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A draft memo prior to the BOCC October 6, 2020 GMQS work session including some thoughts, warnings and history by Bill Stirling

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OUTREACH: During the latest update of Pitkin County Energy Code in late 2018 an ad hoc committee was formed in early 2019 by the Community Development Staff to discuss ensuing and related ideas to analyze the Growth Management System, the adverse effects of climate change, proposed updates and changes to be presented to the BOCC going forward, and observations of the impact of three Staff alternatives, A, B and C, recently presented by the County Com Dev staff to the BOCC at a work session twelve days ago. This committee has worked hand in glove with the County Com Dev Staff. A big issue is whether there has been a enough community outreach, and the effect of the covid virus on the entire process. We are in a "brave, new world." To modify the 45 year old GMQS makes plain sense, to overhaul it completely might be more than is necessary. Increasing community outreach is always critical, but at a certain point key decisions need to be made. We are not there yet.

SHORT HISTORY: The ad hoc committee is composed of concerned citizens in the building trades, architectural firms, attorneys, Realtors, HOA's, CORE and property managers and was organized by the County Community Development Dep to talk about critical issues related to the effects of climate change, as it relates to building, remodeling and construction everywhere in the County. The BOCC has rightfully rung the alarm of the all- encompassing changes from the human caused warming of the planet over the past 100 + years. The purpose of the staff's work was to evaluate and pinpoint the ways to move the County to a net zero world, by reducing the County's carbon footprint. Studies have shown that 70% of the carbon emissions in Pitkin County come from the built environment. When the heat trapped daily on our planet is equal to 400,000 A bombs the size of the A Bomb dropped on Hiroshima, there is no question time is of the essence to make changes.

Though at first there were strong misgivings by many serving on this committee, yet most participants came around to supporting the idea of some BOCC action. However, there were few recommendations by the committee as a whole. This process became more challenging when the covid crisis was announced on March 15 going forward. We could no longer meet together as a group, as we had been doing. A series of 8 zoom meetings were hosted from 4-6 pm once a week by the Com Dev Staff from July 2020 and through August 2020. The attendance varied, as so many of the participants were max'd with their work, especially in light of the dramatic increase in real estate sales from mid- June continuing through today. This rapid and dramatic escalation of real estate activity and all tangential services (contractors, design and architectural persons, attorneys, property managers, Realtors, et al) was driven largely by so many urbanites escaping from the urban pandemic centers, especially NYC, Chicago, Los Angeles, Miami, etc. and targeting the Roaring Fork Valley, and other desirable mountain resort communities, in order to feel safe for their health and to be part of the life style and way of life offered by these attractive places.

In late 2018 the updates of the Pitkin County Energy Code were being discussed after almost 1 ½ years of an on- going dialogue. That dialogue ended with the passage of the updated Pitkin County Energy Code in Jan, 2019 and included: 1. the REMP program and its fee system, 2. exterior and interior energy use and the role of property managers in more effectively managing house energy systems on site, 3. Three ways to mitigate higher energy use: on site, off site and REMP fees, 4. idea of crediting back REMP fees, depending on actual consumption, 5. whole construction project BTU budgets, 6. role of CORE in the overall process, 7. FAR exemptions for below grade space, 8. zone to accommodate solar orientation, 9. lowering the top house size from 15,000 to just under 11,000 s.f, 10. possibly lowering the 5750 sf cap, 11. looking at modifications to the existing TDR program to make this successful program even better, and 12. Looking at the Land Fill and figure ways to extend its life, as so much of the land fill deliveries come from construction sites, especially during demolition. 50% of construction is demolition and redevelopment. One can see the pressure on the Land Fill.

GOVERNMENTAL ACTION OVER TIME: I know some folks are worried about the government being too aggressive, but just think of the brilliant ideas which have come forth from government over the past 50 years, with citizen support and participation. Think about how well many of these government actions have worked: FOR EXAMPLE: down zoning in the mid 70's of the entire County and City to protect land zoned for almost 30,000 building units from being developed, approving the Historic Preservation Program to save and protect over 300 important Victorian structures, later establishing the means to protect important examples of post-modern, Bauhaus, early ski design and early log buildings, reducing heights and masses of buildings, monitoring sizes of major hotels, passing RETT taxes to save the Wheeler and building affordable housing, no smoking, creating a County wide trail system, Rural and Remote zoning, instituting the REMP program (probably the first carbon tax in America in 1999, protecting and preserving open space, recently passing rules and regs to address the novel virus crisis, etc. etc.to name just a few. Each was controversial, but each was modified to be as effective and workable as possible. The elected officials were always working to act in the common good. This is true now for the proposed changes of the Growth Management Plan, which is now in process. Climate change is the danger hovering over the entire world, and these ideas are just some of the ways to address this challenge..

BUT WARNINGS: Because 36 % of the existing housing stock is between 3000 sf and 5000 s.f. in size, any overly dramatic changes to this sector could have a negative effect on this group of mostly locals and second home owners. The size cap for most of this housing stock is 5750 s.f. I already know of a number of real estate transactions in this sector of the market that have been adversely affected, simply by the possibility of change to this cap. The size of the land in each case is important. Larger parcels can absorb more expansion than smaller parcels. In some of these contracts dramatic changes to this size cap inspired proposals of major price reductions and very high escrowing of funds at closing, in case a buyer might need to purchase a transfer of development right (TDR's) on down the road, if there is a large size cap reduction. 5750 s.f. is slightly more than 1/3 the size of the high end of 15,000 sf. Could this 5750 sf cap be modified downward? Maybe, but one must be careful not to take away the existing owner or a new buyer's need to expand, remodel or build anew. A local's home is often the nest egg for the future. There has to be a balance, so not too much value is stripped from a property. As best possible, we have to look ahead to "unintended consequences. We are learning about some of these side effects now from just the specter of changes.

In the THREE ALTERNATIVES presented by the Staff, A, B and C, each has different caps, ranges and modifications. A hybrid alternative should rise to the surface.

Alternative A has more minimum changes. The GMQS is revised to be more in line with community benefits. They suggest lowering the 5750 s.f. cap, but no specified number. The TDR program will have to become more flexible. Selling TDR's for less than 2500 s.f. increments could give everyone more flexibility. The TDR system has worked well over the last 25 years. It has protected the back country and moved growth to the urban growth boundaries. There are 135 TDR's out there. Selling smaller increments could help both sellers and buyers of TDR's.

Alternative B suggests the most dramatic changes, like not allowing additional s.f. to be allowed through the Growth Management Quota System. It would not allow the creation of new TDR's. A new system of pacing development by limiting the number of build permits each year. New reduced house sizes, where FAR would depend on land size.

Alternative C is more of a mix and match. Lower the 5750 s.f. to a smaller exemption. To get a bigger house, one must go through GMQS and use TDR's. Gradually phase out the TDR system. More stringent development regs would be set for all development.

All new construction has to take climate change into consideration. We have to improve the energy efficiency of all homes. That is part of CORE's on going challenge. We should move towards electrification of the entire County, as this is where there is the greatest potential to eventually phase out the use of all fossil fuels. SUGGESTIONS: 1. The Growth Management scoring system has its failings and definitely needs to be improved, by addressing community character more, pacing of growth, and dealing with size fairly and smartly. 2. It seems reducing the top end down to 10,000 would be embraced by almost everyone. 15,000 s.f. was always an arbitrary number. 3. We have to be careful and forever alert about protecting the human habitat from overtaking the wild habitat. The TDR system has helped protect that critical edge immensely. 4. Allow larger homes where appropriate: Starwood, Red Mt., Morning Star, etc. 5.

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Be very careful about reducing the 5750 size cap, nothing draconian. 6. Acknowledge how well the TDR system has worked, and be careful not to end it out of hand.

So far the BOCC has taken no action. It is still not clear what will be decided. Remember the BOCC decisions should not be based on what is good for someone's legacy, but what is in the best long term interest of the County as a whole.

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