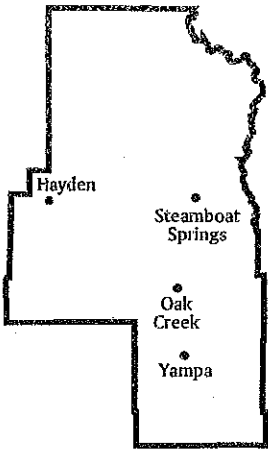


# Attachment #2.



## ROUTT COUNTY BOARD OF COUNTY COMMISSIONERS

Box 773598 • Steamboat Springs, Colorado 80477

Phone: 970-879-0108 • Fax: 970-879-3992

January 11, 2017

Timothy V. Corrigan  
District 1

Douglas B. Monger  
District 2

Carl Hermacinski  
District 3

Thomas A. Sullivan  
County Manager

Jason Peasley, Executive Director  
Yampa Valley Housing Authority  
PO Box 774542  
Steamboat Springs, CO 80477

Re: Routt County Community Housing Steering Committee Findings and  
Recommendations

Mr. Peasley,

We'd like to thank you and your board for having the foresight to convene the above referenced group, with the support of the Routt County Commissioners and the Steamboat Springs City Council, to explore ways to provide attainable and affordable housing in our County. To help the Yampa Valley Housing Authority and the Steering Committee better understand the efforts of the County Commissioners and to help guide your future plans we've provided a list below of our work to date followed by a more thorough explanation on the following pages.

1. Offered to consider urban density development in the in the County within the Urban Growth Boundary without annexation into the City of Steamboat Springs to allow for the creation of neighborhoods similar to Steamboat II, Heritage Park and Silver Spur.
2. Liberalized regulations on Accessory Dwelling Units in the County to encourage more units.
3. Developed a strategic initiative to improve and streamline all County permitting processes including planning, building and environmental.
4. Updated the Stagecoach Area Plan to allow for more flexibility to encourage development of the Stagecoach Growth Center.
5. Improved County Road 14 to provide safe and reliable travel to communities in South Routt County.
6. Fund the maintenance and snowplowing of hundreds of miles of roads to communities throughout the County.

7. Supported the development and adoption of the COPACE ordinance which provides multi-family residential developments with a mechanism to install energy saving improvements which significantly improve monthly affordability for the life of the housing unit.
8. Kept units in the long-term rental pool by prohibiting short term vacation rental activity in the County.
9. Undertaking a process to change the setback requirements in Phippsburg to allow for the development of small lots and significantly increased density in a community with water and waste water capacity.
10. Engaging in a process to update our building codes including "tiny home" amendments that will allow for the flexibility necessary to support the development of these types of units.
11. Participates financially in transit service provided on the Highway 40 corridor by the City of Steamboat Springs and provides transit service to senior citizens in Routt County.
12. Operates a wastewater system in Milner and a water and wastewater system in Phippsburg.
13. Provides annual funding for the YVHA since its inception.

State law provides counties and cities within Colorado the opportunity to address housing issues through the creation of housing authorities, whose sole purpose and mission is to affect the planning, financing, acquisition, construction and operation of housing projects or programs pursuant to comprehensive multijurisdictional plans. The 2003 intergovernmental agreement between Routt County and the City of Steamboat Springs which established the YVHA conferred upon YVHA all the powers available under state law. As a separate political subdivision, with all the duties, privileges, and rights of a public body politic and corporate, YVHA has the power to appeal to the citizens within its boundary for a tax – including sales tax, use tax or ad valorem property tax.

We believe it is the proper role of the YVHA authority to continue on the mission specifically for which it was created. We encourage YVHA to consider solutions offered by the Steering Committee and determine how they can be best implemented by whatever means determined by your board.

Sincerely,

ROUTT COUNTY BOARD OF COUNTY COMMISSIONERS



Cari Hermacinski



Timothy V. Corrigan



Douglas B. Monger

1. *Offered to consider urban density development in the in the County within the Urban Growth Boundary without annexation into the City of Steamboat Springs to allow for the creation of neighborhoods similar to Steamboat II, Heritage Park and Silver Spur.* Workforce housing has been very successfully developed in unincorporated Routt County. Steamboat II was subdivided in 1971, Silver Spur in 1996, and Heritage Park in 1997. In total there are 411 lots and 392 single-family homes and 4 duplexes located in these subdivisions. This is a build out rate of 96 . Out of the 396 improved lots, only 23 show an out of state ownership address (<6 ). The other 373 are Colorado owners and all but 12 have a Routt County mailing address (97 ). Altogether ownership in these three subdivisions is comprised of 91.5 local ownership, indicating that they are not second homes. When looking at it from the perspective of a buyer looking for affordability, the County Assessor's records show that homes in these subdivisions consistently sell for 33 below similar homes within the City of Steamboat Springs. Several generations of Steamboat Springs' families (firefighters, police officers, teachers and others) have bought homes and raised their families in these neighborhoods. Given this history, we think it makes sense to consider new development of housing aimed at permanent residents in the west of Steamboat area, without immediate annexation to the City. This solution would require the consent and cooperation of the Steamboat Springs City Council.
2. *Liberalized regulations on Secondary Dwelling Units (SDUs) in the County to encourage more units.* The County Commissioners recently amended land use regulations to allow for more secondary units in the County. As the name implies, SDUs are subordinate in character to primary dwellings, typically in terms of size and visual significance. SDUs can play important roles for housing. They can be a method for allowing "aging in place," where the elderly live with supporting family, but still maintain a degree of autonomy and privacy. Because these units are typically small, they can be a way to create housing that is less expensive for renters. SDUs can also be a way to increase density without further land subdivision and associated infrastructure costs. By adding small dwelling units without land subdivision, the visual impacts of secondary dwelling units can be less obtrusive, because SDUs can be located next to or attached to existing homes and can mimic the visual qualities of traditional ranch compounds.
3. *Developed a strategic initiative to improve and streamline all County permitting processes including planning, building and environmental.* In 2015 the County Commissioners identified 8 strategic initiatives to guide all County functions. The first of these initiatives was to create clarity within the planning and development community with regard to the regulatory permitting and approval processes adopted by Routt County. In furtherance of that initiative Routt County implemented an online approval process for building permits which

allows the different regulatory agencies to sign off on projects simultaneously rather than consecutively. We believe that the implementation of this online process alone achieved more than the 20% reduction in time that the Steering Committee recommended.

4. *Updated the Stagecoach Community Plan to allow for more flexibility to encourage development of the Stagecoach Growth Center.* Stagecoach is the only unincorporated area in Routt County that the Master Plan identifies as a growth center. Our long-range planning documents support the development of Stagecoach as an affordable community within Routt County. The original Stagecoach Community Plan was adopted in 1999 and since that time the full vision of Stagecoach being developed has essentially stalled. The Commissioners have worked over the last two years to update the plan to allow more flexibility for developers in locating the commercial center, among other changes, in the hopes of easing the regulatory burden and allow for creativity to jump start the community.
5. *Improved County Road 14 to provide safer travel to communities in South Routt County.* Routt County began a project in 1989 to widen the 11 mile narrow section of CR 14 bounded on both ends by Highway 131. The segments of CR 14 from the south end of Highway 131 to Henderson Park road were widened. However the last 4.7 miles to the north end of Highway 131 were never completed. Funding for the final phase is estimated to cost over \$13M and using the road maintenance fund balance for this one project would eliminate all other road maintenance for more than 15 years, and bankrupt the maintenance funding pool the County has built up for the past 20 years. Further complicating the issue, future grant chances are projected to be minimal based on the traffic volumes and location. In 2015 the Commissioners listed this as one of their 8 strategic initiatives to establish a 10 year improvement plan that can be accomplished using existing County monies including a scope and timeline of activities. This initiative has generally implemented less expensive options that utilize the existing road alignment and pavement sections. Since that time the Commissioners have spent nearly \$3M making improvements to CR 14 which is the transportation corridor to Stagecoach and other South Routt communities.
6. *Fund the maintenance of 850 miles of roads and snowplowing of 575 miles of roads to communities throughout the County.* Approximately 40% of Routt County citizens property tax dollars go to Routt County for a multitude of services; one of the primary being our Road and Bridge department. The purpose of the Road and Bridge Department is to provide a smooth, comfortable, expeditious, and safe ride for the public; to reduce such user costs as fuel, repairs, accidents, and travel time; to utilize labor, equipment, and material efficiently; and to ensure that pavement lasts as long as it should, thereby reducing future costs for rehabilitation and reconstruction. Currently the Road and Bridge department maintains 106 bridges (with 57 bridges over 20 feet in length), and approximately 849 miles of

roadway (160 miles of paved roads and 689 miles of graveled roads). These roads and bridges are also plowed in the winter. This funding allows citizens in Routt County to utilize other communities as affordable places to live and raise their families while working in Steamboat Springs. Over the last five budget years Routt County spent between \$10 and \$15 million dollars each year to fund the County's transportation system.

7. *Supported the development and adoption of the COPACE ordinance which provides multi-family residential developments with a mechanism to install energy saving improvements which significantly improve monthly affordability for the life of the housing unit.* Currently many developers of multi-family developments forgo the option of installing energy saving measures that greatly reduce the monthly carrying cost to tenants or homeowners the upfront costs are too great or require too long of a payback. Colorado recently adopted a Property Assessed Clean Energy program and Routt County was among the first group of counties to join the program which allows developers within our County to access funding for energy saving improvements which are taken in the form of a loan from a private lender and paid back through a property assessment that runs with the property. The PACE program makes it financially feasible for developers of multi-family units, including low income units, to install energy saving features that make the monthly costs of sustaining the home affordable for the residents of the units.
8. *Kept units in the long-term rental pool by prohibiting short term vacation rental activity in the County.* The Steering Committee's report included a suggestion that vacation home rentals which allow for short terms rentals be prohibited based upon the idea that allowing for short term rentals removes units from the long-term rental pool. While the merits on both sides are debatable the fact is that the County currently prohibits short term rentals so all units complying with County regulations remain in the potential long term rental pool.
9. *Undertaking a process to change the setback requirements in Phippsburg to allow for the development of small lots and significantly increase density in a community with water and waste water capacity.* Current codes require setbacks on parcels in Phippsburg which essentially require a homeowner to have two lots for the development of one housing unit. The Commissioners have embarked upon a process to reduce the side setback requirements and allow of development of small or tiny homes on only one lot.
10. *Engaging in a process to update our building codes, including "tiny home" amendments that will allow for the flexibility necessary to support the development of these types of units.* Currently Routt County is completing the process to update

all of its building codes from the current version which was adopted in 2009. We want to ensure that the updated codes contain amendments which will allow for the construction of tiny homes. For example some building codes prohibit the construction of ladders to access another level. This is a building element that many tiny homes incorporate to avoid the space necessary for a full staircase. We will ensure that our new codes allow for tiny home modalities of construction.

11. *Participates financially in transit service provided on the Highway 40 corridor by the City of Steamboat Springs and provides transit service to senior citizens in Routt County.* The County provides financial support for the City of Steamboat Springs daily bus service that moves people up and down the US Highway 40 corridor. The County also provides the funding for several buses which are available to the senior citizens of Routt County. This activity supports various forms of transportation and associated facilities in the Yampa Valley in order to provide for the efficient, environmentally conscious and economical flow of people on County roadways.
12. *Operates a wastewater system in Milner and a water and wastewater in Phippsburg.* Routt County, through the Department of Environmental Health, operates a sewage collection and treatment system which serves the unincorporated community of Milner. The wastewater treatment plant is designed to treat 32,500 gallons of sewage per day. Currently the plant operates at up to 80% of hydraulic capacity with 99 taps connected to the system. Additionally Routt County operates water supply and sewage treatment facilities for the unincorporated community of Phippsburg. These efforts support the communities of Milner and Phippsburg.
13. *Provides annual funding for the YVHA since its inception.* Every year since its inception the County has provided at least \$80,000 in annual funding for the YVHA from the County's general fund revenues. Originally when YVHA was created through the IGA between the City of Steamboat Springs and Routt County it was anticipated that YVHA would receive three years of funding from both governmental entities and then YVHA would establish its own funding source. During economic ups and downs and through times of low voter appetite for additional taxation the County and the City have continued annual funding for YVHA.