## Aspen Daily Rews

Published on Aspen Daily News Online (<u>http://www.aspendailynews.com</u>) Housing board not consulted on housing purchase

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Aspen City Council did not consult the city and county's housing board or the housing authority staff when it decided to buy a \$3.5 million West End home for conversion to affordable housing.

The snub has upset some housing officials and has led to calls to give more clout to citizen advisory boards, whose volunteer members are appointed by elected officials.

"People assume that when a housing issue comes up, the housing board has looked at it," said housing board member Marsha Goshorn, who learned about the deal in the newspaper after City Council voted at a public meeting to proceed with the purchase.

In December, the council approved a plan to buy the home at 312 W. Hyman Ave., designate the 1950s-era structure as historic, build an addition onto the back and convert the property into four apartments. The sale is set to close on March 13. The city's housing fund -- which earns nearly \$16 million per year by taking a chunk of every real estate transaction -- is being tapped to finance the purchase.

Depending on what categories are assigned to the units -- the city manager's office has floated the possibility of selling one on the free market to offset the costs -- the per unit subsidy on each of the apartments could be as high as \$1 million. Council members say the high price is a sign of housing purchases to come if the city wants to have more affordable housing in Aspen's core.

At a housing board meeting Wednesday, board members discussed the purchase and requested that city staff knowledgeable about it fill the board in on the deal, according to Housing Authority Director Tom McCabe.

Board members were "all pretty disappointed" that they did not have the opportunity to review the plan before the city moved forward, McCabe said.

Although he does not know all the details of the plan, McCabe said he was concerned about the higher perunit subsidy.

Aspen Mayor Helen Klanderud said leaving the housing board out of the discussions was not deliberate.

"They slipped through the cracks," Klanderud said. "The City Council owes the housing board an apology. If we're going to purchase housing, it would make sense to consult with the housing board."

Klanderud noted that she, along with Councilman Torre, did not support the deal.

Rachel Richards, who was on the council when it moved forward with the deal, said the housing board has not historically been consulted when the city moves to purchase land. She said the decision to buy the Burlingame

Ranch land was made without consulting the housing board.

In land acquisition, the city "pretty much keeps its cards as close to the vest as possible," said Richards, who cast the swing vote in favor of buying the home.

The flap over 312 W. Hyman seems to expose some lingering tensions over a restructuring of the housing program spearheaded by the council in 2002, which Goshorn said "gutted" the board.

Richards explained that the housing office and the housing board were restructured in 2002 when the office's development arm was moved to the city asset management office. Until the restructuring, a council member and a county commissioner sat on the board.

"It changed the role of the office from an independent agency to one under the city auspices," Richards said.

Goshorn said the case of 312 W. Hyman is indicative of a larger problem, and that this is not the first housing project the board has been left out of.

"Revamp the boards and commissions or get rid of them all together," Goshorn said.

The property has made news before when city historic preservation officials twice tried to designate the property as historic against the will of owner Jordie Gerberg, who was looking to sell the home to help pay for a family member's medical bills. Just prior to the city's decision to buy the home, the Historic Preservation Commission voted not to designate the property as historic, and the council was about to hold a hearing on the designation.

Councilman Jack Johnson, who along with Rachel Richards and J.E. DeVilbiss supported the purchase, said he wasn't entirely sure why the housing board was not consulted. He did note that because the deal hinged on property acquisition, negotiations all took place in closed-door executive sessions.

"I would have loved to have known what (the housing board) thought about it," Johnson said.

Johnson said it is not uncommon for appointed boards to be upset with council actions.

"Unfortunately, we can't please everybody and unfortunately we can't always consult everybody," Johnson said.

Johnson said one of the reasons he likes the deal is because it accomplishes two city goals: affordable housing in town and historic preservation.

Goshorn said she was uncomfortable with housing funds being used to advance historic preservation.

"I have no problem preserving historic things in this town, but not from the housing fund," Goshorn said.

Goshorn argues that there are better uses for the \$3.5 million -- namely putting it towards securing the affordable housing status of the Centennial and Castle Ridge developments for all time.

Both Centennial and Castle Ridge -- two 100-plus-unit developments built in the 1980s -- have clauses in their approvals that state the units will revert back to the free market at some point. Centennial's rental units will go on the free market 21 years after the death of the last county commissioner that approved them and

Castle Ridge will go on the free market in 2020, Goshorn said.

Housing board member Sherie Sanzone said she generally supports the Hyman Avenue project itself, but she would have preferred getting a heads up about the deal as it was being conceived.

Some board members "were more upset than others" over the deal, Sanzone said.

The project's combining of two city goals is positive, Sanzone said.

"I think it's great and I think all on the board would agree that it's good to have creative ideas," Sanzone said. "But I feel that things can be done even better when there are more open lines of communication."

Since the restructuring of the housing board and the housing office, the agencies' roles have not been as easy to define, said Sanzone, adding there seems to be a bit of a disconnect between the council and the board.

"People are still trying to sort out changes," she said.

Mick Ireland, who is jockeying to win Aspen's mayoral seat, said when he was a county commissioner, his policy was to gather comments from neighbors and from the relevant boards and commissions before proceeding with a proposal.

"If you don't do that, you end up having the whole hearing twice," Ireland said. "People who serve on those boards without pay don't want to feel like they are talking to themselves."

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