establishing Special Development District No. 42 (Vail Mountain View Residences), pursuant to Section 12-9(A), Special Development Districts, Vail Town Code, to allow for the development of a mixed use building consisting of 12 dwelling units with 15 attached accommodation units (lock-offs), 19 accommodation units and 10 employee housing units, located at 430 and 434 South Frontage Road/Lot 1, Vail Village Filing 5 and setting forth details in regard thereto.

Presenter(s): Jonathan Spence, Senior Planner

Action Requested of Council: The Vail Town Council shall approve, approve with modifications, or deny Ordinance No. 9, Series of 2017, upon first reading.

Background: The applicant, Lunar Vail LLC, represented by Mauriello Planning Group, is requesting a first reading of Ordinance No. 9, Series of 2017, an ordinance establishing Special Development District No. 42, pursuant to Section 12-9(A), Special Development Districts, Vail Town Code, to allow for the development of a mixed use building consisting of 12 dwelling units with 15 attached accommodation units (lock-offs), 19 accommodation units and 10 employee housing units (EHUs), located at 430 and 434 South Frontage Road/Lot 1, Vail Village Filing 5.

Staff Recommendation: On June 12, 2017 the Town of Vail Planning and Environmental Commission (PEC) held a public hearing on the request to establish SDD No. 42, pursuant to the requirement of Section 12-9(A), Vail Town Code. At the conclusion of the public hearing, the PEC voted 4-3 (Gillette, Perez and Rediker opposed) to forward a recommendation of approval, with conditions, to the Vail Town Council.

Spence provided council with a brief introduction of the ordinance. Spence stated the applicant, Lunar Vail LLC, is represented by Mauriello Planning Group. He noted staff has received considerable correspondence from groups and individuals concerning this application. Some of this correspondence posed questions concerning process and other elements of the Vail Town Code. In these instances, responses were provided either by the Community Development Department or by the Town Attorney. Spence stated all correspondence received to date, including responses from town staff have been provided to council.

Dominic Mauriello, Mauriello Planning Group, representing the applicant Lunar Vail presented the application for the special development district with highlights about the following components (see packet materials for details):

- ✓ *Employee Housing Units (EHUs)*
- ✓ *Accommodation Units*
- ✓ *Dwelling Units*
- ✓ *Attached Accommodation Units (Lock Offs)*
- ✓ *Existing Parking*

Spence reviewed the Special Development District Design Criteria and staff's findings with respect to the proposed special development district, see memo for details.

1. Compatibility
2. Relationship
3. Parking and Loading
4. Comprehensive Plan
5. Natural / Geologic Hazard
6. Design features
7. Traffic
8. Landscaping
9. Workable Plan

Chapin opened the hearing for public comment and the following people spoke:

Kerry Wallace, Goodman and Wallace, stated her firm represented 8 unit owners who were disputing receiving notice. Wallace stated the required notice had not happened due to a non authorized person signature on the letter dated March 2017 on behalf of the association. The applicant is not an owner of a unit but owner of the parking garage.

Chris Romer, Vail Valley Partnership, supported the project as it would help with employee housing.

Molly Murphy, Vail Local Housing Authority, expressed support of this project.

Kim Bell-Williams, Interim Housing Director for Eagle County, supported the project for the housing; the 29 units for employee housing is a big deal.

Stan Cope, Vail resident, supported the project.

There were no closing statements from the applicant or staff at this time.

Moffet made a motion to approve Ordinance No. 9, Series of 2017 on first reading, an ordinance establishing Special Development District No. 42 (Vail Mountain View Residences), pursuant to Section 12-9(A), Special Development Districts, Vail Town Code, to allow for the development of a mixed use building consisting of 12 dwelling units with 15 attached accommodation units (lock-offs), 19 accommodation units and 10 employee housing units, located at 430 and 434 South Frontage Road/Lot 1, Vail Village Filing 5 and setting forth details in regard thereto, with the 13 conditions recommended by PEC (page 8 and 9 of packet memo) and findings as follows:

1. The SDD complies with the standards listed in Section VIII of this memorandum, or the applicant has demonstrated that one or more of the standards is not applicable;
2. The SDD is consistent with the adopted goals, objectives and policies outlined in the Vail comprehensive plan and compatible with the development objectives of the town;
3. The SDD is compatible with and suitable to adjacent uses and appropriate for the surrounding areas; and
4. The SDD promotes the health, safety, morals, and general welfare of the town and promotes the coordinated and harmonious development of the town in a manner that conserves and enhances its natural environment and its established character as a resort and residential community of the highest quality."

The motion was seconded by Bruno and passed (5-2; Foley and Mason opposed). Foley did not support the ordinance due to not meeting the Special Development Design Criteria no.'s 1, 2 and 6. Mason also does not support the project due to size.

6.2 Appeal of Planning and Environmental Commission Decision (Gasthof Gramshammer)

An appeal, pursuant to Section 12-3-3, Appeals, Vail Town Code, of the final decision of the Town of Vail Planning and Environmental Commission on June 26, 2017, denying a request for a variance from Section 12-7B- 16, Landscaping and Site Development, Vail Town Code, to allow for a reduction in landscaping area, located at 231 Gore Creek Drive / Lot A, Block 5B, Vail Village Filing 1, and setting forth details in regards thereto. (TC17-0002)

Presenter(s): Matt Panfil, Planner

Action Requested of Council: The Town Council is asked to hold a public hearing on the appeal. Background: The applicant was required to provide landscaping as part of their 2016 remodel, however the landscaping has not been installed. The applicant requested a variance to the landscaping requirement, which request was denied by the Planning and Environmental Commission.

Staff Recommendation: The Community Development Department recommends that the Town Council deny the appeal, and require the applicant to install the landscaping as originally planned.

Matt Panfill reviewed the appeal with council, see details per the memo in council packet. The Applicant, Shieka Gramshammer, requested that the council table this item to a later date because of how late it was in the evening. Moffet moved to table this item to September 5; the motion was seconded by Cleveland. The motion passed (7-0).

6.3 Ordinance No. 6, Series of 2017, Second Reading, an Ordinance rezoning 5 min. Lot 2E and Lot 2E-1, Block 1, Vail/Lionshead Second Filing, from Lionshead Mixed Use 1 (LMU-1) District to the General Use (GU) District, and rezoning Lot F-1, Vail Village Second Filing Lot E and F, Lot 2E Vail/Lionshead, Second filing, Block 1, a Resubdivision of Lot 2, from General Use (GU) District to Lionshead Mixed Use 1 (LMU-1) District, located at 180 and 250 South Frontage Road West, and setting forth details in regard thereto. (PEC17-0015)

Presenter(s): Jonathan Spence, Senior Planner

Action Requested of Council: The Vail Town Council shall approve, approve with modifications, or deny Ordinance No. 6, Series of 2017, upon second reading.

Background: On June 26, 2017, the Planning and Environmental Commission approved a final plat, pursuant to Title 13 Chapter 4, Minor Subdivisions, Vail Town Code, to allow for the re-subdivision of Lot F, Vail Village Second Filing and the creation of Lot F-1. At the same meeting, the Commission approved a final plat, pursuant to Title 13 Chapter 4, Minor Subdivisions, Vail Town Code, to allow for the re-subdivision of Lot 2W, Block 1, Vail Lionshead Second Filing, and the creation of Lot 2E-1. The proposed rezonings will allow for the Development Lots of the Vail Valley Medical Center and the Evergreen Lodge to have consistent zoning designations.

Staff Recommendation: On June 26, 2017, the Planning and Environmental Commission unanimously forwarded a recommendation of approval to the Vail Town Council for a zone district boundary amendment.

There was no public comment or council discussion. Moffet made a motion to approve Ordinance No. 6, Series of 2017 upon second reading; the motion was seconded by Bruno. The motion passed (6-0; Cleveland recused himself due to service on the hospital board).

6.4 Ordinance No. 7, Series of 2017, Second Reading, an Ordinance for a prescribed regulation amendment, pursuant to Section 12-3-7, Amendment, Vail Town Code, to amend Section 12-10-19 Core Areas Identified, Vail Town Code, to include Lot F-1 in the Commercial Core Area for parking regulations purposes, located at 250 South Frontage Road West/Lot F-1, Vail Village Second Filing, and setting forth details in regard thereto. (PEC17-0023)

Presenter(s): Jonathan Spence, Senior Planner

Action Requested of Council: The Vail Town Council shall approve, approve with modifications, or deny Ordinance No. 7, Series of 2017, upon second reading.

Background: The applicant is proposing to alter the Core Area Parking Map II, Lionshead, to include Lot F-1 within this mapped area. Altering the map will place the entire Evergreen Lodge Development Lot within the Commercial Core Area, ensuring that there is one set of consistent parking regulations in place for future redevelopment of the site.

Staff Recommendation: On June 26, 2017, the Planning and Environmental Commission unanimously forwarded a recommendation of approval to the Vail Town Council for a prescribed regulation amendment to include Lot F-1 in the Commercial Core Area for parking regulations purposes, located at 250 South Frontage Road West/Lot F-1, Vail Village Second Filing.

There was no public comment or comments from council. Moffet made a motion to approve Ordinance No. 7, Series of 2017; the motion was seconded by Bruno. The motion passed (7-0).

There being no further business to come before the council, Moffet moved to adjourn the meeting and Bruno seconded the motion which passed (7-0) and the meeting adjourned at 10:45 p.m.

Respectfully Submitted,

Attest:

Dave Chapin, Mayor

Tammy Nagel, Deputy Town Clerk