SAN MIGUEL COUNTY PLANNING COMMISSION
MINUTES – REGULAR MEETING

February 10, 2022

Online Meeting

Present:	Lee Taylor, Chair M.J. Schillaci, Secretary Tobin Brown, Sr. Alternate Ian Bald, Member
Absent:	Josselin Lifton-Zoline, Member Matthew Bayma, Member
Planning Staff Present:	Kaye Simonson, Planning Director John Huebner, Senior Planner Troy Hangen, Senior Planner
County Staff Present:	Amy Markwell, County Attorney
Absent:	Nancy Hrupcin, Legal Assistant, County Attorney's Office

9:00 a.m. Chair called the meeting to order.

PLANNING COMMISSION AND STAFF COMMENTS

Discussion of when to hold the April 14 meeting. It was agreed to move it to March 31. There would be no meeting in April.

Staff asked the commission how they feel about wedding venues in the F-zone. Currently, the use is not permitted. People are establishing wedding venues in the F-zone and there is now a code enforcement situation. It will require a Land Use Code amendment to allow wedding venues as a SUP in the Zone District. The Planning Commission could initiate and consider an amendment, or it would be up to the individuals who wish to apply. If owners need to apply to amend the Land Use Code, it requires a $1,000 fee. Toby Brown added that Telluride is a wedding destination and would merit a look by the Commission. The Commission agreed it is a topic that needs to be discussed.

There will be a March 9, 2022 work session with the County Commissioners discussing short-term rentals and affordable housing. The Affordable Housing impact fee methodology is on the agenda for the March 10 Planning Commission meeting.

APPROVAL OF MINUTES

MOTION by MJ Schillaci to approve the January 13, 2022 minutes as presented.
SECONDED by Tobin Brown. **VOTE PASSED 4-0.**

Lee Taylor	Aye	Nay	Abstain	Absent
Ian Bald	Aye	Nay	Abstain	Absent
M.J. Schillaci	Aye	Nay	Abstain	Absent
Josselin Lifton-Zoline	Aye	Nay	Abstain	Absent
Matthew Bayma	Aye	Nay	Abstain	Absent
Tobin Brown	Aye	Nay	Abstain	Absent

9:15 A.M. PUBLIC HEARING: LAND USE APPLICATION

Applicant: Helen Thomas, Geosyntec Consultants on behalf of Standard Materials, Inc.

Location: West off SH Highway 141 and County Road U29 W, San Miguel County

Parcel(s): Mining claims on Bureau of Land Management (BLM) lands

Zone District: West End (WE) Zone District

Proposal: Mineral Exploration of mining claims, located on public lands managed by the BLM. The boring exploration program includes nine (9) drill pads, each measuring about 50 feet by 50 feet, for the purpose of exploring for Uranium.

Those who addressed the commission:
Helen Thomas, Geologist, Geosyntec Consultants
Jeff Kurtz, Geologist, Geosyntec Consultants
Nicole Galloway-Warland, Managing Director, Thor Mining PLC
Jim Guilinger, World Industrial Minerals

Mineral Exploration Special Use Permit Conditional Uses on Federal Lands Standard Mineral, Inc. c/o Thor Mining LLC.

Troy Hangen presented the proposal for the exploratory boring project with nine (9) drill sites for the purpose of exploring for uranium. Helen Thomas, of Geosyntec Consultants, on behalf of Standard Minerals, submitted an application on behalf of Thor Mining PLC that proposes Mineral Exploration on mining claims just north of Big Gypsum Valley on Bureau of Land Management (BLM) public lands off County Road 14Z and County Road U29.

A site visit occurred on November 16, 2021, with the Planning Department, Ryan Righetti, Road and Bridge Department, and Helen Thomas, Geosyntec. A virtual recap was presented to the commission. The project involves using existing BLM roads and county roads with limited development of temporary access drives. Primary access to the project is off State Highway 141 via County Road U29 W in the West End of San Miguel County. Additional drill pads will be proposed in Montrose County, but accessed from San Miguel County.

The project is designed to minimize new surface impacts within the mining claims. Existing BLM roads, county roads, and established access routes (two-track) are utilized wherever practical. The location of drill pads favors areas that are level or were previously disturbed and cleared. The site planning lessens the dirt work required to prepare access routes and drill pads, simplifies reclamation of new access routes, and minimizes the overall impacts of this project.

The access route to get to the drill sites is mainly unimproved dirt roads. Minimal road improvements are needed.

The proposed locations of drill pads and temporary access routes proposed in this application are preliminary. Final placement is dependent on input received from federal and local governments during the permit application processing.

Drill pads will have sumps to retain drill cuttings and drilling mud and to allow for infiltration of water back into the ground during drilling operations. Each sump will be fenced with temporary fencing until reclamation is completed. Upon completion of the drilling, the plastic fencing around the sump will be removed and the sump will be filled and the site smoothed out with a blade. The drill hole will be plugged in accordance with closure standards specified in Colorado state regulations. If required for each hole, cement grout will be pumped from the bottom to the top of the hole. The reclamation of drill pads and holes will occur concurrently following the completion of drilling and individual pads. Drill pads will be regraded and revegetated with a BLM-approved native seed mixture. All reclamation will conform to the specific guidance, protocols, and all permit requirements by the BLM and Colorado DRMS.

The drill rig, service/water truck, and two (2) pick-ups will be used to conduct the exploratory drilling. The applicant is proposing to work 10 hours a day, Monday thru Friday. Approximately three to five (3-5) persons will work on-site per shift.

Water is proposed to be hauled from the water dock in the Town of Naturita or from another local source.

The total estimated ground disturbance is less than two (2) acres. A weed control plan is required and will include the washing of vehicles before entering and leaving sites. Reclamation bonds will be held by BLM and DRMS.

Referral agencies were notified and all referral comments were considered. Public Comments included Mason Osgood, Executive Director for Sheep Mountain Alliance and Jennifer Thurston, Executive Director for Information Network for Responsible Mining, who presented a joint letter stating their beliefs that the area will experience negative impacts from mining in relation to public recreation. They also believe there are some historical artifacts connected to the pioneering settlers and Indigenous Peoples and that the State Historic Preservation Office should be consulted under the National Historic Preservation Act. Drainage, reclamation, and revegetation should thoroughly be addressed. They recommend denial for the SUP.

Troy went over the extensive review standards and stated public notice was sent. Per an email received from CDPHE after the packet was sent out, there is no need for a Discharge permit as noted in condition #10.

The applicant, Nicole Galloway-Warland presented their proposal. She began with a history of the high-grade uranium and vanadium production area and the Colorado claims that have been extensively mined, mainly for uranium through the 20th century. There is good infrastructure in the area including a nearby processing plant with available capacity. They desire to get drilling scheduled once the permits are approved.

The Groundhog and Section 23 areas have lots of existing tracks from historical mining and exploration activities. The exploration work will only use existing tracks and access roads and this will include vehicle parking. They plan to use pre-existing BLM roads and some improvement will be required on some BLM roads.

They propose to use reverse circulation drilling which has minimal disturbance and negligible water use.
The schedule is from May 15- September 30, 2022. The project is likely to be completed within 4 weeks.

In regards to the status of the BLM and DRMS permitting, the Notice of Intent (NOI) has been submitted to the BLM. The BLM has walked the property with a Thor representative. The bond has been calculated and will be submitted to the BLM and DRMS subsequently.

Safety is a focus, including signage and site and rig induction. They have a radiation management plan, including the strict way the samples are handled.

Topsoil will be stored and placed back over the drill pad on completion. Reclamation best practices will be used including all drill pads being reclaimed on completion of drilling. They will be scarified and seeded and a BLM-approved seed mix will be used for the revegetation.

Helen Thomas, a Geologist with Geosyntec, presented the site map and talked about the site visit.

The commission asked questions regarding safety and analysis procedures. Questions were asked about the water table and runoff. Nicole responded that they do not expect to hit the water table, as it is very low.

It was asked what if they were successful, to which it was responded that they will apply for further drilling permits. The commission asked if there was any waste, and what its disposal plan is. Nicole replied that drill cuttings are placed back down in the hole.

Jason Kurtz added comments about drainage. The commission wants to make sure if there is storm drainage, runoff is managed and there will be no damage or washouts, and to avoid concerns regarding the erosion of the drill pads.

10:10 a.m. Open to Public Comment

Mason Osgood, Director of Sheep Mountain Alliance stated they support the drainage plan, but have concerns about the Dolores River and the recreational value of the area. There are continuing environmental justice issues with the White Mesa Mill in Blanding, Utah and he wondered about the future of mining exploration.

10:15 a.m. Closed Public Comment

MOTION by Tobin Brown to move to recommend to the Board of County Commissioners approval of a Special Use Permit (SUP) for Standard Minerals Inc. c/o Thor Mining PLC for the proposed Mining Exploration on mining claims at Groundhog Mine and Section 23 on Bureau of Land Management (BLM) public lands off County Road U29 W in San Miguel County, Colorado, based on the finding that the application is consistent with the County Master Plan, and with the Land Use Policies in LUC Section 2-8, Natural and Man-Made Hazard and Resource Area; LUC Section 2-11, Erosion; LUC Section 2-34, Revegetation with Native Species; LUC Section 2-35, Mining and Mineral Processing Operations, and complies with the Land Use Code review standards in Section 5-407 Wildlife Habitat Areas; Section 5-10, Special Uses; Section 5-11, Conditional Uses on Federal Lands; and Section 5-16, Mining; and Section 5-320 K, Review Standards for WE Zone District Special Uses, subject to the following specific terms and conditions:

1. The Special Use Permit is issued to the Applicant, Standard Minerals Inc. c/o Thor Mining PLC, and does not run with the Land.
2. No future mining activity at the project site by Standard Minerals Inc., its lessees, or the property owners or its lessees is authorized by this approval.
3. Contact the Planning Department, Road and Bridge Department, County Vegetation Management, and County Sheriff's Office prior to mobilization of and the start of drilling activities.
4. Provide a list of onsite contacts for Standard Minerals, Inc. and the drilling project contractor.
5. Provide for review of the construction schedule by the Colorado Parks and Wildlife for any of seasonal timing limitations that may be necessary for the protection of wildlife. Findings shall be reported to County Planning at least two (2) weeks prior to mobilization.
6. The revegetation and weed control along the county road right-of-way (ROW) shall be reviewed by the County Vegetation Manager to assure reclamation of these areas.
7. The County Vegetation Manager shall be afforded the opportunity to provide education and orientation regarding identification of noxious weeds and methods of limiting spread to the operator prior to commencement of work.
8. This Special Use Permit conditional approval is subject to the Bureau of Land Management (BLM) and Colorado Division of Reclamation and Mining and Safety (CDRMS) approving this drilling program and issuing the required permits. Provide copies of these permits to County Planning.
9. The project drilling program and reclamation plan shall be consistent with and comply with the applicable provisions as approved by the County unless specifically modified in the BLM and CDRMS approval action.
10. Comply with all terms and conditions of the Colorado Department of Public Health and Environment Stormwater Discharge Permit ***if required***. Provide a copy of the permit to County Planning.
11. Provide monthly progress reports to County Planning.
12. The permit shall be valid for one (1) year, with review of the BLM and DRMS permits by 14 staff prior to commencement, and with annual reviews by the CPC and BOCC if needed.
13. Exploration activities shall be limited to May 15 to December 1 of 2022.

14. The clearing of pinion-juniper and sagebrush shall be minimized to the greatest extent ~~practical~~ ***possible.***
15. Provide a grading and drainage plan that includes a higher quality of sediment fencing and control.
16. The County shall be informed of any cultural resources discovered in the course of work. Pads and road disturbance should avoid any areas with cultural resources. All appropriate mitigation measures shall be taken to protect cultural resources.
17. The revegetation plan shall include soil restoration and best practices to maximize available water. The CPW (when provided) recommendation shall be followed.
18. Provide documentation regarding the water source(s) for the project.
19. Identify any hazardous materials that will be used in the process, and describe how those materials will be stored and transported.
20. All written representations of the applicant, in the original submittal and all supplements, are deemed to be conditions of approval except to the extent modified by this approval.

SECONDED By MJ Schillaci with the amendment of leaving in # 10 and adding ***if required.*** Tobin accepted the amendment.

AMENDMENT By MJ #14 and accepted by Tobin to replace the word practical with ***possible.***

VOTE PASSED 3-1

Lee Taylor	Aye	Nay	Abstain	Absent
Ian Bald	Aye	Nay	Abstain	Absent
M.J. Schillaci	Aye	Nay	Abstain	Absent
Josselin Lifton-Zoline	Aye	Nay	Abstain	Absent
Matthew Bayma	Aye	Nay	Abstain	Absent
Tobin Brown	Aye	Nay	Abstain	Absent

CONTINUED REVIEW OF LAND USE APPLICATION FROM JANUARY 13, 2022

Applicant: Lawson Hill Property Owners Co & Telluride Mountain School
Location: Lot HI, Lawson Hill PUD located north of Society Drive off San Miguel Dr.
Parcel size: 1.88 acres
Zone District: Public (PUB)
Proposal: Rezone from Public (PUB) to Industrial (I); and Substantial PUD Amendment to increase maximum Building Height

Those who addressed the commission:
Pam Hall, Lawson Hill Owners Association
Scott Strand, Applicant
Nate Smith, Attorney for Applicant
Andrew Schoff, Mountain School

Lee Taylor began by stating he is an owner in Lawson Hill and has no perceived conflicts with the issue.

Troy Hangen then presented the continued review of the substantial PUD Amendment and rezone of Lot HI in the Lawson Hill Planned Unit Development. The existing zoning is the Public (P) Zone District and the applicant wishes to rezone to Industrial (I). The amendment is to raise the maximum height of buildings, amend the parking requirements, and add/change uses allowed on the parcel.

At the December 9, 2021 meeting the San Miguel County Planning Commission moved to continue a public meeting. They are requesting clarification regarding the allowed uses on Lot HI-R, particularly public uses. They also asked for more information on the Town of Telluride's position on the application mainly pertaining to the 'Water Agreement" and the reasoning for the requested reduction in parking.

Troy clarified that the entirety of the 30,000 square feet of public usage would remain intact on Lot HI-R and an additional 10,000 square feet of Low-Intensity Industrial/Heavy Commercial Zone District would be added to Lot HI-R after being transferred from Lot G. The application does not seek any new, additional square footage of uses for the Lawson Hill PUD. It seeks only to transfer 10,000 square feet from Lot G to Lot HI-R. Thus, Lot G's 16,560 square feet would be reduced to 6,560 square feet and Lot HI-R total floor area would be increased from 30,000 to 40,000 square feet.

The more specific revisions to the proposed matrix include:
1) Re-inclusion of a regional medical center as an allowed public use on Lot HI-R.
2) Removal of dry cleaning and self-service laundries as an allowed use in the Low Intensity Industrial/Heavy Commercial Zone District portion of Lot HI-R
3) The inclusion of catering services as an allowed use in the Low Intensity Industrial/ Heavy Commercial Zone District portion of Lot HI-R.
4) Confirmation that underground parking located on Lot HI-R shall not be included as part of the maximum floor area on Lot HI-R.
5) The additional four dwelling units on Lot HI-R would be included in the 30,000 square feet allowed for public uses.

If housing is constructed, 2 parking spaces will be reserved for each residential unit built. The total parking requirements may be reduced subject to review of the final plan at permitting per LUC Section 5-702 G. In the event that underground parking is constructed on Lot HI-R, the area of such underground parking shall not count toward the maximum buildable square footage on the lot.

Also, an additional 12' of height may be added to the 35' maximum if the additional floor is used for affordable housing for persons working in the R-1 School District or otherwise complying with current Housing Authority Guidelines. If this amendment is approved, the final matrix language will be edited for consistency and clarity prior to final adoption by the Board of County Commissioners.

The Town of Telluride's position pertaining to the 'Water Agreement' from Ron Quarles is that because the overall mix and ratio of allowed uses are not modified by this application, in general, the effect on utility services provided by the Town should be minimal. The Town of Telluride also has concerns that there may be a reduction of public-serving uses due to the reduction of lot area for the proposed Lot HI-R along with the addition of the additional uses. The Town is supportive of affordable housing and questioned why it was being limited to four units, stating, "The Town supports the addition of affordable housing, however without limiting the number or size, consistent with how other allowed uses are designated for Lot HI-R. If there is a rationale for the limit, that should be clarified in the application."

Finally, the reasoning for the requested reduction in parking was discussed. The applicant is asking for the required parking to be reduced so the number of spaces per square foot of development is similar to that required for other lots.

The applicant seeks a parking requirement of one parking space per 535 square feet of development, which would result in approximately 75 parking spaces. This parking requirement is more consistent with other nonresidential lots. It also accounts for the less parking-intensive uses associated with Low Intensity Industrial/Heavy Commercial. However, the public uses, depending on how the property is ultimately developed, may have a higher parking demand; this most likely is the rationale for the parking requirement in the current matrix. Mixed use development often has a lower parking demand due to varying times of use or customers frequenting multiple businesses in a single visit.

Troy presented a parking comparison for neighboring Industrial Zoned parcels. Lee Taylor asked specifically who owns the comparable lots in the comparison. The Land Use Code guidelines and standards in Section 5-702 state, "If for any reason any person feels that the requirements of these parking regulations are excessive or inadequate, he/she may seek to increase or decrease the parking standards pursuant to PUD procedure, based upon the criteria set for in Section 5-1404C.

The commission asked about the prior concerns of Lawson Hill residents and if this revamp has addressed those concerns. It was added that there are concerns of the public element being lost with the rezoning.

MJ Schillaci talked about affordable housing and was wondering if the 4 units could be a minimum, and what would that mean if they did. Kaye replied that the commission could request that and it would come out of the 30,000 square feet of public use.

The applicant, Nate Smith, attorney for the Lawson Hill Property Owners Company spoke of the changes they have made to the proposal.

1. Revisions to matrix since the December meeting: the applicants have considered all comments and concerns raised at the December meeting and have adjusted the matrix accordingly. These revisions confirm and clarify all public square footage allowed for uses for Lot HI will remain intact for Lot HI-R. They have re-included the medical center, as that was a concern from the Town of Telluride and some owners in Lawson Hill. Related to the 10,000 SF of industrial use, they removed the dry-cleaning use as some were opposed to having chemicals near the river.

2. Updates on TOT position concerning the water agreement: Lawson Hill met with Ron Quarles and discussed in detail the proposed changes. As a result, he withdrew his concerns.

3. Request for reduction of parking requirement: The intent is to have a less stringent use, a quarter of that use would be for light industrial, which requires less parking. They are also considering the Park and Ride lot as an opportunity to reduce parking on this lot.

Pam Hall added the comments of concern regarding the public use of the lots.

Lee Taylor asked if Lawson Hill Homeowners Association will be the developer. Pam Hall replied that Lawson Hill has no intention of selling the property at this time.

Toby asked why is the applicant was asking for these changes.

Scott Strand, Mountain School, replied this was to clean up the Mountain School's property lines. This was so they could use the area for parking. The Lot HI also includes a bus stop for access to public transportation.

Kaye Simonson added that the Park and Ride lot is not meant to be an overflow for other businesses and uses in the area and that use by other businesses is not permitted per the terms of the covenants on that lot. Businesses need to provide for their necessary parking.

There was further discussion by the commission regarding parking in Lawson Hill.

11:34 a.m. Open to Public Comment
11:36 a.m. Closed Public Comment

Lee Taylor asked about having a 4 story structure directly in the view plane of the river. He has some hesitation about the height. It will be 47 feet high to provide that affordable housing.

MOTION by Tobin Brown to move to recommend to the BOCC approval of the Substantial PUD Amendment for Lot HI and Rezone of Lot HI and a portion of Lot G, based on the findings that the uses as proposed are consistent with Land Use Code 5-15 Final Plat and Planned Unit Development (PUD) Amendments; and Land Use Code 5-18 Land Use Code Amendments and Rezoning; and the County Master Plan, with the following conditions:

1. All written representations of the applicant in the original submittal and all supplements, letters, and emails are deemed to be conditions of approval, except to the extent modified by this Motion.

SECONDED by MJ Schillaci. **VOTE PASSED 4-0.**

Lee Taylor	Aye	Nay	Abstain	Absent
Ian Bald	Aye	Nay	Abstain	Absent
M.J. Schillaci	Aye	Nay	Abstain	Absent
Josselin Lifton-Zoline	Aye	Nay	Abstain	Absent
Matthew Bayma	Aye	Nay	Abstain	Absent
Tobin Brown	Aye	Nay	Abstain	Absent

WORKSESSION:

Discussion of Affordable Housing, Affordable Housing Fee Methodology.

John Huebner, Senior Planner, presented a report concerning the county implementation of the Market Affordability Gap Fee report methodology to calculate residential impact fees for affordable housing. This method for calculating fees is sound and can be readily updated annually. The methodology will allow this to be updated without a land-use code amendment.

The methodology can be calculated in three steps. The first is calculating the amount that households in certain income categories can afford to pay for housing. The second step is to determine the market price for housing using available using previous homes sales data. Third is to compare market prices to the affordable amount calculated to determine the gap. The gap can be expressed in per unit, per employee, or per square foot amounts. To determine the affordable price we look at income, the percentage of income spent on a housing payment, property taxes, insurance, and HOA fees, mortgage interest rate, down payment, and term. For the market price we need sales data, location, and type of improvements. The study also considers the time period to look at sales, from a one-year or three-year period. A comparable unit size that is appropriate for comparison must be determined. The final step is comparing the market price to what is affordable for typical employees in the R-1 school district and then converting that into a numeric constant that can be applied at the building permit phase when the fee is assessed.

The market sales study includes sales from within the Telluride Region, as identified in our Master Plan documents and matches what the Town of Telluride defines as the Telluride Region. It does include Mountain Village and the Town of Telluride as those areas are the source of the majority of the employees generated within the county. The sales that are utilized are free-market sales and do not include fractional sales or deed-restricted sales. In the study, they did not include single-family residences but relied on duplexes and multi-family units to eliminate the variation in land prices and to look at improvements more aligned with what an employee would buy size and location wise.

By using three years of rolling data helps minimize price fluctuations and rapid changes in the fee that is charged are minimized. Staff recommends using the average price per square foot to illustrate the market trend.

Once a per square foot value is determined, the impact fee per square foot and the total # of employees generated is calculated per square foot of a proposed residential development. The minimum area for a deed-restricted unit, per HUD guidelines, is 350 square feet minimum.

John went over the illustrated table of square feet/ per employee generated and the resulting affordable housing impact fee, which can be used to develop affordable housing.

The fees had not been updated since 2005. This method more accurately reflects this region and what a family could afford to pay for housing.

There is currently an exemption for improvements 1800 SF and below, based on the assumption that homes that size are occupied by local residents. For larger improvements over 10,000 SF, it is proposed that the homeowner would be required to build an affordable housing unit rather than just collect fees. It was asked if the unit could be built somewhere else. That does apply for commercial but is not allowable for residential at this time. The question is if that is allowable and where those units would be built. The commission discussed making this possible for homeowners. If we are flexible we still get the affordable housing unit for the inventory. Could owners have options to propose alternative locations subject to approval by the overseeing body (BOCC) for an offsite location?

The implementation and LUC Changes, if accepted by the BOCC and CPC include:

1. Accessory Dwelling Units: The residential development fee structure presented includes a requirement to construct an ADU.
2. Deed Restrictions: Adopt deed restrictions that include minimum occupancy requirements applicable to all employee housing units.
3. Commercial Development: Potentially amend employee housing requirements for non-residential development to allow for the collection of fees up to a certain square foot threshold.
4. Updating the Affordable Housing Fee Schedule: Components in Appendix E that need to be updated annually.

A draft of this proposal will be presented to the Board of County Commissioners at their March 9, 2022 work session.

12:55 p.m. Adjourned.

Respectfully Submitted,

Nancy Hrupcin

Nancy Hrupcin, Legal Assistant, County Attorney

Approved on March 10, 2022.

SAN MIGUEL COUNTY PLANNING COMMISSION

Mary Jo Schillaci

M.J. Schillaci, Secretary

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