



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
Tuesday, January 20, 2026

Meeting information to connect remotely:
<https://us02web.zoom.us/j/88944292865>
Join via audio: +1 719 359 4580 US +1 253 205 0468 US +1 669 444 9171 US +1 305 224 1968 US +1 309 205 3325 US +1 360 209 5623 US +1 386 347 5053 US +1 507 473 4847 US +1 564 217 2000 US +1 646 931 3860 US +1 689 278 1000 US
Webinar ID: 889 4429 2865

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) 5 -Year Housing Strategy Check In - Portfolio Overview.

Staff Contact: Housing Director Erin Ganser

7:00 REGULAR TOWN COUNCIL MEETING CALLED TO ORDER
BY MAYOR OR MAYOR PRO-TEM

7:02 APPROVAL OF AGENDA

7:03 CONSENT AGENDA

- 1) January 5, 2026 Regular Town Council Minutes.
Staff Contact: Town Clerk Lynelle Stanford
- 2) Alley Loop Nordic Marathon Special Event Application for January 30th, 2026, and January 31st, 2026, closing Elk Avenue from the Zero Block through the 300 Block and Alleys and a Section of the Old Town Field and Town Park.
Staff Contact: Town Clerk Lynelle Stanford
- 3) Resolution No. 3, Series 2026 – Authorizing Purchase of 816 Gothic Avenue
Staff Contact: Housing Director Erin Ganser
- 4) Resolution No. 4, Series 2026 – Extension of Suspension of Food Truck Regulations
Staff Contact: Community Development Director Mel Yemma
- 5) (First Reading) Ordinance No. 02, Series 2026 – Align with Statute Court Penalties/Remove Jail Time
Staff Contact: Town Attorney Karl Hanlon
- 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 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.”

7:10 STAFF UPDATES

7:15 LEGAL MATTERS

7:20 PRESENTATION

- 1) Presentation by Executive Director Michelle Haynes from Region 10.
- 7:30 2) Ashley Bembenek – Benefits to Water Quality and Schedule for Hearings to Remove Temporary Modifications.**

7:40 PUBLIC HEARING

- 1) (Second 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

7:50 COUNCIL REPORTS AND COMMITTEE UPDATES

8:00 OTHER BUSINESS TO COME BEFORE THE COUNCIL

8:05 DISCUSSION OF SCHEDULING FUTURE WORK SESSION TOPICS AND COUNCIL MEETING SCHEDULE

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

8:10 ADJOURNMENT



Staff Report January 20, 2026

To: Mayor and Town Council

Prepared By: Erin Ganser, Housing Director

Thru: Dara MacDonald, Town Manager

Subject: 5Y Housing Strategy: Portfolio Overview, Gaps, Lessons Learned, Goals, and Next Steps

Summary: This work session serves as a check in on the 5-Year Housing Strategy, one of three major implementation items of the Community Plan. This staff report provides a summary of the Town's affordable housing portfolio, assesses past and current accomplishments, and identifies gaps in services and lessons learned. Additionally, this report puts forth the next steps in the preparation of the 5-year Housing Strategy. To guide future investment and efforts, at the work session, staff seeks discussion and feedback from the Council on goals and guiding principles of the Town's housing program.

Previous Council Action: The Town Council held a joint work session with BOZAR on October 6, 2025 to kick off the Community Spaces strategy, Zoning Code Update, and Housing strategy.

Background: The Community Plan (CP) laid out a clear vision for strengthening the community-serving spaces and housing that keep Crested Butte livable, functional, and rooted in community. Implementation now shifts from planning to action through three interconnected efforts: the Zoning Code update, the 5-year Community Spaces Strategy, and the 5-year Housing Strategy.

- 1. Zoning Code Update:** Staff, in coordination with the Town Attorney, are leading a comprehensive zoning code update, which includes a holistic review to ensure the code incorporates the CP's recommendations, incorporates state model standards, and aligns with the forthcoming Design Standards Update (a major outcome of the Historic Preservation Plan).

To help ensure that new requirements are both community-aligned and market-feasible, the Town retained Economic & Planning Systems (EPS) using the remainder of the "Strong Communities" grant. EPS is analyzing the financial and market implications of proposed zoning incentives to help structure tools that attract private investment while delivering community benefit. EPS is also supporting development of both the 5-year housing strategy

(funded through Proposition 123) and the community spaces strategy, enabling these efforts to move forward cohesively.

Staff and EPS will return for a joint Town Council and BOZAR work session on February 2nd to check in on the zoning code update and review the residential incentives analysis. Commercial incentives will be presented at the March 2nd Council Meeting.

2. **5-Year Community Spaces Strategy:** The CP underscores that Crested Butte’s livability relies not only on housing, but also on access to the essential services and gathering places that hold the community together. While the Town has decades of experience advancing community housing, supporting community-serving spaces is new territory and defining what “community spaces” or “community-serving businesses and non-profits” truly mean for Crested Butte is an important first step.

The Community Spaces Strategy is intended to help chart that path. It will establish a working definition of community spaces, assess current strengths, weaknesses, opportunities, and threats, and identify where the Town can most effectively focus its efforts. Ultimately, this work will guide how zoning tools, programs, projects, and partnerships can help sustain the services and spaces most essential to a functional and connected community.

Council discussed and refined the draft definitions for “community spaces” and refined the draft guiding principles to inform strategy development during a work session on December 15th. Following more in-depth discussion of zone districts and incentives over the coming months, Council is scheduled for more discussion on the community spaces strategy in April.

3. **5-Year Community Housing Strategy:** Crested Butte has made significant progress in expanding community housing, yet demand continues to outpace supply, and the challenges remain complex. The CP calls to increase the share of full-time, year-round households and calls for a more diverse mix of housing types, better integration across neighborhoods, and a stronger balance between affordability and workforce housing with options that allow people to grow or downsize based on life stage and needs.

The 5-Year Housing Strategy will assess past and current accomplishments, identify gaps in the community’s housing portfolio, and clarify where the Town should focus its energy and resources over the next five years to advance the goals of the CP. Like the Commercial Spaces Strategy, the Housing Strategy will be coupled with zoning incentives and will identify how housing programs, specific development efforts, and partnerships can help advance the Town's housing goals.

Housing Portfolio Summary and Analysis: The attached memo from EPS provides a summary of the Town’s affordable housing inventory, detailing the breakdown of units by tenure, ownership or rental, as well as by various deed restriction attribute or program type. It also puts forth strengths and challenges for each restriction and program. The following section of this report builds on the EPS memo by providing highlights of past housing efforts, an update on progress made against north valley housing needs as defined in the [2024 Gunnison County Housing Needs Assessment](#), identifies the gaps in who the Town's portfolio serves, and summarizes high-level lessons learned.

MINUTES
Town of Crested Butte
Regular Town Council Meeting
Monday, January 5, 2026

Mayor Billick called the meeting to order at 7:11PM.

Council Members Present: Mayor Ian Billick, Beth Goldstone, Gabi Prochaska, Mallika Magner, Kate Guibert, and John O’Neal

Staff Present: Town Attorney Karl Hanlon, Town Manager Dara MacDonald, Town Clerk Lynelle Stanford, Community Development Director Mel Yemma, and Public Works Director Shea Earley

Housing Director Erin Ganser and Interim Finance Director Rob Sweeney (via Zoom) (for part of the meeting)

APPROVAL OF AGENDA

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

CONSENT AGENDA

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

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

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.

No motion was made to enter Executive Session; therefore, it was canceled.

PUBLIC COMMENT

Billick summarized written comments from Jill Voyles, Hilary Gomez, Damien Spahn, and multiple communications from Peter Cook from Acme Liquor.

Jim Starr commented via Zoom.

STAFF UPDATES

Magner commented. Ganser answered a question.

LEGAL MATTERS

Hanlon answered a question.

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

David Wilkins, representing The Hideout, was in attendance. No public comments were made. The Council expressed general comfort with allowing a one-year extension for the summer season, while the zoning code updates were being considered. Hanlon will present a resolution at the next meeting.

2) Lower Verzuh Comment Letter.

Staff Contact: Community Development Director Mel Yemma

The Council agreed conceptually with the letters and made suggestions regarding language and typos. No one from the public commented.

Prochaska moved and Guibert seconded a motion to approve the two letters given the amendments, grammatical and clarifications. A roll call vote was taken with all voting, "Yes." **Motion passed unanimously.**

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

Staff Contact: Town Attorney Karl Hanlon

Prochaska moved and Goldstone seconded a motion approving of the loan agreement subject to final review by the Mayor, Town Manager, and Attorney. A roll call vote was taken with all voting, “Yes.” **Motion passed unanimously.**

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

Staff Contact: Town Manager Dara MacDonald

Billick explained that they were confirming the list of questions and issues.

Work sessions were planned for:

- March 9, 2026, from 6:00PM to 8:00PM
- April 27, 2026, from 6:00PM to 8:00PM
- June 8, 2026, from 6:00PM to 8:00PM

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

Staff Contact: Town Clerk Lynelle Stanford

Overall, the goal was identified to make targeted tweaks to special events, rather than wholesale changes, including limiting larger events, addressing impacts on public lands, and incorporating public benefit into proposed criteria, while avoiding distinctions based on local versus non-local organizers.

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

O’Neal moved and Prochaska seconded a motion to approve Resolution No. 2, Series 2026 with amendment to the rules of procedure. A roll call vote was taken with all voting, “Yes.” **Motion passed unanimously.**

COUNCIL REPORTS AND COMMITTEE UPDATES

Prochaska updated.

OTHER BUSINESS TO COME BEFORE THE COUNCIL

The roundabout and feedback from Peter Cook were mentioned.

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

ADJOURNMENT

Mayor Billick adjourned the meeting at 9:09PM.

Ian Billick, Mayor

Lynelle Stanford, Town Clerk (SEAL)



Staff Report

January 20th, 2026

To: Mayor and Town Council
Thru: Dara MacDonald, Town Manager
From: Lynelle Stanford, Town Clerk

Subject: Alley Loop Nordic Marathon Special Event Application for January 30th, 2026, and January 31st, 2026, closing Elk Avenue from the Zero Block through the 300 Block and Alleys and a Section of the Old Town Field and Town Park.

Date: January 5th, 2026

Summary:

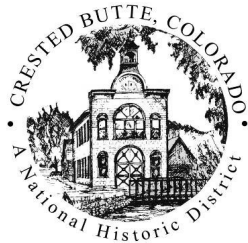
Linsey Bachofer submitted the annual Alley Loop Nordic Marathon special event application on behalf of the Crested Butte Nordic Council. The event is proposed to begin with an Expo on Friday, January 30, 2026, from 3:00PM to 7:00PM at the Center for the Arts and Town Park. The annual Alley Loop Nordic Marathon would follow on Saturday, January 31, 2026, from 9:00AM to 3:00PM. Grooming of the Town Park loop would take place between January 28 and 30, 2026.

Elk Avenue would be closed from the Zero Block through the 300 Block beginning at 12:01AM on January 30 and continuing through approximately 5:00PM on January 31. Additional proposed closures include the alley between Elk Avenue and Maroon Avenue from 1st Street along Coal Creek to Totem Pole Park; the west side of 3rd Street from Totem Pole Park to Butte Avenue; the alley between Sopris Avenue and Whiterock Avenue from 1st Street to 3rd Street; 3rd Street from the alley between Sopris Avenue and Whiterock Avenue to Elk Avenue; and 1st Street from the alley between Sopris Avenue and Whiterock Avenue to the Zero Block of Elk Avenue. The 3rd Street closure replaces the 4th Street closure used in the previous year, a concession agreed to by Nordic at staff's suggestion due to low snow conditions. Public Works and the Marshal's Office agreed that the abovementioned route is tenable, despite the lack of abundant snow.

The Crested Butte Nordic Council did not apply for a special event liquor permit. Of age racers receive a drink ticket they can redeem for one beverage to be provided by and consumed at the Public House. The finish line is near the Post Office parking lot, and a soup tent and assorted vendor tents will be located within the parking lot. The Post Office granted written approval to the Nordic Council for such usage.

Recommendation:

To approve the Alley Loop Nordic Marathon special event application as part of the Consent Agenda.



Staff Report

January 20, 2026

To: Mayor and Town Council
From: Erin Ganser, Housing Director
Thru: Dara MacDonald, Town Manager
Subject: Resolution 3, Series 2026 A Resolution of the Town of Crested Butte Town Council Authorizing the Purchase of 816 Gothic, Crested Butte, Colorado and Authorizing the Town Manager to Execute All Documents Related to the Purchase

Summary

Staff seek approval from the Town Council to purchase 816 Gothic, a deed restricted unit, with the intent update to the new form of deed restriction and add income and asset limits. Staff anticipate that Town will take ownership of the unit on January 27th and intends to sell it by lottery with the revised deed restriction shortly thereafter. Staff will return to the Council to request approval for the sale of the unit and present the income restriction.

Previous Council Action: Council approved the purchase of 828 Gothic on October 20, 2025 (sale of that unit is also on the Council's January 20th agenda) and previously approved this approach on 822 Gothic on June 3, 2024, addressing the exclusion of income and asset limits in the deed restriction on those homes.

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 original 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 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 816 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.

Pending the Council's approval, staff will announce the property through the Gunnison County Housing Authority's homeownership interest list and sell it via lottery in accordance with the Town's Affordable Housing Guidelines at the maximum allowable sales price of approximately \$360,000.

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 purchase 816 Gothic and authorize the Town Manager to execute all documents related to the sale.

Proposed Motion: A Council member should make a "make a motion to purchase 816 Gothic and authorize the Town Manager to execute all documents related to the sale" followed by a second and roll call vote.

Attachments

- Resolution 3, Series 2026



Staff Report

January 20, 2026

To: Mayor Billick and Town Council

Prepared By: Mel Yemma, AICP, Community Development Director

Thru: Dara MacDonald, Town Manager

Subject: Resolution No. 4, Series 2026 – A RESOLUTION OF THE TOWN COUNCIL OF THE TOWN OF CRESTED BUTTE, COLORADO, AUTHORIZING A ONE YEAR EXTENSION OF THE SUSPENSION OF FOOD TRUCK AND PARKING REGULATIONS FOR THE HIDEOUT TO UTILIZE AN ACCESSORY KITCHEN.

Summary: This resolution provides a one-year temporary extension allowing the Hideout to continue its summer-only suspension of applicable food truck and parking regulations in order to operate a trailer/food truck as an accessory kitchen.

Background: In 2023, the Town Council declared a local restaurant emergency (Resolution No. 11, Series 2023) in response to a community-wide shortage of restaurant capacity. As part of that action, and following a public hearing, the Town Council approved a temporary, two-year, summer-only suspension of relevant food truck and parking regulations to allow the Hideout to utilize a trailer/food truck as an accessory kitchen to address kitchen capacity limitations. The approval included 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 declared restaurant emergency, which has since been lifted following multiple restaurant reopenings. At the time, the former Community Development Director noted that the concept of food trucks or trailers as supplemental kitchen space would be explored through the Community Plan and Zoning Code Update process.

Due to staff transitions within the Community Development Department, the zoning code update is underway but will not be completed prior to the 2026 summer season. At the January 5, 2026 Town Council meeting, following a request from the Hideout and prior discussion by BOZAR on December 16, 2025, Town Council provided direction to allow a one-year temporary summer-only extension. This extension is intended to provide time to evaluate a potential long-term or permanent approach through the zoning code update, which is anticipated to be completed by the end of 2026.

Recommendation: To approve Resolution No. 4, Series 2026.

Proposed Motion: For a council member to make a motion, followed by a second, to approve Resolution No. 4, Series 2026 as part of the Consent Agenda.

Attachments:

- Resolution No. 4., Series 2026

DATE: January 9, 2026
TO: Mayor and Town Council, Town of Crested Butte
FROM: Karl J. Hanlon, Town Attorney
RE: Ordinance 4, Series 2026 Amending Sec. 1-4-30 Regarding General Penalty

On December 22, 2025, the Colorado Supreme Court issued a decision in the combined cases of *In re People v. Camp* and *In re People v. Simons*, declaring that when a municipal ordinance and a state statute prohibit identical conduct, the maximum penalty imposed under state law preempts local law.¹ The court found that the state interest in setting consistent, statewide sentencing caps for misdemeanors and petty offenses is materially impeded by home-rule ordinances which impose greater penalties for the same offense.² This means any penalty imposed for violation of the Crested Butte Municipal Code (the “Code”) may not exceed the penalty allowed under the corresponding state statute.

Because the decision was issued so recently and to ensure compliance with the ruling while the municipal code is being updated, the Municipal Judge has issued a standing order specifying that the penalty imposed for any offense shall not exceed the penalty allowed for the same offense under the Colorado Revised Statutes.

Ordinance 4, Series 2026 updates the Town’s general penalty provisions to implement the ruling and ensure that the Town’s penalty provisions will align with the Supreme Court decision.

¹ No.24SA276, *In re People v. Camp*, No24SA308 & 309, *In re People v. Simons*, 2025 CO 64, ¶3

² *Id.*

Mail to:
Glenwood Springs
201 14th 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



Memorandum

To: Town Council

From: Dara MacDonald, Town Manager

Subject: Manager's Report

Date: January 20, 2026

Town Manager

- 1) DOLA EIAF application – We are developing a grant application for \$1,000,000 to help fund the upcoming construction of the Marshals addition and renovation. Due to State budget concerns significant energy and mineral impact funding has been deflected from the DOLA EIAIF grant program. In the current (and possibly only) funding round there is likely to be only \$15M available statewide. This is the only significant grant funding opportunity for this type of project. The 2026 budget does not assume any grant funding will be awarded for this project though our DOLA representative has expressed strong support for funding the project.
- 2) Progress on 2025 Council goals/priorities – see attached
- 3) Mayor Billick is planning to return to Washington DC in the spring to meet with legislators, similar to the trip he made last year. The Town will cover the cost of flights and incidentals.
- 4) Legislative efforts – The Colorado General Assembly will convene on Jan 14th. In the lead up, I have been participating in discussions and review of upcoming legislation through both CAST and CML.
 - HB26-0427 – Vacant Home Tax. This bill is modeled off the draft provided by CAST and being promoted by CML. The bill has been drafted and CAST representatives recently met with bill sponsors Reps Titone & Velasco to discuss and provide feedback. This legislation would allow statutory municipalities and counties as well as regional housing tax authorities to impose taxes on vacant homes for the purpose of funding affordable housing efforts.
 - HOME Act – This bill, modeled off the unsuccessful 2025 YIGBY legislation is still being drafted. It would allow for school districts, colleges/universities, housing authorities and qualifying non-profits to construct housing projects up to 45' tall and limiting the powers of local jurisdictions to deny applications. CAST and CML are both providing comments to the bill sponsor, Rep Boesenecker, and are likely to be opposed unless there are substantial amendments to the draft.

- Prop 123 clean-up – There are conversations around a bill to revise portions of the rule-making, restrictions and clarifications involved with the Prop 123 funding for affordable housing. We have been commenting and offering input but have not yet seen a draft bill.
 - Mayor Billick and I both plan to attend the CML Legislative workshop in Denver on Feb 19th and the CAST Legislative meeting in Denver on March 12th.
 - As Council knows, CAST has retained a lobbyist – Bowditch & Cassell Public Affairs. I will continue to forward their periodic legislative summaries to the Council as I receive them. Council members also have access to CML’s legislative updates through your memberships. Please let Lynelle or I know if you have any trouble accessing information from CML.
- 5) Employee Training - We have kicked off a “Serve Well, Stay Well” training series in collaboration with Path Collective. Employees who serve on the frontlines with the public carry an outsized emotional load. As national data and municipal risk-management research continue to show, interactions with angry or frustrated residents are increasing — and the cumulative emotional impact on public servants is real. Left unaddressed, this stress can affect employee well-being, attendance, performance, and safety. This customized coaching series is designed to support Town of Crested Butte staff who are highly visible and public-facing, helping them build shared tools, language, and practices for navigating difficult interactions with professionalism, empathy, and resilience.
- 6) Employee Evaluations – As Council may recall, we overhauled our annual evaluation process and forms in 2025. Evaluations and goal setting for all employees was completed in December and was largely well-received. Department heads have met, discussed and identified a number of modifications and improvements. Changes are being made now so we are well ahead for quarterly check-ins and annual evaluations in 2026.

Public Works

- 1) Streets Division – STILL WAITING FOR SNOW!
- 2) CBFPD Lift Station – The Town has taken over operations and maintenance of the new lift station at the CBFPD campus. Final acceptance of the lift station will be provided once the Town has received acceptance from the engineer of record and the Colorado Department of Public Health and Environment.

Parks, Recreation, Open Space and Trails

- 1) The first session of winter youth programming began on January 5th including 1st-8th grade basketball groups, ice skating and tumblebugs. Adult drop-in programs include Pickleball, Table Tennis, Futsal, Spec Tennis, Volleyball, Basketball, T'ai Chi, Ice Skating, and Hockey. Partner programs running in Town facilities include Hockey, Jiu Jitsu, Munchkin Music, Yoga, and Soccer.

Community Development

- 1) **Zoning Code Survey Summary:** Attached is a summary of the first phase of outreach for the Zoning Code Update, including key takeaways and responses to the feedback survey on the first draft of proposed updates. Two upcoming joint work sessions with BOZAR are scheduled for February 2 (residential districts) and March 2 (commercial and mixed-use districts) to discuss larger proposed

changes and draft incentives for community-serving housing and spaces. Council is encouraged to review the feedback and key takeaways in advance of these work sessions.

- 2) **Fourth Quarter BOZAR Reviews** - The fourth quarter of 2026 saw review and approval of:
 - a. An addition to 623 Teocalli Avenue
 - b. An addition to this historic primary building, stabilization of the existing historic accessory building and new ADU for 322 Maroon Avenue
 - c. A change of use for Rocky Mountain Biological Laboratory (RMBL)'s building at 615 Teocalli Avenue
 - d. Review of the continued site plan approval for 915 Bellevue Avenue
 - e. Proposal for new single-family residence and cold accessory building at 65 Pyramid Avenue
 - f. Recommendation to the Town Council on the Hideout's food truck proposal
 - g. In addition, the Board has had four work sessions with Staff and Counsel about the zoning code revisions and Design Standards update.
- 3) **Marshal's Addition/Renovation Open House and Meet the New Chief!** - On Friday, February 6th from 9:00 am to 11:00 am please come to Council Chambers at Town Hall (507 Maroon Avenue) to view draft plans of the Marshal's Addition/Renovation and give feedback on the draft plans for the Crank's Plaza area. This is also a special opportunity to meet our new Chief Marshal, Sean Besecker who will take over in March 2026 when current Chief Marshal, Mike Reily retires after 29 years working for the Town of Crested Butte. Sean has worked in law enforcement for more than 16 years with more than ten of this being for the Town of Crested Butte. Town will provide coffee and doughnuts!
- 4) **Mineral Point Project Update** -
 - a. Building A (601 Butte Avenue) is in the interior trim phase with interior painting starting next week. Exterior siding work should be completed by the 16th of January. Solar panels are installed on the roof.
 - b. Building B (603 Butte Avenue) Drywall work is in the process of being installed. Exterior siding work should be completed by the 16th of January. Solar panels are being installed.
 - c. Building C (605 Butte Avenue) Drywall work should be completed by the 16th. Solar panels are being installed.
 - d. Bike Barn framing work and siding work is done. The roof work should be done by the 20th
- 5) **Residential Compost Drop Off Location Officially Moving** – Clark's Market has agreed to host Element Mountain Compost's (EMC) compost drop off location. They will also compost their in-store food waste with EMC. Bins will be moved from the Chamber of Commerce to Clark's on January 15, 2026. EMC will inform its subscribers, and Clark's will also promote the program. Staff will include an ad in the Crested Butte news next week and market via social media. Staff is hopeful that the improved visibility and convenience of this new location will increase participation rates.
- 6) **Single Use Plastic Policy Special Event Holders Focus Group** – Staff will host a focus group for special event holders on Jan. 28 from 9-11 to discuss proposed single use plastic reduction policies for special events in 2026. Staff will present this meeting's outcomes to Council members on Feb. 17, 2026.

Town Clerk

- 1) Beginning in February, staff will shift their focus to the parklet application process, beginning with liquor license holders temporarily modifying their premises.

- 2) In 2026, the department will prioritize strengthening redundancy, particularly for Council meeting deliverables.
- 3) Crested Butte Nordic plans to hold the Gothic Mountain Tour on February 15, 2026. The event will impact the Town Ranch area, conclude at the yurt, and be reviewed administratively.

Finance/HR/IT

- 1) Save As You Throw – billing for Save As You Throw commenced with the December 2025 billing, with customers receiving their bills in early January. Staff has fielded a number of calls from customers seeking to clarify new billing values. Some customers are seeking to limit the number of bins currently billed, especially when a single metered account has multiple dwelling units (e.g., ADUs). Staff will discuss internally later this month if the current Code provisions allow for such a transaction.
- 2) Implementation of Project Accounting – Staff is finalizing the implementation of Project Accounting in our existing financial system. Project Accounting will enhance our financial capabilities in managing capital improvement, operational and grant-related projects. Staff will include the new project numbering convention in periodic reporting to Council and during the budget cycle.
- 3) 2025 Financial Audit – The Town’s independent auditor will commence the annual financial audit in March, with possible onsite fieldwork to be completed in mid-April. State Statutes require the audit to be complete and submitted to the governing body by June 30.

Upcoming Meetings or Events Council may choose to attend

Feb 6, 9:00-11:00, Council Chambers – Marshal’s Addition/Renovation Open House and Meet the New Chief

March 18 – Mike Reily retirement party & Change of Command ceremony, 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.



Staff Report

January 20, 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 set the Ordinance for second reading on January 5, 2026. Council 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 sell 828 Gothic #1A and authorize the Town Manager to execute all documents related to the sale.

Proposed Motion:

A Council member should make a "make a motion, to sell 828 Gothic #1A and authorize the Town Manager to execute all documents related to the sale followed by a second, and roll call vote.

Attachments

Ordinance 1, Series 2025