

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

Members present: Dave Chapin, Mayor
 Jenn Bruno, Mayor Pro Tem
 Dick Cleveland
 Kevin Foley
 Kim Langmaid
 Jen Mason
 Greg Moffet

Staff members present: Stan Zemler, Town Manager
 Matt Mire, Town Attorney
 Patty McKenny, Deputy Town Clerk

1. Citizen Participation

Resident from Chamonix Chalets, Cindy, expressed concerns about extended stays of RVs and vehicles at the parking area for the north trail. She asked for some observation in that area so that long term parking does not occur. She also noted that littering has become a problem in that area as well.

Greg Bemis, resident, expressed concerns about the plowing of the sidewalks around Vail Commons and emergency access that was not blocked for public use. He also complimented the town on the picnic structure at Donovan Park.

2. Consent Agenda

2.1. Minutes from December 6, 2016 meeting 5 min.

Moffet moved to approve the December 6, 2016 minutes; Foley seconded the motion and it passed (7-0).

2.2. Resolution No. 1, Series of 2017, A Resolution Approving an Amendment to Intergovernmental Agreement Between The Town Of Vail And The Colorado Department Of Transportation Regarding I-70 MP 180-182 - Vail Water Quality– Town Of Vail; and Setting Forth Details in Regard Thereto Background: The Town and CDOT wish to enter into an Intergovernmental Agreement (the "IGA") authorizing the construction of water quality improvements at I-70 Exit 180 and two locations at I-70 MP 182. The Town has received \$700,000 from Transportation Alternatives Program funding grant for the construction of the project.

Moffet moved to approve Resolution No. 1, Series of 2017; Bruno seconded the motion and it passed (7-0).

3. Town Manager Report

3.1. Retreat for Town Council (Set Date): There was consensus to hold a council retreat on Wednesday February 22.

4. Action Items

4.1. Recommendation for the lottery selection process for the future development of the Chamonix Neighborhood at West Vail.

Presenter(s): George Ruther, Director of Community Development

Action Requested of Council: Does the Vail Town Council support the recommendation for the lottery selection process? If not, what specific changes to the lottery selection process are required?

Background: Demand for purchasing a new home in the Chamonix Neighborhood at West Vail development is high. Presently, hundreds of people have expressed an interest in the 32 new homes slated for development. With current demand exceeding the available supply, it is recommended that the Town of Vail conduct a lottery process for selecting the future buyers of the new homes at the Chamonix Neighborhood.

Ruther summarized number business points presented in the packet memo as follows: Given the stated objective, it is recommended that the selection process not include weighted preference towards place or longevity of residency or place or longevity of employment. Instead, a true lottery selection process whereby each qualifying home buyer shares an equal chance of being drawn is recommended. A true lottery selection process:

- is the most equitable means of selecting future home owners
- helps to achieve the Town's objective
- minimizes the Town's risk
- increases opportunity for participation
- avoids the perception of social engineering
- demonstrates an evolution of improvement to other lottery processes

To that end, it is recommended that the lottery selection process include the following requirements for participation and is conducted using the following procedures:

- ✓ Completion of a Chamonix Neighborhood Home Buyer Qualifying Application. The Application shall include:
 - Demonstrated ability to comply with the terms of the deed restriction if drawn for home purchase.
 - Demonstrated ability to secure financing for the home(s) desired.
 - Signed acknowledgement of acceptance of the terms of the Chamonix Neighborhood Pre-sale Agreement and Purchase/Sale Agreement.
 - Demonstrated participation and successful completion of a Town of Vail or Valley Home Store sponsored Homebuyer Education Class within the previous 6 months.
 - The unit number(s) (i.e.1-32) of the home(s) interested in purchasing.
- ✓ One chance in the lottery selection process per Qualifying Application.

Ruther spoke about a "mock lottery" process that helped them iron out some of the challenges and noted the marketing and reservation web portals would launch in the near future. Council input included some of the following:

- Preference that people who want to be part of the lottery do not own other property
- Preference that the guidelines address working less than 30 hours per week due to disability would occur after purchasing a unit

- Preference that the system does not include any “weighted system” and concerns that the suggested lottery it is weighted towards those who have approvals for higher purchasing ability

Chapin invited public input at this time.

- Bobby L’Heureux, Minturn resident, expressed concerns about the pricing of the units; he was hopeful to qualify but with the current proposed price points he would not qualify.
- Wendy Erb, resident, expressed concerns with the suggested lottery system and preferred names be put into a hat first and then once chosen the person would have the opportunity to select the unit type.
- Chris Fitzgerald, resident, expressed concerns about giving someone too many chances to get a unit; he suggests the process described is one that is weighted to those who are in a higher financial bracket.
- Kim Fuller, Minturn resident, asked that they reconsidered who they would like to live in Vail; she was hopeful to qualify for the units, but would likely have challenges at the current pricing.

There were council concerns about the suggested lottery process as it related to conducting lotteries for each unit type which would favor those who were qualified to purchase at the highest price. There was support to “level the playing field” with the process; it was suggested to include only one primary lottery drawing and eliminate the drawings for each unit type. Chapin reminded the public the final decision about the lottery process would only apply to the upcoming Chamonix project. Ruther agreed to review the suggestion with the VLHA, the group who had made the original recommendation for the lottery process. He also noted he would conduct a “mock lottery” to test their preferred lottery process.

4.2. Selection of Executive Search Firm for Town Manager Recruitment

Presenter(s): Krista Miller, Human Resource Director

Action Requested of Council: Select an Executive Search Firm and direct the Town Manager to sign and enter into an agreement with the Executive Search Firm in a form approved by the Town Attorney.

Background: Town Council interviewed four firms during the afternoon meeting at The Grand View with the Town Council.

Moffet moved to direct the Town Manager to enter into a contract for executive search services with Strategic Government Resources. Langmaid seconded the motion and it passed (7-0). Langmaid seconded. There was reference made to engage the Vail community in the search process.

5. Public Hearings

5.1. Ordinance No. 35, Series of 2016, First Reading, An Ordinance establishing Special Development District No. 41 (Marriott Residence Inn), pursuant to Section 12-9(A), Special Development Districts, Vail Town Code, to allow for the development of a limited service lodge and deed restricted employee housing units and a conditional use permit for public or commercial parking facilities or structures, located at 1783 North Frontage Road West/Lots 9-12, Buffehr Creek Resubdivision, and setting forth details in regard thereto. (PEC16-0030)

Presenter(s): George Ruther, Director of Community Development and Matt Panfil, Town Planner

Action Requested of Council: The Vail Town Council shall approve, approve with modifications, or deny Ordinance No. 35, Series of 2016, upon first reading.

Background: The purpose of the proposed Special Development District (SDD), is to facilitate the redevelopment of the former Roost Lodge site with a 170 unit Marriott Residence Inn limited service lodge (LSLU), 107 Type III deed-restricted employee housing units (EHUs), six (6) unrestricted rental dwelling units, and a commercial parking facility, located at 1783 North Frontage Road West.

Staff Recommendation: The Town of Vail Planning and Environmental Commission recommends that the Vail Town Council approves, with conditions, Ordinance No. 35, Series of 2016 on first reading, to allow for the establishment of Special Development District No. 41, Marriott Residence Inn, and set the date of the second reading of this ordinance for

Chapin opened the public hearing at this time. Staff Planner Matt Panfil presented the topic noting this agenda item would be a continuation of the last meeting's hearing. He distributed public comment letters and a letter from MPG dated 12/31/16 to the council members. The project timeline was reviewed and he addressed several questions related to 1) the clarification on length of leases, 2) updates on shuttle services, 3) how will the parking be assigned. There was a brief summary about the order of those presenting made by the Town Attorney. Chapin then asked for public input. Community members spoke as follows:

- Randall Guerriero, Meadow Road resident, expressed concerns about the bulk, size and mass of the project, too big. He asked why Vail Resorts and other larger employers would not be part of the employee housing resolutions. He expressed concerns about several topics:
 - ✓ The number of units proposed for housing and the impacts of the additional people on the neighborhoods
 - ✓ how the deed restricted units would be monitored the leasing of the units, etc.
 - ✓ how would parking in the neighborhood be monitored and managed
 - ✓ the traffic impacts and ability of the turn lanes to mitigate the impacts
 - ✓ He asked council members to reconsider allowing the size of the project.
- Brooks Bock, representing Grand Traverse Homeowners Assn, noted their association has considered the project and would request the following: 1) do not grant any height variance, and 2) request the developer create a landscape buffer between the Grand Traverse property and the Marriott property.
- Deena DiCorpo, resident, asked why does the neighborhood need to absorb so much of the affordable housing? She expressed concerns that the park is already overburdened and the project is just too big for the neighborhood. She asked them to be smart & take care of the residents.
- Greg Bemis, Meadow Ridge Road, expressed concern about the size of the project noting it does not add to Vail's character, the project is too large for this property and there should be some setback from the road.
- Rob LeVine, former GM of the Antlers, expressed empathy for the neighborhood and support for the project because of the affordable housing component and the need for this kind of lodging in Vail. If built, it could help solve some problems for employees and guests.

- Sherry Dorward, resident and local landscape architect, expressed concerns about density, mass, bulk, height, and how it faces the frontage road. She requested there is a better design and site plan placement of the buildings, more integrity to the architecture, requested further review of the financial viability of the project further study of the traffic impacts with a plan to mitigate such impacts.
- Dave Coltrain, resident, expressed support for the project for the employee housing units.
- Pete Feistmann, resident, expressed that full financial disclosure be revealed by the project developers. He was concerned about the risk of failure of such a project and how the deed restricted units would be protected in light of failure. He requested there be a detailed review of the pro forma and financials on the project.
- Wendy Erb, Meadow Ridge Road, expressed concerns about the following:
 - should be an evaluation about “locations” for employee housing
 - the project is too large, too much mass, bulk, and height
 - the calculation of GRFA of the employee units as part of the total square footage
 - below grade construction for parking
 - size of the retaining walls and slope failures
 - the financial backing of the project and the risk for the project to succeed
 - environmental impacts, i.e. noise, pollution, light
 - submitted two photos of the Roost Lodge showing height
 - requested the developer speak about the project and his background
- Chris Burns, resident, expressed concerns about the lack of communication about the project, noting notifications were not sent to the neighborhood. He was concerned about how the units would be affordable and if the town were really getting benefits from the project.
- Chris Romer, Vail Valley Partnership, expressed support for the project and the housing units; a project that would help solve lodging and housing. He noted the many approved SDDs in Vail that have been successful in providing benefits to the community.
- James Wilkins, resident and member of the Vail Local Housing Authority, expressed the need for the project, his concern about the neighborhood becoming more second homeowners. He spoke in support of master zoning and planning the neighborhood and noted there would be a need for redevelopment that would likely include higher density; higher heights and better use of the existing land in Vail. He asked that everyone consider the longer view of the community.
- Steve Lindstrom, west vail resident and chairman of the Vail Local Housing Authority, expressed support of the project and noted lack of housing at a critical state. This project would help solve this for the community.

The public comment as part of the hearing was closed. The applicant, Peter Dumont, President of Harp Group, and Dominic Mauriello, Mauriello Planning Group, presented at this time. They addressed topics as follows:

- ✓ Their willingness to show the financial backing of the project
- ✓ The background of the investor and developer Mr. Dumont
- ✓ Additional information about the requested variances, setbacks and height
- ✓ A review of the design criteria
- ✓ The timeline of the project and related approvals

Council comments were heard at this time.

- ✓ Requested clarification of the units, market vs. deed restricted
- ✓ Would there be requests from the developer for funding of the project; Mauriello responded there would be no request for funding for the project

- ✓ The size of the retaining walls were questioned
- ✓ Concern about access to the property and the traffic patterns
- ✓ Concerned about how to protect the deed restrictions
- ✓ Employee housing should serve employees only working in Vail
- ✓ Parking impacts should be evaluated
- ✓ The project meets community goals of housing

After further discussion a motion was made by Moffet who moved to approve on first reading Ordinance No. 35, Series of 2016, First Reading, An Ordinance establishing Special Development District No. 41 (Marriott Residence Inn), pursuant to Section 12-9(A), Special Development Districts, Vail Town Code, to allow for the development of a limited service lodge and deed restricted employee housing units and a conditional use permit for public or commercial parking facilities or structures, located at 1783 North Frontage Road West/Lots 9-12, Buffehr Creek Resubdivision, and setting forth details in regard thereto, citing the conditions and findings as recommended by the PEC, outlined below:

The ten (10) conditions as follows:

1. Approval of Special Development District No. 41, Marriott Residence Inn, is contingent upon the applicant obtaining Town of Vail approval of an associated design review application;
2. The applicant shall obtain Leadership in Energy and Environmental Design (LEED) certification for the structure within one (1) year of issuance of the first Certificate of Occupancy. Failure to obtain the certification within the identified time-frame will necessitate a return to the Planning and Environmental Commission and/or Town Council for an evaluation of a suitable, replacement public benefit;
3. Prior to submitting any building permit application, the applicant shall identify the six (6) unrestricted, rental dwelling units and provide documentation that the units shall have the right-of-use to the lodge's service and facilities under the same rules and regulations as the lodge guests.;
4. Prior to submitting any building permit application, the applicant shall submit revised plans relocating the proposed retaining walls at least two feet (2') from adjacent property lines;
5. Should the Colorado Department of Transportation (CDOT) not approve the proposed landscaping in the North Frontage Road right-of-way, the applicant shall submit a revised landscape plan, for review and approval, prior to submitting any building permit application, subject to Design Review;
6. Prior to submitting any building permit application, the applicant shall submit revised plans that clearly illustrate signage and striping of the fire staging area;
7. Prior to submitting any building permit application, the applicant shall submit revised plans that illustrate the continuation of the proposed sidewalk to the intersection with Buffehr Creek Road
8. Prior to submitting any building permit application, the applicant shall submit approval from CDOT related to all proposed work within the CDOT right-of way;
9. The applicant shall mitigate system wide pedestrian and traffic impacts through the payment of a Transportation Impact Fee that shall not be offset by the project level improvements. This payment shall be made prior to requesting any Certificate of Occupancy for the project. The fee shall be determined through the ongoing update and codification to the Impact Fee as approved by the Town Council. In the event that the updated fee is not adopted by the Town Council prior to July 1, 2017, the applicant shall provide a payment, prior to requesting any Certificate of Occupancy, based upon net new PM Peak Hour vehicle trips generated by the development. The amount per trip shall be assessed at the established rate as of July 1, 2017; and
10. Prior to submitting any building permit application, the applicant shall provide roadway and snow storage easements for the portion of Meadow Ridge Road that encroaches onto the subject property in a format acceptable to the Town's Attorney.

The 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.”

Bruno seconded the motion and it failed (4-3; Cleveland, Foley, Langmaid, Mason – opposed; Bruno, Chapin, Moffet – supported).

Additional council comments included the following:

- ✓ The project does meet some community goals with the housing and accommodations (mid range pricing)
- ✓ There are existing property rights on the parcel for hotel development
- ✓ The project is too big
- ✓ They know it is important project that would help to solve housing crisis
- ✓ Great public input
- ✓ It may not meet all the design criteria outlined
- ✓ The community was commended for participating with input
- ✓ The criteria must be met

There was council consensus to request another iteration of the project be presented that would address a reduction in size, both mass and height, of the project. Mauriello noted a 25 % reduction would not occur.

Moffet moved to table the Ordinance No. 35 to the second meeting in February; Bruno seconded the motion. Moffet amended his motion to table the ordinance to the January 17 council meeting; Bruno seconded the motion and it passed (4-3; Bruno, Chapin, Cleveland, Moffet – yes; Foley, Langmaid, Mason – opposed).

There being no further business to come before the council, Moffet moved to adjourn the meeting and Foley seconded the motion which passed (7-0) and the meeting adjourned at 9:45 p.m.

Respectfully Submitted,

Attest:

Dave Chapin, Mayor

Patty McKenny, Town Clerk