

Community Values

Authentic
Connected
Accountable
Bold

Town Council

5-year Goals:

- Approach community challenges through active collaboration and public engagement.
- Accommodate growth in a way that maintains our rural feel.
- Enable people who live and work here to thrive.
- Retain the unique character and traditions of Crested Butte.
- De-emphasize cars and focus on walking, biking, and transit.
- Continue to passionately care for our natural surroundings and forever protect Red Lady.
- Act on the urgency of climate change and prepare for the changes we expect from it.

Critical to our success is an engaged community and knowledgeable and experienced staff.

AGENDA
Town of Crested Butte
Regular Town Council Meeting
Town Council Chambers
507 Maroon Ave; Crested Butte, CO
Monday, January 5, 2026

Meeting information to connect remotely:

<https://us02web.zoom.us/j/87364469274>

Join via audio: +1 719 359 4580 US +1 669 444 9171 US +1 253 205 0468 US +1 507 473 4847 US +1 564 217 2000 US +1 646 931 3860 US +1 689 278 1000 US +1 305 224 1968 US +1 309 205 3325 US +1 360 209 5623 US +1 386 347 5053 US
 Webinar ID: 873 6446 9274

Public comments may be submitted at any time to the entire Council via email at towncouncil@crestedbutte-co.gov.

The times are approximate. The meeting may move faster or slower than expected.

6:00 WORK SESSION

1) Red Lady Roundabout Update.

Staff Contact: Public Works Director Shea Earley and Community Development Director Mel Yemma

2) Wildfire Ready Action Plan (WRAP) Draft Update.

Staff Contact: Public Works Director Shea Earley

7:00 REGULAR TOWN COUNCIL MEETING CALLED TO ORDER

BY MAYOR OR MAYOR PRO-TEM

7:02 APPROVAL OF AGENDA

7:03 CONSENT

1) December 15, 2025 Regular Town Council Minutes.

Staff Contact: Town Clerk Lynelle Stanford

2) Resolution No. 1, Series 2026 - A Resolution of the Crested Butte Town Council Designating the Town of Crested Butte's Three Official Public Places for Posting Town Council Meetings and Other Important Items.

Staff Contact: Town Clerk Lynelle Stanford

3) Approval of 2026 Town Council Regular Meeting Schedule.

Staff Contact: Town Clerk Lynelle Stanford

4) Elements Mountain Compost Program Intergovernmental Agreement 2026.

Staff Contact: Sustainability Coordinator Dannah Leeman

5) (First Reading) Ordinance No. 1, Series 2026 - An Ordinance of the Town of Crested Butte Town Council Authorizing the Sale of 828 Gothic Avenue, #1A, Crested Butte.

Staff Contact: Housing Director Erin Ganser

The listing under Consent Agenda is a group of items to be acted on with a single motion. The Consent Agenda is designed to expedite Council business. Council members may request that an item be removed from Consent Agenda prior to the Council's vote. Items removed from the Consent Agenda will be considered under New Business.

7:05 EXECUTIVE SESSION

1) For a conference with the Town Attorney pursuant to C.R.S. § 24-6-402 (4)(e) for determining positions relative to matters that may be subject to negotiations; developing strategy for negotiations; and instructing negotiators and pursuant to C.R.S. § 24-6-402 (4)(b) to receive legal advice on specific legal questions both regarding Mt. Crested Butte Water and Sanitation District.

7:35 PUBLIC COMMENT

The public has the opportunity to comment during the public comment period at the beginning of every regular Council meeting. At this time people may speak for up to five minutes on any topic that is not on the agenda. The Mayor may limit public comments to no more than three minutes if it appears there will be many comments on a similar topic. The public comment period is a time for the Council to listen to the people. Council generally should not engage in a two-way conversation at this time nor should the Council feel compelled to respond to the comments. If Council chooses to discuss, discussion will be at the end of the Council meeting under "Other Business to Come Before the Council."

7:40 STAFF UPDATES

7:45 LEGAL MATTERS

7:50 NEW BUSINESS

1) Consideration of Request from The Hideout to Allow Use of a Trailer/Food Truck as an Accessory Kitchen.

Staff Contact: Community Development Director Mel Yemma

8:10 2) Lower Verzuh Comment Letter.

Staff Contact: Community Development Director Mel Yemma

8:30 3) Consideration of a Loan Agreement with Mt. Crested Butte Water and Sanitation District.

Staff Contact: Town Attorney Karl Hanlon

8:50 4) Discussion on the Process and Scope for 2026 Financial Planning.

Staff Contact: Town Manager Dara MacDonald

9:10 5) Review of the Process for Special Events and Impacts on the Community.

Staff Contact: Town Clerk Lynelle Stanford

9:30 6) Resolution No. 2, Series 2026 - A Resolution of the Crested Butte Town Council Adopting the Town Council Rules of Procedure.

Staff Contact: Town Clerk Lynelle Stanford

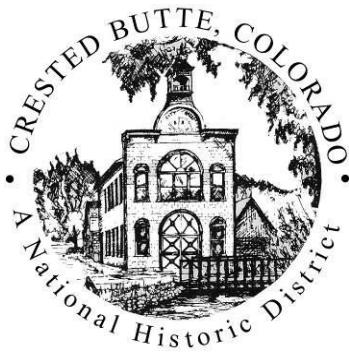
9:40 **COUNCIL REPORTS AND COMMITTEE UPDATES**

9:45 **OTHER BUSINESS TO COME BEFORE THE COUNCIL**

9:50 **DISCUSSION OF SCHEDULING FUTURE WORK SESSION TOPICS AND COUNCIL MEETING SCHEDULE**

- *Tuesday, January 20, 2026 - 6:00PM Work Session - 7:00PM Regular Council*
- *Monday, February 2, 2026 - 6:00PM Work Session - 7:00PM Regular Council*
- *Tuesday, February 17, 2026 - 6:00PM Work Session - 7:00PM Regular Council*

9:55 **ADJOURNMENT**



Staff Report

January 5, 2026

To: Mayor and Town Council

Prepared By: Shea Earley, Public Works Director and Mel Yemma, AICP, Community Development Director

Thru: Dara MacDonald, Town Manager

Subject: *Work Session: Red Lady Roundabout Update*

Summary: This work session provides an update on the design process for the roundabout at the intersection of Red Lady Avenue and Sixth Street. The project is currently in process to achieve 60% design in February and this work session will provide an update on the revised concept, included updated pedestrian crossing locations.

Previous Council Action:

- **March 4, 2024:** Adoption of the Transportation Mobility Plan (TMP), which recommended a roundabout at the Red Lady and Sixth Street intersection.
- **June 17, 2024:** Approval of an intergovernmental agreement (IGA) with the Gunnison Watershed School District to collaborate on and share the cost of design.
- **March 3, 2025:** Adoption of the Highway 135 Safe Streets for All Action Plan, which reinforced the roundabout recommendation.
- **June 16, 2025:** Approval of a contract with Kimley Horn for roundabout design services.
- **July 21, 2025:** Work Session to introduce roundabout design concepts.
- **September 15, 2025:** Work Session to present the preliminary design.

Background: Highway 135/Sixth Street is the main route into and through Crested Butte, with most traffic (2/3 of trips) having destinations within Town rather than passing through. The TMP identified the Red Lady Avenue intersection as a critical concern due to congestion, delays, and safety issues, particularly for southbound left turns, which cause diversion through residential streets. The intersection currently operates at LOS E during peak hours, below CDOT standards, and conditions are expected to worsen without intervention.

The TMP recommends a roundabout to improve safety, reduce congestion, and enhance the Town's entrance, consistent with national best practices for slowing traffic, improving flow, and supporting pedestrians. CDOT approved the Town's access permit for the community school expansion with the condition that a roundabout be constructed prior to occupancy. The project's

inclusion in the Highway 135 Safe Streets for All Action Plan also helped secure a \$2.2 million federal infrastructure grant for construction, which is committed via contract.

Design Process and Schedule: The current design scope with Kimley Horn includes reaching 60 percent design (projected to occur in February), completing final design and potential right-of-way acquisition in winter/spring 2026, and preparing for construction to start in 2026.

The project must follow CDOT's review and access permit procedures, which require submittal of a preferred concept. The Town is working with Kimley Horn on the design and actively collaborating with the school district through the project. Kimely Horn helped with the Sixth Street traffic analysis and initial roundabout concept in the TMP and has expertise in working with CDOT region 3.

Key milestones in the project schedule include:

- **June to July 2025:** Project kickoff, site and utility constraints review, concept development, Council direction on preferred concept
- **August to September 2025:** Submit concept to CDOT for Field Inspection Review (FIR) review and initiate design, continue technical review, launch stakeholder engagement, including stakeholder meetings with key stakeholders and neighbors (September 17), and a public open house (September 16) to introduce the 30% concept and gather input on the roundabout center/gateway design.
- **October to November 2025:** Refine design based on community feedback and CDOT input, prepare cost estimates
- **CURRENT PHASE: December 2025 to February 2026:** Complete 60 percent design, begin environmental permitting, and prepare for any right-of-way actions
- **ADDED SCOPE: 2026:** The Town added to the Kimley Horn scope to include vetting alternatives and design and engineering for a pedestrian connection from Town Park/Sixth Street to Big Mine Park. This process will occur in 2026 to evaluate alternative routes with the community and design/engineer the preferred concept.

Discussion: This presentation will introduce the refined “peanut” shaped roundabout concept design, now updated with pedestrian crossings, in preparation for the final 60% CDOT design submission. The updated concept, along with a draft rendering, is attached. Please note that the rendering is for illustrative purposes only, and no decision has been made regarding what will be located in the center of the roundabout. That element will be determined through further Council discussion in 2026.

Pedestrian crossings were a major topic during community engagement in September. Some community members requested increased pedestrian access, while others were concerned about drawing pedestrians to the roundabout, and the school consistently sharing that they want to maintain sending children down the safe route rather than the roundabout. Snow removal and winter maintenance challenges were also raised as important considerations.

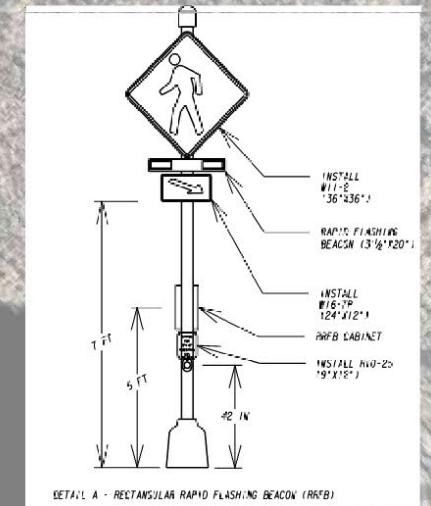
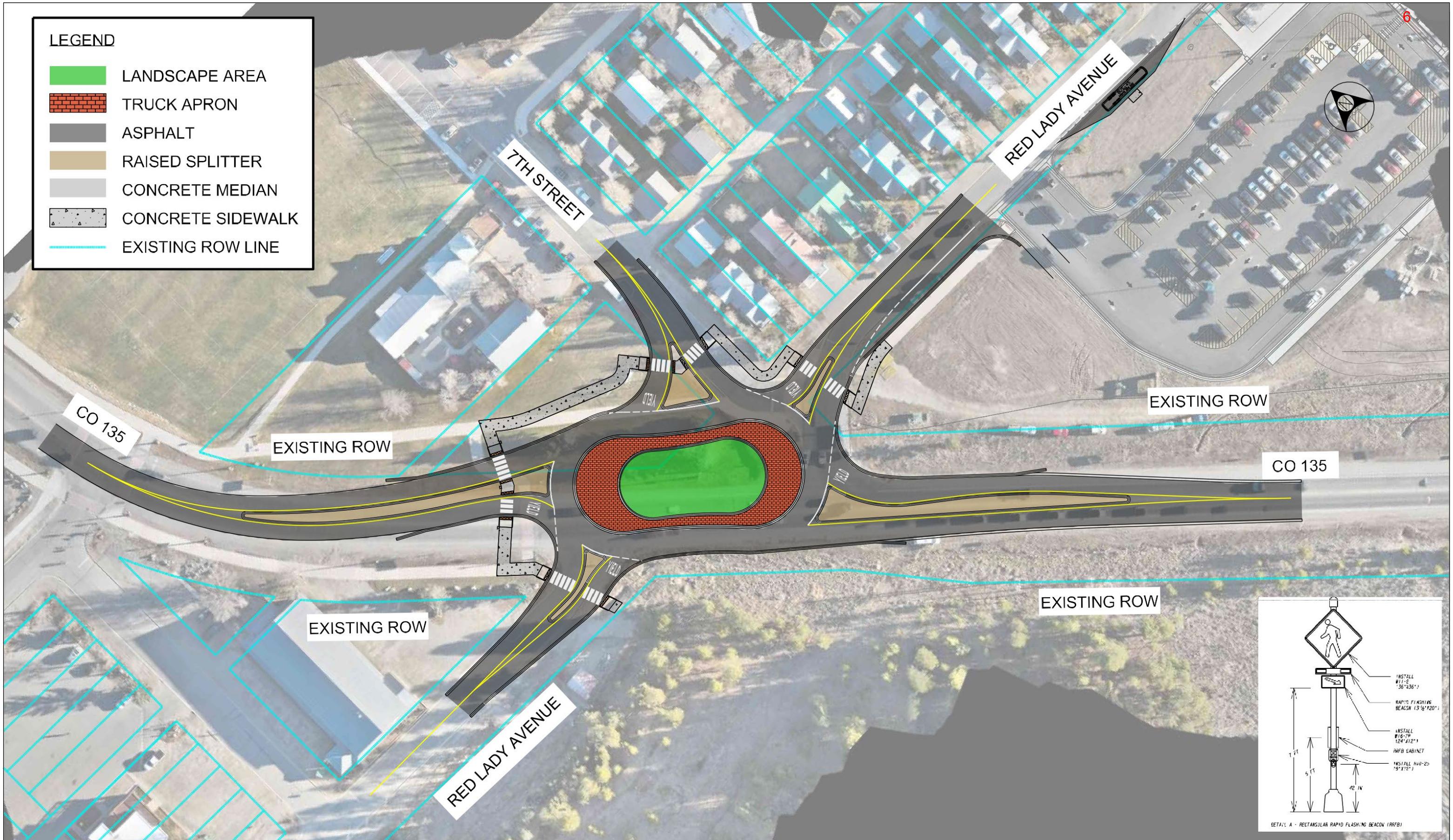
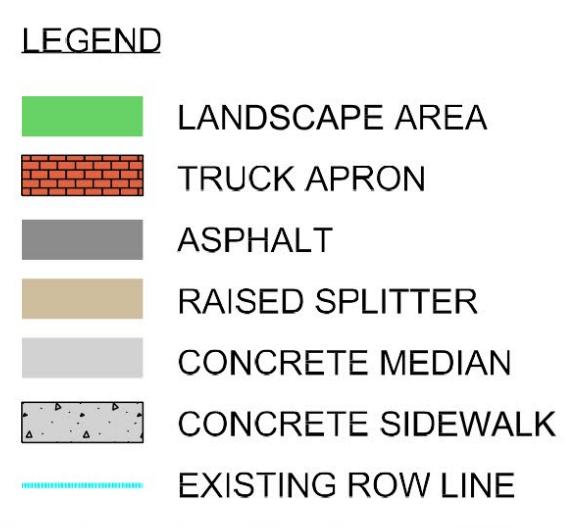
Staff conducted a field visit to other ski and resort towns in Colorado and learned that roundabouts without pedestrian crossings are all being retrofitted later at significant cost. Consistent with the Town’s transportation mobility goals of improving pedestrian options and safety, it is recommended to include pedestrian crossings at all intersections, except the southern crossing across Highway 135. This crossing can connect to existing sidewalks and integrate with the Town’s perimeter trail concept in the Parks, Recreation, Open Space, and Trails Plan. A future

pedestrian connection from this area to Big Mine will be evaluated and designed in 2026 to extend connectivity beyond this location.

It is acknowledged that winter maintenance and snow removal is not feasible for these crossings, as the Town will already need to adapt its snow removal practices for the roundabout itself. Similar to the sidewalk by the Knight and Dragon, these crossings would remain unplowed in winter, with Bellevue and Town Park serving as alternative safe routes. The school will continue using its designated safe route through Town Park, while the new roundabout will provide safer crossing opportunities for the broader public.

Staff is seeking feedback from Council on these updated pedestrian crossing concepts, as well as any other questions on the design process itself.

Next Steps: The next step after this work session is to focus on finalizing 60% design for submission to CDOT in February. Staff will return to Council after this milestone to continue conversations on the landscaping/public art component of the roundabout as it prepares for construction, as well as kick off design for the Big Mine pedestrian connection.







Staff Report

January 5, 2025

To: Mayor and Town Council

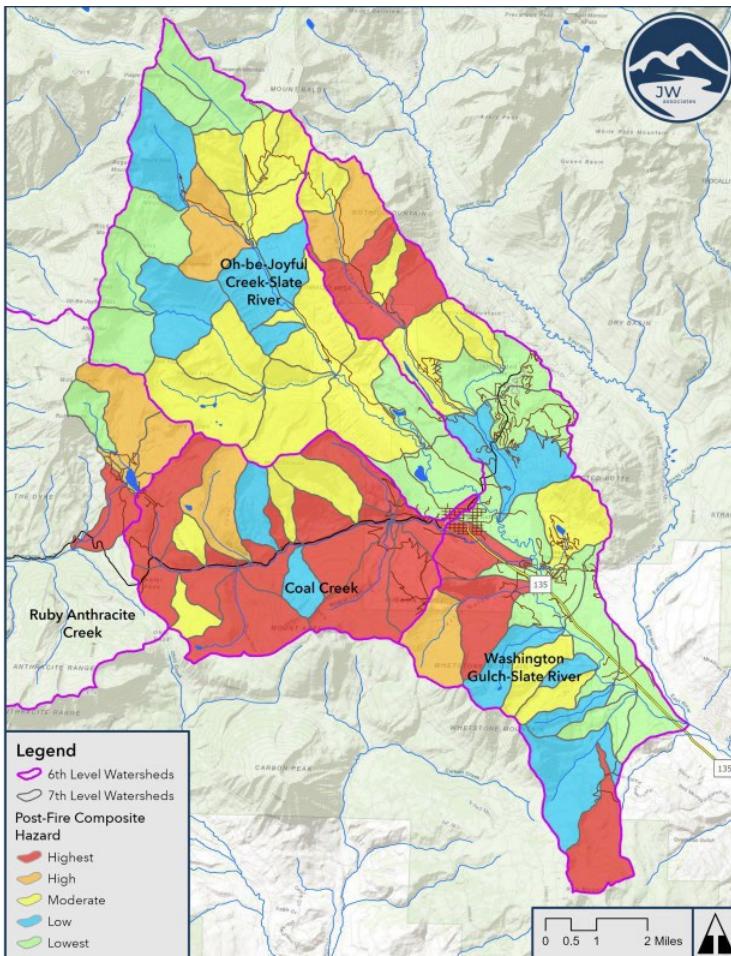
Prepared By: Shea Earley, Public Works Director

Thru: Dara MacDonald, Town Manager

Subject: **Wildfire Ready Action Plan (WRAP) Draft Update**

Summary:

The Town of Crested Butte (Town) has partnered with JW and Associates, SGM Engineering, and Colorado Water Conservation Board (CWCB) to develop the Wildfire Ready Action Plan (WRAP). The WRAP encompassed the Coal Creek Watershed, Slate River Watershed, and Washington Gulch (see map below), with the primary goal to identify pre and post-wildfire hazards and propose mitigation measures to protect the Town's drinking water supply. To achieve this goal, the project team engaged with multiple stakeholders, including Coal Creek Watershed Coalition, Colorado Rural Water Association, United States Forest Service, Colorado State Forest Service, Upper Gunnison River Water Conservancy District, Gunnison County, Mt Crested Butte Water and Sanitation District and Trout Unlimited.



Previous Council Action:

March 3, 2025 – Executed Wildfire Ready Action Plan (WRAP) contract with JW and Associates for \$199,931.75.

Discussion:

The project team performed multiple hazard assessments, including a watershed assessment on 7th level watersheds, pre and post-fire hydrologic and hydraulic modeling for Coal Creek, post-fire debris flow analysis, post-fire gulley mapping, and susceptibility mapping and analysis. Based on those analyses, a pre and post-fire project list has been developed identifying a variety of mitigation measures aimed at protecting the Town and the Town's drinking water supply.

A complete draft is anticipated to be provided to the project stakeholders and partners in late December with about a 30 day comment period. Once the comment period is complete, JW and associates will compile and incorporate the comments into a final document. This document and the subsequent project list will then be integrated into the Enterprise Master Plan.

Climate Impact:

As the effects of climate change continue to be seen, more and more emphasis will be placed on mitigation of wildfires for drinking water infrastructure and water quality. The strategic development and implementation of the projects identified in the WRAP will enable the Town to

become more resilient to the threat of a wildfire, as well as improve water quality in the incidence of wildfire and/or debris flow.

Financial Impact:

The Town budgeted \$200,000 for this project and received a Wildfire Ready Watersheds Grant for \$150,000. In 2026, the Town budgeted \$50,000 to initiate projects identified in the final WRAP.

MINUTES
Town of Crested Butte
Regular Town Council Meeting
Monday, December 15, 2025

Mayor Billick called the meeting to order at 7:03PM.

Council Members Present: Mayor Ian Billick, Beth Goldstone, Gabi Prochaska, Mallika Magner, Kate Guibert, John O’Neal, and Kent Cowherd (via Zoom)

Staff Present: Town Attorney Karl Hanlon, Town Manager Dara MacDonald, Interim Finance Director Rob Sweeney, and Public Works Director Shea Earley

Town Clerk Lynelle Stanford, Community Development Director Mel Yemma, and Parks, Recreation, Open Space, and Trails Director Janna Hansen (for part of the meeting)

APPROVAL OF AGENDA

O’Neal moved and Goldstone seconded a motion to approve the agenda. A roll call vote was taken with all voting, “Yes.” **Motion passed unanimously.**

CONSENT AGENDA

1) December 1, 2025 Regular Town Council Minutes.

Staff Contact: Town Clerk Lynelle Stanford

2) Approval of the 2025 Arbor Day Proclamation and Tree City USA Application for Certification.

Staff Contact: Parks, Recreation, Open Space and Trails Director Janna Hansen

3) Second Amendment to 2022 Town Manager Employment Agreement.

Staff Contact: Town Attorney Karl Hanlon

4) Approval of Trapper’s Crossing at Crested Butte Covenant Amendment.

Staff Contact: Public Works Director Shea Earley

5) Resolution No. 38, Series 2025 - A Resolution of the Crested Butte Town Council Adopting Changes and Additions to the 2025 Budget and Appropriations Relative to the Open Space Fund.

Staff Contact: Interim Finance Director Rob Sweeney

6) Resolution No. 39, Series 2025 - A Resolution of the Crested Butte Town Council Adopting the Mill Levy for the Town of Crested Butte, Colorado for the Fiscal Year 2026, Beginning the First Day of January 2026 and ending the Last Day of December 2026.

Staff Contact: Interim Finance Director Rob Sweeney

Prochaska moved and O’Neal seconded a motion to approve the Consent Agenda. A roll call vote was taken with all voting, “Yes.” **Motion passed unanimously.**

PUBLIC COMMENT

Billick summarized written comments sent to the Council from Matt Kraft (2 emails), Denise Liebl, Dawn Piscitelli, Sophia Chudacoff, Danielle Deschler, and Jacinda Mahan.

STAFF UPDATES

MacDonald updated.

LEGAL MATTERS

Hanlon provided an update.

NEW BUSINESS

1) Adoption of the Revised Town of Crested Butte Employee Handbook.

Staff Contact: Town Manager Dara MacDonald and Interim Finance Director Rob Sweeney

Cowherd moved and Prochaska seconded a motion to approve the updated employee handbook. A roll call vote was taken with all voting, “Yes.” **Motion passed unanimously.**

COUNCIL REPORTS AND COMMITTEE UPDATES

Prochaska provided an update regarding the Gunnison Valley Regional Housing Authority (GVRHA).

OTHER BUSINESS TO COME BEFORE THE COUNCIL

O’Neal mentioned Brian Fenerty and Billick Lower Verzuh.

DISCUSSION OF SCHEDULING FUTURE WORK SESSION TOPICS AND COUNCIL MEETING SCHEDULE

- Monday, January 5, 2026 - 6:00PM Work Session - 7:00PM Regular Council
- *Tuesday, January 20, 2026 - 6:00PM Work Session - 7:00PM Regular Council*
- Monday, February 2, 2026 - 6:00PM Work Session - 7:00PM Regular Council

Future discussion topics were identified.

EXECUTIVE SESSION

Goldstone moved and Prochaska seconded a motion to replace Mallika (Magner) with John (O’Neal) on the negotiating team. A roll call vote was taken with all voting, “Yes.” **Motion passed unanimously.**

Billick read the reason for the Executive Session: for a conference with the Town Attorney pursuant to C.R.S. § 24-6-402 (4)(e) for determining positions relative to matters that may be subject to negotiations; developing strategy for negotiations; and instructing negotiators and pursuant to C.R.S. § 24-6-402 (4)(b) to receive legal advice on specific legal questions both regarding Mt. Crested Butte Water and Sanitation District.

Prochaska moved and Guibert seconded a motion to go into Executive Session. A roll call vote was taken with all voting, “Yes.” **Motion passed unanimously.**

Mayor Ian Billick, Gabi Prochaska, Mallika Magnier, Beth Goldstone, Kate Guibert, John O’Neal, Kent Cowherd (via Zoom), Town Attorney Karl Hanlon, Town Manager Dara MacDonald, Interim Finance Director Rob Sweeney, and Public Works Director Shea Earley were present for Executive Session.

The Council went into Executive Session at 7:37PM. The Council returned to open meeting at 8:14PM. Mayor Billick made the required announcement upon the Council’s return to open meeting.

ADJOURNMENT

Mayor Billick adjourned the meeting at 8:15PM.

Ian Billick, Mayor

Lynelle Stanford, Town Clerk (SEAL)



Staff Report

January 5th, 2026

To: Mayor and Town Council

Thru: Dara MacDonald, Town Manager

From: Lynelle Stanford, Town Clerk

Subject: Resolution No. 1, Series 2026 - A Resolution of the Crested Butte Town Council Designating the Town of Crested Butte's Three Official Public Places for Posting Town Council Meetings and Other Important Items.

Date: December 17th, 2025

Summary:

Ordinance No. 2, Series 2010 amended the Town Code by striking the list of three designated posting places. Furthermore, the ordinance stated that designated posting places shall be approved by resolution of the Town Council each year. Staff recommends the following three locations: 1) outside the reception office in the Town Offices or when closed to the public due to an unanticipated closure, outside on the front door, located at 507 Maroon Avenue; 2) the Crested Butte Library, located at 504 Maroon Avenue; and 3) the lobby of the Old Town Hall, located at 132 Elk Avenue in Crested Butte, Colorado, as the official public posting places for the purposes of posting notices announcing Town Council meetings and other important items. These three locations have been the three posting places for the Town in recent history.

Recommendation:

To approve Resolution No. 1, Series 2026 designating the three official public places for posting notices announcing Town Council meetings and other important items as part of the Consent Agenda.

Recommended Motion:

Motion to approve Resolution No. 1, Series 2026 as a part of the Consent Agenda.

RESOLUTION NO. 1**SERIES 2026****A RESOLUTION OF THE CRESTED BUTTE TOWN COUNCIL
DESIGNATING THE TOWN OF CRESTED BUTTE'S THREE
OFFICIAL PUBLIC PLACES FOR POSTING TOWN COUNCIL
MEETINGS AND OTHER IMPORTANT ITEMS**

WHEREAS, the Town of Crested Butte, Colorado ("Town") is a home rule municipality duly and regularly organized and now validly existing as a body corporate and politic under and by virtue of the Constitution and laws of the State of Colorado;

WHEREAS, Colorado Revised Statutes, section 24-6-402(2)(c)(I) requires that each Colorado municipality annually designate an official public posting place for notices announcing Town Council meetings and other important items;

WHEREAS, Article 4.11 of the Town Charter requires that, after adoption of an ordinance, copies of the ordinance shall be posted in three public places within Town; and

WHEREAS, the Town Council wishes to officially designate the following three locations: 1) outside the reception office in the Town Offices, located at 507 Maroon Avenue; 2) the Crested Butte Library, located at 504 Maroon Avenue; and 3) the lobby of Old Town Hall, located at 132 Elk Avenue in Crested Butte, Colorado, as the official public posting places for the purposes of posting notices announcing Town Council meetings and other important items.

NOW, THEREFORE, BE IT RESOLVED BY THE TOWN COUNCIL OF CRESTED BUTTE, COLORADO:

That the Town's official public posting places for posting notices announcing Town Council meetings and other important items and for posting copies of ordinances after adoption, are hereby designated as: 1) outside the reception office in the Town Offices, located at 507 Maroon Avenue; 2) the Crested Butte Library, located at 504 Maroon Avenue; 3) the lobby of Old Town Hall, located at 132 Elk Avenue in Crested Butte, Colorado, as the official public posting places for the purposes of posting notices announcing Town Council meetings and other important items.

INTRODUCED, READ AND ADOPTED BEFORE THE TOWN COUNCIL THIS 5TH DAY OF JANUARY, 2026.

TOWN OF CRESTED BUTTE, COLORADO

By: _____
Ian Billick, Mayor

ATTEST

Lynelle Stanford, Town Clerk

(SEAL)



Staff Report

January 5th, 2026

To: Mayor and Town Council

Thru: Dara MacDonald, Town Manager

From: Lynelle Stanford, Town Clerk

Subject: Approval of 2026 Town Council Regular Meeting Schedule.

Date: December 17th, 2025

Summary:

A regular Town Council meeting schedule for 2026 is included in the packet. The Town Charter states in part that “the Council shall meet regularly at least twice each month at a day and hour to be fixed by the Council.” Town Code dictates that the Council meetings are scheduled on the first and third Mondays of each month, excluding holidays. In the case of a holiday falling on a Monday when a meeting would regularly be scheduled, the meeting is held the subsequent Tuesday.

Recommendation:

Staff recommends approval of the Town Council regular meeting schedule for 2026.

Recommended Motion:

To approve the Town Council regular meeting schedule for 2026 as part of the Consent Agenda.

2026 Regular Town Council Meeting Schedule

Work Sessions are scheduled to begin at 6 p.m. on regular meeting nights.

January

5 Town Council 7 p.m.

July

6 Town Council 7 p.m.

20 (TUESDAY) Town Council 7 p.m.

20 Town Council 7 p.m.

*Due to Martin Luther King Jr. Day

February

2 Town Council 7 p.m.

August

4 (TUESDAY) Town Council 7 p.m.

17 (TUESDAY) Town Council 7 p.m.

17 Town Council 7 p.m.

*Due to Presidents' Day

March

2 Town Council 7 p.m.

September

8 (TUESDAY) Town Council 7 p.m.

16 Town Council 7 p.m.

21 Town Council 7 p.m.

April

6 Town Council 7 p.m.

October

5 Town Council 7 p.m.

20 Town Council 7 p.m.

19 Town Council 7 p.m.

May

4 Town Council 7 p.m.

November

2 Town Council 7 p.m.

18 Town Council 7 p.m.

16 Town Council 7 p.m.

June

1 Town Council 7 p.m.

December

7 Town Council 7 p.m.

15 Town Council 7 p.m.

21 Town Council 7 p.m.



Staff Report

January 5, 2026

To: Mayor and Town Council

Prepared By: **Dannah Leeman Gore, Sustainability Coordinator**

Subject: **Elements Mountain Compost Compost Program Intergovernmental Agreement 2026**

Summary: Staff requests Council approval of the 2026 Intergovernmental Agreement (IGA) between the Towns of Crested Butte and Mt. Crested Butte to continue subsidizing the joint residential compost drop-off program, to be included on the consent agenda.

Background:

In June 2024, the Towns of Crested Butte and Mt. Crested Butte partnered with Elements Mountain Compost (EMC) to pilot a residential compost drop-off program serving the Northern Gunnison Valley. The program supports the Town's 2030 Climate Action Plan by increasing landfill diversion.

Residents pay \$17 per month to access the drop-off site at the Chamber of Commerce parking lot. The program is open to residents from Crested Butte South to Mt. Crested Butte and currently has 61 active members (Fall 2025). EMC also serves three local commercial customers. Participation has historically averaged around 50 households.

The Towns jointly subsidize the program at a not-to-exceed amount of \$42,000 per year, split evenly (\$21,000 each). Member fees offset municipal costs. Crested Butte's subsidy totaled \$12,245 in 2024 (June–December). With approximately 60 members projected, the 2025 subsidy is estimated at \$16,500.

Previous Council Action:

Town of Crested Butte:

- **October 6, 2025:** Council approved continuing the program through 2026 during the Save-As-You-Throw pricing work session and expressed interest in increased outreach to improve participation.

Town of Mt. Crested Butte:

- **December 16, 2025:** Council approved continuing the subsidy through 2026 and directed staff and EMC to explore ways to increase participation.

Discussion:

The attached IGA renews the existing partnership and subsidy terms for 2026. The agreement is unchanged from 2025 and continues the 50/50 cost-sharing structure between the Towns.

Legal Review: Both Town's attorneys have reviewed the IGA.

Financial Impact: The IGA authorizes a not-to-exceed subsidy of \$42,000 in 2026, split equally between the Towns (\$21,000 each).

Proposed Motion:

A Council member should make a motion to approve the Intergovernmental Agreement (IGA) between the Towns of Mt. Crested Butte and Crested Butte for a Joint Residential Composting Drop off Program as part of the consent agenda.

Attachments:

- Intergovernmental Agreement between the Town of Mt. Crested Butte and Crested Butte for a Joint Residential Composting Drop Off Program

**INTERGOVERNMENTAL AGREEMENT
BETWEEN THE TOWN OF MOUNT CRESTED BUTTE AND THE TOWN OF
CRESTED BUTTE FOR A JOINT RESIDENTIAL COMPOSTING DROP OFF
PROGRAM**

THIS INTERGOVERNMENTAL AGREEMENT (this "Agreement", is made and entered into this of 202, among the TOWN OF MT. CRESTED BUTTE ("Mt. Crested Butte"), and the TOWN OF CRESTED BUTTE, COLORADO ("Crested Butte"), home rule municipality and political subdivision of the State. Mt. Crested Butte and Crested Butte are referred to collectively herein as "the Parties" or individually as "a Party.

WHEREAS, pursuant to Title 29, Article 1, Part 2, Colorado Revised Statutes, as amended (the "Intergovernmental Relations Statute"), and Article XIV, Section 18 of the State Constitution, governments may contract with one another to provide any function, service or facility lawfully authorized to each of the contracting units and any such contract may provide for the joint exercise of the function, service or facility; and

WHEREAS, the Parties wish to collaborate on a North Valley Residential Compost Drop-Off Program (the "Project") and are parties to a certain Agreement for Professional Services concerning same (the "Service Agreement"), attached hereto as **Exhibit A** and incorporated herein by this reference; and

WHEREAS, the Parties wish to set forth the terms and conditions of jointly designing the Project.

NOW, THEREFORE, the Parties agree as follows:

1. **Payment of Costs:** Pursuant to Section 2 of the Service Agreement, Elements Mountain Compost, LLC., shall invoice Crested Butte for the Project no more than monthly. Crested Butte shall invoice Mt. Crested Butte no more than monthly for 50% of the invoice for the Project through **December 31, 2026**. Monthly invoices shall not exceed \$3,500 total for which each Party shall be responsible for 50%. Crested Butte shall include a copy of any invoicing for which payment is being made.

2. **Breach and Notice.** If either Party fails to perform its respective obligations under this Agreement, the non-breaching Party shall provide thirty (30) days' notification of such failure to the breaching Party's representative as provided in paragraph 18. If the breaching Party fails to correct or remedy the breach, the non-breaching Party may proceed in law or equity to seek injunctive relief, specific performance, and/or damages incurred as a result of the Breach.

3. **Good Faith.** There is an obligation of good faith on the part of the Parties, including the obligation to make timely communication of information that may reasonably be believed to be material to the other Party.

4. **No Waiver of Governmental Immunity Act.** Nothing herein shall be deemed a waiver of the Colorado Governmental Immunity Act for or by either Party. C.R.S. § 24-10-101 *et seq.*

5. **No Joint Venture.** Nothing in this Agreement shall be construed to create a joint venture, partnership, employer/employee or other relationship between the Parties other than independent contracting parties. Except as permitted under the remedies provisions hereunder, neither Party shall have the express or implied right to act for, on behalf of, or in the name of the other Party.

6. **No Third-Party Beneficiary.** No third party may enforce or rely upon this Agreement.

7. **Term of Agreement.** This Agreement shall become effective upon signature of the last Party to sign and will terminate upon termination of the Service Agreement, unless otherwise extended as otherwise provided for herein. All rights concerning remedies, fees and costs shall survive termination of this Agreement.

8. **Amendment and Assignment.** This Agreement may be amended by the Parties solely through a written Agreement signed by both Parties. This Agreement may not be assigned by either Party.

9. **Counterparts.** This Agreement may be executed in counterparts, each of which shall be deemed an original, and all of which, when taken together, shall be deemed the same instrument. Electronic or photographic signatures of either Party to this Agreement or subsequent modifications thereto, shall be effective for all purposes.

10. **Governing Law, Venue and Survival.** The laws of the State of Colorado to the extent not preempted by federal law shall govern the validity, performance, and enforcement of this Agreement. Should either Party institute legal action for enforcement of this Agreement, venue of such action shall be in the United States District Court for the District of Colorado, if the court has jurisdiction; otherwise, any such action shall be filed in Gunnison County, Colorado.

11. **Whole Agreement.** This Agreement sets forth the whole Agreement of the Parties. No representations, either verbal or written, shall be considered binding on either Party to the extent not set forth herein.

12. **Section Headings.** The section headings in this Agreement are inserted only for the purpose of convenient reference and are in no way to define, limit or prescribe the scope or intent of this Agreement or any part thereof.

13. **Authority.** Each Party signing this Agreement represents and warrants that the individual is fully authorized to enter into and execute this Agreement and to bind the Party it represents to the terms and conditions thereof.

14. **Notice and Representatives.** All notices required under this Agreement shall be transmitted in writing and shall be deemed duly given when hand-delivered or sent by certified mail, return receipt requested and postage prepaid, or by electronic communication, addressed to the designated representative(s) as follows:

To Town: Town of Crested Butte
Attn.: Town Manager

P.O. Box 39
507 Maroon Ave
Crested Butte, CO 81224

With copy to: Town of Crested Butte
Attn: Town Attorney
P.O. Box 39
507 Maroon Ave
Crested Butte, CO 81224

Town of Crested Butte
Attn: Sustainability Coordinator
P.O. Box 39
507 Maroon Ave
Crested Butte, CO, 81224

To District: Town of Mt. Crested Butte
Attn: Town Manager
911 Gothic Road
P.O.Box 5800
Mt. Crested Butte, CO
81225

With copy to: Town of Mt. Crested Butte
Attn: Community Development Department
911 Gothic Road
P.O.Box 5800
Mt. Crested Butte, CO
81225

15. **Change of Representatives.** Either Party may, in its sole discretion, change its individual designated representative and the address to which future notices shall be sent by providing written notice to the other Party.

16. **Severability.** Should any provision of this Agreement be found to be in conflict with any law of the United States or the State of Colorado or to otherwise be unenforceable, the remaining provisions shall be deemed severable and the validity of such shall not be affected provided that the remaining provisions can be construed in substance to constitute the Agreement which the

{Remainder of page intentionally left blank}

IN WITNESS WHEREOF, this Agreement has been executed by the Parties effective as of the date set forth above.

TOWN OF CRESTED BUTTE, COLORADO

By:

Dara MacDonald, Town Manager, Town of Crested Butte

ATTEST:

Lynelle Stanford, Town Clerk, Town of Crested Butte

TOWN OF MT. CRESTED BUTTE, COLORADO

By:



Carlos Velado, Town Manager, Town of Mt. Crested Butte

ATTEST:



Tiffany O'Connell, Town Clerk, Town of Mt. Crested Butte



Staff Report

January 6, 2026

To: Mayor and Town Council

Prepared By: Erin Ganser, Housing Director

Thru: Dara MacDonald, Town Manager

Subject: Ordinance 1, Series 2026: An Ordinance of the Crested Butte Town Council
Authorizing the Sale of 828 Gothic Ave, 1A in Crested Butte

Summary: On October 20th, the Town Council approved the purchase of 828 Gothic, a deed restricted unit, to add income and asset limits to the deed restriction and to grant the Town the first right of refusal on future sales with the intent of selling the unit under the Town's Affordable Housing Guidelines by lottery to a qualified buyer. As is required by the Town Charter, staff now requests that the Town Council approve the sale of the unit.

Previous Council Action: Council approved the purchase on October 20th and previously approved this approach on 822 Gothic on June 3, 2024, to address the exclusion of income and asset limits in the deed restriction on that home.

Background: Based on Town records, previous Staff carefully crafted sales prices based on target AMIs for the 30 homes that were constructed and sold by Bywater Construction in 2018-2020. The deed restriction on these homes includes an appreciation cap based on those sales prices as well as the requirement that one individual on the deed be a full-time participant in the local workforce and the standard prohibition on the ownership of other improved residential real estate. However, the restriction does not include an income restriction or a limit on the assets of potential buyers. The ongoing expectation is that Town will step in to update the remaining 28 Bywater deed restrictions with then current Town policy objectives when their owners are ready to sell.

As part of the 5 Year Housing Strategy, staff are working with Economic Planning Systems to analyze the Town's deed restricted housing portfolio and gain a deeper understanding of the types of restrictions in place, who they serve, and whether there are other deed restrictions that should be evaluated for similar updates to better position the homes to respond to housing needs. High-level takeaways of this analysis will be presented at the January 20th Town Council meeting.

Discussion: Purchasing 828 Gothic enables the Town to release the current deed restriction and record a new restriction that targets household incomes that are not served by the housing market and establishes asset limits, which ensures that those with high net value do not qualify to purchase

the home. Staff uses a reverse affordability calculation, which converts the maximum allowable sales price into an affordable monthly housing cost and then converts that cost into an income and corresponding asset limit using standardized assumptions on the loan for the home and the 30% housing cost burden metric. A cushion is included in the interest rate to help protect against swings that could render the price of the home unaffordable at the designated income limit.

The elements of the new deed restriction include:

- Income limit of 170%, or \$191,250 for a household of four based on 2025 HUD issued Area Median Incomes.
- Asset cap defined for the applicant's household size and average age of the household members over 21 years of age as defined in the [Affordable Housing Guidelines](#) (see PDF pg. 37).
- A first right of refusal for the Town.

Town announced the property via the Gunnison Valley Regional Housing Authority's (GVRHA) homeownership interest list for the purchase price of \$472,659.66. The application window was three weeks and GVRHA qualified the applicants. The Town will hold a lottery on December 30, 2025, at 5:30 in Council Chambers. Town Council members are encouraged to attend. Please see Staff Updates for information on the applicant pool. Staff anticipate that the sale will occur within 45-60 days of the lottery.

Climate Impact: N/A

Financial Impact: Staff anticipate that the costs to purchase and resell the property will be approximately \$4,000 for standard closing costs excluding the Real Estate Transfer Tax which is not required for a Town transfer of a deed-restricted property.

Legal Review: Town legal counsel is engaged to support staff in this effort.

Recommendation: For a council member to make a motion, followed by a second, to "set a public hearing for the sale of 828 Gothic #1A and approval the Town Manager to execute all documents related to the sale.

Proposed Motion:

A Council member should make a "motion to make a motion, followed by a second, to set a public hearing for the sale and approval of the Town Manager to execute all documents related to the sale of 828 Gothic #1A on January 20, 2026, followed by a second and roll call vote.

Attachments

Ordinance 1, Series 2025

ORDINANCE NO. 1**SERIES 2026****AN ORDINANCE OF THE CRESTED BUTTE TOWN
COUNCIL AUTHORIZING THE SALE OF 828 GOTHIC
AVENUE, #1A, CRESTED BUTTE**

WHEREAS, the Town of Crested Butte, Colorado ("Town") is a home rule municipality duly and regularly organized and now validly existing as a body corporate and public under and by virtue of the Colorado Constitution and laws of the State of Colorado; and

WHEREAS, under Section 14.4 of the Town of Crested Butte Charter, the Town Council shall not sell, exchange or dispose of real property currently in use for public purposes except by ordinance; and

WHEREAS, the Town of Crested Butte has purchased a deed restricted property at 828 Gothic Avenue, #1A, Crested Butte ("Property"); and

WHEREAS, pursuant to the Master Deed Restriction recorded March 15, 2019, under Reception No. 659099 in the records of the Gunnison County Clerk and Recorder; and

WHEREAS, the Town purchased the Property with the intention of reselling the deed restricted property under the Town's Affordable Housing Guidelines, as amended from time to time; and

WHEREAS, the Town Council finds that the sale of the Property is in the best interests of the health, safety and general welfare of the Town.

**NOW, THEREFORE, BE IT ORDAINED BY THE TOWN COUNCIL OF THE
TOWN OF CRESTED BUTTE, COLORADO, THAT,**

Section 1. The foregoing recitals are incorporated herein as if set forth in full.

Section 2. The Town is authorized to sell the Property.

Section 3. The Town Manager is designated and authorized to execute all documents necessary to sell the property including but not limited to the deed of transfer on behalf of the Town,

INTRODUCED, READ AND SET FOR PUBLIC HEARING ON JANUARY 20, 2026.

TOWN OF CRESTED BUTTE, COLORADO

By: _____
Ian Billick, Town Mayor

ATTEST:

Lynelle Stanford, Town Clerk



Memorandum

To: Town Council

From: Dara MacDonald, Town Manager

Subject: Manager's Report

Date: January 5, 2026

Town Manager

- 1) Chief Marshal – Sean Besecker has been selected as the next Chief Marshal for the Town. He will assume this position upon Chief Reily's retirement on March 18th. In the meantime, he will be working closely with Chief Reily and Deputy Chief Joe Dukeman to prepare for the transition.
- 2) Grants awarded to the Town – Attached is a summary of the Town's grant applications and funds awarded over the past two years of working with Sustainable Strategies. We will continue this relationship in 2026 with a particular focus on finding funding for the Marshals addition and renovation project.
- 3) Long-range Financial Planning work session #1 – **Would Monday February 9th or 23rd be preferred for a special work session?**

Public Works

- 1) Town Staff conducted a tour of Town facilities with the GreyEdge Group to discuss the feasibility of utilizing geothermal energy to condition Town-owned buildings and spaces. This technology has been implemented in nearby mountain towns such as Gunnison and Vail. Staff expects to see a feasibility report within the first few weeks of January.
- 2) Public Works has onboarded the new Water Treatment Plant ORC, James Law. James will be taking over for David Jelinek who will retire at the beginning of the new year. James comes to us after working for the City of Durango, prior to that he resided in Crested Butte from 2008 to 2019.

Parks, Recreation, Open Space and Trails

- 1) **Pristine Point and Long Lake Update:** The Crested Butte Land Trust completed the conservation easement donation to Colorado Open Lands for Long Lake & Lot 18 at Pristine Point (now combined parcels), recorded on December 17th. Town Open Space funds contributed \$1.6 million dollars to the title acquisitions of both the Long Lake Parcel and Pristine Point. By donating the

easement to the certified organization at Colorado Open Lands, CBLT is eligible to receive tax credits through the state of Colorado at a preliminary valuation of \$3.6 million with an expected cash market value of \$2.59 million. This continued leveraging of Open Space dollars through CBLT is highly valuable in furthering conservation goals in the East River Valley.

Conserving this parcel in accordance with standing funding agreements achieves significant and permanent public benefit through wildlife habitat preservation, public recreational access, and historic agricultural use. Long Lake has been an extremely important asset to the community of the upper valley for decades and its permanent protection finalizes a longstanding community desire.

Community Development

- 1) **Corridor Plan:** Gunnison County released the Request for Proposals (RFP) for the Corridor Plan on December 16, with proposals due in mid-February and an anticipated project kickoff in the spring. With Cathie Pagano's departure from Gunnison County at the end of January, Planning Director Hillary Seminick will lead the RFP review, consultant interviews, and contracting process. The County has previously noted that an advisory committee of stakeholders, including the Town of Mt. Crested Butte, Town of Crested Butte, CB South POA, City of Gunnison, RTA, and Mountain Express, will have a role in the proposal review and selection process.
- 2) **Town Hall Windows:** Unfortunately, the Town did not receive the \$250,000 State Historic Fund grant to support replacement of the remaining Town Hall windows in 2026. Staff are currently evaluating alternative funding options and opportunities to continue the phased rehabilitation of Town Hall.
- 3) **Two Open Positions: Planner I/II and Housing Specialist:** Community Development is currently hiring for two open positions:
 - a. **Planner I/II (dependent on experience):** While we are sad to see Kaitlyn Archambault move on to a new opportunity in the Valley, we are excited to welcome a new Planner I/II to the team. This position reports to the Senior Planner and will primarily focus on current planning and development review processes, with additional support for long-range planning efforts, including community outreach. The role will be critical in advancing the ongoing zoning code and design standards update, as well as supporting the monthly BOZAR review process.
 - b. **Housing Specialist:** This position was created through the re-purposing of the long-range planner role and will report to the Housing Director. The Housing Specialist will help administer the Town's deed-restricted housing program, including sales, capital improvements, buyer qualifications, etc. A key focus of this role will be strengthening communication and education for deed restricted property owners and prospective buyers to ensure clarity, transparency, and long-term program success.
 - c. The Community Development team would also like to wish Everett Fillmore the very best as he moves on to new opportunities. Over the past four years, Everett has supported the team in a part-time capacity by scanning and digitizing the Town's planning and building files. More recently, he also assisted with collecting drone footage and photography over the past year, helping modernize and document the Town's records and projects.
- 4) **Housing Postcards:** Staff are mailing a postcard to all deed-restricted property owners to notify them of the Town's transition to administering deed restrictions following GVRHA's transition to Gunnison County. The postcard includes a brief announcement to contact the Town for any questions or needs and a QR code linking to the Town's website, where property owners can find

additional information and a general FAQ about the housing program. It also includes a QR code to a contact information form, allowing the Town to communicate more directly with deed-restricted property owners beyond mailed notices.

- 5) **Mineral Point Update:** Tests of the methane mitigation system confirm that the integrity of the system held through the patches and repairs to the concrete building slab required due to plumbing and concrete construction corrections. This is excellent news. Next steps include commissioning the system, taking multiple measurements of methane in the buildings, on the property, and around town to support the Town's request that the Colorado Department of Public Health and the Environment (CDPHE) approve the buildings for occupancy. The general contractor has been making good progress toward their goal to be ready for these tests in February. Including lab turnaround and review time as dictated by state statute, the CDPHE approval process could take up to 81 days; however, staff and consultants have been working with state partners to expedite this process and enable lease up of the property as soon as possible.
- 6) **Paradise Park Workforce Rentals:** Temporary certificates of occupancy on the final triplex in this project were issued on 12/18/2025 with tenants moving in on 1/1/2025. The units look great and we are deeply appreciative of the quality of the work and partnership with High Mountain Concepts.
- 7) **828 Gothic Lottery:** Nine households applied to qualify to enter the lottery for this deed restricted home, which is scheduled for 12/30/25 at 5:30. The home is 1,248 SF with three bedrooms, two bathrooms, and an over-sized one car garage, priced at \$472,659.66. The income limit and targets households that make 170%AMI or less. The 2025 limits at 170% AMI based on household size are below.

Household size	170%
1 person	\$133,790
2 person	\$153,000
3 person	\$172,040
4 person	\$191,250
5 person	\$206,550
6 person	\$211,650

Five applicant households qualified: three include a household of three or more people and will be drawn in the tier 1 lottery drawing, and two applicant households qualified as tier 2 households, with a household of two members, who will be drawn in the tier 2 lottery drawing. Three households were over income and did not qualify and one withdrew from the process.

- 8) **Housing Needs Assessment** – See attached for the complete HNA adopted by GVRHA on December 11th with the addendum completed to meet new State requirements for HNA contents.
- 9) **Possible Relocation of Compost Drop Off Location:** Staff is exploring relocation of the compost drop-off site to Clark's Market. Clark's has expressed strong interest and may also begin composting store food waste. Staff anticipates that a more visible and convenient location could help increase participation in 2026.

Town Clerk

- 1) Sustainability Coordinator Dannah Leeman Gore organized a special events focus group meeting on Wednesday, January 28, 2026, to discuss single use plastic ordinance measures for special events.

2) Staff, Mountain Express, and CBFPD will be meeting with event organizers of the Alley Loop on Tuesday, January 6, 2026. Think snow! Nordic has proposed a “low snow year” option in past years that relies upon snow in Town storage piles. Needless to say, fresh snow is much preferred.

Finance/HR/IT

- 1) Fiscal year-end financial processing deadlines were communicated to Town staff to ensure an orderly close of the year. Preliminary analysis demonstrates all Funds will be within budget. We are closely watching a few funds which are expected to have some large capital invoices processed for commitments made and work completed/goods received in 2025.
- 2) New healthcare benefits are effective January 1. Staff has been able to use an online portal to gain access to membership IDs to allow for a smooth transition with healthcare providers.
- 3) Employees’ 2025 performance evaluations are complete. Finance staff will process approved wage adjustments prior to the first full payroll cycle in 2026.
- 4) Preliminary Revenue Report – November 2026

TOWN SALES TAX November 2025

Business Category	Total Amount 2025	Total Amount 2024	\$ Diff	% Diff
BARS/REST	56,452	47,127	9,325	19.79%
ECOMMERCE	18,172	21,198	(3,026)	-14.27%
GROCERY	41,592	37,983	3,609	9.50%
RETAIL	41,335	45,899	(4,564)	-9.94%
RETAIL-MMU	5,825	5,996	(171)	-2.85%
LODGING	23,888	21,285	2,603	12.23%
CONST/HRDWL/AUTO	33,810	41,944	(8,134)	-19.39%
SERVICE	25,603	27,335	(1,732)	-6.34%
Grand Total	246,677	248,767	(2,090)	-0.8%

YTD 2025	YTD 2024	\$ Diff	% Diff
1,907,789	1,822,197	85,592	4.70%
358,818	271,858	86,960	31.99%
805,642	780,863	24,779	3.17%
1,216,093	1,190,673	25,420	2.13%
103,435	112,276	(8,841)	-7.87%
775,703	690,745	84,958	12.30%
520,143	539,971	(19,828)	-3.67%
345,310	361,122	(15,812)	-4.38%
6,032,933	5,769,705	263,228	4.6%

OTHER REVENUE SOURCES

Vacation Rental Excise Tax	32,446	30,529	1,917	6.3%
Tobacco & Nicotine Tax	11,450	11,054	396	3.6%
RETT	184,984	231,675	(46,691)	-20.2%
Carry Out Bag Fee	213	221	(8)	-3.6%

774,276	740,691	33,585	4.5%
180,274	173,684	6,590	3.8%
1,620,077	1,173,399	446,678	38.1%
5,108	5,449	(341)	-6.3%

Prepared 12-29-2025

Upcoming Meetings or Events Council may choose to attend

March 18 – Mike Reily retirement party, Center for the Arts

Upcoming Agenda Items

See attached draft list of upcoming Council agenda topics

* As always, please let me know if you have any questions or concerns. You may also directly contact department directors with questions as well.

Gunnison Valley Housing Needs Assessment

September 2024

Commissioned by:



In partnership with:

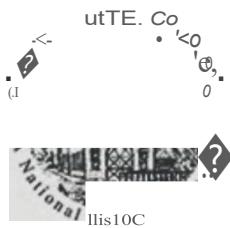


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INTRODUCTION

PURPOSE

The 2024 Gunnison Valley Housing Needs Assessment was sponsored by the Gunnison Valley Regional Housing Authority with the financial support and oversight from Gunnison County, the Towns of Crested Butte and Mt. Crested Butte, the City of Gunnison and the Valley Housing Fund.

The purpose of this assessment is to evaluate the housing market in the Gunnison Valley (“Valley”) in serving the Valley’s employment needs and identifying the housing needs of those who make their living locally. It answers questions such as how much and at which price points housing is needed to support local residents and the workforce. The study quantifies where gaps exist, providing the number and type of homes needed to attract and retain workers across all income levels of the local economy. This assessment provides a single source of information that can be used by local jurisdictions and authorities to collaborate and to enable elected officials and appointed authorities to craft land use, transportation, and housing policies and direct investment that affect affordable housing goals locally and across the region.

The data and information in this assessment will help to:

- Guide long-term planning in the Valley by informing the development of housing policies, identifying new development opportunities, and creating programs that address the growth needs of each community;
- Educate the community and stakeholders about the housing issues that affect the local workforce and employers and the benefits to the local community, economy, and environment of expanding housing opportunities for residents and employees; and
- Help the Valley entities acquire financing for local housing projects and programs.

The assessment was structured in two phases. This final report includes the results of both phases. Phase I involved an employer survey, extensive outreach through one-on-one listening sessions, and secondary data analysis. Phase II, which began in June 2024, included a resident survey, providing detailed data on resident housing characteristics, housing challenges, needs, and preferences. This phased approach ensured that essential analysis was completed in time for local jurisdictions to remain eligible for state housing funding opportunities.

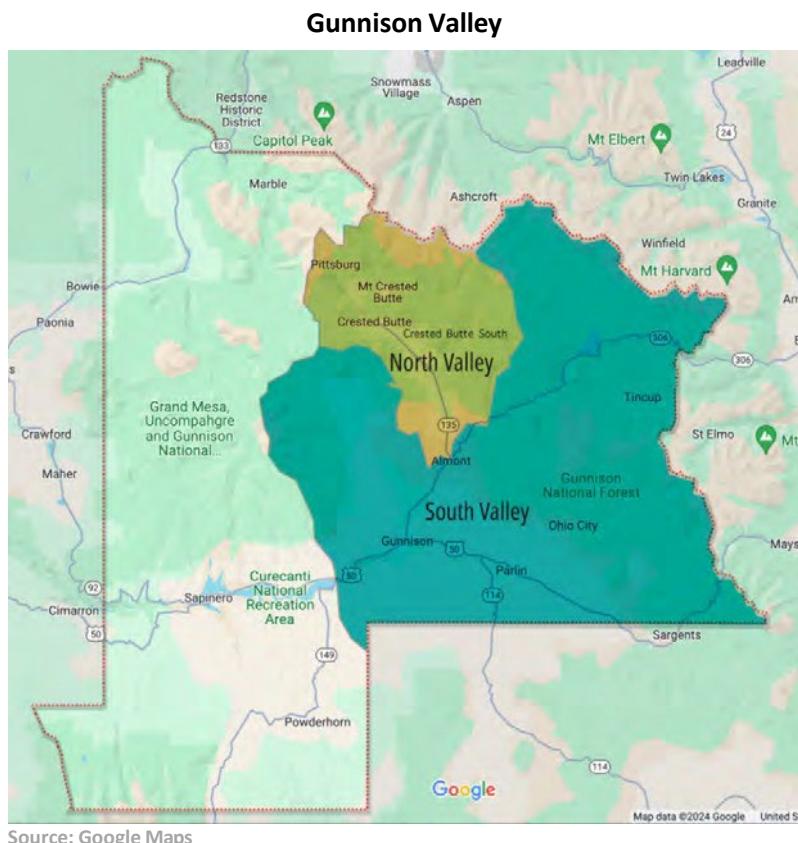
The assessment builds upon data from prior studies, which include the 2016 Gunnison Valley Housing Needs Assessment and 2021 Gunnison Valley Housing Market Update.

STUDY AREA

This report examines the housing market for the Gunnison Valley as a whole, as well as the sub-markets of the North and South Valley, which are defined in the following table and map. The Valley does not cover the entire county but includes the primary population centers and is covered by the Crested Butte Census County Division (CCD) (“North Valley”) and the Gunnison CCD (“South Valley”), which represent distinct market areas and coincide with secondary data availability.

The following table shows how the three market areas examined in the 2016 assessment translate into the simplified North and South market areas in this study and the 2021 Housing Market Update. The shift aligned the available sub-market data sets with the available submarket geographies.

	2016 Gunnison Valley Housing Needs Assessment	2021 Gunnison Valley Housing Market Update and 2024 Gunnison Valley Housing Needs Assessment
North Valley	Included the Towns of Crested Butte and Mt. Crested Butte, and the unincorporated subdivisions as far south as, but not including, Crested Butte South	Includes the Towns of Crested Butte and Mt. Crested Butte, Crested Butte South and unincorporated subdivisions south to, but not including Almont. This is the region encompassed by the Crested Butte CCD.
Mid Valley	Included Crested Butte South, Almont and the area in between and the Taylor River area	N/A (Now part of North and South Valleys, unless otherwise specified in report sections)
South Valley	Included the area in and around the City of Gunnison and Ohio Creek	Includes Almont and the Taylor River area, the area in and around the City of Gunnison and Ohio Creek, and Pitkin and the Quartz Creek Valley. This is the region encompassed by the Gunnison CCD.



METHODOLOGY

A combination of primary research, local data, and existing public secondary data sources were used for this analysis. This section provides a brief overview of primary research methodology. More details are provided in Appendix B – Detailed Methodology, Data Sources, Definitions.

Employer Survey

An online survey of employers was conducted in March 2024 of large and small employers encompassing the full range of industries in the Gunnison Valley.¹ The response rate was high, with a total of 134 participating employers, representing 5,017 jobs, or 44% of jobs in the Gunnison Valley.

The employer survey examined the number of year-round and seasonal workers (summer and winter), where workers live (commute patterns), employee retention and recruitment issues, to what extent employee housing is perceived to be an issue, the severity of housing problems by type of employee, and interest in providing housing assistance for employees.

We received generous assistance from the Gunnison Country Chamber of Commerce and Crested Butte/Mt. Crested Butte Chamber of Commerce and Housing Working Group members in distributing the survey link and helping to conduct individual outreach and follow up phone calls to recruit participation.

Resident Survey

An online survey was conducted in mid-June through the month of July to collect information on housing preferences of residents and employees, future plans, employment, household characteristics, housing perceptions and conditions, and other issues. The link to the survey was widely distributed through media, employers and multiple other outreach efforts. The Gunnison Valley Housing Authority led the efforts, with support from the project sponsors. Booths were set up at local events, posters were distributed at the recreation centers, grocery stores, bus stops and other community spaces. The top employers were personally contacted to encourage their participation though sending it to their employees. In total, responses were received from 986 residents in the Gunnison Valley: 357 North Valley, and 629 South Valley.

The margin of error for survey tabulations is within about 2.5% at the 95% confidence interval, meaning that for any tabulation the percent reported is within plus or minus 2.5% from what is actually the case. For data representing less than the full population of responses (e.g., homeowners only), the margin of error will be higher.

Key Informant Interviews

Interviews were conducted with a variety of community members and professionals. The objective was to obtain information and insights from specialists in residential markets, including real estate agents, property managers, developers, and mortgage lenders. Qualitative information on trends, challenges,

¹ A table of responses by industry is provided in Appendix B.

housing preferences and shifts in demand obtained from these interviews provides a local context from which to ground trends shown by secondary and other data sources.

WHAT IS AFFORDABLE HOUSING IN THE GUNNISON VALLEY?

“Affordable” Defined

Consistent with the 2016 assessment and the 2021 market update, this study requires an understanding of housing affordability. This report uses the following standard, which is commonly applied by federal and state housing programs, local housing initiatives, mortgage lenders and rental leasing agents:

Housing is generally considered to be affordable (or attainable) when the monthly housing payment is equal to no more than 30% of a household’s gross income².

Because affordability is a function of housing costs and household income, affordability can be a problem for a broad range of income levels, not just low-income households.

Household Incomes and Affordable Housing Prices

For ease of use and implementation of this Assessment, resident and employee housing needs are calculated for households earning at various income levels based on the area median income (AMI) limits established by the U.S. Department of Housing and Urban Development (HUD). Federal and state housing and financing programs use HUD AMI limits to qualify and categorize housing as affordable for various income levels. AMI is published annually by the U.S. Department of Housing and Urban Development (HUD) for each county and varies by household size.

The following table shows HUD AMI for Gunnison County. A household earning 100% AMI earns the median, or middle, income for that household size. Households earning less than the middle income are identified as earning a lower percentage AMI (e.g., 80% AMI).

Gunnison County AMI by Household Size, 2024

AMI	1 PERSON	2 PERSON	3 PERSON	4 PERSON
120%	86,520	98,880	111,240	123,600
100%	72,100	82,400	92,700	103,000
80%	57,680	65,920	74,160	82,400
60%	43,260	49,440	55,620	61,800
50%	36,050	41,200	46,350	51,500
30%	21,630	24,720	27,810	30,900

Source: Colorado Housing and Finance Authority Income Limits

The average household size in the Gunnison Valley is approximately 2.0 persons. The table below shows affordable rent and home purchase prices for various household income levels, based on the Area Median Income (AMI) for the average 2-person household size. The maximum purchase price assumes a 30-year fixed-rate mortgage at a 7% interest rate, with 20% of the payment covering taxes, insurance,

² Max purchase price assumes 30-year mortgage at 7% with 5% down and 20% of the payment covering taxes, HOA, PMI and insurance.

and HOA fees, and a 5% down payment. Since each development is unique, these assumptions should be tested against the actual expense burden on residents when determining affordable rent and purchase prices. See Appendix A for a comprehensive table.

Maximum Affordable Rents and Purchase Price by AMI, Gunnison County, 2024

AMI	50%	80%	100%	120%	150%
Max. Household Income	\$41,200	\$65,920	\$82,400	\$98,880	\$123,600
Max. Affordable Rent	\$1,030	\$1,648	\$2,060	\$2,472	\$3,090
Max Affordable Purchase Price*	\$130,400	\$208,600	\$260,700	\$312,900	\$391,100

*Assumes 2-person household, 30-year fixed rate mortgage at 7% interest with 20% of payment covering taxes, insurance and HOA fees and 5% down.

ACKNOWLEDGEMENTS

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- Amanda Wilson, City of Gunnison Manager
- Andie Ruggera, Senior Planner – City of Gunnison
- Anton Sinkewich, City of Gunnison Community Development Director
- Cathie Pagano, Assistant County Manager for Community & Economic Development
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- Derek Harwell, Association Manager, Crested Butte South Property Owners Association
- Erin Ganser, Director of Housing – Town of Crested Butte
- Julie Baca, Commissioner – Gunnison County Planning Commission
- Laura Puckett Daniels, County commissioner and Chair of Board, Gunnison Valley Regional Housing Authority
- Lauren Koelliker, Executive Director, Valley Housing Fund
- Melissa LaMonica, Executive Director, Gunnison Valley Regional Housing Authority
- Neal Starkebaum, Community Development Director at Town of Mt. Crested Butte,
- Ricardo Esqueda, City of Gunnison as Community and Policy Liaison
- Shannon Hessler, Planner II, Mt. Crested Butte

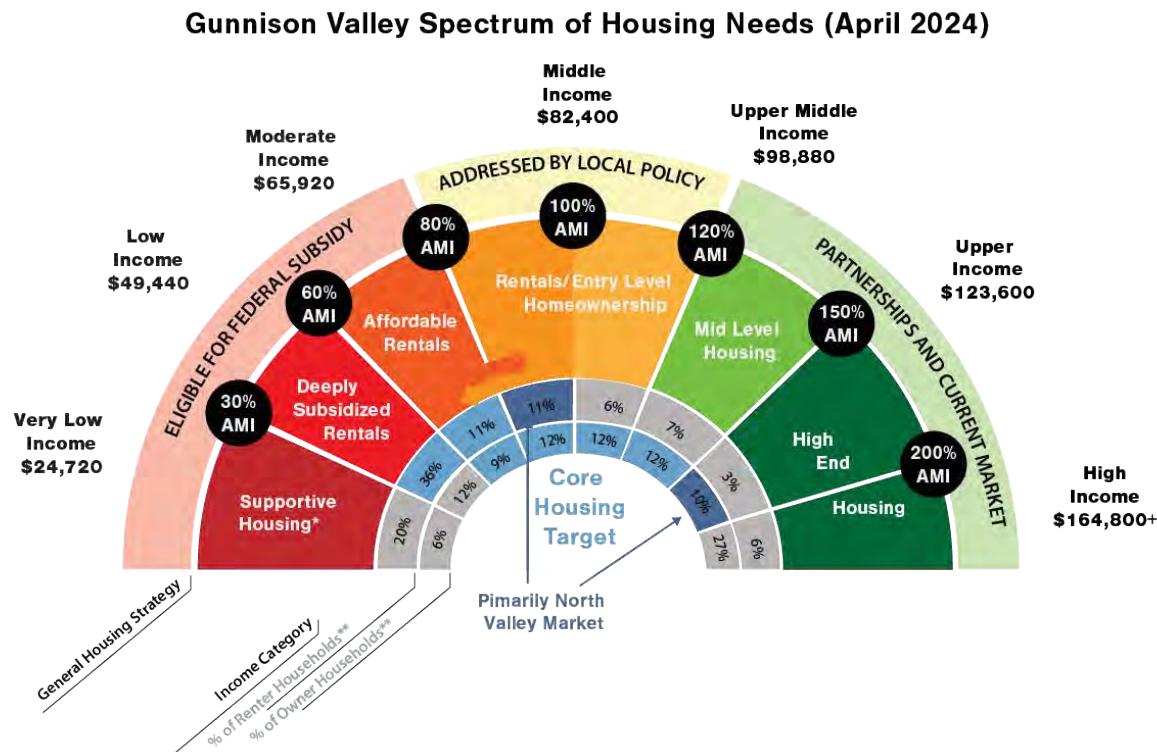
We would like to give particular thanks to the small subset of the Housing Working Group comprised of Melissa, Erin, and Lauren who were instrumental throughout the assessment's preparation, especially helping with data access, employer and resident survey distribution, and review of working drafts.

This report is made possible by local participation, drawing from both data and the lived experiences of Gunnison Valley residents. We appreciate the opportunity to work with communities committed to addressing housing needs for the benefit of the Valley's residents, economy, and overall well-being.

KEY FINDINGS – COMMUNITY HOUSING UNITS NEEDED

SPECTRUM OF HOUSING NEEDS IN THE GUNNISON VALLEY

This Assessment centers on the understanding of what households can afford for housing in the Gunnison Valley and explores where their needs are being met, and where there are gaps. It uses the definition that housing is affordable when monthly housing costs (rent or mortgage, plus utilities, insurance, and property taxes/HOA) is equal to no more than 30% of a household's gross income (i.e., income before taxes).



Source: Dept. of Housing and Urban Development for 2-person household (AMI incomes); consultant team
 **Source: Ribbon Demographics, LLC

The housing bridge, illustrated above, presents a picture of what affordability for the residents and workforce in Gunnison Valley should look like and forms the basis by which housing gaps in the community have been identified. The bridge portrays a spectrum of housing that is affordable and most likely to be sought out by households in different income groups. It indicates the percentage of households in the Valley earning incomes in each area median income range and the type of housing likely to be needed at the different income levels. It shows where the market is providing housing and at which price points additional housing is needed to address current shortfalls and to keep up with future retirements and job growth ("Core Housing Target"). By addressing Core Housing Target needs,

Gunnison Valley could improve the availability of housing that is affordable to households at all income levels, providing options for changing life circumstances.

More specifically:

- For local residents and employees searching for rental options, the market is expensive and scarce. A two-person household earning below \$80,000 per year (about 100% AMI) will have a hard time finding housing that would be defined as affordable in the market (i.e., \$2,000 or less per month).
- Households making their living locally are mostly priced out of all types of market rate ownership housing, including condominiums, townhomes, and single-family homes – housing has simply gotten too expensive. The historic release valve provided by lower priced homes in the South Valley has diminished - housing priced under \$500,000 is now scarce everywhere in the Valley.

I need to leave the Valley because I don't see it being possible to continue to live here long term. Although I have a good job, I cannot even come close to being able to afford a house."

-Resident survey respondent

To address the current housing shortfall and keep up with projected job growth, **at least 75% of the estimated 1,300 to 1,550 homes needed to support local residents and employees** by 2029 in the Valley **will need to be priced below market**. The following table shows how much of the total housing need is due to the current housing shortfall ("catch-up") and how much is due to anticipated retirements and projected job growth ("keep-up"). Jurisdictions and the Valley as a whole will need to make their own policy decisions regarding whether it is in their interest or capacity to address all of the identified needs or focus on certain components of projected needs.

Catch-Up and Keep-Up Housing Needs through 2029³

	Units Needed (low)	Units Needed (high)
Total Catch-Up (Existing Needs)	480	480
Overcrowding	55	55
Functional Rental Market	145	145
Unfilled Jobs	280	280
Total Keep-Up (Projected Needs)	820	1,070
Job Growth	265	515
Retiring Employees	555	555
Total Housing Units Needed through 2029	1,300	1,550

Note: figures rounded to nearest 5

³ More detail on how estimated catch-up and keep-up housing needs are calculated is provided in the Current and Projected Community Housing Needs section of this report. Estimates are also provided for housing needs by North and South Valley and ownership/rental units, recognizing that locally-generated goals in combination with opportunities (primarily funding and land) and private market performance will all be factors when determining income targeting, price points, owner/renter mix and the location of housing produced to address needs.

Addressing housing needs will require well designed and aggressive local policies, financial subsidies, and creative partnerships that build upon the existing achievements of the jurisdictions, local organizations, employers, developers, and the community. Determinations on how each jurisdiction and the Valley as a whole respond to the estimated housing needs is based on each community's values and growth goals.

This Housing Needs Assessment provides the information and story behind the housing spectrum. The Assessment summarizes the local housing challenges of residents, employees, employers, and the community as whole; and the already great strides that have been and are being taken to improve community housing options that support a thriving and vibrant Gunnison Valley.

COMMUNITY HOUSING SUCCESSES

The Valley's community housing stock now represents about 10% of the Valley's occupied housing units.

The Valley has built a commendable amount of community housing since 2016, 255 units in total, significantly ramping up community housing investment. Most (70%) of this new inventory was built in the South Valley where the community housing inventory more than doubled since 2016. The Valley's community housing stock now represents about 10% of the Valley's occupied housing units.

Employers have also been active, with 42% of 2024 survey respondents providing some type of housing assistance to employees. Survey respondents reported providing 503 beds rented to employees, 47 units of temporary/relocation housing for employees, housing stipends ranging from \$100 to \$600 per month, and helping 87 employees in recent years with first/last/deposit payments to secure rental units. Over 70% desire to begin or continue helping employees with housing.

The provision and development of this much community housing should be celebrated. Bringing such projects to fruition is fraught with challenges and barriers. Overcoming these headwinds requires the public, private, non-profit, and all community sectors to commit to and support the goal of housing the community.

(See *Housing Inventory* section)

CONTINUED COMMUNITY HOUSING SHORTFALL

Despite successes in providing housing that is and will remain affordable for residents, market trends continue to impose significant challenges for residents, employees, employers, and the community overall. A few key observed trends illustrate the underlying challenge of housing affordability and availability for local residents and employees in the Valley.

1. Incomes are not keeping up with rising home prices and rents.
2. Job growth and housing development are not aligned.
3. Local housing opportunities in the South Valley are disappearing.

1. Incomes are not keeping up with rising home prices and rents.

The balance between household income and what housing costs is a struggle. This is not new; this imbalance was apparent in 2016 but has gotten worse.

The increase in home sale prices has been outpacing the rise in resident incomes, meaning that it has become harder for people earning their living locally to buy homes. Whereas a household earning \$160,000 per year in 2016 could have afforded median priced housing for sale in the Valley; today, a household must earn \$350,000 (422% AMI) to afford median priced housing for sale in the Valley at \$1,099,000 in 2023.

In the North Valley, rent increases, while significant in recent years, have been more aligned with increases in resident incomes since 2016. When starting from a position of poor affordability, particularly in the North Valley, however, this just means that rentals have remained out of reach; they have not become more affordable.

South Valley residents have been feeling the pinch even more so. Rents have been rising three-times faster in the South Valley, shrinking the gap between North and South Valley rents.

Overall, rentals are moderately affordable when compared to many resort-impacted communities, but the lack of supply and, in many cases, quality, makes finding housing to rent extremely hard. Additionally, the vast majority of resident renters need homes priced below \$2,000 per month (80% AMI). Only 13 listings were available in February and March throughout the Valley at or below this price. New rental units cannot be built for this price in the Valley without financing assistance (e.g., Low Income Housing Tax Credits, local subsidies, free land and water taps, etc.).

(See *Market Conditions* and *Household Demographics (Household Income Distribution)* sections)

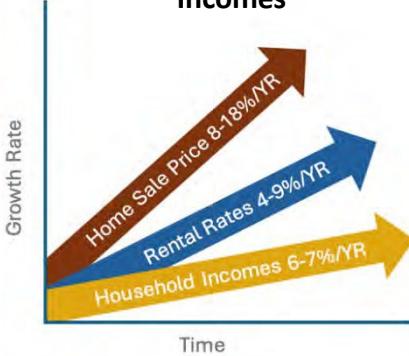
2. Job growth and housing development are not aligned.

Since 2016, the overall growth in housing units, regardless of occupancy, has occurred at about one-half the rate of job growth – creating more of a shortage.

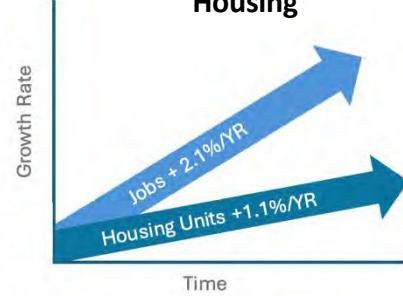
Despite this, new development included a very commendable 247 units of restricted community housing units, meeting about 40% of the below-market housing needed during this time to accommodate employees filling new jobs. More community housing, however, is needed to address demand and achieve a functional rental market with a 5% vacancy.

To be successful, new development needs to at least keep pace with job growth to ensure new employees can find the housing they need. Further, **addressing community housing needs is more than just adding supply – it is adding supply at the right price to support the resident and employee**

Change in Home Prices and Incomes



Change in Jobs and Housing



community. Of the 1,300 to 1,550 housing units projected to be needed through 2029, at least 75% need to be priced below market to meet the growing needs of local residents and employees. Responding to this need will require a combination of market rate development, public/private/non-profit partnerships, creative financing, supportive policies, and community involvement.

(See *Housing Inventory*, *Economic Conditions*, and *Current and Projected Community Housing Needs* sections).

3. Local housing opportunities in the South Valley are disappearing.

Just a couple years ago, homes priced below \$500,000 were available in the South Valley, which is where the majority of employees who work in both the North and South Valley searched for and found homes to buy. Beginning in 2020 and continuing through last year, **homes priced below \$500,000 have been quickly disappearing.** Only 33 homes are now for sale at this price point, 26 of which are condos in the North Valley built primarily for part-time occupancy and have HOA fees in excess of \$500 per month.

Households looking to buy a home will find few options below \$800,000 in the North Valley or below \$500,000 in the South Valley. A \$500,000 home, however, requires incomes upwards of \$165,000 per year (200% AMI) to afford. Only 19% of residents have incomes at this level.

Rents in the South Valley, once 40% lower than in the North Valley, are now only 20% lower, as **housing prices across the Valley are rising and converging at the higher end.**

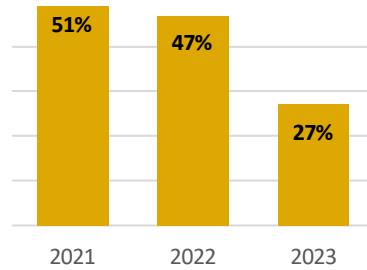
As the housing options that residents and employees can afford diminish in the Valley, it becomes even more important to provide opportunities locally.

(See *Market Conditions* and *Household Demographics (Household Income Distribution)* sections)

4. Housing problems are still prevalent among residents.

Several other indicators point to the housing struggles – observed and hidden – that residents are experiencing. The resident survey probed several potential problems, from the inability for residents to find suitable housing, housing costs far exceeding their ability to pay (i.e., cost burden), needs for home repairs to address livability, and stress experienced from uncertain and changing housing market factors and prices. These issues are summarized in the below table, along with an estimation of the number of owner and renter households in the Valley that are experiencing each problem.

% of Homes Sold for <\$500,000: South Valley



"My household is dual income, multiple degrees, no kids. All our money goes to rent, leaving nothing to build up savings. We are one emergency or extra expense away from not being able to make rent. If we want to have a family, we cannot do so in the Valley."

- Resident survey Respondent

While many of these problems are duplicative – meaning that some households that are severely cost-burdened are also dissatisfied with their home and are still searching for suitable housing – the table illustrates the extent to which each problem affects owners and renters in the Valley. When devising

programs, prioritizing objectives and planning housing to serve residents, it is important to understand these underlying issues and their relevant impacts.

Housing Problems Affecting Residents

	Response %		Household #'s	
	Owners	Renters	Owners	Renters
Homeless/poorly housed:				
Homeless - living in vehicle/couch surfing	-	3%	-	96
Still searching for suitable housing I can afford	2%	12%	80	337
Overcrowded - more than 2 per bedroom	1%	4%	54	106
Housing conditions:				
Very dissatisfied	3%	10%	134	272
Upgrades needed to accommodate disability	1.5%	2%	67	54
Households displaced/forced to move in the past 5 years:		12%	54%	520
Converted to short term rental	-	12%	-	332
Rent increased too much	-	21%	-	574
Lease renewal was not an option	-	27%	-	743
Owner moved in	-	11%	-	310
Home was sold	-	21%	-	577
Unstable households:				
Severely cost-burdened (>50% of income needed to pay for housing)	11%	18%	495	486
Housing stress - worried I may not have stable housing in 2 months	5%	38%	210	1,065
Payment stress - utilities threatened to be turned off at least once in past 12 months	5%	8%	208	209

Source: 2024 Resident Survey

BUSINESSES VALLEY-WIDE ARE ADVERSELY IMPACTED

Jobs, employees, housing, and businesses are tied together. Businesses cannot function if employees cannot find homes.

When asked to what extent the availability of housing for the workforce is a problem in the Valley in the 2024 employer survey, nearly all employers (92%) felt that it was one of the more serious problems, if not the most critical problem. Over 70% of employers have encountered problems keeping or hiring employees due to the lack of housing.

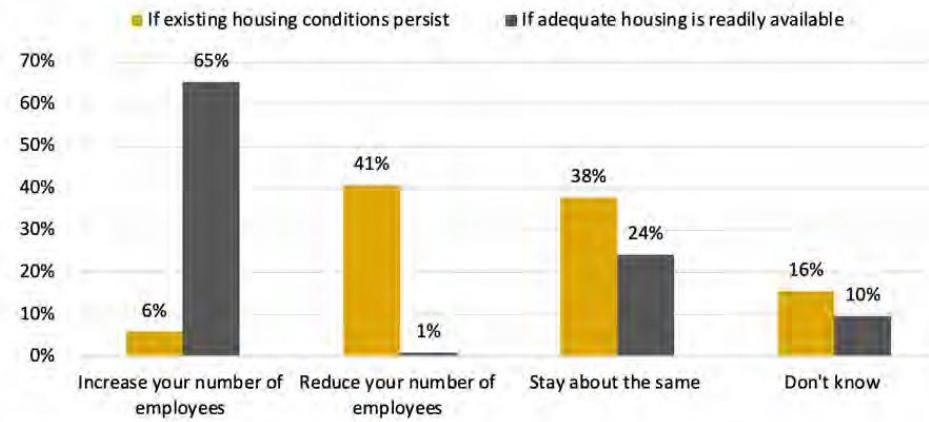


The effect this has on Valley employers is significant. This winter, over 8% of jobs were unfilled. While the labor shortage is a national trend, having an available and affordable supply of homes for employees to occupy is a competitive advantage in tight labor markets.

Primary problems experienced due to understaffing include employees covering multiple jobs, employees being overworked and experiencing burnout, unskilled employees filling positions, followed by a decreased ability to provide quality customer service, increased employee turnover, and an inability to grow businesses. Just over 40% of North Valley employers stated they needed to reduce hours or periodically shut doors due to inadequate staffing.

If tight housing conditions persist, most employers indicated that they will either reduce their number of employees (41%) or stay the same size (38%) over the next five years. If more housing options affordable for employees are available, these same employers expect

In the next five years (by 2029), under two different housing scenarios, how do you foresee your employee numbers changing?



Note: Percentages may not add to 100% due to rounding
Source: 2021 Employer Survey

they could fill the vacant jobs they currently have and relieve some of their overworked employees by increasing their number of employees to meet demands (65%).

Therefore, the lack of housing for residents and the workforce impacts not only business revenue and their ability to operate, but also the health and quality of life for employees and residents, available services, local tax revenue, and the experience of visitors.

(See *Housing Inventory* and *Economic Conditions* sections).

HOUSEHOLD DEMOGRAPHICS

POPULATION

The population of the Gunnison Valley is estimated to be about 16,800, representing 94% of the county's population. The Valley's population increased slightly faster per year between 2020 and 2024 (1.4% per year) than in the prior decade (1.0% per year from 2010 to 2020). Over two thirds (68%) of Valley residents live in the South Valley, which has remained fairly consistent since 2010. The Colorado Demography Office forecasts 0.85% per year population growth on average from 2024-2029, below the longer-term rate of about 1.11% in the county and Valley from 2010-2024. The Valley will be home to about 17,560 residents in 2029 if it grows at the rate forecasted by the state and 17,800 if it grows at its higher longer-term rate.

Population, 2010-2024

	2010 Census	2020 Census	2024 Estimate
Gunnison County	15,324	16,918	17,837
Gunnison Valley	14,419	15,951	16,833
North Valley	4,501	5,116	5,372
South Valley	9,918	10,835	11,461

Source: U.S. Census, ACS 2018-2022 5-year estimates, local building permits

The age distribution of the Valley is very similar to that of Gunnison County, but there are differences from south to north. The median age of the South Valley is about 31, much lower than the North Valley (43), which would be expected given the presence of Western Colorado University. About 41% of the South Valley population is between the ages of 19 to 34 and 44% of the North Valley population is between the ages of 35 to 54. Senior residents aged 65 and up represent about 12% of the Valley, with a higher share in the south than in the north. Overall, the population is aging slowly, particularly in the North Valley, where the median age has risen by about 3 years since 2016.

Estimated Age Distribution

	Gunnison County	Gunnison Valley	North Valley	South Valley
Under 18	16%	16%	17%	16%
19 to 24	18%	19%	5%	25%
25 to 34	14%	15%	12%	16%
35 to 44	14%	14%	22%	11%
45 to 54	12%	12%	22%	8%
55 to 64	12%	11%	13%	10%
65+	14%	12%	9%	14%

Source: U.S. Census, ACS 2018-2022 5-year estimates

The Hispanic or Latino population makes up about 10% of all residents of Gunnison County and the Gunnison Valley. The majority of this population resides in the South Valley, where 13% of residents are

of Hispanic or Latino origin. The percentage of residents of Hispanic or Latino origin has remained relatively steady or increased slightly over the past decade.

Percentage of Residents of Hispanic or Latino Origin

	2012	2017	2022
Gunnison County	8%	9%	10%
Gunnison Valley	9%	9%	10%
North Valley	4%	3%	5%
South Valley	11%	12%	13%

Source: U.S. Census, ACS 2018-2022 5-year estimates

HOUSEHOLDS

The Gunnison Valley is estimated to have about 7,100 households (occupied housing units), representing 94% of all households in Gunnison County. Like population, the average rate of growth of the number of households in the Valley grew faster from 2020 to 2024 (1.6% per year) than in the decade from 2010 to 2020 (0.9% per year). About two thirds (67%) of Valley households are in the South Valley.

Households, 2010-2024

	2010 Census	2020 Census	2024 Estimate
Gunnison County	6,516	7,135	7,581
Gunnison Valley	6,126	6,680	7,109
North Valley	2,052	2,256	2,381
South Valley	4,074	4,424	4,728

Source: U.S. Census, ACS 2018-2022 5-year estimates, local building permits

Fifteen percent of households in Gunnison County and the Valley have one or more people with a disability, 83% of which live in the South Valley.

Households with one or more people with a disability

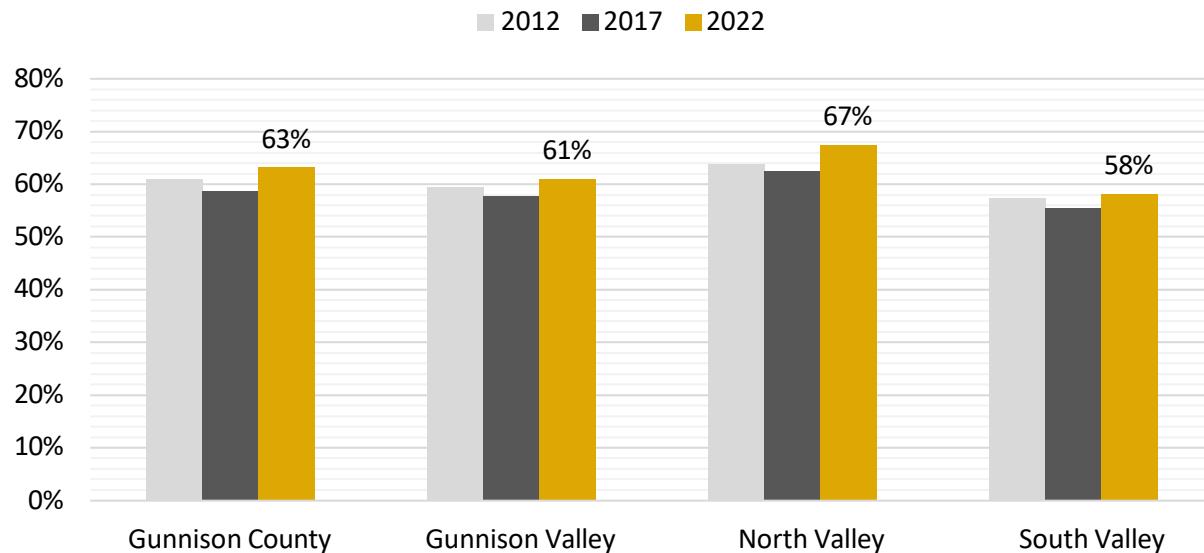
Gunnison County	15%
Gunnison Valley	15%
North Valley	8%
South Valley	18%

Source: U.S. Census, ACS 2018-2022 5-year estimates

TENURE OF HOUSEHOLDS (OWN AND RENT)

About 6 out of 10 households in Gunnison County (63%) and Gunnison Valley (61%) own their home, which is very similar to the estimated homeownership rate ten years prior. The rate of homeownership remains higher in the North Valley (67%) than the South Valley (58%).

Homeownership Rate, 2012-2022



Source: ACS 5-year estimates (2008-2012; 2013-2017; 2018-2022)

HOUSEHOLD INCOME DISTRIBUTION

The U.S. Department of Housing and Urban Development (HUD) calculates the median family income (MFI) for each county annually, which forms the basis for area median income (AMI) limits used in state and federal housing programs. Tracking changes in the MFI provides insight into how household incomes in the Gunnison Valley have shifted over time.

- In 2024, the MFI for Gunnison County is \$120,100, nearly double what it was in 2016.
- Between 2016 and 2020, changes in MFI were relatively modest. However, since 2020, rising wages and inflation have led to much larger increases, with MFI jumping over 20% in both 2022 and 2024.

Despite these income increases, rapid housing price growth and limited availability continue to create affordability challenges for local residents and workers.

HUD Median Family Income, Fiscal Year 2016-2024

Fiscal Year	HUD MFI	Annual Change (%)
2016	\$68,800	---
2017	\$70,800	2.9%
2018	\$69,200	-2.3%
2019	\$71,000	2.6%
2020	\$75,400	6.2%
2021	\$80,600	6.9%
2022	\$98,100	21.7%
2023	\$100,000	1.9%
2024	\$120,100	20.1%

Source: HUD Income Limits Documentation System

The distribution of households in Gunnison County by AMI is shown below. The table also shows the income range for the average household size in the Valley (2-persons) at each AMI level.

- About one in three households (33%) earn less than 60% AMI, or about \$50,000 for a 2-person household.
- About one in five (19%) households earn above 200% AMI, most of which are homeowners.

The table also illustrates the point at which households that are renting often become homeowners, which occurs when incomes rise to between 80% to 100% AMI. As shown below, a similar percentage of owners and renters earn between 80% to 100% AMI. A much higher percentage of homeowners (61%) earn over 100% AMI than renters (22%); conversely, a much higher percentage of renters (67%) earn 80% AMI or less than owners (27%). This trend is common among communities and helpful to understand when devising homeownership programs.

Gunnison Valley Household Income Distribution, 2024

	Income Range (2-person household)	Rent	Own	Total
<60%	< \$49,440	56%	18%	33%
60.1-80%	\$49,441 to \$65,920	11%	9%	10%
80.1-100%	\$65,921 to \$82,400	11%	12%	12%
100.1-120%	\$82,401 to \$98,880	6%	12%	10%
120.1-150%	\$98,881 to \$123,600	7%	12%	10%
150.1-200%	\$123,601 to \$164,800	3%	10%	7%
200.1-300%	\$164,801 to \$247,200	4%	9%	7%
>300%	> \$247,200	2%	18%	12%
TOTAL	-	100%	100%	100%

Note: Percentages may not add to 100% due to rounding

Source: CHFA; Ribbon Demographics, LLC; consultant team

The following table illustrates the type of employees that may fall within various AMI levels, as illustrated by a 1-person household earning within the typical wage range for various industries in the Gunnison Valley.

- Primarily service workers and entry-level construction laborers can be expected to earn 70% AMI or less;
- Mid-level teachers, emergency responders, and health care workers are likely to earn in the middle range (80% to 120% AMI); and
- Professional staff, such as engineers, physicians and nurse practitioners, may earn in the upper range (e.g., over 150% AMI).

Renters earning between 80 to 100% AMI often seek to become homeowners; programs helping this happen can retain employees and young families in the community.

Gunnison Valley Occupations, Income, and Affordable Housing Cost, by AMI Range

Gunnison Valley Occupation	1 Person Household Income [1]	Single Person Affordable Monthly Housing Cost [2]	2024 AMI Range
Lodging Staff	\$30-\$40k	\$750-\$1,000	40%-55%
Childcare workers	\$30-\$45k	\$750-\$1,150	40%-60%
Restaurant and Bar (wait staff, bartenders, food prep, cooks)	\$30-\$50k	\$750-\$1,250	40%-70%
Construction Laborers	\$32-\$50k	\$800-\$1,250	45%-70%
Crested Butte Mountain Resort (entry level - lift operator, etc.)	\$40-\$45k	\$1,000-\$1,150	55%-65%
Teacher (entry to mid-level)	\$48-\$61k	\$1,200-\$1,500	65%-85%
Police and Sheriff's Patrol Officers, Paramedic	\$54-\$79k	\$1,350-\$2,000	75%-110%
Registered Nurse (RN)	\$67-\$91k	\$1,650-2,250	90%-125%
Civil Engineer	\$75-\$112k	\$1,900-\$2,850	100%-160%
Physician Assistant / Nurse Practitioner	\$95-\$140k	\$2,400-\$3,500	135%-195%

[1] Represents paid wage only; exclusive of tips (where applicable). Represents typical wages paid in Gunnison County; individual employers may vary

[2] Represents 30% of 1-person household income, rounded

Note: 2024 AMI ranges are rounded to nearest five

Source: Colorado Dept. of Labor and Employment OEWS, GWSD Teacher Salary Schedule 2023-2024, Colorado Sun

ECONOMIC CONDITIONS

Current and projected economic conditions are important drivers of housing needs. This section includes information on the current and projected total number of jobs, jobs and wages by sector, seasonal changes in employment, jobs held per worker and workers per household, number of unfilled jobs and anticipated retirements, and presents employer perceptions about the current housing market. Projections of future job growth do not include analyses of available land use and zoning capacity. Land use capacity is a critical element to realizing the projected growth. Jurisdictions can use these projections to help seed discussions about local growth goals and the capacity for each community's land use plans to accommodate growth.

JOBS ESTIMATES AND PROJECTIONS

There are currently over 13,000 jobs in Gunnison County. Almost all jobs (87%) are estimated to be in Gunnison Valley. Of these, 58% are in the South Valley and 42% in the North Valley, which has been fairly consistent since 2016.

- Between 2012 to 2022, jobs in the county grew at an average rate of about 2.1% per year. This time period included the Covid downturn and recovery.⁴
- Looking forward, the Colorado Demography Office projects a slower rate of growth from 2024 to 2029 (about 1.1% average growth per year). This is in part due to demographic changes toward an older population and projected insufficient in-migration and retention of younger workers to replace retirees and fill new jobs.⁵

In the following table, the “low” growth rate reflects the slower pace of job growth projected by the Demography Office. The “high” growth rate assumes historic patterns will continue.

Job Estimates and Projections

				Average Yearly % Growth	
	2024	2029 (low)	2029 (high)	(low)	(high)
Gunnison Valley	11,477	12,111	12,714	1.08%	2.07%
North Valley	4,854	5,122	5,377	1.08%	2.07%
South Valley	6,623	6,989	7,337	1.08%	2.07%

Source: Colorado Demography Office, LEHD, ESRI, Consultant Team

⁴ The 2016 Assessment estimated jobs would grow at a rate of about 2% between 2016 and 2020, coinciding closely with actual growth during this time.

⁵ See “Demographic Trends in Colorado Ski Towns,” presentation to Colorado Association of Ski Towns by Greg Totten, Colorado Department of Local Affairs, March 5, 2024.

JOBs AND WAGES BY SECTOR

The distribution of wage and salary jobs by sector changed very little since the 2016 assessment. From 2016 to 2022, the largest change was in the Accommodation and Food Services sector, which declined by about 4 percentage points as a share of jobs in the county. This sector was hit very hard during the pandemic and still hasn't recovered to its pre-pandemic employment level.

Wage and Salary Job Distribution, 2016-2022

	2016	2018	2020	2022	Percentage Point Change (2016-2022) [1]
Accommodation and Food Services	19.4%	18.7%	15.6%	15.4%	-4.0
Retail Trade	12.6%	12.3%	12.6%	11.7%	-0.9
Arts, Entertainment, and Recreation	10.8%	10.6%	8.8%	8.9%	-1.9
Educational Services	9.8%	10.1%	10.7%	10.0%	0.2
Public Administration	8.6%	8.4%	8.6%	8.0%	-0.7
Construction	8.3%	8.9%	9.9%	9.4%	1.1
Health Care and Social Assistance	7.7%	8.2%	9.7%	9.1%	1.4
Professional and Technical Services	4.4%	4.4%	4.9%	4.9%	0.5
Real Estate and Rental and Leasing	3.2%	3.2%	3.3%	3.4%	0.2
Other Services, Ex. Public Admin	2.9%	2.7%	2.2%	2.6%	-0.3
Administrative and Waste Services	2.5%	2.8%	3.2%	3.0%	0.6
Finance and Insurance	2.0%	1.8%	1.7%	1.5%	-0.5
Transportation and Warehousing	1.9%	2.2%	2.7%	2.5%	0.6
Mining	0.0%	0.0%	0.0%	4.2%	4.2
Other	6.0%	5.9%	6.0%	5.4%	-0.6

[1] Differences may exist due to rounding

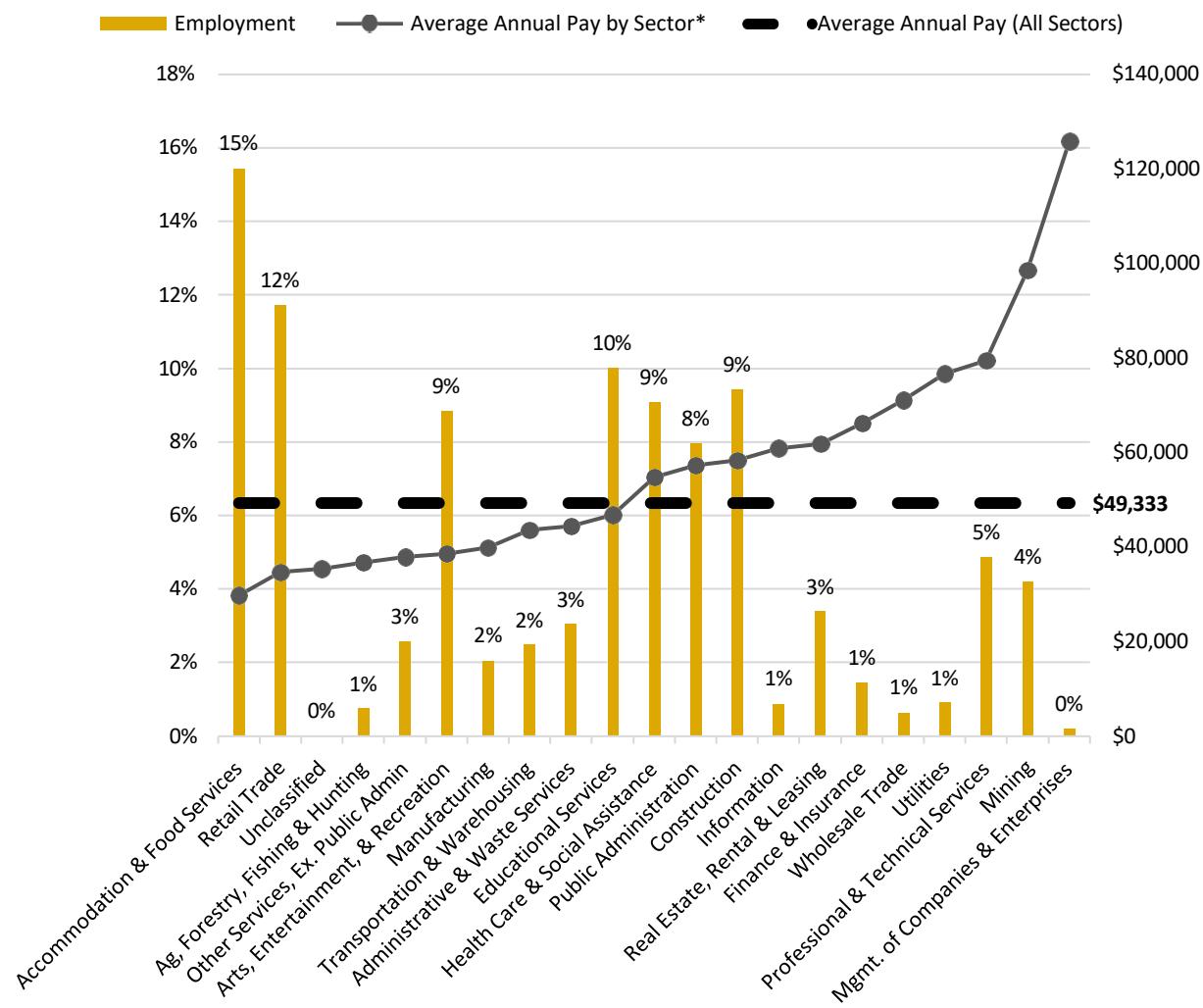
Note: Percentages in all other columns may not add to 100% due to rounding

Source: BLS QCEW, Consultant Team

The annual average wage paid by jobs in Gunnison County in 2022 was \$49,333. Wages have increased an average of 5.6% per year since 2016, including a 10% increase in 2022.

- Three prominent employment sectors pay wages that are well below the average annual wage in the county. Jobs in Accommodation and Food Services; Arts, Entertainment, and Recreation; and Retail make up about 36% of all jobs in the county, but pay \$29,744, \$38,532, and \$34,684, respectively.
- Education, Health Care, Public Administration, and Construction comprise another 36% of jobs, and all pay wages at or just above the average wage in the county.

Gunnison County Wage and Salary Employment and Annual Pay by Sector, 2022



Note: Wages represent average wages paid by employers in each sector; data does not include tips or other income that is not paid directly by the employer

Note: Percentages may not add to 100% due to rounding

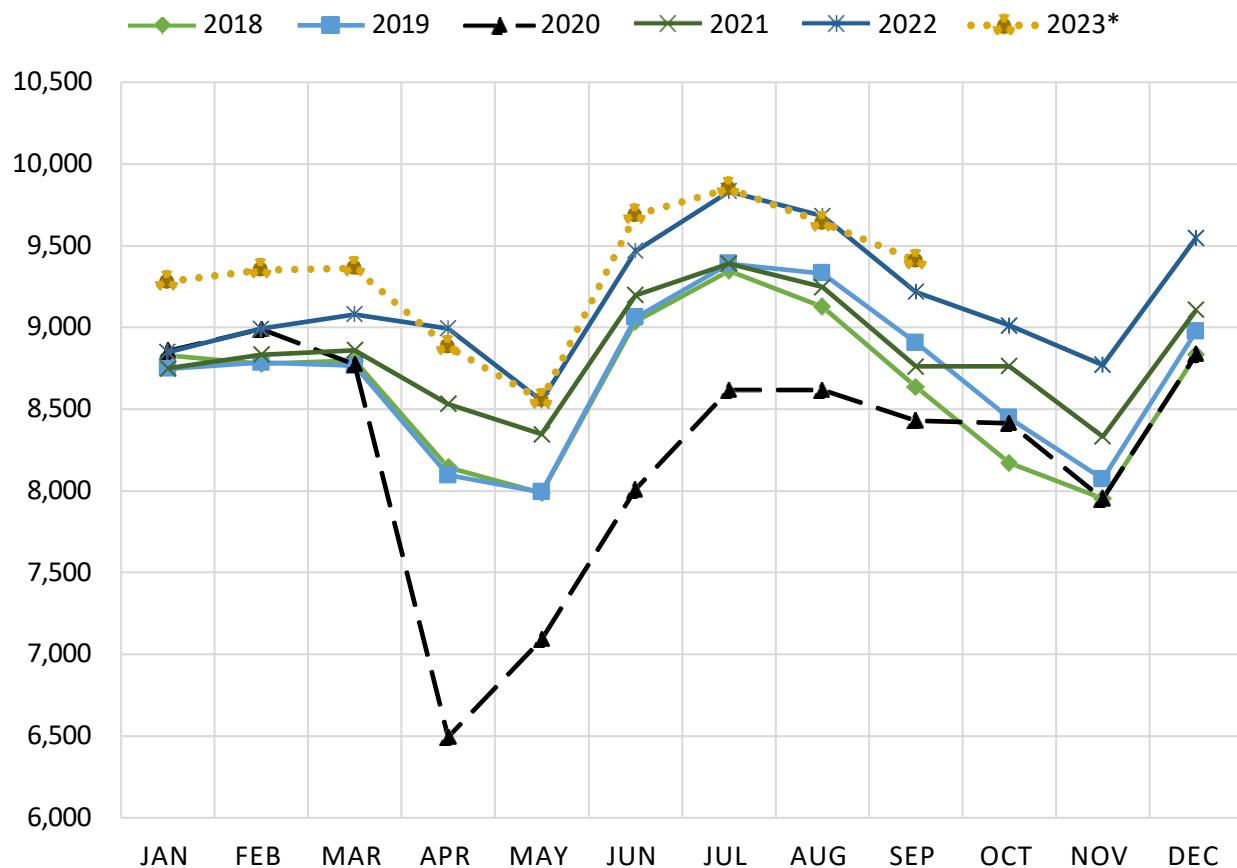
Source: CO Department of Labor and Employment, LMI Gateway (QCEW), Bureau of Labor Statistics (QCEW), Consultant Team

SEASONALITY OF JOBS

Gunnison County continues to experience employment peaks in both the summer and the winter, although the change from seasonal lows to highs is less than prior to Covid, indicating a slight decrease in job seasonality.

- Jobs rose 12% in the summer and 7% in the winter in recent years from the lows seen in May and November.
- Prior to Covid (in 2016 to 2019), the rise was about 16% in the summer and 10% in the winter.

Seasonality of Jobs: Gunnison County Wage and Salary Employment, 2018 to Q3 2023



*2023 figures through September from BLS are preliminary and subject to change

Source: BLS QCEW

JOBs PER EMPLOYEE AND EMPLOYEES PER HOUSEHOLD

Because jobs require people to fill them, and people need homes to live in, this section provides the information necessary to translate new or unfilled jobs into the number of housing units needed by workers filling them.

- The 2016 assessment estimated that employed residents hold an average of 1.24 jobs. Employees in most mountain resort communities hold 1.2 to 1.3 jobs on average.⁶ Employees responding to the 2024 employee/household survey hold 1.28 jobs on average.
- Households with at least one employed person have about 1.87 employees on average per the 2024 resident survey.

⁶ Research in similar resort communities show employees have consistently held between 1.2 and 1.3 jobs on average over at least the past decade. See, e.g., Eagle County, CO (2023); Teton County, WY (2022); Incline Village, CA (2021); San Miguel County, CO (2018); Town of Mammoth Lakes, CA (2017); Estes Park, Colorado (2015); etc.

Translation of Jobs to Households

	Gunnison Valley	North Valley	South Valley
Total Jobs (2023) (SDO, ESRI)	11,380	4,813	6,568
Jobs per employee (2024 employee survey)	1.28	1.28	1.28
Total employees filling jobs	8,890	3,760	5,130
Employees per household	1.87	1.87	1.87
Total households with at least one employee	4,755	2,010	2,745

Note: Differences are due to rounding

Source: SDO, LEHD, ESRI, consultant team

In addition to the jobs supplied in the Gunnison Valley, about 14% of households have at least one person that works from home on business conducted mostly outside of the Gunnison Valley. These remote workers are residents of the area, but do not hold one of the estimated Gunnison Valley jobs. The percentage of households with remote workers has remained fairly consistent since 2016, with only Mid Valley households increasing slightly (29% in 2024, up from 26% in 2016).

Do one or more household members work from a home office on business conducted all or mostly outside of the Gunnison Valley (e.g., remote worker)?

	North Valley	Mid Valley	South Valley	Overall
Yes	18%	29%	10%	14%
No	82%	71%	90%	86%

Source: 2024 Resident Survey

COMMUTING

Employers responding to the survey were asked where their jobs are located and where their workers live. Geographic regions for job locations included:

- The North Valley, Mid Valley, and South Valley to coincide with the market areas in this report and the 2016 assessment.
- Respondents were given the additional option of indicating jobs that occur in “multiple locations.” This includes construction, federal government jobs, some hospital staff, landscapers, and other jobs that do not occur at a fixed location in the Valley. The nature of these jobs means that employees will be commuting throughout the Valley, regardless of where they live.

This information is used to understand worker commute patterns within the Valley.

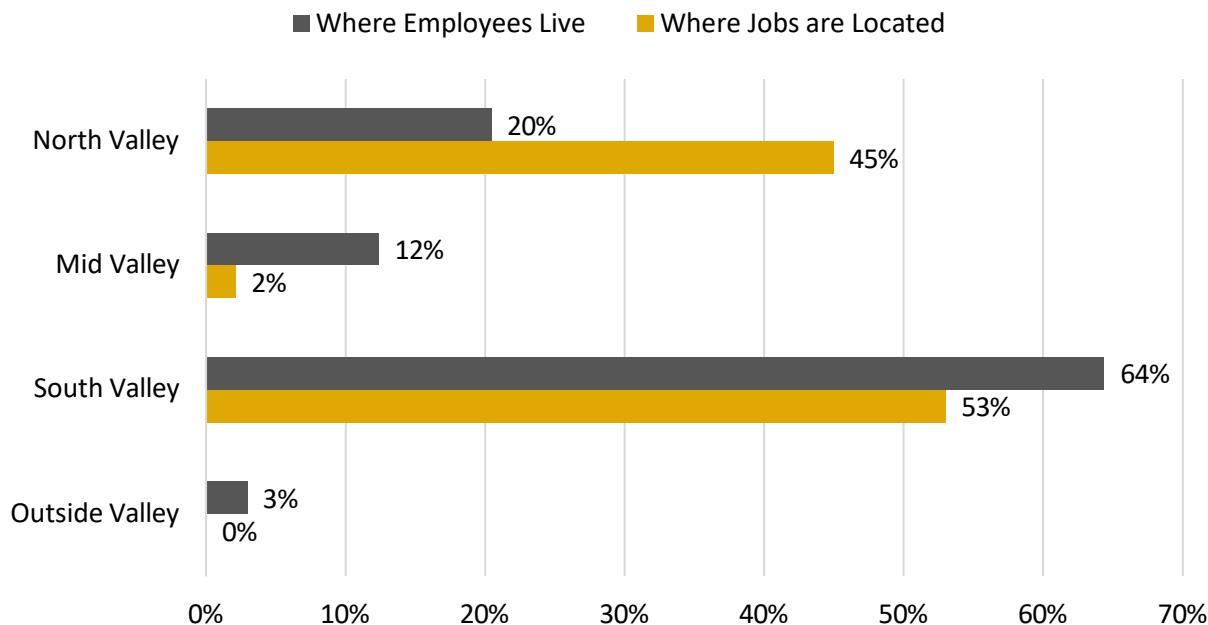
Where Workers Live

To reduce commuting, the percentage of employed residents living within a particular region of the Valley should be about the same as the percentage of jobs located within that region. Overall, commuting patterns have changed little since 2016. This is a positive trend because it indicates a relative balance between job locations and where workers reside within the Valley, even amid rising housing costs and stagnant wages, particularly in the North Valley.

Comparing where jobs are located to where employees are living shows that there is an imbalance of where jobs are located and where workers live:

- The South Valley is a net supplier of housing for workers in the Valley; the North Valley is a net supplier of jobs.
- A very low percentage of employees commute in from homes outside the Valley (3%, or about 270 employees).

Where Gunnison Valley Jobs are Located Compared to Where Employees Live: 2024



Note: Percentages may not add to 100% due to rounding
 Source: 2024 Employer Survey

More specifically:

- The North Valley houses about 51% of its workers, with 47% commuting from the South Valley and just 2% commuting from outside of the Valley. This is very consistent with commute patterns observed in 2016. Of employees that live and work in the North Valley, 24% reside in the area around Crested Butte South.
- The South Valley, in contrast, houses 88% of its workers, with just 7% coming from the North Valley and an additional 4% coming from outside of the Valley.
- Of employees working in jobs that occur in multiple locations, such as construction and landscaping, 79% reside in the South Valley, with 19% in the North Valley and 3% commuting from outside of the Valley.

Where Workers Live

	Work North Valley	Work South Valley	Work Multiple Locations
Live North Valley	51%	7%	19%
Live South Valley	47%	88%	79%
Live Outside the Valley	2%	4%	3%
Total	100%	100%	100%

Shading denotes workers live in the same region they work

Note: Percentages may not add to 100% due to rounding

Source: 2024 Employer Survey

Where Residents Work

The resident survey asked employed residents where they and members of their household work. Based on responses:

- About 90% of households in the North Valley with employed occupants have at least one household member that works in the North Valley. In other words, Gunnison Valley employees are unlikely to be residing in the North Valley unless at least one member of the household is employed in the North.
- Households in the South Valley that are employed are also very likely to have a local employee (91%).
- A higher percentage of South Valley households have an employee commuting to the North Valley (37%) than North Valley households with employees commuting to the South Valley (27%).
- The most notable change since 2016 is that a higher percentage of North Valley households have at least one employee **leaving** the Valley **for work** – 19% in 2024 compared to 13% in 2016, due mostly to a rise in apportioned mid Valley residents working outside of the Valley.

Where Resident Households Work

Where work:	Place of residence:	
	North Valley	South Valley
North Valley	90%	37%
South Valley	27%	91%
Outside of Gunnison Valley	19%	14%

Note: Totals add to over 100% because many households have more than one employee and some employees work in multiple locations
Source: 2024 Resident Survey

Commute Method

Residents were asked to specify whether workers in their household work from home, travel to work, or do a combination of the two. Based on responses:

- About two-thirds of employees living in the Valley travel to work all of the time (64%). Another 23% both work from home and travel to work some days.

- About 11% of employees work from home. Employees living in the North Valley and Mid Valley are more likely to work from home (14% and 22%, respectively) than employees living in the South Valley (8%).

Do employed household members work from home or travel to work?

	Place of residence:			
	North Valley	Mid Valley	South Valley	Overall
Work from home and travel to work	28%	29%	20%	23%
Work from home only	14%	22%	8%	11%
Travel to work only	57%	47%	71%	64%
Total	100%	100%	100%	100%

Note: Percentages may not add to 100% due to rounding

Source: 2024 Resident Survey

Survey respondents were asked to report how frequently they use each of the following modes of travel to get to work each week. As shown below:

- Working at home and telecommuting are more common among workers living in the Mid Valley than in the North and South;
- Employees living in the North and Mid Valley are more likely to use the bus than those living in the South Valley;
- North Valley employed residents are the most likely to walk or bike and least likely to drive alone than employees living in the Mid or South Valley.

Which modes of travel do you use to commute to work throughout the week?

	Place of residence:			
	North Valley	Mid Valley	South Valley	Overall
Work at home	36%	44%	27%	31%
Car (one person)	70%	80%	83%	80%
Carpool/vanpool	4%	13%	9%	9%
Bus	21%	28%	14%	18%
Walk or bike	50%	10%	38%	36%
Telecommute	5%	14%	4%	6%

Note: Totals add to over 100% because respondents use more than one commute mode each week

Source: 2024 Resident Survey

RETIRING EMPLOYEES

As employees retire, employers will need to fill those jobs, and the new employees will need housing. Many retirees will stay in the Valley and remain in their homes, although some will sell their homes and leave. If they do leave, most of those homes will not be attainable to new employees. They will likely be purchased by other retirees, second homeowners, or investors.

Respondents to the employer survey report that about 11.6% of their employees will retire within the next five years, which is higher than that reported in 2016 (7%).

UNFILLED JOBS AND TURNOVER

Unfilled Jobs

When employers cannot fill jobs, business hours are reduced, employees are overworked, and service levels decline. This affects not only local business operations, but level of service to visitors and residents, and, ultimately, tax revenue to the community. Employers have reported increased difficulty recruiting and retaining workers to fill positions. In this tight labor market environment, having housing opportunities for the local workforce provides a competitive advantage. Unfilled jobs are a key indicator of the need for additional workforce housing.

- About 8.1% of jobs in the Valley during the winter of 2024 were unfilled. This varies by job location, with those operating in multiple locations (healthcare, government, construction, etc.) reporting the highest unfilled job rate (11.2%) and those operating in the South Valley reporting the lowest rate (4.0%).
- Valley employers estimate 5.0% of jobs were unfilled last summer. This is up from 2016, when employers reported that about 3.4% of summer jobs were unfilled.

Unfilled Jobs

	Winter 2023/24	Summer 2023
Gunnison Valley	8.1%	5.0%
North Valley	7.8%	7.9%
South Valley	4.0%	3.4%
Multiple Locations	11.2%	7.1%

Source: 2024 Employer Survey

Understaffed

Over 80% of employers across the Valley have experienced problems related to being understaffed, the most prevalent being employees covering multiple jobs/positions (65%), followed by employee dissatisfaction/frustration/burnout (55%), and unskilled employees filling positions (42%).

- Employers in the North Valley are more likely than South Valley employers to experience employee dissatisfaction/frustration/burnout (59%) and unskilled employees filling positions (44%). Almost one-half (46%) of employers in the North Valley report that they are unable to grow their business due to a lack of staff compared to about one-fifth (22%) of employers in the South Valley.
- Employers in the South Valley, as well as those operating in multiple locations, are more likely to report reduced business hours/periodically closed doors due to being understaffed (41% South and 46% multiple locations) compared to the North Valley (18%).
- Close to one-third of North and South Valley employers have experienced decreased level of service and increased employee turnover due to being understaffed.

Has your business experienced any of the following problems related to being understaffed in the last year? (mark all that apply)

	Gunnison Valley	North Valley	South Valley	Multiple Locations
Employees covering multiple jobs/positions	65%	69%	65%	73%
Employee dissatisfaction/frustration/burnout	55%	59%	51%	73%
Unskilled employees filling positions	42%	44%	38%	27%
Decreased level of service/unsatisfied customers	36%	36%	35%	46%
Increased employee turnover	35%	31%	35%	64%
Inability to grow the business	34%	46%	22%	27%
Reduced business hours/periodically closed doors due to being understaffed	30%	18%	41%	46%
Exclusive / None of the above	18%	18%	16%	18%

Source: 2024 Employer Survey

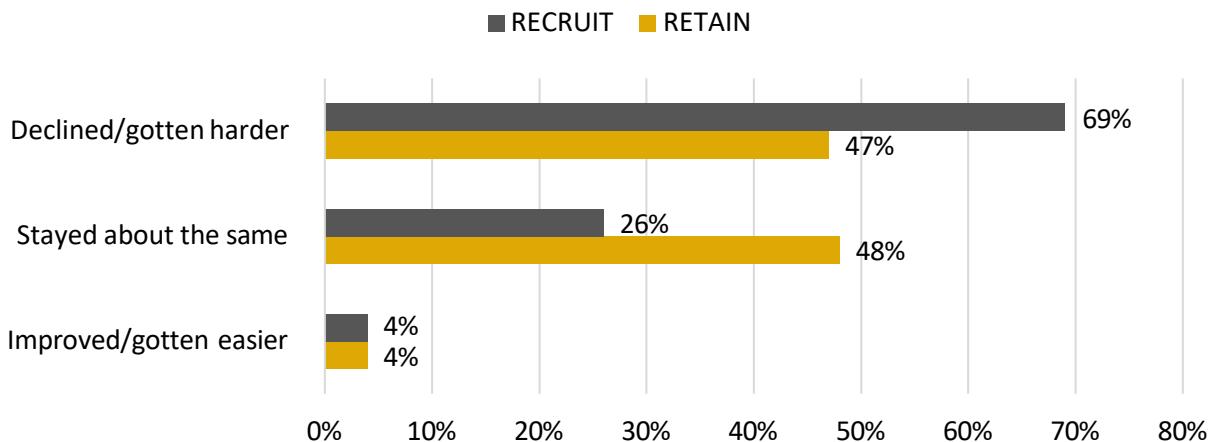
Hiring and Keeping Employees

Recruiting employees to fill jobs and to replace employees that leave is costly to a business. Aside from affecting business service levels and operations when jobs are unfilled (as discussed above), it costs money to recruit and train new employees, which quickly adds up when employees need to be replaced and job offers are declined.

Employers across the Valley report that their ability to both recruit new employees and retain existing employees has declined/gotten harder across the Valley in the last three years. The ability to recruit employees refers to employers' capacity to attract and hire suitable candidates to fill open positions. Employers' ability to retain employees refers to their effectiveness in keeping current staff employed in their jobs.

- Recruiting new employees: About 69% of employers across the Valley report a decline in their ability to recruit qualified employees over the past three years. North Valley employers, who have historically found it more difficult to recruit employees than other parts of the Valley, were less likely to feel that recruiting employees has gotten worse in recent years than employers in the South Valley. In other words, recruiting employees has continued to be hard in the North, but has gotten harder in the South.
- Retaining existing employees: About half of employers across the Valley reported that retaining employees has gotten harder and the other half reported that employee retention has remained about the same. Businesses operating in multiple locations indicate the highest rate of difficulty retaining employees, with 60% indicating that employee retention has declined or gotten harder in the last three years.

How has your ability to RECRUIT and RETAIN qualified employees changed over the past three years?



Note: Percentages may not add to 100% due to rounding

Source: 2024 Employer Survey

Employers were asked how many employees left their employment over the past year and how many potential hires declined jobs due to a lack of housing.

- The number of employees that left employment equates to 2.6% of employees in the Valley, or 240 employees which needed to be replaced.
- The number of potential hires that declined positions is equivalent to about 4.4% of Valley employees, or 400 employees in the Valley.

How many people, in your estimation, did not accept a job or left your employment in the past 12 months due to lack of housing?

	% Total Employees	# Total Employees
# of employees that LEFT your employment	2.6%	240
# of potential hires that DID NOT ACCEPT employment	4.4%	400

Source: 2024 Employer Survey

When employers were asked about the issues they experienced when finding or keeping qualified employees, “no/few applicants” was the most prevalent issue (76% of respondents), followed by a “lack of housing” (71%), and “unskilled applicants” (53%). Other issues were less of a problem, but show some differences by job location:

- In the South Valley, the lack of childcare (30%) is much more of an issue than reported by North Valley employers (15%).
- In the North Valley, workers tired of long commutes (20%) and employers observing drug/substance abuse issues (25%) are more prevalent than in the South Valley (3% and 11%, respectively).

In the past year, have you experienced any of the following issues in finding or keeping qualified employees? (select all that apply)

	Gunnison Valley	North Valley	South Valley	Multiple Locations
No/few applicants	76%	80%	73%	83%
Lack of housing	71%	70%	73%	75%
Unskilled applicants	53%	48%	54%	75%
Work ethic/dedication problems	37%	38%	32%	42%
Lack of childcare options	24%	15%	30%	33%
Drug/substance abuse	20%	25%	11%	33%
Lack of transportation	18%	15%	19%	25%
Long commute/tired of commuting	15%	20%	3%	25%
NONE OF THE ABOVE	13%	13%	14%	0%

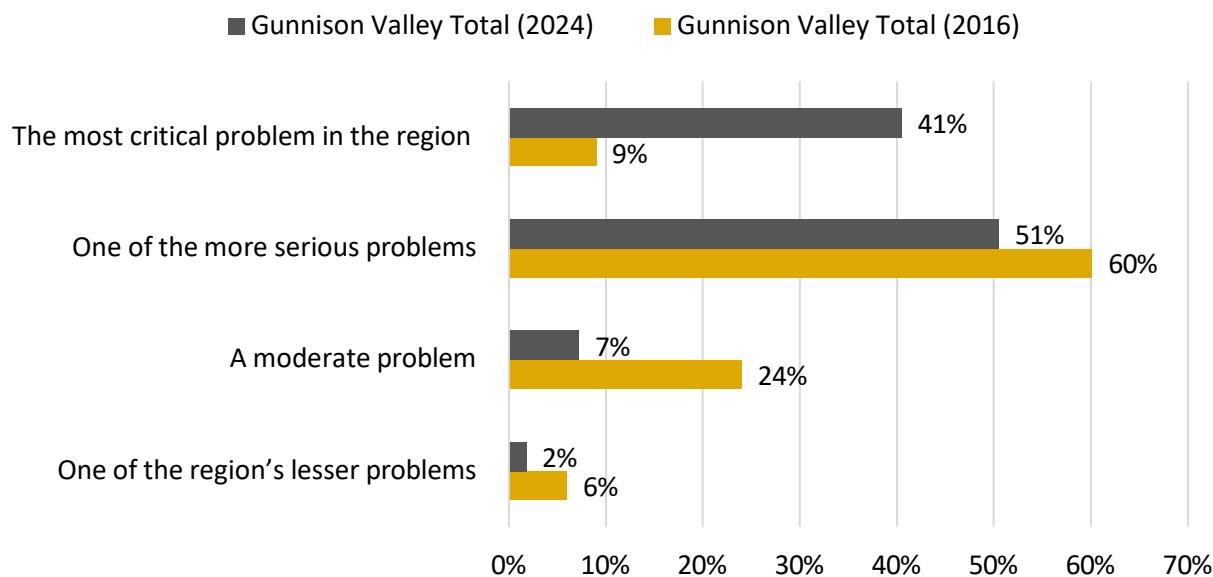
Source: 2024 Employer Survey

EMPLOYER PERCEPTIONS OF THE WORKFORCE HOUSING PROBLEM

Availability of Housing

The lack of availability of housing that is affordable for employees has become more of a problem for employers in the Valley since 2016. Nearly all employers (92%) stated the availability of housing is either the most critical problem or one of the more serious problems in the region, compared to 69% in 2016.

“Do you feel that the availability of housing that is affordable for the workforce in the Gunnison Valley is:” (2016 Compared to 2024)



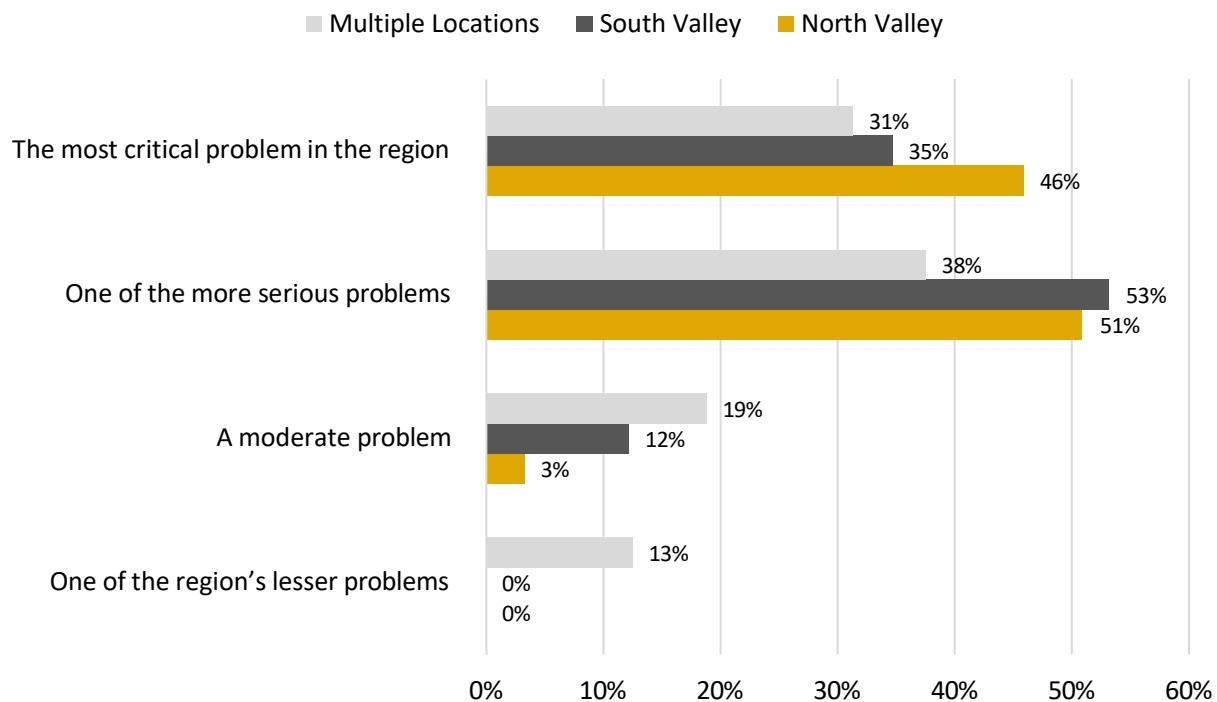
Note: Percentages may not add to 100% due to rounding

Source: 2024 Employer Survey

Differences by employer and job location are apparent:

- In the North Valley, 96% of employers indicated the availability of housing is the most critical (46%) or one of the more serious problems (51%).
- In the South Valley, 88% of employers indicated the availability of housing is the most critical (35%) or one of the more serious problems (53%).
- The percentage of employers stating housing is “the most critical problem” increased by about 30 percentage points among both North Valley and South Valley employers since 2016.

Do you feel that the availability of housing that is affordable for the workforce in the Gunnison Valley is:



Note: Percentages may not add to 100% due to rounding

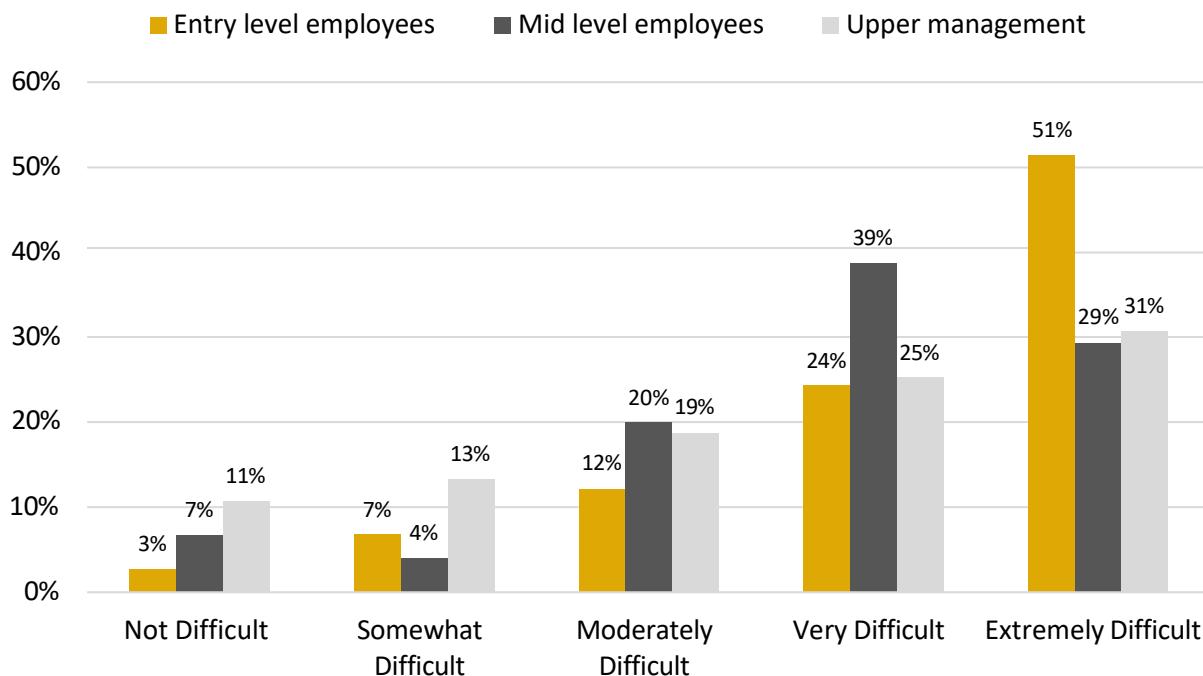
Source: 2024 Employer Survey

Difficulty Locating Housing

Employers report that employees across all levels have difficulty finding housing.

- Employers feel the issue is most pronounced for entry-level workers, 51% of whom find it “extremely difficult” to find housing.
- Mid-level and upper-level employees still struggle. About 76% of mid-level employees find it very difficult (39%) or extremely difficult (29%) to find housing. Over one-half (56%) of upper management employees also find it very (25%) or extremely difficult (31%) to find housing.
- Difficulty locating housing is consistent across both the North and South Valleys and is particularly acute for employees who work in multiple locations.

To what extent do your employees have difficulty locating housing in the area?



Note: Percentages may not add to 100% due to rounding

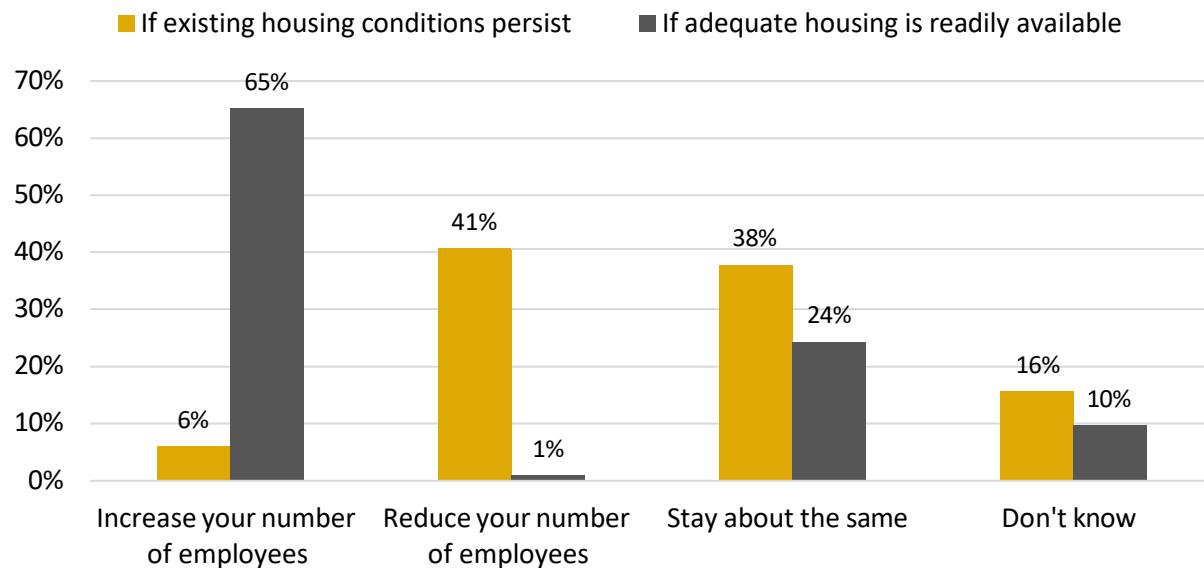
Source: 2024 Employer Survey

Projected Change in Employment

The lack of housing for employees making their living in the Valley is stifling employers' ability to acquire the staff they need to meet the current demand on their services, much less grow to keep up with increased demand. When asked whether employers expect to add employees, stay the same, or decrease their number of employees over the next five years, responses varied depending upon whether current housing conditions persist or if adequate housing were readily available in the Valley.

- Given current housing conditions, only 6% of employers indicated they would increase their number of employees, while 41% indicated they would reduce their number of employees.
- If adequate housing were readily available, the situation flips: 65% of employers indicated they would increase their number of employees and only 1% indicate they would decrease their number of employees.
- These patterns are similar throughout the Valley, with a slightly higher percentage of employers in the North Valley indicating they would increase their number of employees if adequate housing were available (71%) than South Valley employers (64%).

In the next five years (by 2029), under two different housing scenarios, how do you foresee your employee numbers changing?



Note: Percentages may not add to 100% due to rounding

Source: 2024 Employer Survey

HOUSING INVENTORY

This section discusses the housing inventory in Gunnison Valley, including the number of housing units and occupied housing, community housing inventory, employer housing participation, short term rental estimates, and pending development.

TOTAL HOUSING UNITS

About 670 new housing units are estimated to have been added to the Valley's housing stock in the last four years based on a review of residential permits issued.

Housing Units, 2010-2024

	2010 Census	2020 Census	2024 Estimate
Gunnison County	11,412	12,131	12,889
Gunnison Valley	10,064	10,536	11,203
North Valley	4,150	4,355	4,596
South Valley	5,914	6,181	6,606

Source: U.S. Census, ACS 2018-2022 5-year estimates, local building permits

OCCUPIED HOUSING UNITS

Nearly two-thirds (63%) of housing units in the Valley are occupied by local residents, while the remaining 37% are second homes, short-term rentals, or vacant properties awaiting sale or rental. Occupancy remains low in the North Valley at 52%, though it has risen from 46% in 2016. In the South Valley, nearly three-quarters (72%) of units are occupied by residents, consistent with the 2016 rate.

Housing Units by Occupancy, 2024 Estimate

	Gunnison County	Gunnison Valley	North Valley	South Valley
Housing Units	12,889	11,203	4,596	6,606
Occupied Units / Households	7,581	7,109	2,381	4,728
% occupied	59%	63%	52%	72%
Owner Households	4,786	4,334	1,605	2,729
Renter Households	2,795	2,775	776	1,999

Source: U.S. Census, ACS 2018-2022 5-year estimates, local building permits

COMMUNITY HOUSING INVENTORY

Community housing refers to dwellings occupied by or available to residents who live and/or work in the Valley that carry an occupancy, use, income, and/or price restriction.

There are 698 community housing units in the Valley with various levels of use, price, or occupancy restrictions, representing about 10% of occupied housing units in the Valley.

- Since 2016, about 255 community housing units have been added to the Valley, comprising 37% of the community housing inventory.

- About 56% of community housing units are in the North Valley and 44% in the South Valley. The South Valley more than doubled their community housing inventory since 2016.
- About 60% of community housing units in the Valley are rentals, one third are for homeownership, and the remainder can be either rented or owned by residents.

Gunnison Valley Community Housing by Location and Tenure

	Gunnison Valley	North Valley	South Valley
Homeownership			
Through 2016	137	98	39
2017-July 2024	89	47	42
Own Total	226	145	81
Rentals			
Through 2016	242	154	88
2017-July 2024	166	31	135
Rent Total	408	185	223
Either Homeownership or Rental			
Through 2016	64	64	0
2017-July 2024	0	0	0
Either Total	64	64	0
Total Homeownership and Rentals	698	394	304

Source: Gunnison Valley Housing Needs Assessment (Nov. 2016); Towns of Mt. Crested Butte and Crested Butte, GVRHA, Valley Housing Fund, Gunnison County Assessor records

Specific community housing developments since 2016 are shown in the following table and include:

- North Valley: New community housing inventory in the North Valley included new units in Crested Butte's Paradise Park neighborhood and other small projects, with more focus on homes for ownership than rentals.
- South Valley: A few larger community housing developments comprise most of the new inventory.
 - » GardenWalk – a mix of studio, one- and two-bedroom units with income limits of 30%-60% AMI and below. The development was financed with 9% Low Income Housing Tax Credits (LIHTC) and a low-interest loan from the Valley Housing Fund by Belmont Development.
 - » Paintbrush Apartments – a mix of studios and 1-, 2-, and 3-bedroom apartments. Units are affordable to households earning between 80% to 200% AMI and are restricted for occupancy by full-time workers in Gunnison County, retirees from a local job, or a person with a disability who previously worked in Gunnison County. The apartments were built through a public-private partnership between Gunnison County and Gatesco, Inc.
 - » Lazy K – comprising 21 free market homes and 44 income-restricted cabins and multi-plexes (2 to 5 units per building). Lazy K was a partnership between the City of Gunnison and High Mountain Concepts and included grant funding from DOLA.

Gunnison Valley Community Housing Inventory Built Since 2016

Project	Total Units	Own	Rent
Mt. Crested Butte	2	2	0
Homestead	2	2	---
Crested Butte	75	45	30
Paradise Park – Town Sponsored	35	35	0
Paradise Park – Self Build	10	7	3
Resident Occupied Affordable Housing (ROAH)	3	0	3
VHF - Paul Redden Workforce Housing	3	0	3
Miscellaneous	24	3	21
Gunnison	177	42	135
Wills Way	3	3	0
Paintbrush	76	0	76
GardenWalk	36	0	36
Lazy K	44	39	5
Sawtooth Phase 1	18	0	18
Unincorporated Gunnison County	1	0	1
CB South	1	0	1
Total	255	89	166

Note: excludes 4 units in Crested Butte that are currently owner occupied but otherwise have a long term rental restriction.

Source: Towns of Mt. Crested Butte and Crested Butte, GVRHA, Valley Housing Fund, Gunnison County Assessor records

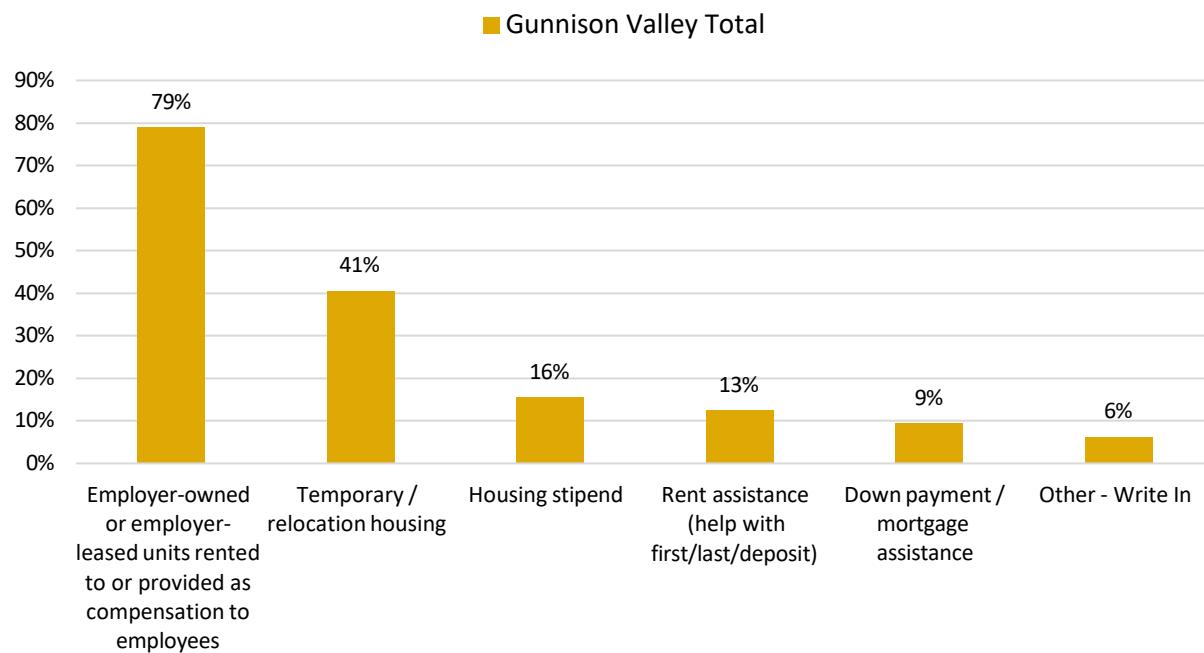
EMPLOYER ASSISTED HOUSING

Many employers in the Valley assist their employees with housing. The level and type of assistance has changed over time. About 41% of employers responding to the survey reported providing some sort of housing assistance to their employees in 2024.

Of employers providing assistance:

- 79% of employers providing assistance across the Valley have employer-owned or employer-leased units rented to or provided as compensation to employees. Responding employers provide 503 beds in the Valley.
- 41% of employers reported providing temporary/relocation housing, for a combined total of 47 units.
- About 16% of employers providing assistance support their employees with a housing stipend, ranging from \$100 per month up to \$600 per month. While helpful, some challenges with this tool include that, without increased supply, it puts more upward pressure on rents, and the stipend often goes into the pocket of out-of-area owners rather than recirculating in the local economy.
- 13% of employers provided assistance with first/last/deposit on rental units, helping 87 employees.

What type of housing assistance do you currently provide? (select all that apply)



Source: 2024 Employer Survey

The majority of employers that do not provide assistance indicated that they cannot afford to (62%), followed by a preference to pay higher wages (32%), and their desire to not be in the housing business (28%). Only 2% of employers responding had provided housing in the past that was not successful.

If you do not provide housing assistance, why not?

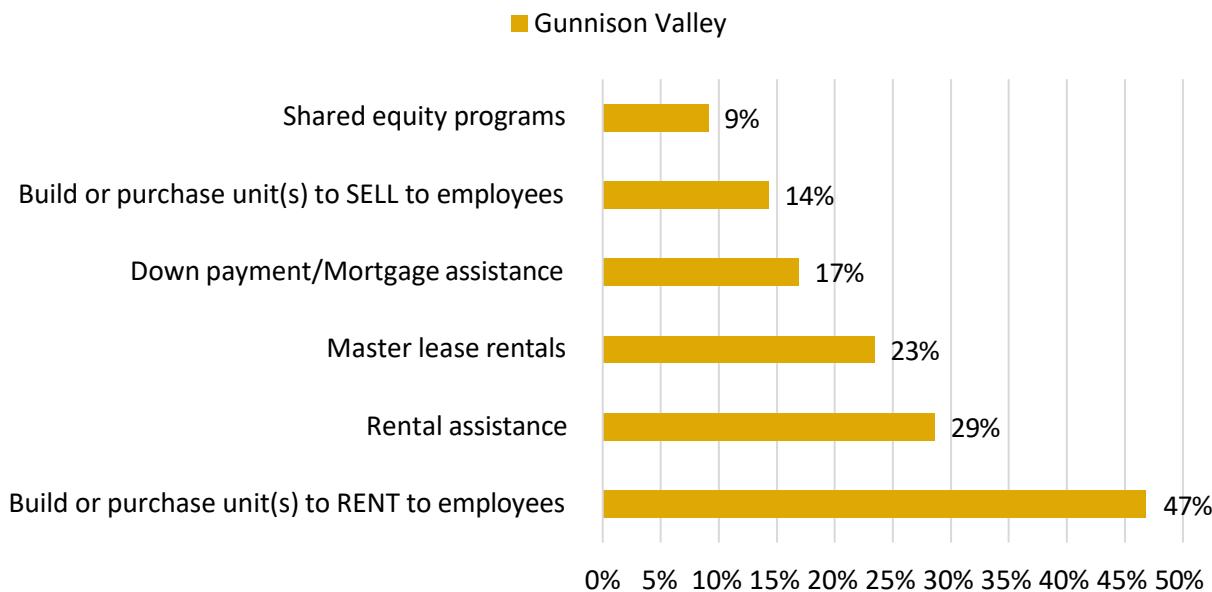
	Gunnison Valley
Cannot afford to provide housing or housing assistance	62%
I prefer to pay higher wages instead	32%
Do not want to be in the housing business	28%
Housing assistance is not needed for our employees	17%
Do not have the expertise or knowledge to help with housing	17%
Housing is the employee's responsibility	17%
Provided housing in the past that was not successful	2%

Source: 2024 Employer Survey

When employers were asked whether they would consider providing housing assistance for employees in the future, 71% indicated they would consider at least one of several options. Of employers that would consider helping with housing:

- 47% indicated they would consider building or purchasing unit(s) to rent to employees.
- North Valley employers are most likely to consider this option (54%) compared to South Valley employers and those in multiple locations (33% both).
- South Valley employers are more likely to consider rental assistance, master leasing rentals and down payment/mortgage assistance than other employers in the Valley.

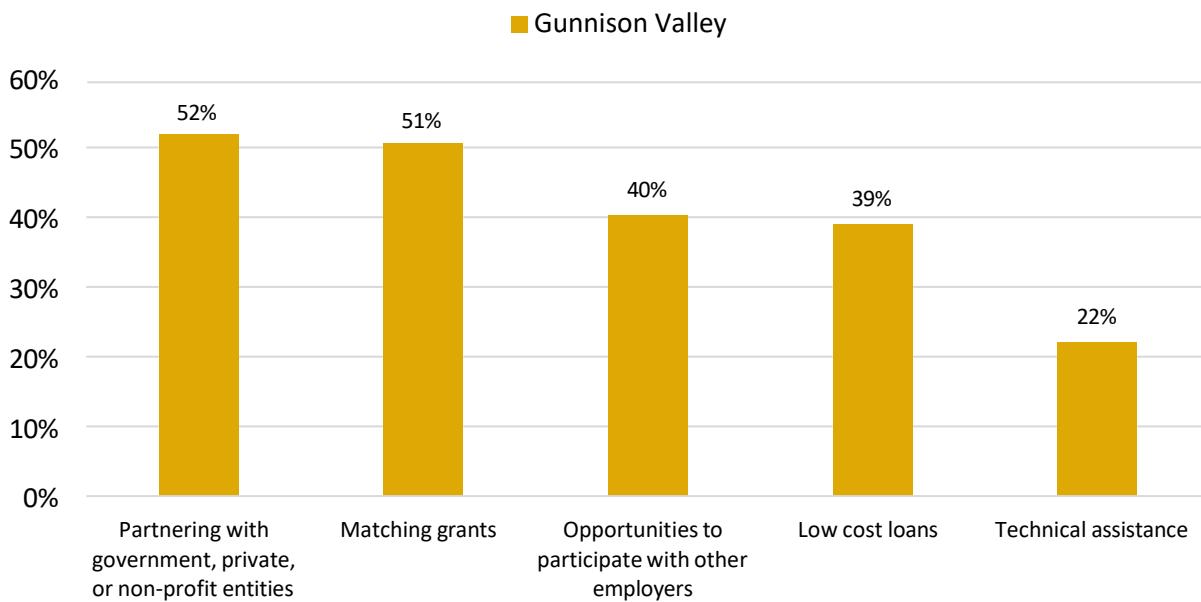
In the future, would you consider providing any of the following types of housing assistance for employees? (Include both current and potential types)



Source: 2024 Employer Survey

There is an opportunity to collectively engage employers in housing solutions to share and build upon the experiences and successes of other employers in the community. When employers were asked what would encourage them to offer, or keep offering, housing support, the most supported options were partnering with government, private or non-profit entities, matching grants, and opportunities to participate with other employers.

What would encourage you to offer, or keep offering, housing support? (select all that apply)



Source: 2024 Employer Survey

SHORT TERM RENTALS

A short-term rental (STR) is defined as the rental of a property for a period of less than 30 days. Short term rentals become a concern when they reduce the inventory of units available for local residents and employees to rent and increase investment buyers who compete with residents for homes. Further, STR's also put pressure on the service industry to increase the number of jobs needed in the Valley while decreasing available housing units for the workforce. Many mountain communities throughout the west have moved toward increased regulation and requirements on short term rentals, if not limiting their use or banning them altogether.

Effects on Resident Households

The resident survey asked whether renters had been forced to move within the past five years due to multiple reasons. In 2024, 23% of displaced renters cited the conversion of their rental into a short-term rental (STR) as the reason, which shows very little change to the 20% reported in 2016. In total, approximately 332 renters were displaced over the past five years due to these circumstances.

Aside from issues of displacement and increased pricing pressure due to investor speculation, short term rentals impact the quality of life of residents. Approximately 4% of owners and 10% of renters reported dissatisfaction with their home due to disturbance from nearby short-term rentals. Problems were slightly more prevalent in the North Valley (affecting 9% of households) than in the South Valley (affecting 6% of households).

Less than 3% of resident owners responding to the survey reported that they occasionally or frequently rent all or part of their home as a STR.

Local Short Term Rental Licensing Requirements

In the Valley, only Crested Butte and Mt. Crested Butte require STR's to be licensed. Crested Butte is the only jurisdiction in the Valley that has a regulatory cap on the number of short-term rentals allowed.

- Since 2016, the number of STR's increased in Mt. Crested Butte and in the South Valley, but the Town of Crested Butte has fewer today than in 2016. Just since April 2021, active listings Valley wide have increased from 929 to 1,375, or almost 50%.
- According to AirDNA.com, there were about 1,375 total active listings in the Valley in April 2024. Of these:
 - » Nine out of ten Valley listings on AirDNA.com are in the North Valley, with high concentrations in Mt. Crested Butte and Crested Butte.
 - » A lower concentration of listings was seen in the Meridian Lake, Skyland and Riverbend areas, along with Crested Butte South.
 - » The South Valley had about 145 active listings, with almost 70% in or near Gunnison. This is a five-fold increase since 2016 when the South Valley had only about 30 short-term rentals.

While Crested Butte implemented an STR cap after a moratorium, leading to a decline in STR's in the town since 2016, the rest of the county did not follow suit. Since April 2021, active listings Valley-wide have increased by nearly 50%.

- » The average daily rate in the North Valley (\$454) is about 88% higher than in the South Valley (\$242).

Short-Term Rentals: Active Listings, Occupancy, and Average Daily Rate (April 2024)

	North Valley [1]	South Valley [2]
Total Active Listings	1,276	145
Occupancy Rate	53%	59%
Average Daily Rate	\$454	\$242

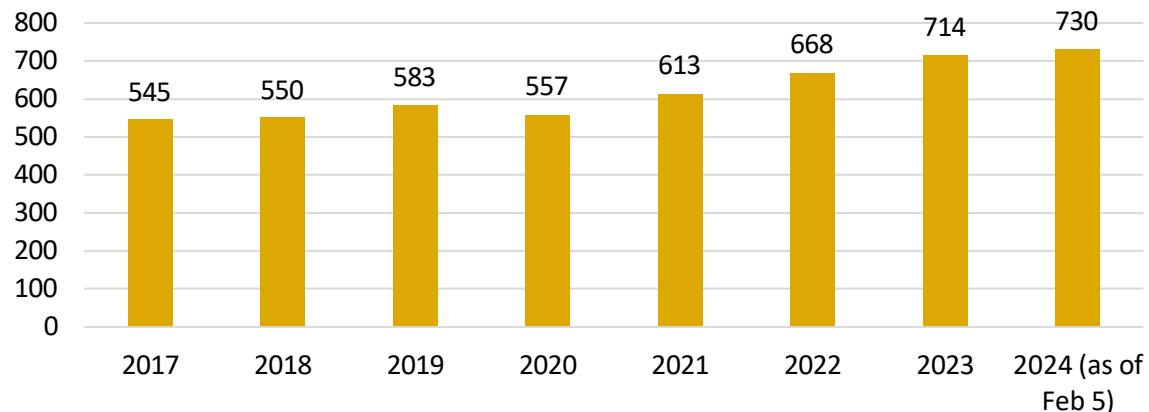
Note: represents AirDNA geographies: [1] Crested Butte and [2] Total listings from Gunnison, Almont, Pitkin, Ohio City, Parlin; occupancy and avg. daily rate represent Gunnison geography only.

Source: AirDNA.com, accessed 4/11/24

Mt. Crested Butte

The Town of Mt. Crested Butte created a STR licensing program in 2020, requiring any property or part of a property rented for a period of 30 days or less to have a short-term rental license. A new STR license currently costs \$275 per calendar year and \$200 each year to renew. There is no license limit, and the number of active licenses has grown year over year since 2020. As of February 5, 2024, there were 730 active STR licenses, 185 more than in 2017 (a 34% increase). This equates to nearly one half of all housing units in the town.

Town of Mt. Crested Butte Active STR Licenses, 2017-2024 [1]



[1] as of February 5, 2024

Source: Town of Mt. Crested Butte

Town of Crested Butte

The number of short-term rentals in the Town of Crested Butte has declined since 2016. With the Town's new STR ordinance, the number will fall to less than 198 units, or 15% of the Town's 1,272 housing units. There were an estimated 240 short-term rentals late in 2016; in early April 2024, there were 206.

In Crested Butte, STR's must have one of two available vacation rental licenses and adhere to other regulations summarized below:

- Primary Occupancy License: Issued to people who live in or long-term rent their property for a minimum of six months per year. These licenses are allowed in all zone districts and are exempt

from the block face concentration limit. A maximum of 90 rental nights is allowed per year, and there is no cap on the number of licenses issued. The annual license fee is \$250.

- Unlimited license: Allowed only in certain zone districts (R1, R1A, R1C, R1D, R1E, R2, R2C, R3C, B3, and B4). Limited to two per block face, with unlimited rental nights per year. A minimum of 29 rental nights is required per year, and the number of licenses is capped at 198. The annual license fee is \$800 annual license fee.

Of the 206 issued licenses, 188 are unlimited licenses (10 lower than the maximum allowed) and 18 are primary licenses. Both license types are taxed at 7.5%.

PENDING DEVELOPMENT

In total, about 380 units of community housing are under construction, approved, or in the planning pipeline. Most of the pending units are in the North Valley, 75% of which are part of the County's Whetstone development.

The volume of potential community housing units and opportunities in the Valley is impressive. While some projects are under construction or have approval to move forward, others are still in the planning phase. Delivery of all units in the table below by 2029 is far from guaranteed. Developing in today's market is challenging due to high construction costs, interest rate uncertainty, funding partner requirements, community opposition to growth, and other potential barriers to completion.

Gunnison Valley Pending Community Housing, 2024-2029

North Valley	Name	Status	Own	Rent	Total
Mt. Crested Butte	Homestead (est. avg. 80% AMI)	Under Construction	22	0	22
Crested Butte	Paradise Park - Infill (est. up to 140% AMI)	Under Construction	0	14	14
Crested Butte	TP-3	Approved	Unknown	Unknown	16
Crested Butte	Mineral Point (est. avg. 30%-60% AMI)	Under Construction	0	34	34
County	Whetstone (est. avg. 115% AMI)	Planning In Process	0	255	255
North Valley Total			22	303	341
South Valley					
Gunnison	Sawtooth Phase 2 (est. avg. 80% AMI)	Approved/Under Construction	0	32	32
Gunnison	Other (est. avg. 80% AMI)	Planning In Process	5	0	5
South Valley Total			5	32	37
Gunnison Valley Total			27	335	378

Source: Gunnison Valley Housing Task Force, local jurisdictions

MARKET CONDITIONS

This section analyzes the for-sale market and rental market. It looks at changes in pricing and availability, along with local workforce affordability.

OWNERSHIP MARKET

Corresponding with analyses throughout this report, the ownership housing market is discussed for the Valley as a whole and the North and South Valley markets, which show significant differences in terms of pricing and availability. The two market areas were delineated using the following MLS categories:

- North Valley: Mt. Crested Butte, Crested Butte, Crested Butte South, Crested Butte Rural
- South Valley: Almont, Gunnison, Gunnison Rural, Quartz Creek Valley

Sales for market rate units and community housing/deed restricted sales are analyzed separately to illustrate the significant price difference between these products.

Price Trends

Market Rate Sales

Market rate sales analyses include condominium/townhome and single family home sales (modular and stick built combined). Condotels are excluded, as are sales of manufactured homes because direct comparison with other home types is challenging since manufactured home sales often do not include the underlying land.⁷ Sales of homes known to have a deed restriction are also excluded in this section.

Home sale prices in the Gunnison Valley have increased significantly since the 2016 assessment. Housing prices had been increasing since 2016 at a moderate pace until 2020 when prices in Gunnison County and most other communities exploded. While Covid stalled listings and sales in spring 2020, the market quickly rebounded when summer arrived with strong demand fueled by the ability to work remotely and motivation to escape dense urban areas and experience the mountain lifestyle.

- Between 2015 and 2020, the median price of single family homes sold in the North Valley increased by 86% and nearly doubled in the South Valley (92% increase). The median price of condos/townhomes rose 177% in the North Valley and 155% in the South Valley. Changes in home sale prices far outpaced increases in resident incomes during this period.⁸
- Home sale prices continued to increase through 2023, with a slight pullback in 2023 for single family homes in the North Valley and condos/townhomes in the South Valley. The median sale price of single family homes rose at a faster pace in the South Valley between 2020 and 2023 (18% per year on average) than the North Valley (13% per year on average), with condos/townhomes growing at slower, but still substantial, rates of 6% per year in the South and 11% per year in the North.

⁷ There were only 54 manufactured home sales from 2021-2023.

⁸ See Household Demographics – Housing Income Distribution section of this report.

- The number of condo/townhome sales declined year over year from 2021 to 2023, while the number of single family home sales declined from 2021 to 2022 before picking up again in 2023. Sales were impacted by the spike in mortgage rates in 2022, which remained high in 2023.
- Looking ahead into 2024, interviews with real estate agents in the North and South Valleys indicate a loosening of the market, with more listings coming online as spring approaches. Coming into summer there is an indication of pent-up demand, and units that are competitively priced are expected to sell quickly.

Gunnison Valley Sale Prices by Home Type, 2015 and 2020-2023

	North Valley		South Valley	
	Sales (#)	Median Sale Price	Sales (#)	Median Sale Price
2015 [1]				
Single Family	-	\$695,000	-	\$230,000
Condos/Townhomes	-	\$210,000	-	\$125,000
2020				
Single Family	150	\$1,290,000	145	\$439,300
Condos/Townhomes	176	\$582,500	57	\$319,000
Overall (SF + Condos / Townhomes)	326	\$792,000	202	\$386,250
2021				
Single Family	150	\$1,635,500	166	\$535,000
Condos/Townhomes	229	\$545,000	78	\$317,500
Overall (SF + Condos / Townhomes)	379	\$850,000	244	\$439,000
2022				
Single Family	78	\$1,935,000	85	\$568,000
Condos/Townhomes	149	\$759,000	63	\$440,500
Overall (SF + Condos / Townhomes)	227	\$975,000	148	\$506,250
2023				
Single Family	82	\$1,862,500	117	\$725,000
Condos/Townhomes	101	\$799,000	24	\$381,250
Overall (SF + Condos / Townhomes)	183	\$1,125,000	141	\$650,000

Source: MLS, consultant team (2020 through 2023)

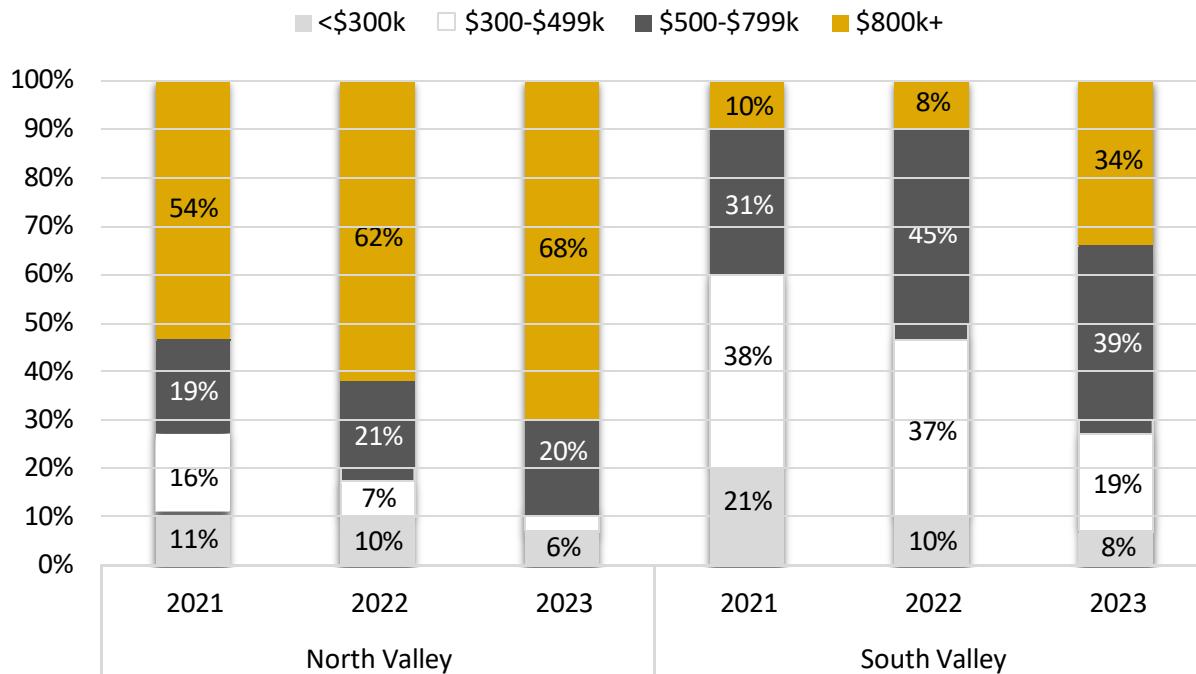
[1] Source: 2016 Gunnison Valley Housing Needs Assessment

The share of market-rate sales from 2021 to 2023 shifted upward into higher price brackets across the Valley, with the South Valley experiencing a profound change in the market. Whereas homes in the North Valley have long been priced out of reach for the majority of local residents, the South Valley has historically provided opportunities for residents to purchase homes ranging below \$500,000. These opportunities are quickly disappearing.

- The share of homes sold in the South Valley priced below \$500,000 dropped from the majority of sales in 2021 (59%) to only 27% of sales in 2023 – a 32-percentage point decline.

- In the North Valley, the share of homes that sold for over \$800,000 rose from just over one-half of sales in 2021 (54%) to over two-thirds of sales (68%) in 2023. Households need to earn \$250,000 or more per year (300% AMI) to afford homes at this price point.

North Valley and South Valley Home Sale Distribution by Price, 2021-2023



Note: Percentages may not add to 100% due to rounding

Source: MLS, consultant team

Community Housing/Deed Restricted Sales

Deed restricted housing provide opportunities for local residents and employees to purchase homes at prices they can afford. Many deed restrictions protect homes from rising at escalated market rates to preserve long term affordability for future residents.

- Between 2021 and 2023, just under 80 deed restricted homes were sold. The highest number of sales occurred in 2023 when the Lazy K development came online in Gunnison.
- The annual median sale price over the three years ranged from \$260,000 to \$290,000, which would be affordable to a household earning between 100% and 110% AMI in 2024 and equates to yearly household incomes of \$82,000 to \$92,000 per year for a 2-person household.

Gunnison Valley Deed Restricted Home Sales, 2021-2023

Year	Sales (#)	Average Sale Price	Median Sale Price
2021	11	\$418,987	\$258,000
2022	19	\$577,690	\$289,000
2023 [1]	38	\$538,293	\$268,271

Note: excludes sale price of \$0 and properties with more than one unit.

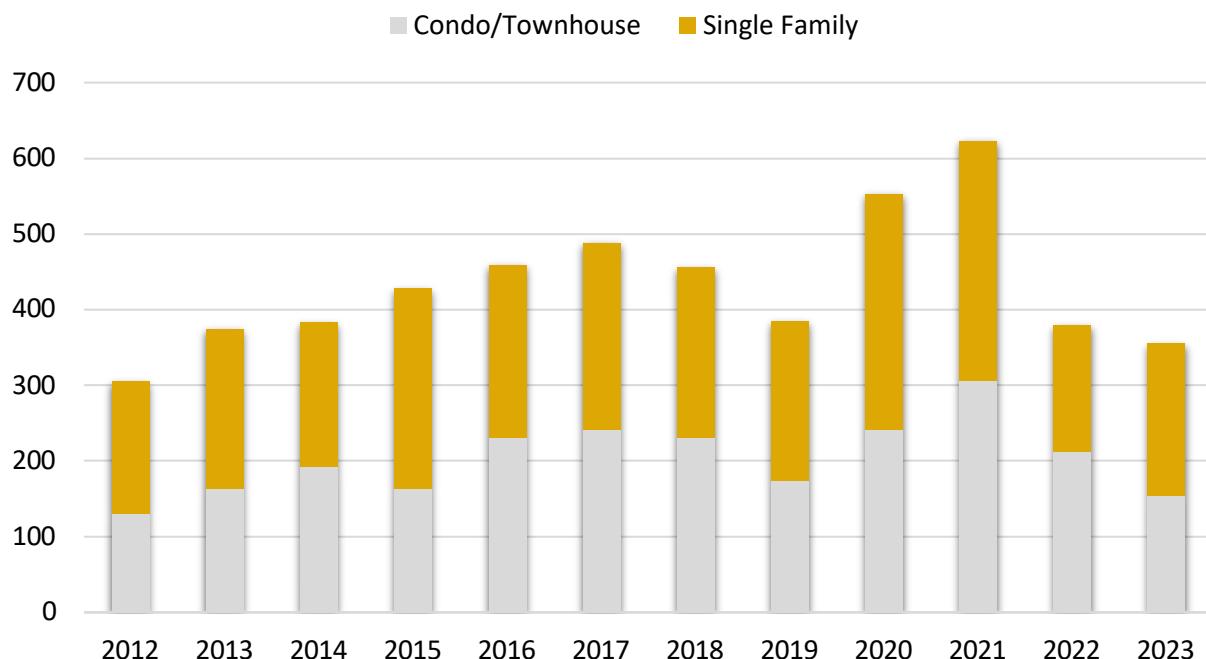
[1] excludes 22 sales to Mt. Crested Butte in Homestead development

Source: Gunnison County Assessor

Sales Volume

The number of sales per year, inclusive of deed-restricted homes, spiked in 2020 and 2021 to the highest level in at least 10 years. Sales in 2022 declined precipitously (44%) from the 2021 high and fell to below 2013 levels in 2023, coinciding with a quick and dramatic rise in mortgage interest rates. Despite the decreased sale volume, however, home prices have still been increasing, indicating that a lack of supply is also affecting sales volumes.

Gunnison Valley Sales per Year, 2012-2023



Source: MLS, consultant team

Availability

A general industry standard is that when the number of homes available for sale is below a 6-month supply, it is a seller's market – meaning that there are more buyers than homes available to purchase, resulting in rising prices. It is important to examine the details, however, as discussed below.

- In March 2024, there were only 171 homes listed for sale in the Gunnison Valley. In August 2016, however, over twice as many homes were listed for sale (396 homes listed for sale).
- Eight out of ten listings in March 2024 were in the North Valley, and over half of all listings were condos or townhomes. Only 32 homes are listed for sale in the South Valley.
- Listed prices are very high and unaffordable for most working households. A 2-person household would need to earn 422% AMI (about \$350,000 per year) to afford the median home listed in the Valley in March 2024. In 2016, a household earning 282% AMI (\$160,000 in 2016) could have afforded the median listing.

Availability, Price, and Affordability of Homes For Sale, March 2024

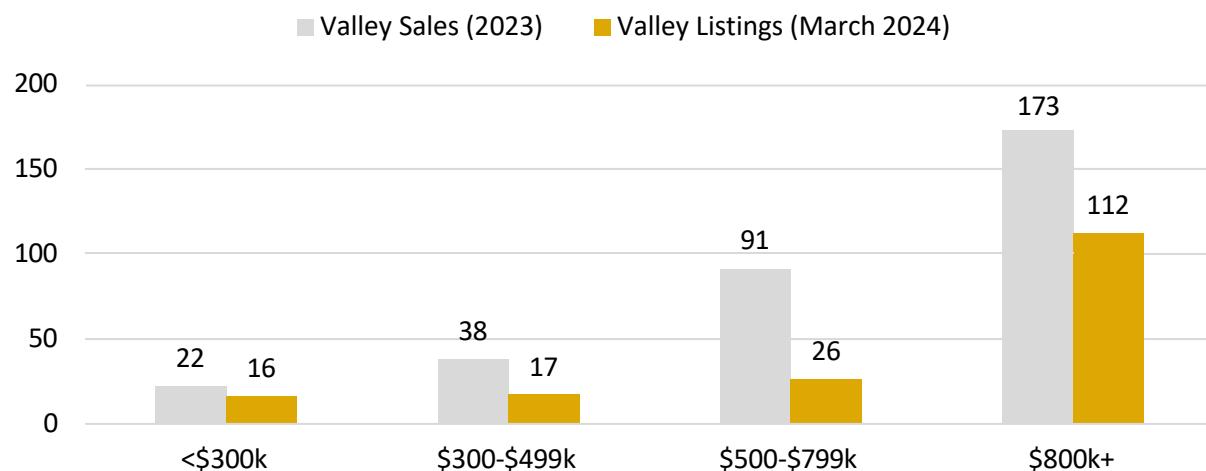
	North Valley	South Valley	Gunnison Valley
Number of listings			
Condos/Townhomes	85	5	90
Single Family	54	27	81
Overall (SF + Condos/Townhomes)	139	32	171
Median Asking Price			
Condos/Townhomes	\$785,000	\$420,000	\$747,500
Single Family	\$2,945,999	\$895,000	\$2,184,000
Overall (SF + Condos/Townhomes)	\$1,295,000	\$869,500	\$1,099,000
AMI to Afford Median Price			
Condos/Townhomes	301%	161%	287%
Single Family	1130%	343%	838%
Overall (SF + Condos/Townhomes)	497%	334%	422%

Source: MLS, consultant team

The Valley had about a 6-month supply of inventory in March 2024 (9 months of inventory in the North Valley and less than 3 months in the South Valley) relative to their respective 2023 average monthly sales volume. This metric, however, is skewed because of the high percentage of homes listed for \$500,000 or more and because 2023 sales volume was a ten-year low. For homes under \$500,000:

- There is about a 2 month supply of inventory in the South Valley, or a total of six (6) units.
- A total of 27 units were for sale in the North Valley, which would imply over a 12 month supply. This is misleading, however. Twenty-six (26) North Valley units are condominiums (all but four in Mt. Crested Butte) with monthly HOA fees in excess of \$500 per month and built primarily for part-time occupancy.

Gunnison Valley 2023 Sales Compared to March 2024 Listings



Source: MLS, consultant team

Local Workforce Affordability

The ability of working households to afford to buy a home in the Valley is very challenging. About three quarters (73%) of owner households have annual incomes under \$165,000 (200% AMI) and need homes priced under about \$520,000. Only 20% of listings in the spring of 2024 are priced under \$520,000, leaving working households with very few choices.

Homeowner Income Distribution Compared to Available Homes for Sale

AMI	Maximum Affordable Price	Owner Household Income Distribution	North Valley Listings	South Valley Listings	Gunnison Valley Listings
<60%	\$156,400	18%	0%	3%	1%
60.1-80%	\$208,600	9%	1%	0%	1%
80.1-100%	\$260,700	12%	8%	3%	7%
100.1-120%	\$312,900	12%	1%	0%	1%
120.1-150%	\$391,100	12%	1%	9%	3%
150.1-200%	\$521,500	10%	8%	3%	7%
200.1-300%	\$782,200	9%	12%	19%	13%
>300%	> \$782,200	18%	69%	63%	68%
Total		100%	139	32	171

[1] Max purchase price assumes 30-year mortgage at 7% with 5% down and 20% of the payment covering taxes, HOA, PMI and insurance.

Note: Percentages may not add to 100% due to rounding

Source: MLS; CHFA; Ribbon Demographics, LLC; consultant team

Financing Availability

Lenders providing loans to homebuyers in the Valley indicate the loan volume for local buyers has decreased with the tight market, partially due to high interest rates. Rates were very low through the pandemic and have increased to over 7% since then. Not only does this affect the demand for units to buy, but also affects the supply of homes for sale since owners with current lower-interest mortgages are staying put.

Residents seeking a loan typically can qualify, however, little product at any price point is available. Households looking to buy may explore purchasing land and building given the low availability of units on the market; however, high construction costs and interest rates have a notable dampening effect.

Providing loans for deed restricted products can be complicated, but is possible in the Valley, especially if the lender is backed by the USDA. The structure of the deed restriction is important, as many providers require that deed restrictions go away in the event of foreclosure.

Residents purchasing homes that require higher debt to income ratios may be required to put 20% down and pay mortgage insurance. Both factors decrease the ability for residents to afford to purchase homes.

Loans for condominiums can be a challenge. Monthly HOA fees decrease the affordability of units. There are no condominiums in the county that are FHA approved, which reduces lending options.

RENTAL MARKET

Vacancy

As a general rule, double-digit vacancy rates are considered to be very high, rates at or below 3% are very low, and a vacancy rate of around 6% that is trending downward is typically an indication to developers that construction of additional units should begin. These “rules of thumb,” however, vary by market area.

Rental listings in the Gunnison Valley were monitored in February and March of 2024. A total of 48 listings were found during this period. This equates to a rental vacancy rate under 1%; the same vacancy rate observed in 2016.

There is slightly more availability in the North Valley (1.65% vacancy); however, many listings are more suited to seasonal visitors, providing fully furnished units and short-term or month-to-month lease options.

Rental Vacancy Rate (March 2024)

	February Listings	March Listings	Average Number	Total Rental Households	Average Monthly Vacancy Rate
Gunnison Valley	27	21	24	2,772	0.87%
North Valley	15	11	13	786	1.65%
South Valley	12	10	11	1,986	0.55%

Source: Crested Butte News, Gunnison Times, Craigslist, Zillow, Property Manager Websites, Facebook, consultant team

When vacancy rates are this low, the rental market is near capacity and cannot absorb new residents or employees moving to the area. This results in several issues:

- Renters have difficulty moving from one unit to another as their circumstances change or landlords impose higher rents or new rules;
- Renters fear reporting needed repairs to landlords due to concerns of retaliation through rent increases or non-renewal of leases;
- New employees struggle to find housing when hired by local businesses;
- Rents increase at rates much faster than incomes; and
- Landlords have little incentive to make repairs and capital investments.

Rent Trends

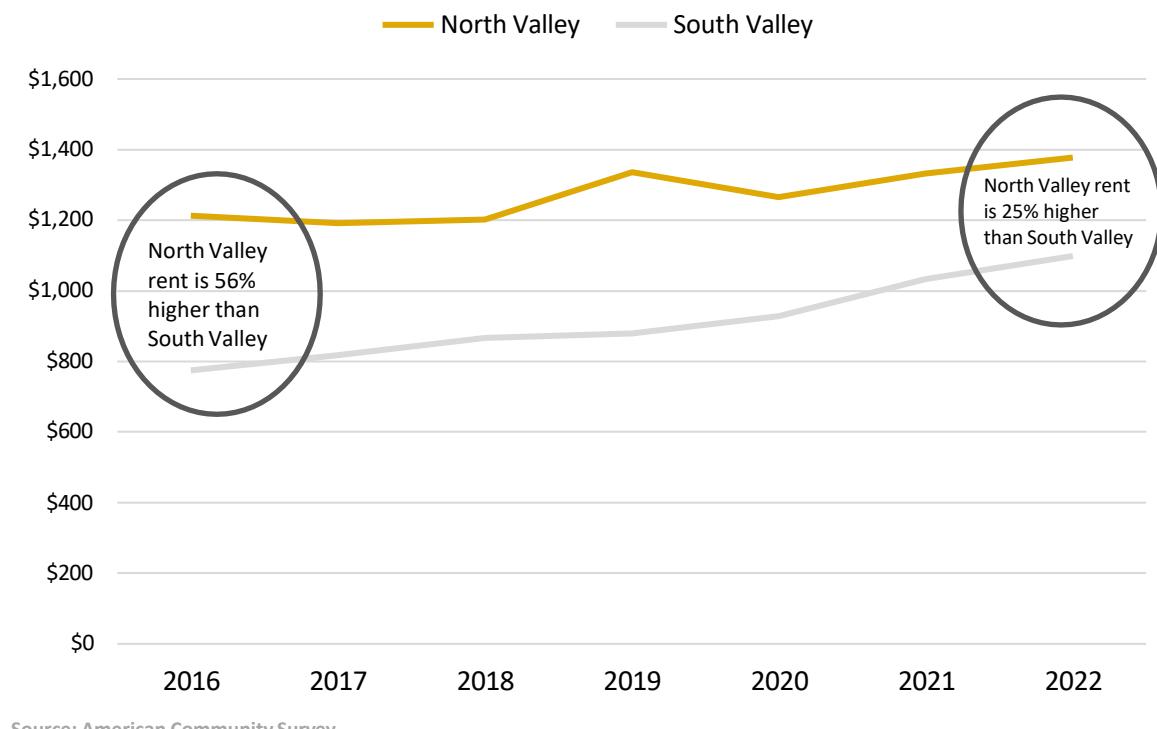
Property managers expressed that there were many early concerns around the rental market when the Covid shutdown occurred in 2020; however, rent delinquencies did not become as widespread as feared. The market soon experienced a surge in rental rates that outpaced what many locally employed renters could afford. As rents escalated and housing availability decreased, overcrowding became more common.

Historically, rents in the North Valley have been higher than those in the South Valley, although trends show that the gap is closing.

The below chart illustrates changes in median gross rents in the North and South Valley as reported by the ACS, which includes rent plus utilities. The ACS data shows that median gross rents increased 42% between 2016 and 2022 in the South Valley, compared to a lower 14% in the North Valley. As a result, where the median gross rent in the North Valley was 56% higher than the South Valley in 2016, as of 2022, this gap had closed to a 25% difference.

Please note that, while the ACS data is helpful to illustrate changes in rents over time, the data is not reflective of current rents charged by property managers.⁹ The next section presents data on current rents in Gunnison Valley.

Median Gross Rent



Source: American Community Survey

⁹ While this information is valuable for observing long-term trends, ACS rent rates are lower than current market pricing. ACS data represents information from existing renters, which includes a mix of new and long-term renters. Renters that have been in their units for several years typically pay less than full market rates, particularly in fast rising markets, because many landlords impose more modest rent increases for existing tenants than market prices may allow.

Current Rents

Property managers are the best source of information on current rents in a community. The below table illustrates the typical 2024 rents in the Gunnison Valley compared to the average price of available rentals advertised in February and March of 2024. As shown:

- Advertised rentals generally fall on the high side of the ranges given. This is largely because most managed rentals are filled by word of mouth and are never advertised. The units listed, therefore, tend to be higher priced homes that local employees cannot afford.
- Households need to earn close to 100% of the area median income to afford the average rent reported by property managers in the North Valley; about 70% AMI in the South Valley. One- and two-bedroom rents are more affordable, falling at or below 80% AMI in the North and below 60% AMI in the South.
- Advertised rentals cost more. Incomes between 90% to over 120% AMI are needed to afford 2-bedroom or larger advertised rentals. One-bedroom rents are affordable to a household earning 70% AMI.

Rents by Bedroom Size: 2024

North Valley	0/1-bedroom	2-bedroom	3-bedroom	4-bedroom	Overall
Property manager interviews	\$1,189	\$1,900	\$2,301	\$3,100	\$2,021
Feb/Mar 2024 advertised rentals	\$1,450	\$2,100	\$2,850	na	na
AMI affordability [1]	58%	82%	99%	120%	98%
Income needed to afford rent	\$47,560	\$76,000	\$92,040	\$124,000	\$80,840
South Valley	0/1-bedroom	2-bedroom	3-bedroom	4-bedroom	Overall
Property manager interviews	\$821	\$1,292	\$2,106	\$2,357	\$1,464
Feb/Mar 2024 advertised rentals	\$1,450	\$2,299	\$2,295	\$4,500	na
AMI affordability [1]	40%	56%	91%	92%	71%
Income needed to afford rent	\$32,840	\$51,680	\$84,240	\$94,280	\$58,560

[1] AMI affordability of property manager interview rents. Calculation assumes 2 people in a 0/1 bedroom units, 3 people in 2- and 3-bedroom units, and 4-people in 4-bedroom units.

Source: Property manager interviews; Crested Butte News, Gunnison Times, Craigslist, Zillow, Property Manager Websites, Facebook; consultant team

Local Workforce Affordability

There is a distinct mismatch between the distribution of renter households and available rentals. While 56% of renter households make 60% AMI or below, only 8% of available rentals fall into this income band. Additionally, there are more rental listings between 100% and 150% AMI (51%) compared to renter households (13%).

Property managers note very little turnover and very little availability for residents. Given the lack of choice, many renters would like to move but cannot. The markets in the North and South Valley share these conditions:

- Vacancy rates far below a functional market vacancy level.

- Scarce inventory; there is a very low supply of units available to rent compared to demand from employees seeking housing.
- Increasing rental rates.
- Average rents for occupied units are well below rents for currently listed units.
- Aging inventory.

Renter Income Distribution Compared to Available Homes for Rent

AMI	Household Income Range (2-person household)	Maximum Affordable Monthly Rent	Renter Household Income Distribution	Rental Listings (March/April 2024) (%)	Rental Listings (March/April 2024 (#))
<60%	\$49,440	\$1,236	56%	8%	3
60.1-80%	\$65,920	\$1,648	11%	11%	5
80.1-100%	\$82,400	\$2,060	11%	13%	6
100.1-120%	\$98,880	\$2,472	6%	18%	8
120.1-150%	\$123,600	\$3,090	7%	33%	15
150.1-200%	\$164,800	\$4,120	3%	9%	4
200.1-300%	\$247,200	\$6,180	4%	7%	3
>300%	> \$247,200	> \$6,180	2%	0%	0
Total	-	-	100%	100%	45

Excluded three incomplete listings

Source: CHFA; Ribbon Demographics, LLC; Crested Butte News, Craigslist, Zillow, Property Manager Websites, Facebook; consultant team

HOUSING PROBLEMS

This section evaluates key indicators that quantify housing problems in the Gunnison Valley, including cost burden, overcrowding, the condition of homes, forced relocations, and homeless or near homeless residents. Additionally, it addresses specific problems faced by vulnerable populations in the special needs subsection, such as seniors, individuals with disabilities, and Spanish-speaking residents.

COST BURDEN

When housing payments exceed 30%, households have insufficient residual income to afford other necessities like food, transportation and health care. Housing payments include rent plus utilities for renters and mortgage payments plus utilities, property taxes, property insurance and homeowners association payments for homeowners.

In the Gunnison Valley, approximately 2,740 households (39%) are cost burdened by housing payments that exceed 30% of the gross income of household members combined. Renters are much more likely than owners to pay more than 30% of their income on housing (50% compared with 31%).

Cost burden increased from 25% in 2016 to 39% in 2024.

Percentage of Income Spent on Housing Payment by Own/Rent, Gunnison Valley

% of Income = Housing Payment	Own	Rent	Overall
30% or less	69%	50%	61%
31.1% to 50%	20%	33%	25%
More than 50%	11%	18%	14%
Total Percent Cost Burdened	31%	50%	39%
Total Households Cost Burdened	1,364	1,388	2,740

Source: 2024 Resident Survey

Residents of the North Valley are more likely to spend in excess of 30% of their income on housing, yet, due to the larger population, there are more households that are cost burdened in the South Valley.

Percentage of Income Spent on Housing Payment by Area

% of Income = Housing Payment	North	South
30% or less	59%	63%
31.1% to 50%	21%	27%
More than 50%	20%	10%
Total Percent Cost Burdened	41%	37%
Total Households Cost Burdened	977	1,768

Source: 2024 Resident Survey

Very low income households ($\leq 60\%$ AMI) are particularly hard hit by the cost of housing in the Gunnison Valley - 73% are cost burdened. The percentage drops sharply as incomes rise.

Percentage of Income Spent on Housing Payment by AMI

Percent of Income Spent	≤60 %	60.1-80%	80.1-100%	100.1-120%	120.1-200%	Over 200 %
30% or less	27%	48%	64%	75%	89%	93%
31.1% to 50%	32%	40%	27%	20%	10%	7%
More than 50%	41%	12%	9%	5%	1%	0%
Total Percent Cost Burdened	73%	52%	36%	25%	11%	7%
Total Households Cost Burdened	1,707	370	305	175	139	101

Source: 2024 Resident Survey

OVERCROWDING

Overcrowding does not have a strict definition. The Census Bureau defines overcrowded housing units as those with more than 1-person per room. Occupancy limits, whether imposed by a municipality or property owner/manager, are usually based on a per-bedroom limit, and the most common standard is no more than two persons per bedroom.

Valley wide, 2.5% of homes—equivalent to 176 households—are considered overcrowded based on this standard. Renters are more than twice as likely as homeowners to experience overcrowded living conditions.

Overcrowding by Own/Rent

	Own	Rent	Overall
Two or less persons per bedroom	98.7%	96.2%	97.5%
More than two persons per bedroom (overcrowded)	1.3%	3.8%	2.5%
Number of overcrowded households	54	106	176

Source: 2024 Resident Survey

Overcrowding is relatively uncommon in both the North and South regions of the Valley. In the North, 1.6% of households are overcrowded (about 39 households). In the South, the rate is slightly higher, with 3.0% of households overcrowded (about 143 households).

Overcrowding by Area

	North	South
Two or less persons per bedroom	98.4%	97.0%
More than two persons per bedroom (overcrowded)	1.6%	3.0%
Number of overcrowded households	36	140

Source: 2024 Resident Survey

In 2016, overcrowding was most prevalent among low-income households ($\leq 50\%$ AMI). However, this trend has shifted, and now affects households similarly up to the 80.1% to 120% middle income category.

Overcrowding by Income

Overcrowding	≤60 %	60.1-80%	80.1-120%	120.1-200%	Over 200%
Two or less persons per bedroom	97.6%	97.3%	96.7%	99.8%	100.0%
More than two persons per bedroom (overcrowded)	2.4%	2.7%	3.3%	0.2%	0.0%

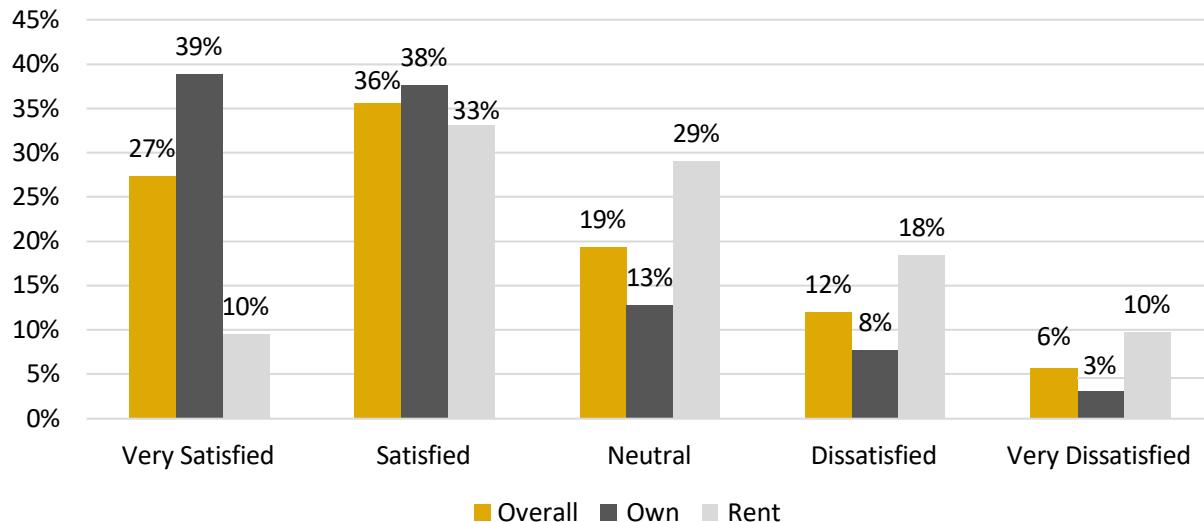
Source: 2024 Resident Survey

SATISFACTION WITH CURRENT HOME

Respondents were asked about their level of satisfaction with their current residence. Overall, 63% of respondents are either satisfied or very satisfied, with 19% being neutral.

Renters (28%) were much more likely than owners (11%) to be dissatisfied or very dissatisfied.

Which choice best describes your satisfaction with your current residence?



Source: 2024 Resident Survey

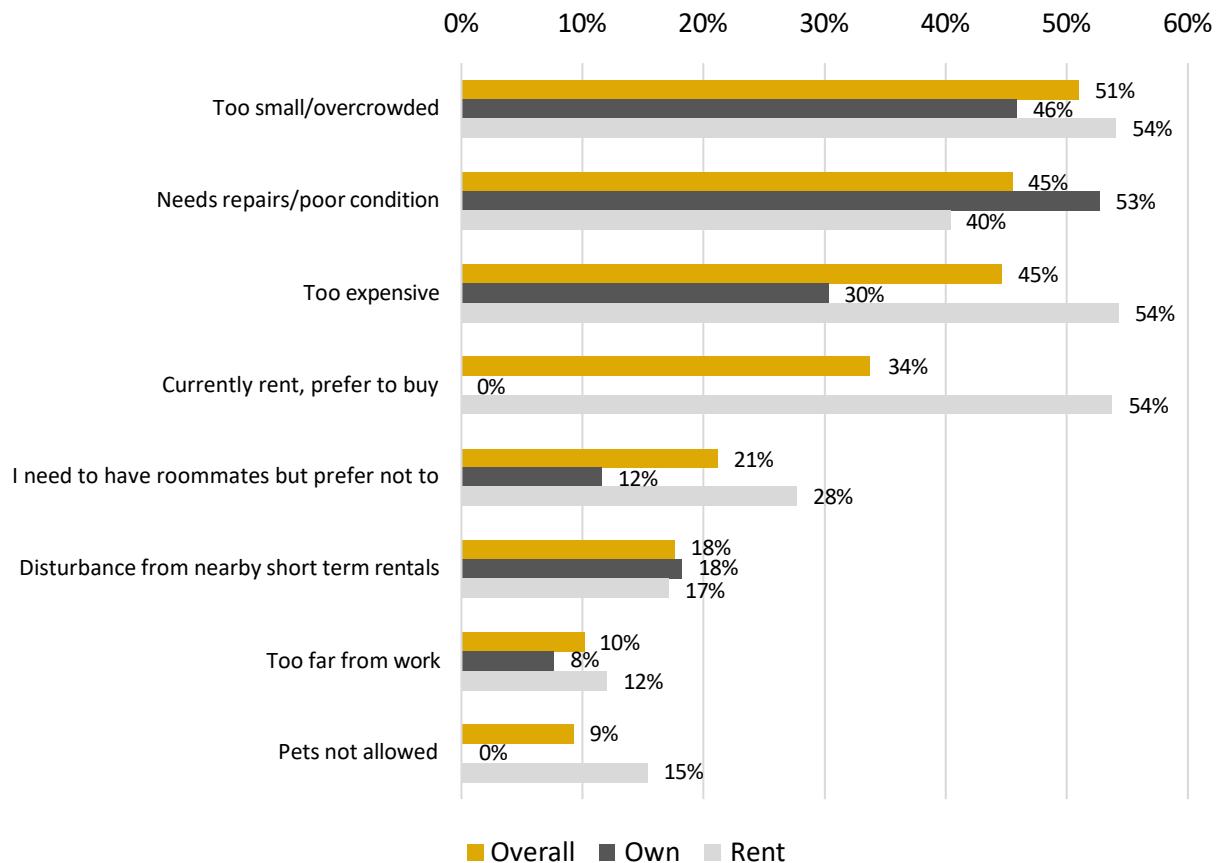
Reasons for Dissatisfaction

The reasons for dissatisfaction with current residences vary between homeowners and renters.

- Among renters, the most common issues are because they desire to own a home (54%), live in a space that is too small or overcrowded (54%) and their housing too expensive (54%). Other notable concerns include the need to have roommates (28%) and restrictions on having pets (15%).
- The predominant issue among homeowners is that their home is in need of repairs or in poor condition (53%), followed by too small/overcrowded (46%). This indicates that programs that can assist with home repairs or remodels may be helpful.

- A lower concern, but one that is equally shared by renters and owners, is disturbance from short term rentals, affecting about 18% of households.

Why are you not fully satisfied with your residence? (check all that apply)



Source: 2024 Resident Survey
Sorted by Overall from highest to lowest

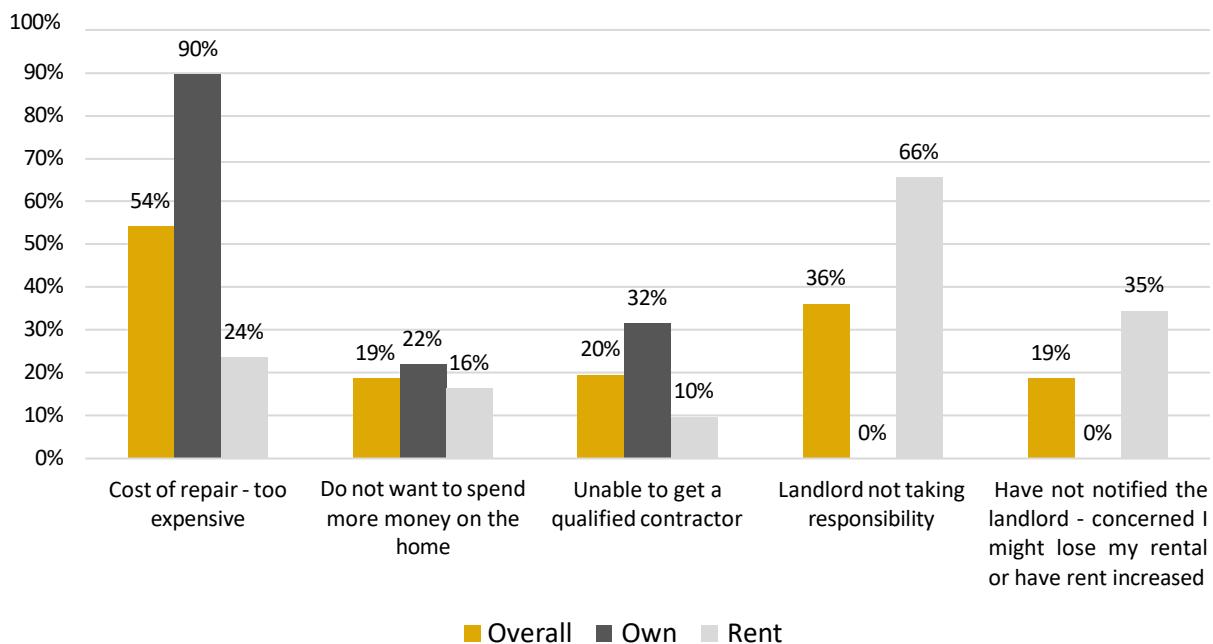
Reasons why repairs have not been made

Overall, 17% of households are dissatisfied with their homes, citing the need for repairs. This includes 23% of renters and 15% of homeowners. Among these respondents, an additional question was asked to understand why these repairs have not been made.

- For homeowners that have not made repairs, the primary barrier is the cost (90%), followed by difficulty finding a qualified contractor (32%) and reluctance to spend more money on their home (22%).
- For renters, 66% reported that repairs have not been made because their landlord has not taken responsibility. Additionally, 35% of renters have not notified their landlord about needed repairs out of concern that it might lead to rent increases or the loss of their rental. Cost is also a factor for renters, but to a lesser extent, with 24% citing it as a reason for not making repairs.

"Basic improvements fail to be made or take a long time. It took 2 ½ years before I had a screen on my one window."
- Resident Survey Respondent

If your home needs repairs, why have the repairs not been made?



Source: 2024 Resident Survey

FORCED RELOCATION

Approximately 2,038 households (12% of owners and 54% of renters) have been forced to move within the past five years. Notably, 66% of these households have experienced being forced to move more than once during this period. This represents an increase from 2016, when 9% of owners and 42% of renters were forced to relocate.

Forced to Move within Past 5 Years

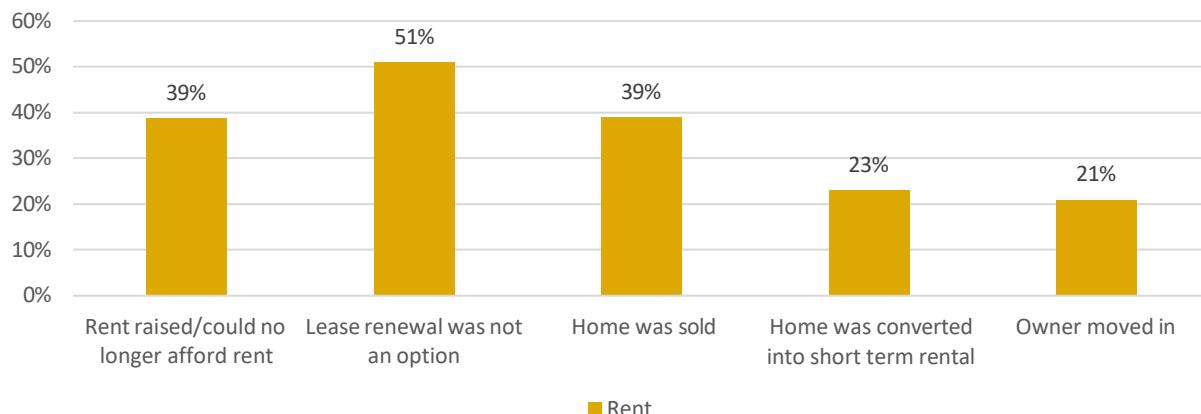
	Overall	Own	Rent
No	71%	88%	46%
Yes	29%	12%	54%
# of households forced to move	2,038	522	1,511

Source: 2024 Resident Survey

Among renters, the most common reason for being forced to move is due to lease renewal not being an option (51%) rent increases or home was sold (39%), followed by home was converted to a short term rental (23%) and owner moved in (21%).

The trend of converting homes to short term rentals, and thus losing workforce housing stock, has remained steady since 2016, when 20% listed this as a reason, compared to 23% in 2024.

Reason Forced to Move within Past 5 Years by Tenure (Renters)



Source: 2024 Resident Survey

Plan to Move

Looking to the future, households were asked if they plan to move within the next five years either because they want to or have to.

- Renters are much more likely to plan to move (85%) than owners (31%), with just under one-third of renters (31%) planning to leave the valley. In total, about 1,570 households (22%) plan to leave the valley in the next five years.
- Of households planning to move, 44% are doing so because they have to, equating to 23% of households overall.

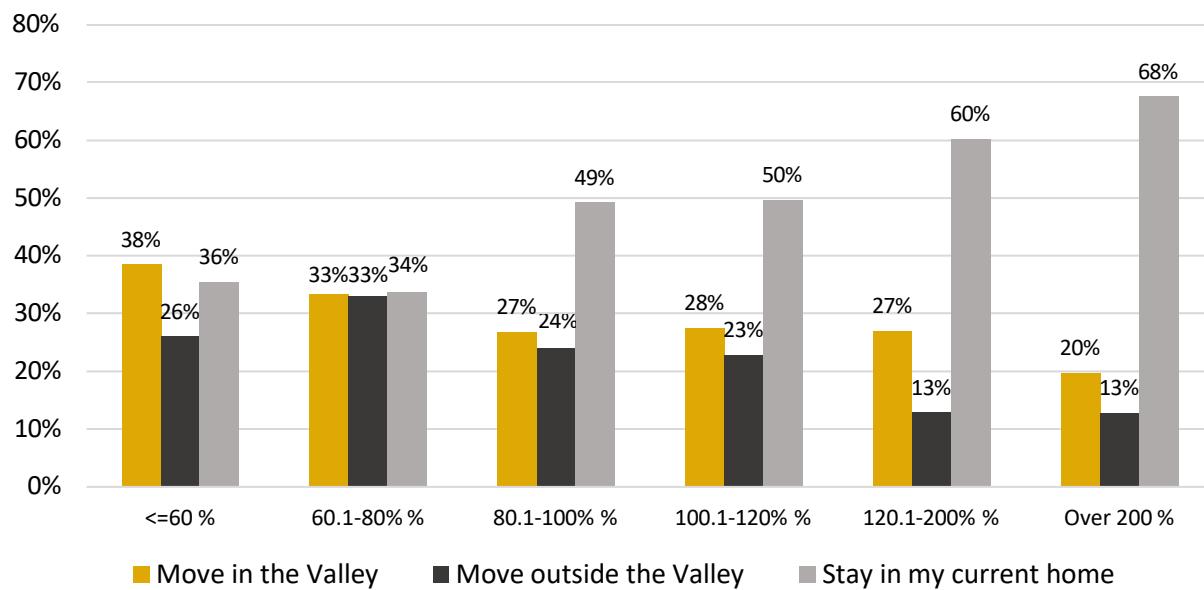
Plans to Move in Next Five Years

	Own	Rent	Overall
Stay in my current home	69%	15%	48%
Move into a different home in the Valley	15%	54%	30%
Move into a different home outside of the Valley	16%	31%	22%
Number of Households Leaving the Valley	708	858	1,571
Move into a different home – because I have to:	7%	48%	23%
Stay in my current home – because I have to:	20%	6%	14%

Source: 2024 Resident Survey

In 2016, lower income households earning below 50% AMI were the most likely to leave the valley (25% of households). In 2024, close to one-fourth or more of households earning below 120% AMI are considering leaving the valley. This drops significantly among higher income households.

Plan to Move by AMI



Source: 2024 Resident Survey

Of households that are leaving the valley, the overwhelming reasons given relate to cost of housing, cost of living overall, and the unavailability of alternative housing for owners and renters. Renters in particular noted the inability to buy a home or afford or find a rental upgrade.

Seniors who are leaving the area noted lack of affordable senior options and a desire for warmer climates or to be nearer family.

HOMELESS AND UNSTABLE HOUSEHOLDS

Around 2% of survey respondents indicated they are homeless, either couch surfing with friends or living in a tent, camper, or vehicle. This equates to 142 households in the Gunnison Valley. Additionally, 6% reported that they still have yet to find suitable housing they can afford, despite residing in the Valley, indicating many are under- or unsuitably housed.

Housing instability is a significant concern for many respondents. About 18% are worried they may not have stable housing in the next two months, with renters being particularly affected (38% compared to just 5% of homeowners). Regionally, 17% of South Valley residents and 18% of North Valley residents share this concern.

In the past year, 6% of households have faced threats of utility shutoffs, with renters (8%) more affected than homeowners (5%). This issue is more prevalent in the South (8%) compared to the North (2%).

Stability by Tenure and Location

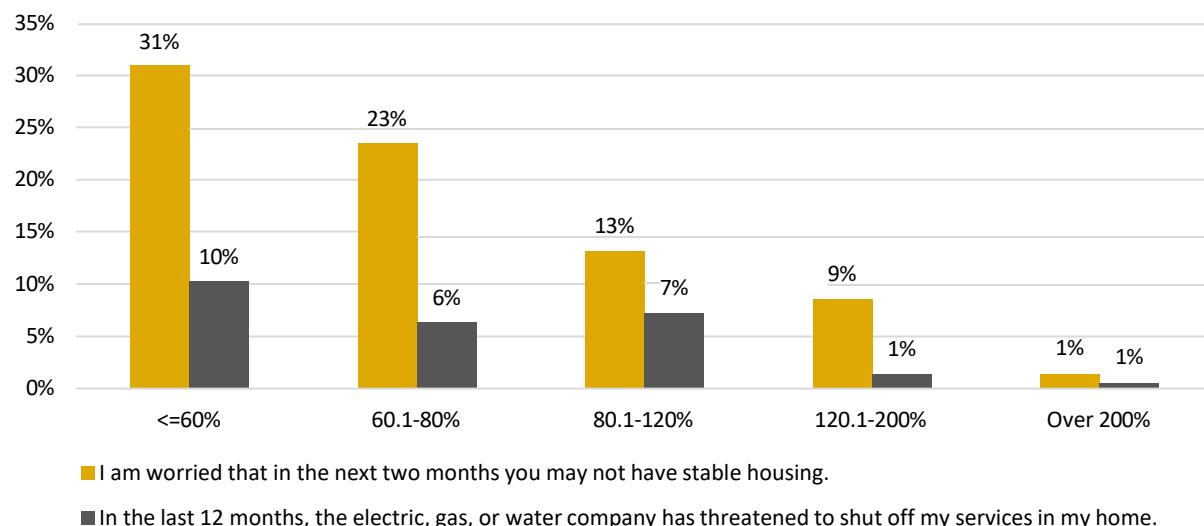
	Overall	Own	Rent	North	South
I am worried that in the next two months I may not have stable housing.	18%	5%	38%	18%	17%
In the last 12 months, the electric, gas, or water company has threatened to shut off my services in my home.	6%	5%	8%	2%	8%

Source: 2024 Resident Survey

Concerns about housing stability vary across income levels. Among households earning 60% or less of the median income, 31% are worried they may not have stable housing in the next two months. This concern decreases as income increases, with only 1% of households earning over 200% of the median income expressing similar worries.

Threats of utility shutoffs in the past 12 months are also more common among lower-income households, with 10% of those earning 60% or less experiencing this issue, although households earning up to 120% AMI are still somewhat affected (7%). In contrast, only 1% of households in the highest income bracket reported such threats.

Stability by Income



Source: 2024 Resident Survey

VULNERABLE POPULATIONS

This summary highlights key differences among vulnerable populations in terms of housing conditions and challenges. These findings could help develop targeted programs to address the needs of vulnerable populations. Additional tables and comparisons are provided in the Appendix to this report.

Senior-Headed Households

- Less likely to be cost burdened (38%) compared to the overall population (39%).

- More likely to live in unsatisfactory conditions due to the high cost of repairs (84% vs. 54% for the overall population).
- 22% of households with a member aged 65 and over report a disability, compared to just 5% of households without members in this age group.

Hispanic/Latino Households

- Higher rates of overcrowding (16.4%) compared to the entire population (2.7%).
- 53% indicated their home needs repairs, of those, the primary reason listed for the repairs not being made were because their landlord is not taking responsibility (64%) and 36% of those needing repairs indicated they haven't notified their landlord, fearing rent increases or eviction.

Persons with a Disability

- About 22% of households with a person with a disability report that their housing does not adequately accommodate their needs, equating to roughly 130 households. The primary home modifications reported included the home being too small, handicap bars or other bathroom modifications, new flooring/remove carpets, and access ramps or home without stairs being needed.

HOUSING PREFERENCES

This section examines the type, tenure, number of bedrooms, and amenities preferred by local residents. This data can be used to guide implementation of solutions to the housing problems of the previous chapter.

OWN OR RENT

For the many households planning to move (see Housing Problems), most would prefer to become or remain homeowners.

Current owners that plan to move mostly want to purchase a different home (85%) rather than rent. Over one-half of renters prefer to buy a home (54%) rather than rent.

Desire to Own or Rent

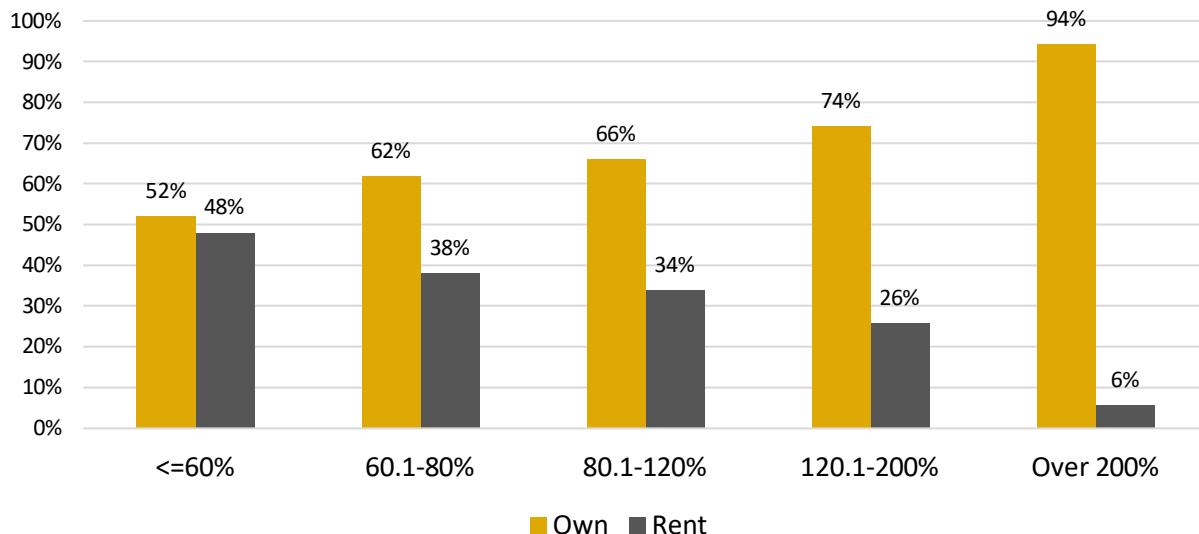
If you plan to move, do you prefer to:	Currently:				
	Overall	Own	Rent	North Valley	South Valley
Own	63%	85%	54%	62%	63%
Rent	11%	3%	15%	14%	9%
Either own or rent	26%	12%	31%	23%	27%
Total	100%	100%	100%	100%	100%

Source: 2024 Resident Survey

When looking to move within the Valley, preferences for owning versus renting vary by income level.

- Among households earning 60% or less of the median income, preferences are nearly split, with 52% preferring to own and 48% preferring to rent.
- As income levels rise, the desire to own increases notably. For those earning 120.1-200% of the median income, 74% prefer to own, while only 26% prefer to rent.
- This trend is even more pronounced among the highest earners, with 94% of households earning over 200% of the median income expressing a preference for homeownership and only 6% preferring to rent.

Desire to Own or Rent by Income



Source: 2024 resident Survey

Willingness to Purchase a Deed Restricted Home

Interest in purchasing a deed-restricted home to live in their preferred community is highest among renters, with 64% expressing willingness, compared to only 34% of homeowners. Conversely, one-half of homeowners would not consider purchasing a deed-restricted home, while only 13% of renters share this view.

When looking at income levels, those earning between 60.1% and 80% of the Area Median Income (AMI) show the strongest interest, with 73% willing to purchase a deed-restricted home. Interest declines among higher-income households, particularly those earning over 200% AMI, where only 25% are interested, and 50% would not consider such a purchase.

Would you have interest in purchasing a deed restricted home in your preferred residence location?

	Own	Rent	Overall
No - I would not purchase a deed restricted home	50%	13%	25%
Unsure/need more information	16%	22%	20%
Yes - I would purchase a deed restricted home to live in my preferred community	34%	64%	54%
Total	100%	100%	100%

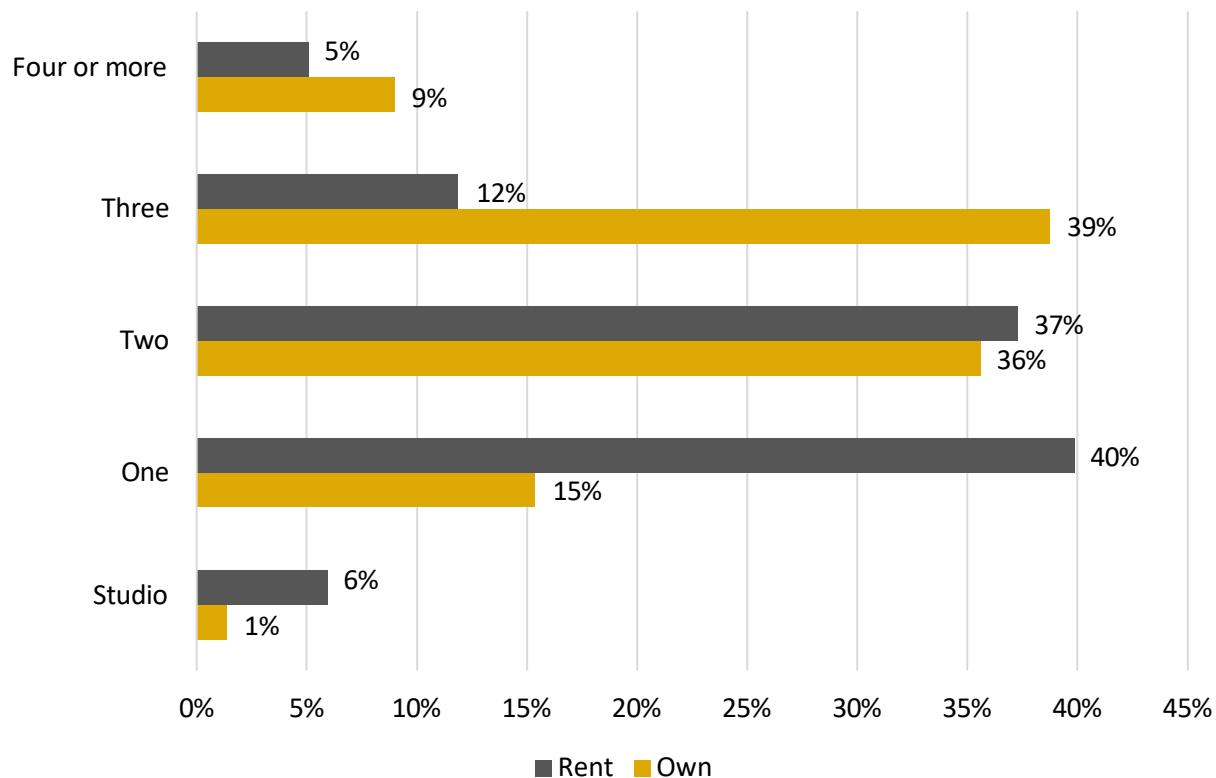
Source: 2024 Resident Survey

NUMBER OF BEDROOMS

When looking for a new home, the bedroom needs of prospective homeowners and renters differ significantly. Among households looking to buy a home, the majority (39%) need three bedrooms, followed by 36% who need two bedrooms. Only a small portion of potential homeowners are seeking one-bedroom (15%), four or more bedrooms (9%), or studio homes (1%).

In contrast, renters primarily seek smaller homes. A substantial 40% of households that would consider renting a home are looking for one-bedroom homes, and 37% need two bedrooms. Far fewer renters are interested in three-bedroom homes (12%), four or more bedrooms (5%), or studios (6%).

Bedrooms Needed by those looking to buy or rent



Source: 2024 Resident Survey

LOCATION PREFERENCES

There is a clear preference among residents to stay within their current region. Of those living in the South, 85% wish to remain there, while only 15% consider moving to the North. Conversely, 94% of North residents prefer to stay in the North, with only 6% considering a move to the South. This strong regional attachment highlights the distinct preferences for staying within familiar areas.

Where want to live (rows) by Where live now (columns)

	South (live)	North (live)
South (want to live)	85%	6%
North (want to live)	15%	94%
Total	100%	100%

Source: 2024 Resident Survey

CURRENT AND PROJECTED COMMUNITY HOUSING NEEDS

This section addresses the question:

How many additional housing units are needed to address housing deficiencies for residents and support the labor force needed to sustain businesses and the economy.

Needs are projected through 2029 and quantified in two categories:

- Catch-Up Needs – the number of housing units needed now to address current deficiencies in housing based on employees needed to fill unfilled jobs and the number of units needed for a functional rental supply.
- Keep-Up Needs – the number of projected units needed to keep-up with projected housing need through 2029 based on job growth and jobs vacated by retiring employees. Housing shortages worsen when local job growth and the need for more workers exceeds the growth in available housing units.

This section estimates housing units needed to support employers, keep up with future job growth and improve housing options for area residents based on information presented in other sections of this report. Estimates are a subset of the total need for housing in the county. Estimates do not include current waitlists for housing, residents that want to move into a new or different home, or households that will be forced to leave due to housing conditions. Nor do figures represent the entire housing market – remote workers or retirees moving in from elsewhere, investment buyers, second homeowner purchases, and other market segments, which are outside the scope of this analysis.

The estimate includes housing that may be provided by the market, and gaps where the market is unlikely to provide housing needed to support the local workforce. Communities typically do not address 100% of the estimated housing needs. There is leeway for vision, policy and locally-generated goals in combination with opportunities (primarily funding and land) and private market performance to determine income targeting, price points, owner/renter mix and the location of housing produced to address needs and target effective housing programs and approaches.

CATCH-UP NEEDS

Overcrowding

Overcrowding is still a problem in the Valley, with 2.5% of households reporting they live in this condition (See *Housing Problems* section). This translates to 178 overcrowded households in the Valley. As stated in the 2016 assessment, overcrowding can only be addressed by building additional units. Due to the price of housing, cultural needs, and household preferences, increasing the supply of workforce housing for one-third of these households will help address the issue.

Units Needed to Address Overcrowding	
Total over-crowded households (2.5%)	178
% needed to address overcrowding	30%
New housing units needed	55

Note: figures rounded to nearest 5

Functional Rental Market

The current rental supply in the county is not functional because vacancies are below 1%, placing substantial upward pressure on rents. When vacancy rates are this low, the rental market is near capacity and cannot absorb new residents or employees moving to the area, much less provide opportunities for current residents to find more suitable rentals as their housing needs change. Renters are “stuck” in their homes, and subject to burdensome rent increases.

A 5% vacancy level, while still low, provides some choice and availability of units for residents and employees. To increase the vacancy rate to 5%, about 145 additional rental units are needed.

Rentals Needed for a Functional Market	
Renter-occupied units (2024 est.)	2,775
Number of rentals if 5% vacancy rate	2,920
Total number of units needed for 5% vacancy rate	145

Note: figures rounded to nearest 5

Unfilled Jobs

Labor is in short supply, both locally and nationally. In such a competitive environment, the near-zero rental vacancy rates, and high and rising home prices and rents, make it even more difficult to attract labor to the area. Seventy-one percent (71%) of employers stated that the lack of housing affected their ability to find and keep employees. More housing that local employees can afford is needed for businesses to hire and retain the workers they need to thrive.

Employer survey respondents reported that 8.1% of jobs were unfilled this winter, which is high and has been affecting business operations and employee satisfaction. To house the employees needed to fill jobs, about 280 housing units are needed.

Unfilled Jobs	
Valley Wage and Salary Jobs (2024 est.)	8,341
Percent Unfilled (%)	8.1%
Unfilled Jobs	675
Jobs per employee	1.28
Employees filling jobs	525
Employees per households with a worker	1.87
New housing units needed	280

Note: figures rounded to nearest 5

KEEP-UP NEEDS

Job Growth

To keep up with projected job growth over the next five years, ranges between 265 and 515 additional units will be needed by 2029 to house the projected increase in employees in the Gunnison Valley. The low end of the range is based on the Colorado Demography Office's projected rate of job growth in Gunnison County, whereas the high end of the range is based on the county's annual average growth rate from 2012-2022. This calculation of estimated keep-up needs is independent of zoning capacity to accommodate residential growth or the communities will to change zoning regulation as land use and zoning capacity are critical determinants of realized job growth. Jurisdictions can use these projections to help seed discussions about the capacity for each community's ability to accommodate growth, and to determine where residential growth could, or should occur based on local and regional goals.

Homes needed for Job Growth	Low	High
Increase in jobs (2024 – 2029)	634	1,236
Jobs per employee	1.28	1.28
Employees filling jobs	495	965
Employees per households with a worker	1.87	1.87
New housing units needed	265	515

Note: figures rounded to nearest 5

Retiring Employees

Employers will need to fill the jobs vacated by retirees in addition to any newly created jobs. Some retirees will leave the area upon retirement; however, when they sell their homes, the majority will be purchased by second-home owners or remote workers rather than local employees. Given current market conditions, the assumption is that all employees filling jobs vacated by retirees will require additional housing.

Employers reported about 11.6% of their workforce will likely retire over the next five years and employees report an even higher percentage. About 1,040 employees will be needed to fill jobs vacated by retirees, which equates to 555 housing units.

Retiring Employees	
Anticipated retirements (% of 2024 estimated total Valley jobs)	11.6%
Anticipated retirements (#)	1,330
Jobs per employee	1.28
Employees filling jobs	1,040
Employees per households with a worker	1.87
New housing units needed	555

Note: figures rounded to nearest 5

SUMMARY OF CATCH-UP AND KEEP-UP NEEDS

Based on estimated catch-up and keep-up needs in the Gunnison Valley through 2029, an additional 1,085 to 1,335 housing units will be needed, or an average of 215 to 270 housing units per year. This estimate includes homes that the free market will provide and units for which subsidies, incentives and/or mandates will be required. The catch up and keep up estimates provide a framework for policy discussions and coordination among the jurisdictions and across the Valley as a whole to determine desired growth and economic expansion.

Catch-Up and Keep-Up Needs through 2029

	Units Needed (low)	Units Needed (high)
Total Catch-Up (Existing Needs)	480	480
Overcrowding	55	55
Functional Rental Market	145	145
Unfilled Jobs	280	280
Total Keep-Up (Future Needs)	820	1,070
Job Growth	265	515
Retiring Employees	555	555
Total Housing Units Needed through 2029	1,300	1,550

Note: figures rounded to nearest 5

Housing Needs by Area

Assigning the 1,300 to 1,550 housing units based on where jobs are located (42% in the North Valley; 58% in the South Valley) results in the need for about 545 to 650 units in the North and 755 to 900 units in the South if current trends persist. This distribution represents the respective impact that jobs in the North and South Valleys have on the need for housing in the area.

Although cross-commuting remains prevalent and some residents prefer to live on one side of the Valley and commute to the other, distributing housing units by job location would improve the housing/jobs balance in the Valley and provide opportunities to reduce cross-commuting. It also places most new homes in the Valley's job centers of Gunnison, Crested Butte, and Mt. Crested Butte near existing infrastructure. It is recognized, however, that the ratio of housing provided in the North and South Valley may shift based on local policies, partnerships, opportunities throughout the Valley, and the assessment of local and regional land use planning and zoning capacities and the Valley's jurisdiction's ability and desire to accommodate growth.

Housing Units Needed by Area

	Low	High
Gunnison Valley	1,300	1,550
North Valley (42%)	545	650
South Valley (58%)	755	900

Note: figures rounded to nearest 5

Source: LEHD

Housing Needs by Own/Rent

Ownership and rental housing for local employees and residents is needed. While the majority of workers filling new jobs will rent homes (upwards of 70%), homes for ownership are also needed for current renters looking to purchase homes. If ownership opportunities are provided, this can then free up rentals for occupancy.

Due to the high unfilled job rate, overcrowding, anticipated retirees, projected job growth, expressed struggles by employers, and extreme shortage of rentals affordable to the workforce, the below table recommends a larger focus on rental units: about 65% rentals and 35% ownership. The precise ratio, however, is dependent upon the community's desired direction, land use expectations and housing policy.

- Rentals are needed to help recruit new workers and residents to the region and provide the ability for current residents to move into different rentals as household needs change.
- Ownership is needed to retain year-round residents, help keep young families and employees that desire to buy in the community, and support community stability.

Housing Units Needed by Tenure

	Low	High
Total Catch-Up (Existing Needs)	480	480
Ownership (35%)	170	170
Rentals (65%)	310	310
Total Keep-Up (Future Needs)	820	1,070
Ownership (35%)	285	375
Rentals (65%)	535	695
Total Housing Units Needed through 2029	1,300	1,550
Ownership (35%)	455	545
Rentals (65%)	845	1,005

Note: figures rounded to nearest 5

The Gap

Only about 25% of needed housing units in the Gunnison Valley are expected to be provided by the market. This is because the cost to build is very high, exceeding the purchasing power of local working households. The gap not served by the market will total about 1,065 units by 2029.

The income level the market now serves varies within the Gunnison Valley, as shown in the following table. This shows that below-market prices vary by market area:

- In the North Valley, below-market units for ownership should be primarily priced below \$650,000 (250% AMI) and rentals below \$2,050 per month (100% AMI) for a 2-person household.
- In the South Valley, below-market units for ownership should be priced below \$400,000 (150% AMI) and rentals below \$1,600 per month (80% AMI) for a 2-person household.

While affordable homeownership opportunities for households earning under 80% AMI are undersupplied, producing homes at this price will not occur without substantial subsidies or programs such as Habitat for Humanity. These households also often have trouble qualifying for loans and meeting down payment purchase requirements.

Gap in Housing Needs by Area, AMI and Own/Rent

AMI	Max Household Income (2-person household)	Maximum Affordable Purchase Price	Owner Household Income Distribution	Market provides		TOTAL Units Needed
				Market does not provide	Market partially provides	
Owner Units						
60% or less	\$49,440	\$156,400	18%	38	53	91
60.1-80%	\$65,920	\$208,600	9%	20	27	47
80.1-100%	\$82,400	\$260,700	12%	26	36	62
100.1-120%	\$98,880	\$312,900	12%	25	35	60
120.1-150%	\$123,600	\$391,100	12%	24	34	58
150.1-200%	\$164,800	\$521,500	10%	20	28	49
200.1-300%	\$247,200	\$782,200	9%	19	26	44
Over 300%	> \$247,200	> \$782,200	18%	37	52	89
Total Ownership Need				100%	210	290
<i>Ownership Gap (below market units)</i>				163	198	362
AMI	Max Household Income (2-person household)	Maximum Affordable Monthly Rent	Renter Household Income Distribution	North Valley Units Needed	South Valley Units Needed	TOTAL Units Needed
Rental Units						
60% or less	\$49,440	\$1,236	56%	219	301	520
60.1-80%	\$65,920	\$1,648	11%	42	57	99
80.1-100%	\$82,400	\$2,060	11%	42	57	98
100.1-120%	\$98,880	\$2,472	6%	25	35	60
120.1-150%	\$123,600	\$3,090	7%	26	36	62
Over 150%	> \$164,800	> \$4,120	9%	36	49	86
Total Rental Need				100%	390	535
<i>Rental Gap (below market units)</i>				315	387	702

Note: Differences are due to rounding; units that are planned for construction have NOT been subtracted from the estimates of needs

PROPOSITION 123 CONSIDERATIONS

Petition Considerations

Local government entities in the Gunnison Valley can submit a petition for policy flexibilities when applying for Proposition 123 - Affordable Housing Financing Funding through the Colorado Housing and Finance Authority (CHFA).

Approval of the petition can only increase income limits for projects that are awarded funding through the Land Banking Program, Equity Program, and Concessionary Debt programs administered by CHFA. Projects that have not been awarded funding from these programs cannot benefit from this petition.

Language from Colo. Rev. Stat. § 29-32-105.5 states:

(5) The division may approve the petition to use different percentages of area median income, but only if:

(a) The submitted housing needs assessment:

(I) Is published by the state or is a local housing needs assessment that utilizes data from the state demographer or other publicly accessible sources, which in either case may be supported by other relevant and verifiable community data;

(II) Has been completed within the past three years of the petition date; and

(III) Is accompanied by a narrative description of why other funding sources cannot be utilized, are not sufficient, or are not accessible to meet the housing needs described within the petition; and

(b) The division determines that the current eligibility standards would cause implementation of this article in a manner inconsistent with demonstrated housing and workforce needs within the jurisdiction, taking into consideration regional workforce commuting trends.

[and]

(6) If the division grants the petition, the division shall establish the percentages of area median income based on the average needs identified in a housing needs assessment.

Colo. Rev. Stat. § 29-32-105.5

Before proceeding to fill out the petition form, communities should ensure they have the information and documents below.

1. Housing Needs Assessment: An assessment of the average housing needs within the community, completed within the last three years, using state demographer data or other reliable and verifiable sources.
2. Justification: A narrative description of why alternative funding sources are not being utilized or are insufficient to meet the housing needs outlined in the petition.
3. Project Information: Includes the project name, address, municipality/county name, requested financing amount, preferred financing structure, CHFA program name, involved

developers/stakeholders, targeted Community Area Median Income (AMI), housing type, tenure (rent or ownership), and total housing units.

4. Approval and Impact: The approval of a community's petition does not alter CHFA's obligation to prioritize high-density housing, mixed-income housing, and environmentally sustainable projects. Approved projects must still meet the demonstrated housing needs of the rural resort community.

Data References

In consideration of the statute and the potential for local government entities in the Gunnison Valley to file a petition, the following is included:

AMI Bands

When converting household and income data from Ribbon Demographics to Gunnison Valley AMI bands, specific attention was paid to lining up with AMI targets for funding opportunities through the Affordable Housing Financing Fund and the Affordable Housing Support Fund.

Program	Maximum AMI
Land Banking	60% AMI for Rental 100% AMI for For-sale
Equity	90% AMI (per project average)
Concessionary Dept Program	60% AMI (per project average, unless debt is subordinate)

Data Sources and Methodology

The statute specifies using data from the "state demographer or other publicly accessible sources". This needs assessment utilizes secondary data provided by the Colorado Demography Office, U.S. Census, American Community Survey 5-year estimates, U.S. Census Longitudinal Employer-Household Dynamics, Colorado Department of Labor and Employment, and Bureau of Labor Statistics. Throughout the assessment, clear references are made to data sources and methodologies, ensuring that readers can independently verify and replicate the provided calculations, charts, and tables. These assumptions do not evaluate land use capacity for each jurisdiction.

To supplement the secondary data collected, an employer survey was administered. Specifics regarding the survey methodology are included in Appendix B of this report. The survey was used to quantify retiring employees and unfilled jobs in the housing need calculations. Additionally, the survey was used to better understand where jobs are located in the Valley and where workers live. The survey plays a key role in quantifying these variables, especially with the scarcity of secondary data sources for the specific geographic areas addressed in this report.

A petition should be "based on the average needs identified in a housing needs assessment". These vary by location in the Valley and should be project specific. The petition should also take into consideration workforce commuting trends, which are quantified in the report sourcing employer survey data. While commuting within the county is prevalent, in-commuting from outside of the Valley only represents about 3% of jobs. Because in-commuting from outside of the Valley is low, the total number of housing units needed are all accounted for as being needed in the Valley.

APPENDIX A – AREA MEDIAN INCOME TABLE

The Area Median Income (AMI) is included throughout this report because it is a metric used by affordable housing funders. CHFA publishes the AMI annually.

Gunnison County – 2024 Income Limits								
AMI	1 PERSON	2 PERSON	3 PERSON	4 PERSON	5 PERSON	6 PERSON	7 PERSON	8 PERSON
120%	86,520	98,880	111,240	123,600	133,560	143,400	153,360	163,200
100%	72,100	82,400	92,700	103,000	111,300	119,500	127,800	136,000
80%	57,680	65,920	74,160	82,400	89,040	95,600	102,240	108,800
70%	50,470	57,680	64,890	72,100	77,910	83,650	89,460	95,200
60%	43,260	49,440	55,620	61,800	66,780	71,700	76,680	81,600
55%	39,655	45,320	50,985	56,650	61,215	65,725	70,290	74,800
50%	36,050	41,200	46,350	51,500	55,650	59,750	63,900	68,000
45%	32,445	37,080	41,715	46,350	50,085	53,775	57,510	61,200
40%	28,840	32,960	37,080	41,200	44,520	47,800	51,120	54,400
30%	21,630	24,720	27,810	30,900	33,390	35,850	38,340	40,800

Source: Colorado Housing and Finance Authority, 2024 Income Limit and Rent Tables

APPENDIX B – DETAILED METHODOLOGY, DATA SOURCES, DEFINITIONS

EMPLOYER SURVEY

Responses from 134 employers representing 5,017 winter jobs were received; this represents 44% of all jobs in the Gunnison Valley, a very high response rate. The 2016 survey received 120 employer responses, representing a similar 40% of all jobs in the Valley and a similar number of employer responses from those located in the North and South Valleys.

We received generous assistance from the Gunnison Country Chamber of Commerce and Crested Butte/Mt. Crested Butte Chamber of Commerce and housing task force members in distributing the survey link and helping to conduct individual outreach and follow up phone calls to recruit participation.

	% Respondents
Government, transportation, public utilities	22%
Retail sales (grocery, sporting goods, etc.)	12%
Professional services (legal, medical, technical, etc.)	10%
Non-profit	9%
Other – Write In	8%
Construction	7%
Bar/restaurant	7%
Real estate/property management	6%
Recreation/entertainment/arts	4%
Health care and social assistance	4%
Lodging/hotel	3%
Manufacturing or wholesale trade	2%
Finance/banking	2%
Education	2%
Total %	100%
Total # responses	134

KEY INFORMANT INTERVIEWS

Interviews were conducted with a variety of community members and professionals.

Real estate agents and lenders: Information was obtained on the ownership market including current prices, recent trends, occupancy patterns, availability and what households are seeking when looking to purchase or rent a unit. This discussion helped define housing preferences among locals and second homeowners searching for homes in the Gunnison Valley, including unit type, price points and amenities. Information was also collected on the availability of financing and the challenges faced when residents try to buy a home.

Property managers: Managers of market-rate and income/rent-restricted rentals provided information on the rental market including rents, vacancy rates, unit turnover, and units most in demand.

Developers: Local residential developers provided insight on construction trends and challenges and costs to build.

LOCAL AND SECONDARY DATA

A variety of sources of local and published information were referenced or used in the preparation of this report, including but not limited to:

- U.S. Census 2010 and 2020
- American Community Survey (ACS) 5-year estimates
- U.S. Census Longitudinal Employer-Household Dynamics (LEHD)
- State Demography Office, Colorado Department of Local Affairs (referenced as SDO and Colorado Demography Office herein).
- Employment information from the Quarterly Census of Employment and Wages (QCEW), Colorado Department of Labor and Employment and Bureau of Labor Statistics
- 2024 Area Median Income from the Department of Housing and Urban Development and Colorado Housing Finance Authority (CHFA)
- MLS Sales and Listings
- Environmental Systems Research Institute (ESRI)
- Gunnison County Assessor
- Residential permit and deed-restricted data from Gunnison County, Mt. Crested Butte, Crested Butte, Gunnison, and the Gunnison Valley Regional Housing Authority
- Pending development data from the Gunnison Valley Housing Task Force
- Short-term rental data from Mt. Crested Butte, Crested Butte, and AirDNA.com
- Ribbon Demographics, LLC HISTA Summary Report 2024
- Prior assessments and reports:
 - » Gunnison Valley Housing Needs Assessment (November 2016)
 - » Gunnison Valley Housing Market Update (May 2021)

DEFINITIONS

Affordable Housing: Housing is affordable if the monthly payment (rent or mortgage, plus utilities) is equal to or less than 30% of gross household income (before taxes). This is consistent with the definition provided in the Proposition 123 Statute.

Area Median Income (AMI): A term that generally refers to the median incomes published annually for counties by the US Department of Housing and Urban Development (HUD). In Colorado, these figures are published annually by the Colorado Housing Finance Authority (CHFA). They are used to set income and rent limits for affordable housing programs statutorily linked to HUD income limits (e.g. low-income housing tax credit rentals).

Community Housing: Dwellings occupied by or available to residents who live and/or work in the Gunnison Valley and that carry an occupancy, use, income, and/or price restriction. This concept is also referred to as “workforce” or “attainable” housing. The intent is that community housing meets the full range of rental and ownership housing types and prices needed to support household changes over time and ensure the Valley remains a complete and vibrant community.

Deed Restricted/Restriction: A deed is a legal document that defines who owns a particular property. Deed restrictions are stipulations written into a property's deed or recorded as a restrictive covenant. Such restrictions can be varied. Throughout this report, use of the terms deed restricted housing or a deed restriction(s) is generally in reference to written rules that limit the amount a property can be sold or rented for, or that restricts who it can be rented or sold to based on household income or the location of the tenant/future owner's employment, etc.

North and South Valley: Unless otherwise stated in this assessment, North Valley and South Valley were defined at the Census County Division (CCD) level. A CCD is a statistical geographic entity established cooperatively by the Census Bureau and officials of state and local governments to maintain a set of subcounty units that have stable boundaries and recognizable names.

- North Valley: Crested Butte CCD
- South Valley: Gunnison CCD

Gunnison Valley Housing Needs Assessment

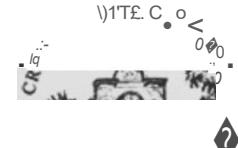
S824-174 Compliance
Addendum

Commissioned by:



GUNN SO VALLEY REGIONAL HOUS NGAUTHORIIY

In partnership with:



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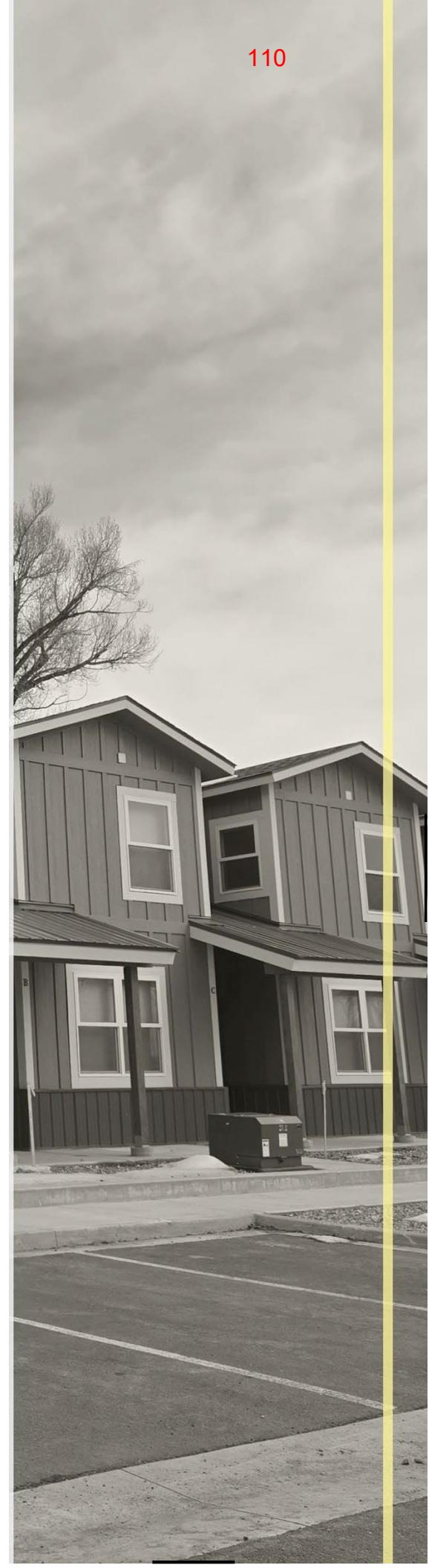


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BACKGROUND AND PURPOSE

PURPOSE

The Gunnison Valley Regional Housing Authority sponsored the 2024 Gunnison Valley Housing Needs Assessment (2024 HNA) with financial support and oversight from Gunnison County, the Towns of Crested Butte and Mt. Crested Butte, the City of Gunnison, and the Valley Housing Fund.

The assessment was structured in two phases. The final Phase II report included the results of both phases.

- Phase I involved an employer survey, extensive outreach through one-on-one listening sessions, and secondary data analysis.
- Phase II, which began in June 2024, included a resident survey, providing detailed data on resident housing characteristics, housing challenges, needs, and preferences. This phased approach ensured that essential analysis was completed in time for local jurisdictions to remain eligible for state housing funding opportunities.

Colorado Senate Bill 24-174 (SB24-174) was signed into law on May 30, 2024, but the Housing Needs Assessment Guide for Colorado Communities was not released until December 2024, which provided guidance on how to meet the statutory requirements established by SB24-174. The Gunnison Valley Regional Housing Authority submitted the 2024 Gunnison Valley HNA to the Colorado Department of Local Affairs (DOLA). DOLA reviewed the regional HNA against the standards outlined in SB24-174 and issued a memorandum to the Gunnison Valley Regional Housing Authority on February 18, 2025, with their findings. The memorandum concluded that “additional information is needed, and the HNA will require an amendment and resubmission” to receive a determination of “Substantial Conformity” with SB24-174 to avoid the need for a new HNA by December 31, 2026, as stipulated by the state.

The purpose of this SB24-174 Compliance Addendum to the 2024 HNA (Addendum) is to provide the additional information requested by DOLA to ensure the Gunnison Valley and local jurisdictions are in “Substantial Conformity” with SB24-174.

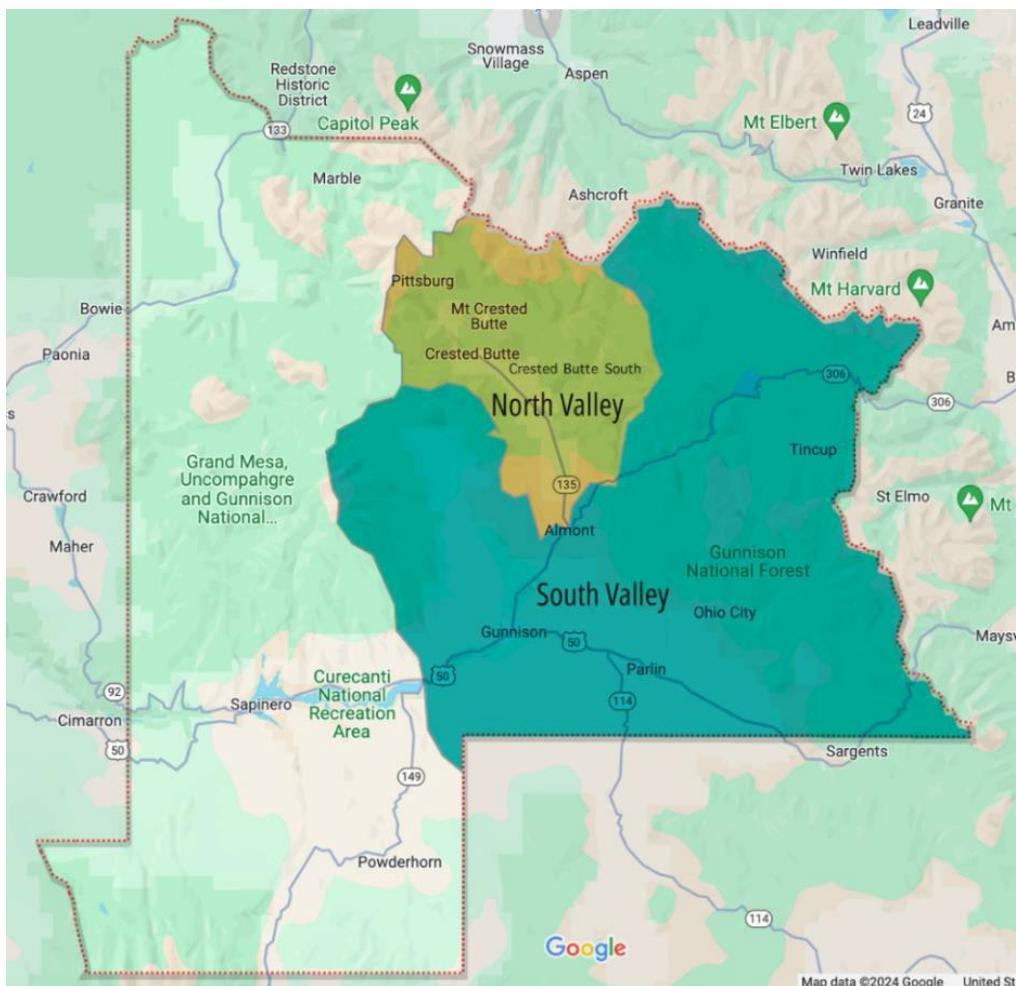
STUDY AREA

This Addendum uses the same study area as the 2024 HNA —the Gunnison Valley (Valley) as a whole—and the sub-markets of the North and South Valleys, as defined in the following table and map. The Valley does not encompass the entire county, but it includes the county’s primary population centers. The Crested Butte Census County Division (CCD) (“North Valley”) and the Gunnison CCD (“South Valley”) represent distinct market areas and coincide with secondary data availability.

The following table shows how the three market areas examined in the 2016 assessment map were simplified into the North and South market areas in the 2021 Gunnison Valley Housing Market Update and 2024 HNA and Addendum. The shift aligned the available sub-market data sets with the available submarket geographies.

	2016 Gunnison Valley Housing Needs Assessment	2021 Gunnison Valley Housing Market Update and 2024 Gunnison Valley Housing Needs Assessment and Addendum
North Valley	Included the Towns of Crested Butte and Mt. Crested Butte, and the unincorporated subdivisions as far south as, but not including, Crested Butte South	Includes the Towns of Crested Butte and Mt. Crested Butte, Crested Butte South and unincorporated subdivisions south to, but not including Almont. This is the region encompassed by the Crested Butte CCD.
Mid Valley	Included Crested Butte South, Almont and the area in between and the Taylor River area	N/A (Now part of North and South Valleys, unless otherwise specified in report sections)
South Valley	Included the area in and around the City of Gunnison and Ohio Creek	Includes Almont and the Taylor River area, the area in and around the City of Gunnison and Ohio Creek, and Pitkin and the Quartz Creek Valley. This is the region encompassed by the Gunnison CCD.

Gunnison Valley



Source: Google Maps

SB24-174 REQUIRED OUTPUTS

The 2024 HNA concluded that to address the current housing shortfall and keep up with projected job growth, **an estimated 1,300 to 1,550 homes are needed in the Valley by 2029 to support local residents and employees.**

Housing Need by Area and Municipality

The 2024 HNA assigned the total homes needed based on where jobs are located (42% in the North Valley; 58% in the South Valley). The table below includes the North and South Valley needs and those of each municipality in the study area (except the Town of Pitkin given its very small population) based on the estimated share of jobs in that part of the Valley.

- 75% of the housing needed in the North Valley gets allocated to the Towns of Crested Butte and Mt. Crested Butte.
- 84% of the housing needed in the South Valley gets allocated to the City of Gunnison.

Housing Units Needed by Area and Municipality through 2029

	Low	High
Gunnison Valley	1,300	1,550
North Valley	545	650
Town of Crested Butte	285	340
Town of Mt. Crested Butte	125	150
South Valley	755	900
City of Gunnison	635	755

Note: figures rounded to the nearest 5

Source: LEHD, consultant team

As explained in detail in the “Commuting” section of the 2024 HNA, there is an imbalance in where jobs are located and where workers live. Building housing in proportion to where jobs are located will reduce commuting.

An analysis of where new housing can practically or feasibly be built was not conducted. The allocation of need by jurisdiction is therefore a rough indication of the relative extent of need in each jurisdiction.

The Gap

As identified in the 2024 HNA, only about 25% of needed housing units in the Gunnison Valley are expected to be provided by the market. This is because the cost of building is very high, exceeding the purchasing power of local working households. The gap not served by the market will total about 1,065 units by 2029. The table below highlights market gaps by tenure and the AMI brackets required by SB24-174, which differ slightly from those in the 2024 HNA gap table.

Gap in Housing Needs by Area, AMI and Own/Rent

							Market does not provide	Market partially provides	Market provides
AMI	Max Household Income (2-person household) [1]	Maximum Affordable Purchase Price [2]	Owner Household Income Distribution	North Valley Units Needed	South Valley Units Needed	TOTAL Units Needed	Owner Units		
30% or less	\$24,720	\$78,200	6%	13	18	31			
30.1-50%	\$41,200	\$130,400	7%	15	20	35			
50.1-80%	\$65,920	\$208,600	14%	30	42	72			
80.1-120%	\$98,880	\$312,900	24%	51	71	122			
120.1-150%	\$123,600	\$391,100	12%	24	34	58			
150.1-200%	\$164,800	\$521,500	10%	20	28	49			
200.1-300%	\$247,200	\$782,200	9%	19	26	44			
Over 300%	> \$247,200	> \$782,200	18%	37	52	89			
Total Ownership Need				100%	210	290	500		
<i>Ownership Gap (below market units)</i>							163	198	362
AMI	Max Household Income (2-person household) [1]	Maximum Affordable Monthly Rent	Renter Household Income Distribution	North Valley Units Needed	South Valley Units Needed	TOTAL Units Needed	Rental Units		
30% or less	\$24,720	\$618	20%	77	106	183			
30.1-50%	\$41,200	\$1,030	25%	99	136	235			
50.1-80%	\$65,920	\$1,648	22%	85	116	201			
80.1-120%	\$98,880	\$2,472	17%	67	91	158			
120.1-150%	\$123,600	\$3,090	7%	26	36	62			
Over 150%	> \$123,600	> \$3,090	9%	36	49	86			
Total Rental Need				100%	390	535	925		
<i>Rental Gap (below market units)</i>							315	387	702

[1] CHFA 2024 Income Limits

[2] Max purchase price assumes 30-year mortgage at 7% with 5% down and 20% of the payment covering taxes, HOA, PMI and insurance.

Note: Differences are due to rounding; units that are planned for construction have NOT been subtracted from the estimates of needs

Source: MLS; Property manager interviews; Crested Butte News, Gunnison Times, Craigslist, Zillow, Property Manager Websites, Facebook; CHFA; Ribbon Demographics LLC; consultant team

ACCESSIBLE AND VISITABLE UNITS

Data on existing visitable and accessible units does not exist unless governments specifically track this information. Gunnison Valley jurisdictions do not currently have or track this data, but it is advisable to do so to comply with this requirement in future assessments.

An alternative method for estimating this metric is to identify the share of households occupied by a person(s) with a disability and multiply it by the number of housing units needed. This method was used to estimate the number of accessible and visitable units needed through 2029 in the North and South Valleys, as well as for each municipality. It's essential to note that this method likely overstates the estimated number of accessible and visitable units needed through 2029, as 78% of survey respondents with a disability reported that their home adequately accommodated them.

About 15% of Valley households have one or more people with a disability. Applying this to the total number of units needed yields a range of about 195 to 235 accessible and visitable units. The percentage of South Valley households with a disability (18%) is more than double that in the North Valley (8%). About 75% of accessible and visitable housing is therefore needed in the South Valley.

Estimated Accessible and Visitable Housing Needs through 2029

	Accessible and Visitable Units [1]
Gunnison Valley, Total Needed	195 to 235
North Valley	50 to 60
Town of Crested Butte	25 to 30
Town of Mt. Crested Butte	~10
South Valley	145 to 175
City of Gunnison	95 to 115

[1] rounded to the nearest 5

Source: U.S. Census, ACS 2018-2022 5-year estimates, consultant team

SUPPORTIVE UNITS

Supportive units combine housing and services to help people live more stable and productive lives. The shortage of supportive units can be roughly estimated from data on persons and families experiencing homelessness. One often used source of data on the number of people experiencing homelessness is the Colorado Homeless Management Information System. It, unfortunately, does not provide data on the number of unhoused people in Gunnison County or its municipalities. The 2024 HNA household survey did gather direct responses from Valley residents in this regard.

The 2024 HNA section titled “Homeless and Unstable Households” concluded that around 2% of survey respondents indicated they are homeless, either couch surfing with friends or living in a tent, camper, or vehicle. This equates to 142 households in the Gunnison Valley. Additionally, 6% reported that they still have yet to find suitable housing they can afford, despite residing in the Valley, indicating many are under- or unsuitably housed.

Data about students experiencing homelessness is available pursuant to the McKinney-Vento Homeless Assistance Act. Data indicate that from the 2019-2020 school year through the 2022-2023 school year, the number of homeless students in the Gunnison Watershed School District (RE1J) ranged from three to eighteen, averaging approximately ten students per school year.

The number of supportive units needed by location is summarized below based on a Valley total of 142 households. The North Valley and South Valley distribution is based on each geography's share of Valley households. All supportive units in each part of the Valley are allocated to the Valley's municipalities (excluding the Town of Pitkin), where other services are present, based on their share of households in that part of the Valley.

Estimated Current Supportive Housing Needs

	Supportive Units [1]
Gunnison Valley, Total Needed	142
North Valley	50
Town of Crested Butte	30
Town of Mt. Crested Butte	20
South Valley	92
City of Gunnison	92

[1] rounded to the nearest 5

Source: U.S. Census, ACS 2018-2022 5-year estimates, consultant team

DISPLACEMENT RISK

Households in the Valley have been displaced and continue to face the risk of displacement. Displacement risk means households living in the Valley may have to leave their homes due to sale, rehabilitation, redevelopment, demolition, condition, price, or other factors. Additional factors include demographic changes, unfair housing practices or discrimination, language barriers, or lack of accessibility for people with disabilities.

Numerous measures of displacement risk outlined in SB24-174 are presented individually by geography and in the state's preferred table format in Appendix A1, which mostly rely on secondary data.

The primary data gathered during the 2024 HNA process, however, is more reliable than secondary data. The "Housing Problems" section of the 2024 HNA provided detailed information on key indicators quantifying housing problems in the Gunnison Valley, based on direct feedback from Valley residents. This included cost burden, overcrowding, issues with home condition, homeless and unstable households, vulnerable populations, and forced relocation. A detailed analysis of the Valley's for sale and rental market was also conducted, highlighting the challenges local households face due to rising home prices and limited availability, which increases the risk of displacement.

- Cost Burden: 39% of Valley households spend more than 30% of their gross income on housing payments, up from 25% in 2016. 76% of very low-income households ($\leq 60\%$ AMI) are cost burdened.

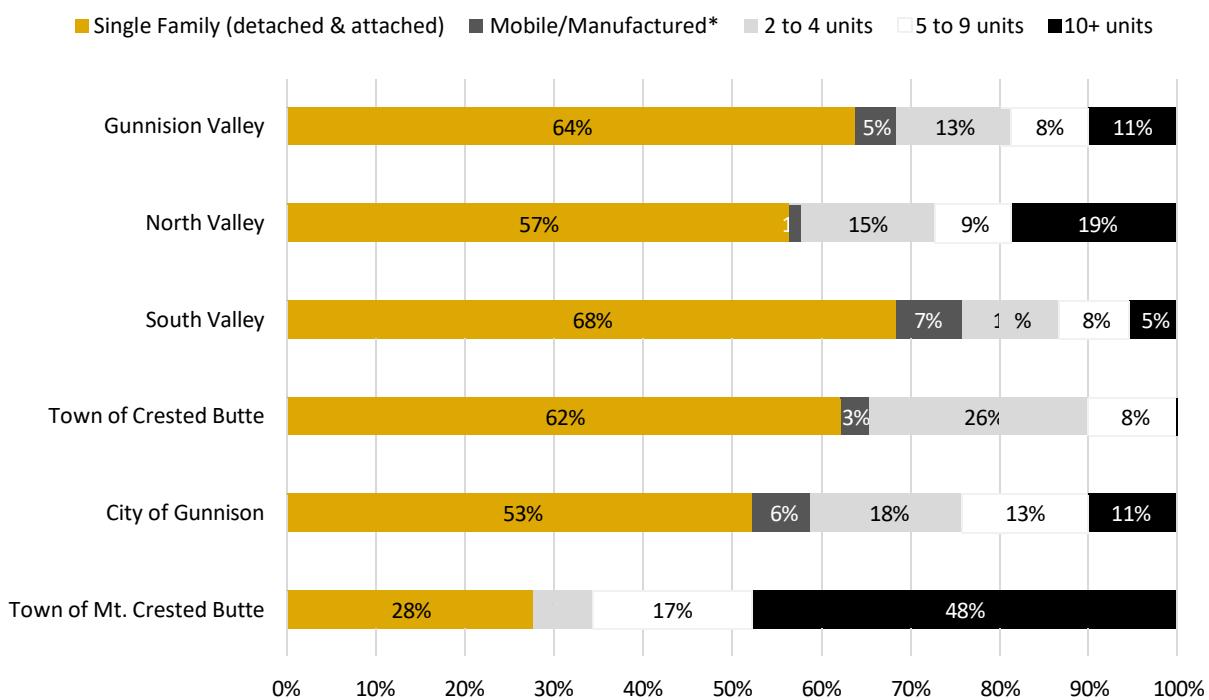
- Overcrowding: 1.6% of North Valley households and 3% of South Valley households are overcrowded. Overcrowding now affects households with incomes up to 120% AMI.
- Dissatisfaction with current residence: 45% of Valley residents are dissatisfied with their current residence because it is too expensive, it needs repairs or is in poor condition (45%), or because it is too small or overcrowded (51%).
- Vulnerable Populations: the 2024 HNA highlighted housing challenges faced by senior-headed households, Hispanic/Latino Households, and persons with a disability. Senior-headed households are more likely than the overall population to live in unsatisfactory conditions due to the high cost of repairs. Hispanic/Latino households are more likely to live in overcrowded conditions than the entire population, and almost one in four (22%) households with a disability report living in housing that does not meet their needs due to its size or lack of needed features.
- Rental Housing Affordability: The 2024 HNA highlighted the mismatch between renter household incomes and available rentals (while 56% of renter households make 60% AMI or below, only 8% of available rentals fall into this income band. Additionally, there are more rental listings between 100% and 150% AMI (51%) compared to renter households (13%).)
- Rental Housing Availability: In March 2024, the Valley's rental vacancy rate was extremely low (<1%). Very low rental vacancies contribute to displacement risk for numerous reasons. Among them is that the condition of homes is more likely to deteriorate as landlords are not incentivized to make repairs or capital investments, as well as rents increasing faster than incomes, which exacerbates affordability challenges and cost burden.
- For Sale Price Increases: Between 2015 and 2020, the median price of single-family homes sold in the North Valley increased by 86% and nearly doubled in the South Valley (92% increase). Market-rate homes in the North Valley have long been priced too high for the majority of local residents; however, the South Valley has remained relatively affordable. Opportunities for locals to buy homes below \$500,000 diminished through 2023, increasing displacement pressure.
- Forced Relocation: Almost one third (29%) of households have been forced to move (displaced) in the past five years. The primary reasons for this included rent increases, the home being sold, its conversion to a short-term rental, or the owner moving in. Almost one in four (22%) households plan to leave the Valley by 2029, or about 1,570 households, highlighting the severity of the Valley's housing problems and the challenges it poses for households.

Residents of mobile home parks are at heightened risk of displacement. The fundamental reason for this is the split-tenure model, where residents typically own their homes but rent the land/lot beneath them. This arrangement means owners of the park can sell the land that park residents live on, institute lot lease hikes or new fees that residents cannot afford, and force them to move. Mobile home owners face higher obstacles than renters when forced to move. A park resident who owns their home not only has to find a new location for their home but also must pay the very high cost of moving the building, which may be cost prohibitive.

Not all park residents own their home. Many residents rent homes owned by the park owner, which is more akin to standard rental arrangements. Such residents also face displacement risk. A glaring example of the tangible displacement risk faced by such residents occurred in 2023 in the City of Gunnison, where approximately 50 low-income adults and children living in the Frontier Land trailer park were given just over 30 days to vacate their homes so they could be removed and replaced with new mobile homes.

Approximately 5% of the Valley's housing stock is estimated to be mobile or manufactured housing, which is likely an underestimation given that this housing type is also present in the Valley outside of registered mobile home parks.

Housing Type



Note: Percentages may not add to 100% due to rounding
 Source: U.S. Census, ACS 2018-2022 5-year estimates

The Valley is home to 15 mobile home parks registered with the State of Colorado, which collectively have nearly 400 rented mobile home lots and mobile homes. All but two are in the City of Gunnison. The registered park list does not account for all parks in the Valley. The Red Lady Estates 10-unit deed restricted manufactured home park in Crested Butte, for example, is not on the state's registered list.

Gunnison Valley Mobile Home Parks Registered with the State of Colorado

Registration Number	Park Name	Location	Total Rented MH Lots and MHs
MHP-000531	Three Rivers Resort Mobile Home Park	Almont	34
MHP-000160	50 Hi Trailer Park	Gunnison	21
MHP-000293	Carolyn Kulhanek Mobile Home Park	Gunnison	5
MHP-000269	Cottonwood Parque	Gunnison	14
MHP-000566	E & F Trailer Court	Gunnison	20
MHP-000270	Frontierland MHP	Gunnison	12
MHP-000502	Gunnison Lakeside Cabins & RV Park	Gunnison	19
MHP-000767	Holden Village	Gunnison	47
MHP-000590	Mountain High Park	Gunnison	5
MHP-000406	Park-It Mobile Homes	Gunnison	28
MHP-000211	Rio Grande Mobile Home Park	Gunnison	8
MHP-000185	Ski Town Village*	Gunnison County	57
MHP-000922	Slate River Park	Gunnison	10
MHP-000573	Twin Pines Mobile Home Park	Gunnison	75
MHP-000734	Wildwood Mobile Home Park	Gunnison	42
Total			397

Source: Colorado Department of Local Affairs, Numbers of lots and homes by registered mobile home park, last updated 8/21/2025

*Owners looking at opportunities to purchase the park and establish community ownership

RECOMMENDED POLICY AND PROGRAMMATIC RESPONSES

Introduction

This section presents recommended policy and programmatic responses to address the housing needs identified in the 2024 HNA. These recommendations build upon the progress made since the 2016 HNA while addressing persistent challenges and adapting to the evolving organizational landscape in the Valley. These recommendations are intended to guide the future development of a detailed action plan with specific implementation strategies, timelines, and responsible parties.

Building on 2016 Recommendations

The 2016 HNA identified eight strategic recommendations that have guided the Valley's housing efforts over the past eight years:

1. Develop a Strategic Housing Plan
2. Increase Compatibility Among and Access to Housing Programs
3. Increase Development and Operational/Property Management Capacity
4. Proceed with Development of Ownership and Rental Housing
5. Increase Funding for Housing
6. Support and Expand Employer Assisted Housing Efforts
7. Expand Rehabilitation and Redevelopment Efforts
8. Encourage Private Development of Permanently Affordable Housing

The Valley has made measurable progress on these strategies, including establishing dedicated funding streams, producing approximately 255 units of community housing, expanding employer participation in housing assistance, and strengthening regional coordination through the Gunnison Valley Regional Housing Authority (GVRHA). However, the scale of current need—1,300-1,550 units by 2029—and persistent affordability challenges indicate that continued and intensified effort across all these strategic areas remains essential.

The recommendations that follow refine and build upon this foundation, responding to changed conditions (including organizational transitions and market dynamics), and scaling strategies to match the magnitude of current housing needs. Meeting housing needs at this scale will benefit from coordinated action across all eight strategic areas simultaneously, recognizing that no single strategy is sufficient in isolation. Rather than replacing the 2016 framework, these updated recommendations represent an evolution—maintaining the core strategic directions while adapting approaches, expanding their scope, and increasing urgency to meet the realities of 2025.

Strategy 1: Strengthen Regional Coordination and Organizational Capacity

Effective regional coordination and adequate organizational capacity are foundational to addressing the Valley's housing needs. The scale of housing production identified in the 2024 HNA—substantially beyond the pace of recent years—will benefit from strengthened organizational capacity, seamless regional coordination, and sustained institutional support.

The Gunnison Valley Regional Housing Authority (GVRHA) was established in 2012 through an intergovernmental agreement between the four Valley jurisdictions to coordinate regional housing efforts. In 2025, following leadership transitions and organizational changes, the GVRHA board recommended transferring its functions to the Gunnison County Housing Authority—an entity established initially in 1979 and recently reactivated to manage county housing projects. The transition from GVRHA to Gunnison County Housing Authority presents an opportunity to strengthen regional housing coordination while ensuring continuity of essential functions, such as property management, rehabilitation programs, and inter-jurisdictional collaboration.

Organizational Transition and Capacity

- Support the successful transition to Gunnison County Housing Authority with attention to maintaining critical functions (property management, rehabilitation programs, energy efficiency initiatives, and regional coordination)
- Build organizational capacity to scale housing production and meet long-term needs

Regional Coordination

- Strengthen inter-jurisdictional coordination across Gunnison County, City of Gunnison, and the Towns of Crested Butte and Mt. Crested Butte
- Establish mechanisms for ongoing policy alignment, shared systems, and collaborative problem-solving
- Support nonprofit housing partners in expanding capacity and accessing complex financing tools

Strategy 2: Expand and Diversify Funding for Housing

While significant progress has been made in establishing dedicated revenue streams, funding remains insufficient to meet the scale of housing needed. As documented in the Market Limitations section, the market is expected to provide approximately 25% of needed housing, creating a gap of approximately 1,065 units that will require public subsidy or alternative development models. Diversified, sustainable funding is essential to support production, preservation, and special needs housing across the income spectrum.

Given the scale of the gap between market-provided housing and community need, strategic deployment of limited public resources can maximize impact through leverage, efficiency, and targeting.

Local Revenue Expansion

- Establish dedicated housing revenue sources in jurisdictions currently lacking them, exploring revenue mechanisms appropriate to each jurisdiction's context and legal authority.
- Explore additional countywide and municipal revenue mechanisms, including revolving loan funds that provide lower-cost project capital that can be replenished as projects are completed.
- Periodically revisit incentives and fee structures to ensure they maximize both incoming revenue and the effective deployment of available funds as market conditions and development costs evolve.

Leverage Private and Employer Resources

- Expand employer-assisted housing programs and create frameworks for employer contributions
- Develop incentive structures to encourage private sector investment in affordable housing
- Create public-private partnership frameworks that leverage private capital while ensuring long-term affordability
- Explore models that reduce per-unit subsidy needs through land donations, infrastructure timing, or development efficiencies

State and Federal Funding

- Actively pursue state and federal grant and financing programs, coordinating applications and building capacity to compete for funding
- Pursue a regional allocation of Housing Choice Vouchers
- Coordinate Low Income Housing Tax Credit (LIHTC) applications and other competitive funding strategies Valley-wide
- Pursue infrastructure grants to reduce development costs

Strategy 3: Accelerate Production of Below-Market Housing

Addressing the identified need for 1,300-1,550 units by 2029 would represent a substantial increase from the pace of community housing development since 2016. The Valley produced approximately 255 units of community housing between 2017 and 2024—an average of 32 units per year. For context, fully addressing identified needs would translate to approximately 260-310 units annually. With 75% of needed units requiring below-market pricing and the greatest gaps in the 50-120% AMI range, focused production strategies can help jurisdictions make progress toward locally determined goals.

Accelerating housing delivery will require multiple pathways moving in parallel, efficient public investment, and reduced barriers to development.

Production Focus Areas

- Prioritize rental housing production for 50-120% AMI households where market gaps are largest
- Prioritize lots with existing infrastructure to minimize development costs
- Remove regulatory barriers and streamline processes for affordable housing development
- Address infrastructure constraints that limit development capacity, considering the findings in the Water Supply Needs section regarding infrastructure capacity variation across the Valley
- Explore opportunities to accelerate development timelines through pre-planning, infrastructure readiness, and expedited review processes

Development Tools and Incentives

- Consider regulatory tools to support affordable housing production, tailored to each jurisdiction's context
- Expand accessory dwelling unit development through reduced barriers and financial incentives

- Pursue diverse development models, including public-private partnerships, nonprofit development, and employer-sponsored housing
- Support diverse developers and development models working in parallel to achieve the needed production scale, removing potential for bottlenecks

Strategy 4: Preserve Existing Affordable Housing and Address Displacement Risk

The loss of naturally occurring affordable housing, particularly in the South Valley, threatens existing affordability and undermines production efforts. As documented in the Displacement Risk section of this Addendum, nearly one-third (29%) of Valley households have been forced to move in the past five years, and almost one in four (22%) plan to leave by 2029. This strategy responds directly to identified displacement risks through targeted preservation, protection, and support programs.

Preservation Strategies

- Expand rehabilitation programs to extend the life of existing affordable housing
- Target naturally occurring affordable housing (NOAH) for preservation, including mobile home parks and older rental complexes
- Implement buy down programs to lock in affordability of NOAH units
- Implement anti-displacement strategies to protect existing residents
- Continue enforcement of short-term rental regulations to preserve long-term housing stock
- Implement compliance programs for existing affordable housing units to ensure they remain in the community housing stock

Displacement Prevention and Targeted Support

Mobile home park residents face a heightened risk of displacement due to split-tenure ownership. With 15 state-registered mobile home parks housing nearly 400 households in the Valley, protection strategies are essential.

- Support community ownership models for mobile home parks, including resident cooperatives and land trusts
- Educate mobile homeowners of their opportunity to purchase their park per the Colorado Mobile Home Park Act when the landlord intends to sell and develop local criteria for government involvement should this right be assigned.
- Explore acquisition of at-risk mobile home parks by public entities or nonprofit organizations
- Strengthen protections for mobile home park residents and provide financial assistance for unit rehabilitation
- Expand emergency rental and utility assistance to prevent displacement due to temporary financial hardship
- Create rental assistance programs to close affordability gaps for cost-burdened households
- Provide targeted support for vulnerable populations at heightened displacement risk, including seniors, persons with disabilities, and households facing language or cultural barriers to accessing housing assistance

- Establish eviction prevention programs, including legal assistance and mediation services

Strategy 5: Address Homelessness and Special Needs Housing

The Supportive Units analysis estimates 142 households currently experiencing homelessness in the Valley—including families, individuals couch-surfing, and those living in tents, campers, or vehicles. With no emergency shelter beds currently available, addressing homelessness and meeting the housing needs of extremely low-income households ($\leq 30\%$ AMI) requires specialized housing solutions and coordinated services.

Emergency Response and Continuum of Care

- Develop emergency shelter capacity to provide immediate safety for individuals and families experiencing homelessness
- Consider seasonal overflow capacity and warming shelters to address weather-related emergencies
- Create transitional housing programs that bridge the gap between emergency shelter and permanent housing, with supportive services to address barriers to housing stability
- Develop permanent supportive housing with integrated services for chronically homeless individuals
- Establish specialized housing for domestic violence survivors, rapid re-housing participants, and other vulnerable populations
- Coordinate with regional and state homeless services systems, including participation in Continuum of Care planning

Extremely Low-Income Housing Production

Households at or below 30% AMI—including seniors on fixed incomes, persons with disabilities receiving supplemental security income (SSI), and working households in the lowest-wage jobs—face severe housing cost burden and have limited market-rate options.

- Support production of deeply affordable housing ($\leq 30\%$ AMI) through strategic use of available funding sources and substantial subsidies to serve extremely low-income households
- Explore innovative models, including shared housing, single-room occupancy (SRO) facilities, and micro-units, to increase affordability at this income level
- Layer multiple funding sources to achieve deeper affordability targets than any single funding stream allows

Special Populations

- Develop housing with integrated supportive services through partnerships with healthcare providers, behavioral health systems, and social service agencies
- Plan for senior housing that supports aging-in-place, including accessible design, proximity to services, and connections to senior support programs

- Ensure new affordable housing production includes units designed to meet the needs of persons with disabilities, families with children, and other populations with specific housing requirements
- Coordinate housing development with supportive services to address barriers that can lead to housing instability

Strategy 6: Align Land Use Policy with Housing Production Goals

Regulatory frameworks, zoning standards, and infrastructure planning must support rather than constrain housing production. Policy alignment can remove barriers, incentivize desired development patterns, and ensure that growth planning incorporates housing needs. The most recently completed Gunnison Area Plan (2025) and the upcoming North Valley Corridor Plan are recent examples of this.

Regulatory Framework

- Update zoning to allow appropriate density and housing types in suitable locations
- Streamline permitting and review processes, particularly for affordable housing projects
- Reduce regulatory barriers such as excessive parking requirements, restrictive lot sizes, and lengthy approval timelines

Infrastructure and Capital Planning

- Align water, sewer, and infrastructure capacity planning with housing development priorities
- Prioritize infrastructure investments that enable housing production
- Consider financing mechanisms to reduce infrastructure cost barriers for affordable housing

Strategy 7: Engage Employers in Addressing the Workforce Housing Challenge

With 92% of employers reporting housing as a serious or critical problem and 280 jobs unfilled due to housing constraints, employer engagement is essential to addressing workforce housing needs. Employers have resources, land, and direct motivation to participate in solutions. Currently, 41% of employers provide some form of housing assistance—ranging from direct housing provision to rental subsidies—and employers collectively provide approximately 503 beds of housing. An additional 71% of employers report they would consider assisting, indicating substantial potential for expanded employer engagement.

Building on this foundation of existing employer participation can expand the range of employer-supported housing solutions.

Employer Participation

- Expand and formalize employer-assisted housing programs, building on the 41% current participation rate
- Create mechanisms for employers to contribute land, funding, or other resources to workforce housing
- Explore collective employer action, including employer consortiums, shared housing facilities, or pooled resources

- Facilitate employer participation in advocacy and policy discussions around workforce housing

Workforce Housing Development

- Focus production strategies on the 50-120% AMI range that serves the majority of the workforce
- Create workforce housing development partnerships between employers, public entities, and developers
- Link economic development strategies to housing production goals
- Develop diverse models for employer engagement beyond direct housing provision, including financial contributions, land donations, or capital investments

Strategy 8: Build Data Systems and Accountability

Ongoing monitoring of housing production, preservation, market conditions, and program effectiveness is essential to track progress toward goals and adjust strategies as conditions change. Effective data systems enable adaptive management—tracking progress, evaluating what works, and adjusting strategies when approaches underperform.

Tracking and Monitoring

- Establish systems to track annual housing production, preservation, and loss by unit type and affordability level (including deed-restricted, accessible, and visitable units).
- Monitor deed-restricted housing inventory, compliance, and resales; coordinate tracking across jurisdictions to enable regional visibility and data sharing; develop consistent application and qualification processes to simplify access across jurisdictions; ensure monitoring prevents expiration of affordability restrictions
- Track key market indicators, including rental vacancy rates and prices, sales and sale prices, and affordability trends
- Establish systems to identify properties and households at risk of displacement; track displacement outcomes to understand scope and impact
- Track homelessness through coordinated entry systems, Point-in-Time counts, and McKinney-Vento student data to understand need and measure progress
- Develop early warning indicators to identify emerging issues before they become crises

Coordination and Service Delivery

- Coordinate across Valley jurisdictions to share information about displacement trends, homelessness data, and successful interventions
- Establish coordinated referral systems to connect households experiencing homelessness or housing instability with available resources across the Valley
- Create rapid response mechanisms to deploy resources when at-risk situations are identified
- Coordinate across jurisdictions and with regional partners to avoid service gaps and duplication
- Ensure regional data sharing and compatibility to support coordinated action across jurisdictions

Planning and Evaluation

- Conduct regular housing needs updates per SB24-174 requirements
- Evaluate program effectiveness and adjust strategies based on outcomes
- Create accountability structures with clear roles, timelines, and reporting mechanisms
- Consider transparent public dashboards or reporting to maintain community awareness and accountability

Conclusion

These policy and programmatic recommendations provide strategic direction for addressing the Valley's housing needs. They build on the substantial progress made since 2016 while responding to the scale and urgency of current challenges. The transition to GCHA represents an opportunity to strengthen regional capacity and coordination.

The identified need for 1,300-1,550 units by 2029 provides context for action planning and priority-setting. Progress toward addressing these needs will benefit from sustained commitment, increased funding, accelerated production, and strong partnerships across sectors. Some strategies enable others—funding capacity enables production, organizational capacity enables program implementation, and data systems enable adaptive management. A regional approach is essential, as no single jurisdiction can address housing needs in isolation.

These recommendations establish the foundation for detailed future action planning, which will define specific goals, projects, timelines, responsible parties, and implementation strategies based on available resources and community priorities.

RECOMMENDED DATA TO SUPPORT OUTPUTS

BASELINE DATA (B): HOUSING DIVERSITY AND HOUSING STOCK CHARACTERISTICS

Understanding the existing range and types of available housing in the Gunnison Valley provides important context for addressing housing needs and displacement risk. This section summarizes housing diversity captured in the 2024 Housing Needs Assessment and U.S. Census Bureau data.

Housing Unit Composition

The Gunnison Valley's housing stock comprises approximately 11,203 total housing units as of 2024, distributed across the North Valley (4,596 units) and South Valley (6,606 units). However, only 63% of these units are occupied by local residents, with the remaining 37% serving as second homes, short-term rentals, or vacant properties.

Occupancy and Tenure

Of the 7,109 occupied housing units in the Valley:

- Owner-occupied: 4,334 households (61% of occupied units)
- Renter-occupied: 2,775 households (39% of occupied units)

The North Valley has significantly lower occupancy rates (52%) compared to the South Valley (72%), reflecting the prevalence of second homes and vacation properties in the Crested Butte area.

Housing Types and Structure

Mobile and Manufactured Housing

Approximately 5% of the Valley's housing stock is mobile or manufactured housing, likely an underestimate as this housing type exists beyond registered parks. The Valley is home to 15 registered mobile home parks with nearly 400 units, with all but one park located in the City of Gunnison. Mobile home parks represent a critical source of naturally occurring affordable housing and face a significant risk of displacement due to the split-tenure model.

Community Housing (Deed-Restricted)

The Valley's deed-restricted community housing inventory includes 698 units (approximately 10% of occupied units), distributed as: - 60% rental units (408 units) - 33% ownership units (226 units) - 7% either rental or ownership (64 units)

Since 2016, 255 community housing units have been added (37% of the current inventory), with the South Valley more than doubling its community housing stock during this period.

Employer-Assisted Housing

Approximately 503 beds are provided by employers in employer-owned or employer-leased units across the Valley, representing an important component of the Valley's workforce housing supply. About 41% of employers provide some form of housing assistance.

Housing Age and Condition

Housing age is an important indicator of housing diversity and maintenance needs. Older housing stock (pre-1970) is included as one of the displacement risk measures in this Addendum, as it is more likely to require significant repairs and may be at risk of deterioration or demolition.

As documented in Appendix A1 (Displacement Risk Tables), housing built before 1970 represents a measurable portion of the Valley's housing stock across all jurisdictions, contributing to both affordability (as naturally occurring affordable housing) and displacement risk (due to condition and potential redevelopment pressure).

The housing diversity documented here—emphasizing occupancy patterns, tenure, deed-restricted inventory, mobile homes, and employer-provided housing—directly supports the displacement risk analysis and housing needs estimates in this Addendum.

BASELINE DATA (G): LOCAL RESOURCES FOR HOUSING

This summary presents an overview of existing housing policies, programs, resources, and infrastructure. It documents what currently exists, identifies strengths and gaps, and establishes baseline conditions for:

- Section (g) compliance: measures of local resources dedicated to affordable housing development
- Policy context: current regulatory framework across four jurisdictions
- Program inventory: active assistance programs and production tools
- Infrastructure capacity: water, sewer, schools, healthcare, transportation, and supportive services

1. Current Housing Policies

This section summarizes active housing policies across all four jurisdictions, highlighting regulatory tools, incentive programs, and implementation gaps.

Regulatory Policies Comparison

Policy Area	Gunnison County	City of Gunnison	Town of Crested Butte	Town of Mt. Crested Butte
Short-Term Rentals	<input checked="" type="checkbox"/> Draft licensing program <ul style="list-style-type: none"> • No density cap • 1,300+ STRs countywide • 4% LMD tax on lodging 	<input type="triangle-down"/> Draft regulations proposed (2022) <ul style="list-style-type: none"> • Proposed 2.5% cap (~70 units) • 31 STRs as of 2022 • Adoption status TBD 	<input checked="" type="checkbox"/> Ordinances 935 (2018) & 959 (2022) <ul style="list-style-type: none"> • 212 license cap (30% of eligible zones, 17% of housing stock) • Two types: Primary residence (60 nights/year) vs Unlimited • 7.5% vacation rental tax, all proceeds go to housing 	<input checked="" type="checkbox"/> Licensing program (2020) <ul style="list-style-type: none"> • 4.9% excise tax (~\$1M/year) • \$275 license fee • Local representative required • Inspections mandatory • Up to \$1,000/day penalty
Accessory Dwelling Units (ADUs)	<input checked="" type="checkbox"/> Allowed in County with infrastructure <ul style="list-style-type: none"> • 2nd units on larger lots • Tiny houses ≤400 sq ft (Appendix Q) 	<input checked="" type="checkbox"/> Permitted in all residential/commercial zones except R-1 <ul style="list-style-type: none"> • LDC update (2024) expanding allowances • Parking exemptions 	<input checked="" type="checkbox"/> Implemented 1990 with 93 units produced <ul style="list-style-type: none"> • Council/BOZAR exploring allowances in SF zones • Not currently mandated 	<input checked="" type="checkbox"/> One ADU per lot in SFR district <ul style="list-style-type: none"> • Max 1/3 of total GRFA, not exceeding 1,200 sq ft • Planning Commission may allow more for community housing • Summit subdivision: 800 sq ft limit
Inclusionary Zoning	<input checked="" type="checkbox"/> Within 3-mile planning area per Gunnison Area Plan	<input type="cross"/> Not adopted <ul style="list-style-type: none"> • Comp Plan (2018) recommends ≥10% deed-restricted in new developments • Pending LDC update 	<input checked="" type="checkbox"/> 20% requirement since 2016 <ul style="list-style-type: none"> • Fee-in-lieu option available • Only applies to SF, not remodel of existing 	<input checked="" type="checkbox"/> 15% inclusionary + employee mitigation <ul style="list-style-type: none"> • Multiple compliance options: on-site, off-site, land dedication, fee-in-lieu • Projects <2,700 sq ft exempt

Policy Area	Gunnison County	City of Gunnison	Town of Crested Butte	Town of Mt. Crested Butte
Density Bonuses	<input checked="" type="checkbox"/> Available for affordable projects • Case-by-case approval	<input checked="" type="checkbox"/> Up to 20% increase for 15% affordable units • Comp Plan (2018) recommends expansion • Not systematically applied	<input checked="" type="checkbox"/> Case-by-case above 15% affordability requirement • Combined with parking reductions	<input checked="" type="checkbox"/> Higher density allowed for >15% affordable • PUD flexibility
Parking Reductions	<input checked="" type="checkbox"/> The recently adopted Gunnison Area Plan provides substantial reduced parking requirements	<input checked="" type="checkbox"/> 1-1.5 spaces/unit vs 2 standard for affordable housing	<input checked="" type="checkbox"/> 1-1.5 spaces/unit vs 2 standard • \$500 seasonal worker housing stipends for homeowners renting out parking	<input checked="" type="checkbox"/> Variances available for affordable projects • Reduced requirements case-by-case
Expedited Review	<input checked="" type="checkbox"/> Expedited over County's standard process • Essential Housing Amendments (2016) provide flexible standards	<input checked="" type="checkbox"/> Fast-track approval process • Concurrent review	<input checked="" type="checkbox"/> Combined BOZAR/Council review (2 months vs. standard) • Full fee waivers for deed-restricted	<input checked="" type="checkbox"/> <1 year for Homestead project • Fast Track review for affordable projects
Manufactured/ Mobile Homes	<input checked="" type="checkbox"/> Streamlined approval (LUR §5.5.5) • Protections for existing parks • Recognized as affordable option	<i>No specific policy documented</i>	<i>No specific policy documented</i>	<i>No specific policy documented</i>
Tenant Protections	<input type="checkbox"/> State law only	<input type="checkbox"/> State law only	<input type="checkbox"/> State law only	<input type="checkbox"/> State law only
Rental Registration	<input type="checkbox"/> Not required	<input type="checkbox"/> Not required	<input type="checkbox"/> Not required	<input type="checkbox"/> Not required

Incentive Programs Summary

Program	Jurisdiction	Details
Fee Waivers	County: Linkage fees waived for deed-restricted workforce rentals (<120% AMI) City: Resolution 2019-08 (case-by-case) CB: Full waiver for deed-restricted (permit, plan check, development fees) Mt. CB: Building permit and plan review fees waived	Active; case-by-case basis; estimated \$200K-\$400K annual value across valley
Tap Fee Support/ Reductions	County: Case-by-case waivers/deferrals (\$15K-\$25K/unit) City: waives all tap costs, not fees CB: 80% reduction (20% charged) Mt. CB: 100% waiver (~\$10K/unit)	Significant cost savings; applied to Whetstone, Lazy K, Homestead, Paradise Park projects
Land Donations	County: 13-acre Whetstone parcel, 4.5 acre Paintbrush Development, land for Sawtooth City: 4.3-acre Lazy K parcel + infill lots CB: Paradise Park, Mineral Point LIHTC, Red Lady Estates, Poverty Gulch, Verzuh, Kapushion Mt. CB: 1.4-acre Homestead site	Estimated \$15K-\$25K/unit value South Valley; North Valley residential lots in town run \$1 million and can fit a triplex

2. Existing Housing Programs and Tools

The Valley has an active network of housing assistance programs serving households across the income spectrum. Most programs operate at or near capacity.

Direct Assistance Programs

Program	Operator	Target Population	Description	Gaps/ Constraints
Habitat Ownership (Dissolving)	Habitat for Humanity Gunnison Valley	30-60% AMI	0% mortgage; sweat equity model	Production pace (1-3 homes/year) insufficient for scale of need
GV-HEAT (Energy Efficiency)	GVRHA / Energy Outreach Colorado	Low-moderate income homeowners	Reduces housing cost burden; weatherization	Capacity limited by funding
Master Leasing Pilot	City of Gunnison	City employees	Tests employer-assisted model	Scale/expansion unclear
Temporary Camping	Town of Crested Butte	Locally employed	Temporary camping for tents, vans, and mobile homes within town limits from May 1 to October 31 for those without stable housing	Only available during summer months.
Rental Assistance	Gunnison County	Rental Assistance as needed basis, in addition to LEAP	Rent assistance and low-income energy assistance	

GreenDeed Program	Crested Butte and Mt. Crested Butte	Deed restricted properties	Offers an energy assessment, along with \$5000 in potential upgrades for lighting, insulation, and air sealing to reduce energy costs.	
Homebuyer Assistance Program	Gunnison County Assoc of Realtors	Homebuyer assistance	Small grants to first-time homebuyers in the Gunnison Valley.	
Down Payment Assistance	CHFA (statewide)	First-time homebuyers up to \$1744,440 income	Up to \$25,000 or 3% of mortgage (grant, no repayment); HomeAccess program also available for buyers with disabilities	Statewide program; requires CHFA first mortgage

Program Coverage by Income Level

AMI Level	Current Program Coverage	Gap Analysis
≤30% AMI	✗ No programs	No programs exist; no emergency shelter
30-60% AMI	⚠ Habitat Homeownership, Emergency Aid (Dissolving)	Habitat produced 1-3 homes/year; rental production gap
50-80% AMI	⚠ Emergency Aid, Rehab programs	LARGEST GAP: No targeted rental production programs
80-120% AMI	✓ Down Payment Assistance	Minimal coverage
120%+ AMI	✗ No programs	Market-rate achievable in South Valley, not achievable in North Valley

3. Local Housing Resources

This section provides a detailed breakdown of financial resources, land contributions, and organizational capacity by jurisdiction.

Financial Resources Comparison Table

Category	Gunnison County	City of Gunnison	Town of Crested Butte	Town of Mt. Crested Butte
Dedicated Housing Tax/Fee	Lodging Tax: 40% authorized for housing/childcare (2022 voter approval) 2025: \$500K to Whetstone, 250k for housing 2026	No dedicated tax (ballot measure failed)	STR Excise: 7.5% (~\$650 k/yr) RETT: 3% (~\$2.7M est/yr, grandfathered pre-TABOR – 50% dedicated to capital project)	STR Excise: 4.9% (~\$1M/yr, increased Nov 2024)

Category	Gunnison County	City of Gunnison	Town of Crested Butte	Town of Mt. Crested Butte
Linkage/ Impact Fees	Since 2006; \$540-\$36K based on size (2,000 sq ft = ~\$540; 9,000 sq ft = ~\$36K) Uniform countywide (eliminated north valley differential 2008) Deferred to Certificate of Occupancy	Commercial & inclusionary fees	~\$1.40/sq ft to \$5.50/sq ft depending on employment generation	15% inclusionary + employee mitigation (dual requirements)
Housing Fund Budget	\$56.7M (2025, largely for Whetstone)	Affordable Housing Fund (varies annually)	CB Housing Fund 2026 budget \$2.34 million	\$5M Homestead financing commitment (loan/bond structure, housing tax servicing debt; ties up bulk of fund through 2028)
General Fund Support	Project-specific revenue bonds	Regular allocations; \$250K+ estimated annually	Occasional transfers; \$200K Green Deed commitment	\$250K transfer to Homestead (2022)
Grant Funding	DOLA, Valley Housing Fund (\$100K to Whetstone)	DOLA, federal grants, Valley Housing Fund	DOLA, Energy Impact funds, state/federal, Valley Housing Fund	\$480K Colorado Housing + \$100K Valley Housing Fund (Homestead)

Land & Infrastructure Comparison Table

Category	Gunnison County	City of Gunnison	Town of Crested Butte	Town of Mt. Crested Butte	GVRHA (Regional)
Public Land Contributed	13-acre Whetstone parcel (\$15K-\$25K/unit value), Sawtooth Parcels, Paintbrush	Lazy K: 4.3 acres for housing (8-acre total site); infill parcels portfolio	Paradise Park: 83 units built (2 lots remain zoned for triplexes); Mineral Point: 34; Red Lady Estates: 10; Poverty Gulch: 10; Verzuh: 8; Kapushian: 5	Homestead: 1.4 acres (\$200K+ per lot market value); Pitchfork: 40 townhomes/condos (public-private); North Village: 17 acres set aside (future)	Anthracite Place partnership (30-unit LIHTC project); maintains land inventory database

Category	Gunnison County	City of Gunnison	Town of Crested Butte	Town of Mt. Crested Butte	GVRHA (Regional)
Infrastructure Investment	Roads and utilities for Whetstone and Sawtooth	City crews install infrastructure; water/sewer extensions to county projects; environmental remediation; site prep	\$1.5M Paradise Park infrastructure (utilities, roads); \$150K parks/landscaping	Full infrastructure for Homestead (platting, permitting, utility stubs)	Coordination role; technical assistance
Tap Fee Support	Case-by-case waivers/deferrals (\$15K-\$25K/ unit)	50% reduction for affordable units; town funds taps on ADU's under policy	80% reduction (only 20% charged)	100% waiver (~\$10K/unit value)	Advocates for waivers; coordinates valley-wide approach

Regulatory Incentives Comparison Table

Category	Gunnison County	City of Gunnison	Town of Crested Butte	Town of Mt. Crested Butte	GVRHA (Regional)
Building Fee Waivers	Workforce housing linkage fees waived for deed-restricted workforce rentals (<120% AMI)	Building permit and planning fees waived (case-by-case, Resolution 2019-08)	Full waiver of permit, plan check, development fees for deed-restricted	Permit & plan review fees waived	Coordinates waivers across jurisdictions
Density Bonuses	Available for affordable projects (case-by-case) including linkage fee waiver	Up to 20% increase for 15% affordable units	Currently no bonus, updating zoning code in 2026	Higher density allowed for >15% affordable	Advocates for bonuses valley-wide
Parking Reductions	Adopted in the Gunnison Regional Plan	Adopted in the Gunnison Regional Plan	No current parking reductions	Variances available for affordable projects	N/A
Expedited Review	Priority processing (Prop 123 alignment); concurrent review	Fast-track approval; priority in planning queue; concurrent review	60 day review through BOZAR, Deed restricted projects moved to top of list	<1 year for Homestead (vs. typical multi-year)	Assists with coordination; reviews applications, Fast Track Review

Category	Gunnison County	City of Gunnison	Town of Crested Butte	Town of Mt. Crested Butte	GVRHA (Regional)
ADU Provisions	Use by right up to 17 units/acre in Gunnison Area Plan	By-right in residential zones (2017); LDC update (2024) expanding to all zones	Currently allow ADUs in all residential zones and waive tap fees, all required to be deed restricted as a long-term rental. Updates under discussion (2026)	Allowed in LDMF district; one ADU per lot in the SFR Zone, max 1/3 GRFA or 1,200 sq ft; flexible standards for community housing	Monitors ADU production; provides technical assistance

Organizational Capacity & Partnerships

Category	Gunnison County	City of Gunnison	Town of Crested Butte	Town of Mt. Crested Butte
Dedicated Staff	Housing and Human Services	Community Development Dept	Housing Staff in Division of Comm Dev at 2 FTE's	Limited dedicated housing staff
Housing Authority	Reactivated Gunnison County Housing Authority (GCHA)	Via County Housing Authority	Moving Deed restriction monitoring in-house	Via County Housing Authority
Private Partner-ships	Servitas (Whetstone development partner); Gates Co Garden Walk	High Mountain (Lazy K developer)	Various developers for Paradise Park phases; TWG Mineral Point	Developer dedications (Pitchfork, Prospect Homestead, Bywater Development)
Nonprofit Partners	Valley Housing Fund, Project Hope	Valley Housing Fund	Valley Housing Fund	Valley Housing Fund

Production Metrics

Metric	Gunnison County	City of Gunnison	Town of Crested Butte	Town of Mt. Crested Butte	GVRHA (Regional)
Units Completed 2017-2024 (per 2024 HNA)*	1 unit (CB South), Mountain View HUD Senior (28 units), Buckhorn Ranch: 8	177 units (Lazy K: 44, Paintbrush: 76 (County project), GardenWalk: 36, other: 21	75 units (Paradise Park: 45, other: 30)	2 units (Homestead)	Anthracite (30 units)
Planned or Completed Post HNA Units*	Whetstone (252), Sawtooth 1 (18), Sawtooth 2 (32)	3 (Habitat lots, S. 8th St)	Mineral Point (fka Sixth and Butte) 34 units + Paradise Park 14 units + 2 ADUs = 50 units	Homestead brought 22 units online in 2025	Note: Future units not accounted for in 2024 HNA totals
Annual Housing Revenue (Dedicated)	~\$250K (lodging tax portion), Impact Fee: 2025: YTD: \$550,000 2024: \$455,999 2023: \$404,000 2022: \$700,000	\$0 (no dedicated tax)	\$650k STR + portions of RETT from general fund	~\$1M (STR tax)	~\$300K (member contributions)
STR Cap/Limit	None (permit program only)	Proposed 70 units (2.5% cap) - adoption status unclear	212 units (30% of eligible zones) - at cap	No numeric cap (licensing program)	N/A
Deed-Restricted Inventory	71 – countywide unincorporated	180	330	97	Regional database maintained

*Deed restricted and community housing inventory may vary by source due to differences in definition and timing of count.

4. Supportive Services and Infrastructure

This section assesses infrastructure capacity and supportive services availability to support housing development through 2029.

Infrastructure Capacity Analysis

System	Average Demand	Growth Capacity	Constraints	Status
Water Supply (City of Gunnison)	1.5M gallons/day average demand	Storage up to 2M; Tight margin (0.5M buffer)	Nine groundwater wells (temporary solution from 1967); VanTuyl Water Treatment Plant upgrades needed	⚠ Water Master Plan underway to identify improvements for state compliance
Sewer (City of Gunnison)	At capacity	Cannot accommodate additional flows without major upgrades	Backwash from water treatment would cause backups; limits future Gunnison Rising development	⚠ Major upgrades required before additional development
Water/Sewer (Crested Butte)	Supporting Paradise Park, Whetstone connections	Near-term growth supported	10-year Whetstone tap fee payment plan approved	<input checked="" type="checkbox"/> Adequate for near-term pipeline
Water/Sewer (Mt. Crested Butte)	Supporting Homestead, Pitchfork; ADD = 0.2 - 1.0 MGD (depending on time of year)	Firm Yield of 1.7 MGD for water WWTF Capacity is 1.2 MGD for a 30-day average. Near term growth supported	Following the Gothic Road Interceptor Capacity Expansion Project (wastewater collection system), the District will have water and sewer capacity to support long-term growth. This project is currently at 90% Design.	The District is currently at 90% Design to increase the capacity of the GRI. Following project completion, the District will be able to support long-term growth.
Water/Sewer (County)	Whetstone, other developments	Near term growth supported	County installing roads/utilities for Whetstone; Limited capacity available in the Gothic Road Interceptor (GRI) (wastewater collection system)	The District is currently at 90% Design to increase the capacity of the GRI. Following project completion, the District will be able to support long-term growth
Schools (Gunnison Watershed District)	2,096 students (2024-25)	\$95M bond approved (2022) for capital improvements	Enrollment capacity not specified in search results	<input checked="" type="checkbox"/> Adequate capacity; recent bond investment

Transportation

Service	Provider	Capacity/Service Level	Housing Connection	Gaps
Gunnison Valley RTA	Multi-jurisdictional – free to riders	33 round trips (2024, expanded from 28); Hwy 135 corridor + airport service; senior/human services transportation	Connects Gunnison-Crested Butte corridor; enables workforce commuting	No fixed-route transit within City of Gunnison; limited frequency; seasonal variations
Dial-a-Ride/ Senior Transit	RTA (senior/human services component)		Supports senior housing, healthcare access	

Healthcare Access

Facility	Capacity	Service Level	Housing Support	Gaps
Gunnison Valley Health (Hospital)	24 beds (Critical Access Hospital)	Level IV Trauma Center; 24/7 ER; Family Birthing Center; Senior Care Center; Cancer Care	Supports community health needs; senior care enables aging in place	Limited inpatient capacity (24 beds); specialty care may require travel

Homeless Services

Service Type	Provider	Capacity	Population Served	Gaps
Emergency Shelter	NONE	0 beds	N/A	✗ NO EMERGENCY SHELTER IN VALLEY Nearest services: Regional (60+ miles)
Domestic Violence Shelter	Project Hope of the Gunnison Valley		DV survivors, human trafficking survivors	Serves specific population only (not general homelessness)
Homeless Prevention	2-1-1 Colorado; Gunnison County Health & Human Services		Crisis intervention, eviction prevention	Emergency rental assistance uncertain post-ERAP

RECOMMENDED OUTPUTS

MARKET LIMITATIONS

Understanding market limitations on housing development helps identify challenges and opportunities for expanding housing options within the Gunnison Valley. This analysis draws from findings in the 2024 HNA, which documented significant barriers preventing the private market from meeting local housing needs.

High Construction Costs Exceed Local Purchasing Power

The fundamental market limitation in the Gunnison Valley is that the cost of building housing significantly exceeds what local working households can afford to pay. As documented in the 2024 HNA, “only about 25% of needed housing units in the Gunnison Valley are expected to be provided by the market. This is because the cost to build is very high, exceeding the purchasing power of local working households. The gap not served by the market will total about 1,065 units by 2029.”

For those considering building, “households looking to buy may explore purchasing land and building given the low availability of units on the market; however, high construction costs and interest rates have a notable dampening effect.”

The income level the market now serves varies within the Valley:

- In the North Valley, below-market units for ownership should be primarily priced below \$650,000 (250% AMI) and rentals below \$2,050 per month (100% AMI) for a 2-person household.
- In the South Valley, below-market units for ownership should be priced below \$400,000 (150% AMI) and rentals below \$1,600 per month (80% AMI) for a 2-person household.

Private Market Cannot Build Rental Housing at Affordable Price Points

The 2024 HNA documented an extreme shortage of rental housing affordable to local workers. “The vast majority of resident renters need homes priced below \$2,000 per month (80% AMI). Only 13 listings were available in February and March throughout the Valley at or below this price. New rental units cannot be built for this price in the Valley without financing assistance (e.g., Low Income Housing Tax Credits, local subsidies, free land and water taps, etc.).”

This creates a structural market failure: while demand for affordable rentals is high, the private market cannot produce units at prices local workers can afford without substantial subsidies.

Rental Vacancy Shortage Constrains Market Function

The rental market in the Valley is tight. “Rental listings in the Gunnison Valley were monitored in February and March of 2024. A total of 48 listings were found during this period. This equates to a rental vacancy rate under 1%; the same vacancy rate observed in 2016.”

As a point of reference, “a vacancy rate of around 6% that is trending downward is typically an indication to developers that construction of additional units should begin.” At under 1% vacancy, the Valley’s rental market is functioning far below healthy levels, yet the private market has not responded with increased production due to the cost barriers described above.

Additionally, “there is slightly more availability in the North Valley (1.65% vacancy); however, many listings are more suited to seasonal visitors, providing fully furnished units and short-term or month-to-month lease options,” limiting options for year-round residents.

Workforce Challenges Limit Development Capacity

Labor shortages present another significant market limitation. The 2024 HNA employer survey found that “this winter, over 8% of jobs were unfilled. While the labor shortage is a national trend, having an available and affordable supply of homes for employees to occupy is a competitive advantage in tight labor markets.”

Limited housing availability creates a feedback loop that constrains economic growth and development capacity. “Nearly all employers (92%) felt that [housing availability] was one of the more serious problems, if not the most critical problem. Over 70% of employers have encountered problems keeping or hiring employees due to the lack of housing.”

The severity of workforce impacts includes:

- Primary problems from understaffing include “employees covering multiple jobs, employees being overworked and experiencing burnout, unskilled employees filling positions, followed by a decreased ability to provide quality customer service, increased employee turnover, and an inability to grow businesses. Just over 40% of North Valley employers stated they needed to reduce hours or periodically shut doors due to inadequate staffing.”
- If tight housing conditions persist, “most employers indicated that they will either reduce their number of employees (41%) or stay the same size (38%) over the next five years,” directly limiting economic growth and development activity.

Infrastructure Capacity Constraints

Infrastructure limitations, particularly water and sewer capacity, constrain housing development in specific locations. As documented in the Baseline Data section of this Addendum:

- City of Gunnison Water Supply: Current capacity shows a tight margin (0.5M gallon buffer) with nine groundwater wells serving as a temporary solution since 1967. The VanTuyl Water Treatment Plant requires upgrades, and a Water Master Plan is underway to identify improvements for state compliance.
- City of Gunnison Sewer: The Gunnison Rising lift station is at capacity and cannot accommodate additional flows without major upgrades. Backwash from water treatment would cause backups, limiting future Gunnison Rising development.
- Crested Butte Area: Near-term growth is supported with adequate capacity for the near-term pipeline, including Paradise Park and Whetstone connections. A 10-year Whetstone tap fee payment plan has been approved.

- Mt. Crested Butte Area: Near-term growth is supported, including the recent Homestead connection. Following the Gothic Road Interceptor Capacity Expansion Project (wastewater collection system), the District will have water and sewer capacity to support long-term growth. This project is currently at 90% Design.

(See Infrastructure Capacity Analysis table in Baseline Data section of this Addendum)

These infrastructure constraints require strategic planning and capital investment to enable housing development, particularly in areas where capacity is at or near its limits.

Financing and Lending Challenges

Additional market limitations stem from financing complexities:

- “Providing loans for deed restricted products can be complicated, but is possible in the Valley, especially if the lender is backed by the USDA. The structure of the deed restriction is important, as many providers require that deed restrictions go away in the event of foreclosure.”
- “Loans for condominiums can be a challenge. Monthly HOA fees decrease the affordability of units. There are no condominiums in the county that are FHA approved, which reduces lending options.”
- High interest rates compound affordability challenges: “Rates were very low through the pandemic and have increased to over 7% since then. Not only does this affect the demand for units to buy but also affects the supply of homes for sale since owners with current lower-interest mortgages are staying put.”
- The industry-standard 30% housing cost burden metric, commonly used in underwriting and affordability calculations, understates true affordability challenges in high-cost mountain communities—inflated costs for transportation, food, childcare, and healthcare consume a disproportionate share of household budgets, leaving households with insufficient resources even when housing costs meet traditional lending thresholds.

Conclusion

Market limitations in the Gunnison Valley are substantial and multifaceted. The core limitation—construction costs exceeding local purchasing power—means the private market can provide only 25% of needed housing. Combined with extreme rental shortages (under 1% vacancy), workforce constraints affecting 92% of employers, infrastructure capacity limitations in key locations, and financing complications, these barriers demonstrate why public intervention through subsidies, land contributions, regulatory incentives, and infrastructure investment is essential to meet the Valley’s housing needs.

WATER SUPPLY NEEDS

Senate Bill 24-174 recommends housing needs assessments estimate water supply needs for existing dwelling units and estimated housing needs, using per capita usage rates identified in consultation with the Department of Natural Resources. This section provides the estimate for the Gunnison Valley. It is

important to note that while out of the scope of the project, it would be helpful to also evaluate the wastewater flow as an additional limiting factor.

Methodology

For the purposes of this Addendum, the recommended formula for calculating residential water supply needs is:

Residential water through average day demand = (residential population) × (residential GPCD)

Where GPCD = Gallons Per Capita Per Day

Important Note: This calculation estimates residential water demand only. It does not include commercial, industrial, institutional, or agricultural water demands. Local governments and regional entities must consider the full range of water supply needs—including non-residential demands, baseline conditions, expected changes, and water conservation program effectiveness—to fully evaluate total water needs and demands.

Baseline Residential Water Demand Estimate

Direct GPCD data for the entire Valley is not available. However, the Infrastructure Capacity Analysis in this Addendum documents that the City of Gunnison's water system serves an average day demand of 1.5 million gallons per day.

Using the South Valley population (11,461) and estimating that the City of Gunnison serves approximately 84% of South Valley housing needs (per the needs allocation in this Addendum), the City serves approximately 9,600 residents, yielding an estimated residential GPCD of approximately 156 gallons per capita per day.

This estimate aligns with typical residential water use in Colorado mountain communities, which generally ranges from 100-200 GPCD, depending on factors such as:

- Outdoor irrigation demands
- Climate and precipitation patterns
- Water conservation program effectiveness
- Household size and housing types
- Seasonal population fluctuations particularly due to tourism

For planning purposes, this analysis uses a residential water demand estimate of 150-160 GPCD for the Gunnison Valley.

Current Residential Water Demand (2024)

Estimated residential water demand was calculated using 2024 population estimates from the HNA and a range of gallons per capita per day (GPCD) drawn from the City of Gunnison's Source Water Protection Plan (September 13, 2022). The resulting figures provide a rough estimate of average day demand across the Gunnison Valley and its subregions.

Current Residential Water Demand

Geography	2024 Population	GPCD Range	Estimated Average Daily Demand
Gunnison Valley	16,833	150-160	2.52-2.69 million gallons/day
North Valley	5,372	150-160	0.81-0.86 million gallons/day
South Valley	11,461	150-160	1.72-1.83 million gallons/day

Source: 2024 HNA (Population section), City of Gunnison "Source Water Protection Plan – Public Version" September 13, 2022; Consultant Calculations

Projected Residential Water Demand (2029)

The 2024 HNA projects population growth through 2029:

"The Colorado Demography Office forecasts 0.85% per year population growth on average from 2024-2029, below the longer-term rate of about 1.11% in the county and Valley from 2010-2024. The Valley will be home to about 17,560 residents in 2029 if it grows at the rate forecasted by the state and 17,800 if it grows at its higher longer-term rate."

Projected Residential Water Demand (2029, Based on Population Growth Scenarios)

Geography	2029 Population (State Forecast)	2029 Population (Longer-term Rate)	GPCD Range	Average Day Demand (State)	Estimated Average Day Demand (Long-term)
Gunnison Valley	17,560	17,800	150-160	2.63-2.81 million gallons/day	2.67-2.85 million gallons/day

Source: 2024 HNA (Population section), City of Gunnison "Source Water Protection Plan – Public Version" September 13, 2022; Consultant Calculations

This represents an increase of approximately 110,000 to 240,000 gallons per day in residential water average day demand between 2024 and 2029, depending on the growth rate and effectiveness of conservation measures.

Water Demand from New Housing Units

The 2024 HNA and this Addendum estimate that 1,300 to 1,550 housing units are needed in the Valley by 2029. Using an average household size of approximately 2.3 persons per household (per the 2024 HNA), these units would house approximately 2,990 to 3,565 additional residents.

Estimated water demand from new housing units:

- New residents: 2,990 to 3,565
- GPCD: 150-160
- Additional daily water demand: 448,000 to 570,000 gallons per day

This residential demand would be distributed across the Valley based on where housing is developed, with approximately:

- 42% in North Valley (188,000-239,000 gallons/day)
- 58% in South Valley (260,000-331,000 gallons/day)

Infrastructure Capacity Considerations

As documented in the Infrastructure Capacity Analysis table in this Addendum's Baseline Data section, water supply capacity varies significantly across the Valley:

City of Gunnison:

Current capacity: 2 million gallons of storage

- Current average demand: 1.5 million gallons/day
- Current margin: 0.5 million gallons/day (tight)
- Status: Water Master Plan underway; VanTuyl Water Treatment Plant requires upgrades
- Assessment:  Capacity constraints exist; major improvements needed for additional growth

Crested Butte Area (served by Town of Crested Butte utilities):

- Status: Near-term growth capacity adequate
- Projects supported: Paradise Park, Whetstone connections
- Assessment: Adequate for near-term pipeline; 10-year Whetstone tap fee payment plan approved

Mt. Crested Butte Area (served by Mt. Crested Butte Water & Sanitation District for Mt. Crested Butte area):

- Status: Water treatment plant expansion completed 2022 (2.0 MGD capacity); sewer interceptor line at capacity during peak flows; 30% design underway for trunk line expansion with developer cost-sharing negotiations ongoing
- Projects supported: Villages at Mt. Crested Butte, Upper Prospect, and other major developments contingent on sewer line upgrade
- Assessment:  Water capacity adequate; sewer infrastructure constraints must be resolved before major new development can proceed

County Areas (special districts)

- Providers:
 - » Skyland Metropolitan District (water) and East River Regional Sanitation District (sewer) for Skyland area.
 - » Crested Butte South Metropolitan District (water/sewer) for CB South area.
 - » Smaller community/private systems as applicable.
- Projects: Whetstone (252 units), CR 17 Antelope Hills Neighborhood, West of City of Gunnison (Dos Rios Area)

Implications for Housing Development

The water supply needs analysis has several implications for meeting the Valley's housing needs:

- Areas with current capacity constraints, particularly the City of Gunnison, may need to phase housing development in coordination with water system improvements.
- The estimated 448,000 to 570,000 gallons per day needed for new housing represents approximately a 17-22% increase over current Valley-wide residential demand, requiring strategic infrastructure investment.
- Water service areas cross jurisdictional boundaries. Meeting housing needs will require coordinated planning among municipalities, water providers, and Gunnison County.
- Aggressive water conservation programs could reduce the GPCD and thereby reduce the total infrastructure capacity needed to serve new housing.
- While this analysis focuses on residential water demand per SB24-174 requirements, jurisdictions must also plan for commercial, industrial, and institutional water demands associated with economic growth.

Next Steps for Comprehensive Water Planning

Local governments wishing to use the 2024 HNA and Addendum as an opportunity to prepare for water supply sections in forthcoming comprehensive plan updates should contact DOLA for more information, as recommended in the DOLA Review Memo (February 18, 2025).

APPENDIX A1

Key measures of displacement risk are presented in this section, including in the state's preferred table format.

DISPLACEMENT RISK

Many demographic, economic, housing, legal, and social conditions affect displacement risk. Key displacement risk measures are presented below for the Valley (north and south) and each participating municipality. Most of the data presented is from the American Community Survey 2019-2022 five-year estimates, which have a margin of error, so the data should be reviewed cautiously with this in mind, especially in lower-populated geographies.

Low-income households in the Valley are at greater risk of displacement than higher-income households. Over forty percent of households have incomes under 80% AMI.

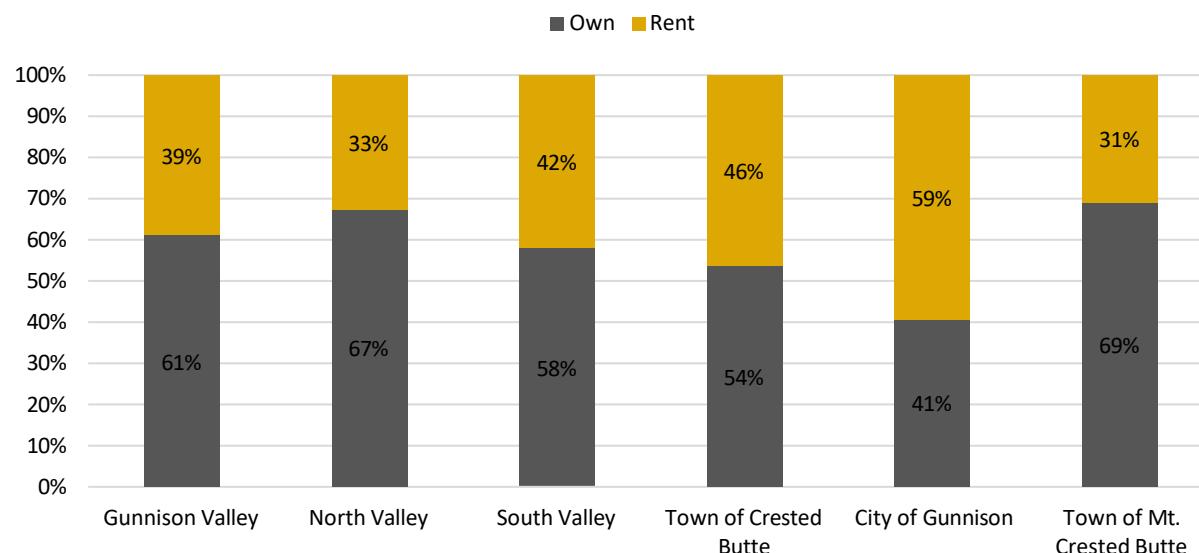
Household Income by Tenure, 2024

AMI	Rent	Own	Total
Extremely Low Income ($\leq 30\%$ AMI)	20%	6%	12%
Very Low Income (30.1% to 50% AMI)	25%	7%	14%
Low Income (50.1% to 80% AMI)	22%	14%	17%
Total	67%	28%	43%

Source: CHFA; Ribbon Demographics; consultant team

Renters are at greater risk of displacement than owners. Over one-third of Valley households rent.

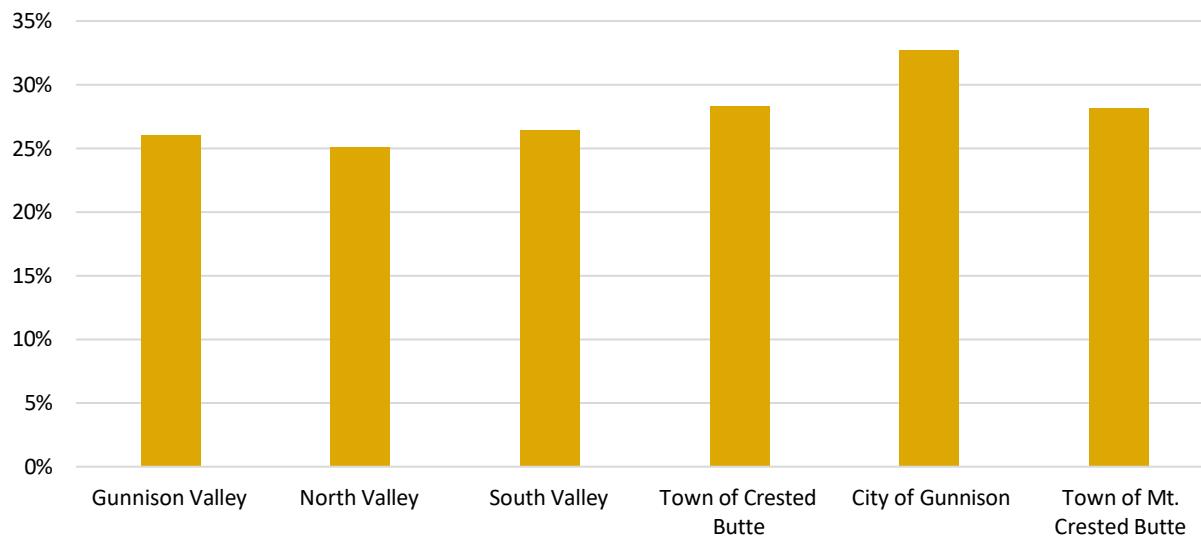
Households by Tenure, 2022



Source: U.S. Census, ACS 2018-2022 5-year estimates, consultant team

Households with incomes of less than \$75,000 per year are more likely to face displacement pressures than those with higher incomes. Approximately one-quarter of Valley households have incomes below \$75,000.

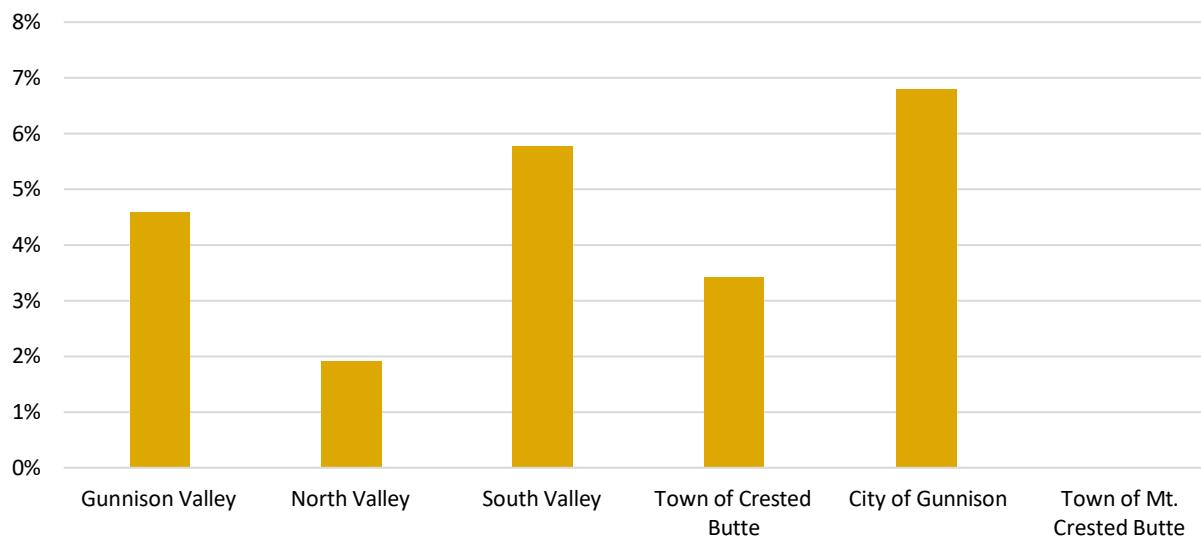
Cost Burdened Households with Annual Incomes <\$75,000, 2022



Source: U.S. Census, ACS 2018-2022 5-year estimates, consultant team

Single parents with young children have challenges that increase their risk of displacement, such as the cost of childcare.

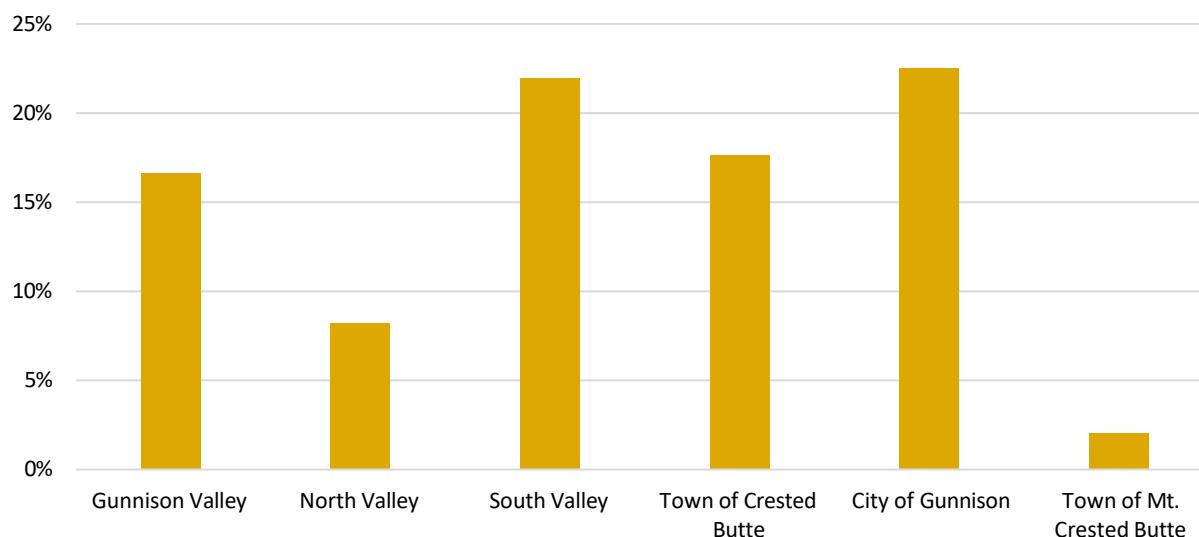
Single Parents with Children Under Age 18, 2022



Source: U.S. Census, ACS 2018-2022 5-year estimates, consultant team

Housing condition issues tend to be more prevalent when the housing stock is very old. Homes built before 1970 are now more than 50 years old.

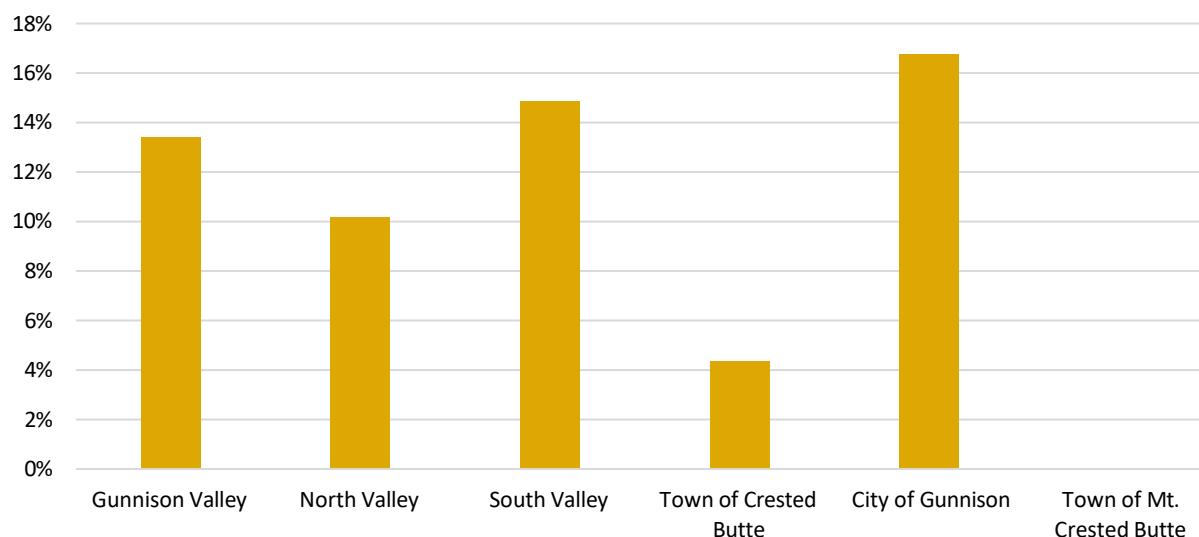
Share of Homes Built Before 1970



Source: U.S. Census, ACS 2018-2022 5-year estimates, consultant team

Households headed by Black, Indigenous, and other People of Color are often faced with heightened risk of displacement. The 2023 displacement of 50 low-income residents of a mobile home park in Gunnison, many of whom were from the Cora indigenous community of Mexico, is one such example.

Share of Households with a householder who identifies as a race/ethnicity other than non-Hispanic white, 2022

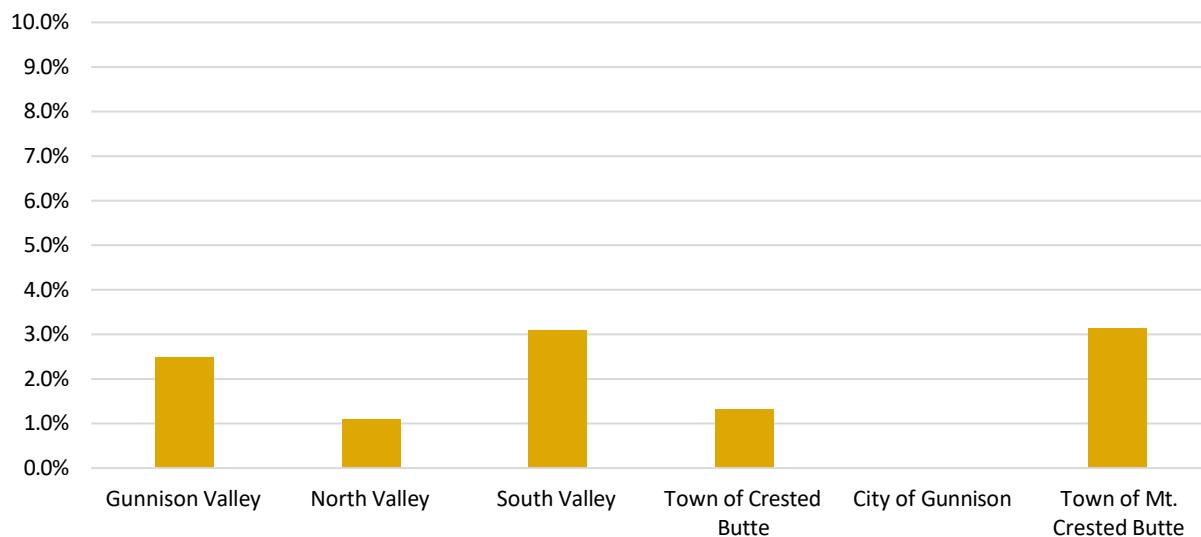


Source: U.S. Census, ACS 2018-2022 5-year estimates, consultant team

The problem of overcrowding is covered in detail in the 2024 HNA. Secondary data for the North and South Valley generally align with primary research conducted during the process. Secondary, municipal-level data, especially for the City of Gunnison, is not aligned with primary research data. Secondary data suggests that there are no households in the City of Gunnison living in overcrowded conditions, which is

indicative of data accuracy issues. Almost three percent (2.9%) of 2024 survey respondents indicated they were living in overcrowded conditions.

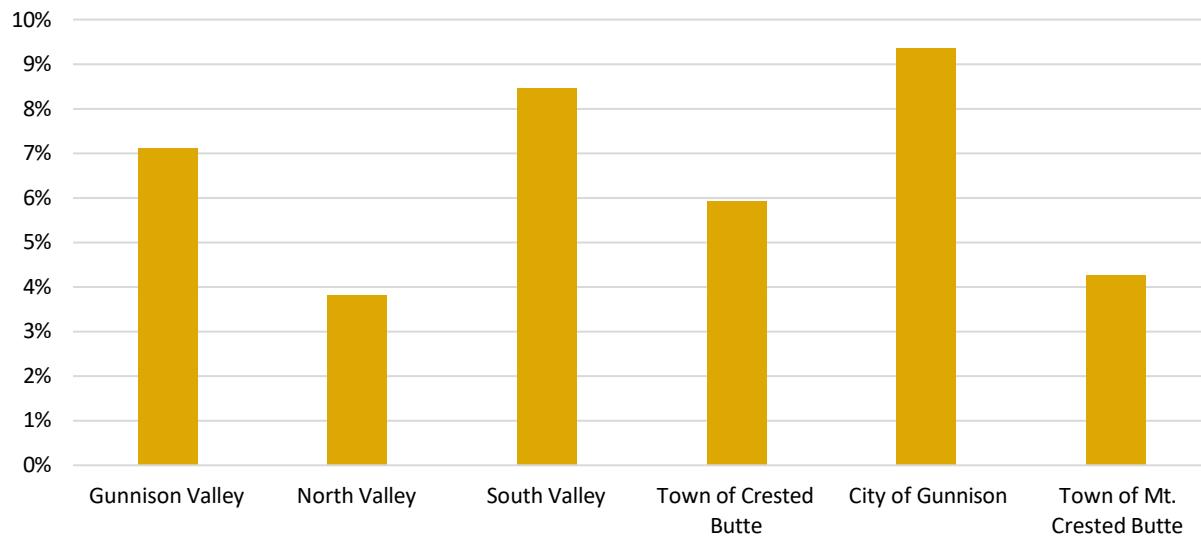
Share of Housing Units that are Overcrowded, 2022



Source: U.S. Census, ACS 2018-2022 5-year estimates, consultant team

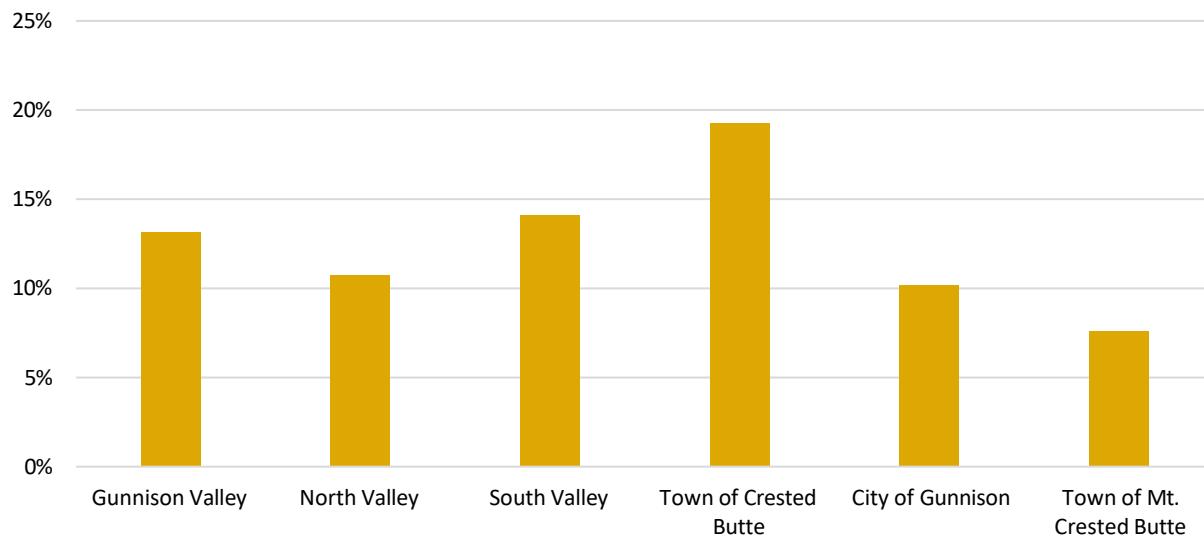
The share of the civilian noninstitutionalized population with a disability provides insight not only into displacement risk, but also the need for more accessible and visitable units.

Share of Civilian Noninstitutionalized Population with a Disability, 2022



Source: U.S. Census, ACS 2018-2022 5-year estimates, consultant team

Senior-headed households in the Valley are more likely to live in unsatisfactory conditions due to the high cost of repairs and are much more likely to have a disability than the overall population.

Share of Population Age 65+, 2022

Source: U.S. Census, ACS 2018-2022 5-year estimates, consultant team

Other measures of displacement risk:

- Limited educational attainment (less than a high school diploma) increases the risk of displacement. While this applies to less than 2% of Valley residents, it does pose some risk in the Valley.
- A very low percentage of Valley residents age five or greater speak English less than “well,” with data indicating most of these residents reside in the South Valley.

SB24-174 Displacement Summary Table

Note: figures are estimates based on secondary data unless otherwise noted

Displacement Measure	Gunnison Valley	North Valley	Town of Crested Butte	Town of Mt. Crested Butte	South Valley	City of Gunnison
Renter occupied households [1]	2,755	775	360	145	1,980	1,600
Housing cost-burdened occupied housing units with annual incomes less than \$75,000 (30%+ of income spent on housing costs) [1]	1,870	555	215	125	1,315	995
Persons (age 25+) with no high school diploma estimate [1]	165	45	10	0	120	25
Persons (age 5+) who speak English "less than well" [1]	110	0	0	0	110	0
Single-parent household with children under 18 estimate [1]	325	40	25	0	285	205
Housing stock built prior to 1970 [1]	1,825	375	220	10	1,450	695
BIPOC Households (headed by people other than non-Hispanic white) [1]	965	225	35	0	740	510
Overcrowded (more people than rooms, excluding kitchens and bathrooms) [1]	180	25	10	15	155	0
Civilian noninstitutionalized population with a disability estimate [1]	1,110	175	85	35	935	615
Older population (65+)	2,070	475	275	65	1,595	680
Regulated affordable housing units (municipal counts are since 2016 only; not based on secondary data)	698	394	75	2	304	177

[1] rounded to the nearest 5

Source: U.S. Census, ACS 2018-2022 5-year estimates, Colorado Demography Office, 2024 HNA, consultant team

APPENDIX A2

LOCAL AND SECONDARY DATA

In addition to the 2024 HNA, numerous other sources of local and published information were referenced or used in the preparation of this Addendum:

- American Community Survey (ACS) 5-year estimates
- U.S. Census Longitudinal Employer-Household Dynamics (LEHD)
- State Demography Office, Colorado Department of Local Affairs (referenced as SDO and Colorado Demography Office herein).
- Colorado Department of Education, McKinney-Vento Homeless Student Count Data
- Colorado Department of Local Affairs, Division of Housing, Mobile Home Park Oversight Program, Mobile Home Park Data.
- Ribbon Demographics, LLC HISTA Summary Report 2024
- City of Gunnison “Source Water Protection Plan – Public Version” (September 13, 2022)
- Municipal policy documents and codes:
 - » Town of Crested Butte Ordinance 935 (2018)
 - » Town of Crested Butte Ordinance 959 (2022)
 - » City of Gunnison Comprehensive Plan (2018)
 - » Gunnison County Community Plan (2017)
 - » City of Gunnison Land Development Code (LDC) Update (2024)
 - » City of Gunnison Resolution 2019-08
 - » Gunnison County Land Use Resolution (LUR)
 - » Gunnison County Essential Housing Amendments (2016)
- Prior assessments and reports:
 - » Gunnison Valley Housing Needs Assessment (November 2016)

Project Name - 2025	Grant Program	Submission Date	Grant Amount	Notes	Status	Tags
Crested Butte Civic Plaza Enhancement Project	T-Mobile Hometown	12/20/2025	\$50,000		Pending	Arts Culture & Historic Preservation
Gunnison Valley Buildings and Waste Project	CEO Local IMPACT Accelerator	11/3/2025	\$890,000	Updated from unsuccessful Round 1 application	Pending	Affordable Housing & Neighborhoods, Climate Action & Resiliency
Crested Butte Fleet Electrification	CDPHE Clean Fleet Vehicles & Technology	10/24/2025	\$884,520		Awarded	Climate Action & Resiliency
Crested Butte Pre-Approved ADU Plans	DOLA Accessory Dwelling Unit Grant	10/3/2025	\$37,500	Did not submit due to Compliance Report.	Not submitted	Affordable Housing & Neighborhoods
Crested Butte Town Hall Exterior Rehabilitation Phase	CO State Historical Fund	10/1/2025	\$250,000	Reviewed	Declined	Arts Culture & Historic Preservation
Gunnison Valley Building Efficiency and Electrification Incentive Programming	CEO Local IMPACT Accelerator	8/1/2025	\$835,000		Declined	Affordable Housing & Neighborhoods, Climate Action & Resiliency
Crested Butte Community Housing Strategy	DOLA Local Planning Capacity	6/25/2025	\$50,000	Non-competitive incentive funding	Awarded	Affordable Housing & Neighborhoods
Town of Crested Butte Coal Creek Dam Protection Project	FEMA FMA	4/15/2025	\$6,021,000		Pending	Transportation & Infrastructure
Gunnison Valley Regional Housing Authority Housing Needs Assessment Update Project	DOLA Housing Planning Grant Program	4/11/2025	\$11,250		Awarded	Affordable Housing & Neighborhoods
Crested Butte Marshal's Facility Design Project	DOLA EIAF	4/1/2025	\$130,000		Awarded	Public Safety
2025 Revision to the Town of Crested Butte's Design Standards and Guidelines	CO State Historical Fund	3/28/2025	\$50,000	Review	Awarded	Arts Culture & Historic Preservation
Mineral Point Trail	Gunnison County Recreation	3/14/2025	\$57,682	Review	Awarded	Parks & Recreation
GVRHA Website Upgrade Project	SIPA GovGrants	2/21/2025	\$150,000		Declined	Broadband & Telecommunications
Crested Butte: Sustainable Tourism through Plastic Reduction	OEDIT Tourism Management Grant	1/28/2025	\$20,000	Not submitted due to conflicting application	Not submitted	Climate Action & Resiliency
Crested Butte Hybrid Survey for Early Recreation Era	History Colorado Certified Local Governments	1/15/2025	\$25,000	Review - pulled the application due to timing	Declined	Arts Culture & Historic Preservation
					\$9,461,952 Total applied for in 2025	
					\$1,183,452 Total awarded in 2025	

Project Name - 2024	Grant Program	Submission Date	Grant Amount	Notes	Status	Tags
Gunnison Valley Home Energy Advancement Team (HEAT) Capacity Building Project	MAP EJ Grant	12/12/2024	\$330,620	Awarded but funding terminated by EPA	Awarded	Climate Action & Resiliency
Town of Crested Butte Slate River Alternative Water	CWCB Water Plan	12/1/2024	\$342,000		Awarded	Transportation & Infrastructure
Crested Butte Parks, Recreation, Open Space, and Trails Master Plan Update	GOCO	10/24/2024	\$75,000	GOCO was not interested in funding a master plan update	Declined	Parks & Recreation
Town of Crested Butte Wildfire Ready Action Plan	CWCB Watershed Restoration	9/30/2024	\$150,000		Awarded	Transportation & Infrastructure
Crested Butte Public Works Fleet Electrification Project	CEO Fleet Zero-Emissions	6/21/2024	\$148,000		Awarded	Climate Action & Resiliency
Crested Butte Public Works Fleet Electrification Project	CDPHE Clean Fleet Vehicles & Technology	6/21/2024	\$302,500		Declined	Climate Action & Resiliency
Crested Butte Town Website	SIPA GovGrants	6/21/2024	\$150,000		Awarded	Broadband & Telecommunications
Gunnison Valley SH 135 Comprehensive Safety Package	DOT SS4A	5/16/2024	\$15,265,600		Awarded	Transportation & Infrastructure
Crested Butte High School - Crested Butte Town Hall Exterior Rehabilitation	CO State Historical Fund	4/1/2024	\$232,123	Review	Awarded	Arts Culture & Historic Preservation
Crested Butte Alley and Historic Outbuilding Reconnaissance Survey	CO State Historical Fund	4/1/2024	\$35,185	Review	Awarded	Arts Culture & Historic Preservation
Crested Butte Town Hall Renovation	DOLA EIAF	4/1/2024	\$150,000		Awarded	Transportation & Infrastructure
Crested Butte Civic Plaza and Marshals' Office Redevelopment Master Plan	DOLA EIAF	4/1/2024	\$25,000		Awarded	Transportation & Infrastructure
Crested Butte Affordable Housing Water Infrastructure Project	DOLA EIAF	4/1/2024	\$626,409		Awarded	Affordable Housing & Neighborhoods
Bike Park Renovation	Gunnison County Recreation	3/15/2024	\$10,000	Review	Awarded	Parks & Recreation
Center for the Arts CB Creative Kids Project	Equity in Arts Learning for CO Youth	2/23/2024	\$25,000	Review	Declined	Arts Culture & Historic Preservation
2024 Western Slope Regional Climate Summit	Mt Crested Butte Admissions Tax Grant	1/24/2024	\$11,129		Awarded	Climate Action & Resiliency
Crested Butte Workforce Housing Project 2024	CEO Geothermal	1/19/2024	\$157,500		Awarded	Affordable Housing & Neighborhoods
					\$18,036,066 Total applied for in 2024	
					\$17,633,566 Total awarded in 2024	

Project Name - 2023	Grant Program	Submission Date	Grant Amount	Notes	Status	Tags
Gunnison Valley Affordable Housing Software Project	DOLA Local Planning Capacity	12/4/2023	\$200,000	Not eligible	Declined	Affordable Housing & Neighborhoods

Crested Butte Town Council Upcoming Agenda

January 20 TUESDAY - Packets out Monday, January 12th Ian out, Mel out, Mallika out?

Work session –

- Housing Strategy

Regular Meeting

1. Consent Agenda
 - a. Minutes – Lynelle
 - b. Annual review of progress on Council goals/priorities (Staff Updates)
 - c. Block 80 water line project, final payment – Shea
 - d. Community grant awards - Rob
 - e. Whiterock water line project, final payment – Shea
 - f. Alley Loop Special Event – Lynelle
 - g. Resolution – Authorizing purchase of 816 Gothic Ave. - Erin
2. Presentation
 - a. Presentation from Region 10 (following elections)
 - b. Mt. Emmons and the Water Quality Control Commission Administrative Hearing – Ashley Bembeneck
 3. Public Hearing
 - a. Ordinance – 828 Gothic Sale, 2nd reading - Erin
 4. New Business
 - a. Discuss the Council goals for upcoming community grant cycle – Finance Director
 - b. Exec Session

February 2 - Packets out Monday, January 26th

Work session – 2hr

- Joint work session with BOZAR re: Land Use Code Update

Regular Meeting

1. Consent Agenda
 - a. Minutes – Lynelle
 - b. Public Art Commission appointments - Mel
 - c. Presentation
 - a. Mt. Express annual report
2. Presentation
 - a. Presentation from QQ (following elections)
 - b. Public Hearing
 - a. New Business
 - a. Exec Session

February 16 TUESDAY - Packets out Monday, February 9th

Work session –

- PROST

Regular Meeting

1. Consent Agenda
 - a. Minutes – Lynelle
 - b. Chamber year-end report
 - c. DOLA EIAF grant application for Marshals - Mel
2. Presentation
 - a. 2025 Year-end financial summary
 - b. Marshals' Addition/Crank's Plaza 30% design – Jessie, Shea, and Mike
3. Public Hearing
 - a.
4. New Business
 - a. Special Events Single Use Plastics Reduction Policy - Dannah
 - b. Ordinance – Colorado Wildfire Resiliency Code, 1st reading - Astrid
 - c.
5. Exec Session

March - 2 - Packets out Monday, February 23rd

Work session –

- CIRSA elected officials training (following elections)

Regular Meeting

1. Consent Agenda
 - a. Minutes – Lynelle
 - b.
 - c.
2. Presentation
 - a.
3. Public Hearing
 - a. Ordinance – Colorado Wildfire Resiliency Code, 2nd reading – Astrid
4. New Business
 - a.
5. Exec Session

March 16 - Packets out Monday, March 9th

Work session –

- PROST plan – Draft Plan (cost recovery, strategies)

Regular Meeting

1. Consent Agenda
 - a. Minutes – Lynelle
 - b.
 - c.
2. Presentation
 - a.
3. Public Hearing
 - a.
4. New Business
 - a. Annual review of traffic calming and parking management – Mel and Sean
 - b.
 - c.
5. Exec Session

April 6 - Packets out Monday, March 30th

Work session

- Joint BOZAR – development review process & PUD

Regular Meeting

1. Consent Agenda
 - a. Minutes – Lynelle
 - b.
 - c.
2. Presentation
 - a.
3. Public Hearing
 - a.
4. New Business
 - a. Resolution, IGA with Mt CB Water & San for Solids Processing – Shea
 - b. Ordinance, Repeal & Replace Chapter 13, 1st reading - Shea
 - c.
 - d.
5. Exec Session

April 20 - Packets out Monday, April 13th

Work session

- Community Spaces Strategies - Mel

Regular Meeting

1. Consent Agenda
 - a. Minutes – Lynelle
 - b. Q1 Review of Council 2026 Council priorities – Dara (Staff Updates)
 - c.
2. Presentation
 - a.
3. Public Hearing
4. New Business
 - a.
 - b.
 - c.
5. Exec Session

Future/Annual Items

January – Resolution setting posting places

- Annual resolution approving Council Rules of Procedure
- Annual review of progress on Council goals/priorities
- Annual review of grant applications/awards
- Presentation from QQ (following elections)
- CIRSA elected officials training (following elections)
- Presentation from Region 10 (following elections)
- Town Attorney quarterly report
- Review Council focus for upcoming Town grant cycle

February – Year-end report from Chamber of Commerce

- Mt. Express annual report
- Year-end financial summary

March - Annual review of traffic calming and parking management (include bike safety and history of why service is outsourced) – 2nd meeting so can have President's Day data

April - Q1 review of progress on Council goals/priorities

- Town Attorney quarterly report

May – Q1 financial summary

- Legislative Session summary
- Annual update of AH Guidelines for updated HUD AMI limits
- review of grant applications/awards

June – Annual Report on Visitor Center operations – Chamber Director

July – Q2 review of progress on Council goals/priorities

- Town Attorney quarterly report
- Council goals for upcoming grant cycle?

August – Initiate annual budget with Council

September – Q3 review of progress on Council goals/priorities

- Q2 financial summary
- review of grant applications/awards
- Annual budget work sessions with Council

October – Snow Plan

- Annual revisiting of the Climate Action Plan – strategies & actions
- 15th – deadline for presentation of the annual budget
- Annual rental agreement with WEHA
- Town Attorney quarterly report

November – Annual report by the Chair of the Weed Advisory Board on Weed Management in the Town of Crested Butte

- Q3 financial summary
- Board & Committee appointments (following election)
- Appointment of Mayor pro-tem (following election)
- Adoption of annual budget (Nov or Dec depending on election cycle)

December – Funding agreement with Chamber of Commerce

- **Agreement with GVRHA for Green Deed**



Staff Report

January 5, 2026

To: Mayor Billick and Town Council

Prepared By: Mel Yemma, AICP, Community Development Director

Thru: Dara MacDonald, Town Manager

Subject: Consideration of Request from The Hideout to Allow use of a Trailer/Food Truck as an Accessory Kitchen

Summary: David Wilkins, representing The Hideout at 208 Elk Avenue, has requested Town Council discussion and direction regarding permanent use of a trailer/food truck as accessory kitchen space. BOZAR has reviewed the request and offers guidance for Council consideration.

The key questions for Council are:

1. Whether to direct Town Staff to evaluate and include allowing use of a trailer/food truck as supplemental kitchen space in the current zoning code update. (*BOZAR recommends in favor of including this proposal for consideration in the zoning code update.*)
2. Whether to suspend current regulations prohibiting food trucks on private property along Elk Avenue until the zoning code update is complete. (*BOZAR recommends against suspending current regulations until the zoning code update is complete.*)

Background: In 2023, the Town Council declared a local restaurant emergency (Resolution 11, Series 2023) in response to a community-wide restaurant shortage. The resolution granted the Town Manager authority to suspend municipal code provisions if strict compliance would hinder necessary emergency actions.

During this emergency, The Hideout requested modifications to Town Code sections:

- **Sections 6-3-40(3) and (4)** (food truck use and location – limiting up to 4 food truck licenses in the B1 Zone on Public Property from 9 pm – 2:30 am)
- **Section 16-16-20** (onsite parking requirements for restaurant uses)

This request was to allow a food truck/trailer to supplement kitchen operations during busy summer months as their demand for food service was higher with an increased patio space and other limited restaurant options in the B1 zone due to multiple restaurant closures.

Historically, food trucks near brick-and-mortar restaurants have been sensitive in Crested Butte due to differing regulatory burdens. Brick-and-mortar restaurants face higher costs and stricter regulations, including zoning, building code, life safety requirements, and water/wastewater fees (EQRs).

The Hideout, 208 Elk Avenue (Lots 12 & 13, Block 28, Crested Butte Subdivision), currently approved development entitlements include:

- B1 Zone District
- 1,692 SF of indoor restaurant space
- 302 SF of outdoor patio space
- 4 parking spaces (3 general purpose 1 accessible space and access aisle)
- *Equivalent Residential Use* (EQR) payment and allowance (Water and Wastewater Tap Fees)
 - o 1,692 SF of permanent grandfathered indoor dining area
 - o 302 SF of outdoor dining area

In 2023, the Town Council, through a public hearing, approved a temporary, 2-year summer-only suspension of the relevant food truck and parking regulations during the restaurant emergency, with the following conditions:

- a. The food truck shall be allowed to operate for the years 2024 and 2025, June 1st through September 31st, between the hours of 10 am and 9 pm.
- b. The food truck shall only be used to support the existing kitchen in serving the BOZAR approved indoor and outdoor dining areas and takeout services associated with the existing restaurant.
- c. The food truck is prohibited from serving walk-up customers.
- d. The food truck shall be connected to the existing restaurant's wastewater infrastructure and abide by the Town's pre-treatment regulations.
 - i. The applicant shall submit the food truck's anticipated loading for the Town's Public Works Department's review and approval.
- e. The food truck's use of an electric generator is prohibited. The food truck can only operate using an electric battery or shoring to the existing restaurant's electric utility.
- f. The existing restaurant is allowed to operate with one (1) general purpose parking space and one (1) accessible parking space with an access aisle for the time periods the food truck is permitted to operate.
- g. The food truck shall not be stored on the property October 1st through May 30th.
- h. The missing parking spaces shall be restored and function as operable parking spaces between October 1st and May 30th and at the end of this permitted timeframe.

The temporary suspension was granted during the restaurant emergency, which has since been lifted due to multiple restaurant reopenings. It was noted at the time from the previous Community Development Director that food trucks/trailers as supplemental kitchen space would be explored in the Community Plan and Zoning Code Update. During that process and the current zoning code update, food trucks as supplemental kitchen space have not been raised as a desired use besides this specific request from the Hideout, but rather food truck licensing was raised as a potential strategy for more affordable community-serving food establishments, such as allowing more food trucks in town in more areas.

In November 2025, The Hideout requested permanent, year-round use of the trailer/food truck as accessory kitchen space. Their proposal and rationale is attached and they propose permanently occupying one of their approved parking spaces with a year-round food truck.

Discussion: This use is currently not allowed under the Town Code, and Town Staff does not have the authority to temporarily suspend regulations without a declared emergency. In response to The Hideout's proposal, Staff first sought BOZAR input to inform Town Council on the potential paths forward.

BOZAR discussed the proposal and generally supported and recommended to Council exploring the concept of allowing trailers as supplemental kitchen space in the zoning code, with clear conditions to address impacts to neighbors and public safety. BOZAR expressed caution and recommended against immediately waiving existing regulations, noting the importance of maintaining community trust during the broader zoning code update. Key points from BOZAR and Staff include:

1. Zoning Code Update Consideration

- ***Community-serving spaces and affordability***
 - *Staff Analysis:* Allowing food trucks as supplemental kitchens could expand service capacity and is a creative approach that may reduce barriers for local businesses. However, there is not a clear correlation between increased kitchen capacity and more affordable dining options, and benefits may be limited to restaurants with the space to accommodate this type of use. Based on The Hideout's proposal and presentation to BOZAR, the year-round use appears primarily driven by a desire to expand off-site catering and generate additional revenue during the winter, rather than by demonstrated community-serving need. Questions also remain regarding The Hideout's expanded outdoor seating, which was added without a permanent plan to handle higher demand in the existing kitchen.
 - *BOZAR Takeaways:* BOZAR did not see this proposal contributing meaningfully to more affordable or community-serving dining options but agreed that reducing barriers for local businesses is valuable. BOZAR also noted that not every business has space for this type of use, which could lead to equity concerns.
- ***Precedent:***
 - *Staff Analysis:* Staff has not identified other communities permitting food trucks as permanent accessory kitchens for brick-and-mortar restaurants. Typically, food trucks operate independently or from a permanent commissary kitchen. Approving permanent use in Crested Butte could set a novel precedent, creating expectations for other restaurants and necessitating careful conditional standards.
 - *BOZAR Takeaways:* BOZAR recognized the unprecedented nature of the request and potential unintended consequences, including investment in temporary trailers rather than Crested Butte's buildings with permanent kitchen facilities. They emphasized that if allowed, the use should be conditional, with approval based on demonstrated need, neighborhood impacts, and life/safety considerations.
- ***Conditional Use Considerations:***
 - *Staff Analysis:* Staff recommends evaluating supplemental kitchen use as a conditional use in the zoning code update, with conditions addressing neighbor impacts and life/safety requirements. For example, permanent use at a minimum

would likely need to require permanent connection to water and wastewater infrastructure rather than current temporary practices and payment in lieu of parking for repurposing its public parking consistent with other developments.

- *BOZAR Takeaways:* BOZAR supported exploring conditional use and highlighted potential conditions including setbacks to avoid blocking alleys or access, snow storage, operational hours, noise and odor limits, waste and wastewater management, payment in lieu of parking, and unit aesthetics to avoid adverse neighborhood impacts.

- ***Permanent Accessory vs. Mobile Catering Use:***

- *Staff Analysis:* The Hideout proposes using the trailer both as a permanent accessory kitchen and as a mobile unit for off-site catering. While this dual use adds regulatory complexity, it could be managed through appropriate approvals, licensing, and inspections, but it is atypical to allow a mobile/temporary use as a permanent land use entitled with a property. Comments that touch on this challenge are included in the attached comment letter from Gunnison County Public Health.
- *BOZAR takeaways:* BOZAR wrestled with the dual-use scenario but supported providing flexibility to help local businesses function, provided neighborhood impacts are minimized.

- ***Alternative Approaches:***

- *Staff Analysis:* Expanding food truck licensing in the downtown core could provide flexible, community-serving, and affordable dining options without creating property-specific precedent. This approach could allow food trucks to serve outdoor patios while indoor kitchens focus on existing seating, supporting smaller operators and aligning with the Town's goals for community-serving spaces.
- *BOZAR Analysis:* BOZAR expressed interest in evaluating the long-term pros and cons of a permanent land use allowance versus updates to the Town's food truck licensing regulations.

2. Suspension of Current Regulations

- *Staff Analysis:* The temporary suspension in 2023 was granted to address a specific restaurant emergency that has since ended. Continuing or extending that suspension now would be a one-off decision that could set expectations for other businesses and weaken the ongoing, community-driven zoning code update. Under the current code, the only way to allow this use would be for Town Council to waive existing regulations, which raises concerns about precedent and consistency.
- *BOZAR Analysis:* BOZAR agreed with staff's recommendation against waiving current regulations. While they acknowledged the creativity and merit of the proposal, they emphasized that long-term implications need to be evaluated through the zoning code update. They also noted the difficulty of reversing a temporary approval once granted.

Recommendation: Staff recommends **not suspending current regulations** prohibiting food trucks on private property along Elk Avenue. Staff supports further evaluation of this request in the zoning code update, with potential consideration as a conditional use. Additional analysis is needed to define applicable criteria and conditions of approval. The zoning code update is expected to reach final draft form by Spring 2026, with potential adoption later in 2026 to align

with updated Design Standards. Staff seeks Town Council guidance on this proposal and feedback to inform the evaluation in the zoning code update.

Proposed Motion: For a council member to make a motion against (or for) suspending current regulations prohibiting food trucks on private property along Elk Avene.

Attachments:

- 208 Elk (Hideout) proposal
- Comments from Gunnison County Health Department
- Comments from Crested Butte Fire Protection District

Thank you again for following up. As mentioned, we plan to include your request on the December 16 BOZAR agenda at the end, since the agenda was previously full. If other items run long and your item extends past 10 PM, it will be continued to the next available BOZAR meeting.

The BOZAR discussion will provide direction to the Town Council on one or both of the following:

1. Recommendation (or not) for the Town Council to direct Town Staff to consider allowing food trucks as supplemental kitchen space as part of the ongoing zoning code update.
2. Recommendation (or not) for the Town Council to consider suspending regulations prohibiting the use of a food truck on Elk Avenue as supplemental kitchen space until the zoning code update is complete.

Following BOZAR's direction, the discussion will return to the Town Council at the next available meeting(s). The broader zoning code update process is ongoing; we recently completed the first round of introductory webinars with the first draft considered changes. To date, your request is the only feedback we have received regarding food trucks as supplemental kitchen space. We are aiming for a final code draft by late spring but may not have an adopted version until towards the end of next year when the new design standards are expected to be complete (given they are very intertwined).

For this BOZAR meeting, we ask that you prepare a formal proposal with a narrative of your request that also addresses the questions outlined below. Please submit your proposal for inclusion in the BOZAR packet by December 5. Once submitted, let us know if you would like to meet to review and discuss it.

Thank you again, and please don't hesitate to reach out with any questions in the meantime.

Best regards,

Introduction

My name is David Wilkins, and I am a thirteen-year local who has devoted my career to becoming a successful restaurant operator and entrepreneur here in Crested Butte. Hospitality is my lifelong passion—I went to college for hospitality management, and I have spent years learning every aspect of this industry. I am deeply committed to creating remarkable food and delivering an outstanding customer experience.

About eight years ago, I launched my entrepreneurial journey with The Divvy, located on the mountain. From the start, my team and I faced serious operational challenges, including a non-functioning kitchen hood in our early years. Just as we adapted to that setback, our hoods were condemned and we were forced to reinvent our operations yet again. Shortly after, the COVID-19 pandemic struck. Like many in the restaurant community, I endured this adversity by innovating, transitioning into a hybrid ghost kitchen model based in the Elevation Hotel. Through these many changes, I worked tirelessly to continue feeding our community during some of its most difficult times.

These efforts eventually led to an incredible partnership with Kyleena Falzone and Jeff Hermanson, and ultimately the creation of The Hideout. Joining this team was just the beginning: after coming on board, it took a year to gain access to our space, and then several more months to complete the buildout. Jeff Hermanson and our partners dedicated extraordinary time and financial resources, working meticulously with the town to bring the building up to code and add more usable space. Our focus remained on fulfilling all local requirements while creating a vibrant, profitable gathering place for guests and locals alike.

This journey exemplifies my ongoing commitment to both the success of this town and to uplifting its vibrant community and hospitality scene.

Why was the restaurant emergency order that allowed us to use the trailer established in the first place?

During the first year of business, The Hideout took an innovative step by utilizing a trailer under the town's restaurant emergency order—an action specifically designed to help Crested Butte respond when the community faced the urgent need to feed more guests due to limited restaurant options and widespread closures. This order was put in place with the primary goal of supporting the town's tourism-driven economy, ensuring that guests had positive experiences and reasons to return even in times of crisis or operational challenge. Without the trailer in action, our ability to serve and support guests simply would not have been possible in that critical time. As both the town and our business depend on providing exceptional hospitality to sustain economic vitality, our use of this non-invasive solution has proven essential to accomplishing those goals, and stands as a testament to our commitment to the community and its ongoing success.

1. Rationale & Need

- Please provide an overview of your request, including a site plan of the full site, including seating capacity, snow storage, parking (and ADA parking), and the temporary location of the food trailer.

- I propose that The Hideout be allowed to use our food trailer as a supplemental kitchen year-round, with the added flexibility to operate the trailer for off-site private events and catering that do not require additional town permits. We respectfully request that this provision be included in the upcoming zoning changes and that temporary permission be granted for continued trailer use while these changes are considered and finalized. Expanding the trailer's use will help us broaden our offerings during the winter, meet high guest demand in the summer, and ultimately drive increased revenue for The Hideout. In turn, this growth will generate additional tax revenue for the town while supporting jobs, consistent service, and a robust local dining scene.

Potential seating capacity:

Winter: 45

Summer: 175 with Elk ave 125 without

Winter Snow Storage: 16ft x 65ft

- Why is a year-round accessory kitchen necessary? Explain your summer vs. winter capacity and why an accessory kitchen is necessary to accommodate that.
 - Operating our food truck year-round is vital to the ongoing success and stability of The Hideout. During the winter months, indoor seating capacity drops from 170 to just 45, severely restricting revenue opportunities and making it impossible to expand our service offerings due to extremely limited kitchen space. The current setup requires us to shut down at least one day each week solely for menu production, as our kitchen cannot accommodate additional prep during regular service. Conversely, during the summer season, with the benefit of outdoor seating on Elk Avenue, the food truck becomes indispensable for accommodating up to 500 guests daily—an endeavor that demands a dedicated full production team. The additional kitchen space provided by the food truck is essential not only for meeting day-to-day demand but also for upholding our commitment to scratch-made, high-quality food and exceptional guest service. Allowing year-round operation of the food truck would stabilize employment by enabling us to retain and support our trained staff year-round and would give us more capability to serve the community and visitors with consistent quality and greater variety. This expansion represents a strategic step to create more jobs, increase winter revenue, and maintain the exceptional hospitality standards vital to both The Hideout and Crested Butte's local economy.
- What has changed since you stated this would be a temporary, summer-only need?

- When we initially requested the emergency order allowing use of the food trailer, we had no clear sense of how the business would actually function or what its full potential could be. Now, after operating for two years and reviewing our financial results, it has become clear that expanding our revenue streams is essential for long-term success. The continual increase in competitive wages, the rising costs of goods and services, and the overall economic challenges have forced us to pursue innovative strategies in order to sustain operations, retain staff, and deliver the quality and service our community and guests expect. The world is always changing and it requires us to change and adapt to keep up.
- Why was the outdoor seating expanded without a plan to support the need for increased kitchen capacity?
 - It was always the plan to maximize outdoor seating capacity, as this is standard practice for restaurants striving to optimize revenue and achieve profitability. However, without prior operational experience in space, the true capabilities of the kitchen were unknown and there was no way to predict its output in advance. Under our current ownership, the food program has evolved significantly from what existed previously, reflecting a conscious decision to minimize reliance on Sysco products (prepared frozen food products with ingredients that I don't know how to pronounce) in favor of higher-quality, house-made offerings. This shift has been embraced by both our team and our patrons, who recognize the distinct benefits that come with fresher and more thoughtfully prepared food.
- It was previously mentioned that a permanent addition to the kitchen may be pursued in the future. Is this still in the plans and if not, what are the barriers to that?

In the earliest planning stages, expanding the kitchen or modifying the space was considered, but a combination of high costs, tight timing, and urgent community need for open restaurants rendered it unrealistic at the time. At that point, several local dining establishments were closed, and our priority was to expedite opening and to maximize available seating on Elk Avenue to meet demand. Since my involvement began, the idea of an enlarged kitchen was ruled out primarily due to the extended construction timeline, which would have prevented us from serving guests when the town was most in need. Early discussions with Troy suggested that, if our operational model worked well, further conversations about a permanent solution might be possible in the future.

The obstacles to expanding the current kitchen are significant and stem mainly from the financial and logistical challenges of construction in the present economic climate, including rising tariffs, steep building costs, and limited availability of contractors and subcontractors. The building owner has already invested more than a million dollars to get the property up to code and operational, making any additional expenditure for further buildout burdensome. Implementing the proposed town kitchen addition would significantly drive up

menu prices, risking loss of perceived value among guests, especially given the careful pricing required for our food concept. This is our third year in business and we are only now positioned to begin repaying initial investments; we do not have the capacity to pay staff or support ourselves during an extended construction shutdown. Such an interruption would displace dedicated members of our team and, for my own family living above the restaurant, would also threaten our home. With escalating food and wage costs, our margins are already slim, and any required addition would jeopardize our ability to continue operations—likely causing the business to fail under the strain.

2. Winter Operations

- How will you manage snow removal around the food truck and maintain safe access?
 - Snow removal for The Hideout is managed by our current staff, with occasional assistance from property managers, and this approach would be maintained consistently moving forward. Areas crucial to operations—such as entrances, emergency routes, pathways, and other high-traffic zones—would be kept clear to ensure safe and accessible entry for guests and staff, applying the same diligence used for other parts of the restaurant. Consistent monitoring, timely snow clearing, and use of de-icing products as needed would help maintain safety and minimize any operational disruptions, fully aligning with recognized best practices for commercial properties in winter.
- How will parking, deliveries, and ADA access function during winter months?
 - The impact of utilizing this space for the trailer would be minimal, as it involves only a single parking spot and is located on a concrete pad currently zoned for public parking, which could potentially be rezoned for residential use if needed, leaving two public spaces. Access to this area, particularly in the winter, is naturally limited because the alleyway becomes challenging to navigate for most vehicles due to snow accumulation—meaning general public usage is already quite low. The trailer's placement would not disrupt ADA accessibility, as that designated space remains fully available with ample room for entry and exit. Additionally, there would be no interference with deliveries or essential operational needs, further minimizing any negative consequences of this arrangement.
- Where will snow be stored on-site?
 - During the winter months, snow is stored on our unusable patio, which provides ample space to accommodate accumulation without impacting operational areas or access. Should snow levels exceed manageable amounts, we employ a property management company that utilizes a skid steer to efficiently remove excess snow, ensuring that the space remains clear and safe for continued use. This established

routine allows us to address winter weather challenges proactively and maintain accessibility for guests and staff.

- The temporary approval required connection to the building's water/wastewater systems and electricity. How do you propose the infrastructure to work during the winter months?
 - Our wastewater management protocols align with those required of mobile food vendors under town code. Greywater from the food trailer is collected daily using an appropriate vessel and then transported to the kitchen's mop sink, ensuring it is processed through the building's grease trap. We are also investigating the possibility of a more permanent hardline plumbing solution, which would involve excavation in the back area. However, under the current system, there is no significant seasonal difference in wastewater handling; the tanks are emptied each day, preventing any risk of freezing during winter months. For electrical needs, the trailer is powered via an extension cord from the main building, which is securely housed in a hard plastic conduit designed to withstand both snow accumulation and snow removal operations, maintaining safety and compliance throughout the year.

3. Parking Requirements

- A permanent change will likely require parking payment-in-lieu for displaced spaces. Are you willing to pay this fee?
 - We would consider this.
- How will ADA and on-site parking be accommodated year-round?
 - There would still be an availability of two public spots and one ADA spot year round.
- How will the loss of on-site parking be mitigated?
 - The only regularly used space in the back area is the ADA-designated spot, which would remain fully accessible and unaffected by the placement of the trailer. Losing just one public parking spot in this location would have a negligible impact on the town's overall parking availability, especially given the difficult winter access and current underuse of the area. Furthermore, by contributing to the parking fund for an additional spot, we provide the town with resources to create or improve parking elsewhere, helping to address broader parking concerns in a positive and proactive way.

4. Precedent & Equity

- Please explain your thoughts on the precedent this sets for restaurants and food trucks on Elk Avenue.
 - Since the trailer will not be used as a direct-to-customer outlet, its placement will not establish a precedent for customer-facing operations or impact other public-facing uses. The proposed location is away from Elk Avenue and remains non-invasive, ensuring that it does not contribute to broader concerns about

street-level activity or set expectations for future retail or food service operations in similarly zoned areas. This approach maintains the integrity of current zoning and usage patterns while responding to unique operational needs without altering public access or town atmosphere.

- How does a year-round food truck align with the Town's intent to maintain fairness between brick-and-mortar restaurants (with higher regulatory burdens) and mobile kitchens?
 - In light of recent discussions about zoning code changes and their implications for local businesses, I appreciate the town's intent to avoid placing unnecessary capital burdens on operators—burdens that could ultimately raise product prices for the community and visitors. Maintaining fairness between traditional brick-and-mortar businesses and new business models is essential, especially as we see shifts in the market with high-capacity, high-dollar restaurant projects emerging on Elk Avenue. From conversations with the mayor and recent council meetings, it is clear that the town is re-evaluating how best to balance business innovation with community character, and to allow flexibility for creative, non-invasive proposals such as ours. I would welcome further conversations with other business owners about how potential build-outs or zoning requirements may impact our sector, and whether sufficient dialogue has occurred to ensure all voices and perspectives are considered in future plans. It is my hope that, moving forward, innovative and equitable solutions—particularly those that do not require major investment or alter the town's appeal—receive fair consideration and provide a path for the diverse range of restaurants and businesses that make Crested Butte unique.

5. Community Benefit

- How is your business a community-serving space? (ADD CURRENT DEFINITION)
 - As a restaurant committed to delivering quality products and service at fair and relevant prices, The Hideout has become a regular gathering place for local residents and a recurring favorite for visiting tourists, many of whom return multiple times during their stay because of the welcoming atmosphere and memorable experience we provide. Continuous innovation in our menu and services remains central to our mission of exceeding expectations and supporting both our community and guest satisfaction. The use of our trailer is essential to expanding these offerings and ensures we can consistently provide excellent food, timely service, and a vibrant dining experience for Crested Butte year-round.
- What percentage of your clientele are local residents?
 - Quantifying the exact breakdown of customers between locals and visitors is challenging due to the lack of formal data on guest origins. However, observationally, The Hideout consistently welcomes a significant share of local residents, especially outside of peak tourist periods. During this past summer,

approximately 30-50% of our clientele were locals, with their representation tending to decrease when tourism peaks and more out-of-town guests frequent local restaurants. This pattern reflects the seasonal nature of dining habits in Crested Butte and highlights our role as both a community hub and a destination for visitors.

- Are your food prices affordable to everyday residents and workers?
 - Our food prices are intentionally set to reflect the high quality of the products and ingredients we use. The term “affordable” is relative in Crested Butte’s current environment, where even basic groceries are costly. For example, our Wagyu burger, served with fries, is priced at \$18, which, when compared to a \$14 Big Mac meal at McDonald’s, highlights the value offered for premium, house-made fare. Similarly, other local options such as Pita’s and Teocalli Tamale price their items within the same range, often using lower-quality or frozen components. In this context, our pricing remains competitive for the market, and we continue to see strong patronage from residents and local workers, who recognize both the quality and value of our offerings.
- How does the year-round accessory kitchen meaningfully address the restaurant shortage, given other restaurants are now reopening?
 - A year-round accessory kitchen directly addresses Crested Butte’s ongoing need for accessible, reasonably priced dining—especially as the local restaurant landscape shifts toward more fine dining and exclusive venues. By maintaining expanded production capacity, The Hideout is able to serve a high volume of customers at a consistent value, helping to prevent the common issues of menu shortages or sell-outs that can frustrate both locals and tourists. While more restaurants are reopening, many are entering a higher price bracket, leaving fewer choices for guests seeking a mid-range, approachable experience.
 - Crested Butte was once celebrated for being an affordable and inclusive ski destination, but the influx of luxury developments and private clubs—such as the changes at Elevation and the conversion of public venues into club-only spaces—has made affordable dining increasingly scarce.
 - The accessory kitchen at The Hideout is an innovative, non-invasive response that enables us to efficiently feed more people without inflating our prices or limiting options for everyday residents and visitors. This stands in contrast to recent luxury and fine dining expansions, which do not necessarily address community-wide food insecurity or the needs of local workers. It is important that new regulations and discussions about fair access and positive impact are applied equitably across all businesses and developments. If questions about local impact, accessibility, and community benefit are being directed at us, they should also be addressed to other owners and operators—especially those whose projects are changing the socioeconomic fabric of Crested Butte. Approachable price points

and genuine local service will remain crucial for keeping the spirit of this town alive and welcoming.

- Would you be open to additional affordability measures or requirements in exchange for a potential mobile kitchen allowance?
 - If additional affordability measures or requirements are necessary in exchange for mobile kitchen allowances, The Hideout is willing to consider creative approaches—such as incorporating more value-oriented menu options or designated specials for town residents. However, it's important to clarify that a significant reduction in food quality would run counter to the reputation and standards our restaurant has built. Rather than fundamentally changing our model, we would prefer to continue practices already in place: our happy hour from 3 to 5 pm offers substantial discounts, and during slower periods we feature special pricing specifically for locals.
 - With food costs rising, further adjustments to already fair pricing present real challenges, but our goal remains to serve more people with quality meals at accessible prices. The expanded mobile kitchen wouldn't simply allow for margin reductions; it would empower us to maintain or even improve value and consistency, ensuring our offerings remain approachable for the community while supporting increased volume and efficiency. Many locals rely on The Hideout for dependable pricing and genuine hospitality, and our commitment to both affordability and quality reflects our role in the broader Crested Butte community.

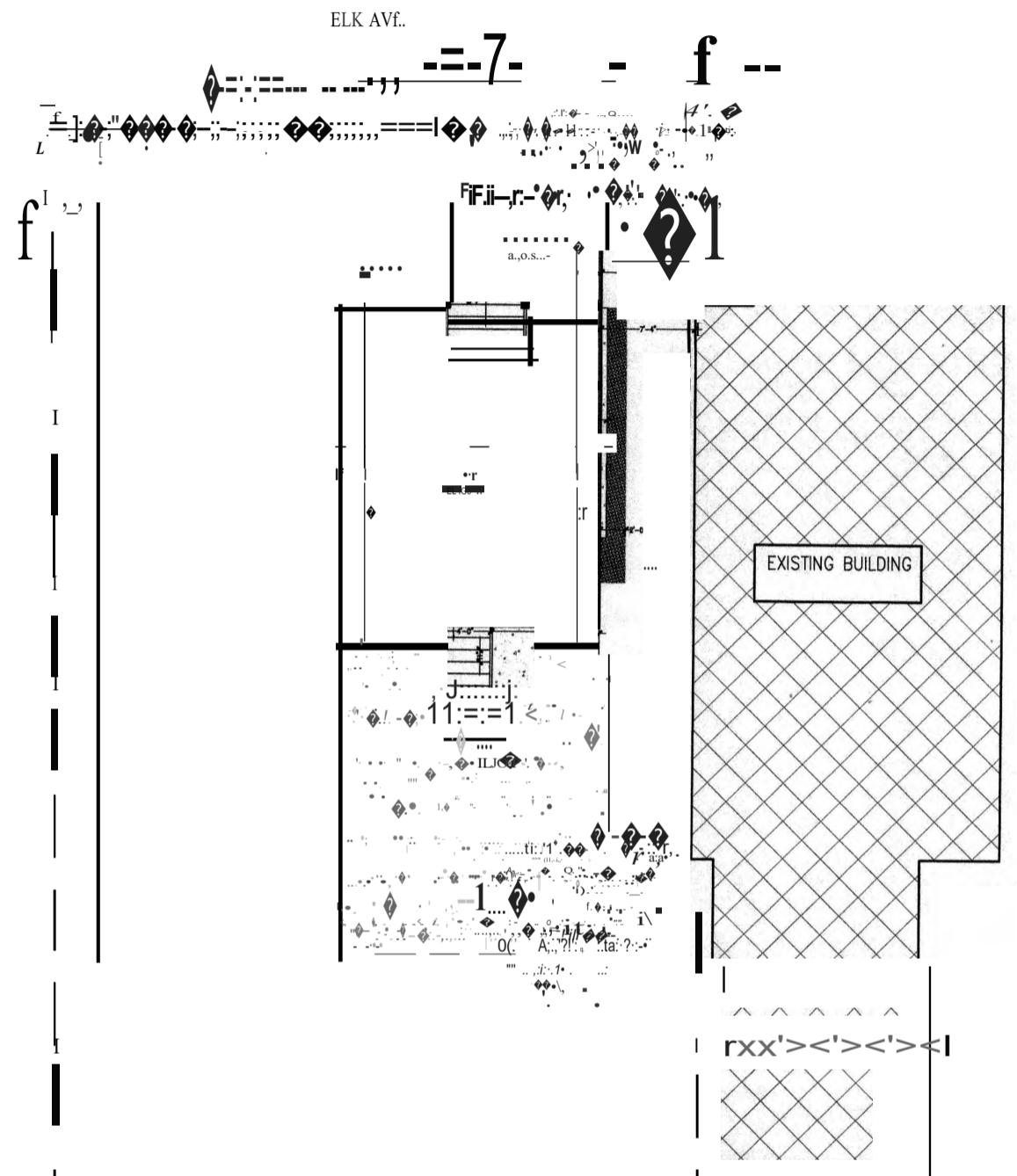
In conclusion, granting The Hideout permanent use of the existing food trailer as an accessory kitchen will strengthen a proven, locally owned business while delivering meaningful benefits to the Town of Crested Butte. This practical, low-impact expansion of kitchen capacity will help stabilize year-round operations, support retention of trained staff, and improve the consistency and reliability of food service for residents and visitors. A healthier, more resilient Hideout will, in turn, generate higher sales volumes and increased tax revenues, directly contributing to the town's fiscal health and its ability to fund essential community services.

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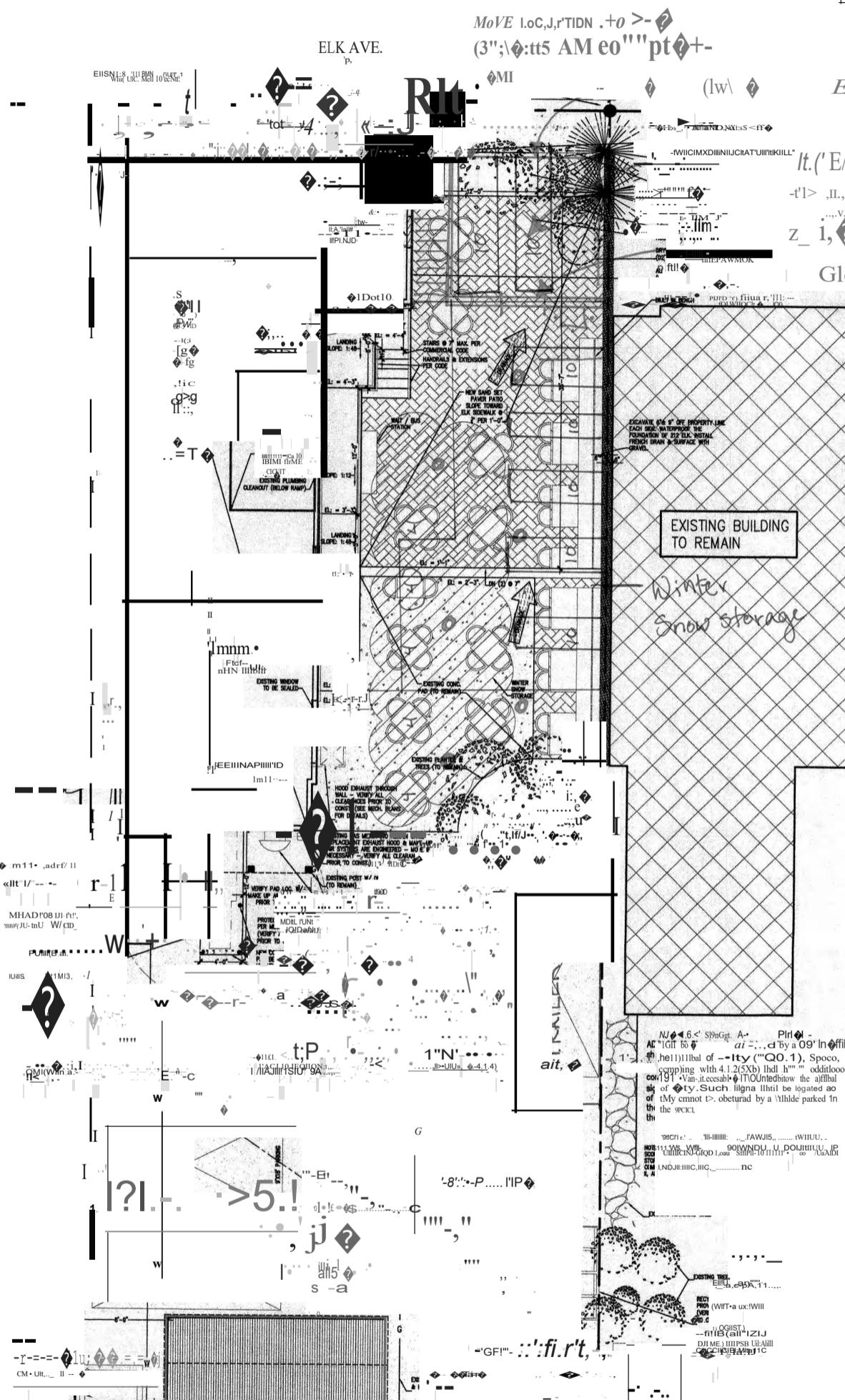
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PERMIT SET	03-21-2023
PERMIT SET REV 1	05-25-2023

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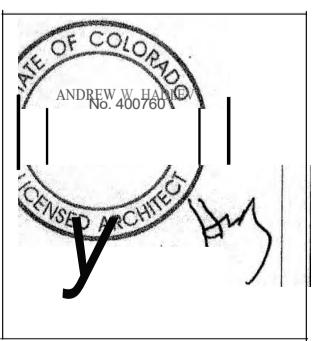
- 1) SITE PLANS
- 2) KITCHEN PLANS
- 3) ELEVATIONS
- 4) DETAILS DETAILS



WSIIN8 SITEPLAN
SCALE: 1/1"=1'-0"



PIONED SITEWI
SCALE: 1/1"=1'-0"



RESIDENTIAL
DESIGN

The proposal to permanently park and use a mobile food unit as a satellite kitchen for The Hideout 208 Elk Ave, Crested Butte, Colorado 81224 would be considered a significant change from its original intended mobile and temporary/seasonal operation. This change would require a new full retail food plan review with the changed use and potential risks taken into consideration. The review would require multi-agency coordination. Depending on feasibility during colder months, if approved, it may also require seasonal conditions to prevent unsafe winter operation.

Key public health, environmental health, and food-safety considerations include:

1. **Utility design limitations:** Mobile units may not be built for continuous, full-time operation. Their electrical systems, propane capacity, and ventilation and fire suppression equipment are typically sized for short-term mobile use. Extended or high-volume operation may increase the risk of equipment limitations, reduced temperature control, or potential fire hazards.
2. **Water supply and wastewater constraints:** Mobile units rely on small onboard fresh and grey water tanks that must be manually filled and emptied. These systems are not designed for permanent water or sewer hookups and lack the backflow protection that would be required for continuous connections. With common usage rates, a limited water tank size may only support a few hours of safe operation before servicing is needed.
3. **Grease and wastewater disposal:** Mobile units may not contain the grease interceptors that are typically required for long-term cooking operations. Frequent grey water disposal could strain existing onsite infrastructure if not properly managed. These factors need evaluation to avoid plumbing problems or improper waste handling.
4. **Cold-weather operation risks:** Many mobile units may not operate reliably during freezing temperatures. Frozen hoses and tanks can eliminate handwashing and warewashing capability, and colder weather may reduce propane pressure needed for consistent equipment performance. Other units have previously required closure during winter months due to lack of running water. Freezing temperatures may last 8-9 months of the year in this location.
5. **Food storage and contamination risks:** Mobile units are often not designed for overnight or extended food storage. Permanent placement may increase the risk of temperature abuse, limited refrigeration capacity, and potential pest activity including wildlife. Transporting food between the main kitchen and the mobile unit may also increase the chance of environmental contamination or physical hazards.
6. **Limitations of mobile-unit food preparation:** Mobile units are typically designed to rely on a licensed commissary kitchen for bulk food preparation, warewashing, cooling, and storage. Only limited assembly, cooking, and service are generally intended to occur in the unit. Using the unit as a full-service secondary kitchen may exceed the operational capacity it was designed for.
7. **Facility capacity considerations:** The 2023 plan review of The Hideout approved a new kitchen that was designed to support the restaurant's seating capacity and menu. The outdoor seating capacity has since expanded significantly. If the current kitchen cannot meet peak demand safely, standard public health practice is to reduce menu complexity or seating capacity.
8. **Regulatory classification issues:** Mobile-unit licensing is intended for mobile use with a commissary. A mobile unit used as a fixed, year-round kitchen may fall outside the scope of mobile unit requirements and may not meet standards for a permanent facility. Mixed use may not be possible. This may create long-term compliance challenges. Approval of this proposal would likely prompt similar requests from other businesses, so consistency and public health protection are key considerations. Our department would not be able to support approval without first completing a full plan review and risk assessment specific to this use.

Jenn Chavez
Consumer Protection Specialist
Gunnison County HHS
jchavez@gunnisoncounty.org
970-642-4663

From: [Joe Wonnacott](#)
To: [MelYemma](#)
Subject: Food Truck
Date: Monday, December 8, 2025 5:07:51 PM
Attachments: [image01.png](#)

Good afternoon Mel,

My long term concerns for a mobile kitchen to be permanently parked out side of The Hideout are:

- A properly installed power supply capable of sustaining continuous use.
- IFC 319.8.1 Maximum aggregate capacity of LP gas containers on a mobile kitchen and only used to fuel cooking appliances is 200 lbs. (47.3 gallons) propane capacity.
If a larger size tank is to be installed for longer cooking durations without changing tanks, will there be enough distance from existing structures. If multiple propane tanks are used, how many more, and where are they stored?
- The ambient air temperature does not affect the ultimate burning temperature of a propane flame. But cold air can slightly decrease the flame temperature. More important, extremely low temperatures decrease the vapor pressure inside the propane tank, which can reduce the flow of gas to the burner. This can lead to a cooler, yellow, or unstable flame due to an insufficient supply of fuel, which indicates incomplete, less efficient combustion.
- Cooler temperatures will increase the accumulation of grease build up requiring more frequent cleaning schedule.

In conclusion:

My concerns are a safe power supply, propane amount and handling , and grease buildup. As long as the life safety measures that were approved during the issuance of the temporary permit are continued to be met, there are no codes that state that the kitchen cannot remain. The issues I see are largely health and building issues. The precedence of a permanently stationed mobile kitchen in town should be carefully considered.

Respectfully,



*Joseph Wonnacott, Deputy Fire Marshal
Crested Butte Fire Protection District
PO Box 1009, 306 Maroon Ave.
Crested Butte, Colorado 81224
970-349-5333*



Staff Report

January 5, 2026

To: Mayor Billick and Town Council
Prepared By: Mel Yemma, AICP, Community Development Director
Thru: Dara MacDonald, Town Manager
Subject: Lower Verzuh Proposal Comment Letter

Summary: Gunnison County is holding a public hearing on the Lower Verzuh Sketch Plan Application on January 22, 2026. Two draft public comment letters are attached for Town Council consideration: a policy-level letter from Town Council and a supplemental technical letter from Town staff. Staff is seeking Council direction on submitting these letters as part of the public hearing record.

Previous Council Action:

- **March 17, 2025:** Town Council submitted a letter to the Gunnison County Board of County Commissioners expressing concerns about the Lower Verzuh proposal. The letter emphasized the importance of completing the Highway 135 Corridor Plan prior to approving major new development and requested a temporary moratorium on new subdivisions within the corridor until that plan is complete.
- **June 16, 2025:** Town Council approved and submitted a referral letter to Gunnison County reiterating the need for the corridor plan and raising concerns related to housing affordability and community integration, transportation connectivity, recreation mitigation, and utility capacity. That letter is attached for reference.

Background: The Lower Verzuh property is located approximately three miles south of the Town of Crested Butte along Highway 135. The updated proposal includes 309 residential lots, ranging from multi-family lots to three-acre lots, organized largely in cul-de-sac patterns. As shown in the applicant's materials, the proposal could result in up to 598 total units, including 344 primary dwelling units and up to 254 optional accessory dwelling units.

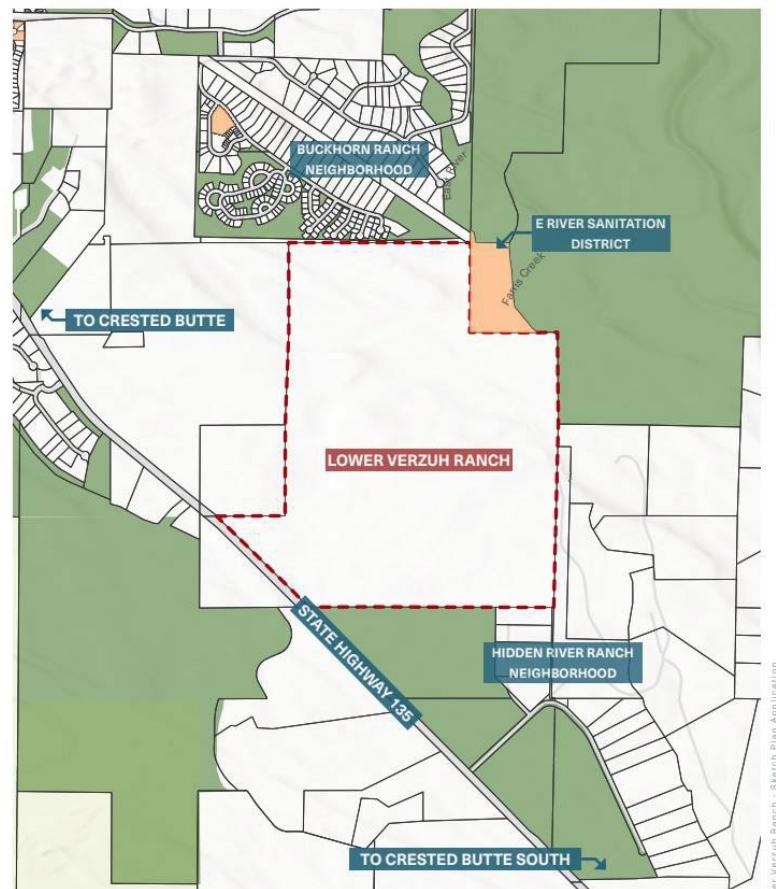
The applicant proposes to deed restrict 90 units, representing 26 percent of the primary units, as Essential Housing. However, the proposal is limited to subdividing and dedicating land; it does not include construction of the workforce housing units.

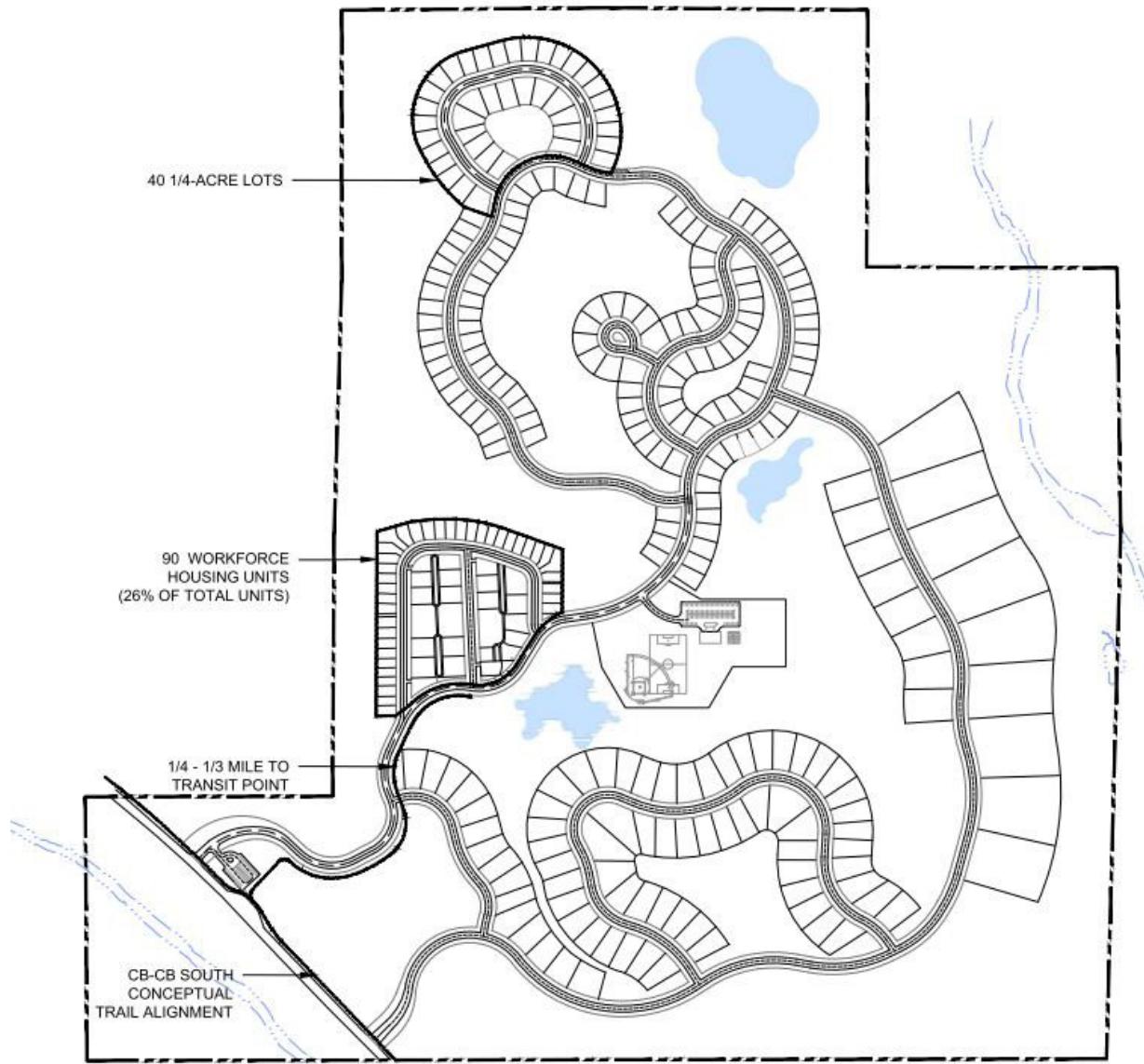
	Original Application	September 2025 Alternative	December 2025 Update
Total Lots	301	311	309
Multi-Family lots	0	17	17
1/8 acre lots	45	40	38
1/4 acres lots	165	163	163
1/2 acre lots	74	74	74
1 acre lots	8	8	8
3 acre lots	9	9	9
Total Units	301	344 (294 single-family; 50 multi-family)	344 (292 single-family; 52 multi-family)
Optional ADUs	256	0	254
Total Workforce Units	46 Units (15% of Units)	90 Units (40 single-family; 50 multi-family) (26% of all Units)	90 Units (38 single-family; 52 multi-family) (26% of all Units)
Transit Parking	0 spaces	Approx 40 spaces	Approx 40 spaces
% Open Space	61%	59.70%	61%
Total Parcel Area	450 Acres	450 Acres	450 Acres

The application also includes an integrated trail system, recreational amenities such as sports fields, parks, and playgrounds, preservation of select ranch buildings and fencing, recreational ponds, and approximately 275 acres of open space. The applicant has indicated a willingness to provide an easement for the Crested Butte to CB South Trail and proposes a future transit stop with a small adjacent parking area.

Right: A site vicinity map included in the development application.

Below: A proposed site plan included in the development application.





Discussion:

Gunnison County is the reviewing authority for the Lower Verzuh proposal. Given the project's location within the Town's three-mile planning area and the scale of its potential impacts on the Town and the broader North Valley, staff recommends submitting the attached comment letters for consideration by the Planning Commission and Board of County Commissioners.

The two letters are intended to work together: the Town Council letter, drafted by Mayor Billick, provides high-level policy guidance, while the staff letter offers more detailed comments tied to the County's Land Use Resolution criteria. Both letters raise consistent concerns related to housing affordability and meaningful contribution to regional housing needs, multimodal connectivity and the risk of auto-dependent development, recreation and service impacts, and the potential strain on public infrastructure without a coordinated, corridor-wide growth strategy.

While the proposal is within the Town's three-mile planning area, Gunnison County has not historically adopted or relied upon the Town's Three-Mile Plan in its land use reviews. In this instance, however, the County did ask the applicant to describe how the proposal aligns with the

Crested Butte Community Compass. The scale of this proposal and the community concerns it has generated underscore the need for a collaborative framework for future development along the Highway 135 Corridor. This framework is anticipated through the forthcoming Corridor Plan, for which Gunnison County recently issued a request for proposals and expects to initiate this spring.

Legal Review: The Town Attorney assisted with drafting the supplemental staff letter and reviewed the Town Council comment letter.

Recommendation: Staff recommends that Town Council review and authorize the Mayor to sign the attached Town Council public comment letter for submission to Gunnison County as part of the January 22, 2026 public hearing on the Lower Verzuh Sketch Plan.

Proposed Motion: A Council member should make a motion to approve and authorize the Mayor to sign the Town's public comment letter regarding the Lower Verzuh proposal, followed by a second and a roll call vote.

ATTACHMENTS

1. Council Comment Letter for Lower Verzuh
2. Supplemental Staff Letter for Lower Verzuh
3. Original Referral Comment Letter from June 17, 2025

Town of Crested Butte

P.O. Box 39 Crested Butte, Colorado 81224

-A National Historic District-

January 5, 2026

Phone: (970) 349-5338

FAX: (970) 349-6626

www.townofcrestedbutte.com

Gunnison County Board of County Commissioners
 Gunnison County Planning Commission
 200 East Virginia Avenue
 Gunnison, CO 81230

Subject: Town of Crested Butte Council Comments on the Lower Verzuh Ranch Subdivision – Public Hearing

Dear Chair and Members of the Planning Commission and Board of County Commissioners,

On behalf of the Town Council of Crested Butte, thank you for the opportunity to provide comments on the Lower Verzuh Ranch subdivision. The Town values our longstanding partnership with Gunnison County and shared commitment to supporting a strong community. The Town Council offers these comments at a high level to underscore policy concerns associated with this proposal. Council's comments are intended to frame the broader policy, scale, and cumulative impact considerations associated with this proposal. The attached supplemental letter from Town staff provides detailed technical analysis of applicable Land Use Resolution standards, identifies information gaps, and outlines potential conditions or findings relevant to the County's review.

We are very concerned about the timing and scale of Lower Verzuh. With the Whetstone, Starview, and the Lower Verzuh Ranch projects combined, over 1,000 new units will be added to the North Valley, which approaches the size of the Town of Crested Butte itself and is a quarter of the ~4,000 existing homes in the North Valley. We worry about the capacity of the North Valley to absorb this much development, especially in the absence of meaningful long-term planning, without degrading the quality of living and increasing the cost of living for residents to pay for new developments.

Mass Transit

It is unclear whether our mass transit system will be able to absorb these projects. On busy powder weekends in 2024/2025 the mass transit system was unable to keep up, with the RTA buses unable to get up the hill to Mt. Crested Butte and the Mountain Express (MX) beyond capacity. Increasing North Valley development by 25% when we are already at capacity with no plan to address this growth will create significant problems.

Additionally, we are experiencing challenges with ski resort parking. On busy days CBMR has been sending vehicles down the hill to park in Crested Butte and our parking lots fill, causing ski resort parking to overflow into residential neighborhoods. In recognition of this problem, we have had to start limiting open parking around neighborhood bus stops in town. We instituted a free pass system allowing locals to park in residential neighborhoods. However, with the scale of this growth, it is unclear whether Crested Butte will be able to absorb parking for the ski resort.

The Lower Verzuh Ranch proposal includes a transit stop, a parking area near that stop, and a trail easement for the Crested Butte to Crested Butte South Trail. However, the design of the project, with long walking distances, discourages ridership. We anticipate that the project will generate major problems for the Town

of Crested Butte, given that we already reach capacity on busy weekends, a problem that will only get bigger as Whetstone comes online.

Affordable Housing

The scale of Lower Verzuh, when combined with Starview, threatens to erase the substantial progress the community has made with community housing through Whetstone, Mineral Point, and Homestead. Despite that over the last 10 years more than 50% of the units built in the Town of Crested Butte were deed restricted, the affordable housing gap grew. The County's lower requirements for housing significantly contributed to this gap, a problem that seems likely to continue with Starview, which only requires ~25% of units to be affordable. Until we complete a more comprehensive review of affordable housing needs and how to ensure that new projects cover the demand they generate, premature approval of Lower Verzuh creates substantial risk for the community, creating problems for local businesses and shifting the cost of development onto residents.

Water Quality

The cost of providing and treating water to this project seem likely to generate costs to existing residents. It is our understanding that the Lower Verzuh Ranch proposal would connect to East River Water and Sanitation. East River previously did not support allowing the Corner at Brush Creek proposal to connect and it is unclear what has changed such that they could absorb Lower Verzuh, which is twice the size of the Corner at Brush Creek. Additionally, Gunnison County very intentionally decided not to connect Whetstone, half the size of Lower Verzuh, to East River, likely because of cost concerns.

While ultimately the financial viability of Lower Verzuh is not the community's problem, we are concerned that the costs of water treatment will be loaded onto affordable housing such that the affordable housing will not happen, or it will not be affordable. We have seen with previous projects, such as with Larkspur, that promised affordable housing often does not happen or come into existence in a timely fashion, unless great care is taken.

Additionally, because water quality is managed in terms of total impacts, we are worried that increased nutrient loading from East River could subject Crested Butte and Mt. Crested Butte's systems to higher standards, just another way in which the costs of development might potentially be passed on to local residents.

Wildlife Considerations

We are concerned about the increasing loss of elk migratory corridors. The sprawling, auto-centric design at the center of the development undermines the environmental values, open space character, and scenic views that residents and visitors alike cherish. We strongly encourage the County to use its Wildlife Planning Tool to take a look at how this project will interface with systematic loss of elk corridors to ensure viability of local herds.

Financial Impacts of Project

This project may well load substantial costs onto Gunnison County residents. While special districts and the county that receive property tax will benefit from the development, it could well create a net loss for entities funded through sales tax. Sales tax makes up 74% of the Town's general fund revenues, which have been used in significant part to cover capital expenses serving the entire community, including recreation and housing. Additionally, Mountain Express and the RTA are both paid for by sales tax. The financial model of the project seems likely to create a majority of second homes, and as such, will generate less in sales tax to offset the demand they create.

For example, MX currently does not have sufficient sales tax revenue to cover existing services, including the Late Night Taxi, first/last mile service in Mt. Crested Butte, and to keep up with staffing costs

associated with inflation. MX is fortunate to be in line for federal funding to pay for a much needed campus in the Whetstone Industrial Park, but that will create additional costs to maintain current level of services that are not funded with existing sales tax. We worry that the addition of a large number of second homes that will not generate as much sales tax will create additional, unfunded needs that will be passed on to residents.

Corridor Planning

There is substantial uncertainty in how a project as large as Lower Verzuh will impact the north end of the valley, especially in the context of Whetstone and Starview. Because of the dire need for housing, the Town of Crested Butte agreed to support Whetstone despite the clear need for the community to develop a more integrated approach to housing. Council's support for advancing Whetstone was grounded in the County's commitment to undertake a Corridor Plan to address growth comprehensively. Reviewing additional large-scale projects before that work is complete undermines the community's ability to plan responsibly for cumulative impacts.

Tools Moving Forward

While the County has decided not to use tools at its disposal, including a moratorium on North Valley development until the Corridor Plan is complete or applying impact fees to ensure new developments cover their fair share of costs for infrastructure including mass transit, schools, and recreation (as is done with water and waste water), the County does retain several options to ensure that growth occurs in a manner that does not transfer costs or risk to the community.

1. The County could ask the developer to voluntarily withdraw the application until the Corridor Plan is complete, inviting the developer to the table for the process.
2. The County could require the developer to conduct at its own costs a series of studies, including but not limited to housing, mass transit, recreation, schools, and wildlife, coupled with appropriate impact fees and/or offsetting investments to ensure the impacts and costs of the project are not transferred to the community.
3. Any infrastructure, such as soccer fields, which are added to offset the demand created by the project, should be public facilities and not amenities for the development.
4. The County could deny the application because it fails to meet the County's LUR standards with a finding of net adverse impact to the community.

Closing

Thank you for considering these comments and for your continued partnership. Council appreciates the opportunity to provide these high-level comments and relies on staff's technical analysis to inform the County's application of its adopted standards. We look forward to ongoing collaboration and coordination.

Sincerely,

Ian Billick

Mayor

CC: Mt Crested Butte Town Council

Town of Crested Butte

P.O. Box 39 Crested Butte, Colorado 81224

-A National Historic District-

Phone: (970) 349-5338

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January 5, 2026

Gunnison County Planning Commission and
 Board of County Commissioners
 200 East Virginia Avenue
 Gunnison, CO 81230

**Subject: Town of Crested Butte Staff Comments on the Lower Verzuh Ranch Subdivision
 – Public Hearing**

Dear Chair and Members of the Planning Commission and Board of County Commissioners,

On behalf of the Town of Crested Butte, thank you for the opportunity to provide staff-level comments on the Lower Verzuh Ranch subdivision sketch plan application. This letter is submitted in addition to the Town Council letter and is intended to provide a technical evaluation of the application's consistency with the Gunnison County Land Use Resolution (LUR). These comments supplement the Council letter and the Town's referral comments previously provided on June 17, 2025, which remain applicable. A copy of that letter is attached and incorporated herein.

As discussed below, it is staff's opinion that, in the absence of a corridor-scale planning framework and given the magnitude of the proposed development, the application does not provide sufficient information to demonstrate compliance with multiple provisions of the LUR. In particular, the County lacks the information necessary to determine that the project would result in no net adverse impacts or that proposed mitigation would be proportional to those impacts. This deficiency provides a reasonable basis for denial or continuance of the application.

Community-Serving Housing and Affordability

Section 9-600 of the LUR establishes clear purposes for Essential Housing, including encouraging affordable housing, achieving a varied housing supply, adding essential housing proportional to new development, ensuring growth pays its proportionate share, mitigating impacts through a balance of jobs and housing, locating essential housing near work sites and transit, and ensuring development enhances the County's sense of community.

While the application identifies land for future essential housing, it does not currently demonstrate compliance with either the intent or the requirements of Sections 9-600 and 9-602. To deliver the proposed 90 platted essential housing units, the Town estimates that at least \$50 million in public investment would be required to actually realize those units, based on the Town's experience delivering workforce housing projects. The application does not identify how such an outcome would be feasible or how the financial burden would be addressed.

Both the County and the Town have already made substantial public investments to address workforce housing needs in the North Valley. Essential housing associated with this project must be

supported by a clear and rational nexus to documented workforce demand, as required by the LUR and informed by the 2024 Gunnison Valley Housing Needs Assessment. Absent that nexus, the County cannot determine whether the proposal meets the proportionality and mitigation requirements of the LUR.

From a technical standpoint, the application lacks, at a minimum, the following information, which should be required if the County chooses to move forward:

1. An analysis of job demand generated by a development that is expected to function primarily as a second-home community.
2. A realistic assessment of the cost to deliver the proposed essential housing units.
3. An implementation framework that ties essential housing delivery to market absorption, including lot sales, building permits, and certificates of occupancy.
4. Clear, enforceable definitions of essential housing and mechanisms for permanent deed restriction.

Without this information, staff cannot conclude that the essential housing proposal adequately mitigates the housing impacts created by the development.

Connectivity and Transit Integration

Section 12-103 of the LUR requires major developments to evaluate and mitigate impacts to the transportation system, including pedestrian, bicycle, and transit infrastructure. Although revisions have been made since the Town's June 16, 2025 comments, such as including a parking lot near a transit stop, the application continues to raise concerns related to transit access, service feasibility, and long-term operational costs.

The County is being asked to evaluate transportation impacts without a corridor-wide understanding of traffic and parking challenges, transit demand, service levels, or funding responsibilities. The application does not demonstrate how a largely car-dependent development of this scale would avoid increased traffic and parking impacts in the Town, where most services and destinations are concentrated, nor does it demonstrate how transit service would be delivered in a manner that meaningfully reduces vehicle trips.

Key unresolved issues that should be addressed if the County chooses to move forward include:

1. Excessive walking distances between proposed lots and the transit stop, particularly the workforce housing units.
2. Unclear financial impacts to the Gunnison Valley Rural Transportation Authority.
3. Lack of analysis regarding the cost and feasibility of internal transit service or other multi-modal options.
4. Traffic analysis that does not fully account for service, maintenance, and seasonal travel patterns associated with second homes.

Absent corridor-level planning, staff believes it is not possible to determine whether transportation impacts can be adequately mitigated or whether proposed measures are proportional to project impacts.

Infrastructure Capacity

Infrastructure capacity remains a threshold issue. Section 10-103(C)(3)(a) of the LUR requires that infrastructure conditions be appropriate to support the proposed density. Based on the information

provided to date, there is substantial concern that existing water and wastewater systems may be insufficient to serve a development of this scale.

Given the County's recent decision to not pursue connection to the East River Regional Sanitation District (ERRSD) for Whetstone, as well as ERRSD's unwillingness to consider connection to the Corner at Brush Creek proposal, it is reasonable to conclude that the proposed development could either exceed existing system capacity or trigger substantial system expansion and upgrades. The application does not provide sufficient information to evaluate these impacts, associated costs, or downstream implications.

This issue alone warrants denial or continuance of the application until more complete information is provided. If the County chooses to move forward, the Town strongly recommends a condition requiring a comprehensive study of water and wastewater availability. That study should evaluate impacts not only to ERRSD, but also to upstream and downstream water and wastewater treatment facilities. The results of that analysis should form the basis for either approval with appropriate mitigation or denial of the Preliminary Plan application.

Cumulative Impacts and Corridor Plan Coordination

A project of this scale cannot be evaluated in isolation. Section 1-103 of the LUR directs the County to consider cumulative impacts within a defined area and across Gunnison County as a whole. Development in the North Valley, when viewed collectively with recent and proposed projects such as Whetstone and Starview, places increasing demands on housing, transportation, utilities, public recreation, schools, and municipal services, many of which are located within the Town of Crested Butte.

While the Town acknowledges that the proposal includes internal recreation amenities that respond to documented community needs, the County currently lacks sufficient information to evaluate recreation impacts at a regional scale or on surrounding communities. In that context, facilities proposed to address recreation demand generated by this development must function as public infrastructure rather than private amenities. Such facilities should be accessible to the broader community and secured through clear, legally enforceable agreements that ensure long-term public benefit.

The forthcoming Corridor Plan can provide the appropriate framework for evaluating cumulative impacts, coordinating infrastructure and recreation planning, and aligning large-scale development with adopted community values, including those reflected in the One Valley Resiliency Roadmap. In the absence of a corridor-scale planning framework, neither the County nor the applicant can meaningfully determine the full scope of cumulative impacts or whether proposed mitigation, including recreation amenities, is proportional to the impacts generated by the development.

Conclusion

Based on the issues outlined above, it is staff's opinion that the application does not currently demonstrate compliance with multiple provisions of the Land Use Resolution related to essential housing, transportation, infrastructure capacity, and cumulative impacts. In particular, the absence of a corridor-scale planning framework prevents the County from determining that the proposal would result in no net adverse impacts or that mitigation would be proportional, as required by the LUR.

Accordingly, staff believes that the County has a reasonable basis to deny the application or continue it pending completion of the Corridor Plan and submission of additional technical analysis. While the Town recognizes that conditioning is a component of the land use process, staff emphasizes

that, for a project of this magnitude, meaningful mitigation cannot be fully identified or evaluated without coordinated corridor-wide planning.

The Town appreciates the opportunity to provide these comments and looks forward to continued collaboration as the County evaluates this application and advances the Corridor Plan process.

Sincerely,

Mel Yemma, AICP
Community Development Director, Town of Crested Butte

Town of Crested Butte

P.O. Box 39 Crested Butte, Colorado 81224

-A National Historic District-

Phone: (970) 349-5338
FAX: (970) 349-6626
www.townofcrestedbutte.com

June 16, 2025

Gunnison County Community and Economic Development

221 N. Wisconsin St. Suite D, Gunnison, CO 81230

Sent via email to: cpagano@gunnisoncounty.org

Subject: Town of Crested Butte Referral Comments on Lower Verzuh Proposal

Dear Gunnison County Planning Commission,

c/o Cathie Pagano, Assistant County Manager for Community and Economic Development,

The Town of Crested Butte values our strong partnership with Gunnison County and the shared vision we've built through collaborative efforts like the One Valley Resiliency Roadmap. Together, we've committed to building and sustaining community, creating a more equitable and inclusive region, and advancing climate action and environmental resiliency.

As the Town formally submits referral comments on the Lower Verzuh Ranch development application, we must express serious concerns about this proposal and underscore the critical importance of the forthcoming 2025 Gunnison County Corridor Plan. This plan will be essential to establishing a coordinated framework for integrating land use, infrastructure, and transportation along the Highway 135 Corridor. Without it, we risk allowing fragmented development that undermines the very goals we've worked so hard to define together.

The Lower Verzuh proposal is not a minor subdivision. It is one part of a sweeping wave of growth in the North Valley that includes Whetstone and Starview, totaling nearly 1,000 new residential units. That is almost equivalent to the entire housing stock of the Town of Crested Butte. The cumulative impacts of this growth are substantial and must be evaluated holistically, not piecemeal.

While the applicant references alignment with the Town's Three Mile Plan and Community Compass, and the Town appreciates the County in asking about alignment, we must clearly and respectfully disagree. As proposed, this project reflects exactly the kind of sprawling, auto-dependent growth the Compass seeks to avoid: an isolated pocket of mostly market-rate homes that are unattainable to most of those who live and work here and disconnected from the social, transit, and service infrastructure that helps residents not just live here but thrive here.

Key Concerns and Recommendations

1. Housing Affordability and Community Integration

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The 2024 Gunnison Valley Housing Needs Assessment estimates the region requires between 480 affordable units to catch up on existing needs (to addressing overcrowding, stabilize the rental market, and fill current job-related housing gaps) and an additional 1,070 units to keep up with projected growth (which is driven by job expansion and retiring employees) through 2029.

While developments like Whetstone (255 rental units with 80 percent allocated across varied income levels and workforce requirements), Mineral Point (34 rental units targeted at 30 to 60 percent AMI), Paradise Park (14 rental units up to 140 percent AMI), and Homestead (22 for-sale units aimed at 100 to 160 percent AMI) make important strides toward these targets, a significant housing shortfall remains. These projects address only a fraction of the total demand, especially at income levels essential to sustaining the valley's diverse workforce.

The Lower Verzuh Ranch proposal includes 301 residential lots, each with the potential to add an accessory dwelling unit (ADU) (excluding the 45 1/8 lots), effectively allowing up to 557 total units. However, the applicant is only proposing to deed restrict 23 of the 1/8-acre lots and 23 associated ADUs as essential housing, equating to about 8% of the total potential units. The proposal lacks detailed criteria for affordability, enforcement mechanisms, or long-term protections to ensure these units remain accessible to the local workforce.

Moreover, proposed covenants requiring a minimum home size of 2,500 square feet, paired with high land values and escalating construction costs, make it highly unlikely that the remaining 92% of units will be attainable for year-round, full-time residents. Instead, the development is far more likely to attract luxury buyers and part-time residents, deepening existing challenges related to housing affordability, community cohesion, and equitable access to opportunity.

The Town strongly recommends a much higher percentage of deed-restricted housing be required for this development. The essential housing should be determined and targeted based on a rational nexus to documented workforce housing needs, as section 9-602 of the LUR identifies and should connect clearly to the needs identified in the 2024 Gunnison Valley Housing Needs Assessment. Additionally, clear, legally enforceable definitions of essential housing, along with mechanisms for permanent deed restrictions, should be required.

Without stronger, enforceable requirements embedded in private developments, the public sector will continue to shoulder the disproportionate burden of providing housing for the valley's workforce.

2. Transportation Connectivity: Parking Impacts, Transit Capacity, and Trail Connectivity

The application claims proximity to existing Mountain Express and RTA transit service, but this is misleading.

- *Mountain Express does not currently serve this area* and does not have the operational resources to expand service without compromising existing routes.
- *The RTA must prioritize efficient regional service* and cannot justify deviation off Highway 135 to serve a single, low-density, car-dependent development.

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Additionally, public parking in Crested Butte is already over capacity on busy weekends. Overflow skier parking regularly spills into residential neighborhoods as visitors attempt to access Crested Butte Mountain Resort. Elk Avenue continues to experience high demand during the peak times of summer, even with parking management measures in place, as regional residents and visitors access the Town's downtown businesses. Adding hundreds of new units without a clear transportation and parking strategy will worsen this problem, potentially making it difficult for County residents to access the ski area and/or services/businesses in Crested Butte.

In addition to parking challenges, Mountain Express currently lacks sufficient capacity to transport everyone between the Town and the ski area during peak times. The system is already strained and faces significant funding shortfalls, not only to maintain its existing fleet but also to advance plans for a long-term facility in the Whetstone Commercial Park that would expand and improve service capacity. To improve parking and transit concerns, the Town recommends that project approval be contingent on:

- The Brush Creek Park-and-Ride lot must be brought into active service as part of the Brush Creek roundabout development, with mass transit connections established between the park-and-ride and Crested Butte Mountain Resort to mitigate parking demand in the Town and provide accessible alternatives for regional commuters.
- Additional bus storage capacity must be developed at the Whetstone Maintenance Facility to enable the expansion of transit services in the North Valley, ensuring the system is adequately equipped to support the increased population and transportation demand generated by the Lower Verzuh development.

Additionally, the Town appreciates the applicant's willingness to provide a trail easement, especially as the growing use of electric bikes makes bike commuting throughout the North Valley a more viable and accessible option during the summer season. To support long-term regional connectivity, the Town recommends that project approval be contingent upon the County requiring legally deeded access for a Crested Butte to Crested Butte South trail, with easements secured for two potential alignments:

- The preferred eastern alignment, as supported by the ranching community.
- A highway alignment that connects to the existing Skyland easements on the west.

Securing both alignments will preserve flexibility, ensure future trail connectivity, and expand mobility options for the broader community.

Section 12-103 of the LUR requires all major developments to evaluate and mitigate impacts on the road system, including pedestrian, bicycle, and transit infrastructure. Without consideration of these recommended conditions, the current application fails to demonstrate how the proposal meets these criteria or supports a safe, multimodal transportation system. We urge the County to require a more coordinated, realistic mobility strategy that accounts for parking impacts, transit capacity, and trail connectivity before moving forward. Without these considerations, this project reinforces car dependency and undermines regional goals for climate action, livability, and equitable access.

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3. Recreation Mitigation

The proposal does not adequately address its recreational impacts. Crested Butte's public recreation amenities are already under significant strain, and the Town continues to bear a disproportionate share of providing recreation services for the North Valley. However, the Town is currently unable to fully meet this demand, as evidenced by maxed-out field space, limited indoor recreation facilities, and long waitlists for recreation programs.

In the absence of an established recreation impact fee, the Town recommends that the project be required to provide publicly accessible recreation amenities (not private to the development) such as community trails and a potential ball field, that are open for use by the entire community. These amenities should be guided by the priorities identified in the Gunnison County Metropolitan Recreation District Regional Master Plan and the Town's Parks, Recreation, Open Space, and Trails Plan (currently under development) to ensure they meaningfully address regional recreation needs.

Recreation is not an optional amenity; it is a core component of community health, livability, and childcare support. As such, growth that increases demand on regional recreation infrastructure must also contribute proportionately to expanding and enhancing those facilities.

4. Utility Capacity and Wastewater Service

While detailed utility planning is expected at the Preliminary Plan stage, it is critical to address capacity questions now. The applicant asserts that the East River Regional Sanitation District (ERRSD) can serve the project with wastewater services. However, the Town previously understood that the County had determined it was not only financially impractical for ERRSD to absorb the Whetstone housing project, but physically impossible.

Given that Lower Verzuh is an even larger project, the Town respectfully requests clear documentation confirming ERRSD's current capacity and commitment to serve this development. Without this confirmation, the project does not meet the intent of Section 10-103(C)(3)(a) of the LUR which requires that infrastructure conditions be appropriate for increased density.

Additionally, the Town encourages the County to consider this and future projects within the broader context of valley-wide utility planning to avoid reinforcing inefficient service extensions and escalating public costs.

Conclusion

The Town recognizes the applicant's long-standing ties to the community and the effort invested in this proposal. However, the scale and impacts of this project demand a higher standard.

The Town strongly recommends that:

- Major entitlements not be granted until the Corridor Plan is complete and a regional framework is in place to guide growth of this magnitude.
- If the project is considered ahead of the Corridor Plan, the County apply the full intent of the Land Use Resolution, with specific, enforceable conditions identified previously to ensure this project makes meaningful contributions to regional housing, transportation, recreation, and infrastructure needs.

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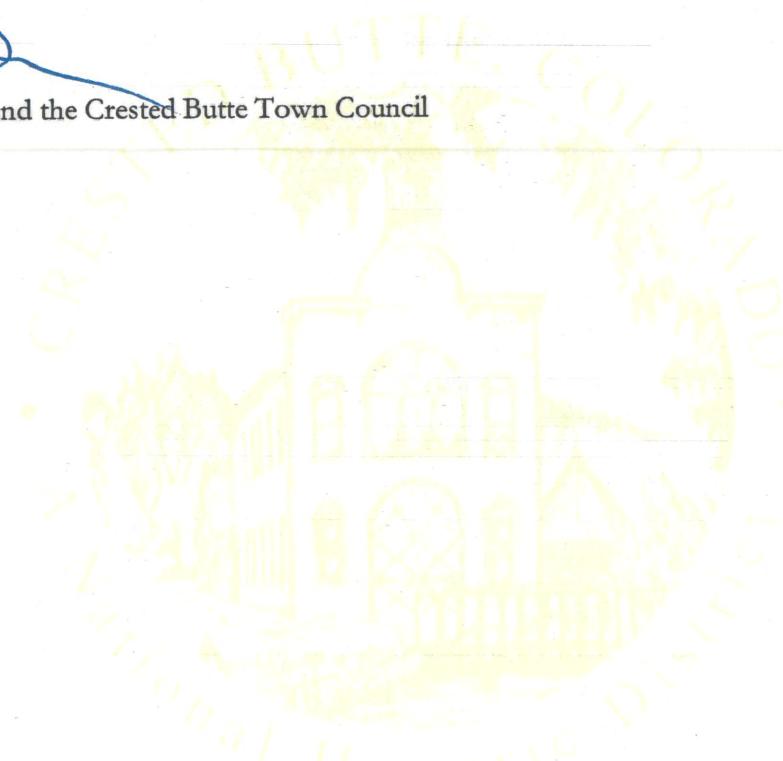
This is a pivotal opportunity to shape growth in a way that strengthens the valley, supports livability, and advances the shared vision the full Gunnison Valley community has spent years developing.

Thank you for your leadership and continued partnership in shaping a resilient, equitable, and connected future for this place we all care deeply about.

Sincerely,



Ian Billick, Mayor and the Crested Butte Town Council





DATE: December 30, 2025
 TO: Mayor and Town Council, Town of Crested Butte
 FROM: Karl J. Hanlon, Town Attorney
 RE: Proposed Loan Agreement with Mt. Crested Butte Water and Sanitation District

Attached please find a proposed Loan Agreement between the Town of Crested Butte and Mt. Crested Butte Water and Sanitation District (the “District”). The purpose of the Loan Agreement is to resolve the outstanding issues between the District and the Town regarding payment of the remaining roughly \$1.78 million outstanding of the District’s share of the solids processing facility that was part of the wastewater treatment plant upgrade. The Town’s negotiating team met with District’s negotiating team on December 17, 2025, and developed the framework for the Agreement.

The core provisions of the agreement are as follows:

1. Payment of the outstanding balance over the course of six years at an interest rate of 5.5%.
2. An initial payment of \$298,310 by the end of the year 2025.
3. Six additional payments commencing in 2026 with a final payment on or before December 31, 2031
4. Agreement that the Town’s loan to the District is and will be in parity with any future debts of the District.
5. No prepayment penalty to allow and encourage the District to include any outstanding balance with any future financing of other District projects.
6. The loan agreement is modeled on the one used by the State of Colorado for funding water and water facilities. It complies with the requirements of TABOR, as well as providing protection for the Town via a rate covenant should the District not have sufficient funds to pay the debt as well as a default interest rate at 12%.

The negotiating team believes that this is the best compromise representing the Town’s need to have certainty in the amounts repaid and when, with the District need to maintain manageable cash flow as they assess current and future capital needs. The Agreement will be considered by the District Board at their next regular meeting on January 13, 2026.

Mail to:

Glenwood Springs 201 14 th Street Suite 200 Glenwood Springs, CO 81602	Aspen 0133 Prospector Road Suite 4102-J Aspen, CO 81611	Basalt 200 Basalt Center Suite 200 Basalt, CO 81621	Ridgway 565 Sherman Street Suite 6 Ridgway, CO 81432
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The negotiating team recommends approval of the loan agreement as to the general framework and form with final review and approval by the Mayor, Town Manager and Town Attorney.

LOAN AGREEMENT BETWEEN
TOWN OF CRESTED BUTTE
AND
MT. CRESTED BUTTE WATER AND SANITATION DISTRICT
DATED
JANUARY __, 2026

LOAN AGREEMENT

THIS LOAN AGREEMENT is made and entered into as of this ____ day of January 2026, by and between **TOWN OF CRESTED BUTTE** (the "Town"), a Home Rule Municipality of the State of Colorado, and the **MT. CRESTED BUTTE WATER AND SANITATION DISTRICT** (the "MCBWSD") a Colorado Title 32 Special District.

WITNESSETH THAT:

WHEREAS, the Town and MCBWSD entered into an Intergovernmental Agreement for the construction, maintenance and repair of a solids processing facility located within the Town in 1996; and

WHEREAS, in 2021 the Town began designing and budgeting for upgrades to the Town's wastewater treatment facility which included upgrades to the solids processing facility; and

WHEREAS, in 2021 the Town secured financing for the upgrades; and

WHEREAS, the Parties have agreed that MCBWSD portion of the cost of the solids processing facility is \$3,328,624.92; and

WHEREAS, MCBWSD has made payments totaling \$1,548,253.46; and

WHEREAS, the Parties wish to finance the remaining balance of \$1,780,371.46 as set forth in this Loan Agreement.

NOW THEREFORE, for and in consideration of the award of the loan by the Town, MCBWSD agrees to perform its obligations under this Loan Agreement in accordance with the conditions, covenants and procedures set forth herein and attached hereto as a part hereof, as follows:

ARTICLE I DEFINITIONS

SECTION 1.1. Definitions. The following terms as used in this Loan Agreement shall, unless the context clearly requires otherwise, have the following meanings:

"Authorized Officer" means, in the case of MCBWSD, the person whose name is set forth in **Exhibit B** or such other person or persons authorized pursuant to a resolution or ordinance of the governing body of MCBWSD to act as an Authorized Officer of MCBWSD to perform any act or execute any document relating to the Loan, the Note, or this Loan Agreement, whose name is furnished in writing to the Town.

"Commencement Date" means the date of commencement of the term of this Loan Agreement, as set forth in **Exhibit B** attached hereto and made a part hereof.

"Cost" means those costs that are eligible to be funded that are reasonable, necessary and allocable to the Project and are associated with the approved scope of work, the plans and specifications,

and change orders and are permitted by generally accepted accounting principles to be costs of the Project.

"Event of Default" means any occurrence or event specified in Section 5.1 hereof.

"Intergovernmental Agreement or IGA" means the intergovernmental agreement by and between the Town and MCBWSD dated May 6, 1996.

"Loan" means the loan made by the Town to MCBWSD to finance or refinance a portion of the Cost of the Project pursuant to this Loan Agreement. For all purposes of this Loan Agreement, the principal amount of the Loan at any time shall be the amount of the Loan Commitment set forth in Paragraph (4) of **Exhibit B** attached hereto and made a part of this Loan Agreement.

"Loan Agreement" means this Loan Agreement, including the Exhibits attached hereto, as it may be supplemented, modified, or amended from time to time in accordance with the terms hereof.

"Loan Closing" means the date upon which the Loan herein shall be closed as set forth in Paragraph 3.9.

"Loan Repayments" means the payments payable by MCBWSD pursuant to Section 3.3 of this Loan Agreement, including payments payable under the Loan Agreement and Note.

"Loan Term" means the term of this Loan Agreement provided in **Exhibit B** attached hereto and made a part hereof. If the Loan is prepaid in its entirety pursuant to Section 3.7, the Loan Term shall automatically terminate.

"Mt. Crested Butte Water and Sanitation District or MCBWSD" means the entity that is a party to and is described in the first paragraph of this Loan Agreement, and its successors and assigns.

"Note" means the Note, set forth in **Exhibit D**, which evidences the loan made from the Town of Crested Butte to the Mt. Crested Butte Water and Sanitation District under this Loan Agreement.

"Pledged Property" means the source of repayment described in **Exhibit A** to this Loan Agreement attached hereto and made a part hereof.

"Loan Rate" means the interest rate set forth in this Loan Agreement.

"MCBWSD Project Share" means the portion of the Project being paid for by MCBWSD pursuant to the IGA.

"Project" means the Wastewater Solids Processing Facility all or a portion of the Cost of which is financed by the Town.

"System" means, (i) any facility, plant, works, system, building, structure, improvement, machinery, equipment, fixture or other real or personal property, relating to the collection, treatment, storage and distribution of water or the collection, treatment, transmission and disposal of wastewater that is owned, operated or controlled by MCBWSD, (ii) any renewal, replacement,

addition, modification or improvement to (i) above, and (iii) all real or personal property and rights therein and appurtenances thereto necessary or useful or convenient for the effectiveness of the purposes of MCBWSD in the transmission, treatment, storage and distribution of water or the collection, treatment, transmission and disposal of wastewater.

"Town" means the entity that is a party to and is described in the first paragraph of this Loan Agreement, and its successors and assigns.

Except where the context otherwise requires, words importing the singular number shall include the plural number and vice versa, and words importing persons shall include firms, associations, corporations, agencies and districts. Words importing one gender shall include the other gender.

ARTICLE II **REPRESENTATIONS AND COVENANTS OF MCBWSD**

SECTION 2.1. **Representations of MCBWSD.** MCBWSD represents for the benefit of the Town:

2.1.1. Organization and Authority.

- (a) MCBWSD is a Colorado Title 32 Special District as described in the first paragraph of this Loan Agreement.
- (b) MCBWSD has full legal right and authority to execute and deliver this Loan Agreement to execute, issue, and deliver the Note; and to carry out and consummate all transactions contemplated by this Loan Agreement and Note.
- (c) The proceedings of MCBWSD's governing members and voters, if a referendum is necessary, approving this Loan Agreement and the Note and authorizing their execution, issuance, and delivery on behalf of MCBWSD, have been duly and lawfully adopted and approved in accordance with the laws of Colorado, and such proceedings were duly approved and published, if necessary, in accordance with applicable Colorado law, at a meeting or meetings that were duly called pursuant to necessary public notice and held in accordance with applicable Colorado law, and at which quorums were present and acting throughout.
- (d) This Loan Agreement has been, and the Note when delivered at the Loan Closing will have been, duly authorized, executed, and delivered by an Authorized Officer of MCBWSD; and, the Town has all the requisite power and authority to authorize, execute, and deliver, and has duly authorized, executed, and delivered, this Loan Agreement, this Loan Agreement constitutes, and the Note when delivered to the Town will constitute, the legal, valid, and binding obligations of MCBWSD in accordance with their respective terms; and the information contained under "Description of the Loan" on **Exhibit B** attached hereto and made a part hereof is true and accurate in all material respects.

- 2.1.2. **Full Disclosure.** To the knowledge of MCBWSD, there is no fact that MCBWSD has not disclosed to the Town in writing that materially adversely affects the properties, activities, prospects, or condition (financial or otherwise) of MCBWSD or the System, or the ability of MCBWSD to make all Loan Repayments, or the ability of MCBWSD otherwise to observe and perform its duties, covenants, obligations, and agreements under this Loan Agreement and the Note.
- 2.1.3. **Pending Litigation.** Except as disclosed to the Town in writing, there are no proceedings pending, or, to the knowledge of MCBWSD threatened, against or affecting MCBWSD, in any court, or before any governmental Town or arbitration board or tribunal that, if adversely determined, would materially adversely affect the properties, activities, prospects, or condition (financial or otherwise) of MCBWSD or the System, or the ability of MCBWSD to make all Loan Repayments, or the ability of MCBWSD otherwise to observe and perform its duties, covenants, obligations, and agreements under this Loan Agreement and the Note.
- 2.1.4. **Compliance with Existing Laws and Agreements.** The authorization, execution, and delivery of this Loan Agreement and the Note by MCBWSD, the observance and performance by MCBWSD of its duties, covenants, obligations, and agreements thereunder, and the consummation of the transactions provided for in this Loan Agreement and in the Note; the compliance by MCBWSD with the provisions of this Loan Agreement and the Note; and the undertaking and completion of the Project; will not result in any breach of any of the terms, conditions, or provisions of, or constitute a default under, or result in the creation or imposition of any lien, charge, or encumbrance upon, any property or assets of MCBWSD pursuant to any existing ordinance or resolution, trust agreement, indenture, mortgage, deed of trust, loan agreement, or other instrument (other than the lien and charge of this Loan Agreement and the Note) to which MCBWSD is a party or by which MCBWSD, the System, or any of the property or assets of MCBWSD may be bound, and such action will not result in any violation of the provisions of the charter or other document pursuant to which MCBWSD was established, or of any laws, ordinances, resolutions, governmental rules, regulations, or court orders to which MCBWSD, the System, or the properties or operations of MCBWSD are subject.
- 2.1.5. **No Defaults.** No event has occurred and no condition exists that, upon authorization, execution, and delivery of this Loan Agreement and the Note, or receipt of the amount of the Loan, would constitute an Event of Default hereunder. MCBWSD is not in violation of, and has not received notice of any claimed violation of, any term of any agreement or other instrument to which it is a party, or by which it, the System, or its property, may be bound, which violation would materially adversely affect the properties, activities, prospects, or condition (financial or otherwise) of MCBWSD or the System, or the ability of MCBWSD to make all Loan Repayments, or the ability of MCBWSD otherwise to observe and perform its duties, covenants, obligations, and agreements under this Loan Agreement and the Note.

SECTION 2.2. Particular Covenants of MCBWSD.

2.2.1. **Pledge of Source of Repayment.** MCBWSD irrevocably pledges and grants a lien upon the source of repayment described as the “Pledged Property”, as set forth in **Exhibit A**, for the punctual payment of the principal of and the interest on the Loan, and all other amounts due under this Loan Agreement and the Note according to their respective terms.

ARTICLE III

LOAN TO MCBWSD; AMOUNTS PAYABLE; GENERAL AGREEMENTS

SECTION 3.1. The Loan. The Town hereby agrees to loan and has disbursed to MCBWSD in accordance with Section 3.2 hereof, and MCBWSD agrees to borrow and has accepted from the Town, the Loan in the principal amount of \$1,780,371.46.

SECTION 3.2. Disbursement of the Loan. The Loan as of the date of closing has been fully disbursed to MCBWSD in the full principal amount of \$1,780,371.46.

SECTION 3.3. Amounts Payable.

3.3.1. MCBWSD shall repay the principal and interest on the Loan, with Loan Repayments annually on December 31 in accordance with the schedule set forth on **Exhibit C** attached hereto and made a part hereof, as the same may be amended or modified, commencing on the Loan Repayment Commencement Date set forth on **Exhibit B**.

MCBWSD shall execute the Note to evidence its obligations to make Loan Repayments and the obligations of MCBWSD under the Note shall be deemed to be amounts payable under this Section 3.3. Each Loan Repayment shall be deemed to be a credit against the corresponding obligation of MCBWSD under this Section 3.3 and shall fulfill MCBWSD's obligation to pay such amount hereunder and under the Note. Each payment made pursuant to this Section 3.3 shall be applied first to interest, then due and payable, as set forth in **Exhibit C**, and then to principal as set for in **Exhibit C**.

3.3.2. In addition to the payments required by subsection (a) of this Section 3.3, MCBWSD shall pay a late charge for any payment that is received by the Town later than the tenth (10th) day following its due date, in an amount equal to the greater of twelve percent (12%) per annum; provided, however, that the interest rate payable on the Loan including such late charge shall not be in excess of the maximum rate permitted by law as of the date hereof.

3.3.3. Loan Repayments pursuant to this Section 3.3 shall be made by electronic means (either by bank wire transfer or by Automated Clearing House “ACH” transfer).

SECTION 3.4. Unconditional Obligations. The Loan Repayments and all other payments required hereunder are payable solely from the Pledged Property. The obligation of MCBWSD to make the Loan Repayments and all other payments required hereunder shall be absolute and

unconditional and shall not be abated, rebated, set-off, reduced, abrogated, terminated, waived, diminished, postponed or otherwise modified in any manner or to any extent whatsoever, while any payments due under the Loan Agreement remain unpaid regardless of any contingency, act of God, event or cause whatsoever, including (without limitation) any acts or circumstances that may constitute failure of consideration, eviction or constructive eviction, the taking by eminent domain or destruction of or damage to the System, commercial frustration of the purpose, any change in the laws of the United States of America or of the State of Colorado or any political subdivision of either or in the rules or regulations of any governmental authority, any failure of the Town to perform and observe any agreement, whether express or implied, or any duty, liability or obligation arising out of or connected with the System or this Loan Agreement or any rights of set-off, recoupment, abatement or counterclaim that MCBWSD might otherwise have against the Town or any other party or parties; provided, however, that payments hereunder shall not constitute a waiver of any such rights.

SECTION 3.5. Disclaimer of Warranties and Indemnification. MCBWSD acknowledges and agrees that (i) the Town makes no warranty or representation, either express or implied as to the value, design, condition, merchantability, or fitness for particular purpose, or fitness for any use, of the System or any portions thereof, or any other warranty or representation with respect thereto; (ii) in no event shall the Town or its agents be liable or responsible for any direct, incidental, indirect, special, or consequential damages in connection with or arising out of this Loan Agreement, or the Project, or the existence, furnishing, functioning, or use of the Project, or any item or products or services provided for in this Loan Agreement; and (iii) to the extent authorized by law, MCBWSD shall indemnify, save, and hold harmless the Town against any and all claims, damages, liability, and court awards, including costs, expenses, and attorney fees incurred as a result of any act or omission by MCBWSD, or its employees, agents, or subcontractors pursuant to the terms of this Loan Agreement, provided, however, that the provisions of this clause (iii) are not intended to and shall not be construed as a waiver of any defense or limitation on damages provided for under and pursuant to the Colorado Governmental Immunity Act (Section 24-10-101, et seq. C.R.S.), or under the laws of the United States or the State of Colorado.

SECTION 3.6. Option to Prepay Loan Repayments. MCBWSD may prepay the Loan Repayments, in whole or in part without penalty upon prior written notice (unless otherwise waived by the Town) of not less than thirty (30) days. Prepayments shall be applied first to accrued interest and then to principal on the Loan. The Town will amend **Exhibit C** to reflect any prepayment of the principal amount of the Loan.

SECTION 3.7. Source of Payment of MCBWSD's Obligations. The Town and MCBWSD agree that the amounts payable by MCBWSD under this Loan Agreement, including, without limitation, the amounts payable by MCBWSD pursuant to Section 3.3, Section 3.5, Section 3.6, and Section 5.4 of this Loan Agreement are payable solely from the Pledged Property, and are not payable from any other source whatsoever; provided, however, that MCBWSD at its option, may elect to make payment from any source available to it.

SECTION 3.8. Loan Closing. The Loan shall be closed and become effective as follows:

3.8.1. MCBWSD will deliver each of the following items to the Town:

- (a) executed counterparts of this Loan Agreement;
- (b) the executed Note in the form attached hereto as **Exhibit D**.
- (c) certified copies of the resolutions, ordinances or minutes of the governing body of MCBWSD authorizing the execution and delivery of this Loan Agreement and The Note, certified by an Authorized Officer of MCBWSD;

SECTION 3.9. Limited Recourse. No recourse shall be had for the payment of the principal of, or interest on the Note or for any claim based thereon or upon any obligation, covenant, or agreement contained in this Loan Agreement against any individual past, present, or future officer, employee, or agent of MCBWSD, but any recourse shall be solely against MCBWSD.

ARTICLE IV ASSIGNMENT

SECTION 4.1. Assignment. Neither this Loan Agreement or the Note may be assigned by either party without the express written consent of the non-assigning party.

ARTICLE V DEFAULTS AND REMEDIES

SECTION 5.1. Event of Default. If any of the following events occur, it is hereby defined as and declared to be and to constitute an "Event of Default":

- 5.1.1. failure by MCBWSD to pay, or cause to be paid, any Loan Repayment required to be paid hereunder when due, which failure shall continue for a period of thirty (30) days;
- 5.1.2. failure by MCBWSD to make, or cause to be made, any required payments of interest and principal, redemption premium, if any, and interest on any Notes, notes, or other obligations of MCBWSD for borrowed money (other than the Loan and The Note), after giving effect to the applicable grace period, the payments of which are secured by the Pledged Property;
- 5.1.3. failure by MCBWSD to observe and perform any duty, covenant, obligation or agreement on its part to be observed or performed under this Loan Agreement other than as referred to in Paragraph (a) of this Section, which failure shall continue for a period of thirty (30) days after written notice, specifying such failure and requesting that it be remedied, is given to MCBWSD; provided, however, that if the failure stated in such notice is correctable, but cannot be corrected within the applicable period, the Town may consent to an extension of such time if corrective action is instituted by MCBWSD within the applicable period and diligently pursued until the Event of Default is corrected;
- 5.1.4. any representation made by or on behalf of MCBWSD contained in this Loan Agreement, or in any instrument furnished in compliance with or with reference to

this Loan Agreement or the Loan, is false or misleading in any material respect; or (i) a petition is filed by or against MCBWSD under any federal or state bankruptcy or insolvency law, or other similar law in effect on the date of this Loan Agreement or thereafter enacted, unless in the case of any such petition filed against MCBWSD such petition shall be dismissed within thirty (30) days after such filing, and such dismissal shall be final and not subject to appeal; or (ii) MCBWSD shall become insolvent, or bankrupt or make an assignment for the benefit of its creditors; or (iii) custodian (including, without limitation, a receiver, liquidator, or trustee of MCBWSD or any of its property) shall be appointed by court order, or take possession of MCBWSD, or its property or assets, if such order remains in effect, or such possession continues, for more than thirty (30) days.

SECTION 5.2. Notice of Default. MCBWSD shall give the Town prompt telephonic notice of the occurrence of any Event of Default referred to in Section 5.1 at such time as any senior administrative or financial officer of MCBWSD becomes aware of the existence thereof. Any telephonic notice pursuant to this Section 5.2 shall be confirmed by MCBWSD in writing as soon as practicable.

SECTION 5.3. Remedies on Default. Whenever an Event of Default referred to in Section 5.1 hereof shall have occurred and be continuing, the Town shall have the right to take such action at law or in equity as may appear necessary to enforce the performance and observance of any duty, covenant, obligation, or agreement of MCBWSD hereunder, including, without limitation, appointment ex parte of a receiver of the System.

SECTION 5.4. Attorney's Fees and Other Expenses. In the Event of Default, MCBWSD shall on demand pay to the Town the reasonable fees and expenses of attorneys, and other reasonable expenses (including, without limitation, the reasonably allocated costs of in-house counsel and legal staff) incurred by the Town in the collection of Loan Repayments or any other sum due hereunder, or in the enforcement of the performance or observation of any other duties, covenants, obligations, or agreements of MCBWSD.

SECTION 5.5. Application of Moneys. Any moneys collected by the Town pursuant to Section 5.3 hereof shall be applied (a) first, to pay any attorney's fees, or other fees and expenses owed by MCBWSD pursuant to Section 5.4 hereof, (b) second, to pay interest due and payable on the Loan, and (c) third, to pay principal due and payable on the Loan, and (d) fourth, to pay any other amounts due and payable under this Loan Agreement.

SECTION 5.6. No Remedy Exclusive; Waiver; Notice. No remedy herein conferred upon or reserved to the Town is intended to be exclusive, and every such remedy shall be cumulative and shall be in addition to every other remedy given under this Loan Agreement, or now or hereafter existing at law or in equity. No delay or omission to exercise any right, remedy, or power accruing upon any Event of Default shall impair any such right, remedy, or power, or shall be construed to be a waiver thereof, but any such right, remedy, or power may be exercised from time to time and as often as may be deemed expedient. In order to entitle the Town to exercise any remedy reserved to it in this Article, it shall not be necessary to give any notice, other than such notice as may be required in this Article V.

SECTION 5.7. Retention of Town's Rights. Notwithstanding any assignment or transfer of this Loan Agreement pursuant to the provisions hereof, or anything else to the contrary contained herein, the Town shall have the right upon the occurrence of an Event of Default to take any action, including (without limitation) bringing an action against MCBWSD at law or in equity, as the Town may, in its discretion, deem necessary to enforce the obligations of MCBWSD to the Town pursuant to Section 5.4, Section 3.3, and Section 3.5 hereof.

SECTION 5.8. Default by the Town. In the event of any default by the Town under any covenant, agreement, or obligation of this Loan Agreement, MCBWSD's remedy for such default shall be limited to injunction, special action, action for specific performance, or any other available equitable remedy, designed to enforce the performance or observance of any duty, covenant, obligation, or agreement of the Town hereunder, as may be necessary or appropriate. The Town shall on demand pay to MCBWSD the reasonable fees and expenses of attorneys, and other reasonable expenses, in the enforcement of such performance or observation.

ARTICLE VI MISCELLANEOUS

SECTION 6.1. Notices. All notices, certificates, or other communications hereunder shall be sufficiently given and shall be deemed given when hand-delivered or mailed by registered or certified mail, postage prepaid, to MCBWSD at the address specified on **Exhibit B** attached hereto and made a part hereof, and to the Town, at the following address:

Town Manager
Town of Crested Butte
P.O. Box 39
507 Maroon Ave
Crested Butte, CO 81224

Such address may be changed by notice in writing.

SECTION 6.2. Binding Effect. This Loan Agreement shall inure to the benefit of, and shall be binding upon, the Town and MCBWSD, and their respective successors and assigns.

SECTION 6.3. Severability. In the event any provision of this Loan Agreement shall be held illegal, invalid, or unenforceable by any court of competent jurisdiction, such holding shall not invalidate, render unenforceable, or otherwise affect, any other provision hereof.

SECTION 6.4. Amendments, Supplements and Modifications. This Loan Agreement may not be amended, supplemented, or modified without the prior written consent of the Town and MCBWSD.

SECTION 6.5. Execution in Counterparts. This Loan Agreement may be executed in several counterparts, each of which shall be an original, and all of which shall constitute but one and the same instrument.

SECTION 6.6. Applicable Law and Venue. This Loan Agreement shall be governed by and construed in accordance with the laws of the State of Colorado, including the Act. Venue for

any action seeking to interpret or enforce the provisions of this Loan Agreement shall be in the Denver District Court.

SECTION 6.7. Consents and Approvals. Whenever the written consent or approval of the Town shall be required under the provisions of this Loan Agreement, such consent or approval may only be given by the Town unless otherwise provided by law, or by rules, regulations or resolutions of the Town.

SECTION 6.8. Captions. The captions or headings in this Loan Agreement are for convenience only and shall not in any way define, limit, or describe, the scope or intent of any provisions or sections of this Loan Agreement.

SECTION 6.9. Further Assurances. MCBWSD shall, at the request of the Town, authorize, execute, acknowledge, and deliver, such further resolutions, conveyances, transfers, assurances, financing statements, and other instruments, as may be necessary or desirable for better assuring, conveying, granting, assigning, and confirming, the rights and agreements, granted or intended to be granted, by this Loan Agreement and the Note.

SECTION 6.10. Recitals. This Loan Agreement is authorized pursuant to and in accordance with the Constitution of the State of Colorado and all other laws of the State of Colorado thereunto enabling. Such recitals shall conclusively impart full compliance with all provisions and limitations of such laws and shall be conclusive evidence of the validity and regularity of the issuance of the Note, and the Note delivered by MCBWSD to the Town containing such recital shall be incontestable for any cause whatsoever after its delivery for value.

IN WITNESS WHEREOF, the Town and MCBWSD have caused this Loan Agreement to be executed, sealed and delivered, as of the Commencement Date set forth on **Exhibit B** hereto.

TOWN OF CRESTED BUTTE, COLORADO

By: _____
Ian Billick, Mayor

ATTEST:

Lynelle Stanford, Town Clerk

MT. CRESTED BUTTE WATER AND SANITATION DISTRICT

By: _____
Nancy Woolf, Chairperson

ATTEST:

Johnathan Ferrell, Treasurer

EXHIBIT A

DESCRIPTION OF THE SYSTEM, AND PLEDGED PROPERTY

(1) Description of the System

The “*System*” shall mean, (i) any facility, plant, works, system, building, structure, improvement, machinery, equipment, fixture or other real or personal property, relating to the collection, treatment, storage and distribution of water or the collection, treatment, transmission and disposal of wastewater that is owned, operated or controlled by MCBWSD, (ii) any renewal, replacement, addition, modification or improvement to (i) above, and (iii) all real or personal property and rights therein and appurtenances thereto necessary or useful or convenient for the effectiveness of the purposes of MCBWSD in the transmission, treatment, storage and distribution of water or the collection, treatment, transmission and disposal of wastewater.

(2) Pledged Property

The “*Pledged Property*” shall consist of Net Revenue, as defined below:

“*Net Revenue*” means the Gross Revenue after deducting the Operation and Maintenance Expenses.

“*Gross Revenue*” means all income and revenues directly or indirectly derived by MCBWSD from the operation and use of the System, or any part thereof, including without limitation, any rates, fees (including without limitation plant investment fees and availability fees), and charges for the services furnished by, or the use of, the System, and all income attributable to any past or future dispositions of property or rights, or related contracts, settlements, or judgments held or obtained in connection with the System or its operations, and including investment income accruing from such moneys; provided however, that there shall be excluded from Gross Revenue: ad valorem property taxes; any moneys borrowed and used for providing Capital Improvements; any money and securities, and investment income therefrom, in any refunding fund, escrow account, or similar account, pledged to the payment of any Notes or other obligations; and any moneys received as grants or appropriations from the United States, the State of Colorado or other sources, the use of which is limited or restricted by the grantor or donor to the provision of Capital Improvements or for other purposes resulting in the general unavailability thereof, except to the extent any such moneys shall be received as payments for the use of the System, services rendered thereby, the availability of any such service, or the disposal of any commodities therefrom.

“*Capital Improvements*” means the acquisition of land, easements, facilities and equipment (other than ordinary repairs and replacements), and the construction or reconstruction of improvements, betterments, and extensions, for use by, or in connection with, the System.

“*Operation and Maintenance Expenses*” means all reasonable and necessary current expenses of MCBWSD, paid or accrued, for operating, maintaining and repairing the System, including without limitation legal and overhead expenses of MCBWSD directly

related to the administration of the System, insurance premiums, audits, professional services, salaries and administrative expenses, labor and the cost of materials and supplies for current operation; provided however, that there shall be excluded from Operation and Maintenance Expenses any allowance for depreciation, payments in lieu of taxes or franchise fees, expenses incurred in connection with Capital Improvements, payments due in connection with any Notes or other obligations, and expenses that are otherwise paid from ad valorem property taxes.

EXHIBIT B

DESCRIPTION OF THE LOAN

Commencement Date: December 1, 2025

Name and Address of MCBWSD:

Maximum Principal Amount of Loan: \$1,780,371.46

Loan Term: 6 years.

Interest Rate: 5.5% annually

Authorized Officers:

Loan Repayment Commencement Date: December 31, 2025

Execution Date: January ___, 2026

Effective Date: December 1, 2025.

EXHIBIT C
REPAYMENT SCHEDULE

<u>Payment Date</u>	<u>Payment Amount</u>	<u>Interest</u>	<u>Principal</u>	<u>Balance</u>
12/31/2025	298,310.00	8,160.04	290,149.96	1,490,221.50
12/31/2026	298,310.00	81,962.18	216,347.82	1,273,873.68
12/31/2027	298,310.00	70,063.05	228,246.95	1,045,626.73
12/31/2028	298,310.00	57,509.47	240,800.53	804,826.20
12/31/2029	298,310.00	44,265.44	254,044.56	550,781.64
12/31/2030	298,310.00	30,292.99	268,017.01	282,764.63
12/31/2031	298,316.69	15,552.05	282,764.64	(0.00)
Totals	2,088,176.69	307,805.23	1,780,371.46	(0.00)

EXHIBIT D
THE NOTE

FOR VALUE RECEIVED, the undersigned **MT. CRESTED BUTTE WATER AND SANITATION DISTRICT** (the "MCBWSD"), evidences the issuance of a loan from the **TOWN OF CRESTED BUTTE, COLORADO** (the "Town") in the principal amount of ONE MILLION SEVEN HUNDRED EIGHTY THOUSAND THREE HUNDRED SEVENTY ONE and 46/100 Dollars (\$1,780,371.46), shall be loaned to MCBWSD pursuant to the Loan Agreement, at the times and in the amounts determined as provided in the Loan Agreement, at Five and One Half percent interest (5.5%), subject to late charges on late payments as provided in Section 3.3.2 of the Loan Agreement, and payable on the dates and in the amounts determined as provided in the Loan Agreement.

This Note is issued pursuant to the Loan Agreement and is issued in consideration of the loan made thereunder (the "Loan") and to evidence the obligations of MCBWSD set forth in Section 3.3 thereof. This Note is subject to assignment or endorsement in accordance with the terms of the Loan Agreement. All of the definitions, terms, conditions, and provisions of the Loan Agreement are, by this reference thereto, incorporated herein as a part of this Note.

This Note is entitled to the benefits, and is subject to the conditions, of the Loan Agreement. The obligations of MCBWSD to make the payments required hereunder ("Loan Repayments") shall be absolute and unconditional without any defense or right of set-off, counterclaim, or recoupment by reason of any default by the Town under the Loan Agreement, or under any other agreement between MCBWSD and the Town, or out of any indebtedness or liability at any time owing to MCBWSD by the Town, or for any other reason.

This Note is subject to optional prepayment under the terms and conditions, and in the amounts, provided in Section 3.6 of the Loan Agreement. The obligation of MCBWSD to make payments under the Loan Agreement and this Note is payable solely from the Pledged Property, except for reserves created in connection with the Loan.

This Note does not constitute a debt or an indebtedness of the MCBWSD within the meaning of any constitutional or statutory limitation or provision, and shall not be considered or held to be a general obligation of MCBWSD. The payment of this Note and the interest thereon is not secured by an encumbrance, mortgage or other pledge of property except for such property and moneys pledged for the payment of this Note.

For the payment of this Note and the interest thereon, MCBWSD shall enforce the Rate Covenant set forth in Paragraph (1) of **Exhibit F** to the Loan Agreement shall promptly collect all revenues of the System, and shall take all necessary action to collect any revenues that are in default.

If an "Event of Default" as defined in Section 5.1 of the Loan Agreement occurs, the remedies on default set forth in Section 5.3 of the Loan Agreement shall be available to enforce the obligations of MCBWSD that are evidenced by this Note.

This Note is issued under the authority of and in full conformity with the Constitution and laws of the State of Colorado, including without limitation, Article X, Section 20 of the Constitution, Title

31, Article 35, Part 4, C.R.S.; Title 37, Article 45.1; certain provisions of Title 11, Article 57, Part 2, C.R.S. (the "Supplemental Public Securities Act"), and pursuant to the Loan Agreement. Pursuant to §11-57-210, of the Supplemental Public Securities Act, this recital is conclusive evidence of the validity and regularity of the issuance of the Note after its delivery for value. Pursuant to §31-35-413, C.R.S., this recital conclusively imparts full compliance with all the provisions of said statutes, and this Note issued containing such recital is incontestable for any cause whatsoever after its delivery for value.

IN WITNESS WHEREOF, MCBWSD has caused this The Note to be duly executed, sealed and delivered, as of this ____ day of January 2026.

MT. CRESTED BUTTE WATER AND SANITATION DISTRICT

By: _____
Nancy Woolf, Chairperson

ATTEST:

Johnathan Ferrell, Treasurer

EXHIBIT E
OPINION LETTERS

EXHIBIT F

ADDITIONAL COVENANTS AND REQUIREMENTS

(3) Rate Covenant

MCBWSD shall establish and collect such rates, fees, and charges for the use or the sale of the products and services of the System as, together with other moneys available therefor, are expected to produce Gross Revenue (as defined in Paragraph (3) of **Exhibit A** to this Loan Agreement) for each calendar year that will be at least sufficient for such calendar year to pay the sum of:

- (a) all amounts estimated to be required to pay Operation and Maintenance Expenses (as defined in Paragraph (3) of **Exhibit A** of this Loan Agreement) during such calendar year;
- (b) a sum equal to 110% of the debt service due on the Note for such calendar year and debt service coming due during such calendar year on any obligations secured by a lien on the Pledged Property which lien is on a parity with the lien of this Loan Agreement on the Pledged Property, in each case computed as of the beginning of such calendar year;
- (c) the amount, if any, to be paid during such calendar year into any debt service reserve account in connection with any obligations secured by a lien on the Pledged Property which lien is on a parity with the lien of this Loan Agreement on the Pledged Property;
- (d) a sum equal to the debt service on any obligations secured by a lien on the Pledged Property which lien is subordinate to the lien of this Loan Agreement on the Pledged Property for such calendar year computed as of the beginning of such calendar year; and
- (e) amounts necessary to pay and discharge all charges and liens or other indebtedness not described above payable out of the Gross Revenue during such calendar year.

(4) Rate Study.

In the event that Gross Revenue collected during a fiscal year is not sufficient to meet the requirements set forth in the Rate Covenant contained in Paragraph (1) of this **Exhibit F** to the Loan Agreement, MCBWSD shall, within 90 days of the end of such fiscal year, cause an independent firm of accountants or consulting engineers, to prepare a rate study for the purpose of recommending a schedule of rates, fees, and charges for the use of the System that, in the opinion of the firm conducting the study will be sufficient to provide Gross Revenue to be collected in the next succeeding fiscal year that will provide compliance with the Rate Covenant described in Paragraph (1) of this **Exhibit F** to this Loan Agreement. Such a study shall be delivered to the Town. MCBWSD shall within six months of receipt of such study, adopt rates, fees, and charges for the use of the System, based upon the recommendations contained in such study, that provide compliance with said Rate Covenant. Notwithstanding the foregoing, the Town may, from time

to time, in its sole and absolute discretion and pursuant to such terms and restrictions it may specify, waive in writing the requirement that a rate study be performed by MCBWSD.

(5) Additional Notes.

- (a) **Senior Lien Notes.** MCBWSD covenants that it will not issue any obligations payable out of, or secured by a lien or charge, on the Pledged Property that is superior to the lien or charge of this Loan Agreement on the Pledged Property.
- (b) **Parity Lien Notes.** MCBWSD covenants that it will not issue any obligations payable out of, or secured by a lien or charge, on the Pledged Property that is on a parity with the lien or charge of this Loan Agreement on the Pledged Property, unless MCBWSD certifies to the Town that Net Revenue (as defined in Paragraph (3) of **Exhibit A** to this Loan Agreement) for any 12 consecutive months out of the 18 months preceding the month in which such obligations are to be issued was at least equal to the sum of (a) 110% of the maximum annual debt service due in any one year on (i) this Loan Agreement and (ii) all other outstanding obligations of MCBWSD payable out of, or secured by a lien or charge on, the Pledged Property that is on a parity with the lien or charge of this Loan Agreement on the Pledged Property, and (iii) such proposed obligations to be issued, and (b) the maximum annual debt service due in any one year on all obligations payable out of, or secured by a lien or charge on the Pledged Property that is subordinate to the lien or charge of this Loan Agreement on the Pledged Property.
- (c) **Subordinate Lien Notes.** MCBWSD covenants that it will not issue any obligations payable out of, or secured by a lien or charge on, the Pledged Property that is subordinate to the lien or charge of this Loan Agreement on the Pledged Property, unless MCBWSD certifies to the Town that for any 12 consecutive months out of the 18 months preceding the month in which such obligations are to be issued Net Revenue (as defined in Paragraph (3) of **Exhibit A** to this Loan Agreement) was at least 100% of the maximum annual debt service due in any one year on (a) all obligations outstanding during such period that are payable out of, or secured by a lien or charge on, the Pledged Property and (b) such proposed obligations to be issued.
- (d) **Net Revenue Adjustment.** In calculating revenue coverage for purposes of the issuance of additional parity or subordinate lien Notes, MCBWSD may adjust Net Revenue to reflect any rate increases adopted in connection with the issuance of additional obligations by adding to the actual Net Revenue for the period examined an estimated sum equal to 100% of the estimated increase in Net Revenue that would have been realized during such period had the adopted rate increase been in effect during all of such period.
- (e) Refunding Notes. Notwithstanding the foregoing, MCBWSD may issue refunding obligations payable out of, or secured by a lien or charge on, the Pledged Property, without compliance with the requirements stated above,

provided that the debt service payments on such refunding obligations do not exceed the debt service payments on the refunded obligations during any calendar year.

(f) Lien Representation. MCBWSD has disclosed the following Notes, notes or other evidence of indebtedness of MCBWSD issued, or contractual obligations incurred, having a lien on the Source of Repayment of equal rank with the lien and charge on the Source of Repayment of the Note:

(i) _____



Memorandum

January 5, 2026

To: Mayor and Town Council

Prepared By: Dara MacDonald, Town Manager

Subject: Draft Framework for 2026 Financial Planning Discussions

Through the annual review of the Town Manager, the Town Council established a goal to continue the financial discussions we began in 2025. The 2026 discussions would have an expanded focus including the sustainability of Town's operations, maintaining affordability for residents, planning efforts and integration of planning with finances. Discussions will include a review of how the Town manages the balance between outside consultants and staff, upcoming planning efforts, and the Council decision-making process. These discussions will inform a Council decision in mid-summer 2026 on whether to pursue a sales tax equalization measure on the November ballot.

Staff propose a series of three special Council work sessions in February, April and June. This would allow staff and the Council to move from diagnosis to options and then a decision. The overarching intent of the work sessions would be to delve deeper into the links between:

- Long-range planning community goals
- Structural operating sustainability for the Town
- Affordability for year-round residents
- Fairness in who pays for community services

Ultimately the ongoing financial sustainability of the Town, while fulfilling agreed upon community goals for amenities and levels of service at a reasonable cost for citizens, is the goal of financial planning for the organization.

WORK SESSION #1 – FEBRUARY 2026

“Setting the Table: Sustainability, Affordability, and the Planning-Finance Connection”

Purpose: Establish a shared understanding of the Town’s current financial trajectory, structural pressures, and policy values before discussing new revenue tools.

1. Revisit the Council Goal and Desired Outcomes

- a. Reaffirm Council’s 2026 planning goal and how this work session series supports it
- b. Clarify what “sustainability” means in Crested Butte’s context:
 - o Operational stability
 - o Ability to implement adopted plans
 - o Maintaining affordability for residents

- Avoiding over-reliance on one-time fixes

2. Where the Town Is Today: Financial Baseline

- a. Review key takeaways from:
 - 5-year fund balance projections
 - Conservative revenue growth assumptions (0.75–1.25%)
 - Declining spendable balances in several funds
- b. Discuss what the Fund Balance Reserve Policy does—and does not—solve:
 - Reserves as protection, not a funding strategy
 - Limits on using reserves to sustain ongoing services

3. Planning Commitments vs. Financial Capacity

- a. Inventory major adopted or in-process plans:
 - Transportation Mobility
 - Housing & Community Spaces Strategy
 - PROST Plan
 - Climate Action and sustainability initiatives
- b. Identify unfunded or partially funded priorities emerging from these plans
- c. Consider de-prioritizing some initiatives due to lack of funding
- d. Discuss the risk of “planning without implementation”

4. Affordability Lens

- a. Review current and proposed affordability tools:
 - Property tax rebates
 - Deed-restricted housing investments
 - Community spaces strategies
- b. Discuss who currently pays for Town services:
 - Year-round residents
 - Visitors and sales-tax generators
 - Property owners whose homes are largely unoccupied

Direction to Carry Forward:

- a. Confirm priority areas Council most wants to protect or advance
- b. Identify what Council wants staff to evaluate further:
 - Revenue adequacy
 - Equity and fairness considerations
 - Policy alignment

WORK SESSION #2 – APRIL 2026

“Exploring the Toolbox: Revenue, Staffing, and Policy Tradeoffs”

Primary Purpose:

Evaluate options and tradeoffs before narrowing to a potential ballot question.

1. Structural Choices: Staffing vs. Consultants

- a. Review how the Town currently balances:
 - Core staffing capacity
 - Specialized or one-time consultant use
- b. Discuss:
 - Long-term cost implications

- Organizational resilience
- Alignment with planning workload and implementation expectations

2. Revenue Options Spectrum (High-Level)

- a. Review existing and potential revenue tools:
 - Mill levies (within existing voter authorization)
 - Fees and cost recovery
 - Sales tax reliance
 - New or targeted revenue sources
- b. Emphasize:
 - Volatility vs. stability
 - Equity impacts
 - Administrative complexity

3. Introducing the Concept of a Sales Tax Equalization question (Exploratory)

- a. Frame as a policy discussion, not a decision
- b. Discuss:
 - Rationale: underutilized housing vs. service demand
 - Relationship to affordability and housing goals
 - How it differs from traditional property tax increases
- c. Review examples at a conceptual level (no design yet)

4. Policy Fit Check

- a. How a sales tax equalization measure could:
 - Support unfunded community priorities
 - Reduce pressure on resident-focused revenue tools
 - Align with Community Compass values
- b. Identify key concerns to resolve before any ballot consideration:
 - Definitions (vacant vs. seasonal use)
 - Equity and exemptions
 - Revenue use restrictions
 - Legal and administrative feasibility

Direction to Carry Forward:

- Does Council want staff to:
 - Develop a specific vacant home tax concept?
 - Conduct targeted community listening or polling?
 - Prepare ballot-level financial modeling?

WORK SESSION #3 – JUNE 2026

“Decision Readiness: Ballot Question or Not?”

Primary Purpose:

Determine whether conditions are met to place a sales tax equalization question on the November ballot.

1. Refined Financial Need Statement

- a. Clearly articulate:
 - What problem is being solved
 - Why existing revenues are insufficient

- Why reserves are not the answer
- b. Tie revenue need directly to:
 - Specific unfunded priorities
 - Long-term sustainability goals

2. Sales Tax Equalization – Draft Framework

- a. Present a clear, plain-language concept:
 - Who would pay
 - How vacancy would be defined
 - Estimated revenue range
 - Intended use(s) of funds
- b. Show how it compares to alternatives:
 - Mill levy increases
 - Reduced service levels
 - Deferred capital investment

3. Community and Political Considerations

- a. Summary of community feedback (if gathered)
- b. Voter understanding and complexity
- c. Relationship to other Town, County or special district ballot measures

4. Decision Point

Council discussion and direction on:

- a. Whether to:
 - Proceed with a November ballot question
 - Delay for further study
 - Pursue alternative revenue or cost strategies
- b. If proceeding:
 - Direction on use restrictions
 - Messaging priorities
 - Next steps and timeline

END RESULT OF THE SERIES

By June, Council will have:

- a. A shared understanding of financial sustainability challenges
- b. A clear link between planning ambitions and funding realities
- c. A values-based rationale for or against a sales tax equalization question
- d. Confidence that any ballot question is:
 - Thoughtful
 - Defensible
 - Aligned with long-term community goals



Staff Report

January 5th, 2026

To: Mayor and Town Council

Thru: Dara MacDonald, Town Manager

From: Lynelle Stanford, Town Clerk

Subject: Review of the Process for Special Events and Impacts on the Community.

Date: December 17th, 2025

Background:

This update is presented in response to recent citizen feedback regarding the Crested Butte Ultra, organized by Mad Moose Events as well as periodic feedback over the years. Special events play a critical role in preserving and celebrating the unique character and traditions of Crested Butte, reinforcing the homegrown spirit that defines our community. The most meaningful events embody the Community Compass values of authenticity, connection, and, at times, bold. It is this distinctive “Crested Butte funk,” where event organizers’ creativity resonates with Crested Buttians, helping to reflect the identity of the Crested Butte community.

In Town Code Section 6-3-10, *special event* is defined as “any performance, activity, parade, festival, athletic event or other public gathering held on Town property and sponsored by a nonprofit enterprise or for-profit organization.”

There are two approval tracks for special event applications: (1) administrative approval for events that do not require full closures of streets or major parking lots, including rolling closures for traditional parades such as Flauschink and the KBUT Halloween Fright Parade; and (2) Council approval for events that involve street and/or major parking lot closures, as well as new events that present significant impacts to the Town.

In 2025, a total of twenty-eight special event applications were approved, with eleven considered by Council and eighteen approved administratively. In 2024, thirty-four special event applications were approved, fourteen of which were considered by Council and twenty approved administratively. Overall, the number of special event applications has remained largely consistent year over year. Events held in 2024 but not in 2025 included Chanukah in Crested Butte (moved to The Center), Firebird Theatre’s *Macbeth*, Melanin Market, Red Lady Celebration, and Touch a Truck. Lists of events for 2024 and 2025 are attached to the staff report.

Special event applications are required to be submitted at least 45 days prior to the event; however, this deadline is not consistently enforced. Staff strives to facilitate special events even when

timelines are compressed, a process that is more manageable for events that do not require Council approval. Additionally, as a reminder, Council has directed staff not to process special event applications for new events that require closure of Elk Avenue during the summer months of June, July, and August.

According to Town Code Section 6-3-110, the list of reasons that a special event application may be denied by the Town Manager:

- The applicant has failed to supply any of the information required on the application;
- The applicant has failed to obtain required insurance;
- The applicant has failed to pay the required license fee;
- The applicant is not qualified by experience, training or education to engage in the activity authorized by the license; or
- The applicant has been finally convicted of an offense and would create danger to the public health, safety, or welfare if the applicant were to engage in such offensive conduct after the license was issued.

Discussion:

Staff believes that the number and scope of special events have reached an appropriate balance. While Elk Avenue closures are greatly appreciated by event organizers, they can inconvenience business owners at best and, at worst, negatively impact businesses by reducing parking availability and regular customer traffic, an issue cited particularly during the Arts Festival. With the implementation of parklets, the balance has shifted toward businesses, as special event organizers, including the Farmers Market, Arts Festival, and Bridges of the Butte, have successfully adapted to reduced space.

The Town supports local non-profits via special events through a variety of methods, such as the efforts put forth by Public Works moving and removing snow for the Alley Loop; the Marshals managing traffic and crowds for the 4th of July; Public Works and the Marshal's Office collective efforts with road closures; and Parks and Rec with managing additional impacts in the parks. Additional requirements for non-profit organizations through the special event process relate to sustainability and include the introduction and now requirement of climate-responsible events, as well as the potential inclusion of a composting component. This composting initiative remains under development, and a meeting has been scheduled with event organizers at the end of January to better understand the effects that a composting requirement would have on them.

The Community Compass includes a goal to “retain the unique character and traditions of Crested Butte,” with an emphasis on preserving the genuine, quirky, and distinctive qualities that set the community apart. The Community Plan reinforces this goal through its vision and objectives to preserve and foster more community-serving spaces. In prior discussions, Council has expressed interest in prioritizing community-serving events within the special event policy, and questions have been raised about whether larger events such as Mad Moose, which attract a high proportion of non-local participants, align with this vision and goal. Defining what constitutes a community-serving event, however, can be challenging, as many events in Crested Butte meaningfully serve both residents and visitors, and it is often this mix that contributes to the town’s authenticity and quirkiness.

Rubrics are in place to evaluate the impacts of special events, including the number of participants and spectators. A minimal-impact special event is defined as an event with fewer than 100 participants and/or spectators that requires no Town services. A moderate-impact special event includes events with fewer than 100 participants and/or spectators that require Town services; events with 100 to 400 participants and/or spectators; or events with more than 400 participants and/or spectators that require only nominal Town services. A major-impact special event is defined as an event with more than 400 participants and/or spectators that requires Town services. Council could consider whether they wish to impose an overall limitation on the number of registered participants as a way of limiting the disruptive impacts of large events on the community. For example, Alley Loop expects 1000 participants and 300 spectators. The Emma Coburn 5K, currently on hiatus, planned for 1250 participants and 500 spectators. Crested Butte Ultra, hosted by Mad Moose Events, plans for 500 participants and 75 spectators.

Each additional block of Elk Avenue that is closed increases impacts on business owners, residents, and visitors by reducing parking availability, accessibility, and visibility and sometimes causing re-routing of Mountain Express bus services. The Council could consider limiting the number of blocks that can be closed for any event as another way of limiting the disruptive impacts of large events. Currently the largest street closure is for the Arts Festival, which consists of four blocks of Elk Avenue and two blocks adjacent to Elk Ave.

While the closure of a parking lot reduces customer access to retail stores and restaurants, such closures are generally less impactful than the closure of Elk Avenue itself. Events that sell goods and close Elk Avenue, including Arts Festival, Art Market (1st and Elk parking lot), Farmers Market, and People's Fair, are subject to sales tax, which is the Town's principal source of revenue. Historically the Town has been resistant to full closures of the 4-Way during winter and summer months but has allowed it for shoulder season events such as Vinotok.

Certain parks are utilized for special events, including Town Park - Old Town Field, which hosts the Alpenglow event. Rainbow Park is available for pavilion rentals; however, exclusive use for special events, except for soccer, is not permitted. Totem Pole Park has been used on occasion and previously served as the location of the Thursday Farmers Market. The Town Park pavilion is available for reservations on a first-come, first-served basis, and Big Mine Park is also occasionally used for special events. Lastly, the gravel pit has historically been used for event-related camping; this use has since been relocated to Big Mine Park.

Questions for the Council:

- 1. What are the concerns Council has with the size or impacts of events?**
- 2. Does the Council wish to set any limits on the size or impact of special events?**

Attachments:

2024 List of Special Events
2025 List of Special Events

2024 Special Events

1. 12th Night Tree Drop Off and Bonfire
2. Alley Loop
3. Mardi Gras Parade
4. Gothic Mountain Tour
5. Flauschink
 - . Green Light Campaign
7. Farmers Market
8. Fish Fry
9. W SA Adult Soccer Tournament
10. Alpenglow
11. Pedal our Butte Off
12. Art Market
13. Jr. Bike Week
14. Church in the Park
15. Touch a Truck
16. Tony's Speakeasy (Black and White Ball)
17. Pancake Breakfast
18. 4th of July
19. Grin and Bear It
20. Wine and Food Festival Grand Tasting
21. Arts Festival
22. Duck Race
23. Arts Festival
24. Macbeth Firebird Theatre
25. People's Fair
26. Bridges of the Butte
27. inotok
28. Melanin Market
29. ARTumn
30. CB ltra
31. Red Lady Celebration
32. Halloween Fright Parade
33. Light up the Butte
34. Chanukah in Crested Butte

2025 Special Events

1. 12th Night Tree Drop Off and Bonfire
2. Alley Loop
3. Mardi Gras Parade
4. Gothic Mountain Tour
5. Flauschink
 - . Green Light Campaign
7. Farmers Market
8. Fish Fry
9. W SA Adult Soccer Tournament
10. Alpenglow
11. Pedal our Butte Off
12. Art Market
13. Church in the Park
14. Tony's Speakeasy (Black and White Ball)
15. Pancake Breakfast
16. 4th of July
17. Grin and Bear It
18. Wine and Food Festival Grand Tasting
19. Arts Festival
20. Duck Race
21. Arts Festival
22. People's Fair
23. Bridges of the Butte
24. inotok
25. ARTumn
26. CB ltra
27. Halloween Fright Parade
28. Winterglow



Staff Report

January 5th, 2026

To: Mayor and Town Council

Thru: Dara MacDonald, Town Manager

From: Lynelle Stanford, Town Clerk

Subject: Resolution No. 2, Series 2026 - A Resolution of the Crested Butte Town Council Adopting the Town Council Rules of Procedure.

Date: December 17th, 2025

Background:

The purpose of Resolution No. 2, Series 2026 is to adopt the Town Council Rules of Procedure. The rules of procedure are set forth in Section 4.1 of the Town's Home Rule Charter and in Chapter 2 Article 2 of the Town Code. The rules of procedure also comprise Chapter 3, entitled "Town Council Rules of Procedure," of the *Town Council Handbook*, which directs that the "Council shall review these Council Rules of Procedure, at least annually, and shall annually approve a resolution adopting the Council Rules of Procedure."

Summary:

No substantive changes were made to Chapter 3 of the handbook. Chapter 3 was thoroughly reviewed to ensure the handbook aligns with common practices and to address grammatical errors. Council members should discuss and propose any changes identified to Chapter 3.

Recommendation:

To approve Resolution No. 2, Series 2026.

Recommended Motion:

Motion to approve Resolution No. 2, Series 2026 OR motion to approve Resolution No. 2, Series 2026 and Chapter 3 of the *Town Council Handbook*, as amended.

RESOLUTION NO. 2**SERIES 2026****A RESOLUTION OF THE CRESTED BUTTE TOWN COUNCIL
ADOPTING THE TOWN COUNCIL RULES OF PROCEDURE**

WHEREAS, the Town of Crested Butte, Colorado (“**Town**”) is a home rule municipality duly and regularly organized and now validly existing as a body corporate and politic under and by virtue of the Constitution and laws of the State of Colorado; and

WHEREAS, the Town Council Rules of Procedure are set forth pursuant to Section 4.1 of the Town of Crested Butte Home Rule Charter (Town Charter); and

WHEREAS, these rules supplement those contained in Article 4 of the Town Charter and Chapter 2 Article 2 of the Crested Butte Municipal Code; and

WHEREAS, to the extent of any inconsistencies between these Rules of Procedure and the Crested Butte Municipal Code, the Crested Butte Municipal Code in all cases shall prevail and control; and

WHEREAS, these Town Council Rules of Procedure are intended to guide the actions of the Town Council in the conduct of its business; and

WHEREAS, the Council shall review these Town Council Rules of Procedure, at least annually, and shall annually approve a resolution adopting the Town Council Rules of Procedure.

NOW, THEREFORE, BE IT RESOLVED BY THE TOWN COUNCIL OF CRESTED BUTTE, COLORADO:

1. The Crested Butte Town Council hereby adopts the Town Council Rules of Procedure as set forth in Exhibit A attached hereto.

INTRODUCED, READ AND ADOPTED BEFORE THE TOWN COUNCIL THIS 5TH DAY OF JANUARY, 2026.

TOWN OF CRESTED BUTTE, COLORADO

By: _____
Ian Billick, Mayor

ATTEST

Lynelle Stanford, Town Clerk

(SEAL)

Chapter 3: Town Council Rules of Procedure

These Rules of Procedure are set forth pursuant to Section 4.1 of the Town of Crested Butte Home Rule Charter. These rules supplement those contained in Article 4 of the Town Charter and Chapter 2 Article 2 of the Crested Butte Municipal Code. To the extent of any inconsistencies between these Rules of Procedure and the Crested Butte Municipal Code, the Crested Butte Municipal Code in all cases shall prevail and control. These Rules of Procedure are intended to guide the actions of the Town Council in the conduct of its business.

RULE 1. COUNCIL MEETINGS

A. Regular Meetings

The regular meetings of the Town Council shall be held on the first and third Mondays of each calendar month at Town Hall at a time to be set from time-to-time by the Town Council, except that no meeting shall be held on a legal holiday. (Town Code Sec. 2-2- 30)

Regular meetings which fall on a holiday shall be scheduled to the Tuesday following the holiday or as otherwise set by the Town Council.

The first regular meeting following each general municipal election shall be the organizational meeting of the Council. (Town Charter Sec. 4.1)

B. Special Meetings

Special meetings shall be called by the Town Clerk on the written request of the Town Manager, Mayor or any two members of the Council, after at least twenty-four (24) hours written notice to each member of the Council. A special meeting, however, may be held on shorter notice if all members of Council are present or have waived notice thereof in writing. (Town Charter Sec. 4.2)

C. Emergency Meetings

Emergency meetings may be held without twenty-four (24) hours' notice when necessary for the immediate preservation of public property, health, peace or safety. An emergency meeting shall be held only if a diligent, good faith effort has been made to give actual notice to each member of the Council and at least five (5) members of the Council are present and have waived notice thereof, in writing. All actions at emergency meetings shall require the affirmative vote of five (5) members of the Council. (Town Charter Sec. 4.3)

D. Business at Special and Emergency Meetings

No business shall be transacted at any special or emergency meeting of the Council unless it has been stated in the notice of such meeting. (Town Charter Sec. 4.4)

E. Executive Sessions

Executive session rules/procedures excerpted from the *Colorado Municipal League Open Meeting Handbook*.

The Council may call an executive session at a regular or special meeting. While the "Open Meeting Law" requires "full and timely notice" of regular and special meetings, nothing in state statute requires any particular notice of the governing body's intention to hold an executive session as part of that meeting. Thus, there is no notice requirement that would impair the Council from spontaneously calling an executive session during one of its meetings.

Executive sessions may only be held upon the affirmative vote of 2/3 of the quorum present. The Town Council shall comply with the provisions of C.R.S. 24-6-402. All executive sessions shall be conducted in accordance with the procedures for executive sessions included as Appendix A to these rules.

The purpose of calling an executive session is to deliberate on sensitive matters that could be compromised by premature public disclosure, and no action may be taken in an executive session. The Council shall not utilize a subsequent open meeting to simply "rubber stamp" the position discussed in executive session. The discussion on the record in the open meeting shall indicate what policy considerations and motivations led to the final decision.

F. Work Sessions

Work sessions shall be held at 6 p.m. prior to regular Council meetings, or as otherwise scheduled by the Town Council. Work sessions shall be held for the purpose of receiving reports, hearing presentations, and discussing Town business. No decisions may be made, nor may any actions be taken at a work session. Work sessions shall be open to the public. At the Council's discretion, members of the public may address the Council about matters discussed during the work session; the Council, however, is under no obligation to include public comment or discussion during a work session. It is understood that excluding public comment may be the most effective manner for the Council to conduct the business of the work session.

G. Quorum

Four (4) members of the Council shall be a quorum for the transaction of business at all regular and special Council meetings. Five (5) members of the Council shall be a quorum for the transaction of business at all emergency meetings. (Town Charter Sec. 4.5)

H. Mayor Pro-tem and Temporary Chair

In the absence of the Mayor, the Mayor Pro-tem shall chair all Council meetings. In the event both the Mayor and the Mayor Pro-tem are absent from a meeting, the Town Clerk shall call the meeting to order, and the Council shall elect by a majority vote a Chair who will preside over the meeting.

I. Attendance at Meetings

The Town Manager or designee shall attend all Council meetings, and the Town Clerk or designee shall attend all Council meetings.

The Town Attorney or designee shall attend all Council meetings. The Town Attorney shall attend work sessions as appropriate. Any Council member may call upon The Town Attorney for an oral or written opinion.

Department heads and appropriate staff members shall attend Council meetings as directed by the Town Manager.

If a member of Council is unable to attend any meeting of the Council, the council member shall make a reasonable effort to advise the Town Manager or the Town Clerk in advance of the meeting.

Council attendance requirements

- a) In order to faithfully perform the duties of their office, the Mayor and Council members shall regularly attend Town Council meetings. *Regular attendance*, for the purposes of this Section shall mean:
 - i. No more than (2) consecutive absences at regular Council meetings; and
 - ii. Attendance at seventy-five percent (75%) or more of regular Council meetings during the previous one-year period.
- b) Council may, in consultation with the Town Attorney, take such remedial action against the Mayor or a Council member as is permitted by law including but not limited to private or public censure for failure to meet the Council attendance requirements.

J. Virtual Meeting Attendance

In-person attendance is encouraged at meetings for Council members. Members may attend virtually and fully participate in meetings. However, Council members must attend at least 75% of regular meetings in person each year.

K. Meeting Minutes and Recordings

The Town Clerk shall take minutes of every regular, special and emergency Council meeting. Minutes shall be focused on the actions taken. The Town Clerk shall record all regular, special and emergency meetings of the Council.

RULE 2. AGENDAS, NOTICE OF MEETINGS AND MEETING PACKETS

A. Agendas

The agenda shall be set by the Town Manager. Items to be included on the agenda maybe placed by the Town Manager, staff or three members of the Council. The Town Clerk shall prepare all agendas upon the direction of the Town Manager.

The Council approves the agenda at the beginning of regular Council meetings and at that time items may be removed from the agenda. Items may also be added to the agenda at that time; however, Council is discouraged from adding items to the agenda except for extenuating circumstances for the public to be provided advance notice of items to be considered at meetings.

B. Meeting Notices

The agenda for regular Council meetings shall be published in the local newspaper of record on the Friday preceding the regular meeting. Agendas shall also be posted at least 24 hours in advance of the meeting at the Town's three designated official posting places. The Town Clerk will also post the agenda and the Council meeting packet (excluding confidential items) on the Town website by end of business on Tuesday preceding the regular Council meeting.

Notice of work sessions, special meetings and emergency meetings shall be posted at least 24 hours in advance of the meeting at the Town's three designated official posting places and on the Town's website.

Meetings at which three or more council members will be in attendance shall be posted at least 24 hours in advance of the meeting at the Town's three designated official posting places.

C. Meeting Packets

Items submitted by outside entities or individuals which require staff review before being placed on the agenda and included in the Council packets (such as Conservation Easements etc.) must be submitted to staff by Noon on the Tuesday one week prior to the Tuesday packet publication deadline. This deadline allows sufficient time for staff review and confirmation that the item

should be on the agenda. Items which are not submitted by the deadline will not be placed on the Council agenda.

Council reports and committee summaries should be submitted to the Town Clerk by Noon on the Monday preceding a regular meeting for inclusion in the meeting packet.

No later than the Tuesday preceding a regular Council meeting, the Town Clerk will deliver to each council member via e-mail a packet containing the agenda and informational documents for the meeting. Documents included in the Council packets, generally, shall not be released to public prior to delivery to the Council.

If council members have questions regarding agenda items, council members shall direct questions to the Town Manager or the appropriate department head prior to the Council meeting to enable staff time to prepare answers.

RULE 3. MEETING PROCEDURES

A. Order of Business

The order of business shall be as follows:

- 1. Call to order** (by presiding officer)
- 2. Approval of Agenda**

Staff shall advise the Council of items which need to be removed from the agenda. Council members may request the addition or removal of agenda items at this time. Amendments to the agenda shall be approved by a majority vote of the Council.

- 3. Consent Agenda**

The Consent Agenda is intended to allow the Council to expedite those items that are of a routine nature and not controversial. The Consent Agenda is provided as a convenience and time savings to the citizens attending the Council meeting.

- 4. Public Comment**

For comment on any item not scheduled on the agenda. Generally, no action is taken by the Council on items not previously noticed on the agenda; however, issues raised may be scheduled under "Other Business" for consideration in the future. Council shall limit its discussion of topics raised under public comment.

- 5. Staff Updates**

This is a written summary from the Town Manager and Department Heads about relevant events or operational changes of note to the Council and community.

- 6. Legal Matters/ Town Attorney Report**

- 7. Public Hearings**

- 8. Old Business**

Includes items continued from other meetings except for public hearings which are scheduled under public hearings.

9. New Business

Includes items for action by the Council that do not fit under other categories and includes items removed from the Consent Agenda.

10. Council Reports and Committee Updates

Written summaries from Council members regarding committee meetings they have attended.

11. Other Business To Come Before Council

12. Discussion of Scheduling Future Work Session/Meeting Items

13. Council Meeting Scheduling

14. Executive Session

On an as-needed basis only. The order of the Executive Session may be changed on the agenda as determined to be appropriate by the Council.

15. Adjournment

B. Duties of the Mayor as Chair of Meetings

- Open the meeting at the appointed time and call the meeting to order.
- Announce the business coming before the Council in accordance with the agenda.
- Control the proceedings of the meeting and recognize council members, staff and members of the public who are entitled to the floor.
- State or cause to be stated and put to a vote all questions that legitimately come before the Council. Although not prohibited, the presiding officer generally does not propose a motion.
- Enforce the Council's rules relating to debate, order and decorum at meetings.
- Decide all questions of order.
- Adjourn the meeting.

C. Public Comments at Meetings

All meetings of the Council shall be open to the public, except for executive sessions. The public may make comments on items not scheduled on the agenda of regular Council meetings during the Public Comment section of the agenda. Citizens should verbally state their name and address for the record. Those commenting shall limit their comments to five minutes. As appropriate, the Mayor may limit comments to three minutes to facilitate a timely progression of the meeting. Public comment is taken in person, in writing and virtually, however Council may limit public comments for items not on the agenda to in person and written only.

Council shall limit discussion with individuals making public comments. If Council wishes to discuss the topic, Council shall address the topic later in the meeting under "Other Business" and may set the matter as an agenda item at a future meeting. Council, at its discretion, may discuss the topic under "Other Business" and take action if the matter is time sensitive. Council, however, recognizes that it is best to provide advance notice of topics being discussed at Council meetings so the public will have adequate notice of the topic.

The public shall have the opportunity to speak on matters on the agenda at the time the matter is

being considered. Citizens should verbally state their name and address for the record. Those commenting shall limit their comments to five minutes and to the agenda item being discussed. As appropriate, the Mayor may limit comments to three minutes to facilitate a timely progression of the meeting.

D. Written Communications to Council.

Written communications to the Council are encouraged. However, unsigned communication will not be forwarded to the Council. A copy of all written communication to the Council will be forwarded to all council members and the Town Clerk. The ideal way to submit written comments is to send one email to towncouncil@crestedbutte-co.gov. Emails sent to towncouncil@crestedbutte-co.gov will automatically go to all members of Council, the Town Clerk, the Deputy Clerks and the Town Manager. A copy of all correspondence is retained by the Town Clerk in accordance with the Town's records retention schedule.

E. Public Hearing Procedures

Council shall refrain from commenting (other than asking questions) during public hearings. Council discussion may take place after the public hearing is closed.

Public Hearing Procedures:

- Mayor reads the title of the ordinance or agenda item which is the subject of the public hearing. Mayor may also announce the public hearing procedures and ground rules.
- Mayor confirms with Town Clerk that proper public notice was given.
- Mayor asks for review of the staff report, presentation and/or staff comments.
- Council may ask staff questions.
- *****If Applicable**, Mayor asks for applicant/petitioner presentation or comment.
- Mayor opens public hearing for public comments. Council may ask questions of applicant/petitioner/public or staff during public comments.
- Mayor closes the public hearing and the matter is brought to Council.
- Mayor suggests Council discussion. Council may ask questions of applicant/petitioner/public or staff during Council discussion.
- Council motion and action.

F. Voting

1. Votes shall be taken with a roll call vote. A roll call vote is conducted by the Town Clerk calling each Council member's name. Each council member shall individually indicate their vote in favor or in opposition to the item.
2. All roll call votes shall be taken in an order that changes from vote to vote.
3. Every Council member present, when a question is put forth, shall vote either "Yes" or "No" unless previously excused by the Council for reasons set forth in Section 4.8 of the Town Charter which states that no member of the Council shall vote on any question upon which they has a substantial personal financial interest, other than the common public interest, or on any question concerning their own conduct, in which case the member shall disclose their interest to the Council. Any member refusing to vote, except when not so required by Section 4.8 of the Town Charter, shall be guilty of misconduct in office.
4. The minutes shall record how each Council member voted on each question (Town Code Sec. 2-2-40(b)).
5. When the vote is unanimous the minutes shall state that the motion was passed unanimously.
6. Pursuant to the Town Charter all ordinances, resolutions and or motions shall require the affirmative vote of four (4) members of the Council for final passage, except as otherwise provided in Section 4.8 of the Town Charter.
7. The Council shall take official action only at a public meeting by ordinance resolution or motion (Town Charter Sec. 4.7).
8. The presiding officer shall not entertain comments from the staff or public during voting.

G. Motions

1. All matters requiring action by the Town Council shall be introduced by motion. A motion refers to a formal proposal by a council member upon which the Council may take action. Motions are generally introduced orally. However, if the motion is long or involved, motions should be put in writing. Motions shall be put in writing if requested by two (2) Council members.
2. The following steps shall be taken for the presentation and disposition of motions:
 - a) A Council member proposes a motion.
 - b) Another Council member seconds a motion.
 - c) The Mayor may cause the motion to be restated.
 - d) The Council debates/discusses the motion (amendments to the motion or other

substitute motions may be made during the debate/discussion).

- e) At the conclusion of the debate/discussion, the Mayor may cause the motion to be restated.
- f) Vote is taken.

3. The following motions are the most commonly used:

Motion to approve, deny or approve with conditions.

- a. Motion to **amend**: A motion to amend may take the form of inserting, striking out and inserting words, sentences or paragraphs. A motion to amend must be pertinent to the main motion. It is proper to make a motion to amend an amendment. Motions shall be discussed in the reverse order from which they were proposed.
- b. Motion to **continue**: A motion to continue has the effect of moving an item to a future agenda. The motion shall include the date to which the item is being continued.
- c. Motion to **lay on the table**: This motion is used to set aside an item currently under discussion for a more pressing matter. It is not used to "kill" an item. Once the more pressing matter has been disposed of, a motion to take from the table is in order. This motion shall be made at the same Council meeting or at the next regular Council meeting.
- d. Motion to **move the previous question**: This motion is used to cut off debate and to bring an immediate vote on the pending motion. A motion to move the previous question requires a majority plus 1 vote of those present to prevail. A vote is first taken on the motion: if successful, debate is halted and a vote on the main motion is made. If the vote on the motion to the previous question fails, debate on the main motion may continue.
- e. Motion **to reconsider**: Any action taken by the Council may be reconsidered. A motion to reconsider must be made at the same meeting at which the action occurred. The motion must be made by a Council member who voted on the prevailing side. A vote is then taken on the motion to reconsider. The passage of a motion to reconsider suspends all action on the original motion. The original question is placed before the Council at the current meeting or the next regular meeting in the exact form it was in when previously adopted. Once the vote is taken and the results determined, no further reconsideration can be granted.
- f. Any motion may be withdrawn prior to a vote on that motion with the agreement of the person seconding the motion.

H. Debate-Decorum

1. When recognized by the presiding officer, council members shall confine their remarks to the question currently under discussion.
2. The Council may, when necessary, limit the time of debate on any subject or debatable motion.
3. A council member shall speak only once on the question until all other members of Council who wish to speak have had the opportunity to do so.
4. The presiding officer may call a recess not to exceed fifteen (15) minutes at any time during a meeting to determine a rule of order or at the request of a majority of the Council.
5. The presiding officer may call a recess for a specified period of time at any time between items of business.
6. Each council member, member of the public or staff member shall be recognized by the presiding officer prior to speaking.
7. If a council member wishes to leave the Chamber for a brief period during a meeting, the council member shall receive acknowledgement from the presiding officer.

RULE 4. GENERAL RULES

A. Ordinances

1. An ordinance is considered the most authoritative form of action the Council may take. An adopted ordinance becomes an established rule or law of the Town and remains in effect until otherwise rescinded or amended by the Council. Council may direct staff to draft an ordinance or an ordinance may be brought to the Council upon the recommendation of staff.
2. Procedures for passage of ordinances are set forth in the Town Charter (Sections 4.9-4.13)
3. Every proposed ordinance shall be submitted to and reviewed by the Town Attorney.
4. Ordinances shall be numbered in the order in which they are introduced.

B. Resolutions

Resolutions are acts of a relatively permanent nature and will remain in effect until rescinded or amended by Council.

Resolutions may be used for formal statements of policy which are not required to be adopted by ordinance, on matters involving lengthy or complex questions, on administrative or executive matters, to approve contracts and for such purposes as the Council may determine.

C. Proclamations

The Mayor, or in his or her absence, the Mayor Pro-tem, shall have the unilateral authority to issue Mayor Proclamations in cooperation with the Proclamation Committee. Such proclamations shall require the consent or approval of the Council. Mayoral proclamations shall not have the effect of law.

D. Communications to Staff

1. Questions to town staff should be directed through the appropriate senior town staff. Questions should be directed to the Town Manager or Department Heads.
2. The Town Manager should be copied on any request or communication to Department Heads. Council members should not set up meetings with department staff directly but work through Department Heads who will attend any meetings with council members. When in doubt about what staff contact is appropriate, council members should ask the Town Manager.
3. All Council members should have the same information with which to make decisions.
4. Council members, including the Mayor, should not get involved in administrative functions. Avoid any staff contacts that may be construed as trying to shape staff recommendations. Council members shall refrain from coercing staff in making recommendations to the Council as a whole.
5. Do not attend staff meetings unless requested by staff. Even if the Council member does not say anything, the Council member's presence may imply support, show partiality, intimidate staff or hamper staff's ability to do their jobs objectively. Additionally, in such circumstances, individual council members are receiving information prior to the rest of the Council.
6. If a council member wishes to attend a meeting related to Town business, as a representative of the Town (negotiating session, staff committee meeting etc.), the council member shall obtain approval of the Council prior to the meeting with the understanding that the council member will report back to the Council regarding the meeting. The report shall be given at a regular meeting of the Council held in open session. Council members attending meetings of boards, committees or commissions on which they serve do not

need to obtain prior approval of the Council.

7. Depend upon the staff to respond to citizen concerns and complaints. It is the role of council members to pass on concerns and complaints on behalf of their constituents. It is not appropriate to pressure staff to solve a problem in a particular way. Refer citizen complaints to the appropriate Department Head or Town Manager. Staff is responsible for making sure the council member knows how the complaint was resolved.

E. Format of Staff Reports

Staff reports to the Council shall include a summary section containing a summary of the topic and background information, as appropriate. The staff report shall also contain a staff recommendation and, if applicable, a suggested motion for Council consideration.

F. Review of Rules of Procedure

Council shall review these Council Rules of Procedure, at least annually, and shall annually approve a Resolution adopting Council Rules of Procedure.



City of Gunnison City Council Agenda

Regular Session

Tuesday, December 16, 2025 at 5:30pm

Council meeting is held at City Hall, 201 West Virginia Avenue, Gunnison, Colorado 2nd with [Zoom remote access](#).

Approximate meeting time: 120 minutes

The public may attend this City Council meeting in-person or via Zoom with phone or computer access. For remote access please use [Zoom Registration](#).

I. Presiding Officer Calls Regular Session to Order (silent roll call)

II. Announcements

Background: Council and/or City Staff may give announcements related to upcoming City events, projects, or acknowledgements.

Staff Contact: Council and City Staff

Public Comment: not applicable.

Action Requested of Council: No action requested; updates only.

Estimated Time: 10 minutes

III. Western Colorado University Liaison Announcements

Background: During the academic year, the Western Colorado University Liaison may give announcements related to upcoming University events and programs.

Public Comment: not applicable.

Action Requested of Council: No action requested; updates only.

Estimated Time: 5 minutes

IV. Public Input

At this time, members of the public may provide comments to Council in English or Spanish on topics that are not on the agenda. Any questions will be received as comments and potentially responded to by the appropriate staff or Council member, following the meeting. Per Colorado Open Meetings Law, no Council discussion or action will take place until a later date, unless an emergency situation is deemed to exist by the City Attorney. Each speaker has a time limit of 3 minutes to facilitate efficiency in the conduct of the meeting and to allow an equal opportunity for everyone wishing to speak.

V. Consent Agenda

None.

VI. Proclamations, Recognitions, and Appointments

A. Appointments to External Boards and Committees

Background: A number of external entities request and/or require City Councilors serve in official capacities on their boards and/or serve as voting members.

Following the recent election, City Council is able to consider new councilor

appointments to these external roles.

Staff Contact: Amanda Wilson, City Manager

Public Comment: limited to three minutes per speaker.

Action Requested of Council: Consider appointing City Councilors to various external committees and boards.

Estimated time: 30 minutes

VII. Old Business

None.

IX. New Business

A. Overview: City Services

Background: Newly elected Councilors were sworn into office on December 9, 2025. Staff will provide an introduction to city services as part of the phased onboarding process.

Staff Contact: Amanda Wilson, City Manager

Public Comment: not applicable.

Action Requested of Council: None. Report only.

Estimated time: 90 minutes

X. Regular Session Meeting Adjournment

The City Council Meeting agenda is subject to change. The City Manager and City Attorney reports may include administrative items not listed. Regular Meetings and Special Meetings are recorded. Meeting minutes are posted at City Hall and on the City website within 10 business days following the meeting at www.gunnisonco.gov. Work sessions are recorded however minutes are not produced. For further information, contact the City Clerk's office at 970-641-8140.

TO REQUEST INTERPRETATION SERVICES OR TO COMPLY WITH ADA REGULATIONS, PEOPLE WITH SPECIAL NEEDS ARE REQUESTED TO CONTACT THE CITY CLERK 48 HOURS BEFORE ALL MEETINGS AT 970.641.8140.

City of Gunnison City Council meeting video recordings can be viewed at [City of Gunnison Colorado - YouTube City of Gunnison](https://www.youtube.com/cityofgunnison)

City Council official audio recordings and publicly noticed meetings minutes can be viewed at www.gunnisonco.gov

**GUNNISON COUNTY BOARD OF COMMISSIONERS
SPECIAL MEETING AGENDA**

244

DATE: Friday, December 19, 2025 **Page 1 of 1**
PLACE: Board of County Commissioners' Meeting Room at the Gunnison County Courthouse
(REMOTE OPTION BELOW)

8:30 am

- Call to Order
- Tax Year 2025, Budget Year 2026, Certification of Levies and Revenue by Gunnison County Commissioners
- Consent Agenda: These items will not be discussed unless requested by a Commissioner or citizen. Items removed from consent agenda for discussion may be rescheduled later in this meeting, or at a future meeting.
 1. Credit Application; Caterpillar Financial Services Corporation; Purchasing Parts, Tools and Equipment; Three-Year Approval
- Adjourn

Please Note: Packet materials for the above discussions will be available on the Gunnison County website at <http://www.gunnisoncounty.org/meetings> prior to the meeting.

ZOOM MEETING DETAILS:

Join Zoom Meeting: <https://gunnisoncounty-org.zoom.us/j/89798905619>

One tap mobile

+12532158782,,82753657556#,,,*471302# US (Tacoma)

+13462487799,,82753657556#,,,*471302# US (Houston)

**GUNNISON COUNTY BOARD OF COMMISSIONERS
SPECIAL MEETING AGENDA**

245

DATE: **Tuesday, December 30, 2025** **Page 1 of 2**
PLACE: **Board of County Commissioners' Meeting Room at the Gunnison County Courthouse
(REMOTE OPTION BELOW)**

GUNNISON RIVER VALLEY LOCAL MARKETING DISTRICT SPECIAL MEETING:

8:30 am

- Call to Order
- Resolution; Amending the Gunnison River Valley Local Marketing District Budget for Fiscal Year 2025 and Amending the Appropriation Resolution
- Adjourn

GUNNISON COUNTY HOUSING AUTHORITY SPECIAL MEETING:

8:32 am

- Call to Order
- Resolution; Amending the Gunnison County Housing Authority Budget for Fiscal Year 2025 and Amending the Appropriation Resolution
- Adjourn

GUNNISON COUNTY BOARD OF COUNTY COMMISSIONERS SPECIAL MEETING:

8:34 am

- Call to Order
- Resolution; Amending the Gunnison County Budget for Fiscal Year 2025 and Amending the Appropriation Resolution

8:35 am

- ATV/UTV Use on County Roads in Somerset Discussion

9:05 am

- Gunnison County Sewer and Water District; Water and Sewer Utility Rate Study Discussion
 - 1. Resolutions
 - a. A Resolution Establishing the Schedule of Fees and Rates for Sewer Service Within the Antelope Hills Division of the Gunnison County Water and Sewer District; This Resolution Supersedes Resolution 24-37
 - b. A Resolution Establishing the Schedule of Fees and Rates for Water Service Within the Antelope Hills Division of the Gunnison County Water and Sewer District; This Resolution Supersedes Resolution 24-38
 - c. A Resolution Establishing the Schedule of Fees and Rates for Sewer Service Within the Dos Rios Division of the Gunnison County Water and Sewer District; This Resolution Supersedes Resolution 24-39
 - d. A Resolution Establishing the Schedule of Fees and Rates for Water Service Within the Dos Rios Division of the Gunnison County Water and Sewer District; This Resolution Supersedes Resolution 24-40

**GUNNISON COUNTY BOARD OF COMMISSIONERS
SPECIAL MEETING AGENDA**

246

DATE: Tuesday, December 30, 2025 Page 2 of 2

**PLACE: Board of County Commissioners' Meeting Room at the Gunnison County Courthouse
(REMOTE OPTION BELOW)**

- e. A Resolution Establishing the Schedule of Fees and Rates for Sewer Service Within the North Gunnison Division of the Gunnison County Water and Sewer District; This Resolution Supersedes Resolution 24-41
- f. A Resolution Establishing the Schedule of Fees and Rates for Sewer Service Within the Somerset Division of the Gunnison County Water and Sewer District; This Resolution Supersedes Resolution 24-42
- g. A Resolution Establishing the Schedule of Fees and Rates for Sewer Service Within the Tomichi Division of the Gunnison County Water and Sewer District; This Resolution Supersedes Resolution 24-43
- h. A Resolution Amending Certain Charges and Fees for Integrated Solid Waste Services Effective January 1, 2026; This Resolution Supersedes Resolution 24-50

- Adjourn

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+13462487799,,82753657556#,,,*471302# US (Houston)

From: Matt Kraft
To: Sales Tax; Rob Sweeney; Town Council
Cc: Lynelle Stanford
Subject: Re: [EXTERNAL] RE: Sales tax - medical supplies
Date: Tuesday, December 2, 2025 2:50:27 PM
Attachments: [Image002.png](#)
[Image003.png](#)

Some people who received this message don't often get email from matt.kraft@vertexinc.com. [Learn why this is important](#)

Thanks so much for the update Laura!

From: Sales Tax <salestax@crestedbutte-co.gov>
Sent: Tuesday, December 2, 2025 1:45 PM
To: Matt Kraft <Matt.Kraft@vertexinc.com>; Rob Sweeney <rsweeney@crestedbutte-co.gov>; Town Council <towncouncil@crestedbutte-co.gov>
Cc: Lynelle Stanford <lstanford@crestedbutte-co.gov>; Sales Tax <salestax@crestedbutte-co.gov>
Subject: RE: [EXTERNAL] RE: Sales tax - medical supplies

Hello Matt,

Rob is out until the 10th. We have not yet had further guidance from the Town Attorney. I will bring this matter to Rob's attention when he returns. Thank you for your patience and understanding.

Thank you,
 Laura Kaulike (she/her/hers)
 Financial and Administrative Services Assistant
 (970) 349-5338 ext. 104
 lkaulike@crestedbutte-co.gov

From: Matt Kraft <Matt.Kraft@vertexinc.com>
Sent: Tuesday, December 2, 2025 12:18 PM
To: Rob Sweeney <rsweeney@crestedbutte-co.gov>; Town Council <towncouncil@crestedbutte-co.gov>
Cc: Lynelle Stanford <lstanford@crestedbutte-co.gov>; Sales Tax <salestax@crestedbutte-co.gov>
Subject: Re: [EXTERNAL] RE: Sales tax - medical supplies

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Hi Rob,

I hope you had a nice Thanksgiving! Just following up to see if there is any update?

Thanks,
Matt

From: Matt Kraft <Matt.Kraft@vertexinc.com>
Sent: Tuesday, November 25, 2025 8:23 AM
To: Rob Sweeney <rsweeney@crestedbutte-co.gov>; Town Council <towncouncil@crestedbutte-co.gov>
Cc: Lynelle Stanford <lstanford@crestedbutte-co.gov>; Sales Tax <salestax@crestedbutte-co.gov>
Subject: Re: [EXTERNAL] RE: Sales tax - medical supplies

Hi everyone,

I just wanted to follow up again on this as I'm trying to tie up loose ends before the holidays.

Thanks and have a happy Thanksgiving!

Matt

From: Matt Kraft <Matt.Kraft@vertexinc.com>
Sent: Friday, November 14, 2025 10:15 AM
To: Rob Sweeney <rsweeney@crestedbutte-co.gov>; Town Council <towncouncil@crestedbutte-co.gov>
Cc: Lynelle Stanford <lstanford@crestedbutte-co.gov>; Sales Tax <salestax@crestedbutte-co.gov>
Subject: Re: [EXTERNAL] RE: Sales tax - medical supplies

Hi everyone,

Happy Friday! I just wanted to follow up on this request to see if there is any update.

Thanks!

From: Rob Sweeney <rsweeney@crestedbutte-co.gov>
Sent: Thursday, November 6, 2025 8:11 AM
To: Matt Kraft <Matt.Kraft@vertexinc.com>; Town Council <towncouncil@crestedbutte-co.gov>
Cc: Lynelle Stanford <lstanford@crestedbutte-co.gov>; Sales Tax <salestax@crestedbutte-co.gov>
Subject: [EXTERNAL] RE: Sales tax - medical supplies

CAUTION: This email originated from outside of the organization. Do not click links or open attachments unless you

recognize the sender and know the content is safe.

Matt –

Thank you for reaching out and I apologize for the delay.

Staff has been researching your initial request to ensure we are clear on what was intended by the exemption of 'medical supplies'. As you noted, the Town Code lacks a definition to the term 'medical supplies'. We will consult with the Town Attorney to validate Staff's position and get back to you next week.

Thank you – Rob

Rob Sweeney
Interim Finance and Administrative Services Director
Town of Crested Butte
(970) 349-5338 ext. 106



From: Matt Kraft <Matt.Kraft@vertexinc.com>
Sent: Wednesday, November 5, 2025 6:30 PM
To: Town Council <towncouncil@crestedbutte-co.gov>; Rob Sweeney <rsweeney@crestedbutte-co.gov>
Cc: Lynelle Stanford <lstanford@crestedbutte-co.gov>; Sales Tax <salestax@crestedbutte-co.gov>
Subject: Re: Sales tax - medical supplies

Some people who received this message don't often get email from matt.kraft@vertexinc.com. [Learn why this is important](#)

Hi Rob,

I am hoping you can help answer my inquiry below since I haven't heard back from anyone else.

Thanks!
Matt

From: Matt Kraft <Matt.Kraft@vertexinc.com>
Sent: Thursday, October 30, 2025 8:55 AM
To: salestax@crestedbutte-co.gov <salestax@crestedbutte-co.gov>; lstanford@crestedbutte-co.gov <lstanford@crestedbutte-co.gov>
Subject: Re: Sales tax - medical supplies

Hi Lynelle,

I am hoping you can help me answer my questions below since I haven't received any response from the sales tax department.

Thanks!

Matt

From: Matt Kraft <Matt.Kraft@vertexinc.com>
Sent: Tuesday, October 21, 2025 8:59 AM
To: salestax@crestedbutte-co.gov <salestax@crestedbutte-co.gov>
Subject: Re: Sales tax - medical supplies

To Whom It May Concern:

I am just following up on this inquiry.

From: Matt Kraft <Matt.Kraft@vertexinc.com>
Sent: Tuesday, October 7, 2025 8:22 AM
To: salestax@crestedbutte-co.gov <salestax@crestedbutte-co.gov>
Subject: Sales tax - medical supplies

To Whom It May Concern:

My name is Matt Kraft and I represent a tax software firm that monitors all state and local indirect taxes across the United States called Vertex Inc. Customers leverage our software to ensure maximum compliance with state and local indirect tax collection and remittance requirements.

I am reviewing our content around medical related items in Colorado and have the following question:

Under Town Code Sec. 4-3-40(3), the sale and purchase of medical supplies are exempt from sales tax. However, there is no definition provided for that term in the "Definitions" section of the Town Code.

Can you provide me with a definition of that term or some guidance I can rely upon in making a taxability determination for some of our medical categories?

Thanks!

Matt Kraft

Senior Lead Tax Solutions Analyst

Vertex Inc.

Seattle, WA

vertexinc.com

 **VERTEX** Certified
Implementer

From: [Denise Liebl](#)
To: [Town Council](#)
Subject: Please do not allow Formula Businesses in Crested Butte
Date: Saturday, December 6, 2025 2:41:36 PM

[Some people who received this message don't often get email from deniseliebl@icloud.com. Learn why this is important at <https://aka.ms/LearnAboutSenderIdentification>]

Dear Town Council,

The charm and the freshness of Crested Butte would be diminished if Formula Businesses are allowed in town. It would be a great disappointment if these types of businesses were started up.

Please note my objection.

Denise Liebl
226 Sopris Avenue

From: [Dawn Piscitelli](#)
To: [Town Council](#)
Subject: Zoning regulations
Date: Saturday, December 6, 2025 8:51:58 PM

[Some people who received this message don't often get email from dawnpiscitelli@gmail.com. Learn why this is important at <https://aka.ms/LearnAboutSenderIdentification>]

Hello members of Town Council,

I am a part-time resident of Crested Butte and wanted to share some concerns with regards to the zoning regulations. Please consider adding regulations AGAINST chain or franchise businesses to protect the small businesses within our community. I don't have to tell you that our small business community is one of the things that makes CB special.

Thank you,
Dawn Piscitelli

From: [Sophia Chudacoff](#)
To: [Town Council](#)
Subject: Formula businesses in CB
Date: Sunday, December 7, 2025 11:39:46 AM

Some people who received this message don't often get email from s.chudacoff@gmail.com. [Learn why this is important](#)

Greetings town council!

I just wanted to bring to town's awareness that there are currently no regulations on franchise/chain/formula businesses for personal services. This includes chain gyms, spas, Pilates studios, hair salons, landscaping, yoga studios, childcare services, interior design services, pet sitting services, wedding/event planning, and personal chefs (just to name a few).

I know town has a lot of pressing matters in regards to how fast CB is growing, but would it be possible to review this and possibly add regulations to formula personal service businesses? CB has regulations on formula businesses for lodging, retail and restaurants, which has maintained the small town feel of CB and proved to protect local businesses, but for personal services we don't have the same protection. There is a chain fitness/pilates studio due to open this winter in CB, which has at least 12 other locations and is growing. While nothing can be done about it now, it serves as a wake up call that chains like this can legally operate in CB. Allowing formula businesses for personal services in CB could potentially hurt small local businesses, and change the look of town.

Please consider adding this concern to the list of actions needed to bolster our community values.

Sincerely,

Sophia

From: [Danielle Deschler](#)
To: [Town Council](#)
Subject: Formula Businesses models in CB
Date: Monday, December 8, 2025 10:01:40 AM

Some people who received this message don't often get email from danielledeschler@gmail.com. [Learn why this is important](#)

Good morning-

I am writing as a concerned small business owner that a "formula businesses" or a national corporate chain business is planning on opening in Crested Butte.

As a local small business owner, I have invested years of work, resources, and relationships into serving this community.

A large corporate retailer—with advantages in pricing, scale, and marketing—could jeopardize the stability of my business and others like mine. When local businesses are pushed out, our town loses not only jobs and services, but also the character and economic resilience that independent owners provide.

I also question the intention of these kinds of business models. They target our small mountain towns for financial gains.

For me, my business model is focused on having a relationship with my clients, their families, and making our community stronger and healthier.

I urge you to consider the long-term impact on those of us who live and work here before moving forward.

Thank you for your attention.

Kindly-

Danielle Deschler

From: [Jacinda Mahan](#)
To: [Town Council](#)
Subject: Support for Local Service Businesses in Crested Butte Zoning Regulations
Date: Monday, December 15, 2025 10:27:49 AM

Some people who received this message don't often get email from kefieventsbc@gmail.com. [Learn why this is important](#)

Dear Members of the Crested Butte Town Council,

I am writing as a community member who deeply values the character, culture, and people that make Crested Butte such a special place to live and visit. One of the most important parts of that character is our locally owned service businesses including fitness studios, wellness providers, salons, childcare services, and other personal service professionals who are rooted in this community.

I am concerned about the lack of zoning regulations addressing formula or chain businesses in the personal services category. Without thoughtful limits, large corporate businesses with multiple locations and significant financial backing can enter our small town and compete in ways that local, independently owned businesses simply cannot. This puts the long-term sustainability of our local service economy at risk.

Local service businesses are not just places where transactions occur; they are run by neighbors who invest back into Crested Butte, employ local residents, build genuine relationships with their clients, and contribute to the unique identity of our town. When corporate chains move in, profits often leave the community, and the distinct character that makes Crested Butte special can slowly be replaced by a more generic, commercial feel.

I respectfully urge the Town Council to consider regulations that protect and prioritize locally owned personal service businesses and limit the expansion of formula businesses in this category. Thoughtful zoning can help ensure that Crested Butte remains a place that supports small businesses, values community connection, and preserves the individuality that residents and visitors cherish.

Thank you for your time, consideration, and commitment to the future of our town. I appreciate the opportunity to provide feedback and hope you will take community concerns into account as zoning updates are finalized.

Sincerely,

Jacinda Mahan

From: Matt Kraft
To: Sales Tax; Rob Sweeney; Town Council
Cc: Lynelle Stanford
Subject: Re: [EXTERNAL] RE: Sales tax - medical supplies
Date: Tuesday, December 9, 2025 8:34:21 PM
Attachments: [image002.png](#)
[image003.png](#)

Hi Rob,

I am just following back up on this since you've been out of the office and wanted to bring this back to the top of your inbox. We made substantial changes to some of our medical related content in other Colorado localities in our content updates last month so this is the last outstanding item to tidy up. Our cutoff for changes going out this month is this coming Friday, 12/12 so I'm hoping to include this in that update.

Thanks again for your help in trying to obtain a definition from the Town Attorney.

Happy Holidays!

Matt

From: Sales Tax <salestax@crestedbutte-co.gov>
Sent: Tuesday, December 2, 2025 1:45 PM
To: Matt Kraft <Matt.Kraft@vertexinc.com>; Rob Sweeney <rsweeney@crestedbutte-co.gov>; Town Council <towncouncil@crestedbutte-co.gov>
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Financial and Administrative Services Assistant
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lkaulike@crestedbutte-co.gov

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Rob Sweeney

Interim Finance and Administrative Services Director

Town of Crested Butte

(970) 349-5338 ext. 106



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Matt Kraft

Senior Lead Tax Solutions Analyst

Vertex Inc.

Seattle, WA

vertexinc.com

