

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

Stephen Connelly, resident, spoke about the benefits RBO accommodations bring the resort community noting that typically there are more favorable price points to the mid range market and ability to generate sales tax revenue for the town coffers. He also acknowledged there can be down sides to the neighborhood especially when the owners do not reside in the home on a full time basis. He hope the town would acknowledge these units on some of its accommodations lists, such as the Welcome Centers.

Chris Fitzgerald, resident spoke about the Chamonix project and inquired about the property covenants; he also thanked Stan Zemler for his many years of service.

Greg Bemus, resident, expressed concern that the chain link fence had not been up behind Vail Common's driveway as it is no longer used as an access point because of safety reasons. He asked if code enforcement would be able to respond to his inquiry.

2. Proclamations

2.1. Proclamation No. 9, Series of 2016, Recognize Harry Frampton, Vail Valley Foundation

Presenter(s): Dave Chapin, Mayor

Background: The Town of Vail recognizes Harry Frampton as the Vail Valley Foundation Chairman and extends their appreciation for his thirty-five years of service to the Vail Valley with Proclamation No. 9, Series of 2016.

Moffet moved to adopt proclamation No. 9; Foley seconded the motion and it passed (7-0).

3. Appointments for Boards and Commissions

3.1. Appointments for Commission on Special Events

Presenter(s): Dave Chapin, Mayor

Action Requested of Council: Appoint six members to CSE, four members to serve a term until December 31, 2018 and two members to serve a term until December 31, 2017. There are six vacancies on the CSE; interviews were conducted during the afternoon meeting. There are seven applicants interested in serving on the CSE.

Bruno moved to appoint Barry Davis, Marco Valenti, Mark Gordon, and Alison Wadey to serve two year terms on the CSE as follows,. Moffet seconded the motion and it passed (7-0).

Bruno move to appoint Samantha Biszantz and Rayla Kundolf to serve one year terms to the CSE. Moffet seconded the motion and it passed (7-0).

4. Consent Agenda

4.1. Resolution No. 39, Series of 2016, A Resolution Authorizing the Town of Vail to Grant A Utility Easement to Comcast of Colorado VI, LLC, and Setting Forth Details in Regard Thereto
Background: The easement allows Comcast of Colorado IV, LLC to install service to several areas along the Gore Valley Trail.

Moffet moved to approve the consent agenda; Langmaid seconded the motion. There was a request to include an update from Comcast representative at a future meeting; there have been recent rate increases and bundling of services that the public should be made aware of. The motion passed (7-0).

5. Town Manager Report

The Town Manager did not report on any topics.

6. Public Hearings

6.1. Second reading of Ordinance No. 33 Series 2016, An Ordinance Making Adjustments to the Town of Vail General Fund, Capital Projects Fund, Real Estate Transfer Tax Fund, Dispatch Services Fund, and Heavy Equipment Fund.

Presenter(s): Carlie Smith, Senior Budget Analyst

Chapin opened the public hearing; no public input was heard at this time. Staff noted one change from first reading as the \$24,150 to contract with Destimetrics to begin the first phase of a "Rental by Owner" study. Moffet moved to approve Ordinance No. 33 Series 2016, Second Reading, An Ordinance Making Adjustments to the Town of Vail General Fund, Capital Projects Fund, Real Estate Transfer Tax Fund, Dispatch Services Fund, and Heavy Equipment Fund. Bruno seconded the motion and it passed (7-0).

6.2. 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

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.

Chapin opened the public hearing at this time. Matt Panfil, Planner, presented the SDD application and overview for the proposed redevelopment of the former Roost Lodge site as described above. It was noted the Town Council visited the site earlier in the day. His presentation included the following:

- Review of some common related terms & acronyms
- Background & purpose of Special Development Districts
- Description of the Project Details, i.e. density, GRFA, EHUs, building heights, etc.
- Highlights about PEC, public and staff comments about neighborhood compatibility, which were focused on the bulk, mass and scale of the project
- Description of the deviations from the code, i.e. setbacks, building height, site coverage, loading berth heights, retaining walls
- Outline of the SDD Criteria
- Background about previous approvals for the location

Panfil noted the Town of Vail Planning and Environmental Commission recommended 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 January 3, 2017.

Applicant presents at this time

Dominic Mauriello, Mauriello Planning Group, representing the applicant, Vail Hotel Owner, ESHV, LLC, presented the project application. He noted the project team included the Hart Group, Wright Heerema Architects, MacDesign Landscape Architects, Alpine Engineering, Inc., Goulding Development Advisors, Shaner Life Safety and McDowell Engineering. His presentations addressed the following topics:

- Need for the project
- Public Support to-date (Vail Valley Partnership, Vail Chamber & Business Association, Vail Local Housing Authority)
- The Existing Site
- Project Overview
- Design Evolution
- Views
- Floor plans
- Sustainability Characteristics
- Review Criteria
- Deviations from underlying zoning
 - ▶ Below grade setbacks - not truly a “deviation”
 - ▶ Building height
 - ▶ Below grade site coverage
 - ▶ Loading and delivery - height of one required space
 - ▶ Retaining wall height and 2’ wall setback
- Criteria compliance
- Public benefits (see table below)

➤ Public benefits - see table below:

MARRIOTT RESIDENCE INN & EMPLOYEE HOUSING	
PUBLIC BENEFITS OFFSETTING DEVIATIONS	
▶ 107 employee units - deed restricted in perpetuity	▶ Sustainable building design - LEED certified
▶ 93 more than code requires	▶ Public bus stop pull-off and shelter
▶ 170 Mid-Level hotel rooms	▶ Private bus shuttle service to tenants and guests to reduce traffic impacts
▶ 40 surplus parking spaces available for public consumption	▶ Car share program to reduce need for a car by tenants
▶ Continuation of community recreation path	▶ Redevelopment of somewhat previously blighted property
▶ Public pedestrian access path through the property	

At this time Chapin asked for public input and the following community spoke:

Randy Guerriero, resident, expressed concerns about mass, bulk and height of the project buildings, as well as the retaining wall setbacks and traffic. He expressed concern that this will have serious negative impacts on the neighborhood and his property. He is concerned about the number of people who will be added to living in the neighborhood and the negative impacts on the streets and traffic flow out of the neighborhood. He asked for careful consideration of this project with less variances allowed.

Chris Romer, VVP, expressed their support of the project and its ability to produce affordable housing units and accommodations for the mid range visitor market; a project that would continue to help the valley remain economically sustainable.

Ryan Kelsey, Vail Chamber and Business Association, expressed their support for the project.

Jonathan Stauffer, resident, expressed serious concerns about the current proposal noting it is not a comparison to the original zoning that was allowed in the neighborhood; he requested work be done on the West Vail Master Plan as it is a residential neighborhood that will now be commercialized to an extreme.

Gwen Scalpello, resident, expressed kudos to VLHA for seeking out more affordable housing opportunities in Vail, however, expressed concern over the bulk, mass and height of the project.

Wendy Erb, resident, expressed concern about the bulk, mass and height of the project for this neighborhood, requested the need for an update to the master plan, too much impact on the neighborhood, i.e. noise, traffic, people. She asked council to carefully consider this proposal as it is too big.

Chris Burns, resident, expressed concerns about the density, bulk, mass and height. He is concerned about the environmental impact and the water and sewer infrastructure and requirements for the project. He requested that an update to the master plan be completed first as the project does not fit this neighborhood.

Bob Boseli, business owner, expressed an appreciation for both sides on the topic; he does support the project for its housing opportunities and the market it would serve.

Molly Murphy, VLHA & VVMC, expressed the need for more housing; she did present it to her employer and colleagues at VVMC.

Steve Lindstrom, VLHA and resident, encourage the community to try to solve its housing problems; Vail can not wait for down valley to fix the problems.

Marc LaVern, resident, expressed concern the project is too large for the neighborhood area and requested a master plan be completed first.

Susie Tjossem, resident, expressed concern about the bulk, mass, density, it is 25% too big! She agreed with comments of the others.

Jill Klosterman, Eagle County Housing Department, share some of her concerns about the availability of land and housing crisis.

Lorrie Johnson supported the project for the opportunity to address housing.

Jim Lamont, resident and representative of Vail Homeowners Association, commended the community for its input on the project. He expressed the need for a west vail master plan, the purpose of the special development districts in Vail, and the need for the housing.

Council requested renderings of the Buffehr Creek residences next to the proposed development and inquired as to whether the developer was planning to request funding from the VLHA to construct the units. There was some further discussion about the need to gather more information and allow for public input. Moffet moved to table and continue the hearing until January 3, 2017. Foley seconded the motion and it passed (7-0).

7. Action Items

7.1. Executive Search Firm Interview Selection

Presenter(s): Dave Chapin, Mayor

Action Requested of Council: Select three to five Executive Search Firms from the RFP responses who will be scheduled for interviews with the Town Council on January 3, 2017.

Background: The Town of Vail published a Request for Proposals (RFP) for executive search services from qualified firms experienced in recruiting municipal executives to assist the Town in recruiting highly qualified candidates for Vail's next Town Manager.

Krista Miller, HR Director, noted there were twelve proposals reviewed. Public input was invited; there was no input. Bruno moved to select the following five search firms to interview on January 3, 2017, as follows:

- ✓ Affion Public
- ✓ Colin Baenziger & Associates
- ✓ Ralph Anderson & Associates
- ✓ Peckman & McKenney
- ✓ Strategic Government Resources

Moffet seconded the motion and it passed (7-0).

7.2. Update on the Chamonix Neighborhood at West Vail Development Plan. 60 min.
Presenter(s): George Ruther, Director of Community Development

Action Requested of Council: Request action by the Vail Town Council on a number of key development decisions. Decisions regarding financial subsidy, unit mix and floor plan lay out is needed.

Does the Vail Town Council want additional financial subsidy factored into the sales price of the future homes? If so, how much and which home type(s)?

Is the subsidy to be spread equally across all home type(s)? Which of the two site plan options does the Vail Town Council authorize the Team to move forward with; Site Plan B or Site Plan C?

Are there any significant changes that need to be made to the floor plan designs before continuing forward with design development drawings and the construction budgeting process?

Background: To date, the Vail Town Council has made a number of key decisions in the planning for the Chamonix Neighborhood in West Vail. The development team has relied upon these decisions to advance the development to its current iteration. More decisions are needed. Three decisions lie in the critical path of the development, and, as such, the development can not continue forward until decisions are made and direction is provided. Decisions are required regarding financial subsidy, unit mix, and floor plan design.

Staff Recommendation:

The Community Development Department recommends the following:

1. Instruct the development team to advance the design development drawings of each of the five, floor plan designs and layouts (Type 1– 5), as presented.
2. Instruct the development team to advance the design development drawings of Site Plan B containing the unit mix as presented.
3. Advance with the next level of due diligence with systems built vendors.
4. Maintain the current level of subsidy (i.e. land, infrastructure, soft
5. cost, profit). No further subsidy is recommended.
6. Continue forward with the marketing and reservations campaign as contemplated within the scheduled timeframe proposed and set the lottery for May of 2017. Return to the Vail Town Council on January 4th with an updated phasing plan, a preliminary presentation on specifications, and the preliminary terms of a pre sale agreement.

Ruther summarized the project and reviewed the two site plan options (comparison table below); staff recommendations identified above. The financial subsidy was noted at \$3.6 M

made up of land, site access work and infrastructure improvements. A review was made of the “Chamonix Buyer Profile and Subsidy Memo” presented by Finance Department. The project team was present, Triumph Development, 359 Design, RA Nelson.

The following table compares and contrasts the two site plan options:

Site Plan Options:	11.1.16 Site Plan B		12.6.16 Site Plan C	
	Units	% Total	Units	% Total
Small 2BR - \$402K	5	16%	5	16%
Large 2BR - \$498K	11	34%	5	16%
Total 2BR	16	50%	10	31%
Small 3BR - \$534K	0	0%	10	31%
3BR - \$596K	6	19%	8	25%
Enlarged 3BR - \$734K	10	31%	4	13%
Total 3BR	16	50%	22	69%
Total Units	32	100%	32	100%
Plan Notes	More 2BR units More large 3BR units		More 3BR units More 1-car garage units	
Development Cost	\$18,000,000		\$17,700,000	

Chapin asked for public comment at this time:

Joel Barten resident, expressed support of the project and appreciated the 3 BR units mix. He sees the project as one he would like to live in.

Chris Fitzgerald, resident, expressed concerns about the lottery process favoring those who can afford the highest priced unit; he requested more density so there are more affordable units for those seeking housing.

Chris Neuswanger , mortgage broker, requested caution with the deed restriction program especially during foreclosures.

James Wilkins, resident and VLHA member, suggests there are locals who would be able to afford the mix of housing offered by the project.

Kim Bell Williams, Valley Home Store, spoke about the list she keeps of those who are pre approved for housing; she noted that 25 people from her list would qualify.

Chapin closed public input at this time. Council comments were given as follows:

- ✓ Some requested the need for additional public subsidy and others were satisfied with current subsidy on the project
- ✓ Would units be available for Town of Vail emergency services employees?
- ✓ Suggested more subsidies to support those at lower levels of AMI, such as \$100 per foot and supported those at 80% AMI

Moffet moved to create a \$50 per square foot subsidy for all of the unit types which was an estimated total of \$2M additional subsidies; Foley seconded the motion. The motion failed

(4-3); Bruno, Chapin, Cleveland, Mason – nay; Foley, Langmaid, Moffet – yea). There was consensus that Plan C was the preferred site plan option. Cleveland moved to proceed with the project with no additional subsidy; Bruno seconded the motion and it passed (4-3; Bruno, Chapin, Cleveland, Mason – yea; Foley, Langmaid, Moffet – nay).

Moffet moved to accept site plan C, which includes 10 two BR units and 22 three BR units. The motion was seconded and passed (4-3; Bruno, Foley, Mason, Moffet – aye; Chapin, Cleveland, Langmaid – nay).

7.3. Deed restriction and 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: The Vail Town Council will be asked to make a final determination on the deed restriction and lottery selection process. A determination on these two matters is needed to continue forward with the Chamonix Neighborhood marketing and reservation processes.

Background: The Chamonix Neighborhood development helps the Vail Town Council achieve its adopted goal of “*growing a thriving and balanced community*”. To do so, however, a deed restriction for occupancy of the new homes and a lottery selection process are needed. On December 6th, the Vail Local Housing Authority presented its recommendation for both the deed restriction language and the lottery selection process to the Vail Town Council. At the conclusion of the presentation the Town Council instructed staff to prepare a final recommendation on these matters for a public hearing. No substantial changes were made to the recommendation since the work session on December 6th.

Staff Recommendation: The Community Development Department recommends the Vail Town Council approves the proposed deed restriction language and lottery selection process as presented. The proposed language and process further the Town's stated guidelines and goals for the Chamonix Neighborhood development and help the Town achieves its objective of creating, maintaining, and sustaining community by constructing a for-sale, deed restricted housing development that provides home purchase opportunities for persons and families employed in Eagle County and committed to make Vail their permanent place of residence.

Ruther presented the recommendations for the deed restriction programming. There were some changes suggested related to owning real estate that would not limit it to Eagle County. Chapin asked for public input at this time.

Wendy Erb, resident, expressed support for employment within Eagle County

Gwen Scalpello, resident, expressed concern about Vaill offering to subsidize and solve Eagle County's housing problems.

Moffet moved to approve the proposed “deed restriction language” with one change to address property ownership (to remove Eagle County). Bruno seconded the motion and it passed (7-0).

Council consideration was given the Lottery Selection Procedures, outlined below:

- Each qualified home buyer shares an equal chance of being selected.

- In an instance of multiple home buyers within a household (i.e. marital spouses) each individual home buyer may have a separate chance of selection provided each individual is capable of qualifying independently.
- Qualified home buyers shall select the home(s) for which they are interested in purchasing by placing their name into the hat for said home(s). A certified list of all names within the 32 hats will be created prior to commencing the drawing.
- One qualifying home buyer's name will be drawn at random for each of the 32 homes. • The selected home buyer for each of the homes will have the option to execute a pre sale agreement, on its terms, for the home which they selected. If the selected home buyer declines the option, a new qualifying home buyer's name will be drawn, and so on, until a pre sale agreement is executed for the home. This process will be repeated for each of the 32 homes.
- In an instance where a qualified home buyer is drawn for more than one home, they shall be limited to executing a pre sale agreement for only one home. Once the desired home is selected and a pre sale agreement is executed, the qualified home buyer's name shall be removed from the lottery selection process.
- If a home buyer declines acceptance of a home, or otherwise fails to execute a pre sale agreement within the established timeframe, the home buyer shall forfeit their position and 1) request to have their name placed back into possible future drawing, or 2) be removed from the lottery selection process for said home entirely.
- A lottery drawing schedule shall be established. Qualified homebuyers need not be present to be drawn

Ruther proposed a requirement that the participant/representative must be present during the lottery selection. There was consensus to gather more public input on this topic. A "mock lottery" was conducted with town of Vail employees. Public input was requested at this time with comments from Chris Fitzgerald and Wendy Erb. Public comment was closed at this time. The lottery process discussion would be scheduled again for additional public input at the next meeting, January 3, 2017. Zemler thanked Ruther and VLHA for their effort on these topics.

7.4. Resolution No. 37, Series of 2016, A Resolution authorizing the Town Manager to enter into a Pre Development Agreement with Triumph Development West, LLC, and setting forth details in regard thereto.

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

Action Requested of Council: Approve, approve with modifications, or deny Resolution No. 37, Series of 2016, as read.

Background: The Town of Vail sought the professional services of a developer to construct the Chamonix Neighborhood at West Vail. Triumph Development West LLC was selected to be the Town's developer. The Town and Triumph wish to enter into a Pre Development Agreement to establish terms of preliminary services to be provided by Triumph for the construction of the Chamonix Neighborhood.

Staff Recommendation: The Community Development Department recommends the Vail Town Council approves Resolution No. 37, Series of 2016, as presented and read. The terms of the Agreement are consistent with the interests expressed by the Town Council.

Moffet approve Resolution No. 37, Series of 2016, A Resolution authorizing the Town Manager to enter into a Pre Development Agreement with Triumph Development West, LLC, and setting forth details in regard thereto. Bruno second the motion and it passed (7-0). There was no public input.

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 10:50 p.m.

Respectfully Submitted,

Attest:

Dave Chapin, Mayor

Patty McKenny, Town Clerk