

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, February 3, 2025

Please note, the Town Council meeting, scheduled for Tuesday, February 18, 2025, is cancelled.

Meeting information to connect remotely:
<https://us02web.zoom.us/j/89808714734>
Join via audio: +1 719 359 4580 US +1 669 444 9171 US +1 253 205 0468 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 +1 507 473 4847 US +1 564 217 2000 US +1 646 931 3860 US
Webinar ID: 898 0871 4734

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) Redeveloping the Original Center for the Arts Building.
Staff Contact: Town Manager Dara MacDonald
- 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 21, 2025 Regular Town Council Meeting Minutes.
Staff Contact: Town Clerk Lynelle Stanford
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 choses to discuss or take action on a subject brought up during Public Comment that discussion should be held at the end of the Council meeting under “Other Business to Come Before the Council.”
- 7:10 PROCLAMATION IN HONOR OF COMMUNITY DEVELOPMENT DIRECTOR TROY RUSS**
- 7:15 STAFF UPDATES**
- 7:20 LEGAL MATTERS**
- 7:25 PUBLIC HEARING – Con’t from 1-21-2025**
1) (Second Reading) Ordinance No. 1, Series 2025 - An Ordinance of the Crested Butte Town Council Amending Chapter 16, Section 16-1-20 and Section 16-5-520 of the Crested Butte Municipal Code to Accommodate the Colorado Natural Medicine Health Act Requirements.
Staff Contact: Community Development Director Troy Russ
- 7:40 NEW BUSINES**
1) Initial Debrief on Paradise Park Workforce Rental Housing Lottery of January 22nd, 2025.
Staff Contact: Housing Director Erin Ganser
- 8:00 2) Town Council Adoption of the 2030 Climate Action Plan.**
Staff Contact: Sustainability Coordinator Dannah Leeman
- 8:10 3) Reconsideration of Property Manager Discussion.**
Staff Contact: Town Manager Dara MacDonald, Finance Director Kathy Ridgeway, and Housing Director Erin Ganser
- 8:30 COUNCIL REPORTS AND COMMITTEE UPDATES**
- 8:35 OTHER BUSINESS TO COME BEFORE THE COUNCIL**

8:40 **DISCUSSION OF SCHEDULING FUTURE WORK SESSION TOPICS AND COUNCIL MEETING SCHEDULE**

- Monday, February 10, 2025 - 6:00 Work Session on Long Range Financial Planning
- **Meeting Cancelled** - *Tuesday*, February 18, 2025 - 6:00PM Work Session - 7:00PM Regular Council
- Monday, March 3, 2025 - 6:00PM Work Session - 7:00PM Regular Council
- Monday, March 17, 2025 - 6:00PM Work Session - 7:00PM Regular Council

8:45 **ADJOURNMENT**



To: Crested Butte Town Council

From: Jillian Liebl, Executive Director of the Center for the Arts

Subject: Work Session: Redeveloping the Original Center for the Arts Building

Summary: The original Center for the Arts building is not usable in its current condition. Redevelopment of the facility (“Phase II”) has not been a priority over the past five years, but with the Community Plan and other regional planning efforts underway, now is the time to initiate a dialogue about Phase II, working toward a public-private partnership that can both deliver the Center’s mission and further the Town’s goal of supporting people who live and work here to thrive.

Previous Council Action:

- The Center approached Council at a work session in May 2024 to request that you consider supporting construction-related debt retirement as a way to initiate the Phase II project. While Council was open to a request with the condition that other local partners join the effort too, the Center chose not to pursue a formal request. With private support, we recently refinanced the remaining \$1M of debt, securing more favorable terms and somewhat reducing the pressure of debt retirement on our operating budget in the near term.
- In the Town’s 2025 budget priorities, presented to Council on September 16, 2024:
 - Goal 3: “Enable people who live and work here to thrive”
 - Strategy 3: “Assess the functionality and accessibility of Town facilities and leverage them to better meet the community’s needs”
 - 2025 budget priority: “Continue to implement the Town Facilities Plan through planning for a new Marshals facility, Town Hall renovations and civic campus, and discussions around Phase II at the Center for the Arts.”

- Phase II was identified in the Town’s Facilities Use Plan in 2023 as a future anticipated opportunity: “Supporting an arts/cultural hub through a redevelopment of the old Center for the Arts building to provide flexible space for arts and culture organizations to collaborate, perform, and create.” Strategy 3 of the Facilities Use Plan “contemplates leveraging Town facilities or conglomerates or ‘hubs’ of facilities to be shared by different entities and organizations to collaboratively support multiple community needs and promote community vitality.”

Background:

The Center for the Arts mission: Enriching our community through arts and cultural experiences for everyone.

Our vision: We present captivating, transformative, and fun experiences that enliven the creative soul and are essential to the vitality of our community.

The Center for the Arts has been a cornerstone of creativity and engagement in Crested Butte since 1987. We fulfill our mission by:

- Producing diverse year-round arts and cultural programming, including 75 free community events and nearly 100 live performances annually;
- Collaborating with local partners like the School of Dance and CBCS to support their arts and cultural programs; and
- Hosting local community events at accessible facility use rates, including Move the Butte, Avalanche Awareness Night, and Disco Inferno.

The Center is currently undergoing a strategic plan revision that will be complete by summer 2025. We anticipate that we will continue to pursue operational sustainability, community programming and partnerships, and financial durability as our main priorities. Strategies may include streamlining the facility booking process, increasing event partnerships with local organizations, expanding community programs, and supporting the local creative community through the Crested Butte Creative District.

Phase II:

The original design of the new Center for the Arts building was a phased approach, with the new building as Phase I, redevelopment of the original building as Phase II, and a rebuild of the Alpenglow Stage as Phase III. Initial concepts for Phase II included 6,000 square feet of office space for arts non-profits, visual arts classrooms, a commercial kitchen, and general-purpose community space. However, due to funding constraints and COVID, the Center postponed these plans.

In 2019-2020, the original building was utilized by various organizations, but the Town closed it to occupancy in late 2020 after identifying code compliance issues. Multi-year remediation efforts were followed by a comprehensive code study in early 2023, which identified even more extensive and costly issues. In February 2023, the Town and the Center jointly decided to close the building, with limited access for storage, until a redevelopment effort could be launched.

The Town leases both buildings to the Center under a 2020 agreement. The Center maintains the dormant building at a cost of about \$10k annually, and covers it under our liability insurance.

Over the past five years, Phase II has not been a top priority; the Center has focused on strengthening and stabilizing operations in the new facility while aggressively reducing construction-related debt.

A new facility is not mission-critical for the Center in the immediate future. Specific current needs—such as a commercial kitchen—could potentially be addressed through more cost-effective retrofits of or additions to our current facility. As outlined below, the Center would need to accomplish certain objectives in order to proceed on Phase II. However, we recognize that planning and community engagement for public-private partnerships requires time and due process, and so are coming to you now for your initial feedback and ideas.

Community Plan and Compass Alignment:

The Phase II project is an opportunity for the Town and Center to work together to address the Community Compass goal of enabling people who live and work here to thrive and to contribute to the Community Plan's goal of improving the livability, functionality, and sense of community in Crested Butte. The Community Plan Committee was asked in their December 20, 2024 meeting: "How can we increase opportunities for community gathering spaces? Can Town facilities and parcels be leveraged to meet this need?"

The answer is an emphatic "Yes!" Not only does the Center for the Arts want to expand community programs and partnerships in the current facility in the coming years, but we also hope to move forward with Phase II in partnership with the Town. Additionally, as the conversation evolves, robust collaboration with local creatives, organizations, and community members will be key in shaping a vision for a facility that reflects Crested Butte's values.

Crested Butte has long been a place where arts and culture thrive, and Phase II represents a meaningful opportunity to expand creative spaces that support local artists, creatives, and makers; increase community gathering spaces that foster connection beyond large-scale events; and encourage community members to create art together.

Next Steps and Process:

Who will fund it? The Center and Town of Crested Butte should work together to identify funding strategies that can leverage both public and private investment. The Center has the fundraising experience to solicit private contributions, and with the Town's support, we can also unlock additional funding sources, like state and federal grants only accessible to municipalities.

What will it be? Scope and design are unknown at this time, though the primary focus would be expanding arts and cultural programming and gathering spaces for the community. We have begun initial outreach efforts to over 30 individuals and organizations to gather feedback and start mapping community needs, and we are also engaged with other regional facilities planning processes.

When can it be built? The timeline is dependent on multiple factors. Our historical financial data shows that a large capital campaign will strain our organization's capacity and reduce general operations contributions. In order to undertake such a large project, we would need a mission-critical imperative for an expanded facility, after achieving other objectives, which could include:

1. Build operating cash reserve for financial stability
2. Retire remaining \$1M of construction debt from current facility
3. Expand community arts programs, partnerships with local groups, and community facility use in the current building
4. Conduct a broad community engagement process and organizational needs assessment

What could partnership look like? If the Center accomplishes the objectives listed above (and potentially other objectives to be determined), we could begin participating in a pre-design process for Phase II. Funding through private contributions and grants is the most likely avenue for success on this project. The current facility is an example of a public-private partnership that offers a very significant addition to the Town's cultural offerings, providing amenities and services to the community without raising taxes.

As it stands, the Town owns both Center for the Arts buildings and the land; the Center leases the facilities for \$1/year under a 50-year lease with two 10-year extensions. The Center is responsible for all liability insurance, utilities, and maintenance of both facilities, with the Town doing some of the landscaping and snow removal around the campus. The total cost of building maintenance, insurance, and utilities is around \$300k annually, which we anticipate to increase significantly in the coming years as the facilities age.

Unlike Phase I, local philanthropists have indicated that they would be unlikely to invest in the Phase II project if it is constructed under the current ownership structure.

Facility ownership is needed to secure future private support for a capital campaign because it will help ensure the Center's long-term financial stability.

Like most nonprofit arts centers around the country, the Center relies on donations for the majority of our operating revenue (around 66% in 2025). If the Center and Town worked collaboratively to restructure ownership, the Center would be eligible for a broader range of financial instruments we might utilize both to access working capital for programming expansion and facilities maintenance, and in the construction of Phase II. Additionally, the Center can fundraise more effectively with building ownership, allowing us to efficiently meet community needs and ensure the Center is financially stable for the future (e.g. by fundraising for an endowment).

Allowing the Center to access all available options for financing in the future and to strengthen its working capital position will help ensure the long-term viability of the Center and the operation and maintenance of the facilities for the benefit of the Town and the community.

In a discussion about transferring title of the facilities to the Center, we would like to explore mechanisms to ensure the facilities are well-stewarded and remain a community asset in perpetuity. These mechanisms could include:

- Deed restrictions to guarantee nonprofit, community, cultural, arts, and educational use.
- Oversight frameworks to ensure alignment with community priorities.
- Maintenance funding agreement to preserve the facilities' integrity over time.
- Requirement for Town Council approval of debt that leverages the property or utilizes the property as collateral.

Expectations of transfer could be established through an MOU with execution completed upon meeting specific milestones (i.e. meeting a fundraising goal, BOZAR approval, building permit, etc.)

As we move forward, we will seek the Town's feedback on key considerations such as community needs, concerns, and desired outcomes. We welcome discussions on how the Town envisions its role as a partner.

We could also explore other options for the original Center facility. These could include things like maintaining the status quo, demolition and open space development/modest additions to the current facility, limited renovation, Town leadership of redevelopment, or partnering with other entities to pursue redevelopment.

Ultimately, we are committed to working collaboratively to pursue solutions that align with the community's needs and values, and to ensure that the original building no longer remains an unused liability. We look forward to working together to create a sustainable and vibrant future for the arts in Crested Butte.

Questions for Council at this Work Session:

At this work session, we have the goal of starting the discussion about Phase II and getting your input and feedback on next steps. Some questions for Council:

1. What would your ideal outcome look like?
2. What are your concerns with:
 - a. Transferring title of the improvements or improvements and the land to the Center?
 - b. Redevelopment of the original Center building?
 - c. The timeline to redevelop the original Center building?
3. Is the Council open to considering a transfer of the title to the improvements only or to the improvements and land under the conditions suggested above?
4. Is the Council supportive of continuing to sponsor grant applications and/or considering other operations funding requests from the Center in the future?
5. Is the Council willing to consider direct financial support of Phase II in the future?

MINUTES
Town of Crested Butte
Regular Town Council Meeting
Tuesday, January 21, 2025

Mayor Billick called the meeting to order at 7:06PM.

Council Members Present: Mayor Ian Billick, Beth Goldstone, Mallika Magner, Gabi Prochaska, John O’Neal, Kent Cowherd, and Anna Fenerty

Staff Present: Town Manager Dara MacDonald, Town Attorney Karl Hanlon, and Town Clerk Lynelle Stanford

Parks, Recreation, Open Space and Trails Director Janna Hansen, Town Planner III Mel Yemma, Community Development Director Troy Russ, and Housing Director Erin Ganser (for part of the meeting)

APPROVAL OF AGENDA

Prochaska moved and Fenerty seconded a motion to approve the agenda. A roll call vote was taken with all voting, “Yes,” except Goldstone was momentarily absent and did not vote. **Motion passed unanimously.**

CONSENT AGENDA

1) January 6, 2025 Regular Town Council Meeting Minutes.

Staff Contact: Town Clerk Lynelle Stanford

2) Alley Loop Nordic Marathon Special Event Application for January 31st, 2025 and February 1st, 2025, closing Elk Avenue from the Zero Block through the 400 Block and Alleys and Special Event Liquor Permit for February 1st, 2025.

Staff Contact: Town Clerk Lynelle Stanford

3) Resolution No. 4, Series 2025 - A Resolution of the Crested Butte Town Council Approving the Fourth Amendment to the Intergovernmental Agreement Establishing the Gunnison Valley Regional Housing Authority.

Staff Contact: Housing Director Erin Ganser

4) Reappointment of BOZAR Board Member - Ed Schmidt.

Staff Contact: Town Planner III Jessie Earley

5) Award of Contract to A&M Renovations LLC for the Town Hall Exterior Masonry and Select Window Replacement Project 2025.

Staff Contact: Town Planner III Jessie Earley

6) Approval of Contract to Fixture Studio Construction & Development LLC for the Town Hall Second Floor Interior Renovation.

Staff Contact: Town Building Inspector Matt Flick

Fenerty moved and Prochaska seconded a motion to approve the Consent Agenda. A roll call vote was taken with all voting, “Yes,” except Goldstone was momentarily absent and did not vote. **Motion passed unanimously.**

PUBLIC COMMENT

Billick acknowledged written comments received from Jessie Schattner, the Land Trust, and Western.

STAFF UPDATES

MacDonald updated.

LEGAL MATTERS

Hanlon provided an update.

PUBLIC HEARING

1) (Second Reading) Ordinance No. 1, Series 2025 - An Ordinance of the Crested Butte Town Council Amending Chapter 16, Section 16-1-20 and Section 16-5-520 of the Crested Butte Municipal Code to Accommodate the Colorado Natural Medicine Health Act Requirements.

Staff Contact: Community Development Director Troy Russ

Russ requested a continuation of the public hearing. Billick opened the public hearing. Chris Smith, 808 Gothic Avenue and Sylvia Salcedo, 17 Beckwith Avenue, spoke. The Council discussed.

Magner moved and Fenerty seconded a motion to continue the public hearing to February 3rd, 2025. A roll call vote was taken with all voting, “Yes.” **Motion passed unanimously.**

2) Application to Change the Location of the Liquor License for Sherpa Dharma LLC DBA Sherpa Café from 313 3rd Street to 309 6th Street.

Staff Contact: Town Clerk Lynelle Stanford

Billick opened the public hearing. There were no comments from the public. The public hearing was closed.

Prochaska moved and O’Neal seconded a motion to approve the change of location for Sherpa Dharma LLC to 309 6th Street. A roll call vote was taken with all voting, “Yes.” **Motion passed unanimously.**

NEW BUSINESS

1) Resolution No. 3, Series 2025 - A Resolution of the Crested Butte Town Council Adopting Changes and Additions to the 2024 Budget and Appropriations Relative to the Utility Enterprise Fund.

Staff Contact: Finance Director Kathy Ridgeway

Goldstone moved and Fenerty seconded a motion to approve Resolution No. 3, Series 2025. A roll call vote was taken with all voting, “Yes.” **Motion passed unanimously.**

2) Discussion of Policy Regarding Town Support of Community Non-Profits.

Staff Contact: Town Manager Dara MacDonald

MacDonald introduced Lauren Kugler and Alicia Corliss, from the Community Foundation, who were on Zoom. Billick summarized the discussion.

COUNCIL REPORTS AND COMMITTEE UPDATES

Fenerty updated.

OTHER BUSINESS TO COME BEFORE THE COUNCIL

O’Neal and Fenerty asked questions, and there were additional discussions.

DISCUSSION OF SCHEDULING FUTURE WORK SESSION TOPICS AND COUNCIL MEETING SCHEDULE

- Monday, January 27, 2025 - 6:00PM - Dinner with the Mt. Crested Butte Town Council in Mt. Crested Butte
- Monday, February 3, 2025 - 6:00PM Work Session - 7:00PM Regular Council
- Monday, February 10, 2025 - 6:00 Work Session on Long Range Financial Planning
- **Meeting Cancelled** - Tuesday, February 18, 2025 - 6:00PM Work Session - 7:00PM Regular Council
- Monday, March 3, 2025 - 6:00PM Work Session - 7:00PM Regular Council

ADJOURNMENT

Mayor Billick adjourned the meeting at 8:59PM.

Ian Billick, Mayor

Lynelle Stanford, Town Clerk (SEAL)



Memorandum

To: Town Council

From: Dara MacDonald, Town Manager

Subject: Manager's Report

Date: February 3, 2025

Town Manager

- 1) No updates

Sustainability

- 1) **GCEA Updates** – GCEA has postponed their scheduled Feb. 3 presentation until federal guidance on project funding has settled. Staff will inform Town Council when they are ready to present.
- 2) **Waste Management Contract** – Waste Management and staff are finalizing contract terms with Waste Management on Municipal Refuse and Recycling services. Staff anticipates this contract will be ready for the Mar. 3 Town Council Meeting consent agenda.

Public Works

- 1) Bustang will be offering a second daily bus pick up in Crested Butte, starting February 1st, 2025. The Town will provide for bus parking along the west side of 6th street, between Bellevue and Red Lady Aves. See Pic Below. This area will be signed “bus parking only, 1100 AM – 100 PM daily”.



- 2) Snow Removal Updates:

- a. Water Service Lines: Based on the population dynamics of Town, the subsequent demand on the Town's Water System, and the burial depth of the existing water system (Town owned mains), the Town does not typically have to contend with frozen water mains; however, water services are prone to freezing if proper installation procedures have not been adhered too. Proper installation procedures include installation of the water service at a proper burial depth. Currently, the Town requires a 7 foot minimum burial depth. If this cannot physically be achieved, then the Town requires additional frost protection, such as foam pipe insulation or blue board. In addition to burial depth, the amount and consistency of use also directly impacts the ability of a service to freeze. For example, a house with a 5 foot deep service that supports a year round family will be far less likely to freeze than the same service supplying water to a house that sits inactive for a period of time in the winter. Although the removal of snow from the ground above a water service has the potential to increase the likelihood of a frozen pipe, proper installation methodology is the only true way to prevent frozen water services. To that end, the homeowner is responsible for the installation, on going maintenance and replacement of the service line from the saddle at the main through the property.
- b. Snow Removal Assistance Program: Currently has 15 active participants.
- c. Alley Snow Removal Procedures: Per the Snow and Ice Control Plan,
"Few alleys are maintained by the Town of Crested Butte. Private contractors may be hired by residents for alley maintenance. Any private contractor interested in plowing, hauling, or storing snow on public property must;
 1. *Obtain a Snow Management Permit from the Town of Crested Butte.*
 2. *Have a current Town of Crested Butte business license.*
 3. *State Registered Vehicle.*
 4. *Provide a current certificate of insurance listing the Town as additionally insured.**Additionally, any snow stored in Town alleys must be hauled prior to the snow reaching a height of one half the height of the adjacent fence line. At a minimum snow MUST be hauled from alleys prior to April 1st of each calendar year, except as otherwise permitted by the Town Manager in writing."*
- d. A map of snow removal operations, including alleys plowed by the Town is attached. Complete information about snow removal operations can be found on the [Snow Removal](#) page of the Town's website.

Marshals

- 1) A friendly reminder to everyone parking in the neighborhood and skier zones. If you have registered your vehicle appropriately, awesome. Please keep in mind, and remind guests, winter parking rules ALSO apply in those areas. Just because your vehicle is registered doesn't make it exempt from winter parking.
 Registrations: <https://www.parkcrestedbutte.com/townofcrestedbutte>
 Winter parking rules: <https://www.crestedbutte-co.gov/parking>

Parks, Recreation, Open Space and Trails

- 1) Waste Management has awarded the Town \$1,000 in sponsorship of this year's Town Picnic! We want to send a big THANK YOU to Sampson Brozek, our Regional Manager, for nominating us to WM for this generous sponsorship.
- 2) Per Council request at the last meeting, open space and trail maps [can be found here](#).
- 3) Per Council request at the last meeting, please see the attached memo with details regarding the PROST funding sources and budget.

Community Development

1. At the January 21, 2025 Council meeting, Staff was asked to provide a breakdown of the Town owned employee rental housing units and share a copy of the [Town Employee Rental Housing Policy](#)

Address	
19 Ninth Street (ADU)	Studio
716 Elk (Depot)	1 Bed
814 Teocalli	1 Bed
902 Ninth Street #1 (Town Ranch)	1 Bed
902 Ninth Street #3 (Town Ranch)	1 Bed
817 Gothic	2 bed
107 Teocalli	2 bed
906 Butte	2 bed
815 Gothic	2 bed
902 Ninth Street #2 (Town Ranch)	2 bed
263 A Escalante CB South	3 bed
18 Tenth Street (Haney)	3 bed
812 Teocalli	3 bed
17 Ninth Street	3 bed

Total - 14 Units

27 Bedrooms

2. **Senate Bill 23-166 – Colorado Wildfire Resiliency Code.** The State of Colorado is drafting the rules and regulations for the implementation of Senate Bill 23-166, the Colorado Wildfire Resiliency Code. All local jurisdictions will be required to adopt the State code as a minimum requirement. Home Rule municipalities, like Crested Butte, would be welcome to make their rules more restrictive.

Note, this code would not function retroactively. This code would only be triggered by a building code application. Specifically, the subcommittee is recommending the new code apply to the following three circumstances:

- All new construction
- Construction of an additional 500sf or more to an existing building, or
- Construction/repair of 25% or greater of an existing structure's total surface area (roof, siding)

Note, there are no provisions for historic structures in the current draft.

The subcommittee creating the rules and regulations has started a public comment period on the new rules and regulations. Community Development staff participated in the meeting and raised several questions regarding the draft code. The public comment period will be open until May 10, 2025. You can find links to the subcommittee's work below:

[DRAFT Colorado Resiliency Code \(Link\)](#)
[Initial WUI Hazard Map \(Link\)](#)

The subcommittee will finish their work, and the code will be ratified by the State no later than July 1, 2025. Crested Butte will be required to adopt a Wildfire fire code no later than October 1, 2025. Enforcement of the Code by the Town will be required no later than January 1, 2026.

Town Clerk

- 1) The Alley Loop is coming up this upcoming weekend, January 31 and February 1. Town crews, the Fire Department, and Mountain Express have all coordinated with staff from Nordic, and we are lucky to have so many experienced people involved in planning the event. Thank you particularly to Public Works for all of their help with snow moving logistics.
- 2) Nordic has also been busy planning the Gothic Mountain Tour, planned for February 22, 2025, with Town Ranch the area that is affecting Town.
- 3) Laserfiche, software utilized as Town's digital records repository, was recently upgraded, which effectively moves the Town's data to the cloud, ensuring one more level of physical security with the removal of the extra server.

Finance/HR/IT

- 1) December and 2024 revenue report:

TOWN SALES TAX DECEMBER 2024								
Business Category	Total Amount 2024	Total Amount 2023	\$ Diff	% Diff	YTD 2024	YTD 2023	\$ Diff	% Diff
BARS/REST	155,571	149,349	6,222	4.17%	2,127,117	1,933,160	193,958	10.03%
ECOMMERCE	32,461	51,145	(18,685)	-36.53%	345,421	318,665	26,756	8.40%
GROCERY	74,302	79,781	(5,479)	-6.87%	934,834	733,684	201,150	27.42%
RETAIL	122,616	137,312	(14,695)	-10.70%	1,448,071	1,552,030	(103,959)	-6.70%
RETAIL:MMJ	10,307	10,946	(639)	-5.84%	133,528	145,105	(11,577)	-7.98%
LODGING	63,054	60,368	2,686	4.45%	814,168	864,005	(49,837)	-5.77%
CONST/HRDWR/AUTO	68,585	82,951	(14,366)	-17.32%	691,529	679,324	12,204	1.80%
SERVICE	77,158	81,505	(4,347)	-5.33%	519,785	486,728	33,057	6.79%
Grand Total	604,055	653,358	(49,303)	-7.5%	7,014,453	6,712,700	301,753	4.5%
OTHER REVENUE SOURCES								
Vacation Rental Excise Tax	74,054	77,276	(3,222)	-4.2%	814,744	913,599	(98,855)	-10.8%
Tobacco & Nicotine Tax	15,759	16,326	(567)	-3.5%	189,442	191,499	(2,056)	-1.1%
RETT	187,587	168,300	19,287	11.5%	2,534,386	2,908,084	(373,698)	-12.9%
Carry Out Bag Fee	563	412	152	36.8%	6,012	4,032	1,980	49.1%

- 2) The website redesign project is kicking off. As a reminder we have secured a grant of \$150,000 from the State of Colorado which will cover the cost of the project. We have selected [Propeller Consulting](#) as the project consultant from the list of vendors pre-approved by the State. The reimagined website will be user-friendly and meet all accessibility requirements. The project will be completed by May.

Upcoming Meetings or Events Council may choose to attend

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

February 3, 2025

To: Mayor and Town Council

Prepared By: Troy Russ, Community Development Director

Thru: Dara MacDonald, Town Manager

Subject: **Ordinance 1, Series 2025**, An Ordinance of the Crested Butte Town Council Amending Chapter 16, Section 16-1-20 and Section 16-5-520 of the Crested Butte municipal Code to accommodate the Colorado Natural Medicine Health Act Requirements. (Continued from January 21, 2025)

Summary

Town Council is being asked to review and approve necessary changes to Chapter 16 of the Crested Butte Municipal Code (the Code) to accommodate the requirements of Colorado's Natural Medicine Health Act (Colorado Revised Statutes (C.R.S.) § 12-170) and the Natural Medicine Division Rules establishing the statewide regulatory framework defining how the use of natural psychedelic substances in a controlled environment could occur. These rules are outlined in the Code of Colorado Regulations 1 CCR 213-1 and its enabling legislation C.R.S. § 50-44.

Sections 12-170-107 (1)(2)(3)(4) and (5) of the C.R.S. § 12-170 outline how local municipalities are required to accommodate State licensed Natural Medicine Businesses permitted to provide psychedelic natural medicine services by December 31, 2024.

Each subsection of the State Statute that pertains to the Town Crested Butte's activities are listed below:

- 1) A locality may regulate the time, place, and manner of the operation of healing centers licensed pursuant to this article 170 within its boundaries.
- 2) A locality may not ban or completely prohibit the establishment or operation of healing centers licensed pursuant to this article 170 within its boundaries.
- 3) A locality may not ban or completely prohibit a licensed health-care facility or individual within its boundaries from providing natural medicine services if the licensed health-care facility or individual is permitted to provide natural medicine services by the department pursuant to this article 170.
- 4) A locality may not prohibit the transportation of natural medicine through its jurisdiction on public roads by a licensee or as otherwise allowed by this article 170.

- 5) A locality may not adopt ordinances or regulations that are unreasonable or in conflict with Article 170, but may enact laws imposing lesser criminal or civil penalties than provided by this article 170

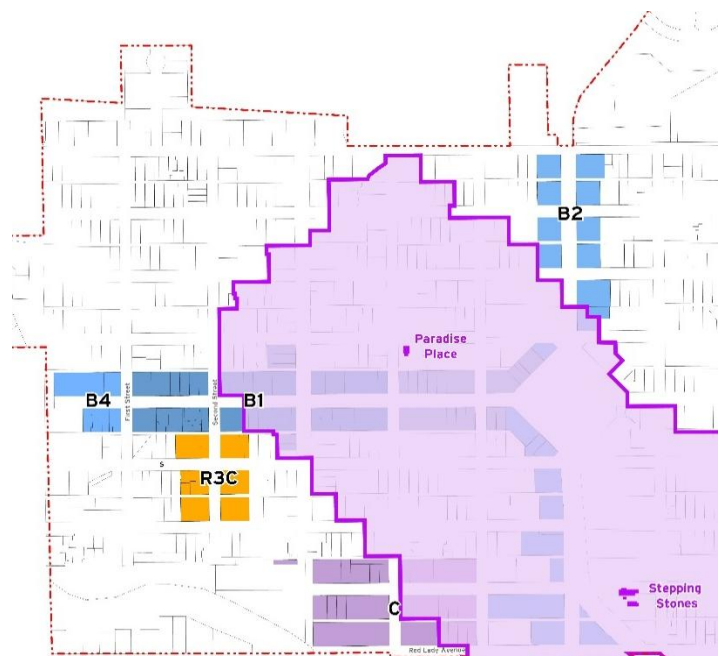
The Colorado Department of Revenue, Natural Medicine Division, is responsible for licensing potential natural medicine businesses. The Code of Colorado Regulations 1 CCR 213-1 defines a natural medicine business as one of four possible entities:

- Healing Center
- Natural Medicine Cultivation Facility
- Natural Medicine Products Manufacturer
- Natural Medicine Testing Facility

The Board of Zoning and Architectural Review (BOZAR) is recommending Town Council add a number of the State's definitions associated with Natural Medicine Businesses into the Crested Butte Code and approve the use of all four natural medicine business types as a permitted use in the Commercial District (C-Zone). Additionally, the Board recommends the Town Council approve the addition of the State's definition of "healing center" to the Code by modifying the current definition of "Personal Services Establishment". This would allow that activity to occur in all of Crested Butte's Business Districts (B1, B2, B3, and B4) as a permitted land use as well as a conditional land use within the mixed-use zone district R3C.

Proposed Zone Districts that Could Accommodate a Natural Medicine Businesses:

- **C-Zone: (Darker purple)**
 - o Permitted Land Uses: Healing Center, Natural Medicine Cultivation Facility, Natural Medicine Products Manufacturer, and Natural Medicine Testing Facility.
- **B1, B2, B3, and B4 Zones: (Blue)**
 - o Permitted Land Use: Healing Center
- **R3C: (Orange)**
 - o Conditional Land Use: Healing Center
- **1 CCR-213-1: (lighter purple)**
 - o Prohibits natural medicine businesses within 1,000' of a day-care, childcare, or school – shown below in the map on the right



Previous Council Action

The Town Council approved Ordinance 1, Series 2025 on first reading, without amendment, and set the public hearing for January 21, 2025. The public hearing was continued by the Town Council on January 21, 2025, to February 3, 2025.

During the January 21st hearing, a number of citizens asked three questions regarding the implementation of the Ordinance and the possibility of favoring locally owned businesses. Staff's response to these questions are listed below.

1) Do the State regulations require the property to be owned by the licensed business?

- a. The Town does not provide legal advice. Here is the section of 1 CCR 213-1 that describes the State's requirements regarding property ownership.

2140 – Disclosure of Financial Interests and Owners of Natural Medicine Business License

B. An Applicant for a Natural Medicine Business License must also disclose the following agreements to the Division with each initial application. The Natural Medicine Business shall also disclose each of the following to the Division with each renewal application if the agreement has not previously been disclosed or has changed since the last application. The following agreements do not necessarily constitute a Financial Interest for purposes of the number of Natural Medicine Businesses a person holds:

- 1. A real or personal property lease;
- 2. Secured or unsecured promissory notes;
- 3. Agreements with a Natural Medicine Business regarding intellectual property;
- 4. Management agreement(s) with the Natural Medicine Business; and
- 5. Insurance policy(ies) issued to the Natural Medicine Business.

2) Can a natural business function as a home occupation within the residential district?

- a. Currently, no. A home occupation is a commercial activity within a home that does not impact on the character of the neighborhood. Specifically, home occupations cannot employ individuals other than the occupants of the dwelling, nor have customers access the property. While the Town Council can change the nature of a home occupation at any time, staff recommends this question be answered after the Community Plan is completed and the Town updates the Zoning Code, as this zoning update did not have a large enough community engagement effort to justify such a substantial change.

3) Local ownership vs. national industry?

- a. The Town's formula business ordinance will restrict a natural medicine business chain to the C-Zone only. The current ordinance would prohibit them from locating in the Business Districts and the Mixed-use Zone District (R3C). While this ordinance could be modified by the Town Council staff recommends this question be answered after the Community Plan is completed and the Town updates the Zoning Code, as this zoning update, as this is a complex question that needs a more analysis and community outreach.

Background

In 2022, Colorado voters approved Proposition 122: Access to Natural Psychedelic Substances. Subsequently, the Colorado Legislature approved CRS § 12-170 to outline a statewide regulatory framework allowing the use of natural psychedelic substances in a controlled environment. The law requires local jurisdictions to accommodate the controlled distribution of natural psychedelic substances through State licensed health-care facilities and individuals permitted to provide natural medicine services no later than December 31, 2024. Natural Medicine Division Rules 1-CCR 213-1 establishes the regulatory framework for how Colorado Department of Revenue could license a business to use natural psychedelic substances in a controlled environment to serve the residents of Colorado.

Article 23 of the Town of Crested Butte's zoning ordinance outlines the process for the Town, citizens and property owners requesting an Amendment the Zoning Chapter. Any amendment to the existing ordinance is required to be first reviewed by BOZAR for a recommendation to the Town Council. The Board voted unanimously on December 17, 2024, to recommend the Town Council approve the changes to Chapter 16 of the Code as outlined in this staff report.

Amendments to the Municipal Code

BOZAR recommends the Town Council approve the following changes to the Town's zoning regulations contained in Chapter 16 of the Code.

Section 16-1-20 (Definitions)

Add the following State of Colorado's definitions from C.R.S. 1 CCR 213-1 and modify the Town's definition of "Personal services establishments":

- "Facilitator" has the same meaning as in Colorado Revised Statutes (C.R.S.) § 44-50-103(5)
- "Healing center" has the same meaning as in Colorado Revised Statutes (C.R.S.) § 44-50-103(6)
- "Natural Medicine" has the same meaning as in Colorado Revised Statutes (C.R.S.) § 44-50-103(13)
- "Natural Medicine Cultivation Facility" has the same meaning as in the Colorado Regulated Natural Medicine Rule 1-CCR 213-1
- "Natural Medicine Product" has the same meaning as in Colorado Revised Statutes (C.R.S.) § 44-50-103(15).
- "Natural Medicine Products Manufacturer" has the same meaning as in the Colorado Regulated Natural Medicine Rule 1-CCR 213-1
- "Natural medicine services" has the same meaning as in Colorado Revised Statutes (C.R.S.) § 44-50-103(16).
- "Natural Medicine Testing Facility" has the same meaning as in the Colorado Regulated Natural Medicine Rule 1-CCR 213-1
- "*Personal services establishments*" means businesses offering personal services, including but not limited to travel agents, booking agents, recreation services providers or planners, outfitting companies, massage, yoga, healing arts, healing center, chiropractic offices, acupuncture, martial arts and other similar disciplines, dance, alternative health services,

spas, salons, barber and beauty shops, stationery and graphics shops, Laundromats (not commercial), shoe repair, sewing and tailoring, nonproduction copying and printing, studios for instruction in the arts, art studios, radio and television broadcasting and catering services.

BOZAR further recommends Town Council approve the State's defined "Healing Center", "Natural Medicine Cultivation Facility", "Natural Medicine Products Manufacturer", and "Natural Medicine Testing Facility" land uses be added to the list of permitted land uses in the C-Zone in Section, 16-5-520 of the Code.

Finally, the Board believes the "healing center" land use, providing the supervised use of natural medicines by a state licensed facilitator functions differently than a "cultivation", "manufacturing", and "testing facilities", similar to "Alternative Health Services", which are included in the Town's current definition of "Personal Service Establishments". While the current definition includes the phrase "including, but not limited to", staff and the Town Attorney felt it necessary to include the State's very specific definition of "healing center" to ensure it was clear the voter approved land use would be allowed in Crested Butte.

Analysis

I. Staff Review:

The Town Council is required to consider the following criteria for zoning changes as outlined in Section 16-23-90 of the Town Code. No application for initial zoning or rezoning shall be approved unless it is demonstrated to the Town Council that:

- (1) The proposed zoning classification promotes the health, safety and welfare of the inhabitants of the Town and promotes the purposes of this Code.

The proposed amendments to Chapter 16 allow a voter approved State Constitutional Amendment and State Legislature mandated allowance of the controlled use Natural Psychedelic Substances in local municipalities to promote "well-being, life satisfaction, and overall health" to residents of Colorado would be able to be cultivated, manufactured, and tested in C-Zone of Crested Butte. The C-Zone is the Town commercial and light industrial zone district. It is more insulated from residential neighbors. Further the healing centers, where the controlled use of the substances would be allowed in the C, B1, B2, B3, and B4 zones as a permitted use and in the R3C mixed use zone as a conditional use. Staff believe this criterion is met.

- (2) At least one (1) of the following factors exists:

- a. The proposed zoning classification is consistent with the goals and policies of the Town's Land Use Plan;

The State's definition of "Healing Center", "cultivation", "manufacturing", "and testing" are consistent with the currently permitted land uses in the C-Zone and the introduction of "healing centers" to the definitions of "Personal Services Establishments" allows an activity that is consistent with "Healing Arts" and "Alternative Health Services" which are currently allowed in land use categories permitted in the C, B1, B2, B3, and B4 zones as a permitted land use and the R3C zone as a conditional use. Staff believe this criterion is met.

- b. There has been a substantial and material change in the character of the neighborhood or in the Town generally such that the proposed rezoning would be in the public interest and would be consistent with the change in character; or

In 2022, Colorado voters approved Proposition 122: Access to Natural Psychedelic Substances. Subsequently, the State Legislature required local jurisdictions to accommodate the use, based on the voter approved constitutional amendment. Staff believe this criterion is met.

- c. The property to be rezoned was previously zoned in error.

N/A

(3) Each of the following criteria is satisfied:

- a. The proposed use of the rezoned or zoned property is compatible with the surrounding uses;

The State's definition of "Healing Center", "cultivation", "manufacturing", "and testing" are consistent with the currently permitted land uses in the C-Zone and the introduction of "healing centers" to the definitions of "Personal Services Establishments" allows an activity that is consistent with "Healing Arts" and "Alternative Health Services" which are currently allowed in land use categories permitted in the C, B1, B2, B3, and B4 zones as a permitted land use and the R3C zone as a conditional use. Staff believe this criterion is met.

- b. In the case of proposed redevelopment of property, the proposal for the use of the rezoned or zoned property is an improvement to the neighborhood and to the Town.

N/A

(4) The requirements of Subparagraph (a) (2) b. above shall not apply to any initial zoning of property that is either within or annexed to the Town.

N/A

(5) The Town Council may impose reasonable conditions upon the future use of the rezoned or zoned property to ensure conformance with the standards of this Article."

Staff believe this criterion is met.

Climate Impact

No known impact.

Financial Impact

No impact.

Legal Review

Legal counsel reviewed and improved Ordinance 1, Series 2025. Several changes were made to the ordinance since the first reading of the Ordinance to accommodate the State of Colorado's final Natural Medicine Division Rules outlined in the Code of Colorado Regulations 1 CCR 213-1 and its enabling legislation C.R.S. § 50-44.

Recommendation

On December 17, 2025, the Board of Zoning and Architecture Review recommended Town Council approve Ordinance 1, Series 2025.

Proposed Motion

For a member of the Council, followed by a second, to move to approve Ordinance 1, Series 2025 on a roll call vote.

Attachments

- Ordinance 1, Series 2025 and Exhibit A
- CRS § 12-170
- Colorado Regulated Natural Medicine Rules 1 CCR 213-1



Staff Report

February 3, 2025

To: Mayor and Town Council

Prepared By: Dara MacDonald, Town Manager

Subject: Initial debrief on Paradise Park Workforce Rental Housing Lottery of January 22, 2025

Summary: On the evening of January 22nd, the Town conducted a lottery for the first nine units of the Paradise Park Workforce Rental project. Following the drawing for two-bedroom units, a participant indicated that their name was not called (all tickets are drawn to establish winners and the waitlist), and upon conducting an audit the drawing for two-bedroom units had to be held again. One of the five winners in the original round was unsuccessful in the second drawing. The oversight which led to the need for a second drawing and the strong community response have led to the addition of a debrief with Council for the agenda on February 3rd in addition to the more detailed debrief and suggested changes for the Affordable Housing Guidelines and process discussion already planned for March 3rd.

Town staff apologize for the error of inadvertently excluding a lottery ticket from the first drawing for the two-bedroom units. It is our responsibility to provide a transparent, carefully structured, fair lottery. Our pre-lottery check in process was not sufficiently rigorous. Staff have identified new procedures to strengthen check-in processes, limit the number of people who touch tickets, and better manage involvement by participants. We will detail these proposed changes for the Council on March 3rd.

Previous Council Action: The Town updated its Affordable Housing Guidelines in November 2024 following a lengthy public process. The guidelines provide criteria for the qualification of tenants as well as conduct of lotteries. The guidelines are available on the Town's website: [Community Housing](#).

Discussion:

There were three staff members receiving community members both in the Council Chambers and online on the evening of the lottery. For lottery participants who chose to attend in person or virtually, a staff member reviewed with them the number of tickets they had been assigned based on their longevity working in the community and confirmed which lottery(ies) they were entered into. There were to be three lotteries for various sized units, one-, two- and three-bedroom units.

Staff split the double strips of tickets with the participants so each could have a copy of their ticket numbers, and either placed tickets for the one- and three-bedroom bins respectively and separated the tickets for the two-bedroom drawing so that winners from the one- and three-bedroom drawing could be removed from the subsequent three-bedroom drawing. Ten applicants participated in more than one lottery.

The Council Chambers was loud during this check-in time as people checked-in, milled about and got settled. It was particularly difficult to communicate with the participants who were online. In addition, participants were coming around the back of the dais to speak with staff rather than staying on the public side as intended. This just intensified the difficulty in maintaining clear communication and control of the process.

Erin Ganser managed the lotteries with kind assistance from Council member Gabi Prochaska. As each lottery ticket was drawn, the order of the draw was announced and updated on the screen in the Council Chambers (and online), and afterward the winning households selected their preferred unit(s). All tickets are drawn in each of the three lotteries. By drawing each ticket, places are established for selection of units as well as the waitlist, should a participant drop out. The process can drag on a bit as each ticket is drawn since households with many tickets continue to have their tickets pulled throughout the process.

As tickets were pulled, they were placed on labeled sheets of paper on the Council dias adjacent to each participant's name. This system allowed for an efficient audit of the tickets following each lottery. Once all of tickets were pulled, Erin and Gabi conducted a count of the tickets for each participant and verified the number of tickets that were awarded to each participant had been included in the lottery.

The lotteries for the three-bedroom units and the one-bedroom units were completed and audited without incident. Since some of the participants in the 2-bedroom lottery had been selected for units in the one- and three-bedroom lotteries, their tickets had to be removed from the pool of tickets for the two-bedroom units. This was completed and the lottery was conducted. Towards the end of the two-bedroom lottery, one of the participants came forward and placed an objection as their name had not been called. Through the audit, Erin and Gabi confirmed that this participant's ticket had not been included in the lottery. A search of the area turned up the ticket that was supposed to be in the drawing bin at the end of a table near another bin.

At that time Erin announced that a qualified participant's ticket had been inadvertently left out of the lottery and that the drawing was invalid and would need to be conducted again. The lottery proceeded in the same manner – checking the tickets going into the bin, conducting the drawing, and auditing the results. This time all tickets were accounted for. Unfortunately, one of the households that won a unit in the first drawing did not win a unit in the second drawing.

Video recording of the lottery can be viewed here: [video1834652073.mp4](#)

Issues identified:

- Slow down the check-in process. Staff recommend that one staff member be responsible for checking in all lottery participants (online and in person) to confirm their ticket allocation and names written on the back and take a seat/wait online. This approach will limit the number of people who touch the tickets and will take longer but will slow the flow

of participants and limit opportunities for interruptions and distractions. Staff will also re-evaluate whether a double strip of tickets (one for the bin, one for the participant) provides more transparency or more confusion.

- Restructure the pre-lottery confirmation. Prior to each drawing, staff will announce each participant's name, their ticket allocation, and add tickets to a hopper in view of seated audience as an orderly part of the proceedings. This approach will also add duration to the event but provides superior transparency.
- Consider amending the guidelines for deeper detail of process and inclusion of a waitlist policy.
- Consider conducting digital lottery. (Community feedback was not supportive of this approach.)

Upcoming Lotteries and Waitlist Structure:

The project has three phases of completion. The next phase includes two, two-bedroom units, which will be finished this summer. The final phase includes a triplex with a one-, two- and three-bedroom unit that will be finished around year end. A lottery will be held for each of these phases. Each lottery will re-establish the waitlist for the size units included in the lottery.

Vacancies will be filled based on the waitlist established in the drawing order at the previous lottery for the specific unit type. The drawing order established at the final lottery (year end 2025) will be the waitlist which applicants will be pulled from to fill future vacancies. The waitlist will be purged routinely to remove parties that are no longer interested. Over time, staff will evaluate whether the list should be fully purged, and applications reopened to repopulate the waitlist.

Legal Review: The Town Attorney has been informed of the situation and is up to speed on what occurred and relevant documentation.

Recommendations: Council members should feel free to ask questions about the lottery, guidelines and process. Council members may also make suggestions of additional issues that staff can prep for consideration at the March 3rd Council discussion scheduled on this topic.

Attachments:

Email from Ben and Korlissa Hess dated January 27, 2025

Email from Karen Morgan dated January 24, 2025

Emails from Abby Whitaker dated January 24, 2025



Staff Report
February 3, 2025

To: Mayor and Town Council

Prepared By: Dannah Leeman, Sustainability Coordinator

Subject: **Town Council Adoption of the 2030 Climate Action Plan**

Summary:

The purpose of this agenda item is for Town Council to consider adopting the 2030 Climate Action Plan (CAP).

Previous Council Action:

At the 12/16/24 Town Council CAP work session, staff shared with the Council public comments received during the public comment period and climate action plan committee (CAPC) feedback on the most current version of the plan at that time. A full summary of public and CAPC feedback on the 2030 CAP may be viewed within the staff report titled “Draft 2030 Climate Action Plan Update” in the [Monday, December 16, 2024 Second Amended Comprehensive E-Packet](#) on the Town’s website.

During the work session, Council gave the following recommendations for revisions to the plan:

- **Strategies BD-2 & BD-3 (on requiring building energy efficiency assessments and providing incentives)**
 - Council indicated that the framing of existing building energy efficiency requirements and incentives were confusing and should be clarified.
- **Water Conservation**
 - Council did not feel a water inventory or major actions on residential water conservation were necessary for this iteration of the Climate Action Plan. Council was agreeable to a note on water efficiency being included in recommendations for zoning code updates to embed the opportunity for future actions.
- **Solar Permitting Fees**
 - Council expressed concern about the fees the Town imposes for community members installing solar arrays on their homes and requested this be addressed within the CAP.
- **Document Length**
 - Council encouraged staff to find ways to reduce the length of the document and improve readability.
- **Scope 3 emissions recognition:**
 - Council advised staff to acknowledge only Scope 3 emissions (emissions caused by activities outside the boundaries of Town Town) within the CAP on which Town would likely have reasonable influence.

Background:

About the CAP

The 2030 CAP development began in January 2024 and is an effort to reassess town and community emissions levels and set new climate action goals to 2030 in Crested Butte. The goal of the CAP is:

“Crested Butte will act on the urgency of climate change by setting the example of what is possible for mountain communities to take responsibility for our climate impacts and strategically drive down Crested Butte's GHG emissions”.

The plan's main charter is to provide an implementation plan to meet the Community Compass strategic goals of “act on the urgency of climate change and prepare for the changes we expect from it” and “continue to passionately care for our natural surroundings and forever protect Red Lady”.

The CAP was developed as part of the Town's Compass Navigation initiative, in coordination and collaboration with the Transportation Mobility Plan (TMP), Historic Preservation Plan (HPP), and Community Plan (CP). Each of these efforts builds on the Town's Community Compass foundation, ultimately informing a comprehensive update of the Town's Zoning Code, Building Codes, Design Standards and Guidelines, in addition to identifying new projects and programs that will move the Town forward on climate issues.

Process Overview:

The simultaneous nature and extensive community outreach of the Compass Navigation planning effort was intentional to ensure the Compass's seven strategic goals (listed below) could be addressed comprehensively, where their inherent conflicts could be vetted together, and a shared path forward for each initiative could be determined together with the community.

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

Plan development has followed the Community Compass decision-making framework to establish a goal, define success measures, develop alternatives, and make decisions using informed consent. The general timeline for the plan included:

- **Phase 1 (January – March 2024): Defining the challenge and goal statement**
 - Brendle Group performed a 2022 GHG Emissions Inventory, and staff worked with the Climate Action Plan Committee (CAPC) to develop a challenge and goal statement for the plan.
- **Phase 2 (April– July 2024): Identify success measures, create alternatives**
 - Staff worked with the CAPC to refine proposed success measures and develop potential climate action alternatives. Staff went to the community for feedback on the plan
- **Phase 3 (July – November 2024): Refine and filter climate action alternatives, Draft climate action plan**

- Staff has worked with the CAPC, BOZAR, and Town Council to refine the proposed alternatives and filter them through the success measures. Brendle showed what alternatives had the biggest effect on GHG emissions reductions and community benefit. The plan was published for public comment during this period from October 21, 2024 – November 18, 2024.
- **CURRENT PHASE: Phase 4 (November 2024 – January 2025): Make an informed decision: Complete Climate Action Plan and Council Adoption**
 - Town Council, staff, and the CAPC have considered final comments, made final edits, and are now recommending Town Council adoption.

Overview of the Climate Action Plan:

The 2030 CAP and its appendices are included as attachments to this staff report. The Town of Crested Butte has influence on reducing community and Town greenhouse gas (GHG) emissions by leveraging strategies in four major impact areas: building energy use, renewable energy supply, waste management and materials, and low-carbon transportation. With Brendle Group's expertise and feedback from the CAPC, public, and Council, staff and Brendle refined a group of strategies and actions to address emissions for Crested Butte to 2030 and create an implementation timeline. As guided by Town Council, Brendle Group provided a cost-analysis and forecasted GHG emissions impact for each proposed climate action to inform which actions were the most cost-effective and should be highly prioritized by the Town. The results of this analysis are included in **figure 1:**

Figure 1. Top 7 climate strategies identified in the 2030 CAP (Dollars spent/MTCO₂e reduced). See 2030 CAP for all recommended strategies and actions.

1	\$89 - \$101	Accelerate efficiency improvements and electrification in existing residential buildings
2	\$122 - \$134	Accelerate efficiency improvements and electrification in existing commercial buildings
3	\$222 - \$626	Maximize new local renewable energy generation
4	\$587 - \$878	Raise the bar on low emissions new construction
5	\$742 - \$953	Increase diversion from landfill and encourage sustainable consumption
6*	\$1,173 - \$1,521	Lead the way with efficiency improvements and electrification of Town buildings
7*	\$10,503 - \$12,837	Install renewable energy resources to serve Town facilities

**The cost effectiveness is lower than other strategies due to accounting for the full cost of implementation by the Town.*

[The 2022 Crested Butte GHG Emissions Inventory](#) identifies that 90% of Crested Butte's community emissions are sourced from natural gas and electricity use; 51% of those energy emissions are attributed to energy use in existing residential buildings. Consequently, the analysis provided in **figure 1** finds that existing building energy use for both commercial and residential properties are the Town's biggest opportunities to reduce GHG emissions to 2030 in a cost-effective manner. A proposed implementation timeline is included in the draft CAP that directs staff to prioritize existing building emissions and then look to address other sources of emissions within the Town.

Discussion:

Based on Council guidance from the 12/16/2024 Town Council CAP work session, staff has made the following changes to the draft 2030 CAP:

- **Strategies B2 and B3 on requiring energy efficiency assessments and providing incentives (formerly strategies BD-2 and BD-3)**
 - Staff have modified these two strategies and their actions to provide clarity on building energy assessment requirements and incentive programs for both residential and commercial properties.
- **Water Conservation**
 - Staff have incorporated a mention of “prioritizing water efficiency” into the description of action B1.B: “Enable climate-friendly construction and development through flexible design guidelines and a review of permitting processes.
- **Solar Permitting Fees**
 - Staff have incorporated a mention of “reducing solar permit fees” into the description of action B1.B: “Enable climate-friendly construction and development through flexible design guidelines and a review of permitting processes.
- **Document length and readability**
 - The CAP document has been revised with design changes, increased white space, and more concise content to improve length and readability. The document has been reduced from 76 to 68 pages.
- **Scope 3 emissions recognition:**
 - The Scope 3 emissions narrative was revised to include a list of relevant Scope 3 emissions that the Town would likely have reasonable influence over. **See page 19** of the CAP (attached).

Climate Impact:

Community emissions are projected to decrease by 42% from 2022 to 2030 from 2022 levels thanks to Tri-State’s renewable energy commitments and current state efforts. Implementing all strategies in this CAP could achieve an additional 10% reduction, **resulting in a 52% reduction in total community emissions** by 2030. This anticipated emissions reduction aligns with the State of Colorado’s adopted goal (50% from 2005 levels), current goals to reduce U.S. GHG emissions (50-52% from 2005 levels), and the UN Paris Agreement goal (50% reduction in global emissions to keep global warming below 1.5 degrees Celsius).

Financial Impact:

Anticipated financial impacts are explained alongside each CAP strategy and action. See the attached plan for details.

Recommendation:

Staff recommends that Town Council consider adopting the 2030 Climate Action Plan during this meeting.

Proposed Motion:

A Council member should make a “motion to approve the adoption of the 2030 Climate Action Plan” followed by a second and roll call vote.

Attachments:

- Draft 2030 Climate Action Plan
- Appendix I: 2022 GHG Emissions Inventory Report
- Appendix II: Crested Butte Action Analysis Technical Summary



Staff Report

February 3, 2025

To: Mayor and Town Council

Prepared By: Dara MacDonald, Town Manager

Subject: Reconsideration of Property Manager position

Summary: Town has received proposals for management of the Paradise Park rental units at 15% of gross rents of \$43,350 in 2026 once the units are fully occupied. The fully burdened (wages + benefits) expense of the property manager position in 2025 had been estimated at \$115,000. Given the expense of contracting for management of the new Paradise Park and Ruby rental units and the other benefits of having this position in-house, staff is requesting the Council reconsider funding the position in 2025.

Previous Council Action: During discussion of cost-cutting measures or ways to supplement the Street and Alleys fund, Town Council directed during the budget work session on November 18, 2024, that this proposed new position be eliminated from the 2025 budget.

Background:

The Town currently has a portfolio of 42 leased properties, including:

- 23 spaces leased to local nonprofits or local government agencies managed by Finance,
- 13 residential units for Town employees managed by Housing Division (Community Development Department)
- 6 rooms at the Ruby managed by GVRHA.

The facilities division maintains these properties as well as all of Town's non-enterprise facilities. In the coming months, 14 additional rental units in Paradise Park for the local workforce will come online. With the addition of these units, the total of residential and nonresidential leases rises to 56 and total Town-owned facilities climbs to 72, excluding enterprise facilities. The size of the leased and maintenance portfolios justifies hiring an in-house property manager. This position will support multiple departments, including Facilities, Community Development (Housing Division) and Finance.

Duties would include:

- Streamline engagement with tenants by providing a single point of contact.
- Administer residential and non-residential lotteries.
- Manage lease up of new properties and turn over for existing properties.

- Administer town policies, leases, and tenant utility bill back agreements.
- Monitor utility usage and report on property performance.
- Field and prioritize maintenance and repair requests on all of Town's facilities, providing afterhours back up to existing staff.

Once Council had provided direction to not include the position in the 2025 budget, staff began seeking proposals for property management services. Town has received two proposals, one from GVRHA and one from a local property management company. Both proposals were for 15% of the gross rents.

In a front-range market, property management fees for a multi-family project of scale would be around 5% of gross collected rents, excluding maintenance or facilitation of capital projects. We anticipated that given our more expensive market and the dispersed nature of the project, that the fees would run higher. We included an expense of 7% of gross in the adopted budget.

Anecdotally, from individuals in the community who employ management services for their long-term rental units we have heard estimates from 4% to 10% plus some fees, not including maintenance.

Discussion:

In the early drafts of the 2025 budget, staff had proposed the expense of the position would be spread equally between the General, Capital and Affordable Housing funds, reflecting the spread of responsibilities between finance, facilities and housing divisions. The impact on each fund was anticipated at \$38,333, expecting to have someone onboard for a full year.

The current estimate of expenses to pay for property management for the Ruby and Paradise Park rental units in 2025 is \$38,100, increasing to \$55,350 in 2026 (assuming the fee for the Ruby remains at a flat \$12,000 annually). Assuming a 5% increase in wages & benefits, the expense of an in-house position is estimated at \$120,750 in 2026.

The Town has come a long way in recent years to establish leases with occupants, create policies for leases, implement maintenance job tracking systems, and tracking of rental payment invoicing among other changes. However, with responsibilities for the Town's many properties spread across a variety of divisions, details of property management and property performance currently are overlooked or pushed aside as each division has more pressing issues to address.

Some examples of items being overlooked or poorly coordinated in recent years:

- Missed deadlines to avoid auto-renewal of non-residential leases
- Delayed follow up on late payments for rents or utilities
- Prolonged turnover of units
- Unaccounted for details of condition at move-in or move-out inspections, resulting in inability to charge back for damages
- Utility usage and performance tracking

A single point of contact to coordinate the various activities involved with property management would be immensely helpful. Given the proposed expense for outside management of just 20 of

our units (the Ruby and Paradise Park), the benefit of bringing the services under an in-house property manager are even more apparent.

Climate Impact: There is no direct climate impact from this request. A duty of this new position would be to monitor and report on utility usage and building maintenance issues. This will help us identify building inefficiencies that would have otherwise gone undetected.

Financial Impact: The 2025 budget anticipated approximately \$10,650 in contracted property management expenses for the Paradise Park rentals. That is now estimated at \$26,100 in 2025. A budget amendment may be necessary depending on other expenses in the fund.

The expense of the position was estimated at \$115,000 in 2025 for the full year. Given that if we begin hiring now the position is unlikely to be filled until Q2, that expense would be closer to \$86,250, spread across the three funds - \$28,750 per fund in 2025. This expense would be immediately offset by the \$10,650 budgeted in the Affordable Housing for management of the Paradise Park units and by some amount once the management agreement for the Ruby could be terminated.

Legal Review: None at this time.

Recommendation: Staff is seeking direction to proceed with hiring for the unbudgeted property manager position in 2025. Alternatively, staff will more fully vet the two proposals for property management services for the Paradise Park rental units and proceed with contracting.