

Managing Growth for Community & Economic Sustainability

Vision

We are committed to managing growth in order to achieve the community values and goals that are expressed in this plan. In the broadest terms, these goals include a thriving and sustainable year-round community and a unique and vibrant resort in the context of a healthy natural environment. We recognize that all of our community goals can and should benefit those who live and work here, as well as those who visit.

The community goals we seek to achieve in this chapter include (in no particular order):

- Providing affordable housing for a “critical mass” of local residents.
- Managing the impacts of development to maintain a high quality of life.
- Preserving mountain views and the natural ecosystems, including riparian areas.
- Maintaining a high quality of life and resort experience.
- Planning for a tourism economy that is supported by future generations of diverse visitors.
- Facilitating a diverse, unique and vital downtown area.
- Supporting a vibrant non-profit sector, including arts and cultural organizations.
- Preserving the historic character of the built environment so we can “tell the story” of Aspen to future generations.
- Replenishing the lodging base with a focus on diversifying the lodging inventory.
- Encouraging a local business sector that provides basic products and services for everyone, and encouraging an appropriate level of local-serving business.



Philosophy

This community plan recognizes that managing growth and economic sustainability are closely inter-related, and have therefore been combined into one chapter for the first time in order to identify how they work together.

The City and County growth management systems are effective tools that can help the community reach desired goals. The management of development through growth management and other land use tools influences our three intertwining economies:

- Resort tourism
- Development/Real estate
- Year-round Community

None of these economies stands discrete and alone; they are inextricably connected at a number of levels. The economic impact of growth management and other land use tools have been debated for many years, and should continue to be a focus of discussion, study, and visual and economic modeling.

For example, preserving scenic views, riparian areas and a pristine natural environment are important aesthetic and philosophical values held closely by local residents, but these efforts have also contributed to a highly attractive resort, and resulted in substantial economic benefits across the board. Studies have repeatedly shown that open space and opportunities for recreation reflect a kind of natural capital that enhances the economic well-being of the entire community.

As the resort matured in the 1980s, additional venues for arts and cultural groups complemented the already outstanding recreational opportunities and scenic views, and the development economy began growing dramatically. A 2008 economic study commissioned by the City of Aspen found that by 2000 – for the first time – the economic activity related to the development industry eclipsed and surpassed the economic activity related to the tourism industry.

While the development industry has been hit hard by the current recession, to assume that it will not make a rebound during the 10-year life of this plan would be irresponsible. Therefore, one of the broad themes of this plan is to manage future development so that it contributes to the long-term viability of a sustainable, diverse tourist-based economy and a strong year-round community.

Definitions

Growth: Growth is any increase in the size or activity of the community. Growth can be an increase in population, jobs, infrastructure, demand for public services, or an increase in the size or use of buildings. Growth can be a result of new development, changes in use, redevelopment, or fluctuations in the economy (jobs and public services).

Infrastructure: The physical and operational systems that support the Aspen Area. This includes traditional concepts of infrastructure, such as roads, the sewer system, water system, and the trail system. Infrastructure also includes systems that make the Aspen Area a healthy, lively, and socially balanced community, such as, affordable housing, a balanced lodging inventory, a lively and interesting downtown, unique restaurants, historic landmarks, engaging outdoor areas, recycling programs, clean air and water, compelling special events, healthy civic and non-profit organizations, essential businesses, and renewable energy systems.

Ensuring a Sustainable Tourist-Based Economy

Our long-term sustainability as a visitor-based economy depends largely on our ability to remain an attractive, welcoming and accessible place for future generations. Aspen has a long history of loyal visitors who return at a rate of about 70% -- far higher than other mountain resorts.

At the same time, we recognize the importance of looking to the future, and considering the interests and needs of the next generation of residents and visitors. As a resort, it's important to ask ourselves: How will Aspen continue be relevant in the next 10-20 years? Some of our local businesses and institutions have anticipated these questions, and adjusted their programming. Aspen has a history of innovation and reinvention, and that creative and groundbreaking spirit should serve us well in the future. We support a working group to generate strategic planning that supports the tourist economy.

There are a set of basic principles that have served the Aspen Area well for decades. These include preserving scenic landscapes, protecting the natural environment, creating an extensive trail network, providing unparalleled winter and summer recreational opportunities, maintaining our unique architectural heritage, supporting arts and cultural institutions, maintaining a safe community, facilitating an interesting, vital and walkable downtown, and maintaining a sense of place.

This fundamental set of values evolved over the years by responding to changing conditions. The Community Workforce Housing program has provided a service to the resort by providing working residents a place to live, and reducing pressure on our challenged transportation system. Today, we seek to bring the lodging inventory into balance by encouraging economy/moderate lodging. We also strive to improve the everyday quality of life by finding better methods to manage the impacts of development.

Residential Sector

While some potential remains for residential development on vacant lots, the primary source of future residential construction will be redevelopment. The Aspen Area's recent track record shows that residential redevelopment typically means the demolition and replacement of existing homes with larger structures.

Current city and county zoning regulations should be reviewed and amended to better protect and preserve environmentally sensitive and scenic areas through various methods, including allowable house size. Zoning that protects environmentally sensitive and scenic areas has been in place since the mid-1970s, and has been updated from time to time. This plan calls for a renewed focus on these zoning rules. At the same time, this plan also focuses on the neighborhoods on either side of City/County boundaries, where allowable house size differs dramatically and can result in sudden changes in neighborhood character.



The Aspen Area is home to many special events that draw a wide-range of visitors. These include Food and Wine (pictured to the left), Winter X-Games, the Music Festival, Ruggerfest, Jazz Aspen Snowmass events, and events held by the Aspen Institute.

Protecting and preserving environmentally sensitive and scenic areas is an essential part of maintaining a sustainable resort in the long-term.

Lodging Sector

During the last 10-15 years, an aging lodging infrastructure, shifting expectations of travelers, and high financial returns for alternative uses such as 2nd homes has resulted in a declining lodging inventory. More specifically, dozens of moderate to economy lodges have converted to other uses. New lodges have tended to be in the deluxe category, with large rooms and extensive amenities.

The formulation of a strategy that replenishes the lodging base, and favors economy/moderate lodges is important to the long-term sustainability of a tourist economy that purposefully seeks to attract a diverse visitor base. Without "entry-level" lodging, we limit the ability of future generations of visitors to experience the Aspen Area and its surrounding public lands. It's undisputed that many of today's longtime locals and second homeowners first experienced Aspen thanks to "entry-level" lodging. The concept of providing equal access to Aspen has been present in long range plans dating back to 1976.

The need to accommodate a diverse visitor base is also a well-known fact of our dual season resort – while the winter visitor tends to reflect a higher-end demographic, the summer visitor is more family oriented. Finally, we also recognize that adequate economy/moderate lodging provides a place to stay for those who produce and participate in many of our critically important special events, workshops, and other activities.

We recognize the financial challenges of bringing our lodging inventory into balance by encouraging economy/moderate lodging and the viability of existing small lodges. This plan strongly encourages exploring a wide range of models, including additional zoning incentives and possible public/private partnerships.

Commercial Sector

This plan calls for exploration of the existing balance between local-serving and tourist-serving businesses, and to determine if the level of local-serving business is appropriate to serve year-round residents.

Due to high land and leasing costs, we are concerned that businesses providing basic necessities for both residents and visitors could be replaced with alternative uses that bring higher financial returns. A comprehensive investigation of this issue was undertaken by City staff in 2006/07, and ultimately recommended outreach to businesses, the potential future use of publicly-owned property, exploring community-based cooperatives and other possible tools.

Additionally, this plan calls for a unique and vital downtown area that serves a diversity of visitors, addressing the interests of future generations as well as the differing make-up of winter and summer tourists.



In March 2006, the Aspen City Council identified four "themes" to explore as part of a moratorium on land use applications: one of them was "Commercial Mix." Concerns ranged from whether there were enough "locally-serving" businesses for local residents, to whether retail stores were too "high-end" for tourists. This Plan attempts to address these concerns.



Poet Christopher Merrill reading at the 2003 Aspen Writer's Foundation Summer Words event. Aspen is known around the world for our many cultural events that seek to expand the mind, body, and spirit.

Public, Institutional, and Non-Profit Sectors

Active and influential civic and non-profit organizations, many of which found their roots in the legacy of the Aspen Idea, provide cultural experiences and educational opportunities. They are integral to our character and we depend on their continued strength. They also set us apart as a well-rounded resort with a wide range of choices to balance mind, body and spirit. It is critical to find ongoing methods of supporting these organizations.

Pace of Construction

The intense periods of construction activity that occur during national economic booms can reduce our every-day quality of life and the long-term sustainability of the visitor-based economy. Although significant improvements were made to construction management practices during the last economic boom, this plan calls for a renewed focus on managing the impacts of intense construction activity.

While citizen plans going back to 1976 and various surveys have shown consistent support for some kind of pacing system, specific methods have met with substantial opposition in the past, and none have been implemented. A comprehensive effort to explore pacing models must be deliberate and transparent, including substantial public outreach and feedback.

Mitigating Impacts on Community Infrastructure

The City of Aspen and Pitkin County currently require new development and redevelopment to at least partially offset its impacts on the community, including fees and other mitigation tools which provide for parks, schools, affordable housing, air quality, renewable energy systems, and the transportation system.

Some of our mitigation methods are sound and reliable, but others may not be achieving community goals in the most efficient manner. With the recent adoption of the Affordable Housing Certificate program, the City should comprehensively re-evaluate its "menu" of affordable housing mitigation to ensure the viability of this new certificate program. The County should re-evaluate the housing mitigation fee exemptions currently granted in the building permit process.

Both City and County mitigation strategies require further examination, research and potential changes to ensure that:

- Mitigation tools are effective in reaching community goals.
- Job generation and other impacts are being accurately calculated.
- New development and redevelopment offsets its impacts.

At the same time, this plan establishes a new goal of requiring that all new development fully offset the impacts of job generation by providing housing for 100% of the new employees generated. This policy is in part a response to the

2007 Affordable Housing Summit in Aspen, which concluded that the Aspen Area continues to fall behind in its effort to provide Community Workforce Housing (CWH).

The continued conversion of locally-owned homes to 2nd homes is just one trend that erodes the amount of workforce housing in the Aspen Area. Other long-term trends include substantial increases in downvalley home prices, limiting options for Aspen Area workers. In addition, the Aspen Area is on the cusp of a long-term trend that will result in more and more local workers retiring in affordable housing. While this is a minor factor at this time, baby boomer demographics clearly show that current Community Workforce Housing will steadily convert to affordable housing for retirees during the next 20 years.

This plan anticipates a continued reduction in the number of both free market and affordable housing units that will be occupied by working residents in the Aspen Area in coming years. These trends will reduce the ability of local businesses to hire local workers to support the tourism economy – and will result in even more profound impacts on our already challenged regional transportation system.

For these compelling reasons, this plan calls for every new development – public or private – to offset its job generation by providing affordable housing for 100% of all new employees. This will require considerable changes to current growth management practices, which currently reduce housing mitigation requirements if certain community benefits are provided.

What's Changed Since 2000

In 2000, the Aspen Area Community Plan re-adopted the Aspen Area Urban Growth Boundary (UGB), in an effort to prevent further urban sprawl. The concept was to encourage higher density development that met community goals in urbanized areas, with much lower density development outside of the UGB.

During the economic downturn of 2001-2003, the City of Aspen focused on allowing more “infill” within the City. At the same time, the Economic Sustainability Committee identified its top priority as replenishing the lodging base.

Just as new code changes were adopted to encourage infill and lodging, the national economy dramatically improved and several major land use applications for the downtown were submitted. The public expressed serious concerns that the downtown would lose its character, and turn into a series of tall monolithic buildings. At the same time, some longtime local-serving businesses such as Aspen Drug were converting to other uses. The City Council responded by adopting a moratorium in April 2006.

In 2007, the Council adopted extensive changes to the



A new home being constructed in the Cemetery Lane neighborhood.

Commercial and Lodging Design Standards, including new restrictive regulations and a mandate to substantially vary heights. No major development has come forward to put the 2007 design standards into practice.

Between 2000 and 2010, most construction activity occurred in the form of more than 270 homes being demolished and replaced with new and larger homes. This reflected more than 800,000 square feet of new residential space.

Since adoption of the 2000 AACP, Pitkin County modified the Land Use Code to limit house size to 5,750 square feet, allowing larger homes up to 15,000 square feet within the UGB only upon purchase of transferable development rights (TDRs) from remote or agricultural properties in the County.

As the development economy slowed to a near standstill since 2008, the focus has been on public projects, including approval for an expansion of Aspen Valley Hospital and a new Aspen Art Museum. While a new downtown Fire Station was constructed, an effort to build on the vacant lot next to the Wheeler stalled in the public process. Today, preliminary planning continues for a renovated Galena Plaza and expanded Pitkin County Library. In the Aspen Airport Business Center area, the Pitkin County Animal Shelter and Aspen Fire Protection District substation have been built in recent years.

In March 2010, the City Council adopted an Affordable Housing Certificate Program intended to make it more economically viable for the private sector to produce deed-restricted housing – and as a method to provide mitigation in a more timely manner.

What's New in the 2011 AACP

One of the broad themes of the 2011 AACP calls for managing growth so that future development contributes to the viability and stability of a sustainable, diverse tourist-based economy and a strong year-round community. While this is not an entirely new concept, the 2011 AACP places a stronger emphasis on this approach compared to past plans.

Similarly, the concept of limiting residential growth in environmentally sensitive areas and scenic areas is not a new idea. However this plan places a stronger emphasis on this effort compared to the 2000 AACP.

Seeking to replenish the lodging inventory while bringing it back into balance by encouraging the development of economy/moderate lodging is a significant new policy compared to past AACPs. It is a policy that began to evolve with the Economic Sustainability Committee Report of 2003.

Perhaps the most significant change in the 2011 AACP is a call to increase housing mitigation so that all new development

provides affordable housing for 100% of the new employees generated. This will require many changes to existing city and county codes and practices. Currently, housing mitigation is exempted or partially waived if various types of community benefits are provided. At the same time, the plan suggests that both the City and County conduct a comprehensive re-evaluation of their housing mitigation strategies to ensure that job generation is being accurately calculated, and that mitigation tools result in occupied, deed-restricted housing.

Finally, unlike the 2000 AACP, this plan does not set a cap on population growth. This decision was not made lightly, but was based on several important conclusions.

The bottom line is that a population cap is simply not legally enforceable. The fact is that every property carries with it certain property and development rights, which cannot legally be eliminated without compensation. In short, we can't simply "close the gate."

Instead, we focused our time and energy on estimating ultimate build-out as part of the State of the Aspen Area Report. And there is more statistical work to do. The 2011 AACP calls for further research on the various impacts that ultimate build-out could have on the Aspen Area, from job generation to traffic congestion. Estimating and understanding these impacts will help the community make important decisions during the 10-year life of this plan.

In addition, establishing a population cap could provide a false sense of control that might distract us from exploring realistic and effective tools that can help shape the future. For example, our zoning regulations can influence where a home might be built along a river. Our mitigation policies can offset the impacts of new development in any number of ways.

While we recognize that there are ultimate physical limitations to development in the form of eventual build-out, we also concluded that a population cap was not an effective tool in shaping our future. Instead, we sought consensus on a shared vision.

Linkages

This plan recognizes that community goals are often inextricably linked: sometimes they complement each other, and at times they come into conflict. We manage growth to ensure different community functions and uses are in balance, and to help reach community goals in the broadest sense. When we discuss the different ways to manage growth, topics include ultimate build-out, job generation, affordable housing needs, environmental impacts, infrastructure expansion, the transportation system, and the viability of our tourist-based economy. We rely on the tools of growth management to encourage the uses needed by the community, and to discourage uses that don't contribute to our vision for the future.

Quality of Life

"Quality of life" is a term used to describe various, sometimes intangible factors that make a community attractive to live, work, and visit. While the term is hard to define, we believe the Aspen Area has a high quality of life, and that the AACP helps to preserve this for future generations. Below is a list of just some of the things that contribute to our high quality of life.

Community Engagement:

We have an active, engaged community with diverse ideas and solutions. Whether it's for a social or environmental cause, we have a strong ethic of volunteerism and dedication to the community. We engage in broad, inclusive, and respectful civic participation and we value and respect individuality.

Natural Environment:

Our commitment to environmental quality is community-wide. The Aspen Area is home to many businesses and non-profits dedicated to environmental stewardship, and our local government has made significant strides in this area over the last 10 years. The Aspen Area has clean water and air, and is committed to preserving our natural environment. We are all able to enjoy public lands through the extensive trails, parks, and open space systems.

Small Town Character:

The Aspen Area has many unique buildings that contribute to our small-town character. Our built environment respects historical context, while allowing for innovation. We have welcoming, non-exclusive and casual gathering places that promote interaction among locals and visitors. Our lively and diverse downtown is an important asset that contributes to our overall character.

Managing Growth for Community & Economic Sustainability Policies

Policy Categories

I. MAINTAIN OUR TOURIST-BASED ECONOMY

I.1. Maintain and improve the Aspen Area's tourist-based economy.

*Community Goal,
Collaborative Initiative*

II. RESIDENTIAL SECTOR

II.1. Encourage permanent residents to remain in existing free market homes.

Incentive Program

II.2. Ensure that the County and City Transferrable Development Rights (TDR) programs continue to effectively preserve backcountry areas/agricultural lands, and historic structures, respectively.

*Work Program for Planning,
Proposed Code Amendment*

II.3. Ensure City and County codes are consistent in the vicinity of city/county boundaries to discourage jurisdiction-shopping, and prevent sudden shifts in the character of neighborhoods.

Proposed Amendment

II.4. Preserve and protect environmentally sensitive and scenic areas by controlling the location and size of homes in those areas.

Proposed Amendment

II.5. Protect the visual quality and character of residential neighborhoods by reducing site coverage.

Proposed Amendment

III. LODGING SECTOR

III.1. Prevent the further loss of lodging inventory.

*Community Goal,
Collaborative Initiative,
Proposed Amendment*

III.2. Replenish the declining lodging base with an emphasis on a diverse and balanced inventory.

*Community Goal, Proposed
Amendment*

III.3. Lodging amenities should be designed to facilitate interaction between visitors and residents.

*Community Goal, Proposed
Amendment*

III.4. New lodging should be compatible and in harmony with the massing, scale and character of the neighborhood.

Regulatory

Managing Growth for Community & Economic Sustainability Policies

Policy Categories

V. COMMERCIAL SECTOR

IV.1. Create a commercial mix that is balanced, diverse, vital, and meets the needs of year-round residents and visitors.

Community Goal, Collaborative Initiative

IV.2. Ensure the sustainability of retail businesses that provide basic and essential products and services.

Collaborative Initiative, Incentive Program, Work Program for Planning

IV.3. Ensure that the City code supports innovative development that respects our architectural heritage in terms of site coverage, mass, scale, form and a diversity of heights.

Work Program for Planning, Proposed Amendment

V. PUBLIC, INSTITUTIONAL, AND NON-PROFIT SECTOR

V.1. Ensure that PUD and COWOP processes result in long-term community benefits and do not degrade the built environment through mass and scale that significantly exceed land use code standards.

Community Goal, Proposed Amendment

V.2. Preserve and enhance our non-profit and quasi-public facilities and spaces. (see also Aspen Idea Chapter)

Collaborative Initiative

V.3. New or expanded non-profit facilities in the UGB should be located within the City limits, as their mission allows.

Proposed Amendment

VI. MANAGING GROWTH

VI.1. Manage development so that it contributes to the long-term viability of a sustainable, diverse tourist-based economy and a strong year-round community.

Community Goal, Work Program for Planning

VI.2. Restore public confidence in the development process.

Community Goal, Collaborative Initiative

VI.3. Our public policies should be informed by reliable data on construction statistics, and population segments.

Data Gathering

VI.4 New development should be compatible and in harmony with the massing, scale and character of the neighborhood.

Regulatory

Managing Growth for Community & Economic Sustainability Policies

Policy Categories

VII. PACE OF CONSTRUCTION

VII.1. Explore better methods to manage adverse construction impacts, including a construction pacing system that respects quiet enjoyment of our community and neighborhoods.

Community Goal, Proposed Amendment

VIII. MITIGATING IMPACTS ON COMMUNITY INFRASTRUCTURE

VIII.1. Ensure that new residential development and redevelopment mitigates all reasonable, directly-related housing impacts. (See Colorado Revised Statutes 29-20-104.5)

Work Program for Planning & APCHA, Proposed Amendment

VIII.2. Ensure that impact fees fully offset the associated costs of development on the community.

Work Program for Planning & Attorney's Office, Proposed Amendment

VIII.3 All development should provide housing to accommodate 100% of the employees it generates.

Work Program for Planning & APCHA, Proposed Amendment

VIII.4. On-site housing mitigation is preferred.

Work Program for Planning & APCHA, Proposed Amendment