



*Critical to our success is an engaged community and knowledgeable and experienced staff.*

**Town Council Values**

- *Preserve our high quality of Life*
- *Resource Efficiency/ Environmental Stewardship*
- *Support a sustainable and healthy business climate*
- *Maintain a “real” community*
- *Fiscally Responsible*
- *Historic Core*

**AGENDA**  
**Town of Crested Butte**  
**Regular Town Council Meeting**  
**Monday, January 5, 2015**  
**Council Chambers, Crested Butte Town Hall**

**6:00 REGULAR COUNCIL MEETING CALLED TO ORDER BY MAYOR OR MAYOR PRO-TEM**

**6:02 APPROVAL OF AGENDA**

**6:03 CONSENT AGENDA**

1) Resolution No. 1, Series 2015 – Resolutions of the Crested Butte Town Council Designating the Town of Crested Butte’s Three Official Public Places for Posting Town Council Meetings and Other Important Items.

2) Resolution No. 2, Series 2015 - Resolutions of the Crested Butte Town Council Approving the Final Plat of Redwell Townhouses, Town of Crested Butte, State of Colorado.

3) Approval of the Town Council Boards and Committees.

4) Approval of December 15, 2014 Regular Town Council Meeting Minutes.

5) Approval of the 29<sup>th</sup> Annual Alley Loop Special Event and Special Event

Liquor Permit on Elk Avenue for February 6 and February 7, 2014.

**6:10 PUBLIC COMMENT**

*Citizens may make comments on item not scheduled on the agenda. Those commenting should state their name and physical address for the record. Comments may be limited to five minutes.*

**6:15 STAFF UPDATES**

**6:25 NEW BUSINESS**

1) Discussion of Montrose Emergency Telephone Service Authority 911 Emergency Notification System Resolution Request.

**6:30** 2) Review, Discussion and Possible Action Regarding Concept Annexation Request By Cypress Foothills LP for the Slate River Addition Annexation, North of Butte Avenue, County of Gunnison (Continued).

**8:30 LEGAL MATTERS**

**8:40 COUNCIL REPORTS AND COMMITTEE UPDATES**

**8:50 OTHER BUSINESS TO COME BEFORE THE COUNCIL**

**9:00 DISCUSSION OF SCHEDULING FUTURE WORK SESSION TOPICS AND COUNCIL MEETING SCHEDULE**

• Tuesday, January 20, 2015 – 6:00PM Work Session – 7:00PM Regular Council

• Monday, February 2, 2015 – 6:00PM Work Session – 7:00PM Regular Council

• Tuesday, February 17, 2015 – 6:00PM Work Session – 7:00PM Regular Council

**9:05 ADJOURNMENT**



## Staff Report

January 5, 2015

**To:** Mayor and Town Council

**Thru:** Todd Crossett, Town Manager

**From:** Lynelle Stanford, Town Clerk

**Subject:** **Resolution No. 1, Series 2015 – Designating Three Official Public Places for Posting**

**Date:** 12-29-2014

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### Summary:

Ordinance No. 2, Series 2010 amended the Town Code by deleting the list of the three designated posting places in the Code, and it stated that designated posting places shall be approved by resolution of the Town Council. The Town wishes to officially designate the following three locations: 1) outside the reception office in the Town Offices, located at 507 Maroon Avenue; 2) the Crested Butte Library, located at 507 Maroon Avenue; and 3) the lobby of the Old Town Hall, located at 132 Elk Avenue in Crested Butte, Colorado, as the official public posting places for the purposes of posting notices announcing Town Council meetings and other important items, and for posting copies of ordinances after adoption.

### Recommendation:

To approve Resolution No. 1, Series 2015 designating the three official public places for posting notices announcing Town Council meetings and other important items, and for posting copies of ordinances after adoption.

**RESOLUTION NO. 1**

**SERIES 2015**

**RESOLUTIONS OF THE CRESTED BUTTE TOWN COUNCIL  
DESIGNATING THE TOWN OF CRESTED BUTTE'S THREE  
OFFICIAL PUBLIC PLACES FOR POSTING TOWN COUNCIL  
MEETINGS AND OTHER IMPORTANT ITEMS**

**WHEREAS**, the Town of Crested Butte, Colorado (the "Town") is a home rule municipality duly and regularly organized and now validly existing as a body corporate and politic under and by virtue of the Constitution and laws of the State of Colorado; and

**WHEREAS**, Colorado Revised Statutes, section 24-6-402 (2) (c) requires that each Colorado municipality annually designate an official public posting place for notices announcing Town Council meetings and other important items; and

**WHEREAS**, Article 4.11 of the Town Charter requires that, after adoption of an ordinance, copies of the ordinance shall be posted in three public places within Town; and

**WHEREAS**, the Town wishes to officially designate the following three locations: 1) outside the reception office in the Town Offices, located at 507 Maroon Avenue; 2) the Crested Butte Library, located at 507 Maroon Avenue; and 3) the lobby of the Old Town Hall, located at 132 Elk Avenue in Crested Butte, Colorado, as the official public posting places for the purposes of posting notices announcing Town Council meetings and other important items, and for posting copies of ordinances after adoption.

**NOW, THEREFORE, BE IT RESOLVED BY THE TOWN COUNCIL OF THE TOWN OF CRESTED BUTTE, COLORADO:**

That the Town's official public posting places for posting notices announcing Town Council meetings and other important items, and for posting copies of ordinances after adoption, are hereby designated as: 1) outside the reception office in the Town Offices, located at 507 Maroon Avenue; 2) the Crested Butte Library, located at 507 Maroon Avenue; and 3) the lobby of the Old Town Hall, located at 132 Elk Avenue in Crested Butte, Colorado, as the official public posting places for the purposes of posting notices announcing Town Council meetings and other important items, and for posting copies of ordinances after adoption.

**INTRODUCED, READ AND ADOPTED UPON FIRST READING THIS 5TH DAY OF JANUARY, 2015.**

TOWN OF CRESTED BUTTE, COLORADO

By: \_\_\_\_\_  
Aaron J. Huckstep, Mayor

ATTEST:

\_\_\_\_\_  
Lynelle Stanford, Town Clerk

(SEAL)



## Staff Report

January 5, 2015

**To:** Mayor and Town Council  
**Thru:** Todd Crossett, Town Manager  
**From:** Lynelle Stanford, Town Clerk  
**Subject:** Council Committee Assignments  
**Date:** 12-29-2014

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### **Summary:**

Attached for your information is a list of Boards and Committees on which Council Members currently serve. Also included are background information, meeting schedules, and contact information for each organization on the list.

It is unknown the current direction of the Office for Resource Efficiency (ORE). The appointment remains listed until their long term plans become more defined.

### **Recommendation:**

Please update me if there are any changes or additions.

**BOARDS, COMMITTEES AND TEMPORARY COMMITTEE APPOINTMENTS**  
**Revised December 2014**

**Rural Transportation Authority Board (RTA)**

1. Aaron Huckstep
2. Roland Mason

**Mountain Express Board**

1. Glenn Michel
2. Roland Mason

**Tourism Association (TA) Advisory Board**

1. Chris Ladoulis

**Crested Butte/Mt. Crested Butte Chamber of Commerce**

1. Chris Ladoulis
2. Shaun Matuszewicz (alternate)

**Office for Resource Efficiency**

1. OPEN
2. Roland Mason (alternate)

**Gunnison County Housing Authority Advisory Board**

1. Skip Berkshire
2. Jim Schmidt

**Gunnison Valley Housing Foundation**

1. Jim Schmidt
2. Skip Berkshire

**Center for the Arts**

1. Aaron Huckstep

**Gunnison Valley Land Preservation Board**

1. Sue Navy
2. Jim Schmidt
3. Crystal Edmunds (alternate)

**West Elk Loop Scenic Byway Committee**

1. Skip Berkshire

**Colorado Association of Ski Towns**

1. Aaron Huckstep
2. Todd Crossett

**Region 10**

1. Skip Berkshire

## **Downtown Crested Butte Lodging Association**

1. Chris Ladoulis

# Boards and Committees List

## Revised December 2014

### **Rural Transportation Authority Board (RTA)**

The mission of the Gunnison Valley Rural Transportation Authority is to provide and improve air transportation to and from the Gunnison-Crested Butte Regional Airport on a year round basis, and to develop a long term and energy efficient public ground transportation system within Gunnison County.

- Bylaws mandate two elected officials from each municipality serve on the board. Council members are voting members of the Board.

#### **Current Members:**

1. Aaron Huckstep
2. Roland Mason

**Meeting Schedule:** Meets the 2<sup>nd</sup> Friday of every month at 8 a.m. alternating between Crested Butte and Gunnison.

**Director:** Scott Truex

**Phone:** 970-275-0111

**E-mail:** struex@wic.net

**Website:** Gunnisonvalleyrta.org

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### **Mountain Express Board**

Mission Statement- To provide safe, free and courteous public ground transportation services for residents of and visitors to Mt. Crested Butte, Crested Butte, and surrounding north valley communities and to provide a safe, fair, and honest working environment for Mountain Express employees.

- Bylaws state that two board members are nominated by the Town of Crested Butte, two board members nominated by the Town of Mt. Crested Butte, and one member nominated by a majority vote of the Board. Council members are voting members of the Board.

#### **Current Members:**

1. Glenn Michel
2. Roland Mason

**Meeting Schedule:** Meets the 3<sup>rd</sup> Monday of every month, at 9 a.m., at Mt. Crested Butte Town Hall.

**Director:** Chris Larsen

**Phone:** 970-275-5175

**E-Mail:** Clarsen@crestedbutte-co.gov

**Website:** [www.mtexp.org](http://www.mtexp.org)

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## **Tourism Association (TA) Advisory Board**

The Gunnison-Crested Butte Tourism Association was officially formed in September 2002 in anticipation and support of the November 2002 ballot initiatives to create a Local Marketing District for Gunnison County and to serve as the marketing arm of the Gunnison Valley Rural Transportation Authority, also on the ballot at that time.

Mission: Enhance economic vitality by marketing our county as a year round destination and foster relationships with community partners to ensure a quality guest experience.

- One Council member.

### **Current Member:**

1. Chris Ladoulis

**Meeting Schedule:** Meets the 2<sup>nd</sup> Tuesday of every month at 7:30 a.m. in Almont

**Director:** John Norton

**Phone:** 970-641-7992

**Website:** [www.gunnisoncrestedbutte.com](http://www.gunnisoncrestedbutte.com)

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## **Crested Butte/Mt. Crested Butte Chamber of Commerce**

The Chamber provides information for visitors to the community, as well as residents, and business owners (both current and prospective).

As the leading business organization in the community, the Chamber seeks to:

- Promote the Community
- Create a Strong Local Economy
- Provide Networking Opportunities
- Represent the Interests of Business with Government
- Provide Value and Benefit to our Members

- One council member and one alternate. Nonvoting member.

### **Current Members:**

1. Chris Ladoulis
2. Shaun Matusewicz -Alternate

**Meeting Schedule:** Meets the 3<sup>rd</sup> Tuesday of every month at 8:00 a.m. at the Visitors Center in Crested Butte.

**Director:** David Ochs

**Phone:** 970-349-6438

**Website:** [www.cbchamber.com](http://www.cbchamber.com)

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### **Office for Resource Efficiency**

The Office for Resource Efficiency's mission is to facilitate resource savings through energy services and education programs that empower the Gunnison Valley to lower utility costs, develop renewable energy sources, decrease carbon emissions, and build a more sustainable self-sufficient economy.

- One council member and one alternate. Voting member of the Board.

#### **Current Members:**

1. OPEN
2. Roland Mason - Alternate

**Meeting Schedule:** Meets every other month from 9 a.m. to Noon, alternating locations between Crested Butte and the ORE Office in Gunnison. Future meeting dates are determined at previous meeting to accommodate board members' schedules.

#### **Director:**

**Phone:** 970-641-7682

**E-Mail:** info@resourceefficiency.org

**Website:** www.resourceefficiency.org

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### **Gunnison County Housing Authority Advisory Board**

The mission of the Gunnison County Housing Authority (GCHA) is to assist in providing suitable housing and an acceptable environment for the elderly, the handicapped, and the disadvantaged; and to encourage private investment in housing to help meet the housing needs of all citizens.

Rental Assistance Programs: Section 8 Rental Assistance; Mountain View Senior Apartments.

Homebuyer Programs: Homebuyer Counselor; Mutual Self-Help Build (Owner/Builder Program).

- The Council appoints two members and one alternate. One of the regular appointees must be a Town councilmember, the other two appointees do not need to be on the Town Council. Board members are voting members of the Board. The Board serves in an advisory capacity to the Board of County Commissioners.

#### **Current Members:**

1. Skip Berkshire
2. Jim Schmidt

**Meeting Schedule:** Attempt to meet the 2<sup>nd</sup> Thursday of each month. In the summer the meetings take place in Crested Butte (at the Chamber of Commerce) and in the winter the meetings take place in Gunnison (at the Housing Authority Offices).

**Director:** Karl Fulmer

**Phone:** 970-641-7901  
**E-Mail:** kfulmer@gvrha.org  
**Website:** www.gunnisoncounty.org

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### **Gunnison Valley Housing Foundation**

Mission:

1. Facilitate an exchange of the Clark land parcel with the U.S. Forest Service for future affordable housing projects.
2. Act as a non-profit affordable housing developer.

Members of the Gunnison County Housing Authority Advisory Board have also been serving on the Gunnison Valley Housing Foundation Board.

**Current Members:**

1. Jim Schmidt
2. Skip Berkshire

**Meeting Schedule:** The 2<sup>nd</sup> or 3<sup>rd</sup> Thursday of every month usually at 4 p.m. prior to Gunnison County Housing Authority Advisory Board meetings.

### **Center for the Arts**

Mission-The Center for the Arts, a home for arts and culture, offers engaging opportunities and educational experiences to enrich and expand the life of our community.

- One council member; Non-voting member.

**Current Member:**

1. Aaron Huckstep

**Meeting Schedule:** December 7, 2011, March 14, 2012, May 16, 2012 (All technology), Board Advance Thursday, July 12, 2012 8:30-4:30, August 29, 2012, Budget Meeting October 10, 2012

**Director:** Jenny Bernie

**Phone:** 970-349-7487 x2

**E-Mail:** jenny@crestedbuttearts.org

**Website:** www.crestedbuttearts.org

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## **Gunnison Valley Land Preservation Board**

Meets on an as-needed basis, usually a few times a year on Monday evenings at 6 p.m.

- Two members and one alternate are appointed by the Town of Crested Butte

### **Current Members:**

1. Sue Navy
2. Jim Schmidt
3. Crystal Edmunds - Alternate

**Meeting Schedule:** Meets on an as-needed basis, usually a few times a year, typically Monday evening at 6 p.m.

**Contact person:** Mike Pelletier

**Phone:** 970-641-7645

**E-Mail:** [mpelletier@gunnisoncounty.org](mailto:mpelletier@gunnisoncounty.org)

**Website:** [www.gunnisoncounty.org](http://www.gunnisoncounty.org)

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## **West Elk Loop Scenic Byway Committee**

The Colorado Scenic and Historic Byways program is a statewide partnership intended to provide recreational, educational, and economic benefits to Coloradans and visitors. This system of outstanding touring routes in Colorado affords the traveler interpretation and identification of key points of interest and services while providing for the protection of significant resources.

Scenic and Historic Byways are nominated by local partnership groups and designated by the Colorado Scenic and Historic Byways Commission for their exceptional scenic, historic, cultural, recreational, and natural features.

- One council member, one alternate.

### **Current Member:**

1. Skip Berkshire

**Meeting Schedule:** Quarterly 10 a.m. to approximately 2 p.m. Meeting locations vary and are rotated among different towns along the byway.

**Contact Person:** John Hoffman

**Phone:**

**E-Mail:** [jhof@rof.net](mailto:jhof@rof.net)

**Website:**

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## **Colorado Association of Ski Towns**

The Colorado Association of Ski Towns is an organization of 25 municipalities whose economies are largely dependent upon tourism. Members include the mayors and managers of the resort towns. The Association was formed in part to recognize that resort communities face unique challenges in providing municipal services to residents and visitors. Member municipalities share the benefits of our diverse knowledge, experience and leadership through meetings, conferences, surveys and other informational venues, as decided by the members.

CAST members use the power of the coalition to seek support for legislation that will benefit and sustain the mountain communities. We support actions that keep our communities livable, protect our pristine environment, and promote community-based land use, mass transit, affordable housing, and sustainable tourism. Our goal is to foster growth that will ensure an exceptional quality of life for citizens and a positive experience for visitors.

- One council member (typically the mayor) and the Town Manager

### **Current Members:**

1. Aaron Huckstep
2. Todd Crossett
3. If Mayor cannot attend an alternate will be sought on an as-needed basis.

### **Meeting Schedule:**

**Contact person:** Joyce Burford, Executive Director

**Phone:** 970-485-2737

**E-Mail:** [joyceb@coskitowns.com](mailto:joyceb@coskitowns.com)

**Website:** [www.coloradoskitowns.org](http://www.coloradoskitowns.org)

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## **Region 10**

Region 10 League for Economic Assistance and Planning serves as the economic, community and senior programs leader for six, western Colorado counties. The Region 10 staff, together with its membership, assists local governments, businesses and residents in facilitating and implementing programs that will benefit our economy, community and quality of life.

One council member

### **Current Member:**

1. Skip Berkshire

**Meeting Schedule:** 4<sup>th</sup> Thursday of February, May August and the third Thursday of November. All meetings are at 12 noon in the Enterprise Center, 300 N Cascade Avenue in Montrose.

**Contact person:** Paul Gray, Executive Director

**Phone:** 970-249-2436 ext. 18

**E-Mail:** [paul@region10.net](mailto:paul@region10.net)

**Website:** [www.region10.net](http://www.region10.net)

**Downtown Crested Butte Lodging Association**

**Current Member:**

1. Chris Ladoulis

**MINUTES**  
**Town of Crested Butte**  
**Regular Town Council Meeting**  
**Monday, December 15, 2014**  
**Council Chambers, Crested Butte Town Hall**

Mayor Huckstep called the meeting to order at 6:15PM.

Council Members Present: Jim Schmidt, Glenn Michel, Roland Mason, Shaun Matusewicz, Skip Berkshire, and Chris Ladoulis

Staff Present: Town Manager Todd Crossett, Town Clerk Lynelle Stanford

Town Planner Michael Yerman, Town Attorney John Belkin appeared via Skype, Building and Zoning Director Bob Gillie, and Parks and Recreation Director Janna Hansen (all for part of the meeting)

**APPROVAL OF AGENDA**

Item #5 under New Business, Resolution No. 24, Series 2014 - Resolutions of the Crested Butte Town Council Approving the Final Plat of Redwell Townhouses, Town of Crested Butte, State of Colorado, was removed from the agenda. Item #1 on the Consent Agenda, Approval of December 1, 2014 Regular Town Council Meeting Minutes, was moved to the last item under New Business. Schmidt moved and Michel seconded a motion to approve the agenda as amended. A roll call vote was taken with all voting, "Yes." Except Mason, who was not yet present to vote. **Motion passed unanimously.**

**PUBLIC COMMENT**

Lyndsay McKeever – 88 Aspen Lane in Riverbend

- Wanted to introduce herself to the Council.
- Reported that she wanted to operate a pedicab service in Town.
- Said she had her own insurance and her own pedicab.
- Wanted to know timeline to start service.

**STAFF UPDATES**

Janna Hansen

- Mentioned the Big Mine Ice Rink had opened.
- Reported a great turn out for the meeting on the Big Mine Master Plan.
- Schmidt asked if there were fewer activities scheduled at Big Mine this year. Hansen answered that because teams have merged and there were fewer teams overall, there were Friday evening spots available for things such as special events. She said people have been happy so far.

Todd Crossett

- Said Ride the Rockies was planning on a stop in Crested Butte in mid-June. Berkshire asked if they would be here overnight. Crossett said they were working to schedule an overnight stay.
- Staff was working through logistics of the Big Mountain Enduro World Series taking place in Crested Butte the same weekend as the Arts Festival.

Michael Yerman

- Received GOCO Grant for Baxter Gulch.

## **NEW BUSINESS**

### **1) Introductions and Opportunity to Ask Questions of Mundus Bishop, Consultant for Big Mine Master Plan.**

Hansen introduced the Mundus Bishop Consultant Team. Tina Bishop, of Mundus Bishop, introduced herself and explained her company was the landscape architectural firm for the Big Mine Master Plan. Brian Nierman, also of Mundus Bishop, said he was the Project Manager and the point of contact. He thanked everyone for the feedback this evening. Mark Thornbrough was the Civil Engineer and in charge of the infrastructure for master planning. Nan Anderson, Architect with Anderson Hallas Architecture, thanked the approximately 43 people, who attended the community work session meeting, for providing great input.

Schmidt asked the consultants to keep the dollars realistic. He wanted cost estimates to be as accurate as possible. Hansen added they could allow for a healthy contingency.

### **2) Approval of Mayor or Town Manager to Sign Thank You Letter to the Gunnison Valley Housing Foundation.**

Schmidt moved and Ladoulis seconded a motion to authorize the mayor to sign a thank you letter to the Gunnison Valley Housing Foundation. A roll call vote was taken with all voting, "Yes." **Motion passed unanimously.**

### **3) Approval of Mayor or Town Manager to Sign Thank You Letter to Town of Mt. Crested Butte.**

Michel moved and Schmidt seconded a motion to authorize the mayor to sign a thank you letter to the Town of Mt. Crested Butte. A roll call vote was taken with all voting, "Yes." **Motion passed unanimously.**

### **4) Presentation by Chris Larsen of Mountain Express.**

Huckstep explained that Larsen was not present, because it wasn't a requirement of the IGA between the Town and Mountain Express that he needed to verbally present to the

Council. Huckstep said the Council could express concerns to either Mason or Michel. Matuszewicz wondered about the busses related to bikes. Michel answered there were racks on the front of the busses and one on the back of the busses. He further explained they established a Four Way Express Bus last summer to accommodate bike capacity. He said “leave behinds” had gone down dramatically. They felt like it was successful, and they have addressed the bike capacity problem. Michel said they had funding in the current budget for the express bus to run again next year. He also mentioned the Mountain Express board members took the new bus to CB South where they had a ribbon cutting ceremony.

### **5) Gravity Groms’ Requested Use of the Big Mine Ice Rink.**

Huckstep addressed two issues of concern: the extension of Gravity Groms’ lease at Big Mine Ice Arena and the request for certain changes in the lease agreement itself. He asked if there was anyone on Council who didn’t want to see Gravity Groms as a tenant in the future. Berkshire clarified that he thought there were three issues: new multi-year lease, change in who manages them, and some sort of compensation for lost revenue as a result of Whatever. Huckstep focused on the concern of the public that there would be no lease. He asked if anyone on Council thought there should be no lease offered to Gravity Groms. Berkshire said he didn’t see what they could do at this late of hour. He didn’t see a reason to say no. Crossett explained that staff wasn’t making a recommendation not to renew. Michel recognized the value that Gravity Groms brought to the youth of the community. He said it was an issue of how to interface the government with what their need was. Huckstep said there was no intent or desire to eliminate the lease for 2015. Matuszewicz said the public needed a chance to speak.

Doug and Alexandra Hudson introduced themselves, and said they have been running Gravity Groms for the last three years during the summer months. They asked a few families to attend the meeting in an effort to keep it respectful and efficient. They wanted to state their support for Whatever USA and events. They were not at the meeting to express discontent about the event itself, just how it was managed. Gravity Groms was established in 2010 as a service to families from the north end of the valley. They reported to charge \$45 per child per day. Gravity Groms has grown substantially over the last five years. They were reportedly the majority childcare provider to school age kids in the north end of valley. D. Hudson added they had twelve families choose Crested Butte as their destination vacation in order to enroll in Gravity Groms. D. Hudson felt they were an important part of the community as an amenity for visiting families, too. D. Hudson said they began hearing of the demand for after school fall programs, in which they wanted to attract older kids. The solution was the air bag concept. Gravity Groms signed a lease agreement with the Town on May 5. If they had been brought into the discussion (Whatever USA), they would have stopped commission of the air bag. D. Hudson said they would have put an absolute halt on its production if they had known then what they know now. Had they been made aware of Whatever USA, they would have managed their way through the situation. D. Hudson said he knew the Town had hired Dano Marshall as a liaison in preparing for Whatever USA. As of August 10, they hadn’t heard from or met with Mr. Marshall. They assumed at that time, a short vacancy

of the rink would be required. On August 11, they were told they would have to vacate for three weeks in September. They found themselves firmly in the nerd camp, marginalized and disenfranchised. D. Hudson reported that he had maintained dialogue with Chief Marshal Tom Martin, former Town Manager Susan Parker, and former Parks and Recreation Director Jake Jones. He reported to have only heard from Crossett days before the event when he said he was not inclined to renew their leases. D. Hudson asked the Council to consider a four-year lease agreement for Gravity Groms. D. Hudson said he would have a reasonable level of comfort going forward considering his perception of the Town Manager's disposition to their investment and the antigravity air bag park. He also asked the Council to consider changes in the verbiage of the lease, including changing oversight to the Mayor or Parks and Rec Director. D. Hudson also asked the Council to waive the lease fees for 2015. It wouldn't get them whole, but it would help them a lot. They were dealing with a serious cash flow situation. They barely broke even, but they wanted to support working families. D. Hudson believed the local population smitten with their brand, drove visitors to the brand, which then covered the margin. D. Hudson said that Crossett's staff report was the first time they had heard about the performance issues in writing. He felt a tenant could expect to be notified in order to correct the issues. They were very, very quick and effective at correcting issues. D. Hudson said he spoke to organizers of events held in the Big Mine Ice Arena, and no one had an issue with cleanliness or a mess left by the Gravity Groms.

D. Hudson continued and emphasized their focus on safety. He said if safety was satisfied, then liability was not an issue. He said that the take down of equipment was difficult and time consuming, but they tried to keep the area secure and safe. The air bag itself was secured, and they took down the stairways to the ramps making them unusable. In addition, the stairs were engineered. He said they signed a document that they would correct the stairs for next year, but he needed to know which standard to follow, International Building Code or ASTM.

D. Hudson said the Gravity Groms program was licensed childcare. They held a permit with BLM and had an operating agreement and concessionaire permit with CBMR. Hudson said they hadn't heard of any issues with CBMR, but he would circle back to confirm. In terms of compliance, he said they had licked the public works yard problem for good. He believed Mountain Adventures could have groups riding in no trespassing zones. He said they hammered it into their staff, and they wanted to correct any problems right away. As far as grass in Town parks, D. Hudson said they worked hard with both their staff and kids to keep off, but it was difficult. They worked closely with Chief Marshal, Tom Martin, and the Marshal's Office on compliance with traffic regulations, and he felt they would let him know right away of violations. He said riding around Town was the most dangerous activity that they do. D. Hudson added that kids were required to do push-ups if they ran through stop signs.

D. Hudson acknowledged the issue of Gravity Groms using the Nordic Center bathrooms. He said in three years they have never had a problem. This past summer, there were people who slept overnight for the Grand Traverse at the Nordic Center. He said they might have caused the clog that resulted in the bathrooms being closed. A child then

entered the closed bathroom and flushed the toilet that blew out through the line, as staff was working to fix it. Hudson assured the Council this situation would not happen again. In regards to animals in the facility, Hudson said as soon as they were notified, their dog spent the summer at home. Once they were told that they left the lights on overnight, it never again was a problem. Gardeners for the Town also complained of kids using their hose to jib, which has never happened again. D. Hudson said they were just trying to satisfy their duty to the kids. He said the partnership with the Town had become invaluable.

Schmidt stated that obviously D. Hudson had a problem with the Town Manager. He asked if he was saying that he couldn't work with him. D. Hudson said he was not comfortable having his business hinge on Crossett's decisions. Crossett countered that tit for tat was not productive. Town staff needed these things to go well as custodians of public property. Crossett said if there were no issues moving ahead, it was perfect, but they needed to be enforced going forward. Ladoulis asked Crossett if the spirit of the contract in 2015 was similar to the one in 2014 up to July. Crossett said it was pretty similar, but there was the need to enforce a few things and make them clear in the contract. Crossett said they needed to determine what was realistic in securing the space, and there had to be a conversation about how they adequately secured it overnight. D. Hudson said they were really concerned, because they thought that a specific group of kids would try to figure out a way to use their equipment or vandalize it. He was impressed with the respect they have shown to the facility. While under construction, Hudson reported to have spent five nights in Big Mine Ice Arena to make sure nothing nefarious was happening. He reported that no one even came near it. They would do anything they could to secure the space and their equipment because they didn't want someone getting hurt. Crossett said they were probably looking at a fencing situation. Belkin added it was definitely an attractive nuisance for a lot of kids. He advised some level of break down or fencing.

Schmidt asked D. Hudson if he approached either Crossett or Hansen after Jake Jones left to indicate Gravity Groms wanted to use Big Mine in September. D. Hudson said he probably contacted the Town in the middle of July. At that time, he was working through a gray area, including details of construction, with building inspector Jerry Long. Hudson admitted they extended themselves too far by purchasing the air bag jump without a lease agreement in place. He thought Crested Butte was a friendly and casual place, and he thought understandings and agreements would roll once Jones left. He said Whatever USA was unfathomable until it came along. Crossett said it was communicated to him that Hansen told D. Hudson the lease extension might not be possible. Hansen's recollection was that she looked at the terms of the lease ending in August, and she wasn't aware of a possible extension. Hansen said Gravity Groms could come back into Big Mine later in September, but there was a two week window with Whatever in which they had to vacate.

Huckstep asked the Council how they wanted to address the situation. He asked if they supported Gravity Groms and if they wanted to see a lease in 2015. Most of the Council raised their hands and indicated, "Yes." Keith Bauer, Director of the Nordic Center,

spoke of the growth they have seen at the Nordic Center, and he mentioned they needed the entire warming house for the summer. He said they started the summer Grand Traverse. Also, the junior program was expanding and starting to grow, and they would love a place to do core workouts and stretching. In addition, their committees couldn't meet there in the summer with the current situation. He said it was a busy place, and they were all running out of room. Mason confirmed Bauer was speaking of the warming house building and not the Big Mine Ice Arena.

Huckstep said there were at least twelve people present at the meeting to support the Council instructing the staff to grant Gravity Groms a lease for 2015. D. Hudson added they just needed a space they could call headquarters. He said that whatever configuration was there for the wintertime, they could make it work for summertime. They would adjust and manage as long as they have time to work through issues. Huckstep suggested Council direct staff to begin drafting a lease. He said they probably couldn't decide on all terms, but it could be picked up at a later meeting. He said they could know that the renewal of the lease was happening, and there might be changes in the terms. Schmidt said he had no problem with starting to negotiate the lease, but he felt it unwise to have a lease longer than one year. In addition, he didn't want to micromanage by not having the Town Manager oversee the lease, but he said the Manager could put the oversight on other staff members. In terms of the request to waive rent, Schmidt said they were a for profit organization, and there were non-profits that would love a waiver of rent. Schmidt said they could possibly waive the requirement to pay the first and last month's rent upfront to assist with cash flow. Or, perhaps waive the damage deposit or last month's rent, but he said it was a terrible policy and not to do more than that. Michel agreed with Schmidt 100%. He didn't think they should micromanage, and they could work with the Hudsons on cash flow with what was required for deposit. He added everyone would like to have free rent. Ladoulis and Mason both said they also supported a method to assist with cash flow. Matusiewicz brought up their request for first right of refusal, and said it would be appropriate to allow them security. He wouldn't want another group to swoop in and perform similar services. Belkin cautioned against giving anyone first dibs on a public building. He said the distinction between Big Mine and other Town owned properties was that it's a multiuse building. Berkshire agreed with Schmidt. He said they didn't know what the Big Mine Master Plan could show, and until they knew clearly where it was headed, he didn't want to make long-term commitments. Huckstep summarized and said the Council had consensus on the term of the lease. They didn't want a change in oversight, and they didn't want to waive rent but were sympathetic to their cash flow issue. He said they would continue when there was a draft lease. Schmidt clarified on the cash flow issue and said if they were asking for first, last, and deposit, Town could just require rent for the first month. He felt it was a matter of trust with the damage deposit. Huckstep said if the first month's rent needed to be pushed back, let staff know, so they would know how to help. He then addressed the public and said the Council wanted to hear what they had to say, and they would still consider email comments, since the lease wouldn't be approved for at least another three weeks.

**7) Review, Discussion and Possible Action Regarding Concept Annexation Request By Cypress Foothills LP for the Slate River Annexation, North of Butte Avenue, County of Gunnison (Continued).**

Yerman explained at the last meeting Council was presented with the annexation and major subdivision review procedures. After they were through the conceptual review, they would meet as the planning commission. From the conceptual review, there were three stages of subdivision, in between BOZAR review and agency review. He wanted to alleviate concerns and wanted the Council to have a productive dialogue. The concept review application considered the dump; land use overall, including proposed commercial and residential; transportation; water and sewer issues. The dump, in particular, wrapped in a couple of items covered under the land use section. Yerman said the level of detail provided in their application exceeded the detail required by code.

Michel confirmed the pre-annexation agreement was basically a gentleman's agreement. Yerman cited the example of the proposal to relocate the Fire Hall. For that to be considered, Town would allow them to deal with the Fire Department. The pre-annexation agreement would indicate, "yes", the Council was willing to consider use of Town property, and if they gave a "yes", these were some conditions.

Yerman began by stating the applicant was offering to remediate the old town dump. He said that the applicant would pay for it, and they have engaged Casey Resources. He asked if the Council wanted to allow them to remediate on Town's property. Huckstep said they couldn't know all the details right now, but he asked, if they did clean up the dump, what they expected from Town. Berkshire felt it was premature. They laid out the rough plan for how they would do it. He said generally, if they were going forward, it made sense to move forward with the dump. Ladoulis asked Berkshire if he was opposed to a multi-family structure being built on top of the site after the remediation. Berkshire answered, "No." Ladoulis said if it was better as a park, they should say that now. Cameron Aderhold, Vice-President of Cypress Equities, said that was where debris had been found. They felt like most of it was where the park was proposed to be. Huckstep checked with the Council and determined Berkshire was open to dump remediation and Ladoulis was open to it. Schmidt was also open to it, but felt that turning the Town public works land to housing did not work for him. He said an annexation should proportionally increase the public works land, instead of reducing it by 25%. Huckstep asked him to focus on remediation. He asked Schmidt if he was willing to consider remediating the dump. He said, "Yes, I suppose." Both Michel and Mason said, "Yes." Matuszewicz was against it.

Yerman continued and said the applicant asked if they should include the use of the land that was currently in Town limits. Town staff indicated the best use of Town land would be to create a park. With inclusion of the alley, the area would be large enough for a playing field. The first question issue posed by Yerman was the loss of the public works yard and the recommendation the applicant would conduct a facility master plan for the

area. It would help Town know what was needed moving forward. The Town certainly had needs, and the area was important to staff. A facility master plan would provide a third party view on what was required from that area. Ladoulis asked if the park space became a part of the parklands required, was Council allowing them to satisfy the park requirement using Town's land. Huckstep wondered if Council was okay with using Town owned property in the annexation. Mason said he was okay with conceptually including Town properties, and he also liked the idea of a master plan. He said he viewed that land as a lot more desirable with the annexation. He wondered if they were going to make changes or upgrade, what was the potential to move the buildings to a different location. Huckstep asked about moving Mountain Express or wastewater. Michel did not consider them to be sacred cows that could not be touched. Berkshire said this was the last annexation the Town would do. He wondered how much space Town would actually need. He said Gunnison could experience unlimited growth but Town could not. Crossett said it went back to the facilities plan. Schmidt reminded the Council that Due felt he would need more land in the future. He said it was easy to say, "let's move it somewhere", but he didn't know where to move it. For example, from Avalanche Park, it would cost more money every year to run equipment. He said the toughest thing was giving up the land. Huckstep attempted to summarize and said they could include Town land, but like Schmidt said, they didn't think there should be a reduction in public works. Yerman reiterated they could have a third party come in so it was known what was needed for the future of the yard and if there was an alternate location. From the staff's perspective this was a crucial part of the discussion. He said the process was different from the Big Mine Master Plan in regards to public involvement. The public works yard planning was a staff driven exercise. Huckstep said there had to be no loss in efficiency or net loss of service. Ladoulis said he wanted to see the space used as efficiently as possible. Yerman said that Due wouldn't allow the public works yard to slowly go away. Aderhold said the applicant was open to exploring a place to move the facilities. He thought Due was okay with them taking the space out as depicted. He said they could expand the area going into the park until a solution was found. He asked when in the process that happened. He said for the applicant to come in and take on the expense without really knowing where they were was a risk. Engineer for the applicant, Tyler Harpel, agreed it was a concern, but he thought Due was open to shuffling things around and making it more efficient. He said other towns were larger with smaller yards. He said he was not hearing from the Council that they were not willing to use Town land in the plan. Attorney for the applicant, Marcus Lock, said they recognized having to work with Town to enhance the efficiency of the area. Schmidt said the area had additional uses, including two large sewer ponds, bus garage, search and rescue, and the car impound lot.

Regarding parks and open space, Yerman explained that the idea of taking on more park space and maintaining it could present a problem, due to the park funding measure not passing. Mainly he wanted to know if the placement of the parks looked and felt okay. Matusewicz said he wanted to hear about the park in the northeastern part of the annexation. Aderhold answered it was an area out of the floodplain and wetlands, and they thought a less intense park use might be appropriate. They had the idea that a disk golf course might be good there. He said the main concern was the desire to not have too

much to irrigate and maintain while trying to reduce expenses. He said they were open to ideas. Matuszewicz said that with the development of Block 80, Town would lose the dirt jumps, which would work there. Huckstep asked the Council what they thought about the proposal giving credit for parks using Town land. Schmidt questioned if there were three parks spaces or four. He asked how the acreage matched up with the expected size of the annexation. Yerman said he would not know until the applicant had to provide a sketch plan. Harpel said when they first sat down with staff and didn't yet have a park on the Town dump area; they had more than what was needed for parks but not quite enough public open space. He thought the three parks would be larger than what was required by Town Code. Huckstep said they were in the ballpark without knowing a definitive number on the parks. He asked the Council if they wanted improved or unimproved parks, and if they gave credit to the applicant for parks on existing Town land. Matuszewicz said it depended on how close they were to the target. Ladoulis said the proposed park on the south wasn't on their land at all, and they probably wouldn't satisfy it. Mason said that without the Town owned space, they were still pretty close. Matuszewicz said if they're just at the line it's a different conversation than if they're quite far away. Aderhold said they might come up short on things but high on others. He said the dump was not a trade off for a park, but things needed to balance out. He said they were pretty close if not over the line on park credits. Schmidt said that in regards to improved or unimproved parks, if they wanted it to be a park, they had to irrigate. He said it was tantamount they used untreated water for irrigation. Yerman said irrigation also went into the water discussion, and they wouldn't get into finite detail, yet. Schmidt also felt there needed to be some kind of definition to keep people out of the wetlands. Yerman cautioned against putting fences around wetlands. It was mentioned that Town would collect the RETT on lots as they sold. Michel asked if there would be future revenue from transactions to help maintain parks. It was discussed what the ownership would be of these areas. Aderhold thought it would be transferred to Town. He also said they had considered an HOA for parts of the development. Lock said he would be curious as to what public preference would be for ownership of parks. He said HOA owning parks had a different feel. Michel suggested they ask Rozman if there would be future revenue to maintain the parks. Aderhold said they could have an impact study done early on to help answer these questions. They could get close enough to answer if the Town could maintain the parks with the additional revenue. Berkshire asked if Town needed more parks. He said to consider traffic and congestion. He wondered if they were asking for trouble by embedding a park in a sensitive area. Mason said the accessibility to the rec path was really good. Crossett said it was a connectivity issue, and staff expressed concern that the section on the east side of the river would look like an exclusive neighborhood. Ladoulis asked if there was a line or if it was clearly defined as open space versus a park. Yerman said that at the level of 100 units, they must have ball fields. They had proposed the location of a field near the wetlands, but staff pushed them in a different direction. Ladoulis would like to see more parks, but not bulldozed flat areas that needed sprinkling. Yerman said there was a demonstrated need for more playing fields. Matuszewicz suggested a small band shell for small community concerts.

Land uses, specifically commercial and residential, were discussed next. Town staff expressed concern with the lack of commercial property for cash flow through the mill

levy. Yerman asked the Council how they felt about the locations of proposed commercial areas. Michel said there had to be enough commercial within the development to serve the people that lived there. He wanted to decrease the emphasis on people needing to get into their cars to go to the grocery store. He felt businesses would be great assets for that side of Town. Schmidt said he completely disagreed with Michel. There was already a small store right across the street from the proposed development. In the past, they had talked about not stringing commercial development between the two towns. He felt it went against what was decided in the past and the wrong way to go. Schmidt brought up the bakery building, which has been empty for eight years. He said the worst urban planning was to string out the commercial properties as people drove into town. Huckstep questioned Schmidt if a new fire station would be considered commercial. Schmidt said a fire station was the only thing he would consider in the proposed southwest corner of Town. Mason would rather see something with the feel of retail. Berkshire would hate to see business creep up Gothic Road. He mentioned the need for the business equivalent of affordable housing for office space. He said a place for certain non-profits to go would be nice. However, he didn't like straight commercial space. Huckstep asked Berkshire if he was okay with the fire station. He said, "Yes." Matusewicz was undecided. He questioned if the speed limit would remain 15 MPH up to Road B, or would it be 25MPH. Yerman said it would remain a county road, and the speed limit would be 25MPH. If the Town did not annex and maintain the road, the county set the speed limit. Mason added that if the fire station cannot move in to the proposed space, he liked the idea of the Center for Arts possibly relocating there, considering the cost of a remodel. Or they could use the area for other non-profits. Ladoulis was okay with civic use, but he wasn't categorically opposed to business use. He didn't want parking spaces to take over the view. Aderhold suggested medical offices would be a benefit and suggested having one area that would be all medical. He understood the desire to keep everything on Elk Avenue; so another idea was shared business spaces. Matusewicz was completely in favor of the fire department, but said they could also use conference space. Yerman asked the Council if they were more amenable to only the bottom part of the parcel being commercial. Schmidt kept looking at the road and traffic. Everyone drove to the bakery, and it failed. He had a problem because they were stringing out commercial. He would rather see existing residential properties on Elk converted to commercial properties. Huckstep said they needed to know where other players stood with the notion of not expanding commercial properties between the two towns. Michel added that the Town of Crested Butte valued walkability, connectivity, and neighborhood contacts. If people had to drive they could not have those interactions. People would value the amenity to walk up the block to get coffee. Lock said that originally they proposed the lower commercial area as a cool mixed used development. They wanted to create a hub. At the concept, they were totally okay with taking the northern commercial area and making it residential. Yerman said the county had not weighed in. Huckstep summarized that civic use was good, and commercial use was mixed.

Yerman explained they were proposing up to 115 units in 75 lots. The density was less than previously proposed annexations. He asked if Town had the ability to do a rental project, would they want to reserve the right for higher density, if it was for affordable

housing. Schmidt had no problem with a high-density unit. He suggested interspersed affordable housing, like in the Verzuh annexation. Housing would also allow for accessory dwellings on site. It was asked if the 115 unit count included accessory units. Aderhold answered that unit count was not counting accessory dwellings. Schmidt said it was valuable to look at the Verzuh and accessory dwellings. Michel mentioned the possibility of micro lots in addition to affordable housing requirements. Huckstep asked Michel how he felt about the density. Michel said, "Good." Ladoulis would like to explore higher density, including a more equal distribution of density from east to west. Mason was fine with the density. Matuszewicz questioned lot sizes. Yerman said that would be answered with the sketch plan. Berkshire shared the desire to see affordable housing integrated. It was determined the Council agreed that the density could be increased for affordable housing.

Regarding affordable housing, the applicant proposed fulfilling the requirement by actually constructing the units. The Council was asked if they had any other thoughts on the consideration of a multi-family project for rentals. Matuszewicz was willing to let the applicant build some units, but he wanted to see some lots available. Aderhold said they would have some local affordable housing on the east side. They thought higher density housing made the most sense on the west side, because it was more walkable to Town. Mason also wanted the potential for accessory dwellings to count towards their affordable housing requirements. Schmidt had a problem with lots getting too small. If they became too small, they were not functional. Mason mentioned Ruth's Road lots were smaller, and they seemed good sized for affordable housing. Berkshire said the scale of the Ruth's Road lots was proportionally smaller but not glaringly so. Huckstep said the outcome was the Council came up with a mixed bag of micro lots deemed acceptable.

Related to the school land discussion, the application proposed the school requirement was fulfilled with affordable housing, instead of land. He said on 1/3 of an acre they could probably fit a small daycare. He said the school could also accept payment. Yerman cautioned that the school board should make a recommendation.

Matuszewicz returned to the topic of affordable housing and said he took the strong line of not a giant unit but interspersed affordable housing. Aderhold said they were trying to get feedback if the numbers were flexible for deed restricted versus local housing. Yerman said that deed restrictions that required people to have lived here for x number of years haven't brought the price down enough. Huckstep agreed with Yerman on the difference between an AMI restricted unit that has an appreciation cap compared to one without the appreciation cap that doesn't move. Huckstep would like to eliminate local housing. Berkshire said with the Verzuh annexation they started putting on the price cap. Yerman said there were nine qualified applicants for the house that was raffled on Friday, and there was an 80% AMI cap on that unit. There would be an opportunity to talk about it when they looked to develop Blocks 79 and 80. He sympathized with those trying to sell units because of where they sat with appreciation caps. Aderhold asked if there was flexibility, and the Council said, "Yes."

Next to discuss were roadways, transportation, and the grid plan compared to the natural plan. The wetlands would dictate engineering. Public Works had serious trepidation of putting workers in ditches with gas lines and water lines next to the sewer lines. The grid plan allowed for separation of utilities. Harpel said that water and sewer were going into the roadway, and electric and gas were not on the same side of the road. With the looped system, it was one big loop. Water and sewer were in the roadway, and electric and gas were in the right of way. With the grid plan, water and sewer were going around, and they would still have to loop gas and electric around the outside. Harpel said Town already had water down the roads and sewer through the alleys, so he didn't see the advantage of having the alley on one side. Huckstep saw three issues: wetlands – if they chose the grid, they would have to accommodate by accepting some impact to the wetlands setback; utilities; whether or not the grid helped to uphold the feel of Town. Harpel said there was more pavement in the grid and more run-off. Berkshire felt the natural option transitioned to the more rural Moon Ridge interface. Treasury Hill was much smaller, but was not the grid. Berkshire could go either way, but he leaned towards the natural plan because of the transition. Matusiewicz voiced a real fear is that it became an exclusive area of Town, like an enclave. He was strongly in favor of the grid. Mason was on the fence. For him, it depended on lot size. Ladoulis thought the grid looked contrived and would only be appreciated from the air. Michel thought it should be the grid. It was the identity of Crested Butte, and he wanted to create something that was a part of rather than separate from. Schmidt did not know why a grid was more or less exclusive. He thought more important was the lot size. He was leaning towards the natural plan. Huckstep asked if there was a difference in the unit count between the two. It was about the same. Aderhold said an overriding theme was keeping it consistent with the character of Town. Gillie added that lots in Town were narrow on the road and the width increased as they went back. He said that with the natural plan, lots were wide on the street and narrower to the back, which was a different look. He would need totally new zoning to deal with different lots, which were not consistent with what Town has now. Harpel said they had more square lots with the natural plan. In looking at the last application, they received a strong push for the grid system. Then, they came with a grid plan. The public pushed back and said they were impacting wetlands. Harpel said they could make either work. Gillie saw they could not maintain a wetland buffer within the lots with the natural plan. Schmidt had a problem with a second bridge, proposed on 10<sup>th</sup> Street. Bridges were ridiculously expensive, and he would rather have the benefits go somewhere else in Town. Lock said they really wanted to reach a consensus between the Council and the applicant. He didn't want dichotomy to result in a delay. They liked the natural plan but didn't feel real strongly. Harpel said it was not a huge difference between the plans. He said it was maybe a five to ten percent difference. Mason said the public would have a lot of interest in preserving the wetlands; the closer they could adhere to setbacks, the better. Ladoulis agreed with Mason, and he felt more comfortable about the natural plan. Michel was definitely for the grid plan. Schmidt was leaning towards the natural plan. Berkshire recalled a lot of pushback regarding the wetlands on the last annexation, and he was leaning towards Schmidt. Matusiewicz said they could deal with the wetlands through a building envelope, and he was strongly in support of the grid plan. Huckstep agreed with the natural plan and saw it making sense.

The Council conferred on trails and the possible extension of 8<sup>th</sup> Street. It was discussed if they should plat and therefore extend utilities. Harpel said they would cut off the pond wetlands if 8<sup>th</sup> Street went completely straight. The pond wetlands were not jurisdictional wetlands. The requirement would be to extend utilities to the property line or parcel. They would be looking for a 60-foot dedication and responsibility to extend water and utilities. Ladoulis liked rights of way and easements, but not laying pipes that may never be used. He said, yes, on dedication, and no for laying the lines. Schmidt presented concerns that the easement was indicating they wanted the land to be developed. Matuszewicz said it signaled forward thinking, not that they wanted it. Berkshire agreed with Ladoulis: “Yes, on easement, and no, on utility extensions.”

Concerning the alleyway behind Poverty Gulch, if they didn't include the alley as part of the park, there was not enough space for a playing field. Berkshire wondered what kind of field was proposed. Yerman said there was a design that would fit, including the alley, a soccer field for players under 12 years old. It could be a full field but also broken down into two fields. Crossett said usage trends indicated the fastest growing sport was soccer. Mason asked if Due weighed in on eliminating the alley with respect to snow storage. Yerman said Due was aware. Michel wondered what the reason was for even having an alley. Schmidt said there was no reason for the alley because Poverty Gulch functioned without it. Ladoulis asked if eliminating the alley would preclude certain usages. Staff thought if the area became home sites instead of a park, they would need an alley.

The Council considered what rules should be applied to the 6<sup>th</sup> Street Corridor and Gothic Road. They discussed sidewalks and street lights. Matuszewicz mentioned the speed limit seemed important to maintain the feel of Town. Berkshire felt that a residential addition needed a sidewalk on one side of the street, and they should extend the lights. Yerman stated these were key details when Gunnison County made their judgment. The bridge right above the annexation was slated to be done within two years. There was potential the county wanted Town to maintain, and snow removal became an issue. The question was posed if Town had to maintain and resurface the road, what would it mean to the applicant. All Council members were in favor of a sidewalk.

Trails, including a pedestrian path to the cemetery, were contemplated. Harpel said it was really steep, and they would need stairs to the cemetery. Schmidt reported the Cemetery Committee would like to see that people could walk to the cemetery. Huckstep said access to the cemetery was of concern. Berkshire felt that a Nordic trail didn't seem realistic. Yerman confirmed Berkshire was not opposed to a summer trail. Michel saw future potential for 8<sup>th</sup> Street, and that there could be an easement for people to get to the Slate River corridor to allow connectivity. He would also hate to see trails where no dogs were allowed. Aderhold asked if there would be issues with the trail crossing the wetlands to get to the rec path. Ladoulis said they would have to look at the impact to the wetlands. Schmidt asked if they imagined a sidewalk or a dirt footpath along the river. Michel could envision standard crushed gravel. Berkshire stated it should be wheelchair accessible.

Next, Council explored water and sewer and if they wanted system upgrades instead of water rights. Matuszewicz said Town probably had enough water rights. He was happy to look at a creative solution, like affordable housing. Berkshire was in favor of using untreated water as a watering mechanism. Huckstep confirmed that with using gray water in parks, Berkshire would consider system upgrades in lieu of water rights. Berkshire said he would consider system upgrades, but it was not an either or proposition. Mason wanted to know more. Ladoulis was open but wanted to consult with water experts before deciding. Michel thought it too early to make an informed decision. Huckstep said it was more a question if Council was even willing to consider it. Schmidt said it appeared Town had enough water rights. He asked if Town needed another pod in the treatment plant. Untreated water for parks was another thing to include.

The tipping point on the wastewater treatment plant may soon be reached. A performance analysis would determine if Town had additional capacity. It would take \$1.2M to \$1.8M if it was determined it needed to happen, and the sewer fund didn't have debt capacity. If Town accepted this application, the state might require the Town to begin engineering. The applicant would assist in the cost of engineering if their application became the trigger point. Mason questioned the timeframe from engineering to actual building. Harpel answered it would take five years, or in crunch time, it could take a couple of months. He said the state was usually pretty flexible if they were moving forward with engineering. The Council wondered at what point, if Town was triggered by the state, would engineering be required. Staff strongly recommended it be addressed in the pre-annexation clause. 90% of the approval process was done during preliminary planning. The Council wanted to know what stage in the approval process was the pre-annexation agreement. Belkin said it should be addressed in the pre-annexation agreement. Lock said if they were the cause of the state telling Town that engineering was required, they would take that into account. Yerman advised that according to the state permit, by annexing more property into Town, they would be hitting the threshold when the state required engineering to start. Aderhold wondered how they could do that without knowing the density of what they were proposing. Harpel said the trigger point was at 80% capacity to start engineering and at 95% capacity Town should start construction. He said it was a moving target right now, and they were not sure where Town was until the performance evaluation. According to flows, Town was at 95%, and it seemed to the Council that they may have to move on to building right now. Yerman said that Due said to take time to get the performance evaluation completed. If the performance evaluation determined that Town was at 85% capacity, they would have to start engineering. Schmidt felt if Town had to do engineering and new infrastructure, he wondered why other citizens should have to pay. Yerman explained that per their application, they had to submit flows and a full system evaluation. However, a clause in the state permit said that by accepting the application, the annexation could be a trigger point. He asked if Council wanted the pre-annexation agreement to have a clause for the engineering piece. Schmidt asked if they didn't have to do the annexation, why should Town pay.

Yerman summarized what he understood the Council had identified as revisions to application:

- Design - the direction was to go with the natural proposal and to eliminate the commercial block on the north and possibly leaving the one to the south.
- Council was split on the natural plan versus the grid plan, but the natural won out.
- Council was in favor of punching the extension of the right of way on 8<sup>th</sup> Street, including moving the trail up on the NE and connecting the Cemetery. They wanted to make sure dogs were allowed.

Lock thanked Yerman for the positive feedback they received. He said the application reflected their incorporation of the feedback, and the concept was good as it could be. He thanked multiple council members who recognized they had a budget. They really appreciated the direction on the grid versus natural plan, and he assured the Council they wouldn't ignore their concerns. He asked the Council to pass a resolution that said they were in favor of review, subject to the following, a pre-annexation agreement that addressed the following comments... With respect to the scope of the pre-annexation agreement, comments were to set expectations of other parties. Lock said to plan these meetings and to set a timetable with the goals going forward. Huckstep said the Council had to have the discussion of what should be included in the pre-annexation agreement. Schmidt said he did not want to have six to seven hour meetings. Berkshire said they would defer to Yerman as the ringmaster to tell them what they needed to cover at each meeting. The Council took no action.

Matusewicz moved and Mason seconded a motion to continue the concept annexation request agenda item to the next regular Town Council meeting on January 5, 2015. A roll call vote was taken with all voting, "Yes." **Motion passed unanimously.**

### **8) Approval of December 1, 2014 Regular Town Council Meeting Minutes**

The minutes from December 1, 2014 showed that Matusewicz voted, "Yes," in favor of the snow plan, which was incorrect. Matusewicz voted, "No," and therefore it was not a unanimous vote as indicated by the minutes.

Mason moved and Schmidt seconded a motion to approve the December 1, 2014 regular Town Council meeting minutes as amended to reflect Matusewicz's "No" vote to approve the snow plan. A roll call vote was taken with all voting, "Yes." **Motion passed unanimously.**

### **LEGAL MATTERS**

None.

### **COUNCIL REPORTS AND COMMITTEE UPDATES**

Roland Mason

- Rode the 9AM Mountain Express bus to CB South. There were eight people that boarded to go skiing.

- Attended an RTA meeting. They hired Magellan Strategies to gain input on where people stand with the potential tax increase for RTA. He suggested it would benefit Town to do something similar to help pass the sales tax increase. It would give a good idea of where people were with questions. He recommended Town look at hiring Magellan or a similar company.
- Also mentioned, the late night bus was driving into CB South, and plowing was a concern.
- March airline seating is down. There are more seats on the market, and less sold this year compared to last year. They are working on strategies to get people to book airline seats for March.

#### Chris Ladoulis

- Attended a Tourism Association board meeting on Tuesday.
- They submitted proposed bylaws to the County Commissioners.
- Towns will be involved in the selection committee. They are looking at a more marketing oriented, professional board. A core issue was the size of the board.
- It was decided that the Executive Director would end her tenure December 31.

#### Glenn Michel

- Attended a Mountain Express board meeting. They will offer expanded summer bus service two additional weeks into September.

#### Jim Schmidt

- Said they needed to replace David Owen on the Housing Committee and Scenic Byways Committee. It was confirmed that Berkshire would replace him.
- Town Christmas party was great.

#### Aaron Huckstep

- Mayor/Manager meeting was on December the 4<sup>th</sup>.
- Community Foundation could potentially serve to help Town work through the community grant program. Said they could get Pam Montgomery to assist with the selection committee. He was not sure what the cost was, but it was an interesting discussion.
- The lack of knowledge between communities, including CBMR, of how discretionary money was spent was brought up.

### **OTHER BUSINESS TO COME BEFORE THE COUNCIL**

It was mentioned the Western Student Government Association provided \$2,500 to support the late night bus.

Matusewicz added they set the world record for the most skiing Santas. There were over 750 Santas, and Crested Butte could appear on the front page of the Denver Post.

**DISCUSSION OF SCHEDULING FUTURE WORK SESSION TOPICS AND COUNCIL MEETING SCHEDULE**

- Monday, January 5, 2015 – 6:00PM Regular Council Meeting
- *Tuesday (Due to MLK Holiday)*, January 20, 2015 – 6:00PM Work Session 7:00PM Regular Council Meeting
- Monday, February 2, 2015 – 6:00PM Work Session 7:00PM Regular Council Meeting

**ADJOURNMENT**

Mayor Huckstep adjourned the meeting at 11:14PM.

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Aaron J. Huckstep, Mayor

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Lynelle Stanford, Town Clerk (SEAL)



## Staff Report

January 5, 2015

**To:** Mayor and Town Council  
**Thru:** Todd Crossett, Town Manager  
**From:** Lynelle Stanford, Town Clerk  
**Subject:** 29<sup>th</sup> Annual Alley Loop  
**Date:** 12-23-2014

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### **Summary:**

Andrew Arell submitted the 29<sup>th</sup> Annual Alley Loop special event application and special event liquor permit on behalf of Crested Butte Nordic. They proposed a pub ski in which participants Nordic ski to travel between establishments. The pub ski is scheduled for Friday, February 6, 2015 from 4PM to 8PM, on Elk Avenue between 2<sup>nd</sup> Street and 3<sup>rd</sup> Street.

The Alley Loop race will take place on Saturday, February 7, 2015, from 9AM to 4PM. The route does not differ from past years, and a diagram was included in the packets. The special event liquor permit is applicable for Saturday, February 7, for a soup and beer tent located at 2<sup>nd</sup> Street and Elk Avenue. Insurance naming the Town of CB as an additionally insured entity has been provided for the event and was included in the packets; however, Town of CB needs to be updated to Town of Crested Butte and liquor liability will be added to the insurance policy after January 1, 2015. Please reference email communication from Arell and Keith Bauer, Director of the Nordic Center, assuring these updates will occur pertaining to insurance.

### **Recommendation:**

To approve the 29<sup>th</sup> Annual Alley Loop special event application and special event liquor permit contingent upon liquor liability being added to the policy as well as the Town of CB as additionally insured updated to read the Town of Crested Butte.

### **Suggested Motion:**

To approve the 29<sup>th</sup> Annual Alley Loop special event application and special event liquor permit contingent upon insurance amendments adding liquor liability and changing Town of CB to Town of Crested Butte as an additionally insured entity.

# TOWN OF CRESTED BUTTE SPECIAL EVENT APPLICATION



- A **complete** application must be submitted a **minimum** of forty-five (45) days prior to your event. A **complete** application includes all **fees** and **deposits**.
- Incomplete applications will not be accepted.
- A \$100 late fee will be charged for late applications and no applications will be accepted less than ten (10) business days prior to an event.
- In addition to the application fee and a special event permit fee, a clean-up deposit may be charged depending on the size and scale of the event (see special event fee schedule for details).
- All special events require a minimum of \$1,000,000 in general commercial liability insurance naming the Town of Crested Butte as an additional insured. If you have reserved the Big Mine Ice Arena for more than 299 people you will also need to add the Crested Butte Fire Protection District as an additional insured.
- Additional application fees are required for a Special Event Liquor License.
- Please print clearly and **legibly**
- Block parties must comply with the Block Party Policies and are not Special Events. Contact the Clerk's Office for more information.

Name of Event: 29<sup>th</sup> Annual Alley Loop

Date(s) of Event: ~~1st through 5th~~ 6<sup>th</sup> & 7<sup>th</sup>, 2015, February

Name of Organization Holding the Event ("Permittee"): CB Nordic @@@@

Note: The permittee of an event must be the same as the named insured on the insurance binder.

Name of Event Organizer: Andrew Arell

Phone: 349-1707 ex-4 Cell Phone: 720-404-2311

E-Mail: events@cbnordic.org Fax Number: \_\_\_\_\_

Name of Assistant or Co-Organizer (if applicable): Keith Baver

Phone: 970.349.1707 ex-5 Cell Phone: 970.596.0176 E-Mail: director@cbnordic.org

Mailing Address of Organization Holding the Event: PO Box 1269 CB

Email Address of Organization: info@cbnordic.org Phone Number: 349.5606

Detailed Event Description: Please attach an event schedule if applicable  Event Schedule Attached

Friday 2/6 4:00pm - 8:00 PM, Pub Ski - 2<sup>nd</sup> & 3<sup>rd</sup> on Elk Ave.  
Saturday 2/7 9AM - 4:00pm, Nordic Ski Race

Event Location: (Attach map showing location of event; Also attach 8 1/2" X 11" diagram detailing the event showing tents, vendors, security, toilets, tables, signage, fencing, booths, ingress and egress, stage, etc):

Map Attached Showing Location of Event  Diagram Attached Detailing Event

Event Time (start time of scheduled event to end time of scheduled event): FRI. 2/6 - 4:30 PM - 7:30 PM / SAT. 2/7 - 9am - 3pm  
Total Time (including set-up, scheduled event, break-down & clean-up): FRI. 3-8pm, SAT. 7am - 4pm  
Expected Numbers: Participants: 600 Spectators: 400

Do You Intend to Sell or Serve Alcohol?  Yes / No

If Yes, a Special Event Liquor License is Required, You must Submit a Separate Application for a Special Event Liquor License to the Town Clerk at least 30 days prior to the event to ensure adequate time to comply with state regulations.

Special Event Liquor License Application is Attached with Appropriate Fees and Diagram

Proof of General Commercial Liability Insurance Naming the Town of Crested Butte as Additional Insured, with Coverage of No Less than \$1,000,000 is Required for All Special Events. If your event is in the Big Mine Ice Arena and over 299 people you will also need to add the Crested Butte Fire Protection District as Additional Insured. Events Selling Alcohol also Require Liquor Liability Insurance (Note your application cannot be approved until we receive Proof of Insurance). *Contact the Clerk's Office if you would like to receive an insurance quote through the Town's Insurance Provider.*

Is Proof of Insurance is Attached. Yes /  No \* Pending \*

If No, Why Not: \_\_\_\_\_

Will There Be Amplified Sound at This Event?  Yes / No

If Yes, Describe: PA System on Friday Night and Saturday  
Note: If there will be amplified sound during your event then the rules and requirements of Crested Butte Municipal Code Section 10-9-50 must be followed. Upon completion and submission of this application the Town will provide you with additional information, including details on how to comply with the neighborhood notification process that you will be required to follow.

Are you requesting Town Manager approval for a 1-day banner at the event location for the hours of the event?  Yes / No  
Town Manager Approval: [Signature]

Do you plan to apply for a banner permit to erect a banner at the Pitsker Outfield Fence?  Yes / No  
If yes, you must apply for a banner permit separately through Diane at the Front Desk of Town Hall.

How much trash do you anticipate generating at the event? 5 trash cans

What recyclable products will be generated at the event? 2 Trash bins

Describe Your DETAILED Plan for Trash, Recycling and Clean-Up (all events are required to have a plan for handling recycling and garbage during the event and the removal of recycling and garbage after the event). Please note that any plan should emphasize increased recycling and decreased waste production. If you feel that your event will require assistance from a waste company contact the Clerk's Office at 349-5338 or look on the special event section of the Town's website at [www.townofcrestedbutte.com](http://www.townofcrestedbutte.com) for details on the two different waste companies that serve Crested Butte and the scope of their services. Be creative and detailed in you plan. Please note that any event application without a detailed recycling and refuse plan will not be accepted as a complete application:

All trash and recyclables will be collected and removed to CB Nordic Center by staff and volunteers.  
Will be using bins provided by Center for the Arts.

Describe Plan for Security (All major impact events, as well as events that receive a special event liquor license, are required to have a security plan):

Security will be provided by CBNC Volunteers at all street closures + at the finish area.

Describe Plan for Parking: Parking at the 4-way and CB Nordic Center.

Describe Plan for Portable Toilets and/or Restrooms: Town public toilets, CBNC Restrooms and Bike oven.

Is Your Event Requesting Any Additional Services from the Town of Crested Butte (such as barricades, utility irrigation locates, traffic control, snow removal, electrical power, trash removal, additional police etc.)? Yes / No

If Yes, explain request for services in detail (attach additional page if necessary):

Barricades, traffic control, snow mowing, street closures

Will Your Event Require Any Road Closures  Yes / No  No 2/6

If Yes, Explain in Detail Streets Closures and Times of Closures: Friday evening - 2nd - 3rd on Elk SAT 2/7 - see attached map for race route closures

Will Your Event Impact Mt. Express Bus Service and/or Routes  Yes / No  No

If Yes, Explain Impact:

Elk Ave 4th - 1st on Sat 2/7

Will Your Event Affect Any Handicap Parking Spaces  Yes / No  No

If yes then you must work with the Marshal's Department to create a temporary handicap parking space/s for the duration of your event.

Describe Plan for Notifying Businesses and Neighbors Impacted by Your Event:

Will post 3 separate notices to residents + cars for road closures and parking changes. personal visit w/ letter to all impacted businesses.

Does Your Event Include a Parade  Yes / No  No

If yes you must read and sign the following: I understand that if items are to be distributed during the parade (i.e. candy, beads, etceteras) individuals will do so exclusively by foot from along-side the vehicles/floats to minimize the likelihood of spectators running up to the vehicles/floats. I understand and agree that items will not be thrown from any vehicle/float.

Signature of Event Coordinator

Will You Be Selling Products (food, drink or merchandise) At Your Event?  Yes / No  No

If Yes, You must Collect Sales Tax and Attach a Completed Town of Crested Butte Sales Tax License Application.

Town of Crested Butte Sales Tax Application is Attached.

If Approved Would You Like Town Staff To Post The Event On The Gunnison-Crested Butte Online Community Calendar (this service is free of charge): es / No

If yes, please write two sentences below describing the event in the exact wording it will appear on the calendar: 29th Annual Alley Loop presented by Crested Butte Nordic will take place on Saturday February 7th at 9:00 AM

A Pub Crawl on skis will also take place, Friday, February 6th from 5:30-7PM  
Contact Name & Phone Number for the Calendar: Andrew Arell - Director of Events 970-349-1707  
Event Fee for the Calendar: Tiered per event Website for More Info: www.cb nordic.org

Additional Applicant Comments: \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

Please Review Carefully:

In consideration for being permitted by the Town to engage in the permitted event, the Permittee, its heirs, successors, executors, assigns, transferees, employees, officers, directors, members, managers, representatives, contractors, subcontractors, agents, assigns, guests and invitees (collectively, the "Releasor/Idemnitor") hereby acknowledge and agree to the following: (i) Releasor/Idemnitor assume all risk of injury, loss or damage to Releasor/Idemnitor, any of them, arising out of or in any way related to the permitted event, whether or not caused by the act or omission, negligence or other fault of the Town, or by any other cause; (ii) Releasor/Idemnitor waive and release the Town from any and all claims, demands and actions for injury, loss or damage arising out of or in any way related to the permitted event, whether or not caused by the act or omission, negligence or other fault of the Town, or by any other cause; (iii) Releasor/Idemnitor agree to defend, indemnify and hold harmless the Town from and against any and all liability, claims, damages and demands, including any third party claim asserted against the Town, on account of injury, loss or damage, including, without limitation, claims arising from bodily injury, personal injury, sickness, disease, death, property loss or damage, or any other loss of any kind whatsoever, arising out of or in any way related to the permitted use, whether or not caused by the act or omission, negligence or other fault of the Town, or by any other cause. For purposes hereof, the term "Town" shall include, individually and collectively, its officers, employees, agents, insurers, insurance pools, contractors and subcontractors. By signing this Special Event Application, the Permittee acknowledges and agrees that this assumption of risk, waiver and indemnity extends to all acts, omissions, negligence or other fault of the Town and that said assumption of risk, waiver and indemnity is intended to be as broad and inclusive as is permitted by the laws of the State of Colorado. In any portion hereof is held invalid, it is further agreed that the balance shall, notwithstanding such invalidity, continue in full legal force and effect.

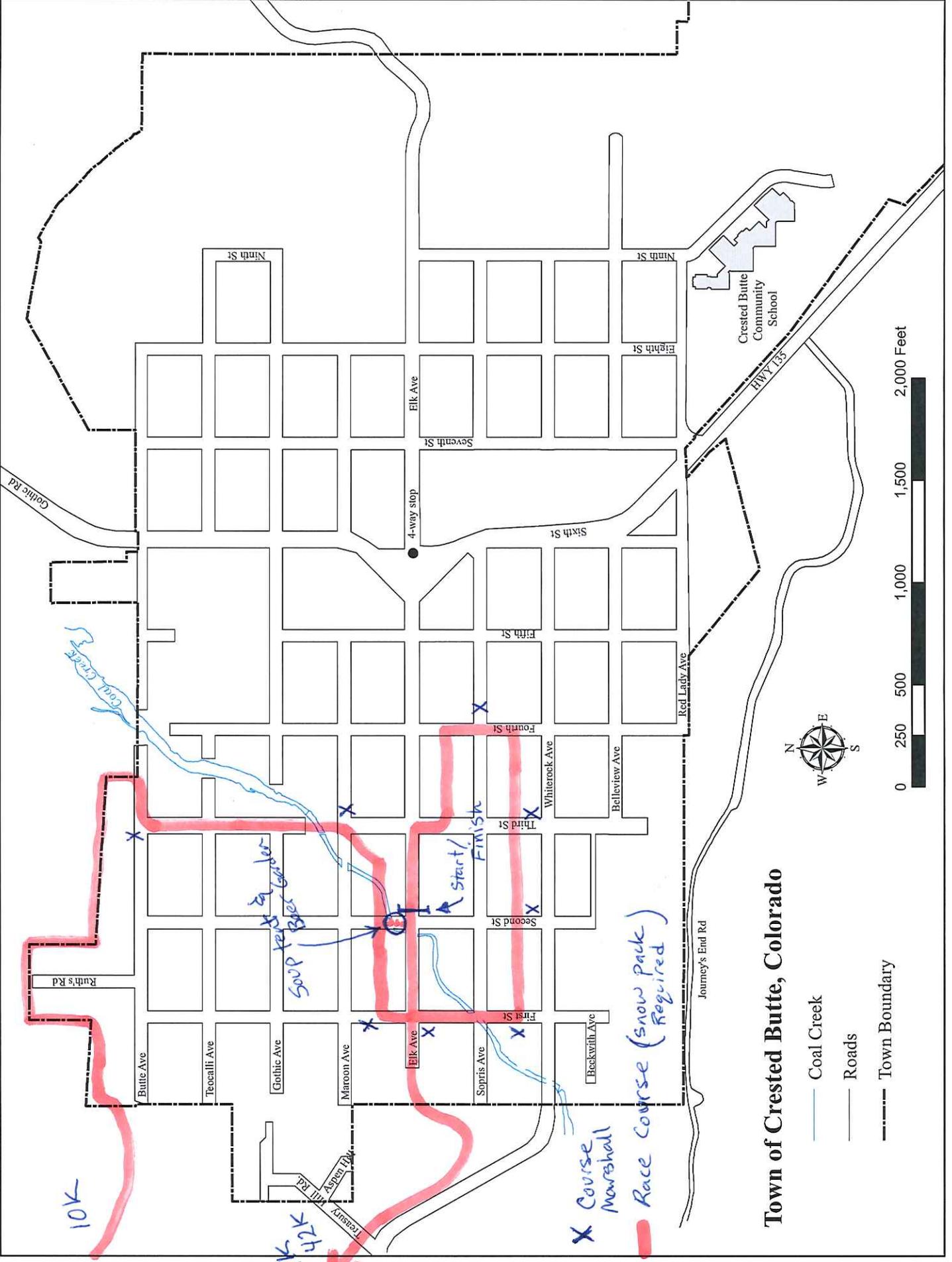
The undersigned Permittee certifies that all the statements and answers to the above questions are true without any reservations or evasions. The undersigned also understands that the Town of Crested Butte reserves the right to require payment for additional services for major impact events

Andrew Arell / [Signature]  
Print Name Clearly / Signature of Applicant (Permittee)

11/11/14  
Date

Application is Approved: \_\_\_\_\_ Date: \_\_\_\_\_

2013 Alley Loop Course (Town)



### Town of Crested Butte, Colorado

- Coal Creek
- Roads
- Town Boundary



10K

21K

X Course Marshall

— Race Course (snow pack Required)

SOUP tent in bar

Start!

Finish

4-way stop

Crested Butte Community School

HWY 135

Journey's End Rd

Beekwith Ave

Belleview Ave

Whiterock Ave

First St

Second St

Third St

Fourth St

Fifth St

Sixth St

Seventh St

Eighth St

Ninth St

Elk Ave

Maroon Ave

Aspen Hill

Treasury Hill Rd

Gothic Ave

Teocalli Ave

Butte Ave

Ruth's Rd

Coal Creek

Gothic Rd

Elk Ave

Sopris Ave

Beekwith Ave

Belleview Ave

Whiterock Ave

Fourth St

Fifth St

Sixth St

Seventh St

Eighth St

Ninth St

Elk Ave

Maroon Ave

Gothic Ave

Teocalli Ave

Butte Ave

Ruth's Rd

Coal Creek

Gothic Rd

Elk Ave

Sopris Ave

Beekwith Ave

Belleview Ave

Whiterock Ave

Fourth St

Fifth St

Sixth St

Seventh St

Eighth St

Ninth St

Elk Ave

Maroon Ave

Gothic Ave

Teocalli Ave

Butte Ave

Ruth's Rd

Coal Creek

Gothic Rd

Elk Ave

Sopris Ave

Beekwith Ave

Belleview Ave

Whiterock Ave

Fourth St

Fifth St

Sixth St

Seventh St

Eighth St

Ninth St

Elk Ave

Maroon Ave

Gothic Ave

Teocalli Ave

Butte Ave

Ruth's Rd

Coal Creek

Gothic Rd

Elk Ave

Sopris Ave

Beekwith Ave

Belleview Ave

Whiterock Ave

Fourth St

Fifth St

Sixth St

Seventh St

Eighth St

Ninth St

Elk Ave

Maroon Ave

Gothic Ave

Teocalli Ave

Butte Ave

Ruth's Rd

Coal Creek

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Elk Ave

Sopris Ave

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Gothic Ave

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Butte Ave

Ruth's Rd

Coal Creek

Gothic Rd

Elk Ave

Sopris Ave

Beekwith Ave

Belleview Ave

Whiterock Ave

Fourth St

Fifth St

Sixth St

Seventh St

Eighth St

2015

29<sup>th</sup> Annual ALLEY LOOP Nordic Marathon



**Road and Alley Closures**

**ROADS:**

Elk Avenue: from Old Kebler to Third.

First Street: West side between Elk and Whiterock.

First Street: East side between Elk & Maroon.

~~First Street: West side between Butte & Elk~~

Maroon Ave.: North side from the bridge East to entrance of Totem Pole Park.

Third Street: East side between Elk & Elk Alley

Fourth Street: West side between Elk Alley and Whiterock.

Butte Ave.: North side from Third to Kapushion Annex.

**ALLEYS:**

Sopris/Whiterock Alley: between First and Fourth.

Elk/Sopris Alley: between Third and Fourth.

Elk/Maroon Alley: between First and Second.

Kapushion Annex to Butte: west of 3 Ladies Park

NOTIFICATION OF AMPLIFIED SOUND

Pursuant to Crested Butte Ordinance No. 19, Series 2007 (a.k.a. The Noise Ordinance) please be advised that there will be amplified sound in your neighborhood on the date(s) and time(s) described below during a Town approved Special Event.

Event Name: 29<sup>th</sup> Annual Alley Loop

Event Date(s): Feb. 6<sup>th</sup> & 7<sup>th</sup> 2015

Event Location: Elk Ave / 2<sup>nd</sup> St.

Scheduled Start Time & End Time of Amplified Sound: FRI 2/6 4pm-7pm

Type of Amplified Sound: PA System SAT 2/7 9am-4pm

Event Holder Contact Name: Andrew Areal Phone: 349-1707 x4

Town Council Approval Date & Time if Applicable: \_\_\_\_\_



## Betty Warren

---

**From:** Keith Bauer <director@cbnordic.org>  
**Sent:** Friday, December 19, 2014 8:40 AM  
**To:** Betty Warren; Andrew Arell  
**Subject:** alley loop coverage

hi Betty,

Our insurance agent is back up from an illness. I just got off the phone with him. there is no issue getting liquor liability insurance, but he said he cannot get to it till after the first of the year.

sorry about that. call if you have any questions.

thanks, Keith

## Betty Warren

---

**From:** Andrew Arell <events@cbnordic.org>  
**Sent:** Thursday, December 18, 2014 9:47 AM  
**To:** Betty Warren; Keith Bauer  
**Subject:** Re: FW: Alley Loop Doc's  
**Attachments:** AL-Beer\_Soup\_2ndSt.pdf

Betty-

I've updated the map to reflect security positions. See attached.

The liquor liability is in the works. Our agent is a bit slow... When must we have the revised certificate to you by?

Keith- please be sure the certificate is also revised to read- "Town of Crested Butte", not Town of CB.

On Thu, Dec 18, 2014 at 8:45 AM, Betty Warren <[BWarren@crestedbutte-co.gov](mailto:BWarren@crestedbutte-co.gov)> wrote:

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**From:** Betty Warren  
**Sent:** Thursday, December 18, 2014 8:44 AM  
**To:** Betty Warren  
**Subject:** RE: Alley Loop Doc's

Good morning, Andrew:

I am working on the Alley Loop event and just need your revised map of the Beer Garden/Soup Tent parameters and the liquor addition on the liability insurance. We will put the packets together next week for the Town Council to approve.

Thanks for your help!

Betty

Betty Warren

Deputy Town Clerk

P.O. Box 39

507 Maroon Avenue

Crested Butte, CO 81224

# APPLICATION FOR A SPECIAL EVENTS PERMIT

Department Use Only

303-205-2341

**IN ORDER TO QUALIFY FOR A SPECIAL EVENTS PERMIT, YOU MUST BE NONPROFIT AND ONE OF THE FOLLOWING (See back for details.)**

- |                                    |  |  |
|------------------------------------|--|--|
| <input type="checkbox"/> SOCIAL    | <input checked="" type="checkbox"/> ATHLETIC                   | <input type="checkbox"/> PHILANTHROPIC INSTITUTION           |
| <input type="checkbox"/> FRATERNAL | <input type="checkbox"/> CHARTERED BRANCH, LODGE OR CHAPTER    | <input type="checkbox"/> POLITICAL CANDIDATE                 |
| <input type="checkbox"/> PATRIOTIC | <input type="checkbox"/> OF A NATIONAL ORGANIZATION OR SOCIETY | <input type="checkbox"/> MUNICIPALITY OWNING ARTS FACILITIES |
| <input type="checkbox"/> POLITICAL | <input type="checkbox"/> RELIGIOUS INSTITUTION                 |  |

<b>LIAB TYPE OF SPECIAL EVENT APPLICANT IS APPLYING FOR:</b> 2110 <input checked="" type="checkbox"/> MALT, VINOUS AND SPIRITUOUS LIQUOR \$25.00 PER DAY 2170 <input type="checkbox"/> FERMENTED MALT BEVERAGE (3.2 Beer) \$10.00 PER DAY	<b>DO NOT WRITE IN THIS SPACE</b> LIQUOR PERMIT NUMBER
---	---

1. NAME OF APPLICANT ORGANIZATION OR POLITICAL CANDIDATE <i>Crested Butte Nordic</i>	State Sales Tax Number (Required) <i>98-11986-0000</i>
---	---

2. MAILING ADDRESS OF ORGANIZATION OR POLITICAL CANDIDATE (include street, city/town and ZIP) <i>PO Box 1269 Crested Butte, CO. 81224</i>	3. ADDRESS OF PLACE TO HAVE SPECIAL EVENT (include street, city/town and ZIP) <i>2nd ST. &amp; Elk Ave. Crested Butte, CO. 81224</i>
--	---

NAME	DATE OF BIRTH	HOME ADDRESS (Street, City, State, ZIP)	PHONE NUMBER
4. PRES./SECY OF ORG. or POLITICAL CANDIDATE <i>Keith Baver</i>	<i>11/4/53</i>	<i>108 2nd St. Crested Butte CO. 81224</i>	<i>970.516.0176</i>
5. EVENT MANAGER <i>Andrew Arail</i>	<i>9/30/78</i>	<i>54 Anthracite Dr. Mt. Crested Butte CO. 81225</i>	<i>716.904.2311</i>

6. HAS APPLICANT ORGANIZATION OR POLITICAL CANDIDATE BEEN ISSUED A SPECIAL EVENT PERMIT THIS CALENDAR YEAR? <input checked="" type="checkbox"/> NO <input type="checkbox"/> YES HOW MANY DAYS?	7. IS PREMISES NOW LICENSED UNDER STATE LIQUOR OR BEER CODE? <input checked="" type="checkbox"/> NO <input type="checkbox"/> YES TO WHOM?
---	--

8. DOES THE APPLICANT HAVE POSSESSION OR WRITTEN PERMISSION FOR THE USE OF THE PREMISES TO BE LICENSED?  Yes  No

LIST BELOW THE EXACT DATE(S) FOR WHICH APPLICATION IS BEING MADE FOR PERMIT

Date	Date	Date	Date
Hours From	Hours From	Hours From	Hours From
<i>2/7/15</i>			
From <i>11 AM</i>	From	From	From
To <i>4 PM</i>	To	To	To

**OATH OF APPLICANT**

*I declare under penalty of perjury in the second degree that I have read the foregoing application and all attachments thereto, and that all information therein is true, correct, and complete to the best of my knowledge.*

SIGNATURE <i>[Signature]</i>	TITLE <i>Race Director</i>	DATE <i>11/4/14</i>
---------------------------------	-------------------------------	------------------------

**REPORT AND APPROVAL OF LOCAL LICENSING AUTHORITY (CITY OR COUNTY)**

The foregoing application has been examined and the premises, business conducted and character of the applicant is satisfactory, and we do report that such permit, if granted, will comply with the provisions of Title 12, Article 48, C.R.S., as amended.

**THEREFORE, THIS APPLICATION IS APPROVED.**

LOCAL LICENSING AUTHORITY (CITY OR COUNTY) <i>Town of Crested Butte</i>	<input checked="" type="checkbox"/> CITY <input type="checkbox"/> COUNTY	TELEPHONE NUMBER OF CITY/COUNTY CLERK <i>970-349-5338</i>
SIGNATURE <i>[Signature]</i>	TITLE <i>Town Clerk</i>	DATE <i>12-29-2014</i>

**DO NOT WRITE IN THIS SPACE - FOR DEPARTMENT OF REVENUE USE ONLY**

LIABILITY INFORMATION			
License Account Number	Liability Date	State	TOTAL
		-750 (999)	\$

# Alley Loop - Special Event Liquor Permit Area

2nd. St.

Soup Tent &  
Beer Garden

Security Guard Station  
Public Access Gate

Elk Ave

Nordic Ski Race  
Finish Line

■ = Barricaid Fencii

29TH ANNUAL ALLEY LOOP

DEPARTMENT APPROVALS (For Official Use Only)

Note: Please clearly state in your comment area what requested services your department will/will not provide for the event.

Marshal's Department :

Tom Martin 12-10-14  
Signature Date  
Tom Martin  
Name (Printed)

Conditions/Restrictions/Comments:  
Will work with the  
event organizers  
as needed

Public Works:

Rodney E. Duce 12/10/14  
Signature Date  
Rodney E. Duce  
Name (Printed)

Conditions/Restrictions/Comments:  
Will work with Marshal's #  
Event organizers as needed  
to make it work  
OK

Parks and Recreation:

Janna Hansen 12/10/14  
Signature Date  
Janna Hansen  
Name (Printed)

Conditions/Restrictions/Comments:  
Happy Skiing!

Town Clerk:

Lynelle Stanford 12-10-14  
Signature Date  
Lynelle Stanford  
Printed Name (Printed)

Conditions/Restrictions/Comments:

Town Manager:

Todd Crosssett 12/10/14  
Signature Date  
Todd Crosssett  
Printed Name (Printed)

Conditions/Restrictions/Comments:  
OK - with conditions as  
noted

Crested Butte Fire Protection District:

W Scott Wimmer 12/3/14  
Signature Date

Printed Name (Printed)

Conditions/Restrictions/Comments:

Good Luck with  
your event!

Mt. Express Bus Service:

Chris Linsen 12/1/14  
Signature Date

Printed Name (Printed)

Conditions/Restrictions/Comments:

Friday - bus will reroute onto  
Maroon to access old Town Hall  
Saturday - bus will reroute to  
5th St. and access 6th & Belleview  
and 4 way stop until Elk Ave  
is reopened

Official Use Only:

Application Received 11/11/2014 Date Distributed 12/3/2014

Council Date (if applicable) JANUARY 5, 2015

MEETING SET 12/10/2014

Approval Date \_\_\_\_\_ Method of Approval:  Administratively  By Town Council

Approval Contingencies \_\_\_\_\_

Application fee \$ 25.00 Check # 13836 Date Paid 11/11/14

Permit Fee \$ 200.00 Check # 13836 Date Paid 11/11/14

Local Liquor License Fee \$ 25.00 Check # 13836 Date Paid 11/11/14

State Liquor License Fee \_\_\_\_\_ Check # \_\_\_\_\_ Date Paid \_\_\_\_\_ Date Liq. Application Sent \_\_\_\_\_

Additional Fee \_\_\_\_\_ Check # \_\_\_\_\_ Date Paid \_\_\_\_\_

Clean Up Deposit \$ 200.00 Check # 13836 Date Paid 11/11/14 Date Returned: \_\_\_\_\_



## Staff Report

12/31/2014

To: Mayor Huckstep and Town Council  
Thru: Todd Crossett, Town Manager  
From: Tom Martin, Chief Marshal  
**Subject: Code Red**  
Date: 12/31/2014

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### **Background:**

Code Red is a wireless emergency notification system which notifies enrolled participants of emergency situations as well as general notifications. Notifications are sent to advise of road conditions, road closures, and severe weather conditions such as tornados, severe thunderstorms, and flash floods. Enrolled participants can be notified of these types of situations by way of recorded message, text message, and/or email and they also have the option to download a mobile app so that they can receive notification of emergencies in their current location based on their GPS locality. Gunnison County encourages residents and visitors to register for Code Red by going to the Gunnison County website and selecting "Alerts." But there is also the option to register through the Montrose Emergency Telephone Service Authority.

### **Discussion:**

The Montrose Emergency Telephone Service Authority (METSA) has requested that all municipalities and first responders within Delta, Gunnison, Hinsdale, Montrose, Ouray, San Miguel and Saguache Counties enact a resolution that encourages their residents to register with METSA's 9-1-1 Emergency Notification System (Code Red). However, Scott Morrill, the Emergency Manager for Gunnison County, is asking that we "disregard" METSA's request. Morrill states that "we are making good progress educating the public about Code Red and the importance of registering cell phone numbers" and that it "seems that our time and energy would be better spent continuing those efforts rather than passing a resolution, which in my experience are often times ignored, especially in situations like this." Scott Morrill states that it is a matter of principle; advising that when METSA made this same request last year he asked them not ask this of Gunnison County again. He reports that METSA ignored this request. Scott Morrill asks why Montrose is involved when Gunnison County already has a plan in place for Code Red and states that involving METSA would only cause unnecessary confusion. His belief that accepting this proposal would be passing a resolution to pass resolutions.

### **Recommendation:**

Staff recommends that Town of Crested Butte not accept METSA's proposal and that we support our county Emergency Manager by continuing to utilize the plan he has already implemented for Code Red.

**Proposed Motion:** I move for the Town of Crested Butte to continue encouraging residents and visitors to register for Code Red through the Gunnison County website.

**J. DAVID REED, P.C.**  
ATTORNEYS AT LAW

J. DAVID REED

JAMES D. MAHONEY  
BO JAMES NERLIN

**BO JAMES NERLIN**  
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(970) 249-3806 • (970) 249-9661 (FAX)  
[bnlerlin@jdreedlaw.com](mailto:bnlerlin@jdreedlaw.com)  
visit our website: [jdreedlaw.com](http://jdreedlaw.com)

December 2, 2014

Crested Butte Town Council  
PO Box 39  
Crested Butte, CO 81224

*RE: Montrose Emergency Telephone Service Authority ("METSA") 9-1-1 Emergency Notification System*

Mayor Huckstep and Members of the Crested Butte Town Council :

Please find the enclosed letter from the METSA Board of Directors regarding 9-1-1 Emergency Notifications to citizens' cell phones. METSA is requesting the support of all municipalities and first responders within Delta, Gunnison, Hinsdale, Montrose, Ouray, San Miguel and Saguache Counties to enact a Resolution encouraging residents within the seven-county region to register with the 9-1-1 Emergency Notification System and to support METSA's public outreach campaign to get cellular phone users to register their numbers with the 9-1-1 Emergency Notification System. Also enclosed is a proposed Resolution in support of registering wireless phones with the 9-1-1 Emergency Notification System.

Our office represents METSA in this matter and would be willing to assist when needed to answer any questions or to assist with reformatting the proposed Resolution based on your specific county or municipal standards. The goal of METSA in this matter is to increase public awareness of the 9-1-1 Emergency Notification System, and respectfully, on behalf of METSA, we are asking that the Crested Butte Town Council enact a Resolution similar to the proposed form enclosed herein.

Sincerely,



Bo James Nerlin

Encls.

**RESOLUTION ENCOURAGING REGISTRATION AND USE OF 9-1-1 EMERGENCY  
NOTIFICATION SYSTEM**

Resolution No. 2014-

**RECITALS:**

- A. WHEREAS, Delta, Gunnison, Hinsdale, Montrose, Ouray, San Miguel and Saguache Counties and the municipalities therein have seen a significant increase in the use of cell phones by residents and businesses in their respective communities; and
- B. WHEREAS, a majority of all homes in the United States use cell phones or internet-based phones as the primary form of communication, and many such homes do not have land or wired lines; and
- C. WHEREAS, the Montrose Emergency Telephone Service Authority ("METSA") entered into a Services Agreement to provide high speed 9-1-1 emergency notifications to geographically selected calling areas within Delta, Gunnison, Hinsdale, Montrose, Ouray, San Miguel and Saguache Counties for wireless users; and
- D. WHEREAS, early notification to residents during an emergency significantly reduces the likelihood of injuries and loss of life; and
- E. WHEREAS, in order to provide efficient and effective warning systems, METSA is recommending that all residents and businesses in the seven-county region be encouraged to add their phones and geographic locations to a 9-1-1 Emergency Notification System via the following Website: <http://www.westregion.org>.

NOW THEREFORE, BE IT RESOLVED, that the Town Council of the Town of \_\_\_\_\_, State of Colorado, hereby supports the efforts of the Montrose Emergency Telephone Service Authority to encourage residents and businesses to register their phones with the 9-1-1 Emergency Notification System.

Adopted this \_\_\_\_ day of \_\_\_\_\_, 2014, by the \_\_\_\_ Town Council.



**To:** Mayor Huckstep and Town Council  
**From:** Michael Yerman, Town Planner and Todd Crossett, Town Manager  
**Subject:** **Slate River Annexation Concept Review**  
**Date:** January 5, 2015

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## ***1. Introduction***

This memo is sequenced as follows to help guide the Council discussion:

1. Introduction
2. Council Deliberation (Commercial Property and Grid vs. Natural proposals)
3. Recap of December 15<sup>th</sup> Meeting
4. Process
5. Pre-annexation Agreement
6. Approval vs. Denial of Conceptual Review
7. Possible Action

On December 15<sup>th</sup> the Council heard a presentation from Town Staff on the review of the Conceptual proposal of the Slate River Annexation. The application was continued after the staff review to January 5<sup>th</sup>. At this time, staff would like to engage the Council in a discussion on two items upon which the Council had mixed comments, to provide the Council with a recap of the December 15<sup>th</sup> meeting, and to review the Annexation process and the next steps that would be taken should the Council decide to take action on the application.

## ***2. Council Deliberation***

There are two issues that staff would like to reengage the Council on to determine if a consensus can be reached. While a majority of Council weighed in on these issues, considerable objections were raised. Staff has also heard significant commentary and questions from councilmembers since the meeting that lead staff to believe these issues should be further discussed. Both these issues will have long term material effects on the applicant's proposal moving forward and are important to try to readdress to achieve a possible consensus prior to a formal application submittal.

## **Northern Commercial Parcel**

Council expressed differing opinions regarding the northern-most proposed commercial parcel. There were mixed reactions in response to the applicant including a second large parcel of commercial to the north, within the proposed development. With the exception of Town Park, the 6<sup>th</sup> Street corridor is zoned commercially throughout the Town. Expanding commercial uses along this corridor will continue this development pattern and create walkable commercial amenities within the proximity of the remainder of the residential development. A ¼ mile to commercial amenities is generally considered to be a walkable distance in new urbanism principles.

The proposal by the applicant to have commercial uses along the 6<sup>th</sup> Street corridor will continue the Town's natural growth pattern. It will provide additional land space for economic development including the possibilities for office, retail or medical spaces. Zoning controls could be put in place to eliminate strip development at the edge of the Town at this location. It is also consistent with the planning principles of mixed-use development, which contribute to walkability and enhanced vitality.

Staff is sensitive to comments regarding protecting the entrance to Town and maintaining the character of the corridor between Mt. Crested Butte and the Town. Staff poses the following questions. Could there be an appropriate mixed use zoning designation for this parcel? Are there commercial uses that Council feels would be more appropriate at the entrance of the Town that zoning can regulate that Council would possibly consider at this location? If the desire is for residential uses, what should the housing types be and what should the density for this area look like?

## **Grid vs. Natural**

The applicant has two proposals for the possible layout of the development on the eastside of the Slate River. During the staff review, the Council heard proposals and comments from both the staff and applicant. Staff expressed concerns that the natural proposal would create issues with utilities and the built environment of this portion of the development – specifically that the lack of an alley reduces options for the separation of utilities. Gas and water and sewer lines are best separated in this high alpine environment for winter access and safety reasons. The inclusion of an alley as part of the development is an important design feature that reduces impacts to the Town's overall maintenance of this portion of the development. Staff expressed that not maintaining the grid would create a suburban environment on the east side of the Slate River that is not consistent with the look, feel and historic character of the Town. The grid also allows for the continuation of the Town's built environment through the use of existing zone districts on this portion of the development.

The natural proposal does have a slightly smaller impact because of the proposed grading and street network development. The applicant added the natural proposal will have 5% less runoff and about 65' less of pavement than the grid proposal.

There were several varying opinions expressed by the Council on the Grid vs. Natural layout. Since this will have a very significant material impact on the formal application submittal, Town staff would recommend the Council seek to come to a census on this issue. Staff has expressed its desire to see the grid layout maintained. However, if the direction of the Council is for the natural layout staff is prepared to work with the applicant towards achieving this layout.

If the natural proposal is desired, a new zone district will need to be considered because the odd shaped lots will not be the typical rectangular shape of the Town grid. The typical town zoning for the grid is for rectangular lots which has created the elongated housing types seen throughout the Town. The natural proposal will also create housing that will have to have front loaded garages and street access since there would not be an alley. BOZAR will be required to review this new zone district instead of recommending an existing zone district from the Town. BOZAR will be making a recommendation on the zoning of the entire development prior to the Planning Commission reviewing the sketch plan subdivision submittal.

### ***3. Recap of December 15<sup>th</sup> Meeting***

During the staff review, the Council discussed five primary topics. The applicant also provided clarification to the Council from its perspective on many of the issues raised in the staff report. Overall, the Council came to a consensus on many of the important questions staff raised during the review.

Below is a summary of what staff heard from the Town Council followed by staff recommendations. The five primary topics of staff review with Council included the following:

1. Landfill Remediation and the use of the Public Works Yard
2. Proposed Land Uses
3. Affordable Housing
4. Transportation
5. Water and Sewer Services

#### ***Landfill Remediation and the use of the Public Works Yard***

Overall, the Town Council wanted to explore the remediation of the landfill including the portion currently located on the Town's property. The Council wanted to review the environmental reports that had been produced by the applicant's consultants. The cleanup of the landfill would be the burden of the applicant - including the environmental liability, indemnification of the Town, and surety requirements once the process commences. The applicant has stated they have an insurance policy to insure that the landfill will be fully remediated. Town staff will need to review this policy to ensure it will adequately protect the Town's interests. The Town attorney and the Town's special environmental legal counsel and consultants will need to be comfortable that the Town's interests are adequately served and protected.

Council has concerns with including the western portion of the Public Works Yard and turning this into a public park. This concern is shared with the staff of the Town. Space is limited and as the Town grows it is anticipated the space needs of the Town's essential services will also continue to grow. Staff is recommending that a facility master plan for the current and future needs of these essential services be conducted prior to a formal application being filed. This facility master plan will help guide decisions on the future stages of this application and provide insight on the use of the land proposed to be used by the applicant.

The Council wanted to know what expectations the applicant had in regard to use of the western portion of the Public Works Yard. At this time, the only request from the applicant is to allow the applicant to

include this portion of the Public Works Yard as part of their application and to allow the park, which would be created there, to count toward the park space dedication requirement.

Town staff cannot at this time direct the Town Council on how this request will materially affect the applicant's parks space requirements. Once a formal application is submitted, the Town staff will be able to review the proposed densities and other details of the development, including affordable housing densities that are required to determine the park space requirements. At the Conceptual Review phase of this application, it is not possible to calculate how allowing the applicant to use Town land ultimately will be addressed in the requirements for land dedications.

The valuation of this portion of the Public Works Yard as a new park will also be further investigated during the facility master planning. Until this has been completed, it is too early for staff to know the appropriate exactions that are needed to be discussed as part of this portion of the development deal for the use of Town owned land. Issues related to the use of Town-owned land will be fully vetted prior to any final entitlement approvals or executed annexation agreement being prepared.

Staff recommends the Council allow the applicant to include the western portion of the Public Works Yard as part of the development proposal at this time, contingent on a third party conducting a facility master plan prior to the submittal of a formal application. The facility master plan recommendations should be submitted as part of the formal application and review by the Planning Commission with the review of the sketch plan application.

### ***Proposed Land Uses***

Overall, the Council agreed with a majority of the proposed land uses including the residential portions of the proposed development and the proposed civic uses at the northern portion of the development. However, Council expressed differing opinions regarding the northern most proposed commercial parcel which staff has addressed above.

The Council was in favor of locating a civic use on the northern most parcel located along 6<sup>th</sup> Street. It was expressed the Council would like the Town staff and applicant to investigate what could be the best possible use at this location. The proposal of possibly relocating the downtown Fire Station to this location was generally agreed upon as a possible use, but the Council expressed its desire to be able to negotiate with the Crested Butte Fire Protection District on the possible relocation of this facility.

Staff recommends that Council try to come to consensus on whether to include the northern most commercial parcel as part of this proposal moving forward. This determination is important for the application moving forward because BOZAR will be making a future recommendation on the zoning of the development prior to the Planning Commission hearing the subdivision sketch plan review. Staff also recommends including the ability to negotiate the terms for the possible fire station relocation with the Crested Butte Fire Protection in a pre-annexation agreement.

### ***Affordable Housing***

The Council was supportive of the applicant's proposals for affordable housing, including the possibility of another rental project similar to Anthracite Place and the possibility of the applicant building the affordable housing within the development. The Council expressed the desire to see the affordable housing dispersed throughout the development and that there needed to be affordable housing included

on the eastern side of the development. Council also expressed the desire to investigate micro lots and accessory dwellings for affordable housing.

The applicant engaged the Council on the possibility of a reduction on the local housing requirement in exchange for providing more deed restricted housing. The Council was willing to entertain this proposal but would need additional details on how this would be proposed. The Council was also open to the possibility of additional density allowances if it was used to provide more affordable housing.

The final discussion centered on the applicant providing teacher housing instead of the payment in lieu for school land. The Council expressed they were willing to explore this option once a formal proposal was submitted but the School District would need to weigh in on whether this was a viable option.

Staff recommends the applicant includes a detailed proposal with their formal application submittal regarding how the affordable housing requirements will be met within the development. Proposals from the applicant, including developer built affordable housing and a possible increase in deed restricted housing for a possible reduction in the local housing requirements, should be included in the formal application submittal. The School District will be asked for a formal review once a formal application has been received.

### ***Transportation***

As discussed above, the Council expressed varying opinions on the Grid vs. Natural layouts. Since this will have the largest material impact on the application, staff hopes a consensus can be reached by the Council. The Council also expressed that 8<sup>th</sup> Street should have a platted right of way, ROW, to the Spann parcel to the north but that the applicant not be required to extend the roadway or utilities. The Council expressed the desire to see a walking trail to the cemetery and the northern connection to the Rec Trail be located further north in the proposed park. Trails in the development should be dog friendly.

Staff recommends the Council provide additional direction on the Grid vs. Natural layout so the applicant can plan to submit the preferred layout with a formal application. The formal application should be revised to reflect these changes and the preferred layout of the Town Council.

### ***Water and Sewer Services***

The Council heard from staff that there appears to be sufficient water rights to supply water to this development. However, staff will seek the opinion of the town water counsel to ensure there are not additional water rights needed for the development proposal. This will be investigated further once the applicant has provided the required engineering to make this determination. The applicant will be responsible for installing water and sewer infrastructure for the development. Options the Council would be willing to consider in lieu of water rights include participation in upgrades to the water system, upgrades to the Town's raw water supply and irrigation supplies, and payments to help offset costs. Staff will seek the opinion of legal counsel regarding the Town's future water needs once a formal application and demand engineering have been received.

The Town's sewer treatment reached capacity over the summer of 2014, and Town staff will be carrying out a performance evaluation to determine whether the plant has additional capacity in 2015. However, this development, if approved, would most likely require the Town to begin engineering and upgrades to the Town's plant. The applicant has proposed providing funding for engineering if the State's Water

Quality Control Division requires engineering to begin during the review process of the application. This development will be paying system development fees (tap fees) that will assist with future upgrades to the plant. Once a formal application is received, staff will review the application to determine what contingencies are necessary to offset the impacts of the development on the Town's waste water system.

Staff recommends that if the State's Water Quality Control Division requires the Town begin engineering, the applicant be responsible for helping offset the costs of engineering. This should be formalized in a pre-annexation agreement.

#### **4. Process**

During the previous meeting, a flow chart was prepared for the Council to help illustrate the process. A new flow chart has been expanded upon to serve as a quick reference for the Council and public as this process transpires. See attached. We are currently at the Conceptual Review stage, which is an informal discussion between the applicant and the Town Council. It is not intended to provide in-depth details regarding the proposal but rather to help provide the applicant with direction from the Town Council on aspects that include land use, transportation, and water and sewer services.

The next step, if the Concept application is approved, is for the Town Council to consider a pre-annexation agreement. If the terms of a pre-annexation agreement can be reached, the applicant will be allowed to submit a formal application for review.

#### **Next Steps: Formal Annexation Petition and Sketch Plan Review**

At this stage of the process, the applicant is required to provide a considerable amount of detail regarding the proposed development. This includes many of the details the Council felt compelled to consider in the initial discussion of the application. It is important to note that this is the first stage for formal public comment and review. Due to the significant amount of additional detail, engineering, and agency review, Town staff anticipates there will be at least 3 months of staff review and agency review prior to consideration by the Planning Commission. The submittal requirements for sketch plan include the following:

1. Proposed lot, tract or parcel and block configurations;
2. The proposed density, number of units and population;
3. On-site and off-site traffic circulation;
4. Proposed land uses;
5. The one-hundred-year floodplain as described on the Federal Emergency Management Agency or its successor agency maps;
6. Any wetlands on the property as described in *Wetlands of the Crested Butte Region, 1993*, or as otherwise identified if not within the study area of that publication;
7. Known, potential or suspected hazardous conditions; and
8. Other information pertinent to the issues under consideration.

There are a variety of referral agencies who provide comment on this application prior to the Planning Commission reviewing the Sketch Plan application these include:

1. BOZAR
2. Gunnison County Board of County Commissioners;
3. Gunnison County Planning Commission;

4. Mountain Express;
5. Town of Mt. Crested Butte;
6. Colorado Division of Wildlife;
7. Gunnison County Trails Commission;
8. RE1J School District;
9. Crested Butte Fire Protection District;
10. Colorado Geologic Survey;
11. U.S. Army Corps of Engineers; and/or
12. Other relevant agencies or entities.

## ***5. Pre-Annexation Agreement***

The Council has raised several questions as to why staff is recommending the execution of a pre-annexation agreement and as to what this would mean for the application moving forward – particularly whether the pre-annexation agreement commits the Town to provide any specific entitlements to the applicant at this stage. A pre-annexation agreement is a useful tool for addressing unique circumstances with a land use applications that are not typically addressed in Town development codes. The unique aspects with this annexation application include the landfill remediation, the use of Town owned property, the need for a facility master plan for the Public Works Yard, the possibility of the fire station relocation, and the possible need for engineering at the waste water plant.

A pre-annexation agreement would set the terms for how these issues would be handled but would not guarantee approval of the final application. For instance, the pre-annexation agreement would allow the applicant to include the portion of the Public Works Yard as part of their proposal, provided they finance a third party facility master plan for the Planning Commission’s consideration for the use of this portion of the Town property. The pre-annexation agreement would not provide any approval guarantees or negotiate the terms or the contingencies for the consideration of the use of the land. It would only allow the applicant to proceed with this portion of land potentially included in their next application under the terms of the pre-annexation agreement with their formal application.

Staff is recommending the terms of the pre-annexation agreement must be reviewed and approved by the Town Council prior to the applicant submitting a formal application.

## ***6. Approval vs. Denial of Conceptual Review***

Approval of the concept application means, “Per Section 15-1-50 (3)(b) ... Only in the event the Town Council approves the concept annexation request may the applicant proceed to file a formal annexation petition and other necessary submittals required under Section 15-1-60...”

If Conceptual review is approved, the formal review process will begin. The applicant would have a considerable amount of additional details, engineering, and studies to submit with their formal application. There would be a variety of opportunities for agencies and the public to comment. Public hearings would be held by BOZAR, the Planning Commission, and Town Council. The public would have an opportunity to comment throughout the process via public hearings. The public would be encouraged to submit written comments via the Town. Comments from the public received by staff would be entered into the record of public hearings held by the Council or Planning Commission. Also,

while the public would not be able to communicate with councilmembers in an ex parte fashion, they would be able to communicate with staff.

Denial of the Conceptual Review application means the application has been remanded back to the applicant for significant revisions. This would mean the Town Council has determined that the applicant has not met the requirements for the land uses, transportation and water and sewer services of the Town.

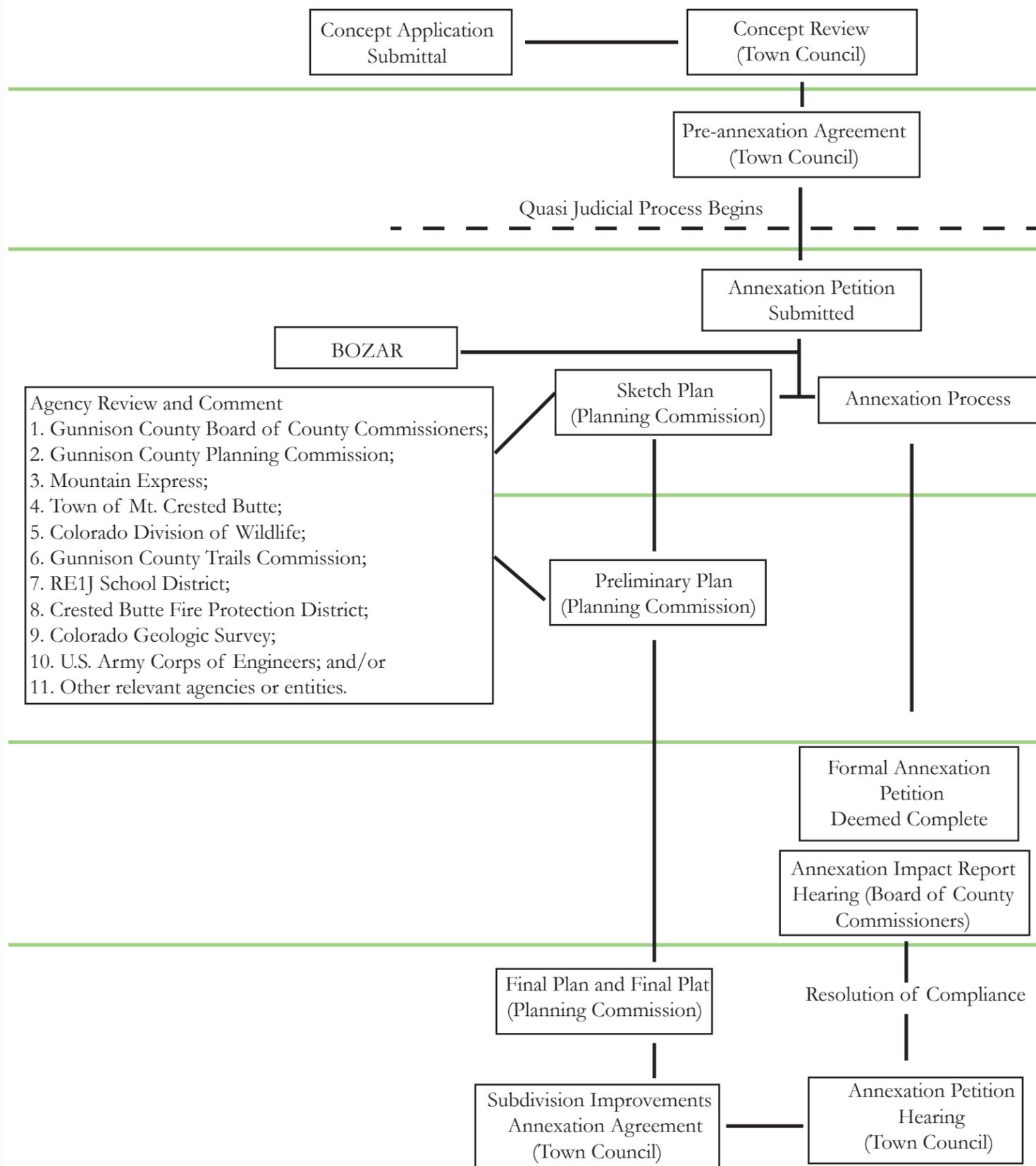
## ***7. Possible Action***

The Town Council may approve or deny the application. The conceptual review application must be approved to allow the applicant to submit a formal application and continue the process. The Council may also continue the conceptual review application to a date certain to allow the applicant to provide additional information.

If the Council desires to approve the application, Town staff recommends that Council direct the Town Attorney to prepare a resolution to be considered at the January 20<sup>th</sup> meeting incorporating the comments from the December 15<sup>th</sup> and January 5<sup>th</sup> conceptual review sessions.

# Annexation and Major Subdivision Review Procedures

(For Quick Reference Only, Please See Articles 15, 16, 17 of the Town Code)



### Step 1. Concept Annexation Review

This stage is designed to allow the applicant to obtain an informal response from the Town Council on concepts and site layout. Key review criterion at this stage of the application includes:

- Land Uses
- Proposed Parks and Open Space
- Site Constraints
- Water and Sewer Connections
- Affordable Housing
- Transportation Systems

### Step 2. Pre-Annexation Agreement

A pre-annexation agreement is a useful tool for addressing unique circumstances with a land use applications that are not typically addressed in Town development codes. The unique aspects with this annexation application include the landfill remediation, the use of Town owned property, the need for a facility master plan for the Public Works Yard, the possibility of the fire station relocation, and the possible need for engineering at the waste water plant.

### Step 3. Submittal of Annexation Petition & Sketch Plan Subdivision Review

The first stage of subdivision Sketch Plan Review which must be approved prior to a formal annexation petition being submitted. After a formal application is submitted by the applicant, Town staff reviews it for completeness. Once an application is determined to be complete, the Sketch Plan is scheduled for a public hearing with the Planning Commission. Prior to this public hearing, a 30 day comment period occurs with multiple agencies. BOZAR is also required to have a hearing on the subdivision during this time period. At this stage the applicant is required to provide lot configuration, densities, detailed plans, wetland studies, and other information. The Sketch Plan Review is a public hearing and public comment is taken.

- Agency Review and Comment**
1. Gunnison County Board of County Commissioners;
  2. Gunnison County Planning Commission;
  3. Mountain Express;
  4. Town of Mt. Crested Butte;
  5. Colorado Division of Wildlife;
  6. Gunnison County Trails Commission;
  7. RE1J School District;
  8. Crested Butte Fire Protection District;
  9. Colorado Geologic Survey;
  10. U.S. Army Corps of Engineers; and/or
  11. Other relevant agencies or entities.

### Step 4. Preliminary Plan Subdivision Review

This is the most important stage of the review process and requires substantial submittals from the applicant including detailed engineering, plans, calculations and other studies. Senior staff comments along with the hired Town Engineer's report are incorporated into a report prepared by the Planning Director which is presented to the Planning Commission. At this point, the details of the project including phasing, funding, parks, affordable housing, building, impact fees and other issues are to be tracked and summarized for the Subdivision Improvements Agreement ("SIA") and Annexation Agreement ("AA") which is prepared and presented to Town Council in Step 6. The Preliminary Plan Review is a public hearing and public comment is taken.

### Step 5. Annexation Impact Report

At this stage the Gunnison County Board of County Commissioners will conduct a public hearing on the impacts of the annexation on Gunnison County. The applicant are responsible for preparing the report and presenting to County Commissioners. Recommendations and requirements will be delivered to the Town Council for their consideration at Step 6.

### Step 6. Formal Annexation Petition Review and Final Subdivision Plan Review

This is the stage of the process where final entitlements are put into place. Several meetings are required to finalize the development as well as a series of Resolutions and Ordinances. Noticing of these meetings and setting the public hearing is critical to the success of running a smooth meeting process at this juncture. There will need to be additional ordinances to annex and zone the property. Resolutions are prepared for agreements such as the SIA and AA and approvals of the final subdivision. This final process takes a minimum of three Council meetings. Special meetings need to be planned well in advance because they will need proper noticing. Once approved, the final plat and agreements will need to be recorded. Financial securities put in place for the construction of infrastructure. The Town Council takes action on the final annexation approvals with the exception of the approval of the Final Subdivision Plan. The Planning Commission convenes to approve the Final Subdivision Plan prior to the Council taking action on Final Annexation approval.

STEP 1

STEP 2

STEP 3

STEP 4

STEP 5

STEP 6



# The Slate River Addition Concept Annexation Application October 10, 2014

*PREPARED BY:*

**Cypress Foothills, LP**  
8343 Douglas Avenue, Suite 200  
Dallas, TX 75225

**SGM**  
103 W. Tomichi Avenue, Suite A  
Gunnison, CO 81230

**Law of the Rockies**  
525 North Main Street  
Gunnison, CO 81230



**CYPRESS**

**Introduction**

Cypress Foothills LP (the “Applicant”) is pleased to present this concept annexation request to the Town of Crested Butte (the “Town”) in accordance with Section 15-1-50 of the Town Code. Applicant looks forward to working cooperatively with the Town, Council, and Staff to develop the best possible project at this unique location.

Applicant has assembled a dynamic team of experienced development professionals, each bringing a breadth of experience and creativity in their own respective disciplines. Together, the team combines world-class expertise with intimate local knowledge that will prove vital to delivering the collective goal: a responsible, sustainable development that not only preserves the unique character of the Town, but further enhances the quality of life for its current and future residents for many years to come. The development team is comprised of:

**Cypress Equities** – founded in 1995 by Chris Maguire, a long-time second homeowner in the Crested Butte community, Cypress Equities companies have acquired and constructed over 18 million square feet of retail, residential, office, and resort projects in markets across the country.

**HKS Architects** – globally recognized as one of the world’s premier architecture firms, with a specialty practice in hospitality and urban design, HKS Architects have envisioned and delivered exceptional spaces for people to live, work and play in nearly 1,500 cities throughout 84 countries.

**SGM Civil Engineers** – one of the top engineering firms on the Western Slope, and undoubtedly a familiar name in the East River Valley, SGM has provided engineering solutions to Colorado communities for decades. SGM’s Tyler Harpel brings a vital familiarity with Town of Crested Butte and an intimate knowledge of the subject property in particular.

**Law of the Rockies** – based in Gunnison and widely respected in the local community, Law of the Rockies has established itself as one of the preeminent legal practices on the Western Slope. Law of the Rockies’ member Marcus Lock is known for crafting creative solutions to complex problems.

The primary goal of this submittal, as stated in section 15-1-50 is “to allow the applicant to obtain an informal response from the town to the general elements of the proposed annexation.” Accordingly, this narrative and the accompanying materials are only intended to introduce the annexation concept consistent with the requirements of Section 15-1-50. Applicant will, of course, provide additional details and specifics, reflecting input from the Town, in the formal annexation petition submitted pursuant to Section 15-1-60 of the Town Code.

This concept annexation request includes the following materials consistent with Section 15-1-50(a) through (d):

- (a) Concept maps showing the lands proposed to be annexed and the method for achieving the one-sixth (1/6) contiguity required by the Municipal Annexation act of 1965;
- (b) A general description of proposed land uses and densities for the lands proposed to be annexed;
- (c) A description of proposed water, sewer and transportation service to the lands proposed to be annexed; and
- (d) A description of proposed roads, sidewalks, and pedestrian access and circulation as they relate to the lands proposed to be annexed.

**Concept Maps (Town Code 15-1-50 1.a)**

For the convenience of the Town, and in order to illustrate the general elements of this annexation concept, Applicant is providing five different maps with this concept annexation request:

- A concept annexation map showing the legal description and boundaries of the property (containing two sheets);
- Two sets of land use maps illustrating alternative proposed layouts of the annexation concept, land uses, and densities. As discussed further below, Applicant and Town Staff identified competing goals with respect to the layout of the proposed annexation. On the one hand, the Town has historically desired to preserve the Town grid to the extent practical. On the other hand, the Town Code seeks to preserve the natural character of the land in various ways. Accordingly, Applicant and Town Staff thought it would be appropriate to present the Town Council with two different layouts, one more grid-like in appearance (the “Grid Plan”), shown on **Exhibits 1** and **2**, and the other more consistent with the natural features of the property (the “Natural Plan”), shown on **Exhibits 3** and **4**. Presentation of both the Grid Plan and the Natural Plan affords the Town Council the opportunity to decide which of these two approaches is more desirable. The differences between these two layouts are further described below.

**General Description of Proposed Land uses and Densities (Town Code 15-1-50 1.b)**

The proposed Slate River Addition is a 44.50-acre parcel of land directly adjacent to and immediately north of Butte Avenue on the northeast side of the Town of Crested Butte. This piece of property was historically owned by the Trampe family, but is no longer viable for ranching and has not been used for active ranching in many years.

The property contained within the proposed Slate River Addition is identified in the Crested Butte Area Plan (the “Area Plan”) as appropriate for transitional density between the denser more urban areas in Town and the lower density residential areas outside of Town.

The majority of the property has relatively mild grades, but there are some areas with highly variable topography. In addition, the Slate River bisects the property, and there are wetlands on the site. Therefore, Applicant acknowledges the need to reach an appropriate balance between respect for the Town grid and preservation of “the natural character of the land” to ensure compatibility with “existing topography, drainage patterns and other natural features” of the property, as required by Section 17-8-20 of the Town Code. Thus, Applicant has prepared two plans exhibiting these competing concepts. Despite their differences, both plans provide the following:

- Public Access to the Slate River, including a proposed river park and trail
- Land for the proposed new fire station (or other civic use)
- Key trail connections, further described herein
- Proposed park space spanning a 325’ x 125’ block
- Large park space in the northeast area of the annexation
- Important 7<sup>th</sup> Street and 8<sup>th</sup> Street connections
- Proposed built affordable housing, to be constructed by Applicant
- Cleanup of the old Town Landfill

Both plans are very similar on the west side of the Slate River, each striving to maintain the Town grid as much as possible near the southwest corner of the property. The only difference is a straightening of “Road B” on the Grid Plan, which encroaches into the wetlands buffer of the Pond Wetlands. As for the east side of the river, the primary differences between these two alternatives are summarized below and illustrated on Exhibits 1-4.

**Exhibit 1: The Grid Plan**

As mentioned above, Road B will impact the existing Pond Wetlands in order to maintain the grid structure and spacing. The combination of the Pond Wetlands, rolling topography, and limited space limit the potential to extend the grid into the area north of Road B in both proposed plans.

The bridge crossing the Slate River is set at the best possible location to:

- limit the overall length of the bridge,

- make the bridge it as perpendicular to the river as possible, and
- establish relatively similar landing-point elevations

On the east side of the river a single block grid structure is set up similar in size to a standard Town block but slightly smaller due to available space. The block is also oriented north to south to best fit the area between two wetlands. Some of the lots will have to encroach into the 100' wetland setbacks from the East Wetlands in order to accommodate the grid. To achieve this configuration, the entire residential area east of the bridge would have to be disturbed and re-graded, which is invasive to the natural topography, inconsistent with natural drainage patterns, and would require significant cut and fill work.

There is an alley in the center of the grid on the east side but the perimeter lots would be front loaded from the street. Adding alleys around the back side of the perimeter lots would not only take up more space but add additional impacts to the wetlands, increase the amount of plowed area and storm water runoff, and increase the area that would need to be maintained.

### **Exhibit 2: Grid Plan Overlay**

Exhibit 2 shows the same proposed Grid Plan layout as Exhibit 1 and overlays the topography, wetlands, wetlands setbacks, Town landfill, and flood plain boundaries.

### **Exhibit 3: The Natural Plan**

Exhibit 3 shows a more natural layout option. This option does not completely abandon the grid concept; adjacent to Butte Avenue it follows the grid format with a transition to a more natural composition as you move to the north and east of the Property. The Road B connection point onto Gothic road and the river crossing are both in the same locations as the Grid layout. However, in this plan, Road B curves to the south near the Pond Wetlands so there is not such an abrupt increase in elevation. More importantly, in this configuration Road B maintains at least a 25' buffer from the Pond Wetland.

A key component of the Natural Plan design is ensuring a 25' buffer from lower quality wetlands, a 100' buffer from higher quality wetlands and a variable buffer based on topography along the Slate River. This layout very strictly follows the wetland buffer setbacks, flood plain setback and tries to follow the natural topography as much as possible. The road follows the higher elevations on the east side of the river, which would be far less invasive to the natural topography, require less cut and fill, and result in shorter roadway length and easier and less expensive future maintenance. This also leads to less area for snow plowing and a lower overall impact of the development due to storm water runoff. The natural drainage paths can also be followed much more closely with this layout, keeping within the open channel flow as much as possible.

In response to preliminary discussions with Town Staff, Applicant has strived to avoid making the east side of the river feel like private neighborhood in this plan, but rather has taken measures to maintain continuity with the character of Town while still providing a transitional connection between the higher density areas in Town and the lower density areas nestled in the rolling foothills and nearby elevated terrain. Accordingly, Applicant has adhered to geometric structures for the roadways in this area to enhance its compatibility and consistency with the existing Town layout while striving to balance this more traditional layout with the natural topography and wetlands located in this area.

**Exhibit 4: Natural Plan Overlay**

Exhibit 4 shows the same natural layout as Exhibit 3, but incorporates topography, wetlands, wetlands setbacks, Town landfill, and flood plain boundaries.

Lots in the eastern portion of the development in both plans will be accessed primarily from street-front driveways. Since this area is proposed to be strictly residential and is not a through area, Applicant does not anticipate any problems associated with street-front access. Other examples of street front access in Town include:

- Portions of the existing blocks between 7<sup>th</sup> Street and 8<sup>th</sup> Street
- Beckwith and Journey's End roads
- The west half of Butte Avenue
- The Kapushion Annexation

Applicant proposes to develop the majority of the land within the annexation area as residential, with two blocks adjacent to Gothic Road set aside for a mix of uses. Applicant understands from Town Staff that there is a need for additional commercial, business and professional space within the Town that may be appropriate at these locations, in addition to residential. The additional tax revenue derived from the proposed commercial space, as compared to that generated by residential property alone, will also provide an increase in long-term funding to support future maintenance and repair of public infrastructure, not only within the proposed development, but off-site as well. Applicant's development concept also provides space adjacent to Gothic Road at the Northwest corner of the annexation parcel that could be used for a new, larger, and more modern fire station.

The residential areas can largely fit within existing residential zoning districts. There will be more R2 and R2A closer to Butte Avenue to provide for some multifamily housing and much-needed deed-restricted affordable housing closer to the Town core with better access to other Town facilities like the school. Various R1 zones will comprise the remainder of the development, from traditional R1 to R1E so that deed restricted units can be mixed in throughout the development, and potentially an R1D zone on the east side of the river to help transition to larger existing lots and open space outside of Town, consistent with the Crested Butte Area Plan.

Applicant anticipates that there will ultimately be approximately 115 units developed on about 75 total lots, though this estimate is subject to revision as Applicant and the Town move through the

annexation process. Consequently, this concept annexation proposal reflects a substantial reduction in density compared to the 155 units proposed for this land by the prior development group. It is also significantly less than the Recommended Maximum Density contemplated for this property in the Area Plan of 180.60 recommended maximum units when applying densities of 5.00 and 3.50 units per acre for the west and east side of the Slate River, respectively.

### **Town Code Review Standards**

After taking into account the park space, public space, and open space being proposed in this annexation concept, developable lots will comprise less than 30% of the land in this proposed annexation, while more than 70% of the overall 44.5 acres of the property will be public.

### **Affordable and Local Housing**

The current Town code requirement in article 17-12 calls for 60% of the overall proposed residential units to be deed-restricted for local housing, and 21% of the overall proposed residential units to be deed-restricted for affordable housing. Section 17-12-20 (3) authorizes adjustments to these percentages if Applicant were to actually construct the local or affordable housing. Applicant is interested in exploring the potential opportunity to design and build local and affordable housing to enhance the entry point to the Town as residents are traveling from the resort area back into the Town of Crested Butte. This would be consistent with the Area Plan's suggestion of enhancing entry points into the Town.

Applicant also proposes screening through berms, natural landscaping, and fencing to further enhance this entry point into the Town, and create a separation between the Public Works yard and the proposed development. Applicant understands the importance of maintaining the functionality of the Public Works facility adjacent to the proposed development and is interested in working with the Town to identify ways to ensure the preservation, or even enhancement of, resources available to the Public Works facility.

Applicant understands from discussions with Town Staff that an urgent need exists for additional multi-family affordable housing rental properties within the Town, and is interested in discussing the potential for building such developments as part of this project.

Applicant also appreciates and acknowledges the substantial time and effort the Town already has dedicated to the important issue of providing viable affordable housing options within Crested Butte. Accordingly, Applicant looks forward to working with the Town to identify and implement the best solution to providing local and affordable housing for the residents of the Town.

### **Public and Park Space**

The exact acreages dedicated for public and park space will change slightly as the specific number of units is finalized during the annexation process. Regardless, Applicant will satisfy these requirements to ensure the character of Town and access to existing amenities are not adversely impacted by the annexation. The proposed land use maps show three parks; one will be a river access park, the second will be a large park space on the northeast area of the annexation, and the third will be a more traditional park located on the west side of the river between 7<sup>th</sup> Street and 8<sup>th</sup> Street.

**River Park:** A major amenity that is not currently available to residents in Town is public access to the Slate River, which would be possible with the addition of this River Park. Applicant proposes a park area on the east side of the river with a paved parking area for visitors to park. A trail will lead from the parking area along the Slate River northward to the bridge, and as suggested by Town Staff, potentially southward along the river as well, across a wetlands area to connect to the Rec Path.

**Northeast Park:** It is important to balance park types with Town needs and to respect the environmental sensitivity of the natural areas adjacent to the cemetery. Accordingly, Applicant believes that this area would be suitable for a more “natural” park setting with trails, benches, and potentially a relocated disk golf course, which would free up much-needed space at Big Mine Park. This would also limit the amount of water being used for irrigation.

**West-End Park:** After remediating the dump area (as further described below), Applicant proposes to incorporate a portion of the remediated dump area currently owned by the Town for purposes of providing a park on the west side of the river spanning nearly an entire 325’ x 125’ block, with the only exception being a small area abutting the Public Works yard designated for other civic use.

Overall the Applicant is proposing potentially more park space than what is required in the Town Code, based on the current proposed lot count. In addition to the park space, Applicant is proposing to set aside a large parcel of land at the northwest corner of the annexation area adjacent to Gothic Road for public civic use. A new fire station is one possible example for this area. This location would provide the Crested Butte Fire Protection District enough room for expanded modern facilities with quick access to both the Town of Crested Butte as well as the Town of Mt. Crested Butte. Conversations with Town Staff suggest that the relocation of the fire station is one subject that may be addressed in a pre-annexation agreement between the Town and Applicant.

Town Staff has also indicated the possible need of additional space for storage buildings near the existing Public Works yard, to offset land being incorporated into the development for park space. Applicant has provided a public parcel along 8<sup>th</sup> Street adjacent to the existing Public Works yard that could be used for enclosed/covered storage of vehicles, or other similar uses.

Additional public space is shown on the proposed land use maps for snow storage. Applicant's goal is to have various snow storage areas spread throughout the annexation, with the total snow storage space being equal to 1/3 the amount of overall plowed road and alley square footage.

### **Trails**

The location of this annexation has the unique opportunity to connect the Town with the existing trail system outside of the Town. The concrete walkway along 8<sup>th</sup> Street is proposed to be extended into the annexation and across the bridge allowing for a seamless connection from the School, past Rainbow Park, and across the river to the existing recreation path. This connection could potentially even tie into the Nordic trail system in the winter. As previously mentioned, a trail along the east side of the river may also connect the Rec Path to the proposed River Park, should Town Council decide to permit the passage across the wetlands area. Accordingly, this project has the potential to greatly enhance the Town's already impressive trail system and recreational facilities.

### **School Land**

Given the relatively low density being proposed, the amount of land the Town Code requires to be dedicated for school purposes is only about a third of an acre. Since this is too small to be usable for a school, Applicant anticipates that the Town would prefer a payment in lieu of such land, or to discuss the possibility for teacher housing. As with the other annexation requirements, Applicant looks forward to discussing these ideas further with the Town Council.

### **Open Space**

The River corridor, including a corresponding wildlife corridor, and the areas in and around the wetlands are all proposed to be preserved as open space totaling approximately 18.7 acres on site or 42% of the total annexation. Applicant acknowledges that the Town Code requires additional open space, that offsite open space is one means of meeting this requirement, and that the Town's preference is preservation of these lands through conservation organizations like the Crested Butte Land Trust. Applicant looks forward to working closely with such organizations to preserve more valuable open space.

### **General Description of Proposed Water and Sewer Services (Town Code 15-1-50 1.c)**

The properties contained within the proposed annexation will be serviced by existing utility infrastructure. Utility infrastructure systems will need to be extended to meet the service requirements of the subdivision.

Although the exact unit count has not been finalized, project design will accommodate anticipated water, sewer, and shallow utility demands. Applicant will contact each utility provider and discuss the ability of these providers to serve the project. Utility providers include

the Town of Crested Butte for water and sanitation, Atmos Energy for natural gas, Gunnison County Electric Association for electricity, and Time Warner for cable.

Both water and sewer distribution systems will connect to the project at multiple points along Butte Avenue at 6<sup>th</sup>, 7<sup>th</sup>, and 8<sup>th</sup> Streets and mostly follow the street layout, being separated by a minimum of 10'. This will allow the water system to be looped through the annexation and minimize dead end lines.

Water will need to be brought across the Slate River. The sewer distribution system on the east side of the river will be independent from the west side. On the east side of the river, a gravity pipe that leads to a lift station will pump wastewater back to the west side where it will be re-incorporated in to the gravity system that will flow to the existing Wastewater Treatment plant. If so desired, this also allows the Town the possibility of providing the cemetery better access to central water and sewer system connections.

The current capacity of the Wastewater Treatment Plant and Water Treatment Plant are 0.60 MGD (million gallons per day) and 1.25 MGD respectively. The Town also has 1.10 MGD of treated water storage capacity. Again, the specifics of the concept annexation have not been finalized, but it is estimated (using approximately 350 GPD per single family home) that the annexation will only use about 30,000 gallons of water/wastewater per day; or 0.03 MGD per day.

As part of the subsequent Sketch Plan submittal, Applicant will prepare a facilities report that will specify anticipated usage requirements and allow Applicant to evaluate the specific impacts the annexation may have on the two treatment facilities. The anticipated usage of 0.03 MGD represents approximately 5% of the existing wastewater treatment facility and 3% of the water treatment and storage facilities.

It is important to note that in addition to Applicant's paying for and installing the new water and wastewater distribution system, the water and sewer connections for each home or business will be paying the appropriate water and sewer tap fees and monthly usage fees, thus providing the Town with a constant revenue stream to cover future water and wastewater costs, and mitigating the initial impact the annexation may have on existing infrastructure and facilities.

The Town's potable water system is comprised of many different components: legal water supply (water rights), physical water supply, raw water storage capacity, water treatment capacity, treated water storage capacity, and distribution system and distribution system capacity. The capacities of certain components of this system are likely to limit the actual potable water supply available to the Town long before others. For instance, the Town is likely to reach its water treatment capacity long before it runs out of legal or physical water. It may be possible to modify or enhance existing infrastructure to "free up" already existing capacity. For example, Applicant understands that the Town is currently using treated water for irrigation purposes while underutilizing certain irrigation water rights owned by the Town. If additional infrastructure would allow irrigation water rights to be used to water parks and playing fields

instead of treated water, this would free up a corresponding amount of treatment capacity at the Town's water treatment facility. There are likely a number of other ideas that would prove to be equally beneficial to the Town's water supply system. Accordingly, Applicant looks forward to working with the Town to determine how it can best contribute to optimizing this multi-faceted system.

Applicant understands that the Town is currently discussing its wastewater treatment system and the capacity thereof with the Colorado Department of Public Health and Environment ("CDPHE"). Applicant further understands that while the Town has budgeted for, and is undertaking, a performance evaluation of its current wastewater treatment system, it does not have available funds for an actual expansion of the wastewater treatment system or the engineering necessary to accomplish such an expansion until 2016. Applicant understands from Town Staff that in the event this annexation process reaches a certain point of maturity, CDPHE may require the Town to commence the engineering work necessary to support an expansion of the wastewater treatment system. If the Town is faced with such a requirement before 2016, it would not have the funds necessary to pay for this engineering. In order to address this problem, Applicant is willing to work with the Town to develop a pre-annexation agreement in which Applicant agrees to provide the means necessary to cover any temporary funding shortfall attributable to the Town's processing of the proposed annexation. In this fashion, the Town can move forward with the annexation process without having to worry that doing so will inadvertently result in a violation of applicable CDPHE requirements.

**General Description of Proposed Transportation, Roads and Pedestrian Access Circulation (Town Code 15-1-50 1.c and 1.d)**

The proposed annexation will connect to the existing Town roadway grid and expand it along Gothic Road with four access points:

- Butte Avenue and 7<sup>th</sup> Street
- Butte Avenue and 8<sup>th</sup> Street
- Gothic Road and Road A
- Gothic Road and Road B

Applicant is proposing right-of-way widths 60 feet in diameter consistent with existing Town right-of-ways. Gothic road itself is not part of the annexation; it will continue to be owned by Gunnison County, which has indicated that it is comfortable with two access points onto Gothic Road in order to help maintain the Town of Crested Butte grid.

The four roadway access points – with two going to the south and two going to the west and north – are very important for dispersing traffic to and from the annexation and relieving pressure from the intersection of Gothic and Butte. This allows traffic traveling up valley to access Gothic Road directly via Road A and Road B at new intersection points proposed. Traffic traveling down valley or into Town will now have the choice of using 6<sup>th</sup>, 7<sup>th</sup> or 8<sup>th</sup> Streets.

The connection to 8<sup>th</sup> Street is critical as it allows:

- Direct connection to the school
- Direct connection to other Town recreation facilities
- The 8' wide pedestrian walkway on 8<sup>th</sup> Street can be extended up to Road B and across the bridge to the east side of the Slate River and to access the river and new park facilities
- Direct connection to the new proposed bus loop along 8<sup>th</sup> Street that can simply continue in to the annexation with a new bus stop at or near 8<sup>th</sup> Street and Road B

Applicant will provide a more detailed traffic study at the appropriate time in the review process that will look not only at the traffic impacts to the adjacent intersections but also other important intersections throughout Town and along 6<sup>th</sup> Street. This traffic study will correspond with and integrate into the current traffic study being produced for the Town by Kimley-Horn.

In addition to the extension of the 8' pedestrian walkway up 8<sup>th</sup> Street and across the bridge, a pedestrian way/trail is proposed to run through the annexation east and west. This will provide a connection to the proposed park areas, and a possible connection to the existing recreation path, all connecting back in at Butte and 6<sup>th</sup> Street. As previously stated, the connection to the existing Rec Path would provide the possibility of connecting to the Nordic Trail system as well.

In order to minimize the impact on the river and wetlands, there is only one proposed bridge (providing both vehicular and pedestrian access) crossing the Slate River corridor. This bridge will be designed to accommodate Nordic skiing and grooming. Applicant respectfully submits that with only approximately 30 single family homes and park access located on the east side of the Slate River, more than one bridge is not necessary. Examples of other areas of the community adequately served by a single bridge include:

- Prospect in Mt. Crested Butte, one intersection and one bridge with 185 lots
- Meridian Lake, one intersection and one bridge with 175 lots
- Trappers Crossing @ Wildcat, one intersection and one bridge 45 lots
- Crested Butte South, two intersections onto Cement Creek Road, one bridge, one intersection with highway, and more than 550 active residential units

### **General Description of Drainage and Floodplain**

The current FEMA 100 year floodplain that was just updated in May of 2013 is shown on the concept annexation map. With the exception of possible river park access, there is no proposed development within the floodplain.

Drainage control features will be utilized throughout the annexation to ensure that historic runoff flow rates and flow paths are maintained while protecting water quality.

**Other Considerations****Wetlands**

Wetlands of varying quality have been identified on site. There have been at least four different wetlands evaluations performed on the site since 1993, all with some level of variation between them. For purposes of this proposal, Applicant is using the most current 2010 Army Corp of Engineers jurisdictional wetlands delineations. There is one exception to this, commonly known as the Pond Wetlands on the west side of the river. In a previous annexation application, the Town's wetlands consultant identified the Pond Wetlands as true functional wetlands, whereas the Army Corp of Engineers in 2010 did not classify this area as jurisdictional wetlands. Applicant is honoring the Town's delineation of this area as wetlands.

Applicant looks forward to working with the Town to determine the size and location of wetlands buffers, taking into account topography and wetlands functionality. The Applicant respectfully submits that whereas in some instances as much as 100' buffers will be appropriate for higher quality wetlands, only 25' buffers will be appropriate for lower quality wetlands, and in some instances an appropriate variable buffer between the 25' and 100' would be most suitable. Additionally, measures can be taken to enhance the wetlands buffer with natural vegetation which would protect the integrity of the wetlands in a shorter-buffered area as effectively as would a larger buffer with no vegetative enhancements.

Applicant acknowledges that the Grid Plan results in encroachments into the wetlands setbacks in various areas and seeks the Town Council's recommendation as to the preference of observing wetlands setbacks proposed in the Town Code (along with Council's desire to avoid invasive "cut and fill" measures) versus preserving the Town grid.

**Town Landfill**

A portion of the annexation contains what was once the old Town Landfill. The Applicant has done extensive environmental testing on the site and proposes to obtain a specialized contractor to clean up the entire dump both on Applicant's land and on Town land at no cost to the Town. In addition, Applicant has obtained an environmental insurance policy to cover the cleanup process.

Applicant intends to contract with an experienced, professional environmental engineering company that specializes in environmental consulting, remediation, and remediation management in order to remediate the entire landfill.

Currently, Applicant is working with Casey Resources, Inc. (“Casey Resources”). Casey Resources is one of Colorado’s top remediation firms. Principal Engineer Paul Casey has been involved in the environmental engineering and remediation industry for over 30 years. His past and present projects include being designated Environmental Program Manager for the following projects:

- Relocation of Elitch Gardens to a 68-acre site in downtown Denver
- Construction of the New Pepsi Center Arena in Denver
- Colorado's Ocean Journey Aquarium in Denver
- Closure of the Robinson Brick Plant and its conversion to a Home Depot store for Home Depot U.S.A in Denver
- The Gold Hill Redevelopment site in Colorado Springs, and
- The Prairie Gateway Development in Commerce City

Mr. Casey is also the Environmental Project Manager for the redevelopment of the former Stapleton International Airport for Forest City. This is the largest urban redevelopment project in the United States. Duties relating to these projects include waste management and site restoration of the subject properties, which have had significant historic industrial operations within the property boundaries. Most of these remedial activities have included or include the characterization, manifesting, transportation, and disposal of hazardous and industrial waste generated at the site and providing appropriate solutions to site remediation.

Applicant and its environmental engineer intend to pursue participation in the CDPHE’s Voluntary Cleanup and Redevelopment Program, which provides both federal and state remedial plan approval. This process includes preparation and submission of the Voluntary Cleanup Plan (“VCUP”) Application, approval of the VCUP, remediation planning, remediation and remediation oversight, and submission of a formal remediation completion report.

During the remediation phase of the project, landfill debris will be removed from the old Town Dump to an alternative, approved location that is authorized and qualified to accept such debris. The remediation work will be monitored by a licensed professional to ensure that all excavated materials are managed according to regulation. Once the remediation field work and any confirmation sampling have been completed, Applicant

and its environmental engineer will submit a formal completion report to CDPHE and request approval of the remediation. This completion report documents all of the activities that took place during the remediation including volumes of materials removed and disposed, discussion of the handling and disposal of specific wastes, and sampling results. In short, through participation in CDPHE's Voluntary Cleanup and Redevelopment Program, Applicant's goal is to provide the Town of Crested Butte with documented evidence that the old Town Dump has been remediated to the satisfaction of both the State and Federal governments. Additional information on CDPHE's Voluntary Cleanup and Redevelopment Program can be found at:

<https://www.colorado.gov/pacific/cdphe/voluntary-cleanup>

Applicant anticipates addressing the cleanup of the old Town Landfill in a pre-annexation agreement with the Town.

### **Conclusion**

Applicant and its team are pleased to present this concept for the Slate River Addition annexation project. Applicant's intent is to develop a project that is consistent with the values of the Town of Crested Butte and its plan for future growth, as reflected in the Crested Butte Area Plan. The team's vision for the Slate River Addition is to further enhance the beauty of the Town of Crested Butte and the quality of life of its residents, while at the same time respecting and preserving the key component of this beauty and quality: the natural environment of the Crested Butte area. The Slate River Addition offers the possibility of new parks, new trails, new public facilities, affordable housing, and new commercial and residential space. But, it also seeks to protect wetlands, natural areas, and the Slate River corridor.

As set forth above, this narrative and the accompanying materials are intended to introduce this annexation concept to the Town and its Staff in accordance with Section 15-1-50 of the Town Code. Applicant recognizes that this submission is just the first step in a process designed to ensure that the Town realizes the multitude of public benefits associated with this project. Applicant shares in this goal. Accordingly, Applicant looks forward to working collaboratively with Town Staff and Council to satisfy the Town's annexation requirements and reach an agreement on a project that best serves the needs of the Town of Crested Butte and its residents.



October 9, 2014

Mr. Michael Yearman  
PO Box 39  
Crested Butte, CO 81224

**Re: General Planning Development Application – Cypress Foothills, LP -  
Designation of Agent Representative**

Dear Mr. Yearman:

Cypress Foothills, LP hereby appoints Marcus J. Lock to be its agent representative in connection with the preliminary planning of the Slate River Addition. Mr. Lock's contact information is listed below:

Marcus J. Lock  
**Law of the Rockies**  
525 North Main St.  
Gunnison, CO 81230  
Tel: 970-641-1903 ext. 2  
Fax: 970-641-1943  
[mlock@lawoftherockies.com](mailto:mlock@lawoftherockies.com)

If you have any questions regarding this appointment, please contact me at 214-561-8858.

Sincerely,

Cypress Foothills, L.P.  
By: Cypress Foothills, G.P., L.L.C.  
By: Brian Parro, Vice President

A handwritten signature in blue ink, appearing to read "Brian Parro", is written over a horizontal line.



# PLANNING GENERAL DEVELOPMENT APPLICATION

PO Box 39  
Crested Butte, CO 81224  
Phone: 970-349-5338  
Email: myerman@crestedbutte-co.gov

## 1. TYPE OF APPLICATION (Check-off as appropriate)

- Concept Annexation
- Formal Annexation Petition Review
- Sketch Plan
- Preliminary Plan
- Final Subdivision Plan Review
- Other: \_\_\_\_\_

## 2. GENERAL DATA (To be completed by the applicant)

### A. Applicant Information

Name of Applicant: Cypress Foothills I.P.

Mailing Address: 8343 Douglas Ave, Suite 200

Telephone Number: 214-561-8800 FAX: \_\_\_\_\_

Email Address: Cameron.Aderhold@CypressEquities.com

Power of Attorney/ Authorized Representative: Marcus J. Lock  
(Provide a letter authorizing agent to represent you, include representative's name, street and mailing address, telephone number, and FAX)

### B. Site Data

Name of Development: Slate River Addition

Street Address: n/a

Legal Description: Lot \_\_\_\_\_ Block \_\_\_\_\_ Subdivision \_\_\_\_\_ *(legal description attached)*

Disclosure of Ownership: List all owners' names, mortgages, liens, easements, judgments, contracts and agreements that run with the land. (May be in the form of a current certificate from a title insurance company, deed, ownership and encumbrance report, attorney's opinion, or other documentation acceptable to the Town Attorney)  
  
*(owner's title policy attached)*

I certify that I have read the application form and that the information and exhibits herewith submitted are true and correct to the best of my knowledge.

Signature of applicant/agent [Signature] Date 10/9/2014

Signature of property owner:  
Cypress Foothills, I.P.  
by: Cypress Foothills G.P., I.L.C.  
by: Chris Maguire, President [Signature] Date 10/9/2014

# SLATE RIVER ADDITION CONCEPT ANNEXATION MAP

Situating in the SW¼ Section 35  
Township 13 South, Range 86 West of the 6th P.M.,  
Gunnison County, Colorado.

**Legal Description:**

Know all persons by these presents that Cypress Foothills L.P. are the sole owner(s), mortgagee(s), or lien holder(s) of all that real property described as follows:

A parcel of land known as Tract Q of Book 516 Page 474, Parcel 13 of Book 552 Page 63, Parcel 1 of Warranty Deed recorded at Reception No. 570819, Parcel 1 of Quitclaim Deed recorded at Reception No.570822, Parcel 1 of the Correction Warranty Deed recorded at Reception No.584439, Parcel 1 of the Special Warranty Deed recorded at Reception No.612899, and the Correction Deed recorded at Reception No.618498 all located in the SW 1/4 of Section 35, Township 13 South, Range 86 W of the Sixth PM, Gunnison County, Colorado being more particularly described as follows:

Beginning at a point on the westerly boundary of Trampe Parcel described in Book 516 Page 494 also being on the easterly right of way line of County Road 317 (Gothic Road) as recorded at Reception No. 00119 and being on the south line of the SW1/4 of said Section 35 from which the southwest corner of said Section 35 bears N89°43'49"W a distance of 130.05 feet; thence S89°43'49"E a distance of 17.52 feet to a point on the westerly line of the Dyer Subdivision as recorded at Reception No.497990; thence along the westerly, northerly and easterly lines of said Dyer Subdivision the following eleven (11) courses: 1) N00°01'42"W a distance of 15.19 feet, 2) N89°58'18"E a distance of 495.36 feet, 3) N00°01'42"W a distance of 226.55 feet, 4) N61°00'00"E a distance of 620.66 feet, 5) S79°30'09"E a distance of 381.57 feet, 6) N61°00'00"E approximately 31.96 feet to the high water line of the Slate River; thence along the high water line of the Slate River approximately 7) S44°00'17"E a distance of 2.43 feet, 8) S61°14'28"E a distance of 180.87 feet, 9) S45°20'59"E a distance of 257.67 feet, 10) S39°16'06"E a distance of 215.58 feet, 11) S50°53'25"E a distance of 97.51 feet to the southerly line of the SW1/4 of said Section 35; thence along said southerly line S89°43'49"E, approximately 506.01 feet to the S1/4 Corner of said Section 35, said corner being a 3 1/4" Aluminum Cap; thence along an existing fence line as it exists in the field and as shown and described in a Boundary Agreement recorded in Book 769 at Page 881 the following three (3) courses: 1) N00°11'53"E a distance of 271.72 feet, 2) N00°50'11"W a distance of 932.90 feet, 3) N01°19'37"W a distance of 346.89 feet to a point on the northerly line of the Trampe Partition Parcel 13 and the southerly line of Spann Parcel 23 as described in Court Decree Amended Order of Partition as recorded in Book 552 at Page 63; thence along the northerly line of said Parcel 13 N90°00'00"W a distance of 570.01 feet to a point on the easterly line of the Town of Crested Butte Cemetery as described in Exhibit A(5) in Court Decree of Partition as recorded in Book 516 at Page 474; thence along the easterly line of said Cemetery Parcel S01°20'33"W a distance of 220.37 feet to the northerly corner of a parcel of land described in Book 518 at Page 403; thence along the northwesterly line of said parcel S29°46'00"W a distance of 470.46 feet to a point on the northerly line of said Trampe Partition Parcel 13, said point also being on the southerly line of said Cemetery Parcel; thence along said northerly line of said Parcel 13 N90°00'00"W a distance of 1116.19 feet to a point on the easterly right of way line of County Road 317 (Gothic Road); thence along said easterly right of way line as described in deeds recorded at Reception No.474960 and 474961 the following five (5) courses: 1) S46°12'21"W a distance of 116.48 feet, 2) S35°50'27"W a distance of 185.49 feet, 3) S35°50'28"W a distance of 88.19 feet, 4) S40°05'13"W a distance of 207.37 feet, 5) S39°55'42"W a distance of 238.91 feet; thence continuing along the easterly line of said right of way and westerly line of said Trampe Partition Parcel 13, 155.77 feet along the arc of a non-tangent curve to the left having a radius of 441.28 feet, a central angle of 20°13'30" and a long chord which bears S16°19'42"W a distance of 154.96 feet to a point which is common to the southwest corner of a parcel of land described in Book 518 at Page 403; thence S00°00'04"W continuing along the easterly right of way of said County Road 317 as recorded at Reception No.00119 and in accordance with Court Decree (Judgment) recorded in Book 516 at Page 494, a distance of 117.72 feet to the Point of Beginning.

Said Parcel as described above contains 44.503 acres, more or less.

That said owners have by these presents caused this annexation as shown hereon and designate the same as the Slate River Addition to the Town of Crested Butte, County of Gunnison, State of Colorado.

Executed this \_\_\_\_ day of \_\_\_\_\_, 2014.

Chris Maguire, C.E.O. Cypress Foothills L.P.

State of Colorado)

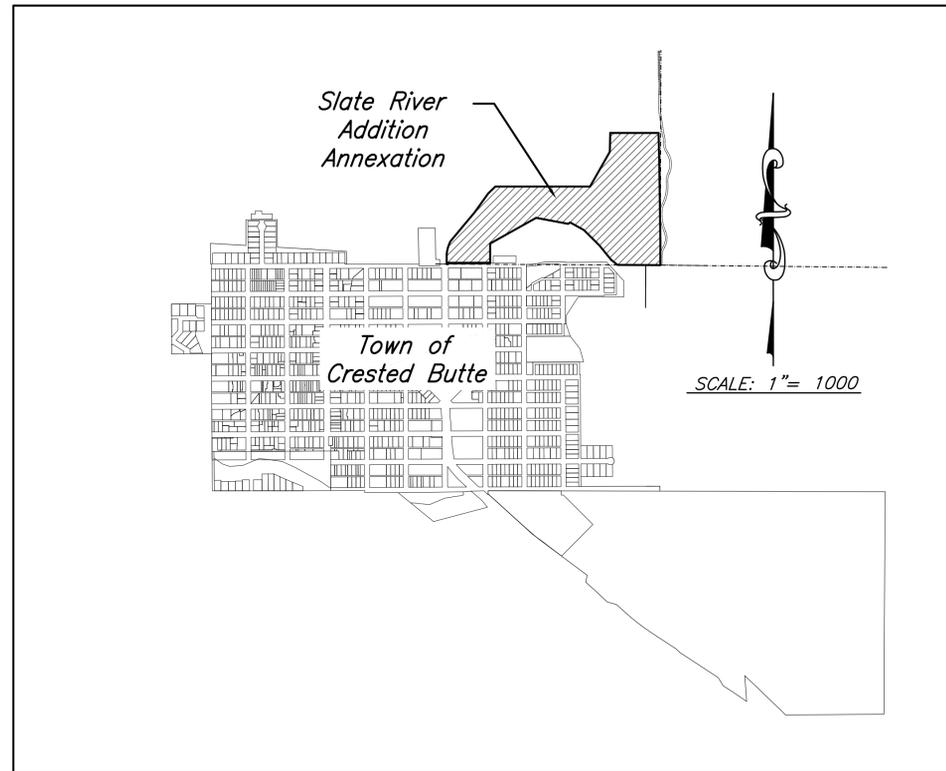
County of Gunnison )

The foregoing was acknowledged before me this \_\_\_\_ day of \_\_\_\_\_, 2014 by Cypress Foothills L.P.

Witness my hand and official seal.

My Commission expires: \_\_\_\_\_

Notary Public



VICINITY MAP  
1" = 1000'

**OWNER/APPLICANT:**

Cypress Foothills L.P.  
Chris Maguire, C.E.O.  
8343 Douglas Ave., Suite 200  
Dallas, Texas 75225

**LEGAL COUNSEL:**

Law of the Rockies  
Marcus Lock  
525 North Main Street  
Gunnison, Colorado 81230

**ENGINEER-SURVEYOR**

S.G.M.  
Tyler Harpel, P.E.  
Steve Ehlers P.L.S.  
103 West Tomichi Ave., Suite A  
Gunnison, Colorado 81230

**ARCHITECT PLANNER**

HKS  
John Hessler  
350 North St. Paul Street, Suite 100  
Dallas, Texas 75201-4240

**Gunnison Clerk and Recorder's Acceptance**

This plat was accepted for filing in the office of the Clerk and Recorder of Gunnison County, Colorado, on this \_\_\_\_ day of \_\_\_\_\_, A.D. 201\_\_\_\_, Reception Number \_\_\_\_\_ Time \_\_\_\_\_, Date \_\_\_\_\_.

Gunnison County Clerk and Recorder

**SURVEYOR'S NOTES**

-Legal Description per the Foothills ALTA recorded at Reception No. 628973 of the Gunnison County Clerk and Recorders Office.

-Units of linear measurements are displayed in US Survey Feet.

-Contiguity:

Overall Perimeter of Parcel: 8,087.35 feet  
Contiguity (1/6 required by State Statute): 1,347.89 feet  
Boundary Contiguous with Town of Crested Butte: 2,876.27 feet

**Town Council Approval Certificate**

The Town Council of the Town of Crested Butte, Colorado, by Resolution No. \_\_\_\_\_, duly adopted on the \_\_\_\_ day of \_\_\_\_\_, 2014, found and determined that annexation of the property designated herein complies with the requirements contained in Article 12, Title 31, C.R.S., as amended, and that said property is eligible for annexation to the Town of Crested Butte.

The Town Council of the Town of Crested Butte, Colorado, by Ordinance No. \_\_\_\_\_, duly adopted on the \_\_\_\_ day of \_\_\_\_\_, 2014, did annex the property herein described to the town of Crested Butte, Colorado

Mayor

**Planning Commission Certificate:**

This map approved by the Town of Crested Butte Commission this \_\_\_\_ day of \_\_\_\_\_, A.D., 2014.

Chairman

**Surveyor's Certificate:**

I, Stephen L. Ehlers, a registered Professional Land Surveyor, licensed under the laws of the State of Colorado, do hereby certify that this annexation map was made under my direct supervision and that the information hereon is correct to the best of my knowledge and belief, and that no less than one-sixth (1/6) of the perimeter of the area as shown hereon is contiguous with the existing boundaries of the Town of Crested Butte, Colorado. I further certify that recent surveys of record referenced hereon indicate that the external boundaries of the property shown on this annexation map have been previously monumented on the ground.

EXECUTED THIS 30TH DAY OF SEPTEMBER, 2014

Stephen L. Ehlers  
Colo. Reg. P.L.S. # 29030  
For, and on  
behalf of SGM

- PRELIMINARY -  
FOR REVIEW ONLY

S:\2012\2012-208-003 Foothills Annexation (map) Foothills-am-2014.dwg

**Notice:**  
According to Colorado Law, you must commence any legal action based upon any defect in this survey within three years after you first discover such defect. In no event may any legal action based upon any defect in this survey be commenced more than ten years from the date of the certification shown hereon.

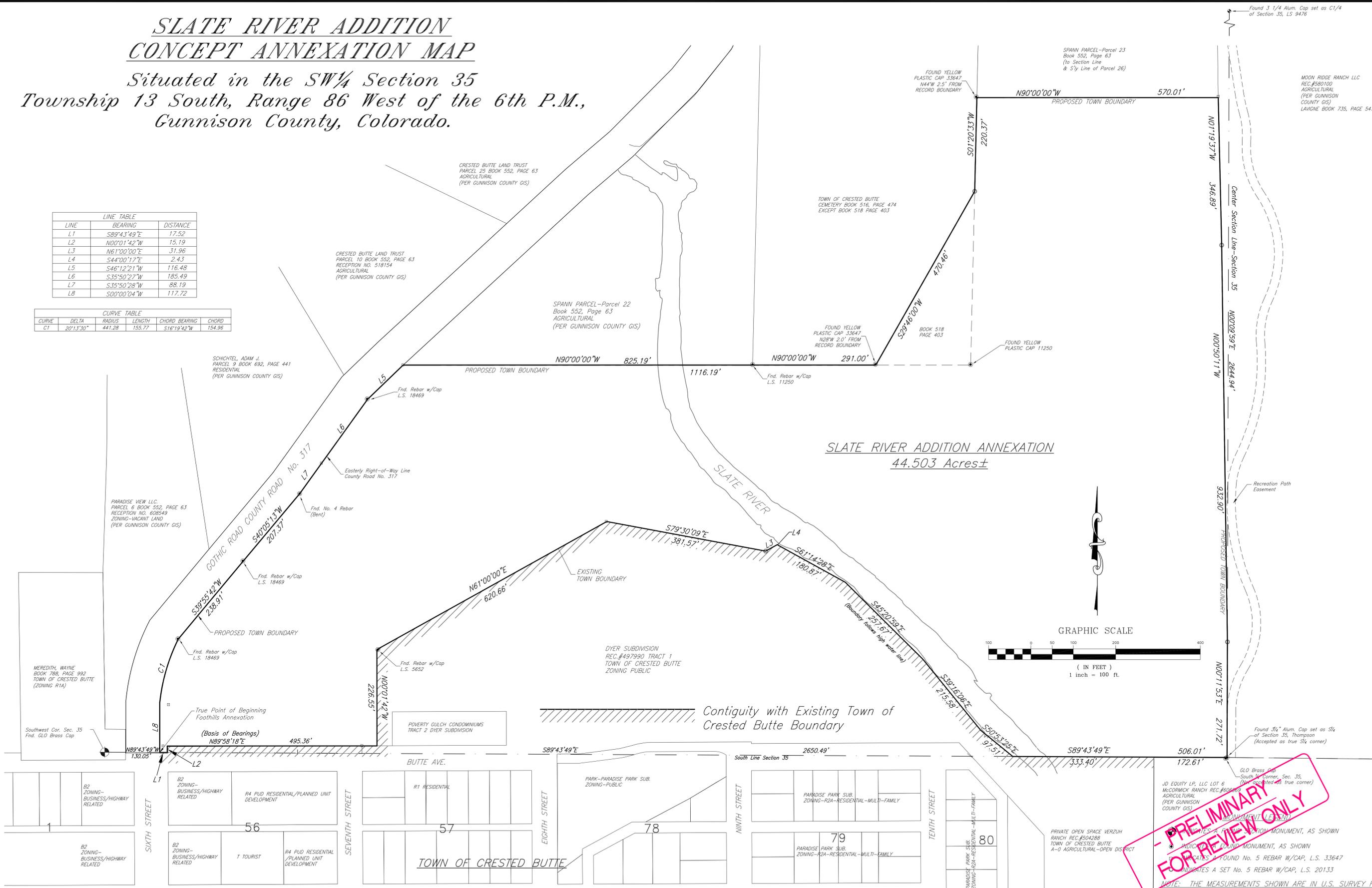
 103 W. Tomichi Ave., Suite A Gunnison, CO 81230 970.641.5355 www.sgm-inc.com	Slate River Addition Town of Crested Butte	<table border="1" style="width: 100%; border-collapse: collapse;"> <tr><th>#</th><th>Revision</th><th>Date</th><th>By</th></tr> <tr><td>1</td><td></td><td></td><td></td></tr> <tr><td>2</td><td></td><td></td><td></td></tr> <tr><td>3</td><td></td><td></td><td></td></tr> <tr><td>4</td><td></td><td></td><td></td></tr> <tr><td>5</td><td></td><td></td><td></td></tr> </table>	#	Revision	Date	By	1				2				3				4				5				Concept Annexation Map	<table border="1" style="width: 100%; border-collapse: collapse;"> <tr><td>Job No.</td><td>2012-208.003</td><td rowspan="5" style="text-align: center; vertical-align: middle;">1    2</td></tr> <tr><td>Drawn by:</td><td>EB</td></tr> <tr><td>Date:</td><td>09/30/14</td></tr> <tr><td>Approved:</td><td>SE</td></tr> <tr><td>File:</td><td>Foothills-am-2014</td></tr> </table>	Job No.	2012-208.003	1    2	Drawn by:	EB	Date:	09/30/14	Approved:	SE	File:	Foothills-am-2014
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# SLATE RIVER ADDITION CONCEPT ANNEXATION MAP

Situated in the SW 1/4 Section 35  
Township 13 South, Range 86 West of the 6th P.M.,  
Gunnison County, Colorado.

LINE	BEARING	DISTANCE
L1	S89°43'49"E	17.52
L2	N00°01'42"W	15.19
L3	N61°00'00"E	31.96
L4	S44°00'17"E	2.43
L5	S46°12'21"W	116.48
L6	S35°50'27"W	185.49
L7	S35°50'28"W	88.19
L8	S00°00'04"W	117.72

CURVE	DELTA	RADIUS	LENGTH	CHORD BEARING	CHORD
C1	201°3'30"	441.28	155.77	S16°19'42"W	154.96



**PRELIMINARY FOR REVIEW ONLY**

JD EQUITY LP, LLC LOT 6  
McCORMACK RANCH REC.#604288  
AGRICULTURAL (PER GUNNISON COUNTY GIS)

INDICATES A FOUND MONUMENT, AS SHOWN

INDICATES A FOUND MONUMENT, AS SHOWN

INDICATES A FOUND No. 5 REBAR W/CAP, L.S. 33647

INDICATES A SET No. 5 REBAR W/CAP, L.S. 20133

NOTE: THE MEASUREMENTS SHOWN ARE IN U.S. SURVEY FEET

**Notice:**  
According to Colorado Law, you must commence any legal action based upon any defect in this survey within three years after you first discover such defect. In no event may any legal action based upon any defect in this survey be commenced more than ten years from the date of the certification shown hereon.

**SGM**  
103 W. Tomich Ave., Suite A  
Gunnison, CO 81230  
970.641.5355 www.sgm-inc.com

Slate River Addition  
Town of Crested Butte

#	Revision	Date	By
1			
2			
3			
4			
5			

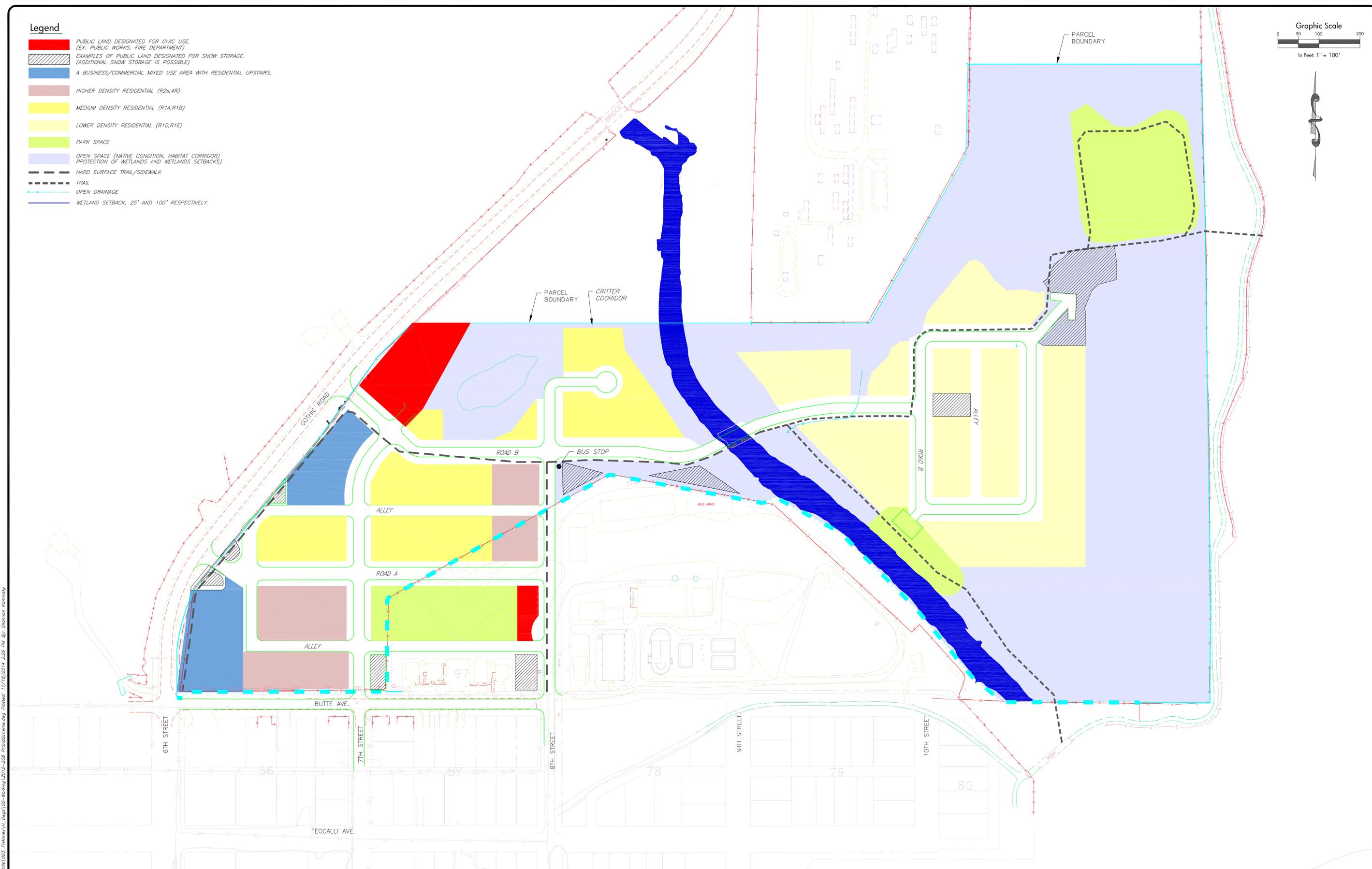
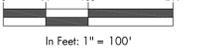
Concept Annexation Map

Job No.	2012-208.003	2
Drawn by:	EB	
Date:	09/30/14	
Approved:	SE	2
File:	Foothills-amx2014	

**Legend**

- PUBLIC LAND DESIGNATED FOR CIVIC USE.  
(EX. PUBLIC WORKS, FIRE DEPARTMENT)
- EXAMPLES OF PUBLIC LAND DESIGNATED FOR SNOW STORAGE.  
(ADDITIONAL SNOW STORAGE IS POSSIBLE)
- A BUSINESS/COMMERCIAL MIXED USE AREA WITH RESIDENTIAL UPSTAIRS.
- HIGHER DENSITY RESIDENTIAL (R2S,4R)
- MEDIUM DENSITY RESIDENTIAL (R1A,R1B)
- LOWER DENSITY RESIDENTIAL (R1D,R1E)
- PARK SPACE
- OPEN SPACE (NATIVE CONDITION, HABITAT CORRIDOR)  
PROTECTION OF WETLANDS AND WETLANDS SETBACKS)
- HARD SURFACE TRAIL/SIDEWALK
- TRAIL
- OPEN DRAINAGE
- WETLAND SETBACK, 25' AND 100' RESPECTIVELY.

Graphic Scale



I:\2012\2012-2018\_Foothills\003\_Foothills\003\_Foothills\003\_Working\2012-2018\_PropGridScheme.dwg Plotter: 11/18/2014 2:26 PM By: Shannon Kominsky

Preliminary  
Not For  
Construction

**SGM**  
 103 W. Tomichi Ave., Suite A  
 Gunnison, CO 81230  
 970.641.5355 www.sgm-inc.com

Slate River Addition  
Cypress Foothills LP

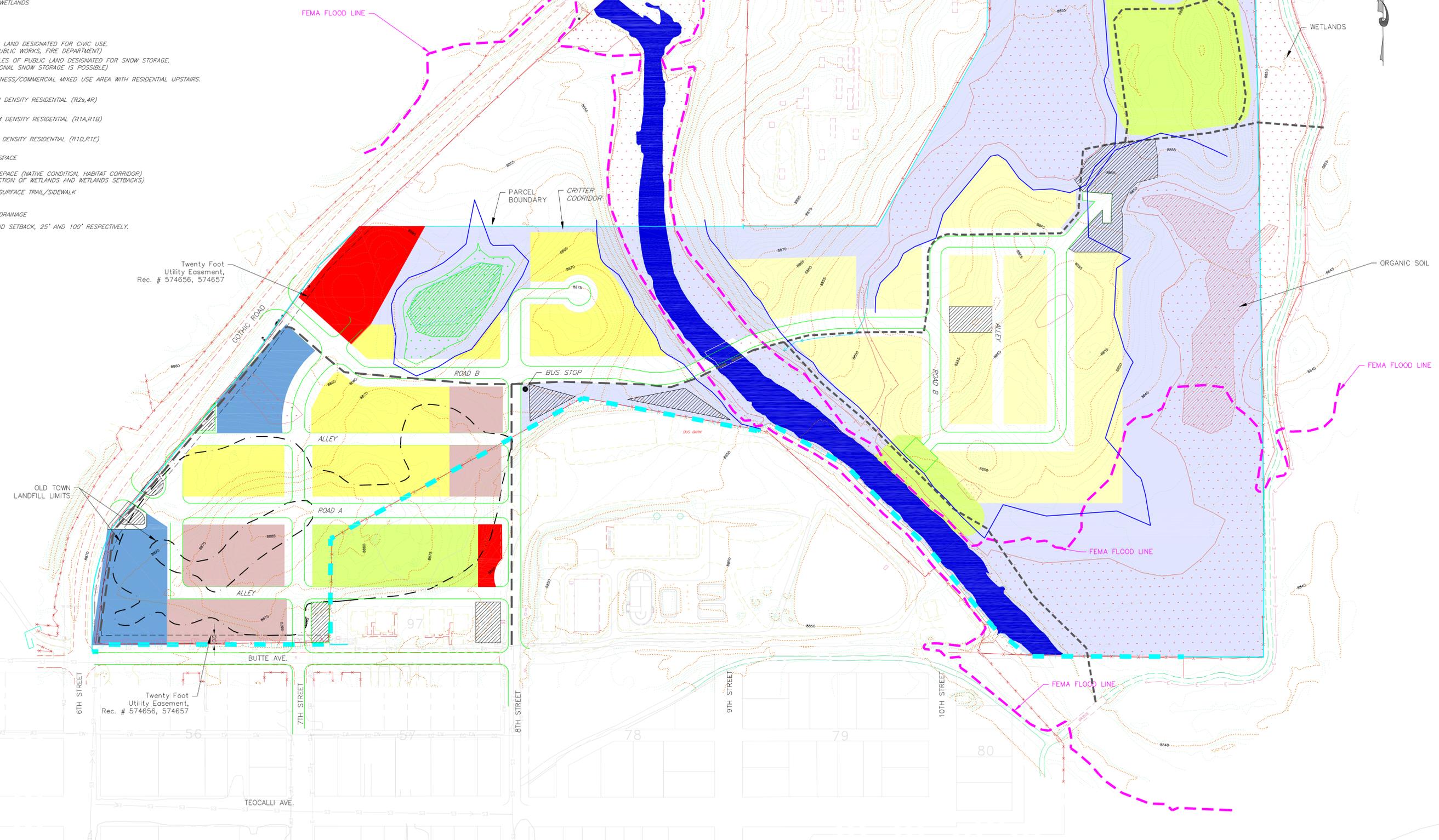
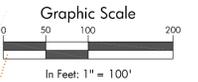
#	Revision	Date	By
1			

Concept Annexation  
Proposed Grid Scheme

Job No.	2012-208.003
Drawn by:	SK
Date:	11/18/2014
QC:	PE: TJH
File:	2012-208 PrGridScheme

EX 1  
Of 4

- Legend**
- FEMA FLOOD LINE
  - OLD TOWN LANDFILL LIMITS
  - PARCEL BOUNDARY
  - PARCEL BOUNDARY CONTIGUOUS WITH TOWN LAND
  - WETLANDS
  - WETLANDS WITH ORGANIC SOIL
  - POND WETLANDS
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  - OPEN DRAINAGE
  - WETLAND SETBACK, 25' AND 100' RESPECTIVELY.



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Preliminary  
Not For  
Construction

**SGM**  
103 W. Tomichi Ave., Suite A  
Gunnison, CO 81230  
970.641.5355 www.sgm-inc.com

Slate River Addition  
Cypress Foothills LP

#	Revision	Date	By
1			

Concept Annexation  
Proposed Grid Scheme

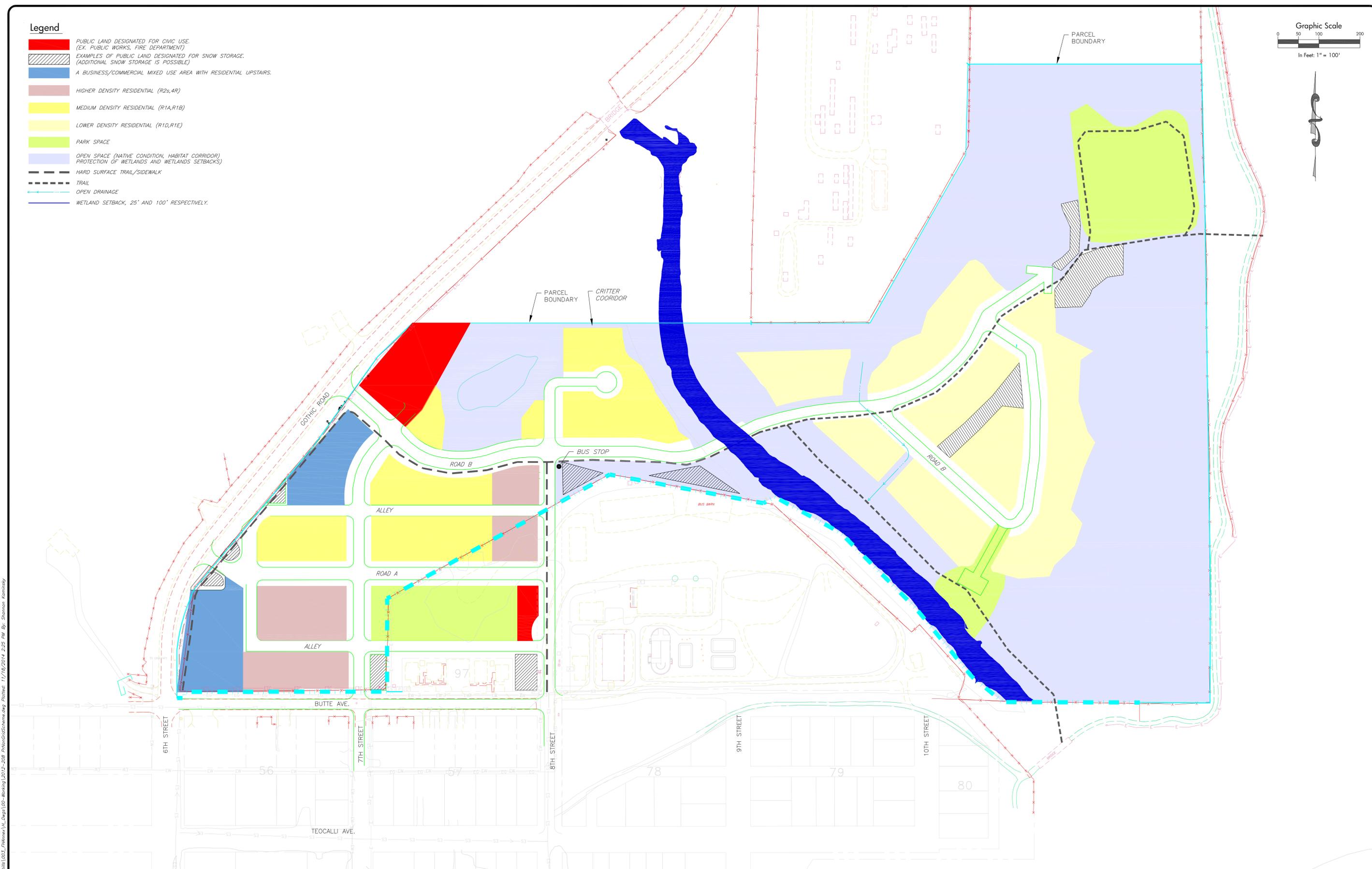
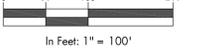
Job No.	2012-208.003
Drawn by:	SK
Date:	11/18/2014
QC:	PE: TJH
File:	2012-208 PrGridScheme

EX 2  
Of 4

**Legend**

- PUBLIC LAND DESIGNATED FOR CIVIC USE (EX. PUBLIC WORKS, FIRE DEPARTMENT)
- EXAMPLES OF PUBLIC LAND DESIGNATED FOR SNOW STORAGE (ADDITIONAL SNOW STORAGE IS POSSIBLE)
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- WETLAND SETBACK, 25' AND 100' RESPECTIVELY.

Graphic Scale



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Preliminary  
Not For  
Construction

**SGM**  
 103 W. Tomichi Ave., Suite A  
 Gunnison, CO 81230  
 970.641.5355 www.sgm-inc.com

Slate River Addition  
Cypress Foothills LP

#	Revision	Date	By
1			

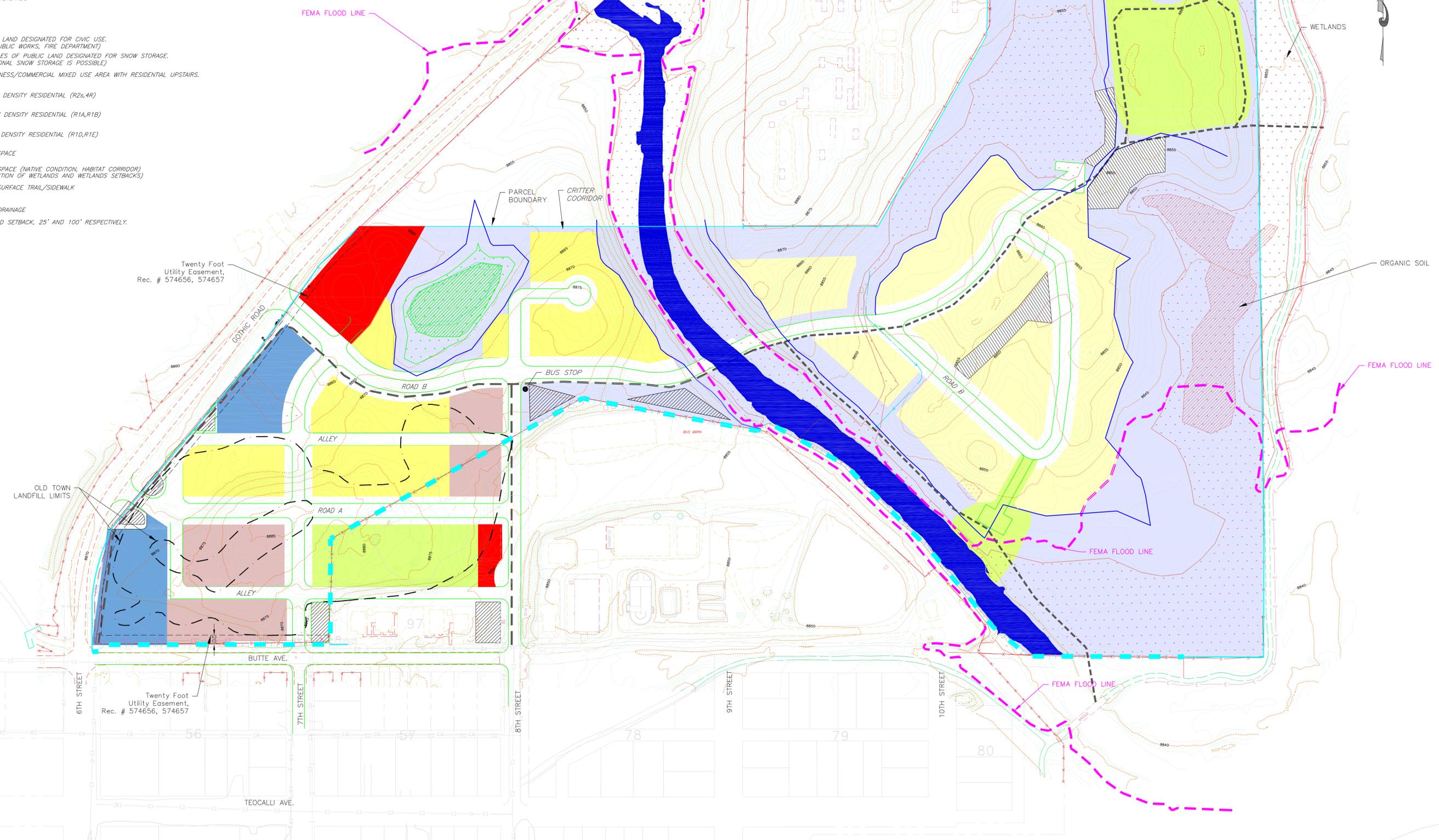
Concept Annexation  
Proposed Non Grid Scheme

Job No.	2012-208.003
Drawn by:	SK
Date:	11/18/2014
QC:	PE: TJH
File:	2012-208 PftNonGridScheme

EX 3  
of 4

- Legend**
- FEMA FLOOD LINE
  - OLD TOWN LANDFILL LIMITS
  - PARCEL BOUNDARY
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Preliminary  
Not For  
Construction

103 W. Tomichi Ave., Suite A  
Gunnison, CO 81230  
970.641.5355 www.sgm-inc.com

Slate River Addition  
Cypress Foothills LP

#	Revision	Date	By
1			

Concept Annexation  
Proposed Non Grid Scheme

Job No.	2012-208.003
Drawn by:	SK
Date:	11/18/2014
QC:	PE: TJH
File:	2012-208 PftNonGridScheme

EX 4  
Of 4

**Date: April 22, 2014**

**CYPRESS FOOTHILLS, LP, A TEXAS LIMITED PARTNERSHIP  
8343 DOUGLAS AVENUE, SUITE 200  
DALLAS, TX 75225**

**Subject: Attached Title Policy SC87007356  
for 46.16 ACRES VACANT LAND**

**Enclosed please find the Owner's Title Insurance Policy for your purchase of the property listed above.**

**This title policy is the final step in your real estate transaction, and we want to take a moment to remind you of its importance. Please review all information in this document carefully and be sure to safeguard this policy along with your other legal documents.**

**Your owner's policy insures you as long as you own the property and requires no additional premium payments.**

**Please feel free to contact any member of our staff if you have questions or concerns regarding your policy, or you may contact the Final Policy Department directly at 719-634-4821.**

**As a Colorado-owned and operated title company for over 45 years, with offices throughout the state, we take pride in serving our customers one transaction at a time. We sincerely appreciate your business and welcome the opportunity to assist you with any future real estate needs. Not only will Land Title be able to provide you with the title services quickly and professionally, but you may also be entitled to a discount on title premiums if you sell or refinance the property described in the enclosed policy.**

**Thank you for giving us the opportunity to work with you on this transaction. We look forward to serving you again in the future.**

**Sincerely,**

**Land Title Guarantee Company**

# Owner's Policy of Title Insurance

ISSUED BY

## First American Title Insurance Company

ANY NOTICE OF CLAIM AND ANY OTHER NOTICE OR STATEMENT IN WRITING REQUIRED TO BE GIVEN TO THE COMPANY UNDER THIS POLICY MUST BE GIVEN TO THE COMPANY AT THE ADDRESS SHOWN IN SECTION 18 OF THE CONDITIONS.

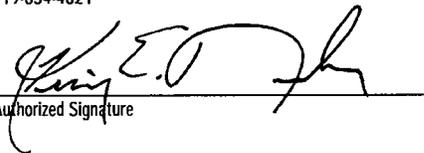
### COVERED RISKS

SUBJECT TO THE EXCLUSIONS FROM COVERAGE, THE EXCEPTIONS FROM COVERAGE CONTAINED IN SCHEDULE B AND THE CONDITIONS, FIRST AMERICAN TITLE INSURANCE COMPANY, a California corporation (the "Company") insures, as of Date of Policy and, to the extent stated in Covered Risks 9 and 10, after Date of Policy, against loss or damage, not exceeding the Amount of Insurance, sustained or incurred by the Insured by reason of:

1. Title being vested other than as stated in Schedule A.
2. Any defect in or lien or encumbrance on the title; This covered Risk includes but is not limited to insurance against loss from
  - (a) A defect in the Title caused by
    - (i) forgery, fraud, undue influence, duress, incompetency, incapacity, or impersonation;
    - (ii) failure of any person or Entity to have authorized a transfer or conveyance;
    - (iii) a document affecting Title not properly created, executed, witnessed, sealed, acknowledged, notarized, or delivered;
    - (iv) failure to perform those acts necessary to create a document by electronic means authorized by law;
    - (v) a document executed under a falsified, expired, or otherwise invalid power of attorney;
    - (vi) a document not properly filed, recorded, or indexed in the Public Records including failure to perform those acts by electronic means authorized by law; or
    - (vii) a defective judicial or administrative proceeding.
  - (b) The lien of real estate taxes or assessments imposed on the Title by a governmental authority due or payable, but unpaid.
  - (c) Any encroachment, encumbrance, violation, variation, or adverse circumstance affecting the Title that would be disclosed by an accurate and complete land survey of the Land. The term "encroachment" includes encroachments of existing improvements located on the Land onto adjoining land, and encroachments onto the Land of existing improvements located on adjoining land.
3. Unmarketable Title.
4. No right of access to and from the Land.
5. The violation or enforcement of any law, ordinance, permit, or governmental regulation (including those relating to building and zoning) restricting, regulating, prohibiting, or relating to
  - (a) the occupancy, use or enjoyment of the Land;
  - (b) the character, dimensions, or location of any improvement erected on the Land;
  - (c) the subdivision of land; or
  - (d) environmental protectionif a notice, describing any part of the Land, is recorded in the Public Records setting forth the violation or intention to enforce, but only to the extent of the violation or enforcement referred to in that notice.
6. An enforcement action based on the exercise of a governmental police power not covered by Covered Risk 5 if a notice of the enforcement action, describing any part of the Land, is recorded in the Public Records, but only to the extent of the enforcement referred to in that notice.
7. The exercise of the rights of eminent domain if a notice of the exercise, describing any part of the Land, is recorded in the Public Records.
8. Any taking by a governmental body that has occurred and is binding on the rights of a purchaser for value without Knowledge.
9. Title being vested other than as stated in Schedule A or being defective
  - (a) as a result of the avoidance in whole or in part, or from a court order providing an alternative remedy, of a transfer of all or any part of the title to or any interest in the Land occurring prior to the transaction vesting Title as shown in Schedule A because that prior transfer constituted a fraudulent or preferential transfer under federal bankruptcy, state insolvency, or similar creditors' rights laws; or
  - (b) because the instrument of transfer vesting Title as shown in Schedule A constitutes a preferential transfer under federal bankruptcy, state insolvency, or similar creditors' rights laws by reason of the failure of its recording in the Public Records
    - (i) to be timely, or
    - (ii) to impart notice of its existence to a purchaser for value or to a judgment or lien creditor.
10. Any defect in or lien or encumbrance on the Title or other matter included in Covered Risks 1 through 9 that has been created or attached or has been filed or recorded in the Public Records subsequent to Date of Policy and prior to the recording of the deed or other instrument of transfer in the Public Records that vests Title as shown in Schedule A.

The Company will also pay the costs, attorneys' fees, and expenses incurred in defense of any matter insured against by this Policy, but only to the extent provided in the Conditions.

Issued through the Office of:  
Land Title Guarantee Company  
1561 OXBOW DR #200  
MONTROSE, CO 81401  
719-634-4821

  
Authorized Signature



FIRST AMERICAN TITLE INSURANCE COMPANY

  
Dennis J. Gilmore  
President

  
Timothy Kemp  
Secretary



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## EXCLUSIONS FROM COVERAGE

The following matters are expressly excluded from the coverage of this policy, and the Company will not pay loss or damage, costs, attorneys' fees, or expenses that arise by reason of:

1. (a) Any law, ordinance, permit, or governmental regulation (including those relating to building and zoning) restricting, regulating, prohibiting or relating to
  - (i) the occupancy, use, or enjoyment of the Land;
  - (ii) the character, dimensions, or location of any improvement erected on the Land;
  - (iii) the subdivision of land; or
  - (iv) environmental protection;or the effect of any violation of these laws, ordinances, or governmental regulations. This Exclusion 1(a) does not modify or limit the coverage provided under Covered Risk 5.
  - (b) Any governmental police power. This Exclusion 1(b) does not modify or limit the coverage provided under Covered Risk 6.
2. Rights of eminent domain. This Exclusion does not modify or limit the coverage provided under Covered Risk 7 or 8.
3. Defects, liens, encumbrances, adverse claims, or other matters
  - (a) created, suffered, assumed, or agreed to by the Insured Claimant;
  - (b) not Known to the Company, not recorded in the Public Records at Date of Policy, but Known to the Insured Claimant and not disclosed in writing to the Company by the Insured Claimant prior to the date the Insured Claimant became an Insured under this policy;
  - (c) resulting in no loss or damage to the Insured Claimant;
  - (d) attaching or created subsequent to Date of Policy (however, this does not modify or limit the coverage provided under Covered Risk 9 and 10); or
  - (e) resulting in loss or damage that would not have been sustained if the Insured Claimant had paid value for the Title.
4. Any claim, by reason of the operation of federal bankruptcy, state insolvency, or similar creditors' rights laws, that the transaction vesting the Title as shown in Schedule A, is
  - (a) a fraudulent conveyance or fraudulent transfer; or
  - (b) a preferential transfer for any reason not stated in Covered Risk 9 of this policy.
5. Any lien on the Title for real estate taxes or assessments imposed by governmental authority and created or attaching between Date of Policy and the date of recording of the deed or other instrument of transfer in the Public Records that vests Title as shown in Schedule A.

## CONDITIONS

### 1. DEFINITION OF TERMS

The following terms when used in this policy mean:

- (a) "Amount of Insurance": The amount stated in Schedule A, as may be increased or decreased by endorsement to this policy, increased by Section 8(b) or decreased by Sections 10 and 11 of these Conditions.
- (b) "Date of Policy": The date designated as "Date of Policy" in Schedule A.
- (c) "Entity": A corporation, partnership, trust, limited liability company, or other similar legal entity.
- (d) "Insured": The Insured named in Schedule A.
  - (i) The term "Insured" also includes
    - (A) successors to the Title of the Insured by operation of law as distinguished from purchase, including heirs, devisees, survivors, personal representatives, or next of kin;
    - (B) successors to an Insured by dissolution, merger, consolidation, distribution, or reorganization;
    - (C) successors to an Insured by its conversion to another kind of Entity;
    - (D) a grantee of an Insured under a deed delivered without payment of actual valuable consideration conveying the Title
      - (1) if the stock, shares, memberships, or other equity interests of the grantee are wholly-owned by the named Insured.
      - (2) if the grantee wholly owns the named Insured.
      - (3) if the grantee is wholly-owned by an affiliated Entity of the named Insured, provided the affiliated Entity and the named Insured are both wholly-owned by the same person or Entity, or
      - (4) if the grantee is a trustee or beneficiary of a trust created by a written instrument established by the Insured named in Schedule A for estate planning purposes.
  - (ii) With regard to (A), (B), (C), and (D) reserving, however, all rights and defenses as to any successor that the Company would have had against any predecessor Insured.
- (e) "Insured Claimant": An Insured claiming loss or damage.
- (f) "Knowledge" or "Known": Actual knowledge, not constructive knowledge or notice that may be imputed to an Insured by reason of the Public Records or any other records that impart constructive notice of matters affecting the Title.
- (g) "Land": The land described in Schedule A, and affixed improvements that by law constitute real property. The term "Land" does not include any property beyond the lines of the area described in Schedule A, nor any right, title, interest, estate, or easement in abutting streets, roads, avenue, alleys, lanes, ways, or waterways, but this does not modify or limit the extent that a right of access to and from the Land is insured by this policy.
- (h) "Mortgage": Mortgage, deed of trust, trust deed, or other security instrument, including one evidenced by electronic means authorized by law.
- (i) "Public Records": Records established under state statutes at Date of Policy for the purpose of imparting constructive notice of matters relating to real property to purchasers for value and without Knowledge. With respect to Covered Risk 5(d), "Public Records" shall also include environmental protection liens filed in the records of the clerk of the United States District Court for the district where the Land is located.
- (j) "Title": The estate or interest described in Schedule A.

"Unmarketable Title": Title affected by an alleged or apparent matter that would permit a prospective purchaser or lessee of the Title or lender on the Title to be released from the obligation to purchase, lease, or lend if there is a contractual condition requiring the delivery of marketable title.

### 2. CONTINUATION OF INSURANCE

The coverage of this policy shall continue in force as of Date of Policy in favor of an Insured, but only so long as the Insured retains an estate or interest in the Land, or holds an obligation secured by a purchase money Mortgage given by a purchaser from the Insured, or only so long as the Insured shall have liability by reason of warranties in any transfer or conveyance of the Title. This policy shall not continue in force in favor of any purchaser from the Insured of either (i) an estate or interest in the Land, or (ii) an obligation secured by a purchase money Mortgage given to the Insured.

### 3. NOTICE OF CLAIM TO BE GIVEN BY INSURED CLAIMANT

The Insured shall notify the Company promptly in writing (i) in case of any litigation as set forth in Section 5(a) of these Conditions, (ii) in case Knowledge shall come to an Insured hereunder of any claim of title or interest that is adverse to the Title, as insured, and that might cause loss or damage for which the Company may be liable by virtue of this policy, or (iii) if the Title, as insured, is rejected as Unmarketable Title. If the Company is prejudiced by the failure of the Insured Claimant to provide prompt notice, the Company's liability to the Insured Claimant under the policy shall be reduced to the extent of the prejudice.

### 4. PROOF OF LOSS

In the event the Company is unable to determine the amount of loss or damage, the Company may, at its option, require as a condition of payment that the Insured Claimant furnish a signed proof of loss. The proof of loss must describe the defect, lien, encumbrance, or other matter insured against by this policy that constitutes the basis of loss or damage and shall state, to the extent possible, the basis of calculating the amount of the loss or damage.

### 5. DEFENSE AND PROSECUTION OF ACTIONS

- (a) Upon written request by the Insured, and subject to the options contained in Section 7 of these Conditions, the Company, at its own cost and without unreasonable delay, shall provide for the defense of an Insured in litigation in which any third party asserts a claim covered by this policy adverse to the Insured. This obligation is limited to only those stated causes of action alleging matters insured against by this policy. The Company shall have the right to select counsel of its choice (subject to the right of the Insured to object for reasonable cause) to represent the Insured as to those stated causes of action. It shall not be liable for and will not pay the fees of any other counsel. The Company will not pay any fees, costs, or expenses incurred by the Insured in the defense of those causes of action that allege matters not insured against by this policy.
- (b) The Company shall have the right, in addition to the options contained in Section 7 of these Conditions, at its own cost, to institute and prosecute any action or proceeding or to do any other act that in its opinion may be necessary or desirable to establish the Title, as insured, or to prevent or reduce loss or damage to the Insured. The Company may take any appropriate action under the terms of this policy, whether or not it shall be liable to the Insured. The exercise of these rights shall not be an admission of liability or waiver of any provision of this policy. If the Company exercises its rights under this subsection, it must do so diligently.
- (c) Whenever the Company brings an action or asserts a defense as required or permitted by this policy, the Company may pursue the litigation to a final determination by a court of competent jurisdiction, and it expressly reserves the right, in its sole discretion, to appeal any adverse judgment or order.

### 6. DUTY OF INSURED CLAIMANT TO COOPERATE

- (a) In all cases where this policy permits or requires the Company to prosecute or provide for the defense of any action or proceeding and any appeals, the Insured shall secure to the Company the right to so prosecute or provide defense in the action or proceeding, including the right to use, at its option, the name of the Insured for this purpose. Whenever requested by the Company, the Insured, at the Company's expense, shall give the Company all reasonable aid (i) in securing evidence, obtaining witnesses, prosecuting or defending the action or proceeding, or effecting settlement, and (ii) in any other lawful act that in the opinion of the Company may be necessary or desirable to establish the Title or any other matter as insured. If the Company is prejudiced by the failure of the Insured to furnish the required cooperation, the Company's obligation to the Insured under the policy shall terminate, including any liability or obligation to defend, prosecute, or continue any litigation, with regard to the matter or matters requiring such cooperation.
- (b) The Company may reasonably require the Insured Claimant to submit to examination under oath by any authorized representative of the Company and to produce for examination, inspection, and copying, at such reasonable times and places as may be designated by the authorized representative of the Company, all records, in whatever medium maintained, including books, ledgers, checks, memoranda, correspondence, reports, e-mails, disks, tapes, and videos whether bearing a date before or after Date of Policy, that reasonably pertain to the loss or damage. Further, if requested by any authorized representative of the Company, the Insured Claimant shall grant its permission, in writing, for any authorized representative of the Company to examine, inspect, and copy all of these records in the custody or control of a third party that reasonably pertain to the loss or damage. All information designated as confidential by the Insured Claimant provided to the Company pursuant to this Section shall not be disclosed to others unless, in the reasonable judgment of the Company, it is necessary in the administration of the claim. Failure of the Insured Claimant to submit for examination under oath produce any reasonably requested information, or grant permission to secure reasonably necessary information from third parties as required in this subsection, unless prohibited by law or governmental regulation, shall terminate any liability of the Company under this policy as to that claim.

### 7. OPTIONS TO PAY OR OTHERWISE SETTLE CLAIMS; TERMINATION OF LIABILITY

In case of a claim under this policy, the Company shall have the following additional options:

- (a) To Pay or Tender Payment of the Amount of Insurance.  
To pay or tender payment of the Amount of Insurance under this policy together with any costs, attorneys' fees, and expenses incurred by the Insured Claimant that were authorized by the Company up to the time of payment or tender of payment and that the Company is obligated to pay.  
Upon the exercise by the Company of this option, all liability and obligations of the Company to the Insured under this policy, other than to make the payment required in the subsection, shall terminate, including any liability or obligation to defend, prosecute, or continue any litigation.
- (b) To Pay or Otherwise Settle With Parties Other Than the Insured or With the Insured Claimant.
  - (i) To pay or otherwise settle with other parties for or in the name of an Insured Claimant any claim insured against under this policy. In addition, the Company will pay any costs, attorneys' fees, and expenses incurred by the Insured Claimant that were authorized by the Company up to the time of payment and that the Company is obligated to pay; or
  - (ii) To pay or otherwise settle with the Insured Claimant the loss or damage provided for under this policy, together with any costs, attorneys' fees, and expenses incurred by the Insured Claimant that were authorized by the Company up to the time of payment and that the Company is obligated to pay.  
Upon the exercise by the Company of either of the options provided for in subsections (b)(i) or (ii), the Company's obligations to the Insured under this policy for the claimed loss or damage, other than the payments required to be made, shall terminate, including any liability or obligation to defend, prosecute, or continue any litigation.

### 8. DETERMINATION AND EXTENT OF LIABILITY

This policy is a contract of indemnity against actual monetary loss or damage sustained or incurred by the Insured Claimant who has suffered loss or damage by reason of matters insured against by this policy.

- (a) The extent of liability of the Company for loss or damage under this policy shall not exceed the lesser of
  - (i) the Amount of Insurance; or
  - (ii) the difference between the value of the Title as insured and the value of the Title subject to the risk insured against by this policy.

- (b) If the Company pursues its rights under Section 5 of these Conditions and is unsuccessful in establishing the Title, as insured,
  - (i) the Amount of Insurance shall be increased by 10%, and
  - (ii) the Insured Claimant shall have the right to have the loss or damage determined either as of the date the claim was made by the Insured Claimant or as of the date it is settled and paid.
- (c) In addition to the extent of liability under (a) and (b), the Company will also pay those costs, attorneys' fees, and expenses incurred in accordance with Sections 5 and 7 of these Conditions.

## 9. LIMITATION OF LIABILITY

- (a) If the Company establishes the Title, or removes the alleged defect, lien, or encumbrance, or cures the lack of a right of access to or from the Land, or cures the claim of Unmarketable Title, all as insured, in a reasonably diligent manner by any method, including litigation and the completion of any appeals, it shall have fully performed its obligations with respect to that matter and shall not be liable for any loss or damage caused to the Insured.
- (b) In the event of any litigation, including litigation by the Company or with the Company's consent, the Company shall have no liability for loss or damage until there has been a final determination by a court of competent jurisdiction, and disposition of all appeals, adverse to the Title, as insured.
- (c) The Company shall not be liable for loss or damage to the Insured for liability voluntarily assumed by the Insured in settling any claim or suit without the prior written consent of the Company.

## 10. REDUCTION OF INSURANCE, REDUCTION OR TERMINATION OF LIABILITY

All payments under this policy, except payments made for costs, attorneys' fees, and expenses, shall reduce the Amount of Insurance by the amount of the payment.

## 11. LIABILITY NONCUMULATIVE

The Amount of Insurance shall be reduced by any amount the Company pays under any policy insuring a Mortgage to which exception is taken in Schedule B or to which the Insured has agreed, assumed, or taken subject, or which is executed by an Insured after Date of Policy and which is a charge or lien on the Title, and the amount so paid shall be deemed a payment to the Insured under this policy.

## 12. PAYMENT OF LOSS

When liability and the extent of loss or damage have been definitely fixed in accordance with these Conditions, the payment shall be made within 30 days.

## 13. RIGHTS OF RECOVERY UPON PAYMENT OR SETTLEMENT

- (a) Whenever the Company shall have settled and paid a claim under this policy, it shall be subrogated and entitled to the rights of the Insured Claimant in the Title and all other rights and remedies in respect to the claim that the Insured Claimant has against any person or property, to the extent of the amount of any loss, costs, attorneys' fees, and expenses paid by the Company. If requested by the Company, the Insured Claimant shall execute documents to evidence the transfer to the Company of these rights and remedies. The Insured Claimant shall permit the Company to sue, compromise, or settle in the name of the Insured Claimant and to use the name of the Insured Claimant in any transaction or litigation involving these rights and remedies. If a payment on account of a claim does not fully cover the loss of the Insured Claimant, the Company shall defer the exercise of its right to recover until after the Insured Claimant shall have recovered its loss.
- (b) The Company's right of subrogation includes the rights of the Insured to indemnities, guaranties, other policies of insurance, or bonds, notwithstanding any terms or conditions contained in those instruments that address subrogation rights.

## 14. ARBITRATION

Either the Company or the Insured may demand that the claim or controversy shall be submitted to arbitration pursuant to the Title Insurance Arbitration Rules of the American Land Title Association ("Rules"). Except as provided in the Rules, there shall be no joinder or consolidation with claims or controversies of other persons, Arbitrable matters may include, but are not limited to, any controversy or claim between the Company and the Insured arising out of or relating to this policy, any service in connection with its issuance or the breach of a policy provision, or to any other controversy or claim arising out of the transaction giving rise to this policy. All arbitrable matters when the Amount of Insurance is \$2,000,000 or less shall be arbitrated at the option of either the Company or the Insured. All arbitrable matters when the Amount of Insurance is in excess of \$2,000,000 shall be arbitrated only when agreed to by both the Company and the Insured. Arbitration pursuant to this policy and under the Rules shall be binding upon the parties. Judgment upon the award rendered by the Arbitrator(s) may be entered in any court of competent jurisdiction.

## 15. LIABILITY LIMITED TO THIS POLICY; POLICY ENTIRE CONTRACT

- (a) This policy together with all endorsements, if any, attached to it by the Company is the entire policy and contract between the Insured and the Company. In interpreting any provision of this policy, this policy shall be construed as a whole.
- (b) Any claim or loss or damage that arises out of the status of the Title or by any action asserting such claim shall be restricted to this policy.
- (c) Any amendment of or endorsement to this policy must be in writing and authenticated by an authorized person, or expressly incorporated by Schedule A of this policy.
- (d) Each endorsement to this policy issued at any time is made a part of this policy and is subject to all of its terms and provisions. Except as the endorsement expressly states, it does not (i) modify any of the terms and provisions of the policy, (ii) modify any prior endorsement, (iii) extend the Date of Policy, or (iv) increase the Amount of Insurance.

## 16. SEVERABILITY

In the event any provision of this policy, in whole or in part, is held invalid or unenforceable under applicable law, the policy shall be deemed not to include that provision or such part held to be invalid, but all other provisions shall remain in full force and effect.

## 17. CHOICE OF LAW; FORUM

- (a) Choice of Law; The Insured acknowledges the Company has underwritten the risks covered by this policy and determined the premium charged therefor in reliance upon the law affecting interests in real property and applicable to the interpretation, rights, remedies, or enforcement of policies of title insurance of the jurisdiction where the Land is located.  
Therefore, the court or an arbitrator shall apply the law of the jurisdiction where the Land is located to determine the validity of claims against the Title that are adverse to the Insured and to interpret and enforce the terms of this policy. In neither case shall the court or arbitrator apply its conflicts of law principles to determine the applicable law.
- (b) Choice of Forum; Any litigation or other proceeding brought by the Insured against the Company must be filed only in a state or federal court within the United States of America or its territories having appropriate jurisdiction.

## 18. NOTICES, WHERE SENT

Any notice of claim and any other notice or statement in writing required to be given to the Company under this policy must be given to the Company at:  
1 First American Way, Santa Ana, CA 92707, Attn: Claims Department

**ANTI-FRAUD STATEMENT: Pursuant to CRS 10-1-128(6)(a), it is unlawful to knowingly provide false, incomplete, or misleading facts or information to an insurance company for the purpose of defrauding or attempting to defraud the company. Penalties may include imprisonment, fines, denial of insurance and civil damages. Any insurance company or agent of an insurance company who knowingly provides false, incomplete, or misleading facts or information to a policyholder or claimant for the purpose of defrauding or attempting to defraud the policyholder or claimant with regard to a settlement or award payable from insurance proceeds shall be reported to the Colorado division of insurance within the department of regulatory agencies.  
This anti-fraud statement is affixed and made a part of this policy.**

This jacket was created electronically and constitutes on original document

Form AO/FA

**Land Title Guarantee Company  
Representing First American Title Insurance Company**

**Our Order No. SC87007356**

**Schedule A**

**Property Address: 46.16 ACRES VACANT LAND**

**1. Policy Date: March 31, 2014 at 5:00 P.M.**

**2. Name of Insured:**

**CYPRESS FOOTHILLS, LP, A TEXAS LIMITED PARTNERSHIP**

**3. The estate or interest in the Land described or referred to in this Schedule and which is covered by this policy is:**

**A Fee Simple**

**4. Title to the estate or interest covered by this policy at the date hereof is vested in:**

**CYPRESS FOOTHILLS, LP, A TEXAS LIMITED PARTNERSHIP**

**5. The land referred to in this policy is described as follows:**

**SEE ATTACHED "EXHIBIT A" FOR LEGAL DESCRIPTION**

**This Policy valid only if Schedule B is attached.**

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**EXHIBIT "A" LEGAL DESCRIPTION**

A PARCEL OF LAND KNOWN AS TRACT Q OF BOOK 516 PAGE 474, PARCEL 13 OF BOOK 552 PAGE 63, PARCEL 1 OF WARRANTY DEED RECORDED AT RECEPTION NO. 570819, PARCEL 1 OF QUITCLAIM DEED RECORDED AT RECEPTION NO. 570822, PARCEL 1 OF THE CORRECTION WARRANTY DEED RECORDED AT RECEPTION NO. 584439, PARCEL 1 OF THE SPECIAL WARRANTY DEED RECORDED AT RECEPTION NO. 612899, AND THE CORRECTION DEED RECORDED AT RECEPTION NO. 618498 ALL LOCATED IN THE SW 1/4 OF SECTION 35, TOWNSHIP 13 SOUTH, RANGE 86 W OF THE SIXTH PM, GUNNISON COUNTY, COLORADO BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS:

BEGINNING AT A POINT ON THE WESTERLY BOUNDARY OF TRAMPE PARCEL DESCRIBED IN BOOK 516 PAGE 494 ALSO BEING ON THE EASTERLY RIGHT OF WAY LINE OF COUNTY ROAD 317 (GOTHIC ROAD) AS RECORDED AT RECEPTION NO. 00119 AND BEING ON THE SOUTH LINE OF THE SW1/4 OF SAID SECTION 35 FROM WHICH THE SOUTHWEST CORNER OF SAID SECTION 35 BEARS N89 DEGREES 43 MINUTES 49 SECONDS W A DISTANCE OF 130.05 FEET; THENCE S89 DEGREES 43 MINUTES 49 SECONDS E A DISTANCE OF 17.52 FEET TO A POINT ON THE WESTERLY LINE OF THE DYER SUBDIVISION AS RECORDED AT RECEPTION NO. 497990; THENCE ALONG THE WESTERLY, NORTHERLY AND EASTERLY LINES OF SAID DYER SUBDIVISION THE FOLLOWING ELEVEN(11) COURSES: 1) N00 DEGREES 01 MINUTES 42 SECONDS W A DISTANCE OF 15.19 FEET, 2) N89 DEGREES 58 MINUTES 18 SECONDS E A DISTANCE OF 495.36 FEET, 3) N00 DEGREES 01 MINUTES 42 SECONDS W A DISTANCE OF 226.55 FEET, 4) N61 DEGREES 00 MINUTES 00 SECONDS E A DISTANCE OF 620.66 FEET, 5) S79 DEGREES 30 MINUTES 09 SECONDS E A DISTANCE OF 381.57 FEET, 6) N61 DEGREES 00 MINUTES 00 SECONDS E APPROXIMATELY 31.96 FEET TO THE HIGH WATER LINE OF THE SLATE RIVER; THENCE ALONG THE HIGH WATER LINE OF THE SLATE RIVER APPROXIMATELY 7) S44 DEGREES 00 MINUTES 17 SECONDS E A DISTANCE OF 2.43 FEET, 8) S61 DEGREES 14 MINUTES 28 SECONDS E A DISTANCE OF 180.87 FEET, 9) S45 DEGREES 20 MINUTES 59 SECONDS E A DISTANCE OF 257.67 FEET, 10) S39 DEGREES 16 MINUTES 06 SECONDS E A DISTANCE OF 215.58 FEET, 11) S50 DEGREES 53 MINUTES 25 SECONDS E A DISTANCE OF 97.51 FEET TO THE SOUTHERLY LINE OF THE SW1/4 OF SAID SECTION 35; THENCE ALONG SAID SOUTHERLY LINE S89 DEGREES 43 MINUTES 49 SECONDS E, APPROXIMATELY 506.01 FEET TO THE S1/4 CORNER OF SAID SECTION 35, SAID CORNER BEING A 3 1/4" ALUMINUM CAP; THENCE ALONG AN EXISTING FENCE LINE AS IT EXISTS IN THE FIELD AND AS SHOWN AND DESCRIBED IN A BOUNDARY AGREEMENT RECORDED IN BOOK 769 AT PAGE 881 THE FOLLOWING THREE (3) COURSES: 1) N00 DEGREES 11 MINUTES 53 SECONDS E A DISTANCE OF 271.72 FEET, 2) N00 DEGREES 50 MINUTES 11 SECONDS W A DISTANCE OF 932.90 FEET, 3) N01 DEGREES 19 MINUTES 37 SECONDS W A DISTANCE OF 346.89 FEET TO A POINT ON THE NORTHERLY LINE OF THE TRAMPE PARTITION PARCEL 13 AND THE SOUTHERLY LINE OF SPANN PARCEL 23 AS DESCRIBED IN COURT DECREE AMENDED ORDER OF PARTITION AS RECORDED IN BOOK 552 AT PAGE 63; THENCE ALONG THE NORTHERLY LINE OF SAID PARCEL 13 N90 DEGREES 00 MINUTES 00 SECONDS W A DISTANCE OF 570.01 FEET TO A POINT ON THE EASTERLY LINE OF THE TOWN OF CRESTED BUTTE CEMETERY AS DESCRIBED IN EXHIBIT A(5) IN COURT DECREE OF PARTITION AS RECORDED IN BOOK 516 AT PAGE 474; THENCE ALONG THE EASTERLY LINE OF SAID CEMETERY PARCEL S01 DEGREES 20 MINUTES 33 SECONDS W A DISTANCE OF 220.37 FEET TO THE NORTHERLY CORNER OF A PARCEL OF LAND DESCRIBED IN BOOK 518 AT PAGE 403; THENCE ALONG THE NORTHWESTERLY LINE OF SAID PARCEL S29 DEGREES 46 MINUTES 00 SECONDS W A DISTANCE OF 470.46 FEET TO A POINT ON THE NORTHERLY LINE OF SAID TRAMPE PARTITION PARCEL 13, SAID POINT ALSO BEING ON THE SOUTHERLY LINE OF SAID CEMETERY PARCEL; THENCE ALONG SAID NORTHERLY LINE OF SAID PARCEL 13 N90 DEGREES 00 MINUTES 00 SECONDS W A DISTANCE OF 1116.19 FEET TO A POINT ON THE

**EXHIBIT "A" LEGAL DESCRIPTION**

EASTERLY RIGHT OF WAY LINE OF COUNTY ROAD 317 (GOTHIC ROAD); THENCE ALONG SAID EASTERLY RIGHT OF WAY LINE AS DESCRIBED IN DEEDS RECORDED AT RECEPTION NO.474960 AND 474961 THE FOLLOWING FIVE (5) COURSES: 1) S46 DEGREES 12 MINUTES 21 SECONDS W A DISTANCE OF 116.48 FEET, 2) S35 DEGREES 50 MINUTES 27 SECONDS W A DISTANCE OF 185.49 FEET, 3) S35 DEGREES 50 MINUTES 28 SECONDS W A DISTANCE OF 88.19 FEET, 4) S40 DEGREES 05 MINUTES 13 SECONDS W A DISTANCE OF 207.37 FEET, 5) S39 DEGREES 55 MINUTES 42 SECONDS W A DISTANCE OF 238.91 FEET; THENCE CONTINUING ALONG THE EASTERLY LINE OF SAID RIGHT OF WAY AND WESTERLY LINE OF SAID TRAMPE PARTITION PARCEL 13, 155.77 FEET ALONG THE ARC OF A NON-TANGENT CURVE TO THE LEFT HAVING A RADIUS OF 441.28 FEET, A CENTRAL ANGLE OF 20 DEGREES 13 MINUTES 30 SECONDS AND A LONG CHORD WHICH BEARS S16 DEGREES 19 MINUTES 42 SECONDS W A DISTANCE OF 154.96 FEET TO A POINT WHICH IS COMMON TO THE SOUTHWEST CORNER OF A PARCEL OF LAND DESCRIBED IN BOOK 518 AT PAGE 403; THENCE S00 DEGREES 00 MINUTES 04 SECONDS W CONTINUING ALONG THE EASTERLY RIGHT OF WAY OF SAID COUNTY ROAD 317 AS RECORDED AT RECEPTION NO.00119 AND IN ACCORDANCE WITH COURT DECREE (JUDGMENT) RECORDED IN BOOK 516 AT PAGE 494, A DISTANCE OF 117.72 FEET TO THE POINT OF BEGINNING.

Form AO/FA

Our Order No. SC87007356

**Schedule B**

This policy does not insure against loss or damage (and the Company will not pay costs, attorneys' fees or expenses) which arise by reason of:

**General Exceptions:**

This policy does not insure against loss or damage by reason of the following:

1. Any facts, rights, interests, or claims thereof, not shown by the Public Records but that could be ascertained by an inspection of the Land of that may asserted by persons in possession of the Land.
2. Easements, liens or encumbrances, or claims thereof, not shown by the Public Records.
3. Any encroachment, encumbrance, violation, variation, or adverse circumstance affecting the Title that would be disclosed by an accurate and complete land survey of the Land and not shown by the Public Records.
4. Any lien, or right to a lien, for services, labor, or material heretofore or hereafter furnished, imposed by law and not shown by the Public Records.
5. (a) Unpatented mining claims; (b) reservations or exceptions in patents or in Acts authorizing the issuance thereof; (c) water rights, claims or title to water, whether or not the matters excepted under (a), (b), or (c) are shown by the Public Records.
6. TAXES AND ASSESSMENTS FOR THE YEAR 2014, NOT YET DUE OR PAYABLE.
7. RIGHT OF THE PROPRIETOR OF A VEIN OR LODGE TO EXTRACT AND REMOVE HIS ORE THEREFROM, SHOULD THE SAME BE FOUND TO PENETRATE OR INTERSECT THE PREMISES HEREBY GRANTED, AND A RIGHT OF WAY FOR DITCHES OR CANALS CONSTRUCTED BY THE AUTHORITY OF THE UNITED STATES, AS RESERVED IN UNITED STATES PATENTS RECORDED NOVEMBER 30, 1885 IN BOOK 45 AT PAGE 305 AND APRIL 15, 1886 IN BOOK 45 AT PAGE 314, AS NOTED ON ALTA/ACSM SURVEY (JOB NO. 2012-208.002) PREPARED BY STEPHEN L. EHLERS, PLS NO. 20133 FOR CYPRESS ACQUISITIONS, LLC OR ITS ASSIGNEE, HSUMY INC., LAND TITLE GUARANTEE COMPANY AND FIRST AMERICAN TITLE INSURANCE COMPANY, DATED JANUARY 17, 2014, LAST REVISED JANUARY 17, 2014.
8. ANY RIGHT, TITLE AND INTEREST OF THE UNITED STATES, STATE OF COLORADO OR GENERAL PUBLIC IN THE WATER OF THE SLATE RIVER TRAVERSING A PORTION OF THE SUBJECT PROPERTY, AS NOTED ON ALTA/ACSM SURVEY (JOB NO. 2012-208.002) PREPARED BY STEPHEN L. EHLERS, PLS NO. 20133 FOR CYPRESS ACQUISITIONS, LLC OR ITS ASSIGNEE, HSUMY INC., LAND TITLE GUARANTEE COMPANY AND FIRST AMERICAN TITLE INSURANCE COMPANY, DATED JANUARY 17, 2014, LAST REVISED JANUARY 17, 2014.
9. TERMS, CONDITIONS, RESERVATIONS AND AGREEMENTS REGARDING THE RIGHT OF THE PARTIES TO CONSTRUCT DITCHES REASONABLE NECESSARY TO CONVEY WATER AS

Form AO/FA

Our Order No. SC87007356

## Schedule B

CONTAINED IN THE FINAL PARTITION OF PROPERTY RECORDED JUNE 28, 1978 IN BOOK 516 AT PAGE 474, AS NOTED ON ALTA/ACSM SURVEY (JOB NO. 2012-208.002) PREPARED BY STEPHEN L. EHLERS, PLS NO. 20133 FOR CYPRESS ACQUISITIONS, LLC OR ITS ASSIGNEE, HSUMY INC., LAND TITLE GUARANTEE COMPANY AND FIRST AMERICAN TITLE INSURANCE COMPANY, DATED JANUARY 17, 2014, LAST REVISED JANUARY 17, 2014.

10. THE EFFECT OF INCLUSION OF SUBJECT PROPERTY IN THE CRESTED BUTTE FIRE PROTECTION DISTRICT, AS EVIDENCED BY INSTRUMENTS RECORDED JANUARY 13, 1995, IN BOOK 758 AT PAGE 689 AND RECORDED JANUARY 13, 1995 IN BOOK 758 AT PAGE 694, AS NOTED ON ALTA/ACSM SURVEY (JOB NO. 2012-208.002) PREPARED BY STEPHEN L. EHLERS, PLS NO. 20133 FOR CYPRESS ACQUISITIONS, LLC OR ITS ASSIGNEE, HSUMY INC., LAND TITLE GUARANTEE COMPANY AND FIRST AMERICAN TITLE INSURANCE COMPANY, DATED JANUARY 17, 2014, LAST REVISED JANUARY 17, 2014.
11. RIGHT OF WAY EASEMENT, 20 FEET IN WIDTH, AS GRANTED TO ATMOS ENERGY IN INSTRUMENT RECORDED AUGUST 29, 2005 UNDER RECEPTION NO. 557487, AS SHOWN ON ALTA/ACSM SURVEY (JOB NO. 2012-208.002) PREPARED BY STEPHEN L. EHLERS, PLS NO. 20133 FOR CYPRESS ACQUISITIONS, LLC OR ITS ASSIGNEE, HSUMY INC., LAND TITLE GUARANTEE COMPANY AND FIRST AMERICAN TITLE INSURANCE COMPANY, DATED JANUARY 17, 2014, LAST REVISED JANUARY 17, 2014.
12. TERMS, CONDITIONS, RESTRICTIONS AND AGREEMENTS AS CONTAINED IN ROAD RESTRICTION AGREEMENT RECORDED JULY 12, 2006 UNDER RECEPTION NO. 566803, AS NOTED ON ALTA/ACSM SURVEY (JOB NO. 2012-208.002) PREPARED BY STEPHEN L. EHLERS, PLS NO. 20133 FOR CYPRESS ACQUISITIONS, LLC OR ITS ASSIGNEE, HSUMY INC., LAND TITLE GUARANTEE COMPANY AND FIRST AMERICAN TITLE INSURANCE COMPANY, DATED JANUARY 17, 2014, LAST REVISED JANUARY 17, 2014.
13. RIGHT OF WAY EASEMENT AS GRANTED TO GUNNISON COUNTY ELECTRIC ASSOCIATION, INC. IN INSTRUMENT RECORDED APRIL 26, 2007, UNDER RECEPTION NO. 574656, AS SHOWN ON ALTA/ACSM SURVEY (JOB NO. 2012-208.002) PREPARED BY STEPHEN L. EHLERS, PLS NO. 20133 FOR CYPRESS ACQUISITIONS, LLC OR ITS ASSIGNEE, HSUMY INC., LAND TITLE GUARANTEE COMPANY AND FIRST AMERICAN TITLE INSURANCE COMPANY, DATED JANUARY 17, 2014, LAST REVISED JANUARY 17, 2014.
14. RIGHT OF WAY EASEMENT AS GRANTED TO BOARD OF COUNTY COMMISSIONERS OF THE COUNTY OF GUNNISON, COLORADO IN INSTRUMENT RECORDED APRIL 26, 2007, UNDER RECEPTION NO. 574657, AS SHOWN ON ALTA/ACSM SURVEY (JOB NO. 2012-208.002) PREPARED BY STEPHEN L. EHLERS, PLS NO. 20133 FOR CYPRESS ACQUISITIONS, LLC OR ITS ASSIGNEE, HSUMY INC., LAND TITLE GUARANTEE COMPANY AND FIRST AMERICAN TITLE INSURANCE COMPANY, DATED JANUARY 17, 2014, LAST REVISED

Form AO/FA

Our Order No. SC87007356

Schedule B

JANUARY 17, 2014.

NOTE: ITEMS 1-3 AND 5(B) OF THE STANDARD EXCEPTIONS ARE HEREBY DELETED.

ITEM NO. 4 OF THE STANDARD EXCEPTIONS IS DELETED AS TO ANY LIENS RESULTING FROM WORK OR MATERIAL CONTRACTED FOR OR FURNISHED AT THE REQUEST OF HSUMY, INC..

OLD REPUBLIC NATIONAL TITLE INSURANCE COMPANY SHALL HAVE NO LIABILITY FOR ANY LIENS ARISING FROM WORK OR MATERIAL FURNISHED AT THE REQUEST OF CYPRESS FOOTHILLS, LP, A TEXAS LIMITED PARTNERSHIP.

# LAND TITLE GUARANTEE COMPANY

ENDORSEMENT ALTA 25 - 06

Case **SC87007356**  
Policy **TAAH87007356**  
Loan #

*The Company insures against loss or damage sustained by the Insured by reason of the failure of the Land as described in Schedule A to be the same as that identified on the survey made by* **STEPHEN L. EHLERS**

*dated* **JANUARY 17, 2014**

*and designated Job No.* **2012-208.002**

*This endorsement is issued as part of the Policy. Except as it expressly states, it does not (i) modify any of the terms and provisions of the Policy, (ii) modify any prior endorsements, (iii) extend the Date of Policy, or (iv) increase the Amount of Insurance. To the extent a provision of the Policy or a previous endorsement is inconsistent with an express provision of this endorsement, this endorsement controls. Otherwise, this endorsement is subject to all of the terms and provisions of the Policy and of any prior endorsements.*

Representing First American Title Insurance Company



# Land Title Guarantee Company

Case **SC87007356**  
Policy **TAAH87007356**  
Loan #

**ENDORSEMENT ALTA 18 - 06**  
**TAX PARCEL - 06**

*The Company insures against loss or damage sustained by the Insured by reason of the Land being taxed as part of a larger parcel of land or failing to constitute a separate tax parcel for real estate taxes.*

*This endorsement is issued as part of the Policy. Except as it expressly states, it does not (i) modify any of the terms and provisions of the Policy, (ii) modify any prior endorsements, (iii) extend the Date of Policy, or (iv) increase the Amount of Insurance. To the extent a provision of the Policy or a previous endorsement is inconsistent with an express provision of this endorsement, this endorsement controls. Otherwise, this endorsement is subject to all of the terms and provisions of the Policy and of any prior endorsements.*

Representing First American Title Insurance Company



**ENDORSEMENT ALTA 9.1 - 06**  
**Revised 04-02-12**

Case **SC87007356**  
Policy **TAAH87007356**  
Loan #

1. *The insurance provided by this endorsement is subject to the exclusions in Section 4 of this endorsement; and the Exclusions from Coverage, the Exceptions from Coverage contained in Schedule B, and the Conditions in the policy.*
2. *For the purposes of this endorsement only, "Covenant" means a covenant, condition, limitation or restriction in a document or instrument in effect at Date of Policy.*
3. *The Company insures against loss or damage sustained by the Insured by reason of:*
  - a. *A violation on the Land at Date of Policy of an enforceable Covenant, unless an exception in Schedule B of the policy identifies the violation; or*
  - b. *A notice of a violation, recorded in the Public Records at Date of Policy, of an enforceable Covenant relating to environmental protection describing any part of the Land and referring to that Covenant, but only to the extent of the violation of the Covenant referred to in that notice, unless an exception in Schedule B of the policy identifies the notice of the violation.*
4. *This endorsement does not insure against loss or damage (and the Company will not pay costs, attorneys' fees, or expenses) resulting from:*
  - a. *any Covenant contained in an instrument creating a lease;*
  - b. *any Covenant relating to obligations of any type to perform maintenance, repair, or remediation on the Land; or*
  - c. *except as provided in Section 3.b. any Covenant relating to environmental protection of any kind or nature, including hazardous or toxic matters, conditions, or substances.*

*This endorsement is issued as part of the Policy. Except as it expressly states, it does not (i) modify any of the terms and provisions of the Policy, (ii) modify any prior endorsements, (iii) extend the Date of Policy, or (iv) increase the Amount of Insurance. To the extent a provision of the Policy or a previous endorsement is inconsistent with an express provision of this endorsement, this endorsement controls. Otherwise, this endorsement is subject to all of the terms and provisions of the Policy and of any prior endorsements.*

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# Land Title Guarantee Company

## ENDORSEMENT ARBITRATION DELETION - 06

Case **SC87007356**  
Policy **TAAH87007356**  
Loan #

*Condition 14 of the Policy, entitled Arbitration, is hereby modified so as to remove the Company's right to demand arbitration.*

*This endorsement is issued as part of the Policy. Except as it expressly states, it does not (i) modify any of the terms and provisions of the Policy, (ii) modify any prior endorsements, (iii) extend the Date of Policy, or (iv) increase the Amount of Insurance. To the extent a provision of the Policy or a previous endorsement is inconsistent with an express provision of this endorsement, this endorsement controls. Otherwise, this endorsement is subject to all of the terms and provisions of the Policy and of any prior endorsements.*

Representing First American Title Insurance Company

## **Introduction**

Cypress Foothills, LP (“Cypress” or the “Applicant”) respectfully submits this supplemental narrative in order to summarize revisions made to Cypress’s application as a result of the extremely helpful feedback the Town Council provided at its December 15, 2014 meeting. Cypress thought this supplemental narrative might be helpful to the Town Council in anticipation of the January 5, 2014 meeting regarding Cypress’s Concept Review Application.

This narrative generally follows the order of discussion at the December 15, 2014 meeting and thus addresses the following topics:

1. The Landfill and the Public Works Facility
2. Land Use
3. Affordable Housing
4. The Natural Layout, Roadways, and Transportation
5. Water and Sewer

## **The Landfill and the Public Works Facility**

At the December 15, 2014 meeting, the Town Council indicated that it was (a) open to Applicant’s use of public land as part of this potential annexation and (b) open to Applicant taking responsibility for the clean-up of the landfill located both on Applicant’s land and the Town land. Applicant respectfully submits that Applicant’s use of Town property and clean-up of the dump are topics that are appropriate for inclusion in a Pre-Annexation Agreement between Applicant and the Town.

The Town Council did express concern about the potential impact of this annexation on the existing Public Works facility and expressed a desire to have a third party consultant complete a Facilities Management Plan for the Public Works yard, which assessment would include an evaluation of whether it may be appropriate to relocate some elements of the Public Works area. Applicant respectfully submits that the completion of such a plan is another topic that would be appropriate for consideration in a Pre-Annexation Agreement between Applicant and the Town.

Applicant certainly acknowledges that it will be Applicant’s responsibility to ensure that its project does not adversely impact the effectiveness or efficiency of the Town’s public works facilities.

**Land Use**

**Density**

The Town Council indicated that at least at the concept stage, it was comfortable with the density being proposed by Applicant. Members of the Town Council also suggested that an increase in density may be considered if necessary to accommodate affordable housing, especially if such housing were developer built.

**Commercial Space**

At the December 15, 2014 meeting, the Town Council engaged in a great deal of discussion about the appropriateness of proposed commercial space along Gothic Road. Multiple councilmen indicated that they did not want commercial development to “creep” north towards the Town of Mt. Crested Butte. Applicant understood at the conclusion of the meeting that this issue remained unresolved, and therefore has not modified the proposed commercial space on the exhibits to this supplemental narrative. However, Applicant is certainly willing to do so, and respectfully suggests that one potential compromise to address the various positions of the Town Council members would be to eliminate the Northernmost proposed commercial block and convert it to residential, while allowing some commercial development at the Southwest corner of the proposed development, mixed with business and professional office space as well as some residential units on upstairs floors.

**Parks and Trails**

With respect to the park being proposed in the Northeast corner of the development, there was a discussion about whether a trail should connect this park to the Rec Path at its Northeast corner or its Southeast corner. There was general consensus that the best connection point would depend on the ultimate uses made of this park space. On the revised concept land use maps submitted with this Supplemental Narrative as **exhibits 1, 2, 3 and 4**, Applicant has shown this trail connection at the Northeast corner for purposes of comparison, but recognizes that it can certainly be moved to the Southeast corner if so desired by Town Council.

With respect to the park proposed within the project to the West of the Slate River, feedback from the Town Council suggested that this park should be irrigated. The Town Council also instructed Applicant to eliminate the alley shown behind Poverty Gulch to increase the size of this park. This change also is reflected on the exhibits to this supplemental narrative.

The Council also expressed access to the cemetery as a consideration Applicant should take into account if and when the project moves forward. Accordingly, the revised concept plans attached hereto show a trail extension to the North boundary of the proposed annexation parcel at the Southern boundary of the cemetery. Applicant also has included a trail extension to the North boundary of the property along the river to account for the potential development of the private

property immediately to the North. It is anticipated that trails within the proposed development would be surfaced similarly to existing trails within the Town and that dogs would be allowed on these trails subject to the Town's existing regulations.

### **Affordable Housing**

As referenced above, the Town Council expressed openness to the idea of developer-built affordable housing as partial satisfaction of Applicant's affordable housing requirements. The Council also suggested that a developer-built affordable housing project may potentially warrant an increase in proposed density. The Town Council further expressed openness to a clustered affordable housing development such as a multi-family rental project. The Council also expressed a general preference for inclusionary zoning, whereby affordable housing units are mixed throughout the proposed development project. Finally, the Town Council suggested that it would likely be flexible with respect to apportionment between "capped" and "non-capped" affordable housing requirements.

### **School Land**

Given the small size of the required dedication, the Town Council expressed an openness to the possibility of Applicant satisfying its school land requirement with a payment-in-lieu or affordable housing, though one Council member did raise the possibility of a day care facility as an alternative idea.

### **The Natural Layout, Roadways, and Transportation**

A majority of the Town Council members expressed a preference for a more natural layout. Accordingly, exhibits 1 and 2 show a slightly revised natural plan layout. However, Applicant certainly registered the concerns of Council members and Town staff who favored a more grid-like approach, and consequently, Applicant has included as exhibits 3 and 4 to this supplement a revised grid plan so that Council can compare and contrast these two approaches and view the other revisions within the context of each. If Applicant's concept annexation application is approved, Applicant looks forward to working with the Council and staff on adding detail to whichever of these two approaches the Council ultimately selects. Applicant believes that the sketch plan process will be able to address successfully many of the ideas, thoughts, concerns, and comments expressed about either layout.

The Town Council also requested that an easement for the potential extension of Eighth Street be extended to the Northern boundary of the proposed annexation parcel to account for the potential development of the land North of Applicant's and immediately West of the cemetery.

The Town Council discussed the stretch of Gothic Road adjacent to the proposed development, and recognized that specific plans for improvements to this road segment would be developed later in the annexation process (if the concept plan is approved) in conjunction with Gunnison County, which will continue to own Gothic Road. However, the Town Council generally expressed a preference for lights, sidewalks, curbs, and gutters along Gothic Road adjacent to the proposed development.

**Water**

The Town Council expressed, at this concept stage, openness to allowing Applicant to contribute to the Town's water supply infrastructure in the way that makes the most sense and is of the most value to the Town. By way of example only, facilitating infrastructure improvements that allow park land to be irrigated with raw water thus freeing up treatment capacity may be a more beneficial contribution than providing superfluous water rights. However, all parties recognized that additional information and detail would be required to properly evaluate any such proposal and that such additional information and detail would be developed later in the annexation process if the Concept Annexation Application is approved.

**Sewer**

Applicant and the Town Council discussed the possibility that the Town's processing of this annexation request may potentially cause the Colorado Department of Public Health and Environment ("CDPHE") to require that the Town commence engineering of an expansion to its waste water treatment plant. The Town does not have funds available for such engineering work in 2015. Applicant certainly does not want to put the Town in a position where it is required to commence this engineering work, but cannot pay for it. Accordingly, Applicant ensured the Town Council that in the event CDPHE requires the Town of Crested Butte to commence engineering work necessary to support an expansion of the Town's waste water treatment plant in 2015, Applicant will provide a means to fund any such required engineering work. Applicant respectfully submits that this is yet another subject matter that may be appropriate for inclusion within a Pre-Annexation Agreement between Applicant and the Town.

**Pre-Annexation Agreement**

As set forth above, and based on discussions with the Town Council and staff, Applicant respectfully submits that it may be appropriate for the Applicant and the Town to enter into a Pre-Annexation Agreement addressing the following four issues:

1. Use of Town property;
2. The clean-up of the old Town landfill;
3. A facilities plan for the Public Works yard; and
4. Interim engineering costs associated with the potential expansion of the Town's Wastewater Treatment Plant

Cypress believes that the Pre-Annexation Agreement should serve to set the parties' expectations and address the procedure and timing for dealing with each of these issues.

**Conclusion**

At the January 5, 2014 Town Council Meeting, Cypress looks forward to continuing a positive dialogue with the Town Council, confirming that the revisions set forth above meet with the Council's approval, resolving those few issues that remain outstanding at this concept stage, and discussing the topics to be addressed in a Pre-Annexation Agreement between Applicant and the Town.

Cypress is hopeful that it has adequately addressed each of the concerns raised by the Town Council at the December 15, 2014 meeting. If not, then Cypress looks forward to taking the steps necessary to address the Council's remaining concerns.

Cypress's desire at this upcoming meeting is to obtain the Town's approval of its concept annexation application, commence the negotiation and execution of a Pre-Annexation Agreement, and ultimately, once any and all conditions to any resolution of approval have been met, receive permission to submit its formal annexation petition pursuant to Section 15-1-60 of the Town Code.

Logistically, once the Town Council is satisfied that all of its concerns have been addressed, Cypress respectfully submits that the following steps would be appropriate:

1. Cypress makes any final revisions to the Concept Annexation Application arising from the January 5, 2015 meeting;
2. Concurrently, the Town Council directs staff to prepare a resolution approving the revised Concept Annexation Application, subject to whatever terms and conditions the Town Council deems appropriate, including the requirement that Cypress enter into a Pre-Annexation Agreement with the Town prior to the submission of its formal annexation petition pursuant to Section 15-1-60 of the Town Code.

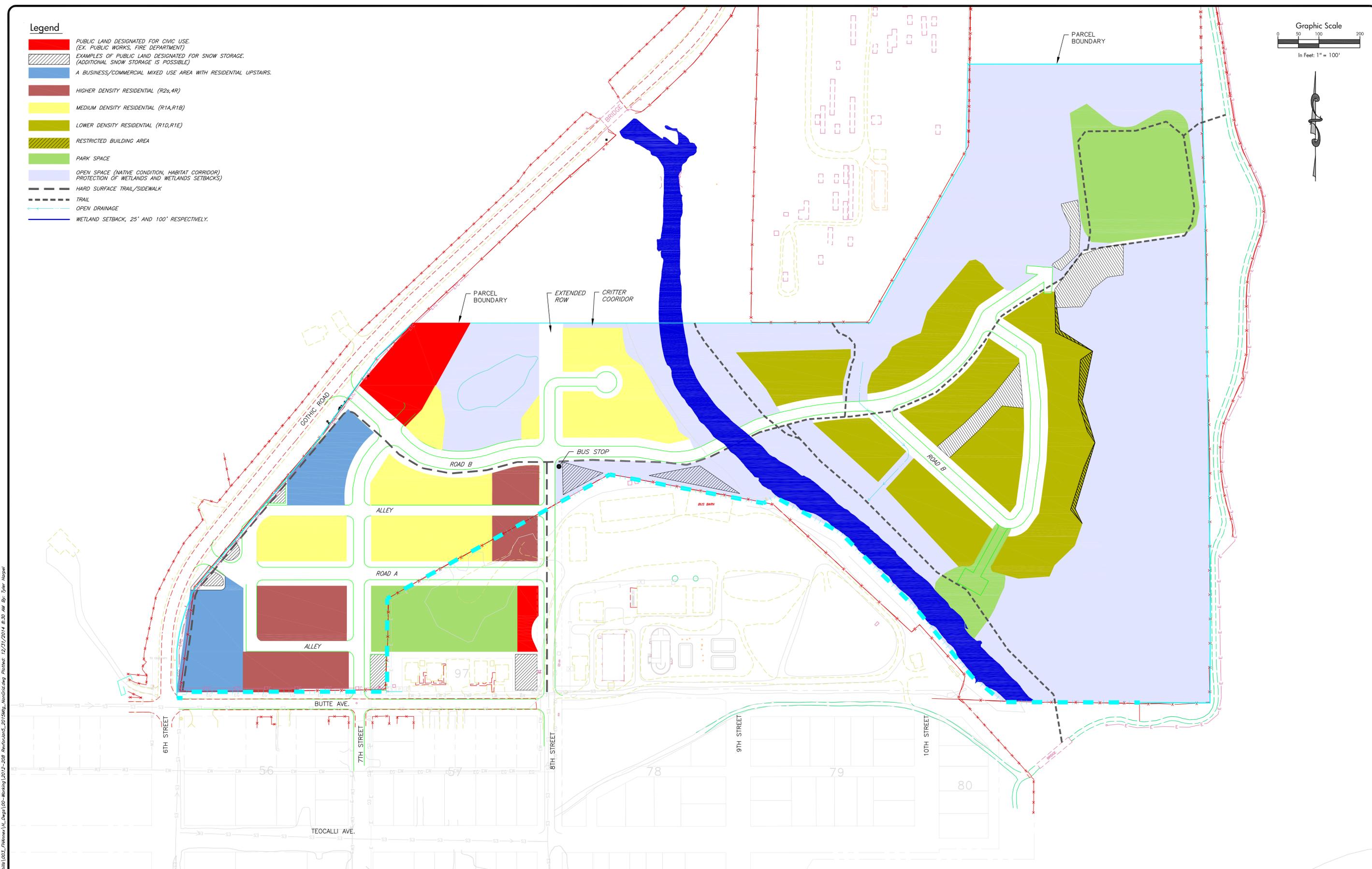
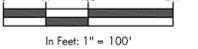
Importantly, if the Pre-Annexation Agreement is negotiated and executed as a condition precedent to submission of the formal annexation petition, then it, like the Concept Annexation Review, would be legislative in nature, allowing the Town Council greater flexibility to communicate with its constituents during this period of time.

Cypress is excited about the prospect of moving forward with the annexation process and hopes the Town is too. Cypress acknowledges and appreciates the already significant time and energy the Town Council and its staff have spent on this project to date. Cypress also sincerely appreciates the professionalism with which the Town Council and its staff have approached this project. The Town's feedback has already improved the quality of this project, and if Cypress is fortunate enough to obtain the Town's approval of its Concept Annexation Application, Cypress is quite sure that the Town's future input throughout the annexation process will continue to help make the Slate River Addition a project that the Town, its residents, and Cypress can be proud of.

**Legend**

- PUBLIC LAND DESIGNATED FOR CIVIC USE.  
(EX. PUBLIC WORKS, FIRE DEPARTMENT)
- EXAMPLES OF PUBLIC LAND DESIGNATED FOR SNOW STORAGE.  
(ADDITIONAL SNOW STORAGE IS POSSIBLE)
- A BUSINESS/COMMERCIAL MIXED USE AREA WITH RESIDENTIAL UPSTAIRS.
- HIGHER DENSITY RESIDENTIAL (R2S,4R)
- MEDIUM DENSITY RESIDENTIAL (R1A,R1B)
- LOWER DENSITY RESIDENTIAL (R1D,R1E)
- RESTRICTED BUILDING AREA
- PARK SPACE
- OPEN SPACE (NATIVE CONDITION, HABITAT CORRIDOR)  
PROTECTION OF WETLANDS AND WETLANDS SETBACKS)
- HARD SURFACE TRAIL/SIDEWALK
- TRAIL
- OPEN DRAINAGE
- WETLAND SETBACK, 25' AND 100' RESPECTIVELY.

Graphic Scale



A:\2012\2012-208\_Foothills\003\_Foothills\003\_Foothills\003\_Working\2012-208\_RevForAnn5\_2015Mg\_NonGrid.dwg Plotfile: 12/31/2014 8:39 AM By: Tyler Hoppel

Preliminary  
Not For  
Construction

**SGM**  
 103 W. Tomichi Ave., Suite A  
 Gunnison, CO 81230  
 970.641.5355 www.sgm-inc.com

Slate River Addition  
Cypress Foothills LP

#	Revision	Date	By
1			

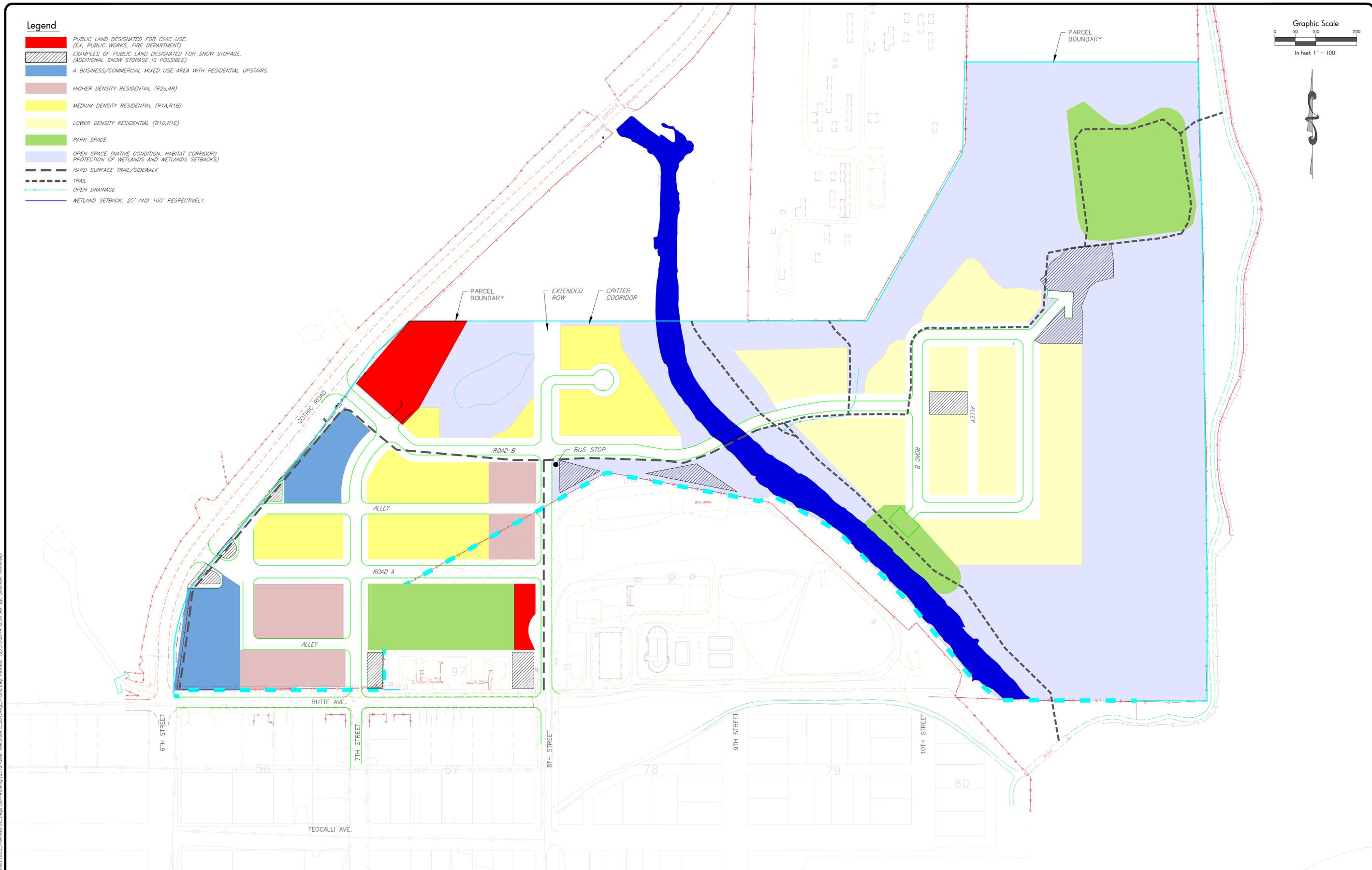
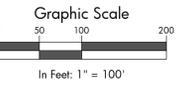
Concept Annexation  
Revised January 5th, 2015

Job No.	2012-208.003	1 of 4
Drawn by:	SK	
Date:	12/30/2014	
QC:	PE: TJH	
File: P012-208 RevForAnn5_2015Mg_NonGrid		



**Legend**

- PUBLIC LAND DESIGNATED FOR CIVIC USE.  
(EX. PUBLIC WORKS, FIRE DEPARTMENT)
- EXAMPLES OF PUBLIC LAND DESIGNATED FOR SNOW STORAGE.  
(ADDITIONAL SNOW STORAGE IS POSSIBLE)
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- PARK SPACE
- OPEN SPACE (NATIVE CONDITION, HABITAT CORRIDOR)  
PROTECTION OF WETLANDS AND WETLANDS SETBACKS)
- HARD SURFACE TRAIL/SIDEWALK
- TRAIL
- OPEN DRAINAGE
- WETLAND SETBACK, 25' AND 100' RESPECTIVELY.



I:\2012\2012-208\_Foothills\002\_Altman\1\_Drags\10-Working\2012-208\_RevforJan5\_2015Mg\_Preview\_Plot.dwg Plot: 12/31/2014 8:56 AM By: Shannon Kaminsky

Preliminary  
Not For  
Construction

**SGM**  
103 W. Tomichi Ave., Suite A  
Gunnison, CO 81230  
970.641.5355 www.sgm-inc.com

Slate River Addition  
Cypress Foothills LP

#	Revision	Date	By
1			

Concept Annexation  
Revised January 5th, 2015

Job No.	2012-208.003
Drawn by:	SK
Date:	12/30/2014
QC:	PE: TJH
File:	2012-208 RevforJan5_2015Mg_PGrid

3  
4



## Michael Yerman

---

**From:** Carlos Velado <CarlosV@mtcrestedbutte-co.gov>  
**Sent:** Thursday, December 18, 2014 2:33 PM  
**To:** Michael Yerman  
**Subject:** Slate River Annexation

Mike,  
On behalf of the Town of Mt Crested Butte, I would like to say thank you for giving us the opportunity to review and comment on the Slate River Annexation application. After reviewing the Slate River Addition Concept Annexation Application, dated the October 10, 2014, the Town of Mt Crested Butte has the following comments:

- 1) We support the non-grid conceptual plan submitted in the application as we feel it is the more practical method of development for the land due to the geographical challenges of the site.
- 2) We support the proposal for a new fire station to be located at the Slate River Site. As you know, our Fire District serves the entire north end of the valley and we feel that the location of a fire station on Gothic Rd (Gunnison County Rd 317) would allow the fire district to more readily serve the north end of the valley.
- 3) We support the extension of the recreation path from 8<sup>th</sup> St. It would be our hope that this recreation path would tie into the existing path and match the existing path in regards to materials (i.e. concrete). We recommend contacting the Moon Ridge Association as they will need to grant permission for the Recreation Path tie-in at their property.

Again, thank you for the opportunity to comment on the application and please keep us informed on the application process and its consideration by the Town of Crested Butte.

Sincerely,

Carlos L. Velado  
Community Development Director  
Town of Mt Crested Butte, Colorado  
PO Box 5800  
911 Gothic Rd  
Mt Crested Butte, CO 81225  
carlosv@mtcrestedbutte-co.gov  
(970) 349-6632 (970)-349-6326 (fax)



**January 20, 2015**

**Work Session**

**Consent Agenda**

Approval of January 5, 2015 Regular Town Council Meeting Minutes

**Public Hearing**

**New Business**

**February 2, 2015**

**New Business**

Discussion on Budget Reserve Policy

**Future Worksession Items:**

1. Cemetery Committee (Update and planning future work)
2. Camping @ Town Ranch (allow? Not allow? Allow camping in other places?)
3. BLM and OBJ Campground/Seasonal Housing Shortage (this could be combined with others – especially the Affordable Housing item at the bottom of this list)
4. CBMBA and Trail priorities/signage (basically – what is the future plan for new trails/existing trail completion in the valley? What should be our priorities as a Council?)
5. Perimeter Trail – Update, timelines, costs, what does this look like when finished
6. Land Trust and Town Preservation Priorities – basically a joint planning/discussion with the CBLT (maybe in Exec Session if they would like) to confer on the priority parcels identified by the CBLT and the priorities of the Town (for planning future open space acquisitions). Maybe even a discussion about purchasing trail easements.

7. Elk Avenue Rule Set re: Private Clubs – the whole “private clubs on Elk Avenue” concern that was raised when Irwin obtained a private liquor license for the Scarp Ridge Lodge.
8. What do we want to become? – or said differently, follow-up planning process for the Whatever USA
9. Affordable Housing/Density/Workforce – Blk 79/80 – Discussion of the question “how do we deal with the shortage of employees from the 2014 summer? What should we expect in 2015 and how will we address another shortage?”



# LAW OF THE ROCKIES

**Members**  
Marcus J. Lock  
Rufus O. Wilderson  
Jacob A. With  
Kendall K. Burgemeister

**Of Counsel**  
John R. Hill, Jr.

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525 N. Main Street, Gunnison, CO 81230 | 970.641.1903  
lawoftherockies.com | Fax: 970.641.1943

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December 23, 2014

**VIA UNITED STATES MAIL AND ELECTRONIC MAIL**

**Re: *End of the year Newsletter***

Greetings Dear Clients, Colleagues, and Friends,

Seasonal salutations to you! We hope this finds you in good health and spirits. As 2014 draws to a close, we would like to take this moment to say thank you and send our best wishes to you and your families.

Over the past six years, Law of the Rockies has steadily established itself as one of the preeminent law firms on the Western Slope of Colorado. We attribute our success in large part to you: our clients, colleagues, and friends. So, first and foremost, thank you for all of your support.

Second, we wanted to take a moment of your time to update you on some recent developments about our lawyers.

**Marcus Lock**

In 2015, Marcus will take over the reins from Rufus Wilderson as the Firm's Managing Member. In this role, Marcus intends to ensure that the Firm continues its mission of providing its clients with exceptional, yet affordable, legal services.

The past couple of years have been very busy for Marcus. In 2014, Law Week Colorado named Marcus as a Lawyer of the Year, and Colorado Super Lawyers Magazine recognized him as one of the top young lawyers in Colorado. In 2013, he both co-chaired CLE International's 4th Annual Conference on Water Transfers, and was awarded the Colorado Lawyers Committee's Special Recognition Award for his advocacy on behalf of the mentally ill. Marcus also continues to serve on the Colorado Supreme Court's Pattern Civil Jury Instructions Committee.

Marcus's busy litigation practice spans the state and includes everything from simple business and real estate disputes to water matters, construction defect litigation, complex commercial litigation, and constitutional litigation in Colorado's state and federal courts. In addition, Marcus continues to represent clients in land use and development matters and in commercial, residential, and agricultural real estate transactions. Finally, Marcus is privileged to serve as general counsel for multiple Gunnison Valley businesses. If you have any questions about the Firm or have ideas, comments, questions, or

concerns about our practice, please do not hesitate to give Marcus a call; he loves discussing his vision for the Firm with anyone willing to listen.

Rufus Wilderson

Rufus's practice continues to include both litigation and transactions in a wide variety of matters across the state. His transaction practice in the past few years has included representing clients in matters concerning the acquisition, leasing and/or development of commercial, residential, and ranching properties not only on the Western Slope but also in Denver, Boulder, and El Paso Counties. His litigation practice encompasses matters large and small involving commercial disputes, quiet title issues, construction defects, land use conflicts, and water usage. In addition to his busy practice, Rufus serves on the Board of Supervisors for the Gunnison Conservation District and serves as Gunnison County's representative on the Gunnison Basin HB1177 Roundtable. Rufus is happy to discuss any questions you have about the Firm, the practice of law, or your particular legal issues.

John Hill

Law of the Rockies is truly fortunate to have John, who continues to serve in an of counsel capacity. Given his many years of experience representing the United States of America, and his vast knowledge of water law, not only is John a valuable resource to our clients, he is an incredible mentor to us as well. John is still actively accepting new clients, and provides advice concerning both state and federal water issues.

Jacob With

Over the past few years, Jacob and Marcus have been working together to provide comprehensive representation and advice concerning common interest communities. They advise numerous homeowners associations, both large and small, as well as HOA members, about the Colorado Common Interest Ownership Act, internal governance, HOA/member interactions, and liability and insurance issues. In addition to representing a number of HOAs and HOA members, Jacob continues to develop a sophisticated practice focused primarily on real estate and related litigation as well as estate planning and probate. In 2014, Jacob assisted clients located inside and outside of the Gunnison Valley with millions of dollars of real estate transactions, and he has successfully represented numerous clients in a variety of disputes regarding foreclosures, easements, construction defects, breaches of purchase contracts, and other business disputes.

Jacob has represented a number of personal representatives and trustees in handling estates and trusts of various sizes. In an effort to deliver affordable estate planning for the middle class, Jacob provided a second annual estate planning clinic with the assistance of Gunnison County Senior Resources. In 2014, at a presentation provided by Gunnison Valley Health, Jacob served as a member of a panel of experts discussing the practical side of elder care in the Gunnison Valley. Recognizing that caring for an elderly or disabled loved one can be both emotionally and legally challenging, Jacob finds a deep sense of fulfillment in overcoming legal obstacles on behalf of caregivers, conservators, and guardians so that they can focus on their loved ones. Jacob intends to continue providing free seminars and education regarding estate planning and elder law in 2015 with multiple presentations and panel discussions as well as a third annual estate planning event. Outside of his legal practice, Jacob serves as a board member for the Community Foundation of the Gunnison Valley and Gunnison Rotary.

Kendall Burgemeister

Kendall continued to develop a diversified practice, focused primarily on real estate, water, small business, and local government matters. Kendall has represented clients in water matters in the Colorado, Gunnison, Arkansas, and Rio Grande basins. Kendall has also represented buyers and sellers in numerous multi-million dollar real estate transactions. Kendall provides comprehensive counsel on various title, mineral rights, water rights, and other due diligence matters. Early in 2014, Kendall also began serving as a board member and treasurer for Gunnison Valley Mentors.

The Law Offices of Michael D. Vaughn

Lastly, we are pleased to announce our affiliation with the Law Offices of Michael D. Vaughn of Delta, Colorado. This new connection is a great opportunity for Law of the Rockies, as we are not only expanding our presence in the North Fork Valley and Delta County, but we now have the ability to provide assistance in Criminal Law (including DUI and DWAD), Divorce, Child Custody, and Bankruptcy. Prior to relocating to the Western Slope of Colorado, Michael spent 8 years of serving our country in the United States Air Force as a Judge Advocate General and as a Special Assistant United States Attorney in Colorado, Texas, and Wyoming.

In summary, 2014 was an important year for Law of the Rockies, and we are pleased to share some of our achievements with you. In addition, we are excited about the future, and we believe that our combination of experience, creativity, and intellect are the key ingredients to the Firm's continued success. As always, we intend to be aggressive in protecting our clients' interests, but sophisticated and nuanced in our approach to achieving our clients' goals.

We are grateful to live in, work in, and support this unique and special place called the Gunnison Valley. Once again, thank you, and we wish you all the best in the coming year!

Yours very truly,

Marcus Lock  
Rufus Wilderson  
John Hill  
Jacob With  
Kendall Burgemeister