



# GMQS + TDRS

Focus Group Summary

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## Overview

Transferable Development Rights (TDRs) and Growth Management Quota System (GMQS) were tools identified in the Community Growth Advisory Committee's (CGAC) *Final Report of Recommendations* to achieve Pitkin County's climate action goals. To determine how these tools should be implemented as part of Vision 2050, the county recommended additional analysis to understand how adjustments might support goals to limit material waste, protect natural resources and preserve community character. Part of this analysis included hosting a Focus Group on November 18, 2024, with local experts in the design and planning community.

The meeting included Pitkin County Planning and Zoning staff and focused on the CGAC's recommendations specific to TDRs and GMQS and current trends. In total, there were thirty-one (31) participants in the Focus Group, both in person and online, representing several design and planning firms across Pitkin County.

### CGAC Background and Recommendations

There are numerous recommendations in the CGAC Report related to the implementation of TDRs and GMQS. These recommendations were made to ensure development responds to the specific conditions of an individual site, and include:

#### TDR Recommendations

1. Remove conservation PUD as qualification for TDR sending site. Maintain all others (7 total).
2. Reduce rural & remote TDR allocation from the existing 2,500 sq ft. to allocation of 2,000 sq ft, issued in 500 sq ft denominations.
3. Current TDRs (2500) will be sold as five 500 sq ft allotments.
4. Allow TDRs for historic preservation and Constrained (in 500 sq ft allotments with up to two total per site).
5. Require TDR (up to 1000 sq ft) for subgrade floor area bonus in the UGB. This does not prohibit total subgrade floor area up to the allowable floor area.
6. Require special review to land any TDR and remove exemptions for receiver sites (e.g. UGB, Starwood)
7. Maintain BOCC discretion for an award of other TDR sending sites, issued in 500 sq ft allotments.
8. TDRs may only be landed in areas identified in the overlay.
9. Sterilize rural and remote sites once the first 500 sq ft is sold.
10. Review the TDR market annually and adjust allotments if the TDR market is not achieving the primary goal of preserving the backcountry and landing sq ft in appropriate ways that reduce community impacts.
11. Nomenclature: TDRs are TDRs and can be created in two ways:
  - Sterilization of new development rights (e.g. rural and remote)
  - Sterilization of additional floor area from an existing home ("residential TDR")
12. Additional floor area from existing home "residential" TDRs cannot be created in the rural and remote zone district.

13. Additional floor area from existing homes “residential” TDR sending sites apply only to EXISTING, FULL-TIME residential units.
14. Residential TDRs can be landed just as other TDRs, as identified in the overlay.
15. 10% of sales from residential TDRs are required to go towards home energy upgrades.
16. Landing TDRs is no longer a 1:1 (e.g., 1,000 sq ft TDR = 1,000 additional sq ft) if using TDRs for additional sq ft above 5,750:
  - Up to 1,000 sq ft: Ratio is 1.5:1 (e.g., 1,500 sq ft (3)
  - Above 1,000 sq ft: Ratio is 2:1 (e.g., 2,000 sq ft (4) TDRs = 1,000 additional sq ft)
17. Incentivize innovation for TDR extinguishment (e.g., conservation nonprofits, open space funds, etc.).
18. Limit the allotment of residential TDR sending sites per year (so as not to increase overall sq ft).
19. Implement an administrative fee of 1% of the sale cost for all TDRs at the time of sale, not time of creation.
20. Study other ways to capture revenue from the TDR program for housing funds and/or energy retrofit existing deed-restricted housing.
21. Pilot the residential and landing ratios and allocations of TDRs to phase implementation and ensure the rural and remote TDR market remains stable.
22. Review annually and BOCC has the autonomy to adjust or sunset the program as needed if concerns emerge with rural and remote market.

#### GMQS Recommendations

1. Maintain and strengthen GMQS as a tool for pacing new subdivisions and development (this includes quota and competition).
2. Maintain current quota, revise scoring and competition to reflect the goals and values in coordination with the special review criteria (see below).
3. Remove GMQS competition for square footage and create the Square Footage Quota System (see below).
4. Special review criteria to include addressing impacts of:
  - waste
  - traffic
  - affordable housing
  - employee generation

## Focus Group Discussion Key Findings

- Focus on Simplification and Consistency. Discussions focused on simplifying the TDR and GMQS process to provide clarity for both staff and applicants and ensure a more transparent process that reduces instances where applications are not providing adequate community benefits.
- Impacts of Programs. The TDR and GMQS processes serve different development needs across the County between more urban and rural and remote areas. Participants identified the need for additional discussion - based on study findings - to assess whether proposed TDR policy changes impact updates to the GMQS program.
- Current GMQS Program and Scoring. Participants highlighted the effectiveness of the GMQS program and the need to adapt procedures to make it more reflective of today's development conditions - including exploring tiering and square footage competition. Participants discussed the intent of the GMQS program versus how it is being applied/implemented with several participants highlighting the need to address procedures related to application intake (annual vs rolling) and identifying what procedures or incentives can help to address creating more competition amongst applicants. Some participants suggested prioritizing on-site vs off-site improvements or provision of community benefits with others wanting to address gaps in community needs and how community benefits can be updated to better reflect County core values (explore creating a list of community projects to help target efforts).
- Demand for TDRs is still strong. There is a high demand and interest in the TDR market where people are willing to pay and go through the process to maximize house size.
- TDR and GMQS Programs Do Not Always Support Each Other. The TDR process is simpler than GMQS, requiring less time investment from applicants. This causes high demand and increased market values, and sees more participation than applications applying to go through the GMQS process.
- Scoring System. The GMQS scoring system helps ensure competition, but further discussion is needed to on application of allotments and use of incentives. Participants discussed the idea of embedding the County's core values into the scoring system, such as affordable housing, and climate action strategies etc.
- Case Studies. Case studies should not be viewed as a one size fits all approach. Tailor findings to Pitkin County values and needs.