



Minutes

August 22-23, 2024

Durango, Colorado

Thursday, August 22

I. Call to Order & Introductions

Jonathan Godes, CAST President

II. Welcome to Durango

Mayor Jessika Buell

III. Social & Economic Sustainability: All Are Welcome Workforce Training Program

Kat Brail, Engagement and Inclusion Coordinator, Visit Durango

This Program was developed when community businesses identified the need for hospitality training and it is launching soon. The program addresses the needs of small businesses who don't have access to corporate trainings and is free to all La Plata businesses. It informs front line workforce about the landscape of Durango visitors so they can speak to them and suggest activities that are appropriate. It focuses in part on accessible shopping, such as speaking with disabled people respectfully. They worked with an equity consultant and partnered with VisitAble on accessibility content. Local historical narratives are fact-checked by a local historian and presented to the workforce. Such a program must be driven by the community to be successful.

There are multiple 10-minute online modules that the workforce completes. The Strater Hotel will pilot this program for the city. The program will offer businesses incentives to have their staff complete the program by the end of year. They are working with the Chamber of Commerce. Visit Durango's Destination Management budget will support the program and they want to keep it free for businesses. Part of the Visit Durango mission is to provide resources to local businesses. They will share the curriculum with CAST.

Durango has a local talent program to identify folks with skills and talent so those don't need to be outsourced.

IV. Hotel Conversion to Affordable Housing

Scott Shine, Community Development Director, City of Durango

Jenn Lopez, President, Project Moxie

Jonathan Godes, Council, City of Glenwood Springs

Durango stood up a housing division in 2021 and the budget has gone from \$100K to \$9M which is a mix of federal, state, and local funding. Residences at Durango is a 120-unit, tax credit funded

affordable rental property that includes 1600 SF of community space. It was formerly a 72 unit Best Western. It is walkable to downtown with sidewalks, bike lanes and transit service. It is in a commercial area with no immediate residential neighbors, which made it a smoother process.

Moxie came to the city with the idea of doing something with the Best Western property. The city went under contract with a promise from Moxie to move the project forward. They hired TWG through an RFP process who assumed the contract, so the city never owned the property. This managed risk of the city. TWG will manage the project, and they will work with a local property manager.

It is critical to define roles at the community level. A mixed-use designation allowed for higher density. Operation Turnkey was funding offered to fund hotel conversions. CHFA provided tax credits and bond financing. The city was willing to take a calculated risk and contributed \$100k. Communities might need to provide incentives to attract developers. Use consultants. Repurposing a building is an easier path when it comes to NIMBY issues.

Glenwood Springs didn't experience businesses struggling with workforce and housing until after COVID, so they have not been dealing with this for as long as other CAST communities. The 60s and 70s saw a lot of small motor lodges in Glenwood, and more recently chain hotels. Motor lodges have fallen into disrepair or had become de facto affordable housing. Developers wanted to redevelop these properties and pointed out that the use needed to be put into code. Staff convened developers and housing advocates. The city created two classifications: 1) Extended Stays (up to 180 days) which serve the seasonal workforce. Requires that 35% of units have to be deed restricted. They also didn't require a change of code for parking and waived the 20% Open Space requirement. 2) Hotel Conversion is a change from commercial to residential. The city waived a lot of the impact fees to go from hotel to residential. The Planning Commission is the deciding body.

The hotel conversions are intended to provide housing for seasonal and permanent workforce. They learned that working with good faith developers resulted in good projects. The advantages of this effort was it wasn't a new project that was being built that would get the local community worked up. They haven't had any community blow back. One hotel fully converted to Hotel Conversion. Another hotel was purchased by RFTA and used for Extended Stays. The developer understood that there were lots of administrative issues to work out from the City's perspective RFTA was a great community partner. There were some community concerns around loss of revenue and loss of pillows, but the conversions have created more gains than losses.

How do the extended stays conflict with STRs and how does that work practically? This effort is in the first year and the city will audit at the end of the year and assess STR taxes as appropriate.

Friday, August 23

I. Call to Order & Introductions

Jonathan Godes, CAST President

II. DuranGO! Micro Transit System

Sarah Hill, Transit Director, City of Durango

Dave Woodruff, City Councilmember, City of Durango

Colorado provides the most rural transit trips in the nation. Durango operates four fixed routes, senior transit, and a Main Street trolley. There is no service to Purgatory Ski Area. The micro transit service launched because there was a need for after-hours service for the workforce but also transportation was desired for bar-goers. Public safety is improved by this service due to the door-to-door service. Other benefits are that it serves teens, reduces traffic, and alleviates parking challenges. The service is App-based to request a door-to-door ride. They use Ride Shark and work with Via. Transit, parking and multi-modal are part of a local transportation enterprise. This is funded by parking revenue, grants, farebox revenue, and the lodger's tax. They received a \$50k CDOT grant. They purchased software but used existing fleet and staff.

They learned they need smaller, more nimble vans and additional staff long term. There were concerns from taxi companies.

An option in some communities is to partner with other entities like senior services that have fleets that might not be used for after-hour service. Basalt contracts with Downtowner for "plug and play" service where they lease the vehicles and hire the drivers.

III. Mental Health/Law Enforcement Partnerships

Co-Responder Team *Brice Current, Chief of Police, City of Durango*

Molly Rodriguez, Dir of Residential & Crisis Services, Axis Health

Officer Johnathon Mizner, CORE Team, Durango Police Department

SMART

Eric Mamula, Commissioner, Summit County

Peter Haynes, Summit County Undersheriff

Building relationships and resource connections is the foundation of Durango's CORE Team which pairs law enforcement with mental health resources and social services. The program centralizes the knowledge of all the community programs, partners and services which is extremely valuable in better serving the members of the community. Clinicians and officers have learned they have more in common than they would have guessed. They have the same goals of serving the community. The City contracts with Axis for clinicians.

Summit County's SMART program kicked off in 2020 and is grant and county funded. The officer and clinician are both in plain clothes and unmarked cars. Each case gets a case manager who follows up with the individual. SMART fills in the gaps between someone that needs a mental health hold and someone that just needs some support or intervention. Partnerships are key to the program. It started with two teams, but three more teams were added. This program is really helpful for cases of high utilizers which are very time consuming for officers, connecting those individuals with other resources. This program has saved lives. This is the future of law enforcement. Prevention is a key benefit of this program. The program hires the clinicians. They use a different recording system because there is a line between privacy and reporting of mental health and law enforcement. They service the municipalities, not just the county.

IV. Hot Topics Roundtable

CAST should consider engaging in water issues.

CAST has gotten more engaged in legislative initiatives and prompting conversations around potential legislation. Members expressed that CAST is serving an important role. The organization has attracted new membership because of it. CAST has done a fantastic job on legislative issues, especially on SB23-213.

CAST members Dan Kramer, Carol Saade and Michelle Eddy are members of the CML board. Every Muni gets a seat on the CML policy committee, and this is the group that determines what pieces of legislation CML initiates. CAST members are encouraged to engage on the Policy Committee.

Smaller towns lack the staff to serve on outside boards and engage in legislation. Maybe a county position can support municipalities.

The entrance to Aspen has been a conversation for many years and will go to a local vote.

Minturn/Avon are working with CDOT. Traffic calming on Hwy 6 that runs through their towns is wanted. Sen. Roberts and Rep. Lukens are helping. The end goal is to have legislation to give local control of state highways. They are looking for other municipalities that want to work with them.

Chaffee County is working to de-Bruce their housing authority and do a .5% sales tax.

Is anyone following Crested Butte's lead on electrification? Eagle County is considering. Gunnison is going "electric preferred". The Gunnison Valley is developing a workforce training program on electrification with funding from the Colorado Energy Office. Aspen considered it but staff learned that local homes are so energy-intensive, they would need to build transformers.

Mountain Village already lets second homeowners vote but is now considering a ballot initiative to allow LLCs to vote in local elections.

Rank choice voting is being considered in Glenwood. Basalt has it for their mayor race. Moab has done it. The results were good, but the voters struggled to understand how it works so they didn't do it this last election. It has a moderating effect on politics, according to studies.

Federal Update, John Whitney, Sen. Bennet's Office

Jonathan Godes represented CAST in Washington DC this summer to advocate for the SHRED Act. CAST has been a big partner on this Act for years. Ski area permitting fees currently all go back to the US Treasury. SHRED would allow a portion of these fees to be retained on the forest where they were generated. A percentage of the retained fee would support ski area permitting/environmental review. The remainder would be available to the USFS to spend on broader recreational needs. These retained fees would be viewed as a cost and Senator Manchin wants funds identified to do the "pay for" to cover those costs. It passed the House. \$28M is what would be retained in Colorado and the USFS says it would be transformative for their local forest budgets.

The Flexible Partnership Act is another federal effort CAST has long been involved in. Summit County has the first project in the country. This Act was renewed temporarily, but the hope is to get this program in the next Farm Bill.

The CORE Act has moved to the Senate Energy and Natural Resources Committee. There will be a bunch of public lands bills that will hopefully pass. Sen. Bennet is working with Crested Butte and Gunnison County on banning oil and gas development on the Thompson Divide.

GORP will be introduced soon, which is a significant preservation bill.

Oil trains running along the Colorado River pose a great risk to local communities and environments. Local engagement is needed. Glenwood springs is leading on the amicus brief and other communities are invited to join and should contact Karl Hanlon.

V. **New Business & Updates**

- Housing Task Force Update, Dan Kramer

- Legislative Position Statement on Housing & Working Groups

All three of CAST Legislative proposals are enabling legislation only. They are intended to give local governments more revenue-generation tools if they choose to use them. Thirteen CAST members have supported the Legislative Position Statement. A request has been made to CML to have these be CML-initiated.

- 1) Vacancy Tax: Attendees preferred “Empty Homes Tax”. It is a tool to better utilize the existing housing stock. Home rule already has the ability to do this, but could not do a vacancy tax based on value of the home.
- 2) Real Estate Transfer Fee (RETF) – CAST has a legal memo that says such a fee is a fee, not a tax.. Hopefully, the City and County of Denver will adopt A RETF under their home rule authority. They could possibly be sued but we believe they would win that legal challenge, allowing others to adopt a RETF. Pitkin County has asked CCI to push forward a Real Estate Transfer Tax (RETT) and other counties are invited to engage.

Opponents will say the vacancy tax and STR regulations are in conflict. CAST needs to be clear that each community will determine if a vacancy tax is right for them. Some communities will determine that their STR regulations are accomplishing their goals, so they won’t have an interest in a vacancy tax. The Town of Keystone balks at Empty Homes Tax and some Councilors have questioned CAST membership because of it.

The STR tax proposal only applies to statutory towns and this should be made clearer as home rule communities can already tax STRs.

- Housing Roundtable

CAST has asked Housing Colorado to convene a Housing Roundtable. Local government organizations, metro area housing advocates and environmental interests were pitted against each other around land use due to SB23-213. This Roundtable is intended to discuss where we have alignment and can work together on affordable housing in the future.

- Approval of March 6, 2024 Meeting Minutes – Approved.
- Upcoming CAST Meetings