

**Transcription of September 13, 2022 Design Review Board Public Hearing
Regarding Sketch Major Design Review Application for 232 Pagosa Street.
Transcribed from Zoom recording.**

Agenda Item 5.b: Sketch Major Design Review Application for 232 Pagosa Street.

Pitcher: Okay. Now we'll open the meeting up for public comment for items to speak about that are not on the agenda now is the time... Okay, I think we're good... please state name and address.

Cady Allione, 426 S. 6th Street: wanted to let you know there is a project happening up town at PPOS the Pagosa Peak Open School – I just ran over from the tourism meeting next door – we were just awarded \$25,000 of a planning project. What is being put in is not just a school playground but a playground for the people. There were two objectives to their grant, making the playground open to the public at non school hours. People tell her all the time that we don't have a playground uptown. Second, they have to reach underserved communities. Because of the location of the school near Walmart, many people come to the Walmart it will become a destination in that moment. They will honor the cultural and local heritage – it's going to be a park that will represent Pagosa in some way. We just had a session with the kids today who wanted hot air balloons, horses... so those have to be featured within the park that is being built. Another reason for being awarded this grant is the visibility along Highway 160. If you can imagine the old Parelli building is all you can see and people will drive by and see the playground. As a parent, you know that's big part of traveling with kids – you just take your kids to the playground. This is going to really be a gift for Pagosa Springs and bring joy for generations to come. So we are beginning our planning and one month – we had done a lot of planning before – and are having a playground planning party tomorrow and had met with Parks and Rec, and met with James and will need to include an easement, and it's along the walking path. So they will have entrances along the walking path, and it's being built for all ages so swings for different ages.

Pitcher: Thank you. Any other public comment? Public comment is closed to items not on the agenda. Moving to Design Review Board – All Purpose Storage Continuation.

Schultz: Good evening, Commissioners, this first item coming before you has been continued once and is being continued again. I did reach out to the applicant and asked them if they will be ready in the near future so I haven't heard back but the request is to continue to the 9/27 meeting and as I announced at the beginning of the meeting if you opt to cancel that meeting it will go onto the agenda for the 10/11 agenda, if we don't see it at that point then they will just have to resubmit and we'll have to start that process over. I think they are having some challenges – as do many people in this with getting their professionals in order and getting their application in order. So anyway, that is the first agenda item in front of you.

Director Dickhoff: If I might add, since there is a date for your consideration for the continuation I would recommend continuing to October 11, not September 27, because we haven't heard from the applicant for a while so we wouldn't want to schedule it for an agenda where we may not have any other items, so it makes sense to go ahead and continue it to the October 11 meeting.

McCollam: I'll make that motion but I don't have it in front of me for the wording... okay, continue the final major design review for All Purpose Storage to actually 10/11/2002,

Adams: second,

Pitcher: All those in favor...

Weiler, Pitcher: aye

AGENDA ITEM 5b, 232 Pagosa Street Sketch Major Design Review:

Pitcher: Okay moving on to sketch major design review for 232 Pagosa Street.

Schultz: Thank you. First of all I want to make sure everyone in the back can hear me with this microphone, in the back can you hear me? We don't normally use this microphone, we pick up the recording with the microphones in the room but I want to make sure the audience can hear me as I am doing the presentation.

This item was continued by the DRB from their July 12, 2022 DRB hearing. The duty tonight of the DRB is to determine if the modifications that were made to the application are enough to meet the intent of the Code and your decision, in particular, within the framework of the ODE district. So what is in front of you is a revision, we also included the original application so you can kinda look at those side by side, we've go the original, then we've got the revised, so you have those you can compare to. And in your staff report and some of the things I will have up on the screen will include some of the information that's been changed. So the applicant did make a list – a host of revisions to this – and I won't go over everything I will only go over the things that are still outstanding or the things that they've made modifications to. The owners and applicants are either in the room or I believe they are also online tonight so they should be able to answer questions as well.

So this is an application for a mixed use commercial building on three lots on Pagosa Street, this will be restaurant with office space and underground parking and residences above. The address is 232 Pagosa Street it will be addressed accordingly once it is actually approved. The DRB at their July 12 meeting – they had some concerns which were raised by staff, concerns about the mass and design, concerns about the scale of the building, and then the motion to continue the item was passed and giving direction to the applicant to consider addressing mass and scale along with items 1-7 that were in the staff report at that time. So the applicant summary, the one that's on the screen right now, is the applicant summary of the modifications that were made to the design, several of those things - again what's included in your packet - I have the packet here but did not paste all of those images into the PowerPoint presentation – this is just to give a summary. Those modifications are all in your packet.

I will go through all those items that have been changed. It complies with the zoning. It does comply with what uses that are allowed in that zoning district. The Downtown Master Plan does highlight excerpts from the East Village that we're talking about – smaller scale, residential and commercial mixed-use types of designs that would be in that particular district, that traditional residential structures establish a village scale feel, the relative scale of the structures and details incorporated include porches and gable ends of buildings, that landscaped front yards also enhance the experience of our East Village, along with the opportunity to expand the supply of specialty retail and variety of housing options in our downtown.

Again, as I mentioned, the allowed uses – dwelling, multi-family, restaurant, office, are all allowed uses in this district. **Moving on to setbacks** – with respect to setbacks, the applicant has provided an analysis of their proposal so you'll see here this is essentially the building that they have proposed – this corner here – the southwestern portion of the building is a concern because this is an actual structure, if you will, for all intents and purposes. Now when we're comparing that to this building to the left is the Pagosa Baking Company – and this was just supplied by the applicant today, you can see in their schemes here, or their perspectives, it shows a little different idea of how it meets the setback, or does not meet the setback.

Pitcher: Can I stop you for a second? The Zoom window is covering the screen. Can you point to that first part again, I think it was covering your screen.

Schultz: The area of concern in this SW corner of the proposed building, this is the Pagosa Baking Company, with this front portico covering their front patio or eat-in porch, and this is the covered portion. What the Land Use and Development Code specifies is, in this particular district, that we have what's called a build-to zone which means it's 15-20 feet – your setback is 15-20 feet - from the back of the sidewalk or the property line. And that there's an exception that would be granted in the event that you have adjacent properties that establish something that deviates from that. So what I think the applicant is trying to demonstrate here is that because of this portico [*on the Pagosa Baking Company*] that I actually demonstrates that there is a differentiation or a deviation from the setback that would indicate that this proposed setback is in compliance. This building as it is setback right now is 8 feet from the property line. This one is more than 8 feet. The portico is about 8.5 feet from the property line. The Bakery Building wall is approximately 15 feet from the property line. The distinction that is made in the Land Use and Development Code is that these covered porches are allowed to jet into the setback, whereas a building is not given the same kind of considerations. I know that the applicant will have some narrative that they will supply for that, but to give you an idea that staff does not find that it is justification for deviation from the required setback.

Pitcher: Is this a change from the previous application or is this now just?

Schultz: This is the same application. They had provided this as an additional analysis of, sort of justification of why we have this building at this particular location within the setback. This was a concern we had with the original application. I did put these images in there. These are from their proposed perspectives that would indicate this is what it looks like. So again, this covering is not considered a structural imposition in the setback according to the Land Use and Development Code whereas the building is counted when it comes to setback. There is a differentiation in the Land Use and Development Code and here you can see what that looks like from the sidewalk perspective.

McCollam: And it is only a problem on that side of the building, not the other side?

Schultz: Correct. The east side is fine. I did not include that information, but it was really this corner. I know that the applicant had attested because this is glass and transparent, but again, our Land Use Code and really from a street perspective, if you are walking along here you see this thing that is only the short distance from the back of the sidewalk.

Dickhoff: Our code identifies structures being placed consistent with setback requirements, with the exception of a fence. We also considered average setbacks for the abutting property to the east, the

Alley House. For example the east side of the building does about the Alley House property where that deck is pretty much at the property line and is above 30 inches. The code also contemplates that build to line 15-20 feet as a setback. It also contemplated average setbacks. On the alley house side the average setback would be the retaining wall, and this block of Pagosa Street does have a number of retaining walls that are above 30 inches. We really did hone in on the retaining wall that are around raised patios for this complex. For example the Forest Service house on 2nd and Pagosa Street had a retaining wall as well as the Town Terrace, Riff Raff and Courtney King's office that all have retaining walls that are generally taller than 30 inches. To make the distinction of what the code is looking for here, the bakery wall is approximately at 15 feet from the property line and their covered entrance is allowed to encroach into the build-to-line setback pursuant to LUDC 5.2.3.B.4. What the code is looking for here is consistency in building wall setbacks along the street frontage. To comply with the setbacks, the new development should adhere to the 15-20 foot or average setbacks of the adjoining building walls. It is not about see the sign, it is about the consistency of the contextual building wall setbacks along the street frontage.

Schultz: If you have any other questions on that go right ahead. Alright. I will go ahead and talk a little bit about building height and density. Building height, I put the calculations on here just because you can't read them from this graphic, but you will see them in your packet that this is how the math comes out. What actually came out, we have done this math over and over and over again, I believe what it says in your packet is 39 foot 2 inches, but it actually comes out at 39 foot 7.5 inches and I did have somebody else check that for me to make sure that is correct. Based on the way we do the calculations it comes out to 39 foot 7.5 inches and that calculation is done from is take the high point here, the average of the high point, the low point of the roof structure and then you average that, you subtract the average of the highest point of grade and the lowest point of grade and you subtract the two and that gives you the height. It gives you, you know, you do not take the lowest of the low point and measure to the highest of the high point, you take the average of the two elevations if you will and subtract the difference and come up with that height. Moving on, I also wanted to talk a little bit about density. So the application, as we talked about last time, the applicants request does not apply with the density allowance. 7 units are allowed, the request is for 8 units. The applicant is requesting consideration of a density bonus and they have proposed to allocate one deed restricted unit. That deed restricted unit would actually come from another building down the street, 262 Pagosa Street, which is the office that will be vacated by Renyolds Ash and Associates as they move into this office. It is approximately 800 square feet. We do have some concerns about that we are trading off (inaudible 22:05) with the intent of the density bonus that was approved by the Town Council. I did include some of that language in here. It does get a little bit complicated; it is up to the Design Review Board or Planning Commission if you want to entertain a density bonus and recommend that to Town Council. However, I would also highlight a couple of things, so that density bonus includes this quote here, the density bonus additional units shall be in similar quality to the allowable units. The developer may elect to have a range of sizes, rates and finishes that are similar in scope to the allowable units, but I think that given what we are seeing in the proposal is a vast difference from the 800 square foot unit that would be retrofitted from an office to a residential unit. It would be very different from that and also the review consideration should include whether the site could actually accommodate this additional density. Perhaps they could, but at the last Planning Commission meeting, excuse me, at the last Design Review Board hearing, we were already talking about the issues of mass and scale, whether how to mitigate building so that it fit the design requirements for the district given the density, the height, the scale. That type of thing. I think you have

a couple of things that you would want to consider before you would go ahead and consider making a recommendation on the density bonus. In the report I will just go back to landscaping. It did not include with this a landscaping plan, oh no they do, but we do want to make sure we have a detailed landscaping plan required with the final major design review application that demonstrates compliance with the 15% landscaping treatments. This project is a little bit different in that they vertical grow screens which are hard to calculate, but we will work with the applicant to make sure that we are meeting the intent of the 15% if we are not getting exactly 15%. Moving on in the report, just a couple of things I will touch on. Site drainage, drainage analysis, so we did not get that analysis at this time, but we will require that with the final application. We want to have stormwater analysis along with that. If they are going to request a waiver from the drainage requirements, we would like to have justification for that. Along with that would also like to know their plans for snow storage and snow removal. Even though the garage and parking area is underground and would be covered there are sidewalks and other areas we want to know if there is a place to store that snow so that it is not pushed out into the public right of way. Similarly on sanitary sewer and water, we do require that they give us proof that they will be able to be served prior to final application. Prior to building permit we do require that they do send us approved connection permits with each of those utility companies. Moving down a little further in the report I have put up a slide here of the proposed perspective, the revised proposed perspective. With respect to the site layout in the commercial and mixed use design standards, this is kind of the bulk of the design discussion we had at the last meeting we had suggested making some modifications to kind of help break up that horizontal bulk and mass. This is a combined lot, as you can see some of the smaller lots have smaller types of, smaller, not as great of a width. This is much wider and much more mass of a building than that particular application. The applicant as I mentioned made several changes to accommodate this. They turned the staircase for the restaurant so that instead of coming down there was two breaks, kind of concrete approaches for the entrances here. They turned this one so it appears much less, they're using a lot less concrete in that approach. It also pushed the landscaping strip a lot closer to the sidewalk. They removed low retaining wall below the restaurant patio and placed (inaudible 26:58). I think they has also mentioned, incorporating a little sidewalk bar or sidewalk gathering area in there. I do not see that on here but I am sure that was the intent to include a gathering space below here. One concern is that staff was unable to determine the material of the retaining wall here. We would like that called out on the final design plans. If the applicant could answer that tonight that would be wonderful as well. Going in to the building design some more, at the sketch hearing again we raised some concerns regarding mass and form. We had suggested some of that vertical delineation. We do use a variety of building elements and siding elements that do break up the mass somewhat. I do think they do a really good job on this side. This side is a little tougher with the gable here. The stairwell they did a nice job with the stairwell to bring some of that back. That bulkiness was kind of lessened with the way that has been reduced in its size pushing this portion back really helps with that as well. Having that be over the entry garage is a great treatment for that as well. You can see how it steps back. One of the modifications that was made, and I do not have it in my presentation, but I can pull it up in a minute, is on the sides of the building they had enclosed the flushing closed balconies that were enclosed by residents. What they did is they actually stepped that residential area back so the balconies are creating (inaudible) enclosed. You do not see that (inaudible 29:02) all of the photographs in here because there are so many from the previous and the revised. I did not include them in here but I can pull those up in just a moment. That was one of the large things. And that was the in the attempt to step back that that bulk along the east and West side of that because we had heard the owner owns this

building but we heard from the baking company and some of the neighboring residents that the bulk needs to be lessened along those two sides and so it narrows those two ends to where you can't really it. Again I will pull that up in just a moment. They also reduced the square footage of the two upper levels by 1,100 square feet. They in fact, again, really revolved around those balconies and now they retain as those independent suspended balconies. The north side along the alley has been recessed and additional materials have been incorporated to help articulate that façade. Moving on to exterior building materials the applicant incorporated some additional siding materials in the overall material pallet then further modified the material arrangements on the north façade. They reduced the use of concrete on the south, the front façade which I think is really helpful in minimizing the feeling or the sense of that bulk. Moving on to four sided designs, so the applicant removed a majority of the concrete wall and enclosed the parking garage, actually let me get, here you can see the west, the northwest portion of that garage area. Here you can see the detail of the balconies that I was trying to describe. Previously this was all residents with the balconies being incorporated into the façade of the residents and they really carved away that residential area and just left the balconies. Let's take a look at the rear façade, the approach to the parking garage so this green screen is that vertical wall, vertical garden if you will. That grows alongside that so it kind of clings to the concrete and lessens the look, feel and appearance of that concrete. These are carved out spaces although you can not drive straight in. You can see here that there is probably a foot, it is not clear from the perspectives what that lip is, but you can't drive straight in you have to use the entrance and we prefer to have one single entrance for cars to enter and exit from the parking garage. They did also remove the bulk of the wall here. This was a concern for people exiting and entering the parking garage to make sure there was visibility as they pulled out of that parking garage. Those changes were made to the rear façade. Parking, as we discussed at the last meeting was adequate. With ordinance 957, town did repeal the requirement to have onsite parking in the East Village district, but then they were also required to have alleyway parking, but because of the provision they are providing far more parking underneath the structure than they would have with the alleyway parking provision. This does not apply. They have 43 spaces, 5 on street spaces on the south side in the front. They do have a requirement for 18 spaces, so they meet that. Landscaping buffers, again as I mentioned earlier, we want to have a complete landscape plan. The landscape plan should ensure that their considering what is appropriate for this site, what will grow at this site. The do not have a whole lot of green space. We are fine with the containers and some of the grow screens as long as they will provide something year-round or at least things that will come back every season. Make sure that those are maintained and well established. We also want landscape plans to consider visibility and security as well as screening and buffering. Plant materials would need to be installed prior to the building department issuing the final certificate of occupancy. We do inspect for them. We also want the, whether it be on the landscape plan or a separate plan, service areas located indicated on a service area plan included in the final Major Design Review application and details for their rooftop mechanical equipment that is required for the site and also for trash collection areas and recycling areas. The last two things are always going to be lighting and signage. We like to get a photometric plan along with lighting fixture details and locations. Photometric plans just shows where the light is cast on that site and if it's cast off site and then lighting details that shows the fixtures and that we can get an idea of if you are standing at that property line if we could see the glare from the bulb or the element, so we will ask for that at final. Along with that we like to see their signage, it is not required to have at final, but it is always better to have that signage plan at the Final Design Review so we can give feedback on that, but a separate sign permit application is required. As you can see there are several recommendations

that follow (inaudible 36:40). Again, we have several recommendations if the Design Review Board feels that this design meets the intent of the Land Use Code including the East End District no additional conditions might be necessary with this but we did have some discussion with the last review with this and it is within your review to consider those things. Within your packet there is also a comment letter on the last page of this particular item which raised several concerns that the Design Review Board may ask the applicant or staff to address. Staff does have some responses for some of those things and I tried to highlight some of those things in here as well. I will state that they asked a question about the plaza space or public spaces that are required in projects that are over 25,000 square feet for practical purposes because there was so much parking in this structure we did not consider this as an over 25,000 square foot building and that is just how we interpreted that. Design Review Board may want us to do that you need to give us such direction and we will go back and consider that. Anything else that I missed? Staff is available for any questions and as I mentioned the applicant is, I believe, online. Oh, they're here.

Pitcher: Okay, thank you. We will open it up to any commissioner questions first. Anybody have anything? Okay, go ahead.

McCollam: Clearly I drive by this street every other day, if not every day. Are the trees drawn to scale compared to the building. It looks to me that the drawing here showing half the tree above the height of the building and it just doesn't that is going to happen when I drive by it.

Ash: We are going to step up.

McCollam: That's fine. That is just helping me judge the overall height of the building without...

Pitcher: I have that same question. Those trees are pretty big though.

Ash: Yeah. Brad Ash, 262 Pagosa Street, and Lauren Davis also 262 Pagosa Street. Those trees are 80 feet tall existing as far as the estimate so if you are standing back at the street looking across, actually I am not sure that we represented them high enough.

McCollam: Even with the slope up in that grade, wouldn't your building get higher toward the back, right? Especially once you hit three levels.

Ash: Yeah. The images that you are looking at though are at tree level, so you are not seeing perspective in that flat elevation drawing where some of those trees are represented.

McCollam: Ah, okay

Davis: I think that (inaudible 40:40) and I agree with Brad

Pitcher: They are twice as high as the proposed building, basically?

Ash: Yes.

McCollam: Okay, I guess I am a little confused on this density trade off. So you want to make a workforce housing unit out of your current office to trade off for doing 8 units instead of this allowed 7 without the bonus?

Ash: Yes. Basically giving a living unit just down the street for an additional one on this property and that is a 50/50 trade per the way the code is written. It is just off site.

McCollam: And I have not looked that close at your building (at 262 Pagosa Street), no offense, but I go to the restaurants. To me it strikes as a retail storefront, but you are saying that's going to be a good ...

Ash: Yeah. Our office is upstairs which is all residential.

McCollam: Okay

Ash: We are the only office upstairs. We are the only exception. We actually did an extensive remodel two years ago and made it ready to adapt to a living unit knowing that we were planning on relocating.

McCollam: Thank you

Schultz: Commissioner McCollam, this particular building we are talking about, Town Terrace, (inaudible 42:28) that building is already one unit over density

McCollam: That is a different building next to the Riff Raff, right?

Schultz: Correct

McCollam: And yours is the brown building, I think?

Ash: No we are in the last development that was built on Main Street that my office codeveloped and we are right next to Riff Raff

McCollam: Oh, that's that building. Okay. I got them confused. Thank you.

Pitcher: Anybody else up here?

Adams: Yeah I would like to, last meeting was continued and asked to address the mass and scale that concern I had was voiced by the community and by staff. I just wanted to review just an overview of where we have come from to where we are now. The meeting must continue from July 12th based on addressing the mass and scale and what staff had recommended. One of those items, number 6, from the July 12th agenda was design modifications that demonstrate substantial compliance with the intent of the LUDC and the overlay district and downtown master planning with respect to a pedestrian friendly environment, four sided design, reduce the perceived mass and scale as outlined in the (inaudible 44:00) as outlined in the LUDC. Reviewing the current staff report I want to highlight a couple quotes that are in there. On page two (inaudible 44:23) East Village of the Downtown Master Plan. Changing scale of the buildings is a concern as perceived from Pagosa Street and also from abutting residential neighborhoods establishing a balance between traditional scale and character (inaudible 44:46) will be a challenge in the East Village. On Page 5, quoting the staff under the architectural style subsection is highlighted in blue and according to Cindy, previously (inaudible 45:04) recommendations for better alignment through the Town's adopted plans for the area including those for the Downtown East Village overlay description and intent and the downtown master plan mass and form, four-sided design. The perceived mass and scale were noted here are larger than the code would permit with this highly visible location within the district. The applicant had made several changes to the plans. Staff feels that the application has improved the overall design, and I love your new design. (inaudible 45:46) questions if the changes are substantial enough to meet the intent of guide lining documents. Staff noted mass and scale in the July 7th agenda brief the Planning Commission have a meeting on that day expressing their concerns regarding mass and scale some of the neighborhood expressed their concerns and the agenda item was continued on addressing mass and scale and the 7 items with staff. I got to be

really frank with you, and it saddens me to say this, I don't know if you were listening. You made a lot of changes, a lot of really good changes like architectural style improved tremendously, but I do not know if the mass and scale have properly been addressed. However in this particular location and given the guiding documents when I look at them first elevation and the second the new revisions at the top like the lights came on and the original sketches were on street view. Personally I do not see a tremendous change all of the change you made on mass and scale. What does the Land Use and Development Code say? (inaudible 47:42) building design, 6.7.3.8 Architectural Style. New buildings shall compliment the architectural character and adjacent existing buildings. Under building height and mass. That is 6.7.5.8 2 a single large dominant building mass shall be (inaudible 48:18). Building bulk and scale under 6.7.7 buildings shall be harmonious with its surroundings by considering the scale and character of the adjacent structures and landforms. I do not know what to say. Quite frankly when I look at the before and after I don't see a big change. It has been a lot of changes but as far as scale before and after, I don't see it. It concerns me because of setting precedent in the neighborhood. Right across the street there is a large piece of property far bigger than what we have here and I am really concerned about setting precedent. I love the architectural design but I do not think it addresses the mass and scale we were talking about which was highlighted in the agenda by our staff. I am just one of five here and I think it is very important for our consideration going forward so I just wanted to bring that to everyone's attention and I think that is all I have to say.

Pitcher: Okay, thanks Peter. Chad do you have anything you want to add?

Hodges: For the setback, you are not within the code for the setback on the Southwestern side of the building. How is that addressed? If it is not within setback is there some sort of way it can be granted or is it just a no because it doesn't meet the setback (inaudible 50:40). And too, the other thing, the allowable units is over by one unit. Mr. Ash's offices is also over (inaudible 50:46) precedence to potentially have an additional unit in this building and then doing a trade off for a workforce housing unit is a great idea but we are putting them one more unit over unless I am mistaken on that. Is that true?

Schultz: That is correct

Hodges: Okay so is there a waiver for that? There does not seem to be a waiver.

Schultz: You know, as far as the density bonus goes, that could be considered by Town Council but that would take a recommendation from the Planning Commission on something like that. Now Town Council has the ability to look at things in totality. It is like alright so what is the Town getting from this. And I want to be really careful that we do not look at 262 as a precedent setting development with that so I think that is why we made that known and that was not to be a precedent but that is a consideration of concern of the design review board and the planning commission because we do not want to bring that forward to the Town Council that says look what we did now we are going to give you this thing that (inaudible 52:14)

Hodges (inaudible 52:18) mass and scale on one side and I think it should be as last time but on the other side, the Alley House side, does so pretty well. So it is kind of lopsided in my opinion. The largeness of the building for lack of better words fits really nicely on one side and the other side has a very large difference in height (inaudible 52:49)

Ash: If I may I'll just respond on a couple and I think Lauren has a few responses as well. I do appreciate that Cindy brought up the point that our Town Council, and I think that what I would like to believe is that they brought an opportunity for the density bonus to the developers to present ideas that are creative and solutions to where we provide the housing no matter if it is in the building or down the street. I think if we have the general support that we are willing to give up space to gain a space, if it is 3 bedroom or not, the housing shortage is a housing shortage period across the board. So we are coming to you and proposed an idea and I guess I would like to leave it that it is an idea and opportunity to help solve some solution but also provide opportunity downtown for more living space. Period. That is more people walking our streets that's more people spending money in our shops that's more people eating and dining downtown and bringing that livelihood we are looking for the EOD down there. The second I would like to bring back I guess we were not as clear or discussions had not been had with the Planning Commission on the East Overlay District on their setbacks and how those are deciphered. It is from your neighbors, adjoining neighbors. We are across three lots so it expands over a certain space. If it is 15 feet there the Alley House addition was allowed some additional space so there is a line we could draw between the two if we wanted to and then you're allowed in that 5% max and I think we'd like to interpret that a little bit different and discuss that a little bit further. And with the massing and overlay in consideration with the setbacks what we're proposing with our office is a glass front that actually that opens up all the way to appear as a balcony. So we are being creative with it. The East End Overlay we all know and the Planning Department knows also that there's some conflicting stuff that's going on in there. It's supposedly a residential area but it's also commercial, but then you have residential scale at the street but then also say a minimum of 40% glass. A minimum. Now where my house is I have 40% glass but I live in the middle of nowhere and I don't mind being naked in front of my neighbors. But on main street that's not appropriate, if it's a house. So we're taking the commercial aspect and it's stepped down to one level and making them transparent per the code but also trying to be unique with the roofs. Part of the roof with ours being flat is not to just to have another gable at the street front but kind of cut that off and appear to be more porch like. Also in the East End – the EOD – the other portion of it is that 20% of your building can't be in that frontage setback – when you match your neighbors – at least 20% is supposed to be all the way up to match. If you take our site plan and you look at our building facades we're less than 20% so we meet that requirement. So the one little piece we're talking about we're not even maxing out the 20% that we could bring to a 15 foot. We've made the details and the reason it's presented in front of you is really taking into consideration these different codes. And then the building and mass comes in – and I'm trying not to step on Lauren's toes here – that there's a number of requirements in the EOD and interesting enough it tells you to meet four of the requirements. With building and mass Commissioner Adams already addressed – (reading) appropriate design elements for every development shall be incorporated not limited to at least 4 of the following - this is EOD not the general, where a lot of what you were reading from that's general Mixed-Use and all of the above. In addition to the EOD variations of roof form and parapet heights, I think we've done that, pronounced recesses and projections, I think we've done that. Wall plane offsets, obviously we've just been talking about the setbacks and how that's stepped back and how it will be designed around that. Offsets to accommodate outdoor gathering spaces we have patio spaces, this last presentation we're talking about potentially putting a speakeasy under the patio that was another thing asked by the commissioners to promote more business downtown on main street. Maybe it's not that, maybe it's an art gallery, to be determined. We have outdoor gathering space outside our office and patios and just like we talked about everything is at wall height. We want people to sit, we want people to hang out and

gather. Distinct textures and color and wall surfaces, ground level arcades and second and third floor galleries and balconies, projected and recessed entries, and then to talk about the last element that Lauren will talk about too is that vertical accents for focal points being our staircase and glass. That was A through H. SO we're trying to take all those pieces and work with you on the mass and scale – I think that's what we presented to you tonight.

Lauren: typically a building, a foundation, a structure or something that's permanent – the portico of the Baking Company has an extremely significant roof that is not a seasonal element that's a very permanent and important part of the architecture of the building. When we looked at that building that's a prominent element that should be in fact in my mind, that 8 foot eight at the Pagosa baking Company is that's not an insignificant element on that building so we were in fact responding to that and our 8 foot eight or 8 foot setback I think we're open if we need to align with that front porch but we're very much trying to respond to the context and I guess to follow up this is an urban district.

Whether it be a mixed use corridor or district, or open village this is a urban district, this is where you want the density, this is where you want the housing. And a comment, a very important comment in my mind from the last meeting talked about your land use code and no matter how happy or unhappy you are with it our project at the last submittal essentially met the Land Use code. There was reference to what do other communities in this area do, what does their land use code look like. And there is reference to Durango. Durango requires that the second floor that you have a sit back some sort of believe in your façade they don't get to dictate what that needs to be so it could be an extension relief what we did to address mass and scale because that was a decent comment because of everything about the second level we stepped back 5 feet that's significant. Because that you'll see right here we shaved off 10 whole feet from that mass - that's thousands of square feet - that is relevant - that is significant and we want to be good neighbors, we want to fit into this community, an evolving urban district. In our project we feel like absolutely is a four sided design in addition to that stepping in on the sides. I think we've already talked about the setbacks or certainly addressing it on the Alley House side on Pagosa Baking Company we're right there with them and something that Cindy did not point out I think on her one exhibit just a few houses down the houses were set back with the fourth property was 10 feet back so again when you start to look at the average when you look at the language of that street front and that 8 feet elevation I don't know that we are drastically different from where we're 8 feet is not an egregious sort of setback so I think that's important to consider and I do think it's important that you have more development on these vacant lots.

I think that front step back is really important because in Durango the front setback is zero so again we're stepping in on the side but I think you really need to think about you know what this village wants to be and what this district wants to be and we're set back 8 feet which is very different from other communities. So in terms of the mass and scale I think the terracing on all sides is something we did consider as you go back to the alley side we actually set back the center portion more to create more relief. And so again, we're listening to neighbors to neighbors to community with carving out some of it in the building façade and I'm not sure if anyone has driven down any of the alleys but our alley elevation is really quite attractive. And if you notice we opened up the garage entirely so we're on the alley side so you essentially have a two-story structure so we would do significant mass there. It's no longer concrete cold wall along the alley. We've opened it up. The color. We've introduced signage and landscaping and again disability so you can see right to the garage to the other side. So that's a really nice elevation. And if you drive down the alley now you're going to see windowless facades, you're

gonna see dilapidated broken down structures, you're gonna see solid concrete, you're gonna see solid blocks. But we've introduced some significant relief in materiality on the Alley side. And again we can really see that additional 5 feet that was stepped back on each side. Another part of the masking and scale that is fairly significant and again it goes back to the village feel and I think the town made the comment of this used to be three separate lots and how do we break it? How can we emphasize that a little more than our previous application. And I think it's obvious on the west side, we see that with the office and the step back here and what we really did here this really goes along with the materiality, Commissioner Adams, we drastically modified the materials we reduce the concrete, even though cast in place concrete is listed as an allowed material. We closed a lot of the concrete, we introduced a little more wood, and we wanted to emphasize this eastern portion of the development and we wanted to set off that restaurant because I think the bottom floor was a little monolithic in terms of how it reads, in terms of materiality.

We proposed wrapping the restaurant in a board and batten, that's contextual, that vernacular and it reads as a separate building in front and the other part is we pushed back this entire stair tower and we took off ten feet from it and it had a very contemporary feel in the previous submittal – it had sort of that angled façade which made it sort of the dominant element. We pushed it back so that the restaurant and the office become 1-story building along main street and that's what people see - they don't see the stair tower. This whole center portion of the development is recessed. The darker metal panel that you're seeing is pushed back a third of the site. So we are trying to respond to that articulation and reducing of the mass. We added gables. We tried to break this up a little more and we changed the materials so it does look like it's more sort of added on to over the years. Not necessarily some sort of monolithic building. And again, you can see more of the greenscape – the landscaping we've added – this is the western façade with three grow screens, you can see the openness of the garage. We have landscaped roof decks, we have landscape around the garage. Again, it softens it, it breaks it up and it adds visual interest in an urban village district. A change which lopped off 4 feet to the roof occurred over this portion of the building. So if you recall, this was the highest point of the whole development previously. We lopped off that roof and significantly, that terrace effect, trying to be a good neighbor, reducing the mass on the west side of the building. So those are pretty significant changes we feel like and make it I think go a long ways into how this relates and how we have responded to some of the comments. Another thing I wanted to touch on is figure ground. In terms of what this could be if you had three separate lots and they were all fully built out, if you go back to the site plan with the Alley House on one lot, again, it's a two-story structure, and it's maxed out in terms of the footprint. In our footprint, we've carved away quite a bit and on these – on the main level side, you have essentially this footprint and this footprint that's on the ground level. This whole ground is open. There's really only two small footprints at your pedestrian level. As you increase, as you go up, the footprint starts to reduce and reduce and again speaking to the terrace, this is the roof plan. So you talk about scaling back and if you had three separate lots fully built out, I think your impact and your mass could be quite great. I think in terms of our impact and our solution, I think we're absolutely responding to the land use code, to the concerns of neighbors, to concerns of the community. I think we have a really nice solution that achieves the overall objectives. Of density, of housing, of life and activity, and mixed uses, and there's other mixed-use development happening elsewhere in town. I think we have absolutely tried to respond to the previous comments.

Brad: If I may, one of the owners is here can he speak to a couple of the comments too?

Chris: Sure can I ask my questions first?

Peter: Cindy I have a question for you. You made a design remind ...(inaudible) ... was the architectural design which (inaudible) ... row houses?

Cindy: yes, we had talked about suggesting the look of row houses, to break up that – make it more vertical, to honor what Ms. Davis was referring to in the three separate lots, and they have opted to do something different with that and I don't know that one is necessarily better than the other one.

Peter: I was hoping that would come back with a center massing style where it reduces down on either side to basically make it more of a transition on either side.

Brad: we didn't feel like the row housing was very appropriate I don't know where that is on Pagosa on main street or thereabouts.

Peter: I agree I didn't really want that either. Cindy if you wouldn't mind when you say you question whether the changes are substantial enough to meet the intent of these guiding documents could you be more specific?

Cindy: yes so exactly what you looked at last time which was talking about the scale, massing, the pedestrian experience, the setback, all of those things that we talked about at the last meeting and all of the things we're talking about now in the same vein as we were concerned about with last time are still and remain concerns as the last time. So the question becomes exactly what you were highlighting previously. Are these modifications enough to push you all to say that yes it substantially complies with the code?

Peter: and to me this is really a question of (inaudible) and a question of location. I really love the design (inaudible) another location other than right here, (inaudible) uptown, 84, when national development comes in these things are gonna be all over the place. Like what you said, what do we want our village to be? A village.

Chris: is that it?

Peter: Not sure, but I can come back.

Chris: If I let you (ha).

Kristin: I wasn't following this outdoor space, speakeasy concept. You have a patio in front of the restaurant, and –

Lauren: So we're utilizing that volume right under the patio.

Kristin: So like a sunken something like that underneath there? And then on the density piece, what if you made 7 units instead of 8, what does that do, is that a non-starter?

Brad: on the residential units?

Kristin: Are they gonna be Air BnB's, that's what I assume they will be.

Chris: They can't – oh, oh yea, they can be, they're commercial.

Brad: Yea, they can be, it's a use by right.

Kristin:

Brad: yeah at eight units it's penciling but it's already tight already as you can imagine. I mean every little bit, I think I'm gonna try to present ideas to you guys to find your support.

Kristin: I'm just thinking maybe you can cut off a little bit of the box somewhere on the side but I didn't look that closely at how you did the layout.

Chris: thanks. I was going to ask because everybody gets the same questions that that I already put out there I better go before I fall asleep up here. So as far as the setback goes in the front, when I look at the perspectives there's nothing to me that seems out of place especially when I consider when I walk from the forest service building along the Alley House you know that retaining wall, I don't know how high that is you know 30 inches or so, you know it crowds you and so I think this looks more open and inviting for somebody walking then that retaining wall that extends for those two properties so I guess my question for staff is why is that set back important to you because it sounds like you disagree with the rationale for it because of the pedestrian friendly component or because of the numbers?

Cindy: I think it comes down to a little bit of both so I appreciate what Ms. Davis is trying to say in that we've got a structure with the Baking Company but as I was mentioning earlier we've got a roof portico is actually allowed to go into the setback whereas the structure with the glass around it even if the glass was open 24 seven it's really not a space that's intended to be activated at all times it's an office space it's a private office space and a business meeting space so it doesn't have this same sort of level of activation or interaction with the public that it would if it were open as a public patio or a plaza. So that's really what that is and because it is a structure and it isn't closed even if it's enclosed by glass has a different feel to it it's just really what we have with it, it does allow for the Baking Company's portico to jut out like that but it doesn't allow that corner just that one.

James: I would say that the code provides some flexibility it's a 15 to 20 foot well you can have some encroachments, and it refers to the average to so the neighbor is only 5 feet away then you get 5 feet for example on that side of the property. But based on the code language the definitions and our code the proposed 8 foot setback that doesn't comply in relation to the average setback next-door in relation to the maximum 5-foot extension into that outside of the build-to zone it just doesn't fit at 8 feet in context with the neighboring properties as the average and also as the extension into the build-to outside of the Build to zone, I'm sorry, so based on the definitions in our code that foot doesn't actually fit on this corner.

Chris: so I guess my point is that the applicant's case is compelling about that space being all glass and having that open feeling and the reality of the experience from a pedestrian experience walking along that sidewalk and coming to that place from the north you're crowded by that sidewalk retaining wall and so if the intent was to not crowd you I don't think that's the issue with the setback requirement so from a practical standpoint I don't have a problem with the way it's laid out in the current plan especially considering the mass and what I just described of the adjacent properties. I just want to make that comment. The density bonus part of this you know I think I would be the first to admit I don't know that density bonus code very well it but I think I understand the intent of that and the intent was let's try to figure out a way we can promote development to set units aside for workforce housing and affordable housing so and I think being creative certainly promoted in that and I think creative solutions are what's going to solve this problem and we should embrace those so I don't have any issue with that

either. As far as the technicality with the previous building I don't know it wasn't this body but if somebody up here approves that building and if it was out of compliance for the density we can't go back on that now. Am I misunderstanding that?

Cindy: that wasn't the intent that wasn't what I was trying to say. That because it's already over the density it isn't really fair to use that additional density they've already gotten their "gimme" is that a fair trade-off with a density bonus and we can go back to that information that's in that density bonus policy and share that with you, it does talk about the equivalency of the units so what is the town getting in exchange for the large luxury units are we getting something similar in quality or something similar for what we're being asked for? I think that's the question.

James: I'd say part of what the challenge is that we're looking at two density bonuses, right? We're looking at a density bonus for a property that's already over it's a lower density and then a density on this but we're really only getting one unit so we're really kind of struggling with how it fits in with the intent of the density bonus policy because of the granting of two density bonuses but we're only getting one unit. I would say certainly that our density bonus policy is like other communities and is our first attempt at trying to promote workforce housing units and I think it's a really good tool, however, we have been getting some criticism from board members both planning commission and Town Council on 'is seven years enough?' What we've heard is, you know that the developer is getting a permanent in perpetuity market rate unit and we're only getting seven years for the other density bonus unit that's allocated and deed restricted for seven years. I'm just bringing that up as a sidenote because we know that we're going to have to revise that policy, it is what it is today but as it sits today from a staff perspective it gets complicated because we're looking at two properties that are getting density bonuses or we're only getting one unit. Listen, we want to help the developer as much as we can, and though thinking out loud I had shared this idea with the developer, however I hadn't fully flushed it out and they certainly ran with it and good for them. But still I haven't figured out how that fits and how we justify that so I just want to state that it's just really hard to fit into the boxes, if you will, of what we have right now I think we do have ordinance 966 which gives us broad flexibility however it really drives home the importance to consider those waivers and bonuses for the totality of public benefit that's been received for that incentive or that waiver or whatever it might be. So I just want to state that we are having a really hard time with it.

Chris: Well I think the density bonus is a great way to leverage affordable housing because I think the reality is and I think it gets kind of back to conflicting elements of the ranges in development codes especially the ODE. But I think that kind of captures some of the complexity that we're having as a community because certainly we like the small community neighborhood feel of downtown but at the same time we have a tremendous role and we need a stronger court and need the density downtown. I think that this building juxtaposed between two old residential structures is making it look like it doesn't fit but if it was three lots over in between say Riff Raff and the Town Terrace I don't think anybody would think twice about it. I think that it should be okay to have big and little next to each other with the overall goal of maintaining some of those store properties I mean you know this is a vacant lot let's get the density there and then keep the field around it. I understand the mass and scale and again this was my position last time, the letter of the code is followed and I think it's a hard sell to get into the arbitrary components of does it fit in – I guess that's our job and it's the part I dislike the most – about this commission is that the stuff that's not real black and white. But I think when I look at the overall picture I think the density is good for downtown it's bigger than the two houses on either side correct

but that doesn't scare me. I think it's a beautiful building I mean the perspectives are great there's nothing that I look at I feel like oh man, that's going to ruin the Eastern part of town.

Peter: do you realize we're going to get Reynolds office right here in the Center? (inaudible.)

Brad: we're fortunate enough and I can probably argue that our lights are on more than businesses next to me and will be well lit up at night

Chris: so I get the conflicts but I think it's worth the overall increase in density downtown. Any other comments?

Peter: yes I'm looking at the top of the station above the restaurant there there's a figure right in front of the car do you see the big concrete wall and back of that figure? Personally to quote one of our presenters to me that's a cold concrete wall. Is that correct?

Lauren: so that was gonna be stone with the wood right there.

Peter: right there?

Brad: so wood siding above a stone wall.

Peter: okay. So the concrete will go away right there?

Brad: yes right there.

Lauren: yes. We got rid of all the concrete.

Peter: OK then just above what I thought was a concrete wall, between the gable wall in the horizontal piece or the horizontal piece there what is exactly that piece of steel that's right there?

Brad: truss detail that we're doing.

Peter: what would be involved in making that timbers?

Brad: I think that could be acceptable. I think if we're negotiating some design elements, sure. Steel is definitely an allowed material though.

Peter: oh I know.

Brad: that's in the ODE that's where that stuff came from.

Peter: where we could put some nice timber there?

Brad: you bet.

Peter: can we takeoff the west end of your building?

Brad: not gonna fly.

Peter: all right that's all I really have to say then. wait one more thing. (1:27:45 inaudible) (I think Peter is saying) I don't think the density is an even exchange, I don't think it's a fair trade -(but I can't make out what he said).

Mark: thank you for recognizing me. A couple of items as far as the density bonus for workforce housing my simple math tells me that by doing this we're going to end up with 14% of the projects total units for workforce housing which is a significant number and I think that's absolutely wonderful. As far as the mass and scale I think Mr. Chairman your statement that if this building was between Riff Raff and Town Terrace that there would be no question about its scale. I'd also like to point out that if you compare it to the county building right on the corner you're not gonna get any more mass and scale anywhere. The other thing I'd like to point out is if you go across the street and you look at the stuff that's in the 100 block the mass and scale in that block is two stories and three stories so the mass and scale is already there and at the end of the day the property as designed I think our architects have done an admirable job of addressing the concerns they spent a lot of time and energy and I think the amount of work they've done has produced a wonderful result and at the end of the day it addresses first workforce housing second mass and scale that already exists on the street, perhaps not right next-door but on the street. and any vacant lot is going to end up being this mass and scale in order to get economies of scale and as time goes on the houses that have been – the small houses that have been converted into retails establishments, the value of the underlying land will exceed the value of the improvement that's past its design life and those properties will be purchased and you will have structures similar to this. If you look at the downtown of Durango if you look at our neighbors, they've done the same thing so thank you very much to the architects thank you very much to our staff I think the compromises they have proposed provide an excellent and the fact that we can end up getting 14% of the units being workforce housing is wonderful. The only component of that is that it should be perpetual and not just seven years. I have been a proponent that if you want a density bonus in perpetuity then the workforce housing should be in perpetuity. Thank you Mr. Chairman for allowing me to share my thoughts without interruption.

Chris: thank you Mark. OK I'm gonna open it up for public comment.

Martin Lewis (co-applicant/owner) 214 Pagosa street: I am the original buyer of that dirt back in 2011 and 2013 when my wife and I bought two lots next to the Alley House when we bought the Alley House in 2011. The third lot is now next to the bakery was on and off the market several times before we bought it in 2013 or 14. I am a managing member and where the majority owners of the Alley House of Dirty Rose which is the owner of Alley House. So we've been here a long time we have invested millions in the Alley House and I've enjoyed this process and I will tell you I am thankful for the work you do because frankly when we came back (inaudible at 1:32:00) and I agree with you Mr. Adams, I think it's a better design and I'm really excited about it. We are the neighbors. And Mr. Weiler made a great point these old houses they were gone when we bought the land we didn't demolish them somebody else did and we've been paying taxes on that dirt for 11 years. We tried to figure out what can we do to make economic sense to our neighborhood property. We built the Alley House extension that was a real test case for Us because we wanted to build something for the present and the future that would be around for a long time and be impressive. And some people doubted us people thought we were making a fall and that has become a destination the reviews we get from people on Google or on TripAdvisor saying it's a destination location that they never thought of before because that lounge and how beautiful it is and how contemporary it is. We want to do the same thing next-door and the idea is we could do anything to diminish the value of for the beauty of this section of town that we've already invested millions and it's hard to understand. And James it's hard to understand but we have worked hard and Brad and Lauren and her team have both worked really hard to meet all the code requirements and your

comments we do intend we're not out of town developers we live here - We live here we're gonna be here. We're not going anywhere. We care about downtown and main street's an important part of our community and this adds to it. And I thank you for your consideration.

Chris: thank you.

Peter: What's your timeline on your project

Martin: well if we get approval and depending on weather in finance I hope we can break ground next summer.

Peter: is there any concern about parking for the Alley House?

Martin: well I don't know construction always costs (inaudible at (1:34:13) about parking.

Lauren: we're over parked by 30. That's a public good.

Kristin: that is not for the restaurant - I'm sorry - I thought the parking was not for the restaurant.

Martin: that's a good question. We over designed for parking We have more parking than required.

Lauren: That can be something we work through.

Peter: thirty? 30 spaces over?

Brad: correct.

Peter: that's considerable.

Martin: More than half the project is parking. Can you talk about the square footage more than half is just for parking which is expensive to build and has no revenue to it.

Chris: OK now I will take a public comment and if you could just state your name And your address keep your comments to three or four minutes and please don't repeat comments.

Tamara McLaughlin: I'm a business owner on main street. The Roses are and have been extremely generous to the community I've never known them to miss a meeting to the arts Council. They've donated a great deal to the arts and I'm an artist in town. They've spoken to me at length about providing parts for this building and really grateful for them and for all they do for the community and I just wanted to speak. Change is scary and this is wow it's incredible. But change is also very good. We can all sit around I want it to be the way it was 20 years ago or we can step up to the plate and back people who live here and not some outside development. I think it's really important because their money stays in our community and they're extremely generous to our community. That's all I got to say and it worked all day so I'm going to leave. Thanks for all you guys do I don't understand it but good job.

Evelyn Tennyson, 711 Echo Canyon Ranch Lane: I've been a member of this community believe it or not, since about 1994. I've known the Roses forever and I just wanna say like Bear (Tamara McLaughlin) said change is inevitable in this town and we need to embrace it. If we go down Main Street now look at some of the things I know has been approved. There's a purple building down the street. I am very active in the main society however I never would've approved that teal color. That stands out more than this building will. And we're getting extra housing with it we're getting parking. So I think that's it.

Bob Scott 3400A County Road 400: I've been here since 1998 I've raised three kids here I've been married for almost 30 years my wife Lisa has been habitually involved in this community. She said to not give my opinion tonight and she would be here tonight except she's out of town. But I am gonna give my opinion. She said just stick to the land-use code and I will mention that briefly but I think in my mind this clearly meets the criteria and exceeds the criteria and it's a very subjective code. I've never been to one of these meetings but I think there's gotta be some holes that you guys are to shore up there. But from an opinion standpoint in 2020 to 30 year mortgage rate has practically doubled and gone from 3% to 6%. That's going to raise the hurdle significantly for any developer that comes into this town and is looking to do a high-quality project so I think you should open the idea presented here with open arms because I've seen the town in the county run out benevolent developers in the past and I think you've got that here with the applicants and the work that Brad's firm has done. I think you should embrace this wholeheartedly. It meets the criteria that's an empty lot and God knows what could be there if you don't let somebody who really cares about this community develop it. Good job and I wish you were here 30 years ago you could've addressed Walter's auto body and a few other places.

Chris: you should've listened to Lisa.

Sherry Phillips, 575 Oxbow Circle and also a business owner on Pagosa Street: I realize that if you look at this from the perspective of the bakery in the Alley House that it's not the same kind of building but I think about what the mass and scale could be if you have three separate buildings they're built out to where they are allowed to be built out. And you probably have the same mass and scale and who would know what it would look like. And as has already been said Marty and Joni are good members of the community they're here, they care, and it does meet the code. It's about subjectiveness as Bob stated. Some of us like Picasso some of us like Van Gogh. It's all a matter of your perspective. I think that we're gonna see more and more of this and why should we tell them they can't do it just because they're the first.

Robert Nemeth , 245 Lewis St: so we're almost in back of this building and I don't doubt that these people are very good people and the architects have done a great job on the south side it's the those of us who live in back of the building are concerned about the mass and scale it is just an enormous building. It's 140 foot long on grade and almost well it's maxing out the height of the building. So from the backside which very little has been talked about, it's just an enormous building and it sets a precedent. So the massive scale, it's not a 4-sided design. That's what the land-use development code does address. If the back of the building look like the south side of the building we probably wouldn't be at this meeting. So there's very little modulation on that north side and there are many of us that live back that they're who are going to be looking at this and that's the biggest problem we have with this is really that north side and it's just enormous. A couple other little things. The land-use development code talks about outdoor gathering spaces two and that you have to have 1000 ft.² feet minimum if you have over 25,000 ft.² development. This part of the code is not being addressed and for you to not address that you have to ask for a variance and I don't see that happening. There is no minimum 20 x 20' open space and that's really to give people relief from such a large structure. I don't know how they're getting by without getting a variance. The back of the building, on the plans that were shown on the website, it shows a 5-foot setback from the alley and it's still showing some parking back there. That alley is a really busy alley and that would mean that those cars are parked in the alley basically. I don't know if that just isn't if that parking is still plan there but you cannot park a car in a 5-foot wide space. So I don't know if the city is gonna allow that. And then the trash dumpster goes back there too and it

needs to be shielded and I don't know how that's going to work out in a 5-foot wide space. I think I will let my wife talk about some other things.

Sarah Nemeth, 245 Lewis St.: Yeah the north façade is a concern. The architects in the revised design have said that they that they did more articulation of the north side and the articulation and the original design was very limited façade modulation on the north elevation and it was one 2 foot recess that was 26 feet wide for the second and third floors on the 140 foot long façade. And the revised design adds one 1 foot recess 9 1/2 feet wide for the second and third floor over the revised 130 foot long façade elevation. The revised articulation is virtually indiscernible across the 130 foot long façade. If the density bonus is not allowed and the maximum number of dwelling units remains at seven, perhaps the building could be step back on the north elevation and therefore provide a more discernible modulation on the north elevation. We also had a request for more than the maximum number of dwelling units being seven and that they want eight, it just seems like swapping out that for the building down the street for only seven years, I assume that's just the length of their lease. I don't know how you could have a workforce housing unit that has a finite duration. What I think is this would address a lot of problems if you just had the maximum seven units and then you designed it and put some setbacks on the north side I think it could just lighten things up a bit on the north side. What I did is I took another picture of the middle school just to kind of show what this building is going to look like because I think it's hard when you just have these dimensions and you don't really see what this building would look like. Well the middle school kind of looks as far as the massing – I know it doesn't look like this – but the massing you can kind of get the idea of it. So I went out today and I measured 130 feet along fourth Street of the middle school, and then went up like 40 feet in the air so you can kind of see how much higher it's going to be then even the middle school. So you can see it's just this massive building and this is sort of what it would look like on the north side and so it doesn't appear that there's much of a design element on that alley side and so we have a question about it being really four sided design. Thank you.

Chris: thank you.

Jim Prutsman, 229 Peninsula: I would just agree with that entirely because you have a large opening at the bottom it's not simply a wall like the middle school. You have an opening you have a sightlines and replace your reductions and replace it's not simply a mass of a similar material across the whole side so it's completely different.

Kathy Keyes, 238 Pagosa St: I own Pagosa Baking Company. I really am grateful to Town staff for pointing out the setback issue. There are three buildings west of the west of this proposal that are in comparable setback and I hope that can be respected while our community is seeing a time of transition. I embrace change I embrace this project. I am unhappy with that particular setback. I appreciate the changes that you guys have made to the façade out front that looks really nice. That's all I had to say.

Chrissy Karas, 227 Hermosa St: my husband used to say that the only one who likes change is a dirty baby. I find that true with myself especially being a citizen here for 30 to use and raising my children here. But this is a perfect opportunity for the town to do the traffic because if you're putting high end housing right on 160 and the trucks are barreling through with their brakes their jake brakes and then of course we have at least two or three times a day sirens going back-and-forth, they start really early in the morning and they don't stop until the evening. The traffic going by very fast at 40 and children including myself because I used to drive a '49 Ford pick-up and I would lay rubber all over town – I made

sure that my mufflers were as loud as they could be and that's happening all over Pagosa now. So this is a time when we really need to address that because High and people are not going to want to be right next to the highway that has so many trucks that you can hardly hear yourself think.

Sarah Nemeth: I just wanted to say one of the thing about that public space they were saying that it might be a speakeasy or a gallery and all that. But that would still be a commercial space, so I don't think you could count that as a public space. That's another concern.

Evelyn Tennyson: we're talking this much 8 inches or about that on the setback correct?

Chris: it's a little bit more complicated than that.

Evelyn Tennyson: well I understand that but technically this is what we're talking about, eight, 8 1/2 inches.

Chris: if there's no more comments I will close public comments and then we can open it back up for discussion up here.

Kristin: I guess I just like a recap of the setback. Is it only 6 inches I didn't quite catch that from the earlier presentation.

James: So the current setback is proposed at 8 feet from the property line or the back of the side walk. Our build-to line is 15 feet to 20 feet. The bakery wall of the building is generally 15 feet. They're covered porch does extend outside the build to line, so talking closer to 7 feet I guess.

Chris: I think her point is that the bakery parapet or porch is 6 inches different from the glass office.

Brad: If we just add our side back to that is that are that architectural feature is required and necessary for that structure. And even if you go 15 you're saying 15 or 20 feet but we go back to the ODE. The ODE overlay says from where your neighbors are, and where they are and you can basically draw a straight line across and add 5 feet to it. That's not being clear in the way that's being represented. Go to your code and it shows that thing for ODE I'm not talking about anything else. So in that ODE that 5 feet there's some flexibility and then you read further in the code and if it feels appropriate like Commissioner Pitcher made you guys have the right to approve it. So we keep talking about this but we're doing the best we can to do that and include the transparency and include that though it's a visible space it's an open space the ODE not just the land-use code continues to talk about those spaces that they are activated spaces that there's something going on in there all the time. That there's people there's everything, that's what's in front of you. So that's why I think it's important to keep referencing the ODE, not just the 15 to 20 feet, it's your neighbors.

James: we are referring to the ODE standards that 15 to 20 feet is that build-to zone and in our code it does define that those covered entrances to buildings as being exempt from meeting that they can extend outside that build-to zone. So we are referring to the ODE standards when we're talking about setbacks our analysis for the setback was based on the ODE standards in the code.

Brad: James, 15 to 20 feet is the standard unless you're measuring between your neighbors, then you're taking the average of your adjacent properties on either side of you you're drawing a line then you're allowed 5 feet plus or minus. You guys are taking from the front of the building we're saying that architectural feature is critical to that building it's not just a covered entry and so we're asking for some

happy medium in between. But it's that 15 to 20 in the overlay unless your neighbors are closer on either side and we're drawing a line over to the Alley House.

James: And we agree with the exception that our code does recognize those covered porches. I realize that the applicant as looking at those as architectural features, and it probably is, and in our code it does refer to those covered entrances which is how we're interpreting that.

Cindy: so you can see in the graphic, here's the front of the proposed building and here's the front of the bakery adjacent. We are typically looking at (inaudible at 1:56:24)

Chris: well my comments are the same on that. I don't understand how it would adversely affect the pedestrian experience so I'm fine with it, it's not even a variance it's just an interpretation on the step back. But we can get to that detail here shortly hopefully.

Kristen: it sounds like we need to be more clear somewhere in the code.

James: I think there is some subjective nature in there on purpose right because it's trying to put a new development in and have it be somewhat contextualized with the surrounding development that's around it so there is a subjective nature to it. You can't put a definitive number on it. Most of our code have those definitive numbers but there's a lot of exceptions in the code and I would say that this is one of the subjective features of the code is that interpretation of the setback. We don't think it's as unclear as it may seem, it's just our interpretation of the definition in our code in that build-to line. I think the pedestrian experience yeah, yeah as you're on the sidewalk it may not make a big of a difference, but it does, I think the intent is so that you're not I guess dwarfing the existing structures, which is not just height but in this instance, you're protruding further to the sidewalk than your neighbor which kind of tucked that building back and away from disability until you're pretty much right on it. You don't see that building as you're walking down the street because it's tucked behind this particular wall. So I think pedestrian environment looks at all of those elements, it's not just as you're standing on the sidewalk at that location. So that's just our interpretation of how that particular corner of the building seems a little in our view just extending past the build-to zone and we believe is the allowed flexibility of the setback. So that's just our interpretation.

Brad: just to make it clear, 6.7.7 additional standards for buildings over 18,000 ft.², reduced building setbacks may be approved by the design review board if the overall design of the building reflects an urban style of building form and site design.

Chris: and thanks James for that explanation too because that's kind of what the heart of my question was is why is the code that way and that's helpful and understanding. But when I think we look at that middle picture, if that glass wasn't in the way and you can see through the glass I would see is that covered space of the entryway to the Baking Company. But what's really prevalent in that picture is that sign so I think that's important that you'll still be able to be recognized at least from the pedestrian.

Lauren: I also want to clarify that on the alley we're not 40 deep we're 30 to 35 feet, it's just a three-story structure for the first story is open. We verify and also watch Lewis Street and Lewis Street is a full story above and it increases dramatically behind the building. So if you're standing on Lewis Street all you'll see is one and a half stories of it. We also but there's a church and a couple garage is immediately across our property so again I think there's space and I think the views are just dramatic as what may be portrayed. And again it's 30 to 35 feet.

Chris: I'm glad you brought that up and just to clarify, there was no parking on the Alley, correct?

(Inaudible, but correct no parking on the alley).

Peter: so we have a public space of 1000 ft.² which is required by the code what should we do about that?

Chris: I think the clarification Cindy gave was that if you don't count the parking garage, correct and that seems reasonable to me. The parking garage isn't calculated in that threshold.

Peter: oh, okay.

Chris: I am open to that we can talk more about that but I think Cindy's interpretation was appropriate.

James: well I would say we don't have the calculations (inaudible at 2:01:35) Public space where you can't just go hang out it's somebody else's restaurant patio, but they are activity generating spaces, there's activity going on, they're outside, so that's our interpretation.

Chris: so I guess we're clarification what is the building square footage without the parking garage? Do we have that?

Lauren: roughly 20,000.

Chris: and the threshold is 25 correct?

James: yes.

Kristin: I just want to discuss the density bonus piece because I am a little concerned about setting a precedent. I mean I think it's a creative idea to do the trade for sure but I think Mark also had a point that seven years is not equivalent to in perpetuity so what kind of additions to the motion might we discuss? Any idea on how we might address that?

Chris: I think that's a valid negotiating chip. Do you want to comment on that, applicant, at all? I mean is seven years what you've done your pro forma on?

Brad: yeah that's where we're gonna start always, but then there's negotiation on the table. You know I have to take it back to the partnership and at 10 years doing that forever, there's you know a unique opportunity to provide some housing and for the housing to be turned on the developers always as the developers' issue I don't always think that's a fair way of looking at it too so I think there's a trade-off. There are times it does allow a permit if it's seven years, if it's the same 10 tenants if it's not but say it was the seven years the idea of the affordable that that unit for that individual is having an opportunity to live somewhere and put money away that allows them to move on to eventually move onto something else. Realizing that it does expire, but I think that also creates motivation sometimes. But to say yeah I will entertain it I don't know, are we approving the density bonus tonight?

James: I think you can consider a recommendation ultimately Town Council makes the decision on the density bonus.

Brad: but tonight we're looking for their recommendation?

James: we can bring it back if it's not ready being discussed or being decided.

Brad: I think that does have to be I think they can make a recommendation before it goes to Council we're going to have to talk with partnership obviously.

Chris: I think it's a little unusual, I didn't fully understand when I first asked my question about how it's also considered a bonus because your current office space is not a residential calc in the existing building. But I mean I think maybe the best approach is in the condition to direct staff to negotiate that density bonus. The duration, I mean the whole thing.

James: I think some input from planning commission... Obviously staff would certainly get behind a unit that's being deed restricted in perpetuity and we can make that case. But seven years as I've mentioned before - we're starting to get some pushback from Planning Commission and Town Council and we're expecting it to be revised. Just stating given the complexity really giving the density bonus for two properties it really makes it hard to get our mind around that especially if it's only for seven years. So I figure we will go ahead and work with the applicant on that and bring that back to you for your recommendation. Will more than likely flush that out so you can make a recommendation for Town Council.

Chris: well maybe the place to start would be to double the duration because it's two units and then let you negotiate that and bring this back, that would be our, I mean

Kristin: I was going to ask staff what is the perfect solution or what do you think the recommendation should be?

Chris: perpetuity, is what James just said. If they're starting at seven years and they're gonna get two bonuses then double it.

Kristin: Oh I see your point.

James: it can be a function of the AMI percentage. We haven't discussed any of that this is just sketch so for example if they're at 60% AMI, or maybe at 120-140% AMI it makes more sense for them and helps the applicant pencil out for a longer term. We don't have those details discussed with you tonight because we haven't had those detailed discussions with the applicant.

Chris: and I think it's hard for us to discuss and make those recommendations for us as well you know those specific numbers, but I think the general intent to negotiate that with staff is kind of what I feel.

Kristin: what do you think about the issue with you know using one that is - I forget the correct term - but you know if the existing density is already over the allowed density so instead of getting two units right we're getting one. Now maybe that was part of a previous negotiation before me and I don't know how we got there.

Chris: I think we're there now. That's why I'm saying you double the time period.

Kristin: I think the time period is already maybe not as long as it should be.

Chris: I think those are the details I'm not confident we can solve here, it would be a negotiation between staff and the applicant.

Peter: Question it is Servitas that's that's 40 years right? What is that across the street?

James: This [across the street] is 40 years for a LIHTC product, Servitas will be in perpetuity. Pagosa Views if you heard, Town Council did approve on first reading at their last meeting 70 units in perpetuity in that development half of those from the rental and half will be ownership models. We are for these larger developments trying to get long-term affordability because seven years is gone before you know it.

Mark: Mr. chairman are you at the point where you're about to entertain a motion?

Chris: I was just about to ask that question. But maybe Mark before you start if you were thinking about it do you want to comment on what you think about the density bonus and the duration.

Mark: I've already given you my comment. I think any density bonus that doesn't result in a workforce housing in perpetuity is bad - that's my opinion. The density bonus is in perpetuity the balance of that should be that the workforce housing is in perpetuity. And I think you've seen the town Council adopt that in the stuff that we passed up to them and so if that's my opinion I'll include it in my motion. And the motion can either get a second or die

Chris: And what's your opinion on the subject?

Mark: frankly the setback stuff on the front as a relates to the porch that's on the front of the Pagosa Bakery and the addition to the Alley House is that what you're referring to Chris?

Chris: well there's some discrepancy about the interpretation of how to calculate that, and there's some interpretation that's allowed from the Design Review Board. Staff was not comfortable with the current location of the building based on that calculation but we've kind of passed through the other side of that as well.

Mark: yeah I'm comfortable with the building as it's been presented by the applicant and the setback is fine with me.

Chris: then if you make a motion I would reflect that in the motion.

Mark: are you prepared to accept a motion Mr. Chairman?

Chris: let me just double check if there any more comments from the commission before we're ready for the motion? yeah go ahead, Mark.

Mark: would you like to interrupt me?

Chris: no, go ahead.

Mark: you sure?

Chris: yes.... Hold on.

Kristin: Quick question on the setbacks. Can you see the sign as you have a drawn in there? Yes? Without the glass I mean the glass won't be blocking the sign.?

Brad: yes. yes.

Chris: go ahead Mark.

Mark: move to approve the Major Design Review application for the Pagosa Street mixed-use development and directing applicant to provide at least the following with their Final Major Design Review application:

1. A detailed landscape plan demonstrating compliance with the 15% landscaping treatments and incorporating other suggestions regarding replacement of existing street trees
2. Compliance with the permitted density allowance for the zoning district or a density bonus application to consider more than seven units
3. A written statement with rationale to be considered for a waiver from the drainage requirements under 6.3.2.A.5 as needed
4. A master utility plan and written verification from all utility providers regarding availability of service
5. Detailed lighting plan with details on fixtures and placement
6. Provide a front setback for the western portion of the structure that complies with the intent of the LUDC
7. Draft signage plan
8. Clarification on the proposed front setbacks
9. One workforce housing unit in perpetuity to comply with the density bonus and
10. Setbacks are fine as they exist, as presented by the applicant.

Chris: is that clear for everybody I think he clarified number eight with the last statement. And I'll entertain a second. (None) I will second.

And a roll call vote, please.

Katelyn: member Adams

Peter: can I be the last vote?

Chris: That's an unusual request but I'm fine with it.

Katelyn: member Hodges.

Mark: mr. Chairman I couldn't hear Commissioner Adams verbiage

Chris: he just would like to vote last.

Katelyn : member Hodges. (Yay)

Katelyn: member McCollum (yay)

Member writer: (aye)

Member Adams: I wholeheartedly vote yes and I look forward to this project.

Chair pitcher (yay).

Motion passed.

Chris: Thank you everyone thank you for your public comments. And I'm sorry we couldn't be open public comments but there is another chance for public comments at the end of the meeting.