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Published on Aspen Daily News Online (<http://www.aspensdailynews.com>)

County commits \$3 million to housing

Writer:

Brent Gardner-Smith

Byline:

Aspen Daily News Staff Writer

The Pitkin County commissioners are ready to get back in the local housing game and committed Tuesday to spend \$3 million to buy or help develop some employee rental units.

“We’ve got some money and we’re ready to play,” said Commissioner George Newman, adding that the county needed to get the most housing it could for the money.

The county has \$8.6 million in a dedicated housing fund that it has been saving since 2004 when it completed the 13-unit Stillwater project east of Aspen.

Of that \$8.6 million, \$4.4 million is from a housing impact fee and another \$4.2 million is from mitigation payments made by developers in lieu of building physical housing units.

County staffers came to the commissioners Tuesday saying there were a lot of housing discussions going on now between entities such as the Aspen School District, Aspen Valley Hospital, the city of Aspen and the U.S. Forest Service, but before county staff could engage in any meaningful discussions, they need to know what the county is willing to bring to the table.

So the commissioners stepped up and agreed to spend \$3 million if there was an appropriate opportunity.

“It is time to get rid of our money and put it into housing,” said Commissioner Michael Owsley. “It’s saying we’re committed to building housing.”

One hurdle previously in the county’s way of committing to housing was not being able to decide whether to fulfill the urgent need for housing for its own employees, or the responsibility the commissioners feel to build housing for the general community.

On Tuesday the board solved its dilemma and clarified that it will seek to build a 50/50 mix of staff and community housing over the long run.

It also agreed that the county will not act as sole developer of housing but instead as a funding partner with other entities and developers, that they are fine with buying down free-market units and placing a

deed restriction on them, and that the county should place a priority on acquiring or helping to develop rental units.

The board also agreed that any housing needs to be inside the county's urban growth boundary. On the other hand, the board also agreed that securing housing as far downvalley as Carbondale would be OK.

Phylis Mattice, the county's director of internal services, which is a position akin to assistant county manager, told the board that Aspen Skiing Co. is trying to sell units it owns in the Keator Grove subdivision in Carbondale and that was clearly one option on the table.

Commissioner Rachel Richards urged county staff to develop an evaluation tool to review potential housing opportunities based on their location, price, the public subsidy per bedroom and other criteria.

Commissioner Jack Hatfield said staff should also consider buying land with the county's housing funds and if the right opportunity came up he said he could support spending the full \$8.6 million the county has in the bank.

"We have \$9 million, I want to use that to the best of our ability," Hatfield said.

And noting the current state of the economy, he said, "This ought to be looked at as a time of opportunity."

Also Tuesday, the commissioners directed county attorney John Ely to keep working on revised housing impact fees. The commissioners were working throughout the last year on new fees, to be paid as part of the process of securing a building permit, but they didn't finalize a proposal.

Now the market has shifted to the point where Ely said he needs to hire an appraiser to make sure the new fees would be both fair and defensible if challenged in court. The fees are to be based on what it would cost the county to build an employee unit on its own in the free market.

"In the past, the market was always outpacing us," Ely said. "We're still behind, but we need a defensible number."

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